



PUBLIC CONSULTATION ON THE EUROPE 2020 STRATEGY

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Type of organisation:

- Member State*
- Public authority*
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- Individual citizen*
- Non-registered organisation/company*
- Other, please specify:*

Main area(s) covered by your contribution:

- Economic and financial affairs*
- Competitiveness*
- Industry*
- Single market*
- Employment*
- Research, development and innovation*

- Digital economy*
- Climate, energy and resource efficiency*
- Education*
- Poverty/social exclusion*
- Other, please specify: [Social investment, Social Services, Stakeholders' involvement](#)*

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Your reply:

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- can be published in an anonymous way*
- cannot be published*

A) Background for the public consultation:

The Europe 2020 strategy was launched in [March 2010](#) as the EU's strategy for promoting smart, sustainable and inclusive growth. It aims to achieve a knowledge-based, competitive European economy while preserving the EU's social market economy model and improving resource efficiency. It was thus conceived as a partnership between the EU and its Member States driven by the promotion of growth and jobs.

The Europe 2020 strategy is built around five [headline targets](#) in the areas of employment, research and development, climate and energy¹, education and the fight against poverty and social exclusion. The strategy also set out a series of action programmes, called "[flagship initiatives](#)", in seven fields considered to be key drivers for growth, namely innovation, the digital economy, employment and youth, industrial policy, poverty and resource efficiency. The objectives of the strategy are also supported by action at EU level in areas such as the single market, the EU budget and the EU external agenda.

The Europe 2020 strategy is implemented and monitored in the context of the [European Semester](#), the yearly cycle of coordination of economic and budgetary policies at EU level. The European Semester involves discussion among EU institutions on broad priorities, annual commitments by the Member States and country-specific recommendations prepared by the Commission and endorsed at the highest level by leaders in the European Council.

¹ In January 2014 the Commission launched a [framework](#) for energy and climate policies up to 2030. A reduction in greenhouse gas emissions by 40% below the 1990 level, an EU-wide binding target for renewable energy of at least 27% and renewed ambitions for energy efficiency policies are among the main objectives of the new framework.

These recommendations should then be taken on board in the Member States' policies and budgets. As such, together with the EU budget, the country-specific recommendations are key instruments for the implementation of the Europe 2020 strategy.

After four years, the Commission has proposed, and the European Council of 20-21 March 2014 has agreed, to initiate a review of the Europe 2020 strategy. On 5 March 2014, the Commission adopted a Communication "Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth" ([Communication](#) and [Annexes](#)), drawing preliminary lessons on the first years of implementation of the strategy. Building on these first outcomes and in a context of a gradual recovery of the European economies, it is time to reflect on the design of the strategy for the coming years.

Through these questions, we are seeking your views on the lessons learned from the early years of the Europe 2020 strategy and on the elements to be taken into account in its further development, in order to build the post-crisis growth strategy of the EU.

B) Questions:

1) Taking stock: the Europe 2020 strategy over 2010-2014

Content and implementation

- For you, what does the Europe 2020 strategy mean? What are the main elements that you associate with the strategy?
 - The Europe 2020 strategy is the expression of a European common vision and joint values. It is a political impetus to encourage Member States to work in the same direction to reach common goals, involving stakeholders in the process and very importantly putting the fight against poverty to build a sustainable social model as a priority, of which economic growth is an instrument.
 - Unfortunately this strategy is not well known among the general public, or among NGOs outside of Brussels. It is not clear enough at national level how to engage and what is the impact of this engagement and this strategy.
- Overall, do you think that the Europe 2020 strategy has made a difference? Please explain.
 - It contributes to unify European Member States by setting common goals, some of which are useful and appropriate. However, it has clearly failed to gather the Member States political commitment necessary to reach the targets it sets.
 - However, yes it has had an impact in providing tools for legitimate and official stakeholder involvement, as well as in providing a space for the discussion of poverty reduction and social inclusion at the highest EU political level.
- Has the knowledge of what other EU countries are doing in Europe 2020 areas impacted on the approach followed in your country? Please give examples.

Not enough. The implementation of the strategy is now too focused on the CSRs rather than on a broader and richer process of learning and exchange between countries and even at national level through the NRPs.

