



## Notes of EAPN Executive Committee

14 May 2021 - 14.00 to 17.00h

### Zoom

**Participants (members):** Aiste Adomaviciene (Lithuania), Ana Kalin (Slovenia), Anna Galovikova (Slovakia), Anne Loftus (Ireland), Biljana Dukovska (Macedonia), Carlos Susias (Spain), Caroline van der Hoeven (Belgium), Eleni Karaoli (Cyprus), Honoratte Muhanzi (Norway), Iris Alexe (Romania), Jo Bothmer (Netherlands), Kamila Plowiec (Poland), Kärt Mere (Estonia), Katalin Juhos (Hungary), Laila Balga (Latvia), Leena Erasaari (Finland), Magnus Palsson (Sweden), Patricia Alert (UK), Sandra Araujo (Portugal), Vito Telesca (Italy), Yota Arvaniti (Greece), Graciela Malgesini (EUISG), Freek Spinnewijn (FEANTSA), Ian Johnston (IFSW), Luigi Leonori (SMES).

**Participants (staff):** Anna Krozser, Cláudia Guerra, Hélder Ferreira, Magda Tancau, Philippe Lemmens, Sigrid Dahmen.

**Apologies:** Jasmina Kronic (Serbia), Karel Schwarz (Czech Republic), Maria Jeliaskova (Bulgaria), Mathias Becker (Germany), Nedjeljko (Croatia), Noël Xerri (Malta), Raoul Schaarf (Luxembourg), Richard Delplanque (France), Robert Rybaczeck (Austria), Vilborg Oddsdottir (Iceland).

**Proxies:** None

## Session 1: Welcome and Introduction

### Key discussion points

- Agenda approved
- No conflicts of Interest

The President welcomed members and explained that the present Ex Co meeting is focused on future events such as the General Assembly and National Contracts as they are important issues and encouraged those who hardly intervene to be more participative.

The Director presented EAPN's 2021 activities and Anna was responsible for presenting the overview and timeline on policy deliverables and extra activities.

The President gave the floor to Graciela (EUISG) emphasizing that a person from the EUISG will always be invited to the Ex Co. She expressed her thanks for being invited and mentioned that in EUISG they've been working on two main lines, adapted to the pandemic. The Steering Group shows its support at the political conference, taking advantage of EAPN's policy experts, therefore, some of the members will be invited to speak. She finished the speech stating that although this year is being complicated and with some limitations, it has been a year of hard work and effort.

Sandra congratulated the work done in the last four months and demonstrated her interest in having more information regarding EAPN's agenda at an European level and would like to know how these activities can be developed at a national level. She believes national networks should exchange more.

Caroline also congratulated the work done by the team but was concerned about overburdening them, especially Anna, because a lot is happening at the policy level in the EU. She asked how can the members be more supportive towards the team and highlights that the focus should be more political.

Freek agreed with Caroline, expressing that this is an unprecedented moment with a lot of political opportunities. He also questioned if these meetings have any political impact, saying that the number of meetings attended is not a reflection of the policy impact. Freek also referred that if the Green Deal is to be prioritized it should not be pushed over the summer because very important decisions impacting on energy poverty are planned for next few months. Freek also stated that ICF should not become a partner of EAPN and that a debate about the outcome of Porto Social Summit should be made.

Ian highlighted that visibility is important so EAPN's presence at meetings is necessary. He also underlined that EAPN is in a complicated situation and it's important to find ways to support HF, AK and the rest of the staff.

Yota agreed with what's been said by the other members and wanted to add some practical comments. She couldn't find the link between the work at a national and European level. Regarding activities, she suggested that they should include results of previous months in future presentations to make it easier to congratulate staff. She also couldn't understand the content.

The Director stated that EAPN only participate in necessary meetings and events. EAPN tries not to engage in meetings without anticipation of results.

Anna agreed with the majority of the comments. She also said that her presentation wasn't an exhaustive list regarding policy work, attendance at meetings and events where EAPN had a speaker role were included. EAPN should also be mindful of the learning curve for the new policy officer.

Graciela mentioned that we should engage the policy group and the Ex Co in order to better understand and get more profit from the work of EAPN. She also referred the need to prioritize on which subjects EAPN can make an input or have results. If EAPN works with Ex Co and members of European Parliament on different subjects, policy lobbying would be more strengthened. To finalize, regarding the green deal, it would be addressed in the policy conference and Graciela invited Freek or someone from FEANTSA to attend the meetings of the EUISG.

Freek was concerned about EAPN's priorities and where EAPN can realistically support, stating that this is the key to the funding application for the next four years. He also pointed out that they were not criticizing the team, but the weaknesses must be mentioned.

Magnus highlighted that the Swedish network is totally focused on social policy, not giving importance to other issues.

