

REPORT

Putting Social Rights and Poverty Reduction at the heart of EU's COVID-19 response

EAPN ASSESSMENT OF THE 2020 COUNTRY REPORTS WITH PROPOSALS FOR COUNTRY-SPECIFIC RECOMMENDATIONS.

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1. INTRODUCTION

2020 marks a **new era for the EU institutions and Europe**, with the new leadership of the European Commission, Parliament and European Council in post since December 2019. Commission President Ursula von der Leyen in her Political Guidelines¹ outlined her commitment to forge 'an economy that works for people (...) striving for more social fairness and prosperity'. Within this, the European Green Deal is set as the EU's strategy for growth, ensuring a 'just transition' that delivers on the European Pillar of Social Rights, underpinned by the SDGs. In her mission statement, she underlined that 'more must be done to fight poverty', echoed by Nicolas Schmit, Commissioner for Jobs and Social Rights underlining the need for 'a strategy to fight poverty'.

The European Semester has been reformed to meet with these new EU goals. The new Annual Sustainable Growth Strategy (ASGS) 2020 reflects a shift in focus, highlighting "economic growth is not an end itself" and an economy that must work for 'people and planet'. This is partly reflected in the 4 new ASGS priorities, for the first time including an explicit 3rd social objective: 1) Environmental Sustainability, 2) Productivity Growth 3) Fairness and 4) Macroeconomic Stability replacing the previous 'virtuous triangle' of investment, fiscal sustainability and structural reform of the 2019 Annual Growth Survey (AGS). However, although there is a positive change in the rhetoric, the EAPN response to the ASGS² highlighted the risk that 'green growth' becomes the dominant mantra with insufficient measures to ensure that the poor not only don't pay for transition but also benefit, with an equal focus on delivering on poverty, inequality and social rights as part of a Green and Social **Deal**. An overall, coherent post 2020 strategy is needed, based on social rights that supports a fairer economic model of social and sustainable development in line with Agenda 2030 and the SDGs.³ Although in the 2020 ASGS a reference is made to confirming the need for dialogue with national governments, social partners and other stakeholders in the European Semester, no explicit mention was made of civil society organizations, representing a disappointing step backwards on 2019 AGS. This despite explicit reference to civil society engagement in the 2019 Employment Guidelines (updated in 2020, but without any change as to the relevant wording and commitment on also meaningfully involving civil society organisations)⁴

2020, however has also been the year of **COVID19**, as the epidemic sweeps through Europe and the world with devastating impact. On April 22nd, over 2.5 million cases were confirmed worldwide with at least 177, 445 deaths⁵. The epidemic also has immediate social and economic impacts beyond health and social care: with people losing their jobs or being laid off, relying on inadequate unemployment benefits and other income support, with increased pressure from bills, rent and rising costs of food/household goods, as well as disruption of schools/ early childhood education and care, and with domestic violence impact as a result of social isolation. People in poverty and vulnerable groups like older people, women, people with disabilities, low income children and families, the homeless, migrants and Roma are particularly impacted now and in the months to come (See EAPN Statement here and letter to the European Council). The Country Reports were drafted too early to

¹ A Union that strives for more: <u>Political Guidelines for the European Commission 2019-24</u>, Ursula von der Leyen.

² EAPN (Jan 2020) Working for a Green and Social Deal that ends poverty: EAPN response to the ASGS package. ³ EAPN Proposals for a post Europe 2020 strategy: Delivering Agenda 2030 for people and planet. (Sept 2019)

⁴ EC Employment Guidelines: Guideline 7 and Recital 10

⁵ Data drawn from John Hopkins University Corona Resource Center (22.04.2020)

capture this impact, but **urgent revisions will need to ensure that the 2020 CSRs refocus on the shortterm and long-term people's needs** to support major public investment in people's jobs, incomes, and access to key services including health, housing, social services and education, with particular attention to excluded groups and vulnerable individuals.

