

# **EAPN ASSESSMENT OF THE 2020 COUNTRY-SPECIFIC RECOMMENDATIONS**

## ***Annex – Country-Specific Analysis***

**JUNE 2020**

## EAPN 2020 Country-Specific Recommendations Assessment Table

*Text in bold: denotes potentially positive recommendations contributing to poverty target*

	MACROECONOMICS / TAXATION/HEALTH/PENSIONS/ENVIRONMENT	EMPLOYMENT / EDUCATION	POVERTY / SOCIAL INCLUSION
<a href="#">Austria</a> 4 CSRs	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Improve the resilience of the health system by strengthening public health and primary care.</b></p> <p><b>CSR 3:</b> Ensure an effective implementation of liquidity and support measures, in particular for small and medium-sized enterprises, and reduce the administrative and regulatory burden. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on innovation, sustainable transport, clean and efficient production and use of energy.</p> <p><b>CSR 4:</b> Make the tax mix more efficient and <b>more supportive to inclusive and sustainable growth.</b></p>	<p><b>CSR 2:</b> Ensure equal access to education and increased digital learning.</p>	



## COMMENTS

There is no 'poverty CSR' as such, and no reference to 'poverty'. Social rights and the SDGs are only mentioned in the framing at the beginning and end.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic. However, concerns are raised regarding the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing and social protection. However, it does not focus specifically on the needs of the vulnerable, particularly those who are not in work. EAPN welcomes the recommendation to strengthen the resilience of the healthcare system and the reference to a lack of healthcare staff and the strong reliance of Austria's long-term care services on (female) migrant workers, but deplores that the proposals made to address these challenges in the Preamble focus on the cost- efficiency of public procurement and generic medicines and on deficits in addressing the structural and fiscal challenges faced by the long-term care system instead of calling for investment in accessible and affordable health and long-term care services and the improvement of working and pay conditions for the workforce in health and social services.

**CSR 2** calls upon the national and regional governments and public authorities to take measures to ensure equal access to education. This is welcome as Austria is one of the countries where a weak socio-economic and migrant background most strongly negatively impacts educational outcomes and educational attainment which may be exacerbated as a consequence of the COVID19 pandemic. However, this assessment is not underpinned by concrete recommendations for inclusive education and training systems. EAPN supports the analysis that disadvantaged students, including learners with disabilities, suffer particularly in circumstances that require distance learning, but the need for investment in and additional measures to overcome digital gaps of access to education for children from more vulnerable and poorer households is not explicitly mentioned. In the Preamble a welcome reference is made to lack of income protection for vulnerable groups during the COVID-19 crisis that may require additional measures. However, the existing conditions with regard to poverty are not referenced, nor has any CSR been drawn up requiring increased income support and coverage for all groups, regardless of employment status. The same holds true for above-average risks of poverty for the unemployed, in particular the young and long-term unemployed, nonstandard workers and foreign-born people, rightly highlighted in the Preamble, but not further addressed in CSR 2.

**CSR 3** emphasizes the need to support businesses, including increasing liquidity, driving forward on already-planned public investment projects, and striving for increased private investment in green growth and transition, particularly in the areas of digital transformation, transport, and energy. However, there is no poverty/social impact analysis to demonstrate how it can be ensured that these measures do not impact negatively on the poor and that they benefit, particularly in the area of e-inclusion, from affordable public transport, action against energy poverty, support for energy-efficient measures and decent housing without passing on the costs, particularly with respect to social housing.

**CSR 4** focuses on tax, and positively supports more inclusive and sustainable taxation. However, while the requirement for a more effective wealth tax contained in the Preamble is welcome, the main focus on increasing 'consumption' (alcohol, energy, CO2 taxes) runs the risk of being regressive without any safeguards to ensure that the main burden falls on the wealthy and large corporations and that the poor do not pay. There is no requirement to strengthen tax collection, evasion or avoidance or progressivity measures.

## What's missing

Lack of a focus on Poverty, or an integrated poverty strategy. EAPN AT highlighted the need for a human rights-based approach to prevent people from falling into poverty, including families with a low socioeconomic and/or migrant background, addressing the gender pay and pension gap and promoting affordable housing, none of which are included in the 2020 CSRs. It is a pity that the call to improve childcare services – even though mainly focusing on their function of boosting (female) employment and putting less emphasis on inequalities in access and treatment of children, a rights-based approach and sufficient funding included in the CSRs – has been dropped. And this is even more unfortunate as the Preamble, fully in line with EAPN AT and EAPN, stresses that a recovery strategy that improves access to inclusive, good-quality early childhood education and care, which have been shown to redress social disadvantages, would produce socioeconomic benefits in the medium and long term.

### [Belgium](#)

3 CSRs

**CSR 1:** In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. **Reinforce the overall resilience of the health system and ensure the supply of critical medical products.**

**CSR 3:** Ensure effective implementation of the measures to provide liquidity to assist small and medium-sized enterprises and the self-employed and improve the business environment. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on infrastructure for sustainable transport, clean and efficient production and use of energy, digital infrastructure, such as 5G and Gigabit Networks, and research and innovation.

**CSR 2:** Mitigate the employment and social impact of the crisis, notably by promoting effective active labour market measures and fostering skills development.

## COMMENTS

As last year, there is no 'poverty CSR' or any mention of poverty, social rights or the SDGs.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised regarding the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. It does not focus specifically on the needs of the vulnerable, particularly those who are not in work or outside stable employment. The Preamble focuses on support to companies and refers to the possibility of deferring or exempting social security contributions and tax payments, such as value-added tax, and corporate and personal income taxes. However, this needs to be balanced with ensuring that sufficient tax revenue to support social protection and welfare during and after the COVID impact. In the Preamble, the focus is placed on 'reducing (the) complexity' of tax systems, but without specifying inclusiveness/supporting progressivity; reference is made to the high 'tax wedge' for all but the lowest earners i.e. failing to support highly progressive income tax to finance the welfare state. EAPN welcomes the recommendation to strengthen the resilience of the healthcare system and the references to both the structural shortage of qualified health care staff and the need to ensure the availability of sufficient medical products, including protective equipment, in order to ensure safe working conditions. The same holds true for the emphasis on prevention in the public healthcare strategy and the improved integration of health and long-term care policies. Recalling that such a "reorientation" of health and long-term care policies should be operated in line with public service principles and a rights-based approach – ensuring the right to accessible, affordable and good quality healthcare for everybody in line with EPSR Principles 16, 17 and 20 – a call for public investment would have made the recommendation stronger.

**CSR 2** importantly requires the mitigation of the economic and social impact. However, the focus is placed entirely on employment, rather than on protecting all social rights and people's living standards – particularly as regards social inclusion, social protection and access to key public and essential services. EAPN welcomes the emphasis on the need to increase adult participation in education and training and the concern shown regarding the fact that the existing training incentives schemes do not reach those that would benefit the most, such as the low-skilled, older workers and people with a migrant background. Positive concern is also shown with regard to providing additional support for low-skilled workers, migrants, people with disabilities, but no mention is made of other key groups, particularly women and single parents, or ethnic minorities e.g. Roma, nor is it made clear how this support will be given. Both access to housing and support to the homeless are not mentioned.

**CSR 3** supports small and medium-sized enterprises and the self-employed, particularly with regard to improving liquidity, supporting public investment projects and private investment in green recovery – particularly on sustainable transport, energy, digital infrastructure. However, no reference is made to ensuring the poor benefit and do not pay, e.g. through sustainable, affordable public transport, energy efficiency measures to benefit low-income households, without passing on the costs, particularly in social housing, or e-inclusion measures. No support is given for much-needed public investment in social infrastructure, particularly social protection/minimum income.

## What's missing

There is no focus on poverty, EPSR or SDGs. EAPN Belgium called for positive action to remove barriers to the labour market for people facing poverty, which objective is partly met. However, there is no reference to positive, supportive activation measures without conditionality to combat measures penalising those on benefits who fail to access jobs, and there are no proposals to expand the social economy. BAPN stressed the urgent need to increase the Minimum Income above the poverty line and ensure accessibility, highlighting the key role of income support and social security systems in the COVID-19 Crisis. However, no reference whatsoever is made to the minimum income or the social protection system. Education is also left out from the CSRs and narrowly focused in the Preamble on the lack of adequate equipment and internet connections for distance learning and related teacher training, on skills mismatches and labour market relevance of education, without any consideration given to quality and accessibility of education even though the risk of exacerbated inequalities in the education system due to the crisis, leading to gaps in educational outcomes due to socio-economic and migration background, is rightly emphasised.

<a href="#">Bulgaria</a> 4 CSRs "Poverty" CSR	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Mobilise adequate financial resources to strengthen the resilience, accessibility and capacity of the health system, and ensure a balanced geographical distribution of health workers.</b></p> <p><b>CSR 3:</b> Streamline and accelerate the procedures to provide effective support to small and medium-sized enterprises and self-employed, also ensuring their continued access to finance and flexible payment arrangements. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and</p>	<p><b>CSR 2...</b> strengthen active labour market policies. <b>Improve</b> access to distance working and promote digital skills and <b>equal access to education...</b></p>	<p><b>CSR 2: Ensure adequate social protection and essential services for all</b> and strengthen active labour market policies. <b>Improve</b> access to distance working and promote digital skills and <b>equal access to education. Address the shortcomings in the adequacy of the minimum income scheme.</b></p>
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	<p>use of energy and resources, environmental infrastructure and sustainable transport, contributing to a progressive decarbonisation of the economy, including in the coal regions.</p> <p><b>CSR 4:</b> Minimise administrative burden to companies by improving the effectiveness of public administration and reinforcing digital government. Ensure an effective functioning of the insolvency framework. Step up the efforts to ensure adequate risk assessment, mitigation, effective supervision and enforcement of the anti-money laundering framework.</p>		
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## COMMENTS

Bulgaria receives a ‘poverty CSR’ that references social infrastructures, but there is little mention of the EPSR or SDGs.

**CSR1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. It also does not focus specifically on the needs of the vulnerable, particularly those who are not in work or outside stable employment. EAPN strongly welcomes the more differentiated recommendations for Bulgaria aimed not only at strengthening the resilience of the healthcare system, but also mobilising adequate financial resources to strengthen its accessibility and capacity, and in parallel also addressing growing regional disparities in view of the geographical distribution of health workers which indirectly also implies staff shortages in rural areas. It combines adequate analysis with the appropriate recipe for success, supported by the text in the Preamble highlighting the additional problems of limited health insurance coverage, the low number of nurses and the need to better integrate primary, long-term and community care which would in particular support the elderly and the most vulnerable groups.

**CSR 2** importantly addresses poverty/social rights directly: addressing the adequacy of social protection and access to services for all, as well as improving the adequacy of minimum income, addressing shortcomings. The Preamble correctly addresses existing high levels of poverty and inequality, and the low effectiveness of tax/benefit systems in reducing both of them, and the need to address this gap, in particular raising the minimum income which is one of the least adequate in the EU, lifting people out of poverty, and addressing gaps in social protection particularly for non-standard workers, the self-employed, and low-income householders. It addresses the need for adequate social services, emergency housing and support for the homeless, as well as access to essential services including mediation for Roma households. However, these are not specified in the CSRs. The gender equality/pay and pension gap is also not mentioned. Whereas the Preamble highlights the significant impact of the crisis on workers in informal employment (as they only have limited access to health services and social protection) and suggests specific measures to prevent them and other vulnerable groups

from falling deeper into poverty and to improve their livelihoods, this welcome targeted support is not reprised in the generic CSR 2. There is positive reference to the clear need to improve the quality, labour market relevance and inclusiveness of education and training and to reinforce digital skills, but an explicit reference to Roma as one key group, as well as the high early school dropout rates among them, would have increased the coherence with the correct analysis in the Preamble.

**CSR 3** combines support to businesses, including increasing liquidity, driving forward on already-planned mature public investment projects and increasing private investment in green growth and transition, particularly on digital transformation, transport, and energy. However, it is lacking a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit, particularly in the areas of e-inclusion, affordable public transport, action against energy poverty, support to energy efficient measures and decent housing, particularly social housing, without the costs being passed on to low income households

CSR 4: Focuses on reducing the administrative burden and digital government, as well as on enforcing the money-laundering framework but lacks a focus on digital inclusion.

### What's missing

**The focus on poverty, specific groups and the call for strengthening the adequacy of minimum income, and social protection is strongly welcomed. However, a CSR is needed to address the low collection and regressivity of the tax system, to reduce inequality and adequately finance welfare states with an effective tax/benefit system. The Preamble also rightly highlights the need for a social services reform and better cooperation with health services to better support those needing long-term care and people with disabilities. However, a corresponding CSR is lacking, as is also the case for reducing barriers of access due to high out-of-pocket payments.**

<a href="#">Croatia</a> 4 CSRs “Poverty” CSR	<b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Enhance the resilience of the health system. Promote balanced geographical distribution of health workers and facilities,</b> closer cooperation between all levels of administration and investments in e-health.	... <b>CSR 2:</b> Strengthen labour market measures and institutions and <b>improve the adequacy of unemployment benefits ....</b> Promote the acquisition of skills.	<b>CSR 2:</b> Strengthen labour market measures and institutions and <b>improve the adequacy of unemployment benefits and minimum income schemes.</b> Increase access to digital infrastructure and services. Promote the acquisition of skills.
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	<p><b>CSR 3:</b> Maintain measures to provide liquidity to small and medium-sized enterprises and the self-employed. Further reduce parafiscal charges and restrictions in goods and services market regulation. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on environmental infrastructure, sustainable urban and rail transport, clean and efficient production and use of energy and highspeed broadband.</p> <p><b>CSR 4:</b> Reinforce the capacity and efficiency of the public administration to design and implement public projects and policies at central and local levels. Improve the efficiency of the judicial system.</p>		
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## COMMENTS

**Croatia receives a ‘poverty CSR’, but the EPSR or SDGs are not mainstreamed in the text. Poverty is mentioned in relation to the inadequacy of benefits.**

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. This section does not focus specifically on the needs of the vulnerable, particularly those who are not in work or outside stable employment. EAPN welcomes the recommendation to strengthen the resilience of the healthcare system and in parallel to also address growing regional disparities in view of the geographical distribution of health workers which indirectly also implies staff shortages in the rural areas, as also spelled out in the Preamble. An additional focus in the CSRs is on barriers to access to health care and the problem of unmet medical needs due to distance, as Croatia has one of the highest shares in the EU, would have been essential to help drive government action accordingly.