One of Eurodiaconia's Swedish member highlights that Sweden would probably not look for examples from other countries when its government thinks it is succeeding and the government believes it does not need external recommendations on how to deal with its internal policies.

- Has there been sufficient involvement of stakeholders in the Europe 2020 strategy? Are you involved in the Europe 2020 strategy? Would you like to be more involved? If yes, how?

No there has not been sufficient involvement. The theory of the process of stakeholders' engagement is good, but its implementation is poor. Civil society has not been meaningfully involved. The result is an increasing frustration toward the European Union and its heavy processes as members who have tried to be involved in the process have been left disappointed by the lack of genuine dialogue.

Eurodiaconia members have tried to be involved and want to be more involved. But even when they have been involved, it was most of the time a process of gaining information rather than of involvement and dialogue. They now request a change in the timetable of the semester, so that more time is available for a genuine dialogue. One possibility would be to a longer cycle but which must remain attached to the budgetary cycle. An earlier publication of the European Commission Staff Working documents would also enable stakeholders to take on a more informed role in reacting to the Country Specific Recommendations.

Finally, Eurodiaconia members regret that the real barrier preventing their voices from being heard seems to be at a higher level i.e. the disproportional political weight given to financial and economic affairs ministries in comparison to social priorities. In this context they highlight the political importance and positive economic impact of social investment and the dangerous financial and economic potential cost of inequalities.

Tools

- Do the current targets for 2020 respond to the strategy's objectives of fostering growth and jobs? [Targets: *to have at least 75% of people aged 20-64 in employment; to invest 3% of GDP in research and development; to cut greenhouse gas emissions by at least 20%, increase the share of renewables to 20% and improve energy efficiency by 20%; to reduce school drop-out rates to below 10% and increase the share of young people with a third-level degree or diploma to at least 40%; to ensure at least 20 million fewer people are at risk of poverty or social exclusion*].

The set of five interconnected targets allowed the European Union to work in the same direction. This integrated approach based on targets responded in part to the strategy's objectives of fostering growth and jobs.

However, Europe is missing the poverty target heavily. We believe the poverty reduction target must be given the focus it deserves in the 2020 strategy. Reducing poverty is not only

an essential matter of social cohesion and the resulting internal stability it brings, but also about valuing, investing and mobilizing the (human) resources available, to foster growth and competitiveness.

- The weakness of the process setting and monitoring the poverty reduction target contributed to the lack of success in the achievement of the strategy's objective. For example, Member States' low ambition in setting national targets and the lack of accountability in achieving them, made it impossible to make common progress and led to a loss of credibility of the strategy.
 - It is essential to keep a national break-down of the target. The fact that the aggregated national poverty reduction targets did not amount to the European objective of a 20 million people poverty reduction showed from the start the lack of joint interest from Member States to reach the common target. The national poverty reduction targets must be re-set to add up to the European target.
 - The monitoring of the poverty reduction target should include visible progress reports on poverty reduction by gender, and on the evolution of inequalities. This would not be an additional target or replace the poverty reduction target – but it could be included in a renewed Europe 2020 Strategy and would serve to reinforce the inclusive growth pillar.
- Among current targets, do you consider that some are more important than others? Please explain.

No. That is why a rebalancing of priorities is necessary. Targets must be mutually reinforcing. For instance, in order to work toward the reduction of unemployment, the current trend has been a worrying increase of precarious work. According to the September 2014 Employment and Social Situation Quarterly Review, over half of the growth in employment is attributable to the increasing use of temporary contracts; while part-time work has also continued to increase². Precarious work must be addressed. “Inclusive growth” cannot be achieved through an increase in precarious work. That is why the European Commission must move toward a better progress on active inclusion and minimum income.

The poverty reduction target is not more important than others, but it must be given equal weight to other targets. It is not only an essential matter of social cohesion and consequent internal stability, but also about valuing, investing and mobilising the (human) resources available, to foster growth and competitiveness.

- Do you find it useful that EU-level targets are broken down into national targets? If so, what is, in your view, the best way to set national targets? So far, have the national targets been set appropriately/too ambitiously/not ambitiously enough?