Already before the impact of COVID19, poverty in the EU remains at unacceptably high levels. Although the share of people at risk of poverty or social exclusion has decreased (AROPE), falling below 2008 levels, 110 million people or 21.9% of the population remain (2018 Eurostat data), making the Europe 2020 poverty reduction target of at least 20 million, still largely out of reach⁶. It is clear that "economic growth is not benefiting all' as highlighted by the Joint Employment Report 2020. Relative poverty has not significantly declined, there are also increasing gaps amongst key groups (children, people with disability, migrants, Roma)⁷. Unemployment remains very high in countries like Greece, Spain, Croatia, Italy and Cyprus. Moreover, a job alone is not sufficient to keep people out of poverty, with in-work poverty at its highest level (9.6%), substantially above the 2008 figure (8.5%). The EU average on poverty also disguises a disturbing gap on poverty rates across Europe. Whilst there has been a decline in the AROPE poverty rate in Bulgaria, Croatia, Hungary, Ireland, Latvia, Poland and Romania; in Estonia and the Netherlands there has been an increase. In 2018, a third of the population was still at risk of poverty or social exclusion in three EU Member States: Bulgaria (32.9 %), Romania (32.8%) and Greece (31.8%)⁸. Will the EU's new approach - backed up by a robust EU integrated Anti-Poverty Strategy (ensuring access to quality public and essential services, social protection and quality jobs) and an Action Plan to support the implementation of the EPSR, lead to concrete results on poverty and social rights?

The first 'test' of the EU's 'social and sustainable' approach and its delivery on social rights/SDGs are the 2020 <u>Country Reports</u>. In this report, EAPN **presents our members' assessment of the 2020 Country Reports in the context of COVID19**, monitoring progress on poverty and social rights through the Europe 2020 poverty target, the implementation of the European Pillar of Social Rights and the SDGs as well as follow up on 2019 Country-specific Recommendations. This includes an assessment of progress on participation of people experiencing poverty and NGOs in Member State and the reflection in the Country Reports. At the end, we **provide a Country by Country table with national members' proposals for Country-specific Recommendations 2020**. We capture here the overarching messages from these proposals – both short-term needs and long-term commitments.

The report was developed with input from 20 EAPN national networks and 3 European Organizations. Written contributions were provided by 17 national networks (AT, BE, CZ, DE, DK, ES, FI, FR, HR, HU, IE, LT, MT, NL, PL, PT, UK), Age-Platform, Eurochild and IFSW. A mutual learning exchange planned in Madrid 19-21 March was replaced by an on-line webinar exchange on the 2nd April involving 20 national and European Organisation representatives.

⁶ Based on the 2018 data by about 7 million – and with the impact of COVID 19 it is more than likely that the numbers of people at the risk of poverty and social exclusion will go up considerably again, at least in 2020.

⁷ EC: Joint Employment Report (17 Dec 2020)

⁸ IBID

Key Messages and Recommendations

We highlight here the main messages and recommendations for the CSRs 2020 summarising members' recommendations from chapter 3 and 4.

COVID19 Priority Recommendations

In the context of the COVID19 epidemic, most EAPN members underlined the urgency of revising the 2020 CSRs to prioritize direct financial and other support to guarantee people's rights and living standards, not just economic support to companies/markets. In particular, protecting people's health and access to health/care services, defending jobs, ensuring adequate incomes and livelihoods. (See also chapter 2.4 on COVID19 impact).

1. Embed poverty/social impact assessment.

It is essential to quickly monitor the impact of COVID19 on poor and excluded groups, as well as policy measures proposed: particularly tax/benefit/subsidy measures to check who wins/loses, ensure poverty is not increased nor inequality widened. It should include gender equality/distributional impact and inform policy guidance (IE, UK).

2. Reinforce quality public health and social care services

The COVID19 Crisis has highlighted the insufficiencies of our universal health systems, and capacity to prevent and treat disease. Short term investment and support to deal more effectively with the current crisis must be underpinned by a commitment to increase funding of universal, quality public health and care services, reducing health inequalities and ensuring nobody is left behind (PT, UK).

3. Prioritize adequate minimum income and social protection, continuing increases

Many countries are reinforcing income support as short-term measures for those impacted by COVID19: increasing levels/coverage of minimum income and unemployment benefit levels. These need to be further increased, with simplified systems for access, avoiding creating 2-tier welfare systems or negative conditionality. They must be continued as long-term investments in resilient welfare states and social cohesive societies (BE, DK, IE, PL, PT, UK).

4. Protect employment/ prevent precarious work/ revalue front-line work

Commitments must be made to quality jobs, preventing increase of precarious jobs, reinforcing employment protection/rights, including access to social protection regardless of employment status. COVID19 has exposed the reality that front-line essential workers in a range of economic sectors including health, care, household/domestic and retail services are paid the least. Urgent action must be taken to increase wages/ improve working & pay conditions, in these sectors: predominantly impacting on women, migrants, ethnic minorities and other vulnerable workers (UK).