**CSR 2** recommends the improvement of the adequacy of minimum income schemes and of the unemployment benefit which is rightly characterised as not providing a safety net as both the coverage of the scheme and the adequacy of the benefits are very low. The Preamble clarifies the low level of benefits and their ineffectiveness in reducing poverty, particularly with respect to territorial disparities and risk factors related to age, gender and disability. This in line with the EAPN HR recommendations. It also refers to access to digital infrastructure, and clarifies in the Preamble the barriers to e-inclusion created by low quality of internet and broadband service, and low access, limiting access for teleworking or study for vulnerable groups; however, the barriers to use of online public services and social protection services should also be highlighted. The “invitation” to increase participation in active labour market policy, also underpinned by evidence in the Preamble, is positive, if such measures are developed and rolled out in line with an integrated active inclusion based on case-management approaches and personalised planning. EAPN also supports the recommendation to improve the quality of the public employment service, e.g. in supporting the acquisition of appropriate skills (including digital skills) and to more effectively reach out towards the inactive population and fight undeclared work, however, with the same proviso as above. EAPN welcomes the reference in the Preamble to the need to improve both quality and inclusiveness of the education and training system at all levels – without, however, mentioning, as in 2019, that socio-economic differences are an important determinant of educational attainment in Croatia – as this clearly indicates where the focus of government action should be placed.

**CSR 3** combines support to businesses, including increasing liquidity, driving forward on already-planned mature public investment projects and increasing private investment in green growth and transition, particularly on digital transformation, transport, and energy. However, there is a lack of a poverty/social impact analysis on how to ensure that these measures do not impact negatively on the poor and that they benefit, except in the area of e-inclusion, i.e. affordable public transport, action against energy poverty, support for energy efficient measures and decent housing, particularly social housing, without the costs being passed on to low income households.

**CSR 4** supports increasing the capacity and efficiency of public administration at central and local level including the judiciary, which is welcome and in line with EAPN HR.

### What’s missing

**EAPN Croatia highlights the need for structural reform to ensure minimum social standards to avoid regional disparities and to ensure more effectiveness in income support and social protection systems, specifically highlighting the low level of benefits and coverage. They further underline the need to reduce the territorial fragmentation of public administration, the capacity to design and implement public policies and to introduce harmonized wage-setting with social partners. Most of these proposals are somewhat reflected in the CSRs.**

<a href="#">Cyprus</a> 4 CSRs “Poverty” CSR	<b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing	<b>...CSR 2 Strengthen public employment services, promote flexible working arrangements and improve labour market relevance of education and training.</b>	<b>CSR 2: Provide adequate income replacement and access to social protection for all.</b>
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	<p>investment. <b>Strengthen the resilience and capacity of the health system to ensure quality and affordable services, including by improving health workers' working conditions.</b></p> <p><b>CSR 3:</b> Secure adequate access to finance and liquidity, especially for small and medium-sized enterprises. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, waste and water management, sustainable transport, digitalisation, research and innovation.</p> <p><b>CSR 4:</b> Step up action to address features of the tax system that facilitate aggressive tax planning by individuals and multinationals. Improve the efficiency and digitalisation of the judicial system and the public sector.</p>		
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## COMMENTS

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised regarding the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. This section does not focus specifically on the needs of the vulnerable, particularly those who are not in work or outside stable employment. EAPN welcomes the recommendation to strengthen the resilience of the healthcare system, not least by improving the working conditions of health workers, addressing staff shortages, and by implementing regulations to guarantee affordable quality healthcare. These recommendations would have gained by specifying that these improvements should be operated in line with public service principles and a rights-based approach – ensuring the right to accessible, affordable and good quality care for everybody in line with EPSR Principles 16, 17 and 20 – and that additional fiscal space is needed to deliver the related public investments. The Preamble, however, contains elements to help orient the reforms by mentioning the need to move towards improved access to primary care services, appropriate guidance and treatments based on clinical protocols, and a healthcare system offering universal entitlement to affordable health services against the backdrop of comparably high shares of out-of-pocket payments. The correct assessment made in the Preamble of an urgent need to invest in quality long-term care services (and their expansion) to ensure their continued provision and efficiency should, however, also have been reflected in CSR 1.

**CSR 2** recommends improvements in adequate income, in relation to income replacement and social protection systems. The Preamble importantly stresses the need to mitigate social impacts and to support household income, strengthening the overall social protection systems and the coverage gaps, i.e. those who fall out of the system, to prevent increases in poverty and inequality, particularly for the most vulnerable, including children, inactive people, undeclared workers and migrants. However, the low levels are not addressed, nor is any mention made of the gender gap or the issue of the lack of childcare services to support increased teleworking, or access to essential services, including affordable housing. CSR 2 provides useful guidance to improve the quality and effectiveness of the public employment services, when read together with the Preamble, specifying the need to better support newly-unemployed persons and other vulnerable groups (NEETs, long-term unemployed and persons with disabilities) and the transition from education and training into quality employment, again with a focus on groups with specific needs or vulnerabilities. Whereas the Preamble highlights the need to raise participation in adult learning and to address low educational attainment rates, the CSR narrowly focuses only on the labour market relevance of education and training.

**CSR 3** combines support to businesses, including increasing liquidity, driving forward on already-planned mature public investment projects and increasing private investment in green growth and transition, particularly on digital transformation, transport, and energy. However, there is no poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit, except in the area of e-inclusion where some proposals are made in the Preamble regarding improving access to infrastructure and internet to support e-learning and teleworking. More focus should be placed on affordable public transport, action against energy poverty, support for energy efficient measures and decent housing, particularly social housing, without passing on the costs to low income households.

**CSR 4** addresses action to prevent ‘aggressive tax planning by individuals and multinationals’, reinforcing last year’s CSR on tax evasion. However, it fails to address the promotion of increased tax progressivity, including through income, wealth, property, corporation, and inheritance taxes. Improving the efficiency and digitalisation of the judicial system and public sector could be positive, however more awareness could be raised with regard to the current e-inclusion barriers that are increasing inequality in fairness of judicial treatment.

#### **What’s missing**

**A stronger focus on redistribution measures is needed, i.e. supporting all groups in accessing all public and essential services, including housing, and improving the progressivity of tax systems. Other key gaps include tackling barriers for all groups at risk of poverty, including women, focusing on the need to close the gender pay/pension, and access to care and other services. Whereas the Preamble mentions the need to improve the integration of healthcare with long-term care and primary and community care to address demographic challenges and to support the most vulnerable, including people with disabilities, these issues are not included in the CSRs.**

<p><a href="#">Czech Republic</a> 3 CSRs</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Ensure the resilience of the health system, strengthen the availability of health workers, primary care and the integration of care,</b> and deployment of e-health services.</p> <p><b>CSR 3:</b> Support small and medium-sized enterprises by making greater use of financial instruments to ensure liquidity support, reducing the administrative burden and improving e-government. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on high-capacity digital infrastructure and technologies, clean and efficient production and use of energy, and sustainable transport infrastructure, including in the coal regions. Ensure access to finance for innovative firms and improve public-private cooperation in research and development.</p>	<p><b>CSR 2: Support employment through active labour market policies, the provision of skills, including digital skills, and access to digital learning.</b></p>	
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## COMMENTS

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. This section does not focus specifically on the needs of the vulnerable, particularly those who are not in work or outside stable employment, nor on the need for long-term investment in public services and social protection systems. EAPN welcomes the recommendation to strengthen the resilience of the healthcare system, to tackle the shortage of qualified health care staff – which, in the light of the upcoming retirement of a high share of



health workers, also implies investment in recruitment and training – and to also address growing regional disparities in view of the geographical distribution of health workers. It is also positive that the need to give equal access to increased provision of primary care and to better link health with care services, also for the purpose of reducing the number of avoidable hospitalisations, is flagged up. The need to pursue a social investment approach to make progress towards these objectives could also have been highlighted.

**CSR 2:** The Preamble positively emphasises deficits with respect to investments in childcare and long-term care (coupled with flexible working arrangements) which could become one element of the COVID19 exit strategy. It also rightly recalls the urgent need to improve access to affordable childcare (though not mentioning its qualitative and rights-based aspects); the two latter aspects are not included in the CSRs. Regarding education and against the backdrop of persistent socioeconomic inequalities and low investment, we have noted the positive reference in the Preamble to improving the quality and inclusiveness of education and training systems (including digital skills), although this last aspect alone too strongly dominates the CSR. Recalling in the Preamble the need for public employment services to improve their outreach actions for re-entry into the labour market for vulnerable groups and the need to link these measures with faster access to social protection to avoid poverty traps and housing evictions is important in order to clearly outline the focus of active labour market policies, although an integrated active inclusion approach and personalised pathways are not explicitly mentioned.

**CSR 3** combines support to businesses, including increasing liquidity, driving forward on already-planned mature public investment projects and increase private investment in green growth and transition, particularly on digital transformation, transport, and energy. However, it is lacking a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit, except in the area of e-inclusion where it acknowledges that delay in the infrastructure can negatively affect vulnerable groups and structurally weak regions, while at the same time urging expansion of digital public services which could increase inequality in access to/take up of services. More focus should be placed on affordable public transport, action against energy poverty, support for energy efficient measures and decent housing, particularly social housing, without passing on the costs to low income households. A stronger focus is needed on 'social investment' in universal public and essential services and social protection systems.

### **What's missing**

**EAPN CZ makes recommendations in 3 areas: 1) Social and Affordable Housing:** the need to adopt a comprehensive legislative framework addressing this issue (see the Act on Social and Affordable Housing); affordable housing has proven to be crucial for the successful resolution of subsequent socio-economic difficulties. **2) Workers' poverty:** the need to strive for a continual increase in the minimum wage, as currently it is just above the income poverty line. **3) Over-indebtedness:** the need to verify how the latest measures have proved their worth (insolvency amendment in mid-2019); In addition, there is a need to ensure greater access to debt relief so that people do not stay in the grey economy area for a long time. None of these recommendations are explicitly dealt with.

<a href="#">Denmark</a> 3 CSR	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Enhance the resilience of the health system, including by ensuring sufficient critical medical products and addressing the shortage of health workers.</b></p> <p><b>CSR 2:</b> Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, sustainable transport as well as research and innovation. Support an integrated innovation strategy with a broader investment base.</p> <p><b>CSR 3:</b> Improve the effectiveness of anti-money laundering supervision and effectively enforce the anti-money laundering framework.</p>		
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## COMMENTS

**There is no Poverty or Social Rights CSR, nor any mention of the SDGs or EPSR.**

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. This section does not focus specifically on the needs of the vulnerable, particularly those who are not in work or outside stable employment, nor on the need for long-term investment in public services and social protection systems. The Preamble does, however, highlight that the crisis measures failed to prevent marked increases in unemployment and to protect those at risk of poverty amongst vulnerable groups including people

with disabilities. However, it does not mention other at-risk groups including migrants, the homeless, and women and children in low income families. Nor does it mention ensuring the adequacy of and access for all to social protection systems and universal public and essential services, particularly affordable housing. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified health care staff (which, according to the Preamble, is particularly noticeable among specialised doctors and nurses in e.g. intensive care).

**CSR 2** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and transition, particularly on digital transformation, transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. More focus should be placed on affordable public transport, action against energy poverty, support for energy efficient measures and decent, affordable housing, particularly social housing, without passing on the costs to low income households. A stronger focus is needed on ‘social investment’ in universal public and essential services and social protection systems.

**CSR 3** requires increased effectiveness in the supervision and implementation of anti-money laundering framework.

#### What’s missing

EAPN DK recommended 1) the need to recognize the challenges of poverty – especially the long-term effects of child poverty – and the need for monitoring the problem by re-introducing a poverty line. 2) promoting a human rights-based approach to combatting poverty and social exclusion and ensuring increased dignity in social services for excluded groups. This includes investment in social integration for excluded groups, such as people facing homelessness, refugees and those who cannot benefit from the strong labour market (i.e. people with disabilities or mental health problems), and an adequate social security system for all. 3) a stronger focus on health inequality, addressing the fact that income inequality is reflected in the health treatment received. This also includes solving the challenges involved in treating double diagnoses, which characterise some of the most vulnerable groups. Although the Preamble acknowledges that COVID-19 has increased poverty, these proposals are not explored. Contrary to previous years, the CSRs does not address education (although educational performance of children with a migrant background remains a challenge) or equal access for all disadvantaged groups to essential services, including housing.