It is essential to have national break-down of targets for the credibility of the whole process. To have a broad European target not backed up by national commitment is only a vague political-communication exercise, which would be very counterproductive in reinforcing the strategy and its credibility.

² Page 16 - European Commission - EU Employment and Social Situation Quarterly Review – September 2014

The fact that the aggregated national poverty reduction targets did not amount to the European objective of a 20 million people poverty reduction showed from the start the lack of joint interest from Member States to reach the common target. The national poverty reduction targets must be re-set with more ambition to at least add up to the European target. The German poverty target was particularly un-ambitious and disappointed both in the objective set and the indicator chosen.

The Annual Growth Survey should, as it used to, include a report on the progress toward the achievement of the targets. This would enable, if not a real benchmarking, at least some visibility in achievement and a minimum of accountability toward stakeholders and between Member States.

Ideally, there is a need for benchmarking and for more common indicators to facilitate comparability and assessment of progress.

The employment target should include a clear indicator highlighting the visibility of the quality of employment, so that the employment target and poverty reduction targets are mutually reinforcing.

Finally, the European Commission should increase its efforts to make data relating to poverty and social exclusion available regularly and more up to date.

- What has been the added value of the seven action programmes for growth? Do you have concrete examples of the impact of such programmes? [*"Flagship initiatives": "Digital agenda for Europe", "Innovation Union", "Youth on the move", "Resource efficient Europe", "An industrial policy for the globalisation era", "Agenda for new skills and jobs", "European platform against poverty"*].

-Regarding the Flagship initiative "Innovation Union", Eurodiaconia members have insisted that Social innovation as a concept is fine, but it should not be the new benchmark for social services as not everything or everybody can be innovative and most importantly Social Services' added value is not about being new, but about being "good" (quality).

-The Flagship initiative European platform against poverty was a step to provide Member States with tools for joint cooperation and action toward poverty reduction in line with the targets of the Europe 2020 strategy. It created a space for coordination and dialogue. It remained an instrument for a political momentum toward a stronger social dimension for Europe and the reaching of the poverty target. It was an opportunity, giving a direction for Member States to follow initiatives aiming at better social inclusion and poverty reduction. The EPAP, particularly in the context of the SIP, persisted in pointing toward the Europe 2020 objective of poverty reduction and inclusive growth and supported member states in working together toward these.

However, the EPAP was also a missed opportunity. It should have been used more visibly to highlight the joint Member States commitment to poverty reduction. It should have emphasized the coherence between the 64 actions, presented a clearer timetable and clearer expected impact, as well as the follow-up of the existing initiatives.

The EPAP must be re-shaped to be stronger in bringing coherence to the different actions under its framework. It should be more strategic in coordinating the different actions and providing a long term vision for poverty reduction in Europe. For instance, it remains unclear how it relates to the Social Investment Package, Active Inclusion tools and the future of the Open Method of Coordination. There is the need for the EPAP to demonstrate its coherence and continuity with previous (e.g. Active Inclusion and OMC) and new (e.g. Social Inclusion Package) European Union tools. The new EPAP could for instance be based on 15 key visible priority actions, including one priority of a European Strategy against homelessness, based on the SIP and looking to contribute to the poverty reduction targets. Other priority actions/roadmaps could include Roma inclusion, families and child poverty. These priority actions could be supported by the European Commission re-launching its political momentum on some past and existing Member States commitments, to active inclusion and minimum income for instance. The EPAP should to be a tool for stocktaking and monitoring of targets but also to ensure the existence of a meaningful dialogue with civil society.

2) Adapting the Europe 2020 strategy: the growth strategy for a post-crisis Europe

Content and implementation

- Does the EU need a comprehensive and overarching medium-term strategy for growth and jobs for the coming years?

The European Union needs an ambitious strategy for smart, sustainable and inclusive growth. The current way the strategy is implemented focuses too much on growth by itself – with not enough consideration of what kind of growth or how the growth can create employment and fight poverty and social exclusion. A strategy for smart, sustainable and inclusive growth can reach the individual in his or her core needs of daily life. It can contribute to social cohesion and social justice also developing a European identity which is one of the main factors of European integration.