5. Ensure that the poor don't pay with austerity

The EU must learn lessons from the 2008 crisis. Ensure that eventual reductions of public debt/ deficit do not impose austerity measures which will increase poverty and undermine a sustainable recovery. A commitment to the SDGs/Agenda 2030 underlines the need to ensure that increased commitment to public services and welfare states are driven by fairer redistributive tax policies (UK, PT).

Overall Messages for CSRs based on the Country Reports

1. Ensure macroeconomic policies, support social rights and reduce poverty

2. Give priority to poverty reduction, implementing social rights and SDGs, prioritising integrated antipoverty strategies, including an EU strategy.

3. Support additional integrated strategies for key at-risk groups

4. Urgently improve adequacy and coverage of minimum income and social protection

5. Guarantee rights to public & essential services: health, housing and social services

6. Tackle barriers to accessing quality jobs and in-work poverty.

7. Invest in universal, free, public education, training and lifelong learning.

8. Strengthen meaningful participation of people experiencing poverty & NGOs at all stages.

2. MEMBER'S ASSESSMENTS OF THE COUNTRY REPORTS 2020

This chapter summarises the assessment made by 17 EAPN's National Networks (AT, BE, CZ, DE, DK, ES, FI, FR, HR, HU, IE, LT, MT, NL, PL, PT, UK) of the 2020 <u>Country Reports</u> (issued on 26 February 2020 as part of the "Winter Package" and accompanied by a <u>Communication by the EC</u>), with additional views from AGE Platform Europe, Eurochild and the International Federation of Social Workers (IFSW) Europe, three European Organisations in membership of EAPN. The analysis covers positive and negative or missing elements as well as the state of poverty in Member States as reflected in the Country Reports. It also contains the assessment of EAPN members on progress made in relation to the mainstreaming of the European Pillar of Social Rights and the use of the Social Scoreboard. It covers their evaluation of the usefulness of advice provided by the European Commission for areas of priority investment by means of EU funds in order to support the achievement of social and/or sustainability objectives (including the SDGs). We also summarise their view on the effectiveness of follow up by national governments on the <u>2019 Country-Specific Recommendations</u>. It finally details the degree, quality, and success of engagement of our members in the drafting process of the Country Reports 2020.

2.1 Overall assessment of the Country Reports

Twelve EAPN members (AT, BE, CZ, DK, ES, FR, HR, IE, LT, MT, PL, PT) see continued good quality (AT, HR, LT, MT) or a noticeable improvement (PL, PT) of their 2020 Country Reports, in what concerns the accuracy and/or relevance of the analysis (BE – in particular highlights a call to invest more in social housing as well as CZ, FR, HR, MT, PT), the attention paid to social issues (BE, FR, IE, LT, PT), including poverty and aspects of social exclusion, as well as the quality of the research and data (HR, PL⁹, PT, UK – in particular for the social dimension of the Country Report). Three National Networks (FR, HR, PT) note that the gap between their own analysis of the social situation in their country and the one presented by the European Commission is reducing¹⁰, which they consider encouraging.

Denmark notes some **positive steps in the direction of rebalancing economic and social** concerns. However, most (ES, FI, FR, HR, IE, PL, PT, UK) point out that, despite improvements, **macroeconomic priorities still dominate the discourse**, while the social chapter is not adequately developed (BE, DE, HR, HU) and/or **rebalancing is not yet there** (FI, HR, IE, PT, UK)¹¹. In France, positive social messages are at odds with the Country Report urging the government to reduce investment in access to public services and public administration, and to cut pensions and not to raise (minimum) wages. In Portugal and Spain, continued pressures put on the governments under EU-level set budget controls and restrictions undermine the possibility of providing adequate social transfers and achieving progress on social rights.

⁹ EAPN Poland welcomes that the worrying trend in monetary poverty for 2018 based on Polish data indicators stemming from the household budgets survey (as also included in their 2019 Poverty Watch) is mentioned in the Country Report whereas Eurostat indicators such as at risk of poverty or social exclusion and material and social deprivation would have "only" shown an improvement of the situation for 2018. ¹⁰ EAPN France e.g. strongly welcomes that the European Commission underlines that the percentage of those managing a transition from

fixed-term employment contracts to employment contract with an undetermined duration is much lower in France than in other European countries (12% compared to 25% on EU average). It also highlights that the job offer for lower qualified people is not sufficient, migrants and people with a disability continue to earn less income from employment than other groups (with an increasing trend and that the situation of children of unemployed and poor people is deteriorating in France, contrary to many other EU MS.