<a href="#">Estonia</a> 4 CSRs “Poverty” CSR	<b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Improve the accessibility and resilience of the health system, including by</b>		<b>CSR 2:</b> Strengthen the adequacy of the social safety net, including by broadening the coverage of unemployment benefits.
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	<p><b>addressing the shortages of health workers, strengthening primary care and ensuring the supply of critical medical products.</b></p> <p><b>CSR 3:</b> Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on digitalisation of companies, research and innovation, clean and efficient production and use of energy, resource efficiency, and sustainable transport, contributing to a progressive decarbonisation of the economy. Support the innovation capacity of small and medium-sized enterprises, and ensure sufficient access to finance</p> <p><b>CSR 4:</b> Step up efforts to ensure effective supervision and enforcement of the anti-money laundering framework.</p>		
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## COMMENTS

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. This section does not focus specifically on the needs of the vulnerable, particularly those who are not in work or outside stable employment, nor on the need for long-term investment in public services and social protection systems. EAPN welcomes the recommendation to strengthen the resilience of the healthcare system, to tackle the shortage of qualified health care staff – which also implies investment in recruitment and training – and to also address the strong urban-rural divide in relation to the availability of primary care and health workforce. Although the Preamble positively highlights that the COVID19 pandemic worsened difficulties in providing affordable and available social services - including long-term care services for the elderly, people with disabilities and for low-income earners - and called for measures to better integrate the provision of social and health services, also as one key element of an exit strategy, these issues were not tackled in the CSRs. The same holds true for the comparatively high shares of reported unmet needs, mainly due to long waiting times for both primary and specialist care, which also should be tackled to support a rights-based approach to health and social services and to overcome inequalities in access to such services.

**CSR 2** importantly calls for an improvement of the adequacy of the social safety net, including widening the coverage of unemployment benefit. This builds on previous CSRs. The Preamble recognises that this has been a long-standing problem for Estonia, with benefits being less effective in reducing poverty, with a need also to increase coverage of unemployment benefits for non-standard work. It recognises that poverty is likely to increase. However, it does not focus specifically on ensuring access to all to universal public and essential services, nor on the transition between adequate minimum income and social protection.

**CSR 3** requires support to businesses including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and transition, particularly on digital transformation, transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit, even in the area of e-inclusion. Greater focus should be placed on affordable public transport, action against energy poverty, support for energy efficient measures and decent housing, particularly social housing, without passing on the costs to low income households. A stronger focus is needed on 'social investment' in universal public and essential services and social protection systems, and the necessary financing through progressive tax systems.

#### What's missing

**A clear CSR for better designed tax/benefit systems as tools to reduce poverty and inequality, including through increasing tax collection, and increasing the progressivity of tax systems, would be welcomed. Although the Preamble rightly highlights that the pandemic worsened difficulties in providing affordable and available social services, not least for the elderly, people with disabilities and for low-income earners, the CSRs remain silent on this persistent challenge and the need for public investment.**

<a href="#">Finland</a> 4 CSRs	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Address shortages of health workers to strengthen the resilience of the health system and improve access to social and health services.</b></p> <p><b>CSR 3:</b> Take measures to provide liquidity to the real economy, in particular to small and medium-sized enterprises. Front-load mature public investment projects and promote private</p>	<p><b>CSR 2: Strengthen measures to support employment and bolster active labour market policies.</b></p>	
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	investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, sustainable and efficient infrastructure as well as research and innovation.		
	<b>CSR 4:</b> Ensure effective supervision and enforcement of the anti-money laundering framework.		

## COMMENTS

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. This section does not focus specifically on the needs of the vulnerable and on ensuring an adequate income for all, nor on the need for long-term investment in public services and social protection systems. It does however raise doubts about the sustainability of public finances because of the impact of an ageing population. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified health care staff as well as the uneven density of health workers across the country. With regard to reducing social inequalities, it is positive that CSR 1 includes the assessment of unequal access to social and primary healthcare services particularly affecting the unemployed and retired people as well as persons with disabilities. This is in line with the assessment and requests of EAPN FI, calling for the social and healthcare reform to be pursued in a way that “ensures effective operating conditions and equality of services, the realisation of fundamental rights and access to quality services for all, in a way that reduces health and wellbeing inequalities”.

**CSR 2:** The Preamble addresses the need to support groups at risk of poverty and social exclusion, such as the low-skilled, persons with disabilities, people with partial work ability and people with a migrant background, but solely through measures aimed at improving access to the labour market, rather than integrated active inclusion including income support and access to affordable services. The issue of ensuring equal rights to access services across all regions is not addressed. The Preamble addresses ‘complex benefit systems’ being a barrier to work but does not further elucidate the matter. Although the Preamble (at least implicitly) suggests focusing on adults with low skills when pursuing a reform of continuous learning and ensuring that disadvantaged learners have access to quality digital education, this much needed orientation of policies is not reflected in the CSR. The “invitation” to strengthen measures to support employment is positive, but the CSR should have specified that this should be done in line with an integrated active inclusion based on case-management approaches and personalised planning. It is deplored that nothing is said in the CSR about the need to invest in child and youth welfare services and education to improve the wellbeing of children and young people, although the COVID19 pandemic had a big impact on their lives, with schools mostly closed and pupils placed in e-learning settings, in particular on children in poor families or on children and young people in families with mental or substance abuse problems and the higher risks of them being exposed to domestic violence.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and transition, particularly on digital transformation, transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. Although the digital divide is addressed, more focus could be given to affordable public transport, action against energy poverty, support for energy efficient measures and decent, affordable housing, particularly social housing without passing on the costs to low income households, as well as the importance of continued effective 'social investment' in universal public and essential services and social protection systems.

**CSR 4** requires increased effectiveness in the supervision and implementation of anti-money laundering framework.

**EAPN Finland's proposals for CSRs:**

1. During and after the coronavirus epidemic, ensure measures to help people to cope with everyday life, ensuring an adequate income for the most vulnerable groups: comprehensive basic social security, additional support to cover the extra costs due to the crisis and services to ease the social impact of the crisis.
2. There is a need to invest extensively in active labour market policy and to take measures to improve the labour market position of the long-term unemployed and people with partial ability to work/for employment.
3. The wellbeing of children and young people must be secured by ensuring the availability of resources for child protection, mental health services and support services for education at various school levels.
4. The social and healthcare reform must be done in a way that ensures effective operating conditions and equality of services, the realization of fundamental rights and access to quality services for all, in a way that reduces health and wellbeing inequalities.

These recommendations are partly addressed, with some focus on ensuring an adequate income, although insufficient focus on reinforcing social safety nets. Investing in child/youth protection and support, ensuring rights for all to adequate income and essential services, is not sufficiently developed.

France

4 CSRs

**CSR 1:** In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. **Strengthen the resilience of the health system by ensuring adequate supplies of critical medical products and a balanced distribution of health workers**, and by investing in e-Health.

**CSR 2:** Mitigate the employment and social impact of the crisis, including by promoting skills and active support for all jobseekers.

	<p><b>CSR 3:</b> Ensure the effective implementation of measures supporting the liquidity of firms, in particular for small and medium-sized enterprises. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on sustainable transport, clean and efficient production and use of energy, energy and digital infrastructures as well as research and innovation.</p> <p><b>CSR 4:</b> Continue to improve the regulatory environment, reduce administrative burdens for firms and simplify the tax system.</p>		
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#### COMMENTS

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. This section does not focus specifically on the needs of the vulnerable, does not mention poverty nor the need to ensure an adequate income for all nor investment in public services and social protection systems. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified healthcare staff as well as the uneven density of (certain categories of) health workers, in particular doctors, across the country. Although it is also positive that the need to ensure the availability of sufficient medical products, including protective equipment, in order to ensure safe working conditions is highlighted, no mention is made of the fact that substantial public investment is required in order to address and overcome these problems which have been made more visible by the COVID19 pandemic.

**CSR 2** encourages the government to take action to mitigate the social and economic effects of the crisis, primarily through a focus on re-skilling to access the job market. Pressure is exercised to ensure that all workers can access unemployment benefits regardless of employment status. However, those outside the labour market, or vulnerable groups and their need for increased income support to face increased costs, or to ensure equal access to services, are not addressed, e.g. the homeless, and the impact on migrants and ethnic minorities. The Preamble also highlights the comparatively very low transition rate from short-time to open-ended contracts which, together with the deficits outlined above, should serve as guidance when developing new measures or improving existing measures to “mitigate the employment and social impact of the crisis” called for by CSR 2.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. Although the need to increase digital skills in the wider population is addressed, the impact and challenges of e-inclusion are not. Greater focus could be placed on affordable public transport, action against energy poverty including support for energy efficient measures and decent, affordable housing (particularly social housing), without passing on the costs to low income households. No acknowledgment is given to the important role that universal public services and social protection systems have played in preventing poverty or increases in the current context, nor to the need for increased social investment particularly in social services.

**CSR 4** presses for increased deregulation of businesses and the simplification of the tax system (according to the OECD, France remains one of the countries with the highest levels of regulation), with the aim of increasing mobility and growth, although it does not stress the increased need for social standards in employment, and progressive tax systems to finance an effective welfare state.

#### What's missing

##### Recommendations by EAPN FR:

1. Ensure that macroeconomic policies promote social rights and poverty reduction.
2. Fight poverty and uphold social rights with an integrated rights-based strategy and a plan of action.
3. Implement policies for quality jobs that ensure that no one is excluded from such jobs.
4. Invest in access to universal, free and quality public education, lifelong learning and technical and vocational training.
5. Increase EU funds to finance actions supporting integrated poverty reduction strategies with civil society actors.
6. Support partnership with people living in poverty and drive social rights through regular and effective dialogue with people living in poverty and NGOs.

Generally, their recommendations were not implemented, despite a focus on reducing social impact and supporting access to the labour market. This is deplorable, not least in view of EAPN's request to strengthen the partnership principle and concretely the involvement of CSOs, to establish a meaningful dialogue with people experiencing poverty and social exclusion, and thereby also to improve the accountability of government legislation and policies. Measures to overcome the high segmentation of the French labour market, in which around 85% of new hires have been on temporary contracts in recent years, as well as the need to pursue a broader social inclusion and participation approach - focusing on access, quality, affordability, and inclusiveness of education systems - seem to have fallen from the agenda. EAPN FR also highlights that they lack a mention of the participation of people in poverty and NGOs, of a greater focus on education, and of the increase of inequalities during the crisis.

<a href="#">Germany</a> 2 CSRs	<b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving		
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	<p>prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Mobilise adequate resources and strengthen the resilience of the health system, including by deploying eHealth services.</b></p> <p><b>CSR 2:</b> Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on sustainable transport, clean, efficient and integrated energy systems, digital infrastructure and skills, housing, education and research and innovation. Improve digital public services across all levels and foster the digitalisation in small and medium-sized enterprises. Reduce the regulatory and administrative burden for businesses</p>		
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## COMMENTS

Germany only receives 2 CSRs. There is no mention of poverty, and no CSR on social rights. The SDGs and EPSR are only mentioned contextually.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. The issue of Germany's surplus is acknowledged but not addressed. This section does not focus specifically on the needs of the vulnerable, and does not mention poverty, nor the need to ensure an adequate income for all, nor the role of public services and social protection systems in preventing and tackling poverty. However, the Preamble acknowledges that increased access to minimum income has played a key role in supporting people who become unemployed and fall outside the social protection system, as have child benefits and protection against eviction. It states that Germany performs well in the EPSR but has gaps in coverage which will lead to reduced income for vulnerable groups, but there is no concrete CSR on this, which would have been necessary.

**CSR 2** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. In the area of energy transition, the Preamble highlights concerns raised by the German Federal Audit Officer regarding cost-effectiveness of the investment, rather than concerns with respect to addressing energy poverty, including support for energy



efficient measures without passing on the costs to low income households. The Preamble mentions affordable housing , highlighting the need for increased investment in supply of new flats, but not social housing.

#### What's missing

##### EAPN DE recommended:

1. The government should develop a holistic and comprehensive strategy to combat poverty in a sustainable way. The German government should use all three EU-AROE indicators for measuring poverty: income poverty, material deprivation, households with long-term unemployed persons.
2. The level of benefits (in the system of basic provisions for jobseekers and non-jobseekers) should be raised so people can live in dignity.
3. The minimum wage in Germany should be raised, and compliance with the general minimum legal wage should be better/much more often audited by the authorities.

As there is no 'Social Rights' CSR, none of EAPN DE's recommendations are addressed in the CSR. The Preamble partially acknowledges inadequacies in benefits. EAPN and EAPN DE also deplore that, compared to last year, the issue of affordable housing - even though it lacked an explicit call for an increase in social housing as a key means of increasing increase access for poorer households -, a key social challenge in Germany, is omitted. In addition, education was dropped from the agenda whereas, compared to the last years, there is no evidence that the effect of socio-economic background on educational outcomes and social mobility has diminished nor that the inclusiveness of education systems in line with a broader social inclusion approach has improved, creating persistent challenges in particular for migrant and refugee children.

<a href="#">Greece</a> 4 CSRs	<p><b>CSR 1:</b> Achieve a sustainable economic recovery and tackle the excessive macroeconomic imbalances by continuing and completing reforms in line with the post-programme commitments given at the Eurogroup of 22 June 2018.</p> <p><b>CSR 3:</b> Swiftly deploy measures to provide liquidity and continued flow of credit and other financing to the economy, focusing in particular on small and medium-sized enterprises most affected by crisis. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on safe and sustainable transport and logistics, clean and efficient production and use of energy,</p>	<p><b>CSR 2:</b> Mitigate the employment and social impacts of the crisis, including by implementing measures such as short-time work schemes and ensuring effective activation support.</p>	
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	<p>environmental infrastructure and very-high capacity digital infrastructure and skills. Improve the effectiveness and digitalisation of the public administration and promote digital transformation of businesses.</p> <p><b>CSR 4:</b> Continue and complete reforms in line with the post-programme commitments given at the Eurogroup of 22 June 2018 to restart a sustainable economic recovery, following the gradual easing up of constraints imposed due to the COVID-19 outbreak.</p>		
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## COMMENTS

There is no ‘poverty’ CSR, despite Greece being a country with one of the highest levels of risk of poverty, social exclusion and inequality. However, the Preamble mentions poverty, acknowledging children and working-age adults as the main at-risk age groups, and also mentions some important measures to address the issue. However, it fails to mention other groups such as ethnic minorities and homeless people.

