

EU Regulatory and Policy Framework on Poverty and Social Exclusion



Public Policy Exchange Seminar

Tackling Poverty and Social Exclusion in Europe

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EUROPEAN ANTI POVERTY NETWORK

RESEAU EUROPEEN DES ASSOCIATIONS

DE LUTTE CONTRE LA PAUVRETE

ET L'EXCLUSION SOCIALE

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Overview of Presentation



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- **Introducing EAPN**
 - **4 Key Thematic Priorities**
 - **Need for an Overarching Strategy – Europe 2020**
 - **What impact on Poverty**
 - **EAPN Key Recommendations.**

Introducing EAPN



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- ❑ Independent **Network of NGOs** committed to fight against poverty and social exclusion, with and for people in poverty.
 - ❑ Started in 1990 – **key actor** in poverty programmes and development of social OMC and Europe 2020 Strategy.
 - ❑ Receives **financial support** from the European Commission (EaSi Programme)
 - ❑ 31 **National Networks** and 18 **European NGOs** as members
 - ❑ Coordinates the **European Minimum Income Network (EMIN)**
 - ❑ **Participation of people** with direct experience of poverty must be part of the solution.

4 Key Thematic Priorities



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- Whatever the name of the strategy (Social OMC, Platform against Poverty, Social Investment Package, Pillar of Social Rights.....) 4 key thematic priorities need to be pursued:
 - **Investing in Children Recommendation:** *integrated/child-centred approach on 3 pillars: Access to adequate resources, Affordable quality services, Children's right to participate*
 - **Follow up on the implementation of Active Inclusion Recommendation:** *(inclusive labour markets, access to services and adequate minimum income): integrated approaches*
 - **Tackling homelessness and housing exclusion** – *proposes integrated strategic approach*
 - **Integration of Migrants**
 - These 4 priorities were already identified and pursued in the **Social OMC**, which was the **most comprehensive (Common Objectives and Indicators) and coherent strategy (connecting levels)** designed to date.
 - They need to be pursued within a **gender equality** framework and a **positive action on non-discrimination** approach.

Active Inclusion



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- The **Active Inclusion Recommendation** provides an important framework for progress

 - Active Inclusion: The bad the good and the (hooks)
 - **Inclusive Labour Markets:** Addiction to punitive activation approach, rather than inclusive labour market approach (Europe 2020 target, Long Term Unemployment Communication, YEI, WISE approaches, Minimum Wage/Living Wage discussion)

 - **Accessible Services:** Addiction to privatisation ,rather than Services of General Public Interest approach (Long Term Unemployment Communication, Integrated social services, Health Inequalities, energy, water...)

 - **Adequate Incomes:** Addiction to austerity, rather than social investment (EMIN, Reference Budget Work, High level of Interest from the Commission and the European Parliament and Other Actors)

Overarching Integrated Strategy Needed



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- While good **social policy is vital for fighting poverty and inequalities**, poverty can not be solved by social policy alone. An overarching Integrated strategy is needed
 - **Europe 2020** is such a strategy but it is now in the shadow of the **Semester** (new priorities: investment, restructuring and fiscal consolidation) and the '**5 Presidencies Report**' (triple A, social Europe but not clear what this means and new priorities, investment)
 - **Europe 2020 targets and indicators restored to heart of the Semester.**
 - **Integrated strategies at National Level** must identify **groups at most risk** (Roma, Single Parent's, Young People, People with disabilities...)
 - **Funding: 20% for Social Inclusion within the ESF**

Europe 2020 - Reminder



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- **New objectives: Smart, Sustainable and Inclusive growth**
 - **Poverty Target (1 of 5): reduce poverty by at least 20 million by 2020** Target needs a humane interpretation
 - **European Platform Against Poverty and Guideline 10**
 - **Participation: Recital 16**
 - **Reinforced Social OMC with National Social Reports?**

Europe 2020 -



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- **Highly complex poverty target – based on aggregate of 3 indicators (At risk of poverty and/or exclusion)**
 - *At risk of poverty (60% median household disposable income)*
 - *Severe Material Deprivation (deprivation of 4 out of 9 factors)*
 - *Low Work Intensity (job-less households)*