¹¹ EAPN Poland rejects the underlying assumption that it is not possible to have at the same time generous social transfers (cash benefits) and well-developed social services with good working and pay conditions.

Several members (CZ, DE, ES, FR, HR, LT, PL, PT, UK) note the **stronger weight given to environmental priorities** as the third dimension in the triangle social-economy-environment, and some (CZ, FR¹², HR) see that initiatives and measures linked to the European Green Deal could be an opportunity for the regions most challenged by a shift to a carbon-neutral economy and for disadvantaged areas to better qualify workers still employed now in the "old industries". EAPN Germany highlights the **slow progress in relation to the environmental policy priorities and measures** (e.g. environmental taxes, energy grids and sustainable mobility), with Germany lagging far behind its own ambitions. Being one of the European countries most exposed to climate change, Spain informs about more attention dedicated in the Country Report to the related political challenges in the areas of water and waste management, energy and resource efficiency, emissions and renewable energy and asks for an integrated approach to avoid that even more risks and financial burden than already now will be put on the poor and vulnerable population. Our UK National Network deplores that too little is said on the conflicting priorities of environmental transition as well as on the likely impact on the costs and livelihoods of poorer people.

Against the backdrop of concerns shared by all EAPN members to have adequate minimum income and social protection systems and to guarantee access to public services, the Danish National Network identifies supportive social policy initiatives by the new government (since mid-2019), comprising an improved adequacy of social benefits and a better poverty-proofing of labour market measures¹³. France strongly welcomes the new focus on social housing and the related difficulties (reflecting a long-standing demand of EAPN France) as well as the call by the European Commission to better deal with territorial inequalities and recognises the increase of pensions below an amount of 2.000€ as one effect of the "gilet jaune" movement. EAPN Malta refers to the effect of social transfers (including sickness, disability, and social-inclusion benefits) to reduce the risk of poverty and characterises the adequacy of minimum income benefits as high as they help to considerably reducing the poverty gap and to raising many families closer to the poverty line, at least. It confirms that the targets of the EU 2020 Strategy on employment and tertiary education attainment have been achieved. The Polish National Network welcomes the fact that that the Country Report 2020 takes account of the main concerns expressed in last year's Poverty Watch of EAPN Poland published on the 2019 International Day for the Eradication of Poverty, as also mentioned in the section assessing the participation and involvement of EAPN members in the European Semester. EAPN UK welcomes the bigger attention paid to health and social care (and the recognition of underfunding, staff shortages and the lack of capacity of local authorities to support social care), a better roll-out and coverage of the Universal Credit (minimum social assistance), the analysis of housing supply problems and policies (more nuanced and critical of policy responses than in previous Country Reports) and the explicit reference to the long-term structural challenges. However, content-wise EAPN UK remarks that there is nothing positive to say in the field of poverty reduction.

¹² EAPN France in this context also recalls a statement by the Director of DG ECFIN underlining that the transition to green growth should not lead to social exclusion.

¹³ It has introduced a poverty line, set up a Commission to look at the adequacy of social benefits and announced an economic policy that aims at strengthening employment and combatting poverty and inequality. That means for EAPN Denmark that after years of growing inequality there is hope that inequality and poverty will become some of the most decisive parameters for governmental policy in a context where Denmark is approaching pre-crisis levels with regard to the at-risk-of-poverty, employment and unemployment rates.

Twelve members (AT, BE, FI, FR, HR, HU, IE, LT, MT, PL, PT, UK) welcomed the continued focus of the Report on **analysing current government policy**, as some felt this provided a useful lobbying tool for anti-poverty organisations to put on pressure to obtain much-needed policy changes. For Austria and the UK, this analysis, however, is too descriptive and complacent with (the effects) of government policies. Belgium congratulates the EC for a critical assessment of two recently introduced government measures in the field of labour market activation and integration of migrants which create negative or damaging effects and make precarious groups even more vulnerable¹⁴. Croatia is pleased with the repeated reference to the limited progress made regarding the adequacy of social benefits and structural weaknesses in the economy, labour market and social protection schemes. Lithuania applauds the good coverage on structural problems such as low tax progressivity, low funding of social security, regional disparities as well as the much-needed and long-demanded refocus on the role and quality of public services in the field of long-term care, social services, education and transport. Poland welcomes the emphasis of the Country Report on the need for a strategic development of coordinated social, employment and health services with strong presence of NGOs as this will help to reduce poverty.