**CSR 1:** Greece is one of the few countries to receive CSR 1 on reducing excessive macroeconomic deficits, being required to implement the reforms from the Eurogroup. This runs the risk of bringing pressure to reduce public spending and investment thus undermining an inclusive and sustainable recovery, particularly after austerity measures imposed by the Programme arrangements during the previous crisis continue to take their toll. This recommendation also jeopardises the ongoing implementation of the primary care reform to provide, as the first step, access to essential quality services and to implement a gatekeeping-based system for the whole population as the second step –all this after years of heavy cuts in health budgets and austerity-induced reductions of health workers and other essential services. Although the Preamble highlights the comparatively high shares of reported unmet needs (mentioning as reasons the recurrent practice of informal payments, the problem of inefficient hospital management as well as the lack of means-tested co-payments to exempt and thereby protect vulnerable groups) and presents them as real challenges, in particular to low-income households, the CSRs do not address this issue. They are silent about the need to improve the accessibility and affordability of healthcare in line with a rights-based approach and with the aim to structurally reduced inequalities in access to healthcare.

**CSR 2** requires an effective response to mitigate the social and economic impact, primarily through employment-related measures – supporting short-time working and activation, and lacks an integrated antipoverty strategy approach, although elements are highlighted. The Preamble firmly stresses the need to increase the adequacy of minimum income as well as to expand affordable housing to tackle in-work poverty and energy poverty, although there are few concrete proposals. In the area of housing, the proposal to expand mortgages for vulnerable households fails to address expanding affordable rented housing or increased investment in social housing. There is important and welcome support for comprehensive access to social services for all deprived and vulnerable groups including elderly persons needing long-term care services

(which currently are not sufficiently developed), people with disabilities, refugees, and asylum seekers. Recalling the need for public employment services to increase their capacity to provide continuous and individualised support to jobseekers, with attention mainly needed for young people and women, is most welcome. In this vein, integrated active inclusion based on case-management approaches and personalised planning should thus “guide” the roll-out of measures to ensure “effective activation support.

**CSR 3** requires increasing liquidity to businesses, driving forward on already-planned public investment projects and increasing private investment in green growth and just transition, particularly: digital transformation, transport and energy. However, in general, they do not include a poverty/social impact analysis to ensure that these measures do not impact negatively on the poor and that they benefit. In particular, there is a missed opportunity regarding ‘energy poverty’, increasing energy efficiency measures in affordable/social housing, without passing on the costs to low income households. In terms of digitalization, there is a welcome recognition of the need to tackle the digital divide, giving particular attention to people from disadvantaged backgrounds, including refugees and asylum seekers, and those living in remote and rural areas; however, measures are lacking to ensure that the gap is closed.

**CSR 4:** Greece receives an additional ‘reminder’ to implement its reform in line with the Eurogroup programme arrangements once the current restrictions are relaxed.

#### What’s missing

The Preamble places a welcome focus on poverty and some social rights, while the CSR focuses only on employment. Employment alone will not reduce poverty and inequality. The requirement to develop and implement a coherent integrated anti-poverty strategy combining the elements of adequate income (access to quality jobs, income support for those who cannot work and access to universal public and essential services), with the support of civil society and social partners would make a big difference to finding a route towards significantly reducing poverty. No recommendations are made about the need to reduce inequality (one of the highest levels in the EU) and to invest in public welfare states, including through increased financing through tax justice: by increasing collection, tackling evasion and avoidance and embedding a more progressive taxation system. It is positive that the Preamble encourages the government to gear up efforts to improve basic skills for all, to upgrade vocational education and training, and to scale up adult learning, but neither the text nor the CSRs include anything on the need to promote quality and inclusive education and training, as well as much-needed higher investment in this sector.

<a href="#">Hungary</a> 5 CSRs ‘Poverty CSR’	<b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Address shortages of health workers and ensure an adequate supply of critical medical</b>	<b>CSR 2: Protect employment through enhanced short-time working arrangements and effective active labour market policies and extend the duration of unemployment benefits.</b>	... <b>CSR 2. Improve the adequacy of social assistance and ensure access to essential services and quality education for all. ...</b>
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	<p><b>products and infrastructure to increase the resilience of the health system. Improve access to quality preventive and primary care services.</b></p> <p><b>CSR 3:</b> Ensure liquidity support to small and medium-sized enterprises. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular clean and efficient production and use of energy, sustainable transport, water and waste management, research and innovation, and digital infrastructure for schools.</p> <p><b>CSR 4:</b> Ensure that any emergency measures be strictly proportionate, limited in time, in line with European and international standards and should not interfere with business activities and the stability of the regulatory environment. Ensure effective involvement of social partners and stakeholders in the policy-making process. Improve competition in public procurement.</p> <p><b>CSR 5:</b> Strengthen the tax system against the risk of aggressive tax planning.</p>		
<p><b>COMMENTS</b></p> <p>Hungary receives a ‘poverty’ CSR, although it is not referred to as such. The Preamble recognizes that although there was a decline in risk of poverty prior to the COVID19 crisis, both severe material deprivation and material and social deprivation remain high, particularly among households with several children and the Roma. It also highlights that inequality has risen over the last decade due to regressive changes in the tax/benefits policy.</p>			

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing and social protection. This section does not focus specifically on the needs of the vulnerable, mention poverty nor the need to ensure an adequate income for all and investment in public services and social protection systems. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified healthcare staff. The Preamble also contains useful language on the need for additional investment – given a considerably lower public share of health spending than the EU average – and comprehensive reforms are necessary to better use the resources within the health system, reduce inequities in access and increase the quality of care. By pointing to other deficits of the healthcare system such as persistent regional disparities in the distribution of health personnel negatively affecting in particular the Roma and people with disabilities, as well as above EU average shares of out-of-pocket expenditure and increased use of private health services aggravating the risks of financial hardship for many Hungarian households, important pointers for policy reform are identified. It is positive that CSR 1 also explicitly mentions the need to improve the funding of preventive and primary care services to avoid further repercussions for social equity and health outcomes.

**CSR 2** is the ‘social rights’ CSR, and provides recommendations in key areas that could form the basis for an effective integrated antipoverty strategy: protecting and investing in quality jobs, reinforcing incomes by extending unemployment benefits, as well as increasing the adequacy of minimum income and access to essential services, including education. However, quality and affordability could be better emphasized. In the Preamble, the shortage of social rented housing and lack of financial support for renters are emphasized as hindrances to mobility. The low level of minimum income, which has remained unchanged since 2012 and is one of the lowest in the EU, is also highlighted. It acknowledges that vulnerable groups who lack access to care and essential services and who live in overcrowded households were hardest hit by the pandemic, although specific recommendations on access to other services are lacking. The Preamble acknowledges the gender pay and employment gap, attributing it in part to lack of access to good, quality childcare. It is positive that other portions of the text explicitly condemn the use of the ineffective Public Works Scheme, and challenge the short duration of unemployment benefits, currently at 3 months - the shortest in the EU - as this is, on average, not enough time to find a new job. EAPN welcomes the fact that this point is included in CSR 2 and highlights that the design of regulation and policy measures should be focused on the resolution of the deficiencies mentioned. As to active labour market policies - an integrated Active Inclusion approach should be pursued.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, transport, waste collection and energy. However, they miss an overall poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. There is a recognition of need to increase digital infrastructure in schools, although the broader issues of e-inclusion are not addressed. Greater focus could be placed on affordable public transport, action against energy poverty including support for energy efficient measures and investment in decent, affordable housing (particularly social housing), without passing on the costs to low income households.

**CSR 4** is an exception, requiring ‘proportionate’ emergency measures, i.e. querying the Hungarian government’s imposition of martial law and restrictions and requiring the involvement of social partners and civil society organisations in policy-making processes. However, no sanction is hinted at or imposed.



**CSR 5:** Hungary exceptionally receives a 5<sup>th</sup> CSR requiring improvements in the tax system and actions against aggressive tax evasion and avoidance, which is welcomed, but no proposals are made on increasing the progressivity of the tax system, including moving away from flat taxes.

#### What's missing

#### EAPN Hungary recommended:

1. **Prioritize a well-targeted and system-based strategy to fight child poverty: the current family support system favours upper middle-class families and does not serve to decrease the child poverty ratio and the demographic decline.**
2. **Promote social housing programmes which properly reflect the current needs of different risk groups.**
3. **Invest in an educational system which can serve the social mobility of children and youth.**

These recommendations are somewhat reflected in the CSRs, although more needs to be done to reduce inequality in accessing services, social protection, and income support, particularly for low-income families and for key groups like the Roma.

Contrary to earlier years, there is no CSR recommending addressing poor educational outcomes, which are highly dependent on the pupils' socio-economic background, and high territorial disparities, although the Preamble highlights the situation of disadvantaged groups, particularly Roma children, with high early school leaving rates. It also recalls that learners from disadvantaged backgrounds experience negative effects from distance learning due to overcrowded households and the low educational attainment of parents. This situation is, however, addressed as a missed opportunity to build human capital and social cohesion and lacks a rights-based approach.

<a href="#">Ireland</a> 4 CSRs	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Improve accessibility of the health system and strengthen its resilience, including by responding to health workforce's needs and ensuring universal coverage primary care.</b></p> <p><b>CSR 3:</b> Continue to provide support to companies, notably small and medium-sized enterprises, especially through measures ensuring their liquidity. Front-load mature public investment</p>	<p><b>CSR 2:</b> Support employment through developing skills. <b>Address the risk of digital divide, including in the education sector.</b></p>	<p><b>CSR 2:</b> Increase the provision of social and affordable housing.</p>
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	<p>projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, sustainable public transport, water supply and treatment, research and innovation and digital infrastructure.</p> <p><b>CSR 4:</b> Broaden the tax base. Step up action to address features of the tax system that facilitate aggressive tax planning, including on outbound payments. Ensure effective supervision and enforcement of the anti-money laundering framework as regards professionals providing trust and company services.</p>		
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#### COMMENTS

Ireland does not receive a specific ‘poverty’ CSR, unlike last year. However, the Preamble highlights the fact that the risks of increases in poverty and unemployment and deepening inequalities remain high. Recognition is given to the needs of key at-risk groups: the homeless, single parents and children.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. While welcoming the recommendation to enhance investment now, there are concerns that the application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, social protection and others, outlined in CSR 1 and other CSRs. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified healthcare staff and their needs. The Preamble explains this further by highlighting challenges relating to recruitment and retention which have caused shortages in the nursing workforce in certain regions and hospitals. There remains a considerable lack of clarity regarding the completion of Sláintecare reforms aimed at moving towards universally accessible healthcare by addressing the structural limited efficiency, flexibility, resilience, and accessibility of the system. The Preamble also points to deficiencies in universal access to primary care entailing a high use of acute hospital beds and a lacking statutory entitlement to home-based elderly care whereas incentives to use institutional care have been implemented. By referring to the need to promote community-based care through support for home care and a reorganisation of nursing resources, it also provides useful pointers for policy reform if they are supported by adequate financing and capacity without increasing the burden on families, and particularly women.

**CSR 2:** The recommendation addresses upskilling and the risk of a digital divide, including in the education sector, as well as the need to increase the provision of social and affordable housing. The Preamble highlights the shortfall in social housing with 68,700 households on waiting lists in December 2019. It also stresses the high levels of homelessness: 10,000 people, with 3,500 children and single parents being the key risk group, raising concerns about the potential risks of deepening inequalities, entrenched poverty and social exclusion, in particular for single parent families and children who are the most affected. While the CSR recommends an increased provision of social and affordable housing, no concrete proposals are made to address these immediate deficiencies. The Preamble calls for further efforts to foster individualised activation strategies to also address the relatively high number of people living in households with low work intensity, whereas no mention is made of guaranteeing access to adequate minimum income and social protection at levels that take them out of poverty. This recommendation could be positive, if it leads to a true, integrated Active Inclusion approach aimed at ensuring not only better employment rates, but also better quality of work and employment, as well as better social participation and inclusion. Positively, the aspect of employment quality and support is highlighted in relation to the labour market inclusion of people with disabilities.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, transport and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. In the area of energy transition, this could address energy poverty, including support for energy efficient measures combined with affordable/social housing without passing on the costs to low income households.

**CSR 4:** The Recommendation to broaden the tax base and address aggressive tax planning is welcomed but this must be done in a progressive manner, to close the inequality gap in income and wealth, and to more effectively finance public services and social protection.

### **What's missing**

**EAPN Ireland made the following Recommendations:**

- 1. Implement the new 2020-2025 Roadmap for Social Inclusion in an integrated manner ensuring an adequate income for all, whether in or out of work, access to quality services and access to decent jobs. It must also address poverty and social exclusion for all groups in society, ensuring delivery on the objective of the Sustainable Development Goals to leave no-one behind.**
- 2. Under the poverty target, introduce ambitious sub-targets across the different measures for groups with high levels of poverty.**
- 3. Implement a transparent and effective process for the poverty, equality and gender impact assessment of all relevant policy, particularly crucial in the short-term in informing the response to the economic and fiscal impact of COVID-19.**
- 4. Benchmark all social welfare rates at a level which is adequate to both lift people above the poverty line and provide them with a Minimum Essential Standard of Living.**

**EAPN Ireland's comments on the CSRs:** While some of the measures proposed are welcome, the CSRs do not address the need for ensuring an adequate income for those in and out of work, including the benchmarking of social welfare mentioned in the Country Report, and key measures to address poverty, as highlighted above.

Education is not mentioned, except for a reference to upskilling in the context of boosting employability and tackling skills mismatches (including in view of preparing the workforce for the climate, energy and circular economy transition), and no mention is made of ensuring broader personal development and social participation through

quality and inclusive education systems. The persistent deficits in relation to access to affordable and quality childcare – with a wider societal meaning and not just seen as tool to improve labour market participation rates – have also slipped from the agenda.

