

15 October 2020

Dear Commissioner Schmit,

We last [wrote to you](#) on 24 April 2020 regarding the need for the European Commission to move forward on developing proposals for a binding EU framework on Minimum Income, as an essential instrument to support upward convergence and to guarantee an adequate minimum income for all, particularly in the COVID context. This letter was supported by over 20 key actors and 25 MEPs. During 2020, EAPN and EMIN<sup>1</sup> have continued to call for a Framework Directive on Minimum Income, recently updated in our new [Op-Ed](#), [Position Paper](#) and [Summary Document](#)<sup>2</sup> as well as the [ETUC](#), [EESC](#) and [Social Platform](#). Our recently commissioned [Expert Study](#)<sup>3</sup>, (published on Thursday 15 October) demonstrates clearly the legal feasibility and added value of such a proposal. We strongly welcomed your vocal support for an EU initiative on Minimum Income, including during the plenary session of the German Presidency [Conference Social Europe - Stronger Together](#) on the 16<sup>th</sup> September.

This week, following the recently adopted EPSCO [Council Conclusions on "Strengthening Minimum Income Protection to Combat Poverty and Social Exclusion in the COVID-19 Pandemic and Beyond"](#)<sup>4</sup>, we trust that you will continue to show strong leadership and respond to the Conclusions by making **an ambitious proposal for an EU Framework Directive to guarantee an adequate, accessible and enabling Minimum Income**, as one of the key headline EU initiatives in the [upcoming Action Plan for implementing the European Pillar of Social Rights](#).

### **3 Reasons why the Commission must propose a Framework Directive in the EPSR Action Plan in 2021**

#### ***1) Soft instruments have not succeeded in reducing poverty BEFORE the COVID crisis***

- **One in five people were still at risk of poverty and social exclusion in 2018**, ie nearly 110 million people - 12 million short of the Europe 2020 poverty target, The EU's commitment to end poverty in all its forms (SDG 1) as a pre-requisite for sustainable development is seriously under threat.
- **Adequate Minimum Income has an essential role to play**, as income support benefit of last resort, which could guarantee people income protection and a route out poverty. **However, EU soft policy mechanisms have had a limited impact**, with only 2 Member States currently paying benefits close to the poverty threshold for some households (Ireland and the Netherlands), whilst countries like Romania, Bulgaria and Hungary barely reach the 20% level.<sup>5</sup>
- **The COVID-19 global pandemic is exacerbating existing poverty and inequalities**, hitting the poorest people hardest as well as poorer countries and regions, as highlighted by the [EAPN COVID-19 Report, launched in the EAPN Policy Conference in July](#). The [World Bank](#) this week has warned of extreme poverty rising by 150 million by 2021. Unofficial EU estimates calculate at risk of poverty levels rising to at least 2008 Crisis levels (ie 125 million people)

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<sup>1</sup> European Minimum Income Network (EMIN), <https://emin-eu.net/>

<sup>2</sup> Part of EAPN's input to the Consultation to the Action Plan to implement the EPSR.

<sup>3</sup> Expert study on a binding EU framework on adequate national minimum income schemes: making the case for an EU framework Directive on Minimum Income (October 2020): Anne Van Lancker, Ane Aranguiz, Herwig Verschueren, University of Antwerp.

<sup>4</sup> Adopted on the 12 October 2020 prior to the EPSCO on the 13 October 2020.

<sup>5</sup> EC Joint Employment Report 2020

## 2) The Council Conclusions support and enable progress on MI and an EU framework

- **The Council Conclusions acknowledge that minimum income schemes contribute to the social protection** of the most disadvantaged groups in society, including people hardest-hit by the COVID-19 crisis, and help peoples' inclusion in employment and society.
- **The Conclusions invite national governments and the EC to implement principle 14** of the European Pillar of Social Rights stating that *'everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring dignity at all stages of life, and effective access to enabling goods and services'*. They also call upon national governments to engage with civil society organisations (CSOs) and with people experiencing poverty in the development, updating and implementation of minimum income schemes.
- **Most importantly, a call is made for the EC to improve the current EU framework on Minimum Income**, requesting them *'to initiate an update of the Union framework to effectively support and complement the policies of members states on national minimum income protection'*.<sup>6</sup>
- The Conclusions therefore offer **important progress on guaranteeing adequate, accessible and enabling minimum incomes** – highlighting and further elaborating on the three key design parameters of minimum income schemes – **and open the door to a proposal for a binding European framework**.
- Such an initiative could **reunite the EU Member States around a shared political and moral commitment to end poverty and social exclusion** and a Europe that promotes decent living and working conditions and defends social rights, to help restore faith in the European project.