While three members (BE, PT, UK) appreciated the **quoting of accurate national statistics** on poverty and other social issues, two others said that the **numbers used were falsely reducing the unemployment rate** by the use of the costly public works scheme (HU) or data showing the rise of inwork poverty and precarious employment were neglected when applauding the fact that 100,000 are now out of poverty (NL). Belgium considers the analysis of the situation in Belgium as accurate¹⁵.

EAPN members appreciate the inclusion of quite many key topics for their country in their Country Reports, with some aspects covered for the first time this year for some countries:

Twelve members highlight that their Country Reports (CZ, DE, ES, FI, FR, HR, HU, IE, LT, PL, PT, UK) analyse the situation of social security and social protection, including minimum income, such as the reduced support for vulnerable groups in Austria, the insufficient impact of social transfers on poverty reduction in the Czech Republic, Poland, Portugal¹⁶, Spain¹⁷ and the UK or the highlighting of lack of adequate funding in Lithuania, due to ineffective taxation. EAPN Finland welcomes the Commission recalling that excessive streamlining of the social benefit system may undermine its ability to pursue a more group-specific approach depending on

¹⁴ The reasons are set out as follows on p. 37: 1) "Some measures in the new coalition agreement may make the integration process more difficult for recently arrived third-country nationals (e.g. by making the newly arrived pay for the integration courses and delaying their access to certain long-term care allowances or social housing)"; 2) "Flanders has announced the introduction of community work for those actively looking for employment while unemployed for more than 2 years despite having followed a guided trajectory to employment. However, several studies have pointed to the negative effects of similar measures, including crowding out of regular employment and low transitions to the regular economy (e.g. Schepers and Nicaise, 2015)."

¹⁵ The amount of AROPE is under EU average but some groups are really hit by poverty and the impact of social transfers on poverty reduction is less strong than before. In the Social Scoreboard this indicator even needs to be followed up – which was not the case in recent years! Monetary poverty went slightly up (16.4 % in 2018!), children, people born outside EU, short schooled and people with a disability are correctly mentioned by the European Commission as very fragile groups.

¹⁶ EAPN Portugal welcomes the Country Reports stating that the "adequacy of the minimum income support is well below the EU average" and that the amounts (per person and household) do "not allow to escape poverty".

¹⁷ EAPN Spain illustrates these deficiencies by informing that 25% of the population and 33% of the children and adolescents survive on the margins of society and 0,5 million households entitled to it, do not get public support. Data also seems to point to deficiencies of the Spanish social protection system when it comes to income support measures of people at work but in part-time work and/or with low(er) incomes, including those with children. Finally, the non-contributory unemployment assistance has major shortcomings, with 77% of the very long-term unemployed not receiving benefits and given a clearly non-adequate benefit amount of 430€ per month which is equivalent to less than half the statutory minimum wage.

specific needs, on top of universal access, to reduce poverty and inequality. EAPN France, however, notes that the poverty reduction effect of social transfers works relatively well in France, at least when compared to other countries. EAPN Ireland welcomes that the Irish Country Report highlights that the **use of reference budgets to examine the adequacy of social welfare rates** is gaining momentum in public debate. EAPN Poland welcomes that the Country Report (as their 2019 Poverty Watch) flags up the **problem of the non-indexation of social benefits** such as childcare allowance for four years which makes them lose their purchasing power due to inflation.