## Session 2: Draft agenda for the General Assembly and date for EGA

### Key discussion points

Eleni chaired this session, presenting the draft agenda for the GA.

The Director stated that was a Bureau decision to have a structured discussion on the submission of FPA. EAPN does not have full knowledge of the application timeline and needs a margin of manoeuvre. He also mentioned that it should be included a topic on the GA attributing the mandate to Ex Co to take the decision for the submission of the FPA application.

Eleni raised a question of whether it's possible to have people observing the GA since the meeting is online. She also suggested that members should sent comments or proposals to her or Hélder, to add to the bottom of the agenda.

The President stated that as there were no objections, the draft agenda for the GA was approved without voting and the open discussion will remain open until Monday/Tuesday for any suggestions.

The Director concluded this session with the last topic, the Extraordinary GA date. He asked if it should be postponed since the EGA is scheduled for 17/09.

It was agreed by members that the Covid situation will not be entirely resolved by mid september and travel might still be difficult.

Eleni proposed to add in the agenda of June GA to give mandate to the Ex Co to vote on the FPA approval only for this year and leave a date for a physical general assembly open for the future.

The President clarified that they're going to propose to the GA to decide on a date for the EGA. He suggested holding an Ex Co meeting before the GA to decide the date for the EGA to be approved at the GA.

### **Decision**

D1. Proposal to add in the agenda of the GA to give mandate to the Ex Co to vote on the FPA proposal

## **Session 3: Recommendation for allocating reserves**

### **Key discussion points**

The Director introduced this session and gave the floor to Philippe.

Philippe chaired the proposal of recommendation for reserves allocations. He presented two possibilities (provisional Balance Sheet 2020 A and provisional Balance Sheet 2020 B) and stated they must choose one of them to present at the GA, for voting.

Eleni asked Philippe if he could remind them the difference between social and unrestricted reserves.

Philippe explained and declared that the decision they must take today is what are the principles to apply to keep the reserves because he must present the balance sheet in the GA for voting.

Freek stated that if there is indeed a real risk that some of the money that is a profit now from EMIN2 can be asked back by the EC, EAPN should reserve enough money for that purpose. He also questioned what is realistic to reserve in the case of that happens, and if they do that, they can also use it for cash flow problems. Regarding social reserves, he believes EAPN can strike a balance between how much money is put into social reserves and how much is used for other purposes. He also added that since EAPN is going through a difficult time, some of the money could be spent to help get through it. Finally, in terms of finances, he considers it is important to have enough money to pay the 10% co-financing in order to still be able to get 1,000,000 from the EC. He believes the decision they must make is more complex than the one presented at the meeting.

Yota expressed that, in her opinion, EAPN should implement Possibility B. She would also like Philippe to further explain the E17 proposal for EAPN's reservations policy. Regarding finances, Yota also suggested that a meeting or session should be held for members to understand "what are the words behind the numbers". She often votes because she trusts people, but she does not fully understand the proposals.

The President agreed on the need to hold a seminar to explain financial issues. He also underlined the need of choosing one of the two options: possibility A or possibility B.

Caroline agreed with Freak that it is very important to be careful as money can be claimed by the EC. It is an important year for EAPN due to the need to apply for the FPA. It is highly competitive and as such it is important to have visibility on the main topics for the EC, she believes that some of the money should be used, for example, for members to step up on the work of the Green Deal, EPSR or Child guarantee.

The President mentioned that in the meeting they are deciding where to put the money on the balance sheet, not where they are going to spend it, that will be discussed later. He emphasized that they must vote between the two options.

Freak intervened and asked if what he and Caroline said about spending some of the money EAPN have in surplus, if that option is totally out of the question?

Carlos again emphasized that they are just putting the money on the balance sheet and at a next meeting they can debate where to spend it.

Eleni asked if they can decide not to save all the money they have from EMIN2 for the next 5 years.

Philippe responded by saying that it is not possible. He also stated that it is a balance sheet decision and not a decision on how to spend the money. If they choose possibility B and keep that money, they can allocate it in the future and use it for the best benefit of EAPN, it also helps with the cash flow. To finalize, he summarized the two options: Possibility A - they have already divided the money from EMIN2 and allocated it into specific reserves in the accounts. Possibility B - keep the year 2020 result and keep the money from EMIN2 until 2024.

Magnus asked Philippe what would happen if the social reserves were empty and there were redundancies or layoffs? What would happen economically/financially?

Philippe said it was a complex question to answer. He is not a legal expert, but he knows an employee could file a complaint against administrators if they had the opportunity to make social reserves, which is why he mentions the importance of social reserves. The construction of social reserves is not allowed by the EC therefore they cannot use it to build a social reserve. They have to do that with money from other types of non-EU projects.

The President thanked Phillippe for the clarifications and asked The Director to launch the voting.