<p><a href="#">Italy</a> 4 CSRs “Poverty” CSR</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the resilience and capacity of the health system, in the areas of health workers, critical medical products and infrastructure.</b> Enhance coordination between national and regional authorities.</p> <p><b>CSR 3:</b> Ensure effective implementation of measures to provide liquidity to the real economy, including to small and medium-sized enterprises, innovative firms and the self-employed, and avoid late payments. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, research and innovation, sustainable public transport, waste and water management as well as reinforced digital infrastructure to ensure the provision of essential services.</p> <p><b>CSR 4:</b> Improve the efficiency of the judicial system and the effectiveness of public administration.</p>	<p><b>CSR 2: ... Mitigate the employment impact of the crisis,</b> including through flexible working arrangements and <b>active support to employment.</b> Strengthen distance learning and skills, including digital ones.</p>	<p><b>CSR 2: Provide adequate income replacement and access to social protection, notably for atypical workers.</b></p>
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## COMMENTS

Italy receives a 'poverty' CSR, like last year, and the Preamble recognizes the high rate of poverty, social exclusion, in-work poverty, and inequality before the crisis, although specific at-risk groups are not highlighted.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. Concerns are raised with regard to the fact that the application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, social protection. EAPN welcomes the recommendation to strengthen the resilience and capacity of the healthcare system and the references to both the healthcare workforce shortages and needs and the necessity to ensure the availability of sufficient medical products, including protective equipment, in order to ensure safe working conditions. The same holds true for the emphasis on prevention in the public healthcare strategy and the better integration of health and long-term care policies. Recalling that such a "reorientation" of health and long-term care policies should be operated in line with public service principles and a rights-based approach – ensuring the right to accessible, affordable and good quality for everybody in line with EPSR Principles 16, 17 and 20 – and also requires public investment would have made the recommendation stronger.

**CSR 2** addresses the need for better coverage/levels of income replacement and social protection, particularly for atypical workers, but does not address ensuring adequate income/income support for all. The Preamble highlights the new minimum income scheme benefiting one million households, as well as the additional 'emergency income', and calls for a permanent extension of coverage and take-up in order to reach vulnerable groups, although this is not mentioned in the Recommendation. The provision of services aimed at social and labour market inclusion is also stressed, highlighting the growing gaps in the South driving depopulation, but no concrete recommendations are made. By both calling for flexible working arrangements and active support to employment, CSR 2 sends mixed messages. The second element could be positive, if interpreted as entailing personalised pathways and support through Active Inclusion. However, it could also mean, if read together with the first element, making access to employment subject to punitive labour market conditionality, or simply a subsuming of social objectives to activation and flexibility. EAPN deplores the fact that CSR 2 does address concerns about undeclared work, atypical workers and people in vulnerable situations, the high number of temporary contracts and persistent difficulties with respect to labour market integration experienced by inactive young people and women outlined in the Preamble. The need to strengthen public employment services and to better integrate them with social services, adult learning and vocational training is missing from the CSR. The same holds true for deficits relating to the supply of affordable early childhood education - mainly seen as a tool to improve labour market participation rates and not as a social service of general interest supporting children's rights and development – and care and long-term care services.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, transport and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. In the area of energy transition, this could address energy poverty, including support for energy efficient measures combined with affordable/social housing without passing on the costs to low income households.

**CSR 4** requires improvements in the judicial system and public administration, which are welcome in particular with a view to reducing the gap between the North and the South. However, more attention could be given to the need to increase engagement with stakeholders, particularly civil society organisations involving people experiencing poverty in the policy-making process.

#### What's missing

- **Greater focus on reducing inequality through tax/benefit policies, including increases in tax collection, tackling evasion and avoidance and embedding more progressive tax systems and reducing the gap between the North and the South of Italy.**
- **A coherent, integrated antipoverty strategy providing personalized support, particularly to key at-risk groups (including women, single parents, migrants, people with disabilities), enabling them to exercise their rights to an adequate income, through quality jobs or income support, and access to quality public and essential services.**
- **Systematic engagement of civil society organisations, particularly those working with people facing poverty, to participate in the policy-making process.**
- **In the CSR, the focus placed on education solely relates to persisting deficits in digital skills, learning possibilities and infrastructure whereas the Preamble also highlights – without, however, mentioning the Social Scoreboard – the high rate of early school leaving, very low tertiary attainment rates, the low participation rate of low-qualified adults in training as well as strong regional disparities in educational outcomes, which is welcome. The approach is largely labour market oriented and lacks a broader component of personal development and social participation, as well as a mention of fostering quality and inclusive education systems throughout the lifecycle.**

<a href="#">Latvia</a> 4 CSRs “Poverty” CSR	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the resilience and accessibility of the health system including by providing additional human and financial resources.</b></p> <p><b>CSR 3:</b> Ensure access to liquidity support by firms and in particular small and medium-sized enterprises. Front-load mature public investment projects and promote private investment to foster</p>	<p><b>CSR 2... Mitigate the employment impact of the crisis, including through flexible working arrangements, active labour market measures and skills.</b></p>	<p><b>CSR 2: Provide adequate income support to the groups most affected by the crisis and strengthen the social safety net.</b></p>
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	<p>the economic recovery foster economic recovery. Focus investment on the green and digital transition, on research and innovation, clean and efficient production and use of energy, sustainable transport and digital infrastructures.</p> <p><b>CSR 4:</b> Continue progress on the anti-money laundering framework.</p>		
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## COMMENTS

Latvia receives a 'poverty' CSR, like last year, and the Preamble highlights poverty and an important focus on adequate income support as well as protecting jobs and employment.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. Concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendation to strengthen the resilience and accessibility of the healthcare system, to mobilise adequate financial resources to make progress on these two objectives, as well as the references to both the healthcare workforce shortages and needs. It combines the adequate analysis with the appropriate recipe, supported by text in the Preamble highlighting low public financing limiting the access to quality, affordable and effective healthcare, health workforce shortages, regional inequalities, insufficient prevention measures, primary care and quality management as additional problems. It is positive that the Preamble refers to comparatively high shares of reported unmet needs, stemming from significant out-of-pocket payments, especially for vulnerable groups, which also should be tackled to support a rights-based approach to affordable, quality universal health and social services and to overcome inequalities in access to them. This problem is indirectly addressed in the CSR by referring to the need to improve the accessibility and quality of healthcare.

**CSR 2** is the 'social rights' CSR and addresses the need for increasing adequate income support for all groups and strengthening the safety net. The Preamble further stresses the challenges of adequacy, duration, and coverage, particularly due to the restrictive coverage and eligibility requirements for unemployment benefits and very low levels of minimum income, pension and income support. The lack of adequate financing for safety nets due to low tax revenue is further highlighted, but without recommendation for increasing taxes. The high numbers of people facing severe housing deprivation and overcrowding with scarce social housing is further highlighted, but no proposals are made in this regard. The problems stemming from the lack of integration of employment, education, health and social services and the provision of social services, in particular for vulnerable households, are rightly highlighted in the Preamble but are not addressed in the CSR. EAPN welcomes the focus on improved active labour market measures, including their better design and delivery, entailing investment in the quality and effectiveness of public employment services in order to help reduce the duration of unemployment spells and facilitate transitions back to work. An explicit reference to an integrated Active Inclusion approach, aimed at ensuring not only better employment rates and shorter unemployment periods, but also quality of work and employment, as well as social participation and inclusion, would have helped to set out the direction of the policy and institutional reforms needed.



**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. In the area of energy transition, this could address energy poverty, including support for energy efficient measures combined with affordable/social housing without passing on the costs to low income households.

**CSR 4** continues to address anti-money laundering, which is welcomed, but lacks other proposals regarding increasing tax revenue, which is essential for financing social protection and public services and reducing the high inequality rate, through tax justice, i.e. regarding increasing the progressivity of taxes.

#### What's missing

- While the calls for increasing the adequacy of income support and safety nets is welcomed, more is needed to support an integrated antipoverty strategy that provides personalized support for quality jobs, while providing adequate income support and access to public and essential services – including increases in investment in social housing and positive transition measures in relation to energy efficiency targeted at low-income households.
- Without an increase in the collection and progressivity of taxes, it will not be possible to adequately finance these measures. Last year, Latvia received a CSR calling for a shift towards more progressive taxes, although the current flat tax regime was not targeted.
- The Preamble includes a brief analysis of the employment and labour market situation, stressing the additional difficulties faced by low-skilled workers, particularly low digital skills and low participation rates in adult learning, but is not explicit on the need for better access and funding. Education and training are mainly seen through the lens of upskilling needs and skill mismatches, also mentioned in the CSR, thereby emphasizing efficiency in labour market terms, rather than inclusiveness and equal access for all, from a broader personal development and social participation perspective.

<a href="#">Lithuania</a> 3 CSRs “Poverty” CSR	<b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the resilience of the health system, including by mobilising adequate funding and addressing shortages in the health workforce and of critical medical products. Improve the accessibility and quality of health services.</b>	<b>CSR 2: Mitigate the impact of the crisis on employment. Increase the funding and coverage of active labour market policy measures and promote skills.</b>	<b>... CSR 2: Ensure the coverage and adequacy of the social safety net and improve the effectiveness of the tax and benefit system to protect against poverty</b>
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<b>CSR 3:</b> Support liquidity for businesses, especially for small- and medium-sized enterprises and export-oriented sectors. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on the coverage and take-up of very high capacity broadband, on clean and efficient production and use of energy, and sustainable transport. Promote technological innovation in small and medium-sized enterprises.		
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#### COMMENTS

Lithuania receives a ‘poverty CSR’, and the Preamble acknowledges high levels of poverty and inequality. CSR 2 contains some important elements that can contribute to reducing poverty and inequality if implemented.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. Concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendation to strengthen the resilience and accessibility of the healthcare system, to mobilise adequate financial resources to make progress on these two objectives, as well as the references to both the healthcare workforce shortages and needs. It combines the adequate analysis with the appropriate recipe, supported by text in the Preamble highlighting the underfunding of the healthcare system, in particular under-investment in primary healthcare, workforce shortages and geographical mismatches between services and needs as additional problems. The Preamble hints at one “hook” for reforms by highlighting the need for sufficient funding to improve the accessibility, efficiency, and quality of the health system with a view to equipping it to better to respond to the challenges of growing chronic conditions, ageing and persisting health inequalities. It is also positive that the Preamble refers to comparatively high shares of reported unmet needs stemming from significant out-of-pocket payments, especially for vulnerable groups, which also should be tackled to support a rights-based approach to affordable, quality, universal health and social services and to overcome inequalities in access to such services, which is indirectly included in the CSR by referring to the need to improve the accessibility and quality of healthcare. In addition, the Preamble mentions the need to invest in order to prepare the long-term care system for increased and more complex needs, but the CSR remains silent on this issue.

**CSR 2** is the ‘social rights’ CSR. There is a welcome focus on increasing the coverage and adequacy of minimum income, as well as the effectiveness of the tax/benefit system to reduce poverty. Moreover, the Preamble recognizes that Lithuania had one of the highest levels of poverty and inequality in Europe before COVID19, and while some measures to increase universal child benefits and pensions were introduced, the “low progressivity and ability to redistribute of the tax/benefit system limits their ability to finance public goods and services and reduce poverty and inequality”. The Preamble calls for urgent measures to revise eligibility, amounts and duration, but only temporarily, while pressing for an extension of the safety net to all groups, including vulnerable people. It also calls for strengthening the provision of the main social services and social housing to support those in need, which is positive and in line with EAPN LT’s demands, although no recommendations are made. EAPN welcomes the focus on improved active labour market measures, also implying investment in the quality and effectiveness of public employment services in order to help reduce the duration of unemployment spells and facilitate transitions back to work, also based on higher participation rates in adult education. An explicit reference to an integrated Active Inclusion approach aimed at ensuring not only better employment rates and shorter unemployment periods, but also quality of work and employment, as well as social participation and inclusion, would have helped to set out the direction of the policy and institutional reforms needed.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, transport and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. In the area of energy transition, this could address energy poverty, including support for energy efficient measures combined with affordable/social housing without passing on the costs to low income households.

### **What’s missing**

#### **EAPN Lithuania recommended:**

- 1. Tax regulations should be made more progressive and fairer to lower-paid employees. More funding to the social security system.**
- 2. Improved adequacy and coverage of social assistance, further strengthening of positive work incentives and linking MI schemes with social services.**
- 3. Structural changes in provision of public services: improved accessibility and quality of public services. Changes in social services must be based on people’s needs: clear methodology on how to evaluate people’s needs and how to respond to them. Clear actions must be taken to tackle homelessness. Accessibility of early education for children must become the priority.**

Many of EAPN LT’s proposals are partly included, although a more specific recommendation is needed regarding the progressivity of taxes to adequately finance public services and social protection, and the need for integrated, personalised support through an antipoverty strategy, ensuring access to quality services, social protection and support into quality jobs. There is also a need for a clearer focus on targeted support for key at-risk groups e.g. the homeless.

Compared to last year, considerably less emphasis is placed on the need to improve the quality and efficiency of education, and the matter of boosting adult learning and the issues of increased efforts for the integration of the disadvantaged into the labour market – including persons with disabilities, and older, unemployed or inactive adults - is left out.

<p><a href="#">Luxembourg</a> 4 CSRs</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Improve the resilience of the health system by ensuring appropriate availability of health workers.</b> Accelerate reforms to improve the governance of the health system and e-Health.</p> <p><b>CSR 3:</b> Ensure effective implementation of measures supporting the liquidity of businesses, in particular small and medium-sized enterprises and the self-employed. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on sustainable transport and buildings, clean and efficient production and use of energy, contributing to a progressive decarbonisation of the economy. Foster innovation and digitalisation in particular in the business sector.</p> <p><b>CSR 4:</b> Ensure effective supervision and enforcement of the anti-money laundering framework as regards professionals providing trust and company services, and investment services. Step up action to address features of the tax system that facilitate aggressive tax planning, in particular by means of outbound payments.</p>	<p><b>CSR 2:</b> Mitigate the employment impact of the crisis, with special consideration for people in a difficult labour market position.</p>	
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## COMMENTS

Overall, poverty is not mentioned, although in-work poverty and inequality are highlighted. No specific reference is made to Social Rights or SDGs, apart from contextual information.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified healthcare staff and their needs. The Preamble explains this further by highlighting challenges related to the need for considerable recruitment, given that half to two-thirds of health workers will be approaching the age of retirement in the next 15 years. By mentioning ideas to make employment more attractive and thus supporting the recruitment of new staff such as the development of professional roles, task sharing and substitution, the Preamble contains useful “hooks” for policy reforms.