- Encouragingly, **child poverty** is mentioned as a persistent or growing problem in some countries (BE¹⁸, ES, FI, IE, PT, UK). For Finland, the higher rate of child poverty with parents who are low-skilled is highlighted. EAPN UK deplores the lack of a strong reference to the policy failures linked to the roll-out of Universal Credit and of links made between the economic and social situation contributing to the increase of child poverty rates.
- The **fight against income inequality** is mentioned in the Danish, Irish and Lithuanian Reports, with Ireland having one of the the highest levels of market income inequality in the EU, implying the need for increased redistribution efforts of the social benefits and tax system.
- The Reports pay due attention to the situation of the labour market (CZ, ES, FI, FR, IE), including concerns about the gender employment gap (CZ, ES, HU), the quality of jobs and employment, including in-work poverty (ES, UK), the long-term unemployed and other vulnerable groups in employment (FI, FR), the role of public employment services and reforms to better meet people's needs individually (FI), and labour market insertion of young workers (FR). Germany signals that the minimum wage adjustments are increasingly falling behind the general wage adjustments, thus materially undermining the objectives of the minimum wage legislation and mainly affecting those with low wages and/or in atypical employment. The UK highlights risks for qualifications and productivity stemming from a job market which is increasingly polarised between high and low skilled and the middle skill element declining.
- Austria, the Czech Republic, Malta, Spain and the UK appreciate references to the (still high or growing) gender pay gap. Gender inequalities, also in view of employment rates, are also mentioned for Portugal and Spain, in the first case, however, by recognising the positive effect of "legislative measures and a national strategy to promote work-life balance" and equal rights, "including reducing the gender pay gap and gender pension gap, or improving working time flexibility".

¹⁸ In Belgium the striking link between migration and child poverty is highlighted, amounting to 39.5% or 4 times the rate of children with parents born in Belgium. The Country Report also highlights ths shocking situation in Brussels, where 40 % of the children grow up in a poor household. The persistent-at-risk of-poverty rate for children went up from 9.1% in 2013 to 14.8% in 2018.

- Access to quality services is tackled in a number of Reports (CZ, DK, ES, FI, IE, LT, UK), including a focus on healthcare (DK, ES¹⁹, FI, IE, UK), childcare (CZ, IE, LT, PL, UK), long-term care and other social services (LT, MT, PL, UK) and housing (BE, FR, IE, UK). Finland welcomes that the Country Report does not any more promote sanctions on minimum income and unemployment benefits to unemployed people as a means to "incentivise" the take up of employment and the acknowledgement of the need for supportive and integrated services for the unemployed. Recalling the problems of unmet medical needs, of mental health, of access to health services and growing health inequalities contrary to previous years– is perceived as important and helpful, too (FI). EAPN Ireland recalls that giving better access to affordable and quality childcare has been raised in CSRs over many years, but that progress has been too slow.
- Education, vocational training and lifelong learning is a key area for many members (AT, BE, • CZ, DK, ES, FI, FR, HU, IE, LT, MT, UK), and the related challenges are adequately reflected in the Country Reports, with the exception of HU where more efforts would need to be made to reduce early school leaving and to increase educational attainment. EAPN Austria applauds a stronger and more sophisticated focus in the 2020 CR than in recent years, as well as the recommendation to focus both on policies as well as indicators on basic and non-cognitive skills, but is very critical of the fact that the EU-level monitoring tools of educational outcomes fail to grasp persistent problems e.g. for disadvantaged young people and migrants. EAPN Belgium acknowledges the fact that the EC not only denounces the distressing inequality of the Belgian education system, but also calls for action – and this against the backdrop of persistent educational inequalities and a strong link between student's educational outcomes and their socio-economic and migration background. EAPN Finland supports the "investment in human capital" need explicitly flagged up and the call not to lower ambitions to keep high performance and equity levels. While in principle welcoming the lowering of compulsory school age from 6 to 3 in the context of the National Anti-Poverty Strategy, France warns against continued inequalities across different territories as classes in more disadvantaged areas will have up to the double the size of more affluent areas. The German National Network welcomes the reference to the National Strategy for Continued Vocational Education and Training but recalls that the access to these programmes needs to be further improved, especially for the low-skilled. Spain deplores the continued insufficient public investment in education, but fully supports a new national strategy for vocational education and training (VET) to improve the attractiveness and quality of intermediate vocational training and education (VET), address the lack of technical skills in the labour market and reduce early school leaving and the number of NEETs. This last point is also flagged up by EAPN UK which also welcomes that the negative effects of reforms to reduce public responsibilities and steering capacities of the management of secondary schools in England, not least for more disadvantaged groups of pupils and areas²⁰, are mentioned.

¹⁹ Spain guarantees universal access to healthcare. This is mirrored by one of the lowest levels of unmet needs for medical care in the EU (0.2% in 2018). Out-of-pocket payments on dental care, however, are a real barrier to access for low-income households and put them in a clearly disadvantageous position. This is well illustrated by the clearly higher share of unmet needs for dental care, standing at 4.6% for the whole population (1.7 pps above the EU average) and at even 12% for people in the lowest income quintile (6 pps above the EU average!). ²⁰ They note that there is little or no evidence that this step drives up standards for comparable students, there have been significant cases of fraud and malpractice due to lack of oversight, and the planning of provision of school places and oversight of pupil premium spending for disadvantaged pupils is made much more difficult.

