



The Annual Growth Survey 2015 – an opportunity to ensure inclusive growth.

Brussels, 14th November 2014

Dear President Juncker,

One of your first acts as Commission President will be to launch the European Semester 2015 with the Annual Growth Survey for 2015. It is vitally important that the Annual Growth Survey 2015 reflects the need to achieve both economic and social progress in the European Union and that social wellbeing is given as much importance as economic development. Furthermore we wish to see a genuine cooperation between civil society and national public authorities in working together to ensure progress toward increased social inclusion and poverty reduction.

Therefore Eurodiaconia recommends that through the AGS 2015 the European Commission gives a strong impetus to strengthen the “inclusive growth” pillar of Europe 2020 and through the European Semester supports Member States to achieve a balanced social and economic approach.

Concretely, we urge the European Commission to consider the following:

- **Acknowledge and respond to the social situation in Europe, strengthen the Europe 2020 poverty reduction target**
 - The Annual Growth Survey, as the launch pad of the European Semester cycle must include a progress report, every year, on the achievement of the Europe 2020 quantified targets, including the poverty reduction target. This assessment of “where are Member States at” in terms of implementing the objectives of the Semester is an essential element for an AGS that will give a coherent and balanced political direction.
 - The AGS 2015 must broaden the current employment and economic growth focus (as seen in the 2013 and 2014 AGS), towards inclusive growth, promoting well-being and social cohesion. This could be done by a reference in the AGS 2015 to the need for Member States to ensure a social investment approach when implementing economic policies, and as in the AGS 2014 emphasising the need for Member States to develop active inclusion strategies, as an integrated approach to social and labour market development.
 - The AGS 2014 referred to the need to reform social protection as “*better performing social protection is essential to support social change and reduce inequalities and poverty over time*”. The AGS 2015 must keep calling on a reform of social protection systems with the aim to reduce inequalities. This should be based on more personalised services and Member States should ensure the social protection of the most vulnerable and those furthest away from the labour market.
 - In the AGS 2014, the European Commission has seemed to affirm that the priority must be to boost growth and competitiveness before anything else can improve, in particular the social situation. Considering the social consequences of austerity policies, this political approach must change. The AGS 2015 should acknowledge the Social Market Economy as an overarching goal guiding policy decisions where economy is at the service of the people, rather than people being at the service of the economy.

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- **Strengthen Europe 2020's credibility, reinforce stakeholders' involvement**

Based on their experience of Europe 2020 and difficulties of involvement in the European Semester process, Eurodiaconia members have been disappointed by the lack of open and significant dialogue at national level. They request a more open and meaningful process of involvement which would reinforce policy ownership, improve outcomes and contribute to legitimize the European Semester process.

- In line with the AGS 2014, Eurodiaconia recommends that the AGS 2015 keeps recalling the need for a greater involvement of national parliaments, social partners and civil society in the European semester process. The AGS must reiterate that National Reform Programmes (NRP) and Stability or Convergence Programmes (SCP) should be discussed with national parliaments and all relevant parties.

- **Empower Europe through long-term thinking, promote social investment**

- The AGS 2015 must contain a strong emphasis on social investment, highlighting the impact of social investment in achieving long term and sustainable economic and social returns. While addressing immediate needs, the social investment approach also has a preventative component that prepares people to confront life's risks.
- The AGS 2015 must also urge Member States to address the question of precarious work and quality work due to the rising numbers of people experiencing in work poverty.
- The AGS 2015 must insist on the safeguarding of national budgets for measures pursuing social targets and shield these from austerity measures including adequate social protection systems.

The European Semester must be driven by a balanced approach to economic and social policies and the Annual Growth Survey must be the starting point of this approach. We ask that you carefully consider these proposals and remain at your disposition for further information.

Yours sincerely,



Heather Roy
Secretary General
Eurodiaconia

Cc: Ms. Catherine Day, Secretary General European Commission
Mr. Valdis Dombrovskis, Vice President for Euro & Social Dialogue
Mr. Jyrki Katainen, Vice President for Jobs, Growth, Investment and Competitiveness
Ms. Marianne Thyssen, Commissioner for Employment, Social Affairs, Skills and Labour Mobility
Mr. Michel Servoz, Director-General, DG Employment, Social Affairs and Inclusion

Eurodiaconia is a dynamic, Europe wide community of organisations founded in the Christian faith and working in the tradition of diaconal service, who are committed to a Europe of solidarity, equality and justice. Together we represent 44 members in 32 countries and our members include churches, non-statutory welfare organisations and NGO's in Europe who are rooted in the Christian faith, that is to say over 30 000 providers of social services on a not for profit basis and social justice actors. Some of our members are leaders in their countries on the provision of social services and many are partners with local and regional authorities and national governments in the fight against poverty and exclusion.