- What are the most important and relevant areas to be addressed in order to achieve smart, sustainable and inclusive growth?

-Protecting social welfare: the reform of social protection systems in order to make them more sustainable must be carried out bearing in mind the need to keep protecting citizens and remembering the impact of social protection as a stabiliser following on the 2008 economic and financial crisis. The European Commission cannot continue to argue for austerity and fiscal consolidation unless it also gives a priority to the social impact attached and defends the protection of social welfare and protection systems across Member States.

-Employment:

-Quality employment: the current trend to encourage mechanisms for people to go back to employment is positive. Quality employment is the main solution to poverty. But the truth is first that poverty is not only an employment matter as it affects people far from the labour market (the elderly, children, the critically sick and some people with disability), and secondly Europe is also facing the increase in the working poor. This should be addressed urgently through advancement in the area of minimum wage and minimum income.

-Youth unemployment must be urgently addressed. The European Union should look at the challenges of youth unemployment and climate change, to invest in order to exploit those opportunities to create more green jobs for young people. For instance it could explore the potential of green jobs for young people.

- **Social Justice, inequalities and social cohesion:** as highlighted by Eurodiaconia members throughout the years, and recently by the Bertelsmann-Stiftung in September 2014³, inequalities must be dealt with at European level. In light of the rising level of inequalities and social injustice and their potential impact on political stability and economic growth, these challenges must seriously be addressed by the European Union.

- **Social investment:** The Social Investment Package (SIP) released in February 2013 provided guidelines to EU Member States in using their social budgets more efficiently and effectively. The European Union must take this initiative forward in order to achieve smart, sustainable and inclusive growth and encourage policies that take on a social investment approach to strengthen people's skills and capacities and support them to participate fully in employment and social life. However, it is essential to keep in mind that social investment must be based on quality in general and on equal accessibility of services offered in a social investment approach. Politics should consider that social investment can't be a profit making approach only (e.g. how many people are back to work) because, for instance, of the specificity of social services and the complexity of assessing their impact.

What new challenges should be taken into account in the future?

-**Demographic change and ageing:** The ageing population challenge is evident but is not addressed sufficiently. It should trigger more action to exploit the perspective of its employment potential in the care sector, as well as the more general consequence on the health sector. It should also encourage decision makers to question how to combine a longer working life with reducing youth unemployment. Member States should consider what systems will best ensure adequate social protection against long-term care needs in their contexts.

Addressing the demographic challenge will also include a coherent and integrated strategy to address **migration**. This will require a more comprehensive strategy that supports the social inclusion of migrants to the same extent as their integration into the labour market, based on an active inclusion approach.

Given the increase of numbers of **children at risk of poverty** and social exclusion since the financial crisis, it will be essential that the implementation of the Investing in Children Recommendation from the SIP is monitored as part of the European Semester and that an EU Roadmap for the implementation of the Recommendation that includes an EU multi-annual work programme is put in place.

In view of increasing challenges relating to free movement within the EU, it will be important to monitor through the European Semester how Member States are supporting the

³ [Social Justice in the EU – A Cross-national Comparison, Bertelsmann Stiftung](#)

integration and social inclusion of mobile EU citizens, and whether ESF funds are being utilised to this effect.

-Increasing pressure on social services. Eurodiaconia members have clearly had to face an increasing demand for their services as a consequence of the financial and economic crisis and the implementation of following austerity measures. The bigger role that has been played by non profit organisations and social services providers, as essential social stabilisers, must be recognised. In order to face this new pressure, Social Services specific characteristics must be protected in legislation and supported both politically and financially to ensure they can fulfil their mission of meeting people's needs and building social cohesion.

Amongst Social Services, Non for profit organisation plays a special role by providing social services even if there is no pay-off in terms of financial profit, serving people who are not or just partly included in social welfare systems. They are therefore contributing to social integration and cohesion as key partners in communities and regions. The European Union must consequently protect and promote more strongly the added value of the work of non for profit social organisations,

- Europe is facing the new challenge of **increasing divergences**, both economically and socially within Member States but also between Member States themselves. The European project no longer carries out the hope of further cohesion, for a stronger union. The heart of the common project is now threatened by these divergences. The European Union must therefore re-launch the European Project – a renewed and strengthened Europe 2020 strategy could be the basis for this restoration.