The Director released the voting and highlighted that it is a decision on how to classify the results. To use the social reserves it needs to be for the purposes that social reserves are built regarding staff issues and cost redundancies. It is a decision on how much percentage of the money goes into social reserves and how much percentage of the money stays in unlimited resources that can be easily mobilized and used in any necessity, cashflow problems, or any other needs that might appear in the future. As soon as it is decided that a certain amount of money goes to social reserves, it can be used only for the purposes of social reserves. So that money, compared to the other categories of unrestricted reserves as a result of the year, is less flexible. It is a matter of deciding how to classify the results into these different types of labels.

The Director relaunched the voting and the results were:

- **Possibility A - 2**
- **Possibility B - 12**
- **Abstain - 10**

The President agreed with Yota that an enlightening session on more financial aspects should be held and finalized the session.

#### **Session 4: Proposal of Calendar for the Statutes Amendments process**

##### **Key discussion points**

Eleni chaired this session.

The Director referred that it is a process that interests all members and as such it is important that all members participate because these are the bylaws that act as the rules for the common work of EAPN.

Eleni also added that the proposal is based on Belgian law and that any suggestions or comments are welcome.

The proposal of the calendar for the Statutes Review was approved.

The President thanked Eleni and the Director for the work done.

#### **Session 5: Proposal for the National Networks contracts**

##### **Key discussion points**

Biljana chaired the session.

Philippe presented the proposal for the National Networks Contracts 2021.

The Director wanted to emphasize that by proposing an interim report, what they were trying to do is not add more work but simplify. From their perspective, there are gains on both sides, the networks that are executing the contracts can first organize part of the work so that they reduce the overall work at the end of the contract, making it less stressful. Also, the NN's have an intermediate opportunity to verify the type of documents they are presenting and assess any potential issues with the validity of the documents. After those are cleared and approved, we have reduced the amount of work at the end of the contracts and Philippe, by the time he is handing in the final national reports, will be less overworked and hopefully more available to work with the networks that may have more difficulties with the procedure.

Laila asked in the chat "what will be the total sum for NN support 2021? 40% co-funding is too high in emergency situations".

Philippe answered that the difference compared to other years is not that the % of co-financing was changed. This year, instead of 70%, EAPN gives 40% in the 1<sup>st</sup> payment to encourage NN to send the contracts earlier.

Caroline was the first to intervene asking what the consequences would be if members were late or not respecting the deadline, as now with this new system they would need to make an interim financial report. She also asked if there has ever been a conversation with members struggling to put their reports in, because it would be interesting to hear why people are not respecting deadlines or are having difficulties with that.

Kart Mere expressed her opinion saying that she prefers the old system and that splitting money into several parts only brings more work and more confusion for NNs. The extra report is very bureaucratic and the NNs already have a lot of responsibilities. It would be better if the NNs that need help in drafting the report ask for help directly.

Eleni mentioned that Philippe and the Bureau were trying to solve a problem that happens every year, as some of the NNs do not send their reports in time. She understands the frustration and has seen the proposals to make one report instead of two reports, or advance the deadline, but she is not sure if that is feasible.

Philippe expressed that he does not necessarily disagree with many opinions and proposals, but while each NN has a report to do, he has 26/27. The NNs will send to him the contracts in late January or later and he needs to complete everything by the end of February. He also added that he specifically must verify these contracts because he knows what the auditor needs financially as an explanation and justification for these contracts. He is aware of the EC rules and what can be done to explain expenses in the right way, to ensure that the auditor and EC finance officer accepts the contracts. He believes that this proposal, with the interim financial report, would be a good solution since it would mean less work preparing the final report for him and the NNs.

Leena indicated that funding and budgeting are time-consuming. For her specific NN, it would be too much for the person responsible for that part. She believes it is not the best solution.

The President **proposed to hold a specific meeting to discuss this topic next week on May 28th.**

Philippe intervened saying that if they do not decide anything, contracts will be postponed.

Carlos said that they have a decision to make and, considering the ongoing debate, he proposed a new meeting.

### Session 6: Information regarding EAPN's engagements

#### **Key discussion points**

Ian chaired this session.

The Director highlighted that they contacted members by email regarding the possibility of getting involved in the CSO Convention on Conference on the Future of Europe and participating in thematic working groups, as members can nominate representatives to the working groups according to the themes that interest them. EAPN will participate in the Social Europe thematic working group, an opportunity not only for EAPN staff to participate, but also for member representatives. Regarding the PEP meeting, he stressed that the establishment of the contract to provide logistics in terms of budget with the EC for example, must be addressed as soon as possible. EAPN is asking for services that enable the participation of people experiencing poverty.

The President ended the meeting saying that on Monday an email with the date of the final debate of the National Networks will be sent to all members.