## 3) A framework directive is feasible, and the best option to guarantee rights to an adequate MI for all

- **The Commission can build on the existing EU policy framework, but more needs to be done, when so little progress on poverty has been made.** The Commission needs to be ambitious and turn existing recommendations, including extensive Country-Specific Recommendations (CSRs) in the European Semester, into binding minimum requirements that guarantee social rights, which no country can ignore.
- **Binding EU legislation is indispensable to ensure that national minimum income schemes set high social standards** guaranteeing everyone an adequate minimum income throughout the life cycle and access to benefits and services. Research shows that public support is high, including for an EU-level initiative that would require financial support for countries that face the most difficulties to deliver on improving the adequacy of benefits.<sup>7</sup>
- **A binding EU Framework for national minimum income schemes is legally and politically feasible and the best option** – as argued by EAPN's **new Expert Study**. The opinion clarifies the appropriate scope and content of such a binding EU-level and EU-wide instrument, and proposes a new **dual legal basis** building on existing

<sup>6</sup> This framework includes the 1992 Council Recommendation on common criteria concerning sufficient resources and social assistance in social protection systems, the 2008 Commission Recommendation on active inclusion, as well as Country-Specific Recommendations in the European Semester, backed up by a monitoring and benchmarking framework – as well as the ILO Social Protection Floor.

<sup>7</sup> Baute, S, 'Public Support for a Social Europe: A Basis for Political Action? in Our Social Europe', BMAS EU reader, 2020 - referenced in Expert Study commissioned by EAPN on an EU binding framework on national Minimum Income Schemes: Van Lancker, A; Aranguiz, A; Verschueren, H, p.10.

competences the EU has in the social policy and cohesion policy fields and fully respecting the principles of subsidiarity and proportionality.

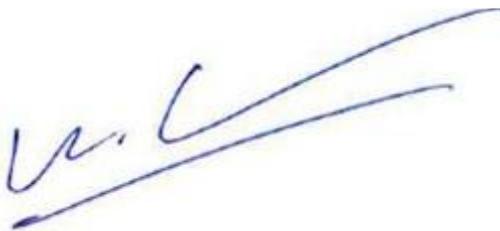
- The expert opinion strongly recommends **the adoption of an EU framework directive on minimum income that entitles individuals to enforceable legal rights as the most effective legal option**. Only in this way can the EPSR deliver on its promises and move beyond a framework of voluntary principles to give real results.
- **Existing and new EU funds, including as part of the Recovery and Resilience Package will be essential** to support poorer MS which still have considerable shortfalls in the adequacy (coverage and enabling nature) of their minimum income schemes, not least to make European solidarity a reality.

We believe that the Commission now has **all the necessary evidence and arguments** at its disposal. What is needed now is **political will by the Commission to move from theoretical support to concrete action**. We know that the Commission is keen to find ways to ensure that the EPSR has real impact on people's lives. **A Framework Directive on Minimum Income will be remembered as the new Commission's flagship initiative** that guarantees a right to an adequate income to the poorest and most vulnerable, demonstrating to all that the EU delivers on its promises and prioritizes protecting 'people' as well as planet, in its commitment to a social, inclusive and sustainable recovery.

EAPN is keen to support the Commission's proposal of a binding EU framework, and will actively work with you, together with our members at EU and national level, to ensure that this vital initiative becomes a reality.

We would therefore like to organise a call with you in the coming days to explore what more EAPN can do to actively support the Commission in this endeavour.

Yours sincerely



Carlos Susias, President of EAPN



Leo Williams, EAPN Director