 - **While there is room for improvement in the target and in the indicators used, there is no compelling reason to adjust now but rather a renewed effort to deliver on the agreed Europe 2020 Targets and Objectives.**

 - **We should build on current work on targets and objectives for the post 2020 strategy including the link with the Sustainable Development Goals**

What impact on Poverty and Inequality



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- 122.6 million at risk of poverty and/or social exclusion (EU SILC 2013) ie nearly 1 in 4 of the population, increase of over 4.8 million since 2008
 - Shortfall on MS setting national targets (only 12 million not 20)
 - Largest increases in periphery: EL, ES, IE, HU, CY, MT, LU, BG, LT, IT
 - Relative poverty more stable except in EL, HR, LU, SE and SI
 - SMD – substantial increases – over 5pp: EL (9.1), HU (8.9), CY (7.0), MT, IT, LV
 - Jobless HH – hardest hit by crisis: EL, ES, IE, LV, LT , PT an BG
 - Increasingly divided Europe – N/S and periphery: $\geq 40\%$ BG/RO/LA to $\leq 17\%$ in CZ, NL, SE, LU and AT.
 - Increasing inequality – the top/bottom 10% between and within MS.
 - New risk groups – youth but also children, older people, single parents, long-term unemployed, homeless, migrants, Roma..

What Impact on Poverty and Inequality



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- **Growth in persistent poverty: EU 27 10.2%, up from 8.6%**
 - **Increased Working poor – 8.9% , with highest rates in RO,(17.7%), EL, LU,alsoES, IT, PL, PT. With 1/3 of poor working**
 - **26.1 million children (EU28), with 2/3 of MS with significant increases since 2008**
 - **Range from 6-10% (HU, EL, BE, MT, IE, CY, LU, LT) to 40% in EL, HU, LV and 50% in BG and RO.**
 - **Youth unemployment – but also in NEETS - over 6% in CY, HR, EL, IT, RO, ES, PT and 25% in BG, CY, EL, HR and IT.**

Mid-Term Review- EAPN assessment



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- Europe 2020 offered a positive development for poverty reduction
 - Disillusionment as poverty grows
 - Devastating social impact of crisis – mistaken policies also culprit.
 - Europe 2020, the poor sister in the European Semester dominated by economic governance
 - Lack of seriousness about poverty target or strategy for delivery
 - Work only solutions not sufficient to reduce poverty
 - Cosmetic approach to participation

EAPN Key Messages



1. Ensure macroeconomic policies deliver on social objectives

- **Put macroeconomic objectives on a par with social objectives and at the service of social inclusion and cohesion.** Europe 2020 goals/targets restored to heart of the Semester.
- **Transparent ex-ante social impact assessment carried out on all policies,** including austerity measures, to ensure a coherent approach that invests in inclusive and sustainable growth and prevents negative impact on people.
- **Social policy must be seen as an investment not a cost,** and as a pre-requisite for high quality growth and social inclusion, combined with equitable tax/benefit systems that can redistribute wealth more fairly and reduce inequality.

Key Messages



2. Demonstrate a strong social dimension: an integrated poverty strategy and investment in social standards

- **The Semester must demonstrate an explicit social dimension**, with specific sections in the AGS and in NRP proposing policies to deliver on the Europe 2020 poverty and other social targets, with CSRs on poverty for all countries.
- **Propose an integrated rights-based anti-poverty strategy to tackle the multidimensionality of poverty for all groups**, based on personalized, integrated Active Inclusion (inclusive labour markets, adequate minimum income and access to quality services) underpinned by rights to quality social protection and linked to thematic strategies for all at-risk groups.
- **EU social standards must be progressed to ensure an *adequate income throughout the life cycle for all***: with priority given to EU frameworks for adequate minimum income and social protection, living minimum wages and quality jobs.

EAPN Key Messages



3. Get serious about participation and NGO involvement!

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- **Effective civil society involvement at all stages of the Semester process** (design, delivery and evaluation) is crucial and must demonstrate policy impact.
 - A process must be launched to **develop common guidelines and indicators to measure the effectiveness of stakeholder dialogue**, monitored/reviewed annually through the Semester.
 - **Transform European Semester Officers into ‘participation officers’** with resources to support NGO involvement, including people with direct experience of poverty while promoting exchange of inspiring practices.