**CSR 2** addresses exclusion from the labour market; however, there is no clear focus on the other areas of social rights i.e. social protection and social inclusion. The Preamble recognizes increasing levels of in-work poverty and inequality, and increased support for more vulnerable groups to face the social impacts of the crisis, but does not address access to adequate income support (minimum income and social protection), nor the significant challenges involved in gaining access to social and affordable housing. The Preamble also focuses to some extent on particular challenges for older workers facing additional risks of being dismissed due to the crisis and/or needing retraining. CSR 2 addresses giving special consideration to people in a difficult labour market position which could in principle be positive, particularly as regards older workers. However, nothing is explicitly stated nor implied with regard to the quality of employment, measures to combat ageism, adapted workplaces etc, which may mean that the focus is simply to boost the employment rate and remove the pension burden off public finances, rather than ensuring decent employment , adequate income and social inclusion for older workers.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit, e.g. public transport or energy poverty, including support for energy efficient measures combined with affordable/social housing, without passing on the costs to low income households.

**CSR 4** addresses the need for more effective supervision and enforcement of anti-money laundering, which is welcomed, as well as addressing aggressive tax planning. However, no proposals are made to promote more progressive tax systems which can also contribute to reducing inequality, as well as finance strong public services and goods.

## What's missing

- A clearer focus is needed on poverty and inequality and the key at-risk target groups, with an integrated antipoverty strategy guaranteeing access to adequate income (wages and income support) and essential services, together with a more effective implementation of the social impact law. Improved tax progressivity and justice are key for reducing inequality and funding a strong welfare state.
- A major priority for investment is social housing/also linked to the green transition and progressive energy efficiency measures.
- Although the Preamble highlights persistent differences in educational attainment strongly influenced by the socio-economic background of pupils and advocates for particular support for the vulnerable groups with a view to helping them face the social impacts of the crisis – both points being positive –these aspects do not feature in the CSRs.

### [Malta](#)

4 CSRs

**CSR 1:** In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. **Strengthen the resilience of the health system with regard to the health workforce, critical medical products and primary care.**

**CSR 3:** Ensure effective implementation of liquidity support to affected businesses, including the self-employed. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, sustainable transport, waste management, research and innovation.

**CSR 2:** Consolidate short-time work arrangements and **ensure the adequacy of unemployment protection for all workers. Strengthen the quality and inclusiveness of education and skills development.**

	<p><b>CSR 4:</b> Complete reforms addressing current shortcomings in institutional capacity and governance to enhance judicial independence. Continue efforts to adequately assess and mitigate money laundering risks and to ensure effective enforcement of the anti-money laundering framework. Step up action to address features of the tax system that facilitate aggressive tax planning by individuals and multinationals.</p>		
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## COMMENTS

Malta receives no ‘poverty CSR’, nor does it mention poverty, focusing solely on employment.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system. The Preamble explains this further by highlighting challenges in relation to the need to strengthen primary care, to reduce the reliance on foreign trained and foreign born nursing and medical staff, consistently long waiting lists for outpatient care specialties, and high out-of-pocket expenditure on primary and outpatient care and on some medicines, the latter two problems leading to comparatively high shares of unmet health needs. However, neither of the specific challenges faced by the health system are included in the CSR.

**CSR 2** is the ‘social’ CSR addressing employment and education. There is no mention of poverty and social exclusion, nor are there any proposals regarding reduction, including for key specific target groups. Low coverage and adequacy of social protection are highlighted, but not income support for people outside the labour market, nor how to ensure the right of access to public and essential services, i.e. affordable housing which is a key challenge. The focus on the need to strengthen the quality and inclusiveness of education and skills development is welcome, however, it is not seen from a social inclusion perspective but rather is clearly labelled as falling under economic policy. The recommendation is underpinned in the Preamble by references to the comparatively high shares of low-skilled adults, early-school-leavers, and pupils with insufficient levels of basic skills. However, no concrete action is deduced from this analysis and no reference is made, as was the case last year, to the European Pillar of Social Rights and Principle 2 on quality and inclusive education or to the need to correct social disadvantage or the need to counter early school leaving.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. public transport or energy poverty, including support for energy efficient measures combined with affordable/social housing without passing on the costs to low income households.



**CSR 4** addresses institutional capacity and judicial independence, and the need for more effective supervision and enforcement of anti-money laundering efforts, all of which are welcomed. The proposals to address aggressive tax planning are important; however, no proposals are made to promote more progressive tax systems which can contribute to reducing inequality, as well as to financing strong public services and social protection systems.

#### What's missing

#### EAPN Malta proposals for CSRs:

1. Increase access to decent housing by adjusting the Cost of Living calculation.
2. Introduce a comprehensive education programme on sustainable development
3. Extend a free or subsidised provision of services to facilitate independent living, healthy ageing, and lifelong learning.

Unfortunately, none of the proposals are reflected in the CSRs.

<p><a href="#">The Netherlands</a> 4 CSRs</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the resilience of the health system, including by tackling the existing shortages of health workers</b> and stepping up the deployment of relevant e-Health tools.</p> <p><b>CSR 3:</b> Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on digital skills development, sustainable infrastructure and clean and efficient production and use of energy as well as mission-oriented research and innovation.</p>	<p><b>CSR 2: Mitigate the employment and social impact of the crisis</b> and promote adequate social protection for the self-employed.</p>	
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	<b>CSR 4:</b> Take steps to fully address features of the tax system that facilitate aggressive tax planning in particular on outbound payments, notably by implementing the adopted measures and ensuring its effectiveness. Ensure effective supervision and enforcement of the anti-money laundering framework.		
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## COMMENTS

The Netherlands receives no ‘poverty CSR’, and it does not mention poverty, focusing solely on employment.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified healthcare staff and their needs. The Preamble explains this further by highlighting challenges in relation to the recruitment and retainment of nurses and staff in primary healthcare and with regard to guaranteeing integrated service delivery across the care continuum, thus providing “hooks” for policy reform.

**CSR 2:** The ‘social’ CSR addresses the mitigation of the employment and social impact of the crisis, focusing on promoting adequate social protection for specific categories of precarious workers such as young workers, temporary agency workers, those in ‘bogus’ self-employment and workers with migrant background as well as the self-employed, who are a key at-risk group in NL as they are often underinsured (or not insured at all) against sickness, disability, unemployment and old age. The latter are also the only group specifically referred to in the CSR, but a reference to the 2019 Council Recommendation on Access to Adequate Social Protection for All, at least in the Preamble, would have given more weight to it and provided a useful “EU framework” for addressing the issue. Although the Preamble acknowledges that people in a less favourable labour market position and/or vulnerable social situation have been hit harder, it does not contain any proposal for measures to increase coverage or adequacy of minimum income, nor for any measures to increase access to affordable public/essential services including public transport or affordable housing with an increase of housing allowances. However, poverty among other groups, including those outside the labour market, is not addressed, nor is the exercise of their social rights beyond employment.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable but affordable public transport or tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households. Although support to investment in housing is highlighted in the Preamble, more attention needs to be given to ensuring affordability and energy efficiency, particularly in social housing.

**CSR 4** addresses the need for more effective supervision and enforcement of anti-money laundering efforts, and actions to address aggressive tax planning, which are welcomed. However more support could be given to increasing the progressivity of the tax systems which can contribute to reducing inequality, as well as the financing of strong public services and social protection systems.

### What's missing

#### EAPN NL Recommendations:

1. Tackle the issue of affordability of housing and adequacy of allowances, i.e. the ratio of rent and income must be changed: rent must not exceed 1/6 of the income.
2. Consider measures to reduce the cost of living and of public transport.
3. The government wants to implement tax cuts for businesses in 2021. This is adjacent to the policy on rent allowances. Putting 400 million into housing allowances could improve them.

While increasing the housing supply is considered in the Preamble, no focus is placed onto affordability or the link with increasing housing allowances or calculations, neither is affordability considered in the area of transport, although renewable forms are considered. More consideration could be given to an integrated antipoverty strategy ensuring access to adequate income (quality jobs and income support) and essential services, and meaningful dialogue with people experiencing poverty and their NGOs, and their involvement in the policy-making process. Compared to last year, neither the CSRs nor the Preamble make any reference to active inclusion and to providing equal opportunities, also in relation to the situation of people with a migrant background, and no attention is given to the need to strengthen lifelong learning, particularly for those furthest from the labour market.

<a href="#">Poland</a> 4 CSRs	<b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Improve resilience, accessibility and effectiveness of the health system, including by providing sufficient resources</b> and accelerating the deployment of e-health services.	<b>CSR 2:</b> Mitigate the employment impact of the crisis notably by enhancing flexible and short-time working arrangements. Improve digital skills. Further promote the digital transformation of companies and public administration.	<b>CSR 2:</b> ... Better target social benefits and <b>ensure access to those in need.</b> ...
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	<p><b>CSR 3:</b> Continue efforts to secure access to finance and liquidity for companies. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on digital infrastructure, clean and efficient production and use of energy, and sustainable transport, contributing to a progressive decarbonisation of the economy, including in the coal regions.</p> <p><b>CSR 4:</b> Enhance the investment climate, in particular by safeguarding judicial independence. Ensure effective public consultations and involvement of social partners in the policy-making process.</p>		
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## COMMENTS

Poland receives no ‘poverty’ CSR, and poverty is not mentioned despite Poland’s relative ‘success’ in reducing the levels of AROPE.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendation to strengthen the resilience and accessibility of the healthcare system, to mobilise adequate financial resources to make progress on these two objectives as well as the references to both the healthcare workforce shortages and needs. It combines the adequate analysis with the appropriate recipe, supported by text in the Preamble highlighting the underfunding of the healthcare system to compensate for investments postponed or redirected in earlier years, workforce shortages in particular for nurses and doctors, and an uneven geographical deployment of the health workforce across the country as additional problems. It is also positive that the Preamble refers to comparatively high shares of reported unmet needs which should be tackled to support a rights-based approach to health and social services and to overcome inequalities in accessing them. This is indirectly addressed in the CSR by referring to the need to improve the accessibility and quality of healthcare. In addition, the Preamble mentions challenges for the long-term care system, but the CSR remains silent on this issue.

**CSR 2:** The ‘social’ CSR addresses the employment impact and the digital divide for those outside the labour market; the CSR calls for more targeting of benefits and better coverage. Poland has been somewhat ‘successful’ in reducing poverty (although this is not acknowledged) due to an extensive programme of social transfers, including the universal child allowance and an additional one-off allowance for pensioners, equivalent to nearly 2.5% of the GDP per year. The Preamble points out that these are not means-tested, and thus requests better targeting, pointing out that the coverage of social benefits is low for people with the lowest-incomes, with the biggest increase in extreme poverty reported in 2019 for people or families living on allowances (other than pensions and disability pensions). However, no recommendations are made with regard to increasing the adequacy of unemployment benefits and minimum income, although the Preamble acknowledges the level of minimum income is below the EU average. The same holds true for problems relating to access to social protection given that not all types of labour contracts provide access to adequate unemployment benefits, maternity benefits, or sickness, and invalidity benefits. The assessment is also not backed up with a reference to the 2019 Council Recommendation on Access to Adequate Social Protection for All which would have provided a useful “EU framework” to tackle the issues. It also does not require improvements with respect to access to key services, particularly affordable housing, nor does it analyse the social impact on key groups including the homeless.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable but affordable public transport or tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing. While increasing digital education is highlighted in CSR 2, CSR 3 wants to press ahead with the digitalization of public services in order to reduce the regulatory and administrative burden, despite large shortfalls in the adult population.

**CSR 4** calls for increased judicial independence, highlighting EU concerns over violations of the rule of law. They call for more effective public consultations and increased involvement of social partners in the policy-making process, including sufficient time for consultations and improving the uptake of stakeholders' opinions. However, it does not mention the involvement of civil society organisations as key partners in designing and delivering effective solutions to fight poverty, social exclusion, and inequality.

### **What’s missing**

#### **EAPN Poland proposals for Recommendations:**

- 1. The Polish standard unemployment benefits should be increased substantially to at least 50% of the minimum wage which amounts to 1300 PLN in 2020. Polish standard unemployment benefits are very low (the 6-month average is 25% of the gross minimum wage). The Polish anti-recession package enacted at the end of March does not contain any measures for the unemployed.**
- 2. Polish temporary social assistance benefits for single unemployed people living in poverty should be increased substantially to the social assistance standard of 701 PLN (30% of the minimum wage) in 2020. Polish temporary social assistance benefits for single unemployed people living in poverty are very low (22% of the net minimum wage). The Polish anti-recession package enacted at the end of March does not contain any measures for the unemployed living in poverty.**
- 3. All conditions and procedures required to have access to unemployment benefits and to temporary social assistance benefits should be simplified insofar as possible.**

Points 1 and 2 are partly reflected in the CSRs under increasing the adequacy of income support, without the detailed recommendations. The issue of reducing conditionality is not addressed. Although the 2019 CSR 2 contained a welcome reference to quality education, though not to its inclusiveness, the broader topic has slipped from the agenda and is only very narrowly addressed in terms of looking at access to digital equipment, mentioning the risk of growing inequalities, with especially disadvantaged households being affected by the requirements for distance learning.