-Some of Eurodiaconia Members have underlined the question of **sustainability**. Sustainability in terms of economic growth and its social consequences– how far is ever increasing growth possible? For the short and medium term, the EU must envision low economic growth forecast. The main question might become how to manage and share the cost of the crisis in a socially fair and safe way. Unemployment rates could stay high for several years to come. There is a need to ensure redistribution: redistribution of jobs (i.e. of the available work, not in precarious jobs but in jobs with decent wages), redistribution of income and capital.

Sustainability must also be understood in terms of green growth and environment – there, some Eurodiaconia members have insisted on the challenge of Climate Change that must be addressed by Europe.

- How could the strategy best be linked to other EU policies?

The strategy was initially supposed to be overarching but it seems it has been forgotten and is now trying to catch up with new instruments that are overshadowing it.

The Europe 2020 strategy must therefore be strengthened in the European Semester. Its links to the Social Investment Package, Active Inclusion and the Open Method of Coordination must be clarified. To achieve this, we recommend that all Member States receive CSRs regarding their achievement on the Europe 2020 targets.

For the “spirit” of the strategy to be expressed in other EU policies, we believe that the European Commission must make social objectives more binding, for instance by triggering strong recommendations on Member States that do not act or deliver on the poverty reduction target. One route to do this would be to strengthen the place to social indicators in the Macroeconomic Imbalance Procedure and well as to carry out ex-ante coordination of fiscal, economic and social EU policies, actions and recommendations put forward throughout the European Semester. Such coordination needs to be supported by an extensive and comprehensive ex-ante and ex-post social and gender impact assessment of the different policies and recommendations. This must be reinforced by regular inter-service consultation of the relevant DGs to ensure the coherence of policy guidance.

- What would improve stakeholder involvement in a post-crisis growth strategy for Europe? What could be done to increase awareness, support and better implementation of this strategy in your country?

Following 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 and contribute to legitimize the European Semester process. To improve stakeholders’ involvement it is necessary to:

- change the timetable of the semester, so that more time is available for a genuine dialogue. One possibility would be to have a longer cycle instead of the current annual cycle, ensuring that the European Semester remains connected to the national budgetary discussions. The first step for an improved involvement is to make sure that a sufficient delay is given to stakeholders to provide input to their NRPs, and that key stakeholders are given a draft on the NRP to comment on.

- highlight that the democratic accountability of head of states and governments is not enough – there is an essential need for a stronger involvement of national parliaments in the implementation of the Europe 2020 strategy and the European Semester process. The European Commission must insist and monitor that this involvement is meaningfully taking place.

-recall the imperative for a more substantial involvement of civil society. The European Commission should issues clear guidelines on stakeholders’ involvement to member states. That’s why we propose that the European Commission provide a guiding framework for institutionalised cooperation and debate or a model of formal consultation at national level for member states to involve stakeholders at national level. These guidelines should:

- ✓ Clearly spell out examples of how to involve stakeholder, especially stakeholders from civil society both in the process of NRP and CSR. The European Commission must monitor this involvement.
- ✓ It should provide a clear guidance or checklist on when to start discussions (not 24 hours before dead-line etc), and give minimum consultation period/ notice in “working days”.

- ✓ List the sectors that must be represented (e.g. trade unions, social services providers, churches, local authorities) for a dialogue involving actors from different backgrounds and across sectors.
- ✓ Propose a model of formal consultation, such as a formal platform gathering key civil society representatives, who would have to agree together on joint comments on the NRP and the implementation of the CSRs. The Government would need to justify what it decided to take into account and what it decided to reject. Such a platform could be moderated by an independent authority and could have the responsibility to provide appropriate and timely input on the NRP before a first draft is released to propose priorities to be set, and then to comment on the NRP.
- ✓ Throughout this dialogue, key points emphasised by the stakeholders group and not taken up by public authorities should have to be justified.