- Affordable housing: Belgium and France welcome the strong focus on the need for increased investment in social housing, for Belgium in the chapter on social policies, but also in the executive summary and the chapter regarding public finances and taxation and including a more detailed analysis of the related situation and challenges. Still the French Country Report partly downplays the dramatic problems caused by rising housing costs (including private rental) the same is explicitly mentioned by Germany, Ireland and Spain, but is also true for many other countries. Portugal applauds the reference in the Country Report to insufficient investments in social housing for the most vulnerable. In Ireland and Spain this topic is covered, as well. However, policy measures being taken to tackle homelessness remain insufficient in Ireland. EAPN Spain highlights that legislation adopted in March 2019 to strengthen protection for vulnerable households from risk of eviction is seen as a step forward.
- Portugal highlights the importance of the incorporation of the SDGs in the chapter on "environmental sustainability" as this helps to give increased visibility to the situation of **energy poverty**, which remains an important nation-wide concern, as in Ireland and Spain.
- The Czech Republic appreciates the continued focus on **over-indebtedness** in its Country Report, though still finds that this large-scale problem needs to be more vigorously addressed. The Czech members positively note that an amendment to the insolvency legislation in mid-2019 has been taken which now better addresses the increasing consequences of debt.
- Finland and Spain recognise that the Country Report highlights the much higher at-risk-ofpoverty rates for **people with an immigrant background**.
- Another area highlighted for Belgium and Spain is **demographic change**, with Spain having an above-average elder population facing depopulation problems in rural areas, as well as demographic pressures in the main urban areas. At least three members highlighted that it was mentioned mainly from a cost-efficiency perspective, with the aim of curbing government expenditure for pensions (BE) or health (IE, UK).
- Looking at regional differentiations and the rural-urban divide, EAPN Austria welcomes a differentiated analysis by regions and for urban and rural areas as this also allows the government to develop more targeted policies, EAPN Lithuania also highlights a focus on this issue. Regional disparities and/or the unequal outcomes for different key groups are mentioned in more than ten countries (AT, BE, ES²¹, FI, FR, HU, IE, LT, PL, PT, UK), including the situation of single parents, people with disabilities, the low-skilled, the self-employed, Roma, migrants, and ethnic minorities (e.g. in the case of the UK). The members of AGE Platform Europe have also highlighted that growing regional disparities in access to public and private services, including their impact on older people, deserves more attention and needs to be urgently addressed.

²¹ The Spanish Country Report e.g. provides evidence for persistant territorial cohesion challenges and regional disparities in the areas of employment, educational outcomes, early school leaving rates, poverty and inequality.

Several National Networks (AT, BE, DE, ES, UK) welcome the inclusion of the SDGs not only in the new Annex E on the performance of MS on specific SDGs, but also the references made to these objectives defined in the context of the <u>UN Agenda 2030 for Sustainable Development</u>, adopted on 25 September 2015. Some members, however, also flag up important challenges in view of the blurring of the thematic focus and the reduced importance given to the poverty reduction targets of the Europe 2020 Strategy and also to the related indicators (in the Social Scoreboard, including the secondary indicators, and other related Eurostat data/indicators). This worrying point of the invisibility of the Europe 2020 targets in a large number of Country Reports (or at least the fact that they are not explicitly referred to, in this - the last year of this strategy) is taken up below under the heading "Poverty target – what progress?".

What is missing?

Several members (BE, HR, IE, LT) indicate **little attention paid to integrated Active Inclusion, as a basis for an effective antipoverty strategy, including welfare benefits and social services and their effect on poverty reduction**. In Belgium, the Country Report states that although the equality is high there are still some groups hit hard by poverty. The effect of social transfers on reducing poverty is marked in the Social Scoreboard as to follow up! The missing link is the low level of social benefits which, for a wide range of family/household situations, are below the poverty threshold. The European Commission fails to mention that raising social benefits above the poverty threshold is a necessary step for Belgium to reach its EU 2020 poverty target. The need to raise the benefits is not mentioned anywhere in the report. It also does not mention the worrying trend that social security and assistance benefits are being made subject to more conditionality²². In Lithuania, minimum income is not only inadequate as to its level and take-up rates would need improvements, the measures are also not even mentioned in the Country Report²³.