<p><a href="#">Portugal</a> 4 CSRs “Poverty” CSR</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the resilience of the health system and ensure equal access to quality health and long-term care.</b></p> <p><b>CSR 3:</b> Implement the temporary measures aimed at securing access to liquidity for firms, in particular small and medium-sized enterprises. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, rail infrastructure and innovation.</p> <p><b>CSR 4:</b> Increase the efficiency of administrative and tax courts.</p>	<p><b>CSR 2: Support employment and prioritise measures to preserve jobs.</b> Support the use of digital technologies to <b>ensure equal access to quality education and training</b> and to boost firms’ competitiveness.</p>	<p><b>CSR 2: ... Guarantee sufficient and effective social protection and income support. ...</b></p>
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## COMMENTS

Portugal receives a 'poverty' CSR. Poverty data, inequalities and vulnerable groups are highlighted in the Preamble. CSR 2 calls for guaranteed social rights to adequate income support, which are crucial in the fight against poverty, but lacks an effective integrated antipoverty strategy guaranteeing adequate income (quality jobs and income support) with access to essential services.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing and social protection. EAPN welcomes the recommendation to strengthen the resilience and accessibility of the healthcare system, to mobilise adequate financial resources to make progress on these two objectives. The Preamble highlights the underfunding of the healthcare system, with a plan foreseeing substantial increases in annual budgets to introduce a new governance model for public hospitals being under way – which would now need to be pursued, as additional problems. Strangely workforce shortages, also a reality for Portugal, are not explicitly mentioned in this CSR. Although it is welcome that long-term care is included in the CSR, underpinned by the analysis of the still low levels of offer and access to long-term care as well as persistent gaps in territorial coverage, it is worrying that this is immediately linked to predicted sharp increases in long-term healthcare expenditure. Although not denying that this is a very likely scenario, the CSR would have gained by specifying that the existing challenges should be addressed in line with public service principles and a rights-based approach – ensuring the right to accessible, affordable and good quality services for everybody in line with EPSR Principles 16, 17 and 20 – and that additional fiscal space is needed to deliver the related public investments.

**CSR 2:** The 'social' CSR addresses employment protection measures and digital skills. It contains a welcome call to guarantee sufficient and adequate social protection and income support; however, a call for an integrated antipoverty strategy for all groups would be useful. The Preamble acknowledges that recent policies have reversed the decline in the effectiveness of social transfers, e.g. increases in minimum income, the solidarity supplement for the elderly, pensions and family benefits that have had a positive effect on income distribution. Nevertheless, it highlights the fact that "social transfers" (excluding pensions) are not effective in reducing poverty (they "reduced the proportion of population at risk of poverty by only 23.8% in 2018, significantly below the EU average of 34%"). The adequacy of the minimum income scheme is among the lowest in the Union, providing incomes of only 40% of the national poverty threshold". The CSR also fails to mention the challenges involved in guaranteeing access to public and essential services, particularly affordable housing. It is positive that the need to ensure equal access to quality education and training stays a priority and that the Preamble mentions that, in the current COVID19 context, students from socioeconomically-disadvantaged families are better placed to manage the challenges posed by distance learning and also flags up general deficits with regard to digital learning capacities and access to digital learning and training infrastructures. However, this focus overshadows all other challenges and leads to an omission of the specific efforts still needed to improve access for some disadvantage groups (like the Roma) to education, and especially to higher education.



**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable and affordable public transport, tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing.

**CSR 4** calls for an increase in the efficiency of the administrative and tax courts, which is broadly welcomed.

#### What's missing

#### EAPN PT recommended:

1. The recommendations of the Commission concerning Portugal must reinforce public, quality/accessible, affordable, essential services (like health), strengthening and consolidation public health services as a guarantee of the rights of all citizens, as well as social protection systems.
2. In the longer term, recommendations must prevent the adoption of austerity measures that will make the poorest pay for the crisis.
3. Recommendations must prevent precarious work, support access to affordable housing (invest in social housing), and combat poverty and social exclusion. In general, we must guarantee fundamental rights, reinforcing cross-cutting policies to support the most vulnerable.

Points 1 and 3 are somewhat reflected in the CSRs, although no focus is placed on affordable housing, nor is there a specific focus on fundamental rights and combatting poverty, although inequalities are mentioned. Point 2) will be key in the future impact on poverty, as governments must avoid austerity when recouping public debt/deficits through spending on the crisis measures.

<a href="#">Romania</a> 4 CSRs “Poverty” CSR	<b>CSR 1:</b> Pursue fiscal policies in line with the Council’s recommendation of 3 April 2020 (OJ C 116, 8.4.2020, p. 1-3), while taking all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. Avoid the implementation of permanent measures that would endanger fiscal sustainability. <b>Strengthen the resilience of the health system, including in the areas of health workers and medical products, and improve access to health services.</b>	<b>CSR 2...</b> Mitigate the employment impact of the crisis by developing flexible working arrangements and activation measures. <b>Strengthen skills</b> and digital learning <b>and ensure equal access to education.</b>	<b>CSR 2: Provide adequate income replacement and extend social protection measures and access to essential services for all.</b>
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	<p><b>CSR 3:</b> Ensure liquidity support to the economy benefitting businesses and households, particularly small and medium-sized enterprises and the self-employed. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on sustainable transport, digital service infrastructure, clean and efficient production and use of energy and environmental infrastructure, including in the coal regions.</p> <p><b>CSR 4:</b> Improve the quality and effectiveness of public administration and the predictability of decision-making, including through an adequate involvement of social partners.</p>		
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#### COMMENT

Romania receives a ‘poverty’ CSR. The Preamble acknowledges the high rate of poverty as one of the highest in the EU (31.2% in 2019) with an expected increase in “child-poverty, in-work poverty and income inequalities, particularly affecting vulnerable groups such as non-standard workers, undeclared workers, the self-employed, Roma, people with disabilities, the elderly and the homeless”. It contains proposal for important measures that could contribute to an integrated antipoverty strategy if implemented (covering adequate income: access to quality jobs, minimum income and social protection, and access to services).

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules, however it underlines the need not to endanger fiscal sustainability. This raises serious concerns with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection to ensure social rights and prevent and tackle poverty. EAPN welcomes the recommendation to strengthen the resilience and accessibility of the healthcare system, to mobilise adequate financial resources to make progress on these two objectives. The Preamble highlights insufficient training for health workers, limited continuity and integration between different levels of care, comparatively high levels of unmet medical needs, an ageing population and high levels of migration (of workers from the healthcare sector and from other sectors of economy) as additional problems. Considerable workforce shortages are highlighted, too. It is also positive that the need for long-term investment to reinforce the health system to also retain workers and improve the coverage and accessibility of health services to all citizens, not least in non-urban areas, is clearly spelled out. The CSR would still have gained by specifying that the existing challenges should be addressed in line with public service principles and a rights-based approach – ensuring the right to accessible, affordable and good quality services for everybody in line with EPSR Principles 16, 17 and 20.

**CSR 2** calls for welcome increases in the adequacy and coverage of income support, specifically income replacement and social protection measures, combined with ensuring access to essential services for all. The Preamble acknowledges the inadequacy of minimum income, and the failure to implement the proposed increase since 2018, as well as insufficient access to water, sanitation, energy, and housing. It also points to high shares of child poverty, in-work poverty, and risks of increased inequalities in particular affecting non-standard or undeclared workers, the self-employed, Roma, people with disabilities, the elderly and the homeless. It acknowledges the low effectiveness of the tax/ benefits system in redistributing income, but does not contain a concrete recommendation for reform. The untapped potential of the social economy to improve social conditions is mentioned, but again without any concrete recommendation on how to best use it. The Preamble mentions the urgent need to provide timely tailor-made services addressing the needs of vulnerable groups and workers affected by the crisis and to support the transition from undeclared to legal work, but the CSR is not specific on this and the crucial role of well-equipped public employment services, and also evokes “activation” rather than integrated Active Inclusion. The recommendation to ensure equal access to education is properly supported by evidence in the Preamble, e.g. pointing to extremely low shares of adults participating in learning activities, considerably more effort needed to improve the equity, inclusiveness and quality of education, high share of early leavers and NEETs, all worsened by a lack of national strategies or nation-wide mechanism targeting them. A stronger focus on not only improving quantitative targets, but also the quality and inclusiveness of education could help drive reform efforts.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit. The Preamble outlines the “critical need to relaunch public infrastructure works in fields such as sustainable transport, clean energy, environmental and digital service infrastructure”, and this must be addressed through this lens to ensure access and affordability i.e. affordable public transport, tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing.

**CSR 4** calls for improvements in the quality and effectiveness of public administration, including through social partners. The involvement of civil society organisations, key stakeholders and providers of social and other services is not mentioned.

### **What’s missing**

Some of EAPN RO’s concerns regarding inclusive education, integrated public services including employment support, focusing on supporting those furthest away from the labour market, and the effectiveness of social transfers, particularly for children, are partly reflected. However, the further delay of the implementation of the Minimum Income Reform until 2021 is a major setback. Access to integrated social services is included in the Recommendation, with a focus on rural communities and vulnerable groups. A coherent antipoverty strategy focused on guaranteeing rights to adequate income (quality jobs and income support), and public and essential services would be beneficial. However, the effective implementation of all social rights measures is the main priority, together with embedding systematic engagement with civil society and social partners, including people experiencing poverty, to drive accountability and implementation.

<p><a href="#">Slovakia</a> 4 CSRs “Poverty” CSR</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the resilience of the health system in the areas of health workforce, critical medical products and infrastructure. Improve primary care provision and coordination between types of care.</b></p> <p><b>CSR 3:</b> Effectively implement measures to ensure liquidity for small and medium-sized enterprises and self-employed. Close digital infrastructure gaps. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy and resources, sustainable public transport, and waste management.</p> <p><b>CSR 4:</b> Ensure effective supervision and enforcement of the anti-money laundering framework. Ensure a favourable business environment and quality public services through enhanced coordination and policy-making. Address the integrity concerns in the justice system.</p>	<p><b>CSR 2:</b> ... Strengthen digital skills. <b>Ensure equal access to quality education.</b></p>	<p><b>CSR 2:</b> Provide adequate income replacement and ensure access to social protection and essential services for all.</p>
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## COMMENTS

Slovakia receives a 'Poverty CSR' like last year. However, poverty is not mentioned in the CSR nor the Preamble.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendations to strengthen the resilience of the healthcare system and to tackle the shortage of qualified healthcare staff and their needs. The Preamble explains this further by highlighting challenges in relation to a structural underfunding of public hospitals, geographic disparities in the availability of doctors and access to care for the entire population, the need to strengthen primary care provision and to improve chronic disease management. By additionally referring to the need to also improve access to quality and affordable long-term care, again suffering from underfunding of community and home-based care services, it also provides useful pointers for policy reform. Although the need for long-term investment in both areas is clearly spelled out in the Preamble, it is not stated explicitly in the CSR. They would also have gained by specifying that the existing challenges should be addressed in line with public service principles and a rights-based approach – ensuring the right to accessible, affordable and good quality services for everybody in line with EPSR Principles 16, 17 and 20.

**CSR 2:** The 'social' CSR calls for welcome increases in adequacy and coverage of income support through adequate income replacement and access to social protection as well as essential services for all. However, no specific reference is made to minimum income and income support for people not covered by social protection measures. The restrictive coverage and eligibility requirements are highlighted, but not the necessary action. The Preamble acknowledges that some vulnerable groups have low access to services and social protection, highlighting Roma communities, the elderly and the low skilled, but no measures are proposed, neither are other at-risk key groups– e.g. families, children, homeless people, or, in particular, the investment in affordable, social housing. The recommendation to ensure equal access to education is positive and properly supported by evidence in the Preamble, e.g. a persistent strong impact of the socio-economic background of pupils/students on educational attainment - shown for basic skills levels, digital skills and their general performance – and continued low rates of participation in early childhood education and care also negatively impacting future educational outcomes. A stronger focus on not only improving quantitative targets, but also the quality and inclusiveness of education could help drive reform efforts.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable and affordable public transport, tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing.

**CSR 4** calls for more effective supervision and enforcement of anti-money laundering measures, and improvements in the coordination of policy-making and the integrity of the justice system are broadly welcomed. Systematic engagement with social partners and civil society organisations in policy-making processes needs to be reinforced.

<p><a href="#">Slovenia</a> 3 CSRs “Poverty” CSR</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Ensure the resilience of the health and long-term care system, including by providing the adequate supply of critical medical products and addressing the shortage of health workers.</b></p> <p><b>CSR 3:</b> Continue to swiftly implement measures to provide liquidity and financing to businesses and households and reduce administrative burden. Front-load mature public investment projects and promote private investment to support the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, environmental infrastructure, sustainable transport, research and innovation and on the rollout of the 5G network. Promote digital capacities of businesses, and strengthen digital skills, e-Commerce and eHealth.</p>	<p><b>CSR 2 ...</b> Mitigate the employment impact of the crisis, including through enhancing short-time work schemes and through flexible working arrangements. <b>Ensure that these measures provide adequate protection for non-standard workers.</b></p>	<p><b>CSR 2: Provide adequate income replacement and social protection.</b></p>
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## COMMENTS

Slovenia receives a ‘poverty’ CSR although it does not mention poverty.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendations to strengthen the resilience of the healthcare and long-term care system and to tackle the shortage of qualified healthcare staff and their needs. The Preamble explains this further by highlighting challenges in view of lack of

doctors, recruitment and retention of qualified health workers and their working conditions. In addition, by referring to the need to protect the financing capacity of the health and long-term care system, i.e. long-term public investment, the Preamble also provides useful pointers for policy reform. The recommendation would also have gained by specifying that the existing challenges should be addressed in line with public service principles and a rights-based approach – ensuring the right to accessible, affordable and good quality services for everybody in line with EPSR Principles 16, 17 and 20.