- question whether the difficulty in stakeholders' involvement is coming from the process or from a wider problem of political weight and on the disproportional political weight given to financial and economic affairs ministries? That is why Eurodiaconia argues for the European Union to promote more strongly the added value of the work of non for profit social organisation, the political importance and economic impact of social investment and the dangerous financial and economic potential cost of inequalities.

Tools

- What type of instruments do you think would be more appropriate to use to achieve smart, sustainable and inclusive growth?

Make social objectives more binding, for instance by triggering support or strong recommendations on Member States that do not act or deliver on the poverty reduction target. One route to do this would be to strengthen the place to social indicators in the Macroeconomic Imbalance Procedure.

In not acting or delivering Member States disregard fundamental European Union values, endanger the European Union's social cohesion and potential for growth and competitiveness. That all Member States receive CSRs regarding their progress on all the Europe 2020 targets.

- What would best be done at EU level to ensure that the strategy delivers results? What would best be done at Member State level?

At European Union level: keep agreeing on a joint direction but make the enforcement of these joint commitments stronger and more binding. Adapt the rhythm of the European Semester for a more genuine stakeholder participation and implementation. Support member states in the achievement of their targets through [for instance, re. the poverty target] a reshaping of the European Platform against poverty, enabling more regular exchange and cooperation between national experts, national governments and stakeholders; bringing more coherence and visibility to the different EU-led actions. Provide guideline to Member

states on stakeholder involvement for an improvement ownership and implementation of the strategy.

At national level: Poverty reduction strategies based on inclusion, reduction of inequalities and not only access to the labour market. These poverty reduction strategies are to deliver on the poverty reduction commitment taken at EU level, and visibly relate to the European instruments such as the Social Investment Package and National Roma Integration Strategies. Better involvement of stakeholders through a clear and meaningful process of dialogue and involvement.

- How can the strategy encourage Member States to put a stronger policy focus on growth?

Growth must be a mean to build more sustainable, smart and inclusive societies. Growth is not the end. If growth is only to be achieved through a competitiveness based on wage deflation, working poor, and the collapse of the social protection systems, then there is a bigger question to be asked about the direction the European Union is to take: is this sustainable; is this the European Union we want?

Some Eurodiaconia members question the concept of growth itself. Is “ever increasing” growth desirable and sustainable? Inclusive growth implies consideration of social, ecological and economic values. At the moment in the 2020 Strategy’s focus on economic values, measured in terms of GDP, is dominant. This endangers the aim for inclusive growth (in terms of growth in the quality of the social dimension). The focus on economic growth at all cost is contrary to the inclusive dimension of the 2020 Strategy.

- Are targets useful? Please explain.

Yes – they set objectives to be reached, they are “agenda setters”. But their implementation should be made more binding and visible through benchmarking and possible naming and shaming.

- Would you recommend adding or removing certain targets, or the targets in general? Please explain.

The lack of gender aspect is problematic. Moreover, the employment target does not take into account the quality of work. Inequalities are also missing from the picture.

Eurodiaconia would not recommend deleting or even adding extra targets, but would ask for the targets to include extra indicators taking into account and bringing more visibility to gender, inequalities and quality of jobs. The European Union can also be more active in taking forward the debate of “beyond GDP” and indicators of well being and include them in its progress report of the achievements of the Europe 2020 targets.

- What are the most fruitful areas for joint EU-Member State action? What would be the added value?

Transnational cooperation on structural funds to ensure relevant EU funding for fighting poverty and social exclusion and monitoring the impact of programmes, among others through the organisation of learning networks on key topics.

EU mobility should be supported by relevant social protection schemes for those who will become unemployed or sick when abroad.

3) Do you have any other comment or suggestion on the Europe 2020 strategy that you would like to share?

Thank you for completing the questionnaire. Please send your contribution, along with any other documents, to SG-EUROPE2020-CONSULTATION@ec.europa.eu.

Please find attached three additional contributions:

-[Eurodiaconia's initial response to the European Commission March 2014 communication](#) on the midterm review

-[Eurodiaconia's letter to the EPSCO Council on 14th October 2014 regarding the Europe 2020 mid-term review](#)

- The final draft of the EU Alliance for a democratic, social and sustainable semester report (Eurodiaconia is a member of this alliance and the final report will be officially published on Monday 27th October).