**CSR 2:** The ‘social’ CSR calls for welcome increases in the adequacy of income replacement and access to social protection. However, no specific reference is made to minimum income and income support for people not covered by social protection measures, nor is there a requirement to guarantee access to public and essential services to all. The Preamble clarifies the need to ensure adequate income support, particularly for the elderly and women who are disproportionately affected, to increase the adequacy of pensions, but no reference is made to other groups or minimum income needs – e.g. children, single parents, people with disabilities, the homeless. The Preamble importantly calls for support to organisations working on the front lines “to ensure that the COVID-19 pandemic does not disproportionately affect people at risk of social exclusion and that they have their basic needs met, such as daily meals and healthcare”. However, these ‘emergency’ aid measures only highlight the lack of implementation of rights to adequate income, and in particular income support, throughout the lifetime and for all groups as a permanent feature of the welfare state. It is welcome that CSR 2 emphasises the need to provide better protection for non-standard workers. Adequate flexibility in the workplace (e.g. teleworking provisions) or working time (e.g. flexitime provisions) can be useful, but only if it is backed up by strong collective and individual labour rights and if those arrangements are negotiated and agreed by the social partners across all sectors and levels, including the enterprise level, i.e. only if a rights-based approach is pursued and the flexibility is not imposed on the workers, but agreed, e.g. to also facilitate a better reconciliation of work and family life.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition. The focus is on advancing the green transition away from coalmines with a focus on renewable energy infrastructure and tackling air pollution, as well as sustainable transport – including rail. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable and affordable public transport, tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing.

### **What’s missing**

**Although there is welcome support for reinforcing social protection, particularly unemployment benefits and replacement incomes, this needs to be combined with adequate minimum income for those who receive no income support through conventional social protection systems. Access to quality and affordable services including long-term care and affordable housing is crucial, as is an integrated approach to progressing a Social and Green deal to ensure that just transition benefits the poor and excluded.**



<p><a href="#">Spain</a> 4 CSRs “Poverty” CSR</p>	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the health system’s resilience and capacity, as regards health workers, critical medical products and infrastructure.</b></p> <p><b>CSR 3:</b> Ensure the effective implementation of measures to provide liquidity to small and medium-sized enterprises and the self-employed, including by avoiding late payments. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on fostering research and innovation, clean and efficient production and use of energy, energy infrastructure, water and waste management and sustainable transport.</p> <p><b>CSR 4:</b> Improve coordination between different levels of government and strengthen the public procurement framework to support recovery in an efficient manner.</p>	<p><b>CSR 2: Support employment through arrangements to preserve jobs, effective hiring incentives and skills development. Reinforce unemployment protection, notably for atypical workers.</b> Improve coverage and adequacy of minimum income schemes and family support, as well as access to digital learning.</p>	<p><b>CSR 2:</b> ... Improve coverage and adequacy of minimum income schemes and family support, ...</p>
<p><b>COMMENTS</b></p> <p>Spain receives a ‘poverty’ CSR, like last year. The high levels of poverty are a clear focus in the Preamble, as is the impact of COVID19. It rightly highlights the need to prioritize adequacy and coverage of income support, particularly for families.</p>			

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendations to strengthen the resilience and capacity of the healthcare system and to tackle the shortage of qualified healthcare staff and their needs. The Preamble explains this further by highlighting challenges in relation to the recruitment and working conditions of health workers – still heavily impacted by the austerity measures of the last decade which are indirectly acknowledged in the Preamble by referring to “shortfalls in investment” – to addressing persistent staff shortages, the need to ensure continued access to medical and social care, including to emergency and intensive care services, and to strengthen the capacities of the primary care system. By additionally referring to persistent regional disparities in service provision and access to healthcare and predicted growing chronic conditions and disability which would need to be addressed, backed up by sustainable funding, the text also provides useful pointers for policy reform.

**CSR 2:** On a positive note, the ‘social’ CSR calls for the improvement of coverage and adequacy of minimum income schemes and family support. The Preamble accurately acknowledges that the COVID crisis will increase already high levels of poverty or social exclusion, especially among families with children. It highlights that Spain has the lowest average of family benefits per child. Families with low-to-medium income are not entitled to the country’s strict child benefits, and tax deductions are of limited advantage to them. Social protection expenditure remains highly oriented towards older people, and unemployment assistance for the long-term unemployed and workers not qualifying for contributory schemes is currently scattered across multiple schemes, resulting in low coverage. “Existing regional minimum income schemes only reach 20% of their potential beneficiaries in the country, amid large regional disparities in terms of coverage, duration, access conditions and adequacy”. In the current pressing context, a permanent national income guarantee scheme, with an estimated coverage of three million beneficiaries, is planned to be introduced swiftly to supplement the existing regional minimum income schemes, however the impact of such a scheme is not known as of yet. Although the Preamble contains some positive language on the need to strengthen the capacity of public employment services (including on educational and career guidance), to gradually phase-out short-time work schemes and to review the system of hiring incentives which encourages more precarious forms of employment, notably for young workers, instead of addressing labour market segregation, this is not echoed in the Recommendation. Worryingly, the Preamble also calls for more “flexibility in working conditions” without placing this in the context of an integrated Active Inclusion approach and strong collective and individual labour rights, also negotiated and agreed by the social partners across all sectors and levels, including the enterprise level, i.e. of rights-based approach without flexibility being imposed on the workers, but agreed, where appropriate. It is positive that the Preamble calls for ensuring that all workers, including temporary workers and the self-employed, have access to adequate social protection and active labour market policies, but a reference to the 2019 Council Recommendation on Access to Adequate Social Protection for All would have given even more weight to it and provided a useful “EU framework” for policy design.

**CSR 3** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable and affordable public transport, tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing.

**CSR 4:** Calls for increased coordination between different levels of government, which is broadly supported. However, the call to strengthen public procurement could put pressure on public authorities to privatise public services at reduced costs and quality.

## What's missing

### EAPN ES recommended:

1. That central and autonomous governments effectively fulfil their mission of ensuring rights and guaranteeing the well-being of citizens. To do this, we demand that they dedicate (at least) 25% of the Structural Funds of the European Union to social inclusion, in a verifiable and transparent way.
2. The data speaks for itself: it is necessary to give priority to combating poverty, as well as to the eradication of the causes that produce it.
3. The environment must be adequately protected, preventing the impacts of climate change, which will surely fall on the poor and vulnerable population. We need that no one be left behind, including the millions impacted by the epidemic and the newly impoverished low-income and middle-income families.

EAPN released a response and press release on the CSRs. See [here](#). They welcomed CSR 2, which is in line with EAPN recommendations. They particularly welcomed 1) the support for the new Minimum Income, improving adequacy and coverage to take people out of poverty, 2) The call to extend family benefits to reduce child poverty and 3) the elimination of precarious work. They emphasized that the government should implement the National Strategy to combat poverty and energy poverty, which has been approved, and prioritize the implementation of the principles of the European Pillar of Social Rights and SDGs, making a priority of combating inequality, poverty and gender discrimination.

Contrary to earlier years, including 2019, education, including e.g. high early school leaving rates and high regional disparities, was not given any particular attention.

### [Sweden](#)

3 CSR

**CSR 1:** In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. **Ensure the resilience of the health system, including through adequate supplies of critical medical products, infrastructure and workforce.**

**CSR 2:** Foster innovation and support education and skills development. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and

	use of energy, high-tech and innovative sectors, 5G networks and sustainable transport.		
	<b>CSR 3:</b> Improve the effectiveness of anti-money laundering supervision and effectively enforce the anti-money laundering framework.		

## COMMENTS

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that the eventual application of the fiscal rules may undermine the necessary investment in universal public services such as health, care, housing, and social protection. EAPN welcomes the recommendations to strengthen the resilience and capacity of the healthcare system and to tackle the shortage of qualified healthcare staff and their needs. The Preamble explains this further by highlighting challenges in relation to structural shortages of medical staff and the need to appropriately deploy health workers in outpatient and in-patient care, thus providing useful pointers for policy reform.

**CSR 2** requires support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, sustainable transport, and energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable and affordable public transport, tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing.

**CSR 3** calls for improvements the effectiveness and enforcement of anti-money laundering, which EAPN broadly supports, as it contributes to more effective tax collection to finance public services.

### What's missing

**There is no 'Social Rights' CSR, and no mention of poverty, or growing levels of inequality, which is of central concern. There is a lack of a specific focus on reviewing the adequacy and effectiveness of income support, and particularly issues of coverage to all groups, including refugees and asylum seekers, and the need to guarantee universal access to essential services, including access to affordable housing, particularly in the rented sector.**

**Education, vocational training and lifelong learning are completely left out from the CSRs and are barely mentioned in the Preamble, with the exception of recalling the need for further investments to reduce educational outcomes gaps between learners with migrant and indigenous backgrounds with resulting disadvantages for non-EU migrants and people with disabilities when it comes to labour market integration, which is welcome.**

<a href="#">United Kingdom</a> 3 CSRs “Poverty CSR”	<p><b>CSR 1:</b> In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. <b>Strengthen the resilience of the health system.</b></p> <p><b>CSR 3:</b> Foster innovation and support human capital development. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on housing, clean and efficient production and use of energy, sustainable transport infrastructures and high-speed broadband networks.</p>		<p><b>CSR 2: Ensure the adequacy and coverage of the social protection system to provide support for all and in particular those most affected by the crisis.</b></p>
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## COMMENTS

The UK exceptionally receives a ‘poverty’ CSR as it leaves the EU following BREXIT, importantly highlighting the rising levels of poverty and inequality, even before the crisis, and the crucial role of adequate social protection and income support.

**CSR 1** confirms the general escape clause from the Stability and Growth Pact to support measures to effectively address the pandemic, while ensuring longer-term debt sustainability within the rules. However, concerns are raised with regard to the fact that although the UK will be outside the EU so no fiscal rules will apply, the threat of future austerity measures to recoup public debt and deficits may undermine the necessary investment in universal public services such as health, care, housing and social protection. EAPN welcomes the recommendations to strengthen the resilience and capacity of the healthcare system and to tackle the shortage of qualified healthcare staff and their needs, even though the last point is only mentioned in the Preamble – even highlighting “accentuated existing health workforce shortages” – and is surprisingly absent from the CSR despite the UK not being any different to other countries in this regard. The call for investments in the health systems including effective and well-resourced public health measures is also positive but should include social care and could have figured more prominently in the CSR, too.

**CSR 2:** The ‘social’ CSR importantly calls for guarantees to ensure adequacy and coverage of the social protection system to provide support for all and in particular those most affected by the crisis. The Preamble acknowledges that the current crisis will have a bigger impact on the most vulnerable, exacerbating poverty. Importantly, it highlights that the risk of poverty or social exclusion was already increasing, despite record low unemployment figures, as well as in-work poverty and child poverty. It underlines that “Welfare cuts and reforms risk undermining the strong poverty-reducing effect of the United Kingdom tax-benefit system” and calls for increased support for the most vulnerable, including children in poverty, recognizing that the crisis is expected to further increase income inequality. Challenges in relation to education and vocational training are included in the Preamble but do not find their way into any CSRs either.

**CSR 3** calls for innovation and support to human capital development, support to businesses, including increasing liquidity, driving forward on mature already-planned public investment projects and increasing private investment in green growth and just transition, particularly on digital transformation, housing, sustainable transport and clean energy. However, it lacks a poverty/social impact analysis demonstrating how to ensure that these measures do not impact negatively on the poor and that they benefit e.g. renewable and affordable public transport, tackling energy poverty, including support for energy efficient measures without passing on the costs to low income households, combined with investment in social and affordable housing. The Preamble confirms the shortage of housing but focuses on increasing supply in any new builds through reduced planning constraints, rather than on the supply of affordable rental housing, particularly public/social housing. It recognizes that meeting energy efficiency goals will be a challenge, with high consumption for home heating because of “the age of the housing stock and its slow replacement”, but does not propose measures to ensure that ‘renewal’ is targeted at poorer households.

### **What’s missing**

#### **EAPN UK recommended**

- 1. Invest properly in an integrated health and social care system and better capacity for local government to support public health and disease prevention.**
- 2. Ensure that, unlike the financial crisis, the burden of paying for the response to COVID19 is not unfairly carried by low-paid workers and poorer and disadvantaged people not in paid work. Ensure that the uplift to Universal Credit and access to social protection support for the self-employed are retained after the health crisis and are extended to all, including those, often amongst the most vulnerable, receiving ‘legacy benefits’ (not yet transitioned to Universal Credit, which is the case for many very disadvantaged families and people with a disability). There should be benefit support for those, usually from outside the EU, who have ‘no recourse to public funds’ as a condition of their right to remain, but who have lost their jobs and their income due to the coronavirus health crisis and the policy response. The weaknesses in implementation of equality and rights for women, frail older people, and Black and Minority Ethnic people, thoroughly exposed by the coronavirus crisis and response, must be addressed as a priority. There must be a new exemption regarding the value, pay and benefits of front-line workers especially in food, retail, logistics and transport, utilities and basic services, health and care and education. Acceleration of an ambitious Green New Deal would provide retraining opportunities for those in jobs and regions most affected by coronavirus and its impact. There must be a specific focus on, and ambitious policy to provide opportunities for young people, given the coming recession and depression which will most affect entry-level posts and their career opportunities.**
- 3. Many regions most affected by the impact of coronavirus will also be most affected by a hard Brexit. Do not countenance a hard Brexit, especially at a time of almost unprecedented economic shock, and accept a delay in order to ensure an orderly transition. Support dynamic upward alignment on social, employment and environmental measures to ensure high standards and our continued access to our largest market and close relationships with our natural allies.**

## INFORMATION AND CONTACT

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**The European Anti-Poverty Network (EAPN) is an independent network of nongovernmental organisations (NGOs) and groups involved in the fight against poverty and social exclusion in the Member States of the European Union, established in 1990.**



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