More specific aspects are highlighted in relation to the lack of focus on minimum income, particularly their **adequacy and coverage**: the need to monitor **the impacts of the reduction of social benefits** (AT), the **high burden of social security contributions and taxes on the income of low-wage earners** (DE) or **insufficient amounts of key social protection benefits** (FI²⁴, HR), including minimum income, and the **risk of poverty for older people/pensioners and unemployed persons** (PT). Croatia also deplores the omission of **minimum income** as a key topic, the Czech Republic of the attention payed to the particular situation and challenges in view of labour market and social inclusion for **people with disabilities**. EAPN Denmark and Poland do not see realised a **rights-based approach to fight poverty and social exclusion** and France highlights the need to set up specific support measures when pushing digitalisation of all spheres of life to ensure poor people have good access to the services.

²² EAPN Belgium warns against and contradicts the underlying assumption and view that in order to activate people, social benefits should become more conditional as evidence shows that reducing social benefits or making them inaccessible does not help people to find a job, but only pushes them into poverty and that poverty is one of the biggest obstacles when looking for a job.

²³ EAPN Lithuania is disappointed about this omission as the National Audit Office released a very comprehensive report in 2019, concluding that minimum income in Lithuania is not adequate, nor accessible or enabling.

²⁴ Finland deplores that the Country Report stays silent on the low basic social security levels: The income levels of those receiving unemployment benefit, home care allowance, minimum sick leave allowance or parental daily allowance have been evaluated as not sufficient to cover the reasonable minimum consumption budget.

Some EAPN members (DE, HR, PL²⁵, PT, UK) highlight that **housing and homelessness** (for BE and MT only the second aspect) **are a clearly missing dimension**, with not enough discussion about availability and affordability. Portugal laments that although the country has a National Strategy for the Integration of the Homelessness, neither homelessness nor the strategy is mentioned. In the UK there is still too much emphasis on correcting weaknesses in the planning system and no comment on the need for social affordable housing. Insecure housing and hidden homelessness are not addressed and homelessness far from adequately.

Access to quality and affordable health care, increasing health inequalities and/or sufficient funding is an area of concern, as it is not adequately flagged up in some Country Reports (DK, HU, UK). In Denmark, there is particular concern about mental health issues. The British Country Report mentions the promised increase in funding for health and to a much lesser extent social care and notes that the NHS had indicated that capital spending needs to be doubled from what has been offered in this years' budget, to address the backlog of ten years of austerity. However, EAPN is critical about the lack of appropriate government response to address these huge social investment needs.

In relation to other public services our members have flagged up missing issues that include: a **critical assessment of** the dangers for poor and vulnerable households stemming from **reforms leading to reduced social rights and restructured investment in the social sectors** (AT), **lack of child care facilities** for children aged 3 and younger (CZ, HU, PL), and the appropriate consideration of the **impact of the socio-economic background of pupils on their educational outcomes** and of related policies to address the problems (HU).

The **situation of key vulnerable groups** is given unequal weight in different Country Reports, our members highlight (DK, FI, HU, IE, LT, PT) in relation to their risk of poverty and social exclusion. In Belgium, segregation is exclusively dealt with in relation to education and employment whereas the precarious situation of certain groups of the population such as single parent families, pensioners, the homeless, undocumented migrants or people without legal residence are not described at all. The Czech National Network regrets the lack of references to the problems for over-indebted households and to the persistent high gender employment gap, as does Hungary. Children and child poverty are not well covered (DK) or forgotten (HU). In Ireland, the statistics do not capture other groups with high poverty levels such as people with disabilities, Travellers, Roma, migrants, or the growing number of people who are homeless. Roma are missing from the analysis in Portugal and not well covered in Hungary where another group not well captured is single parents.

In some members' opinion (BE, IE, UK), although some important issues may be nominally mentioned, the overall approach and proposed measures are insufficient or wrong. In Belgium, it is felt that the Country Report is mainly written with an economic perspective and entails inaccurate assumptions about people's motives, also triggering policy advice for activation measures with strong conditionalities. In the context of discussion on solutions to address low-work intensity, EAPN Ireland reminds us that labour market insertion can help reducing poverty for those who can work, including people with disabilities and (single) parents, but only under the condition that jobs provide them and their family with access to the goods and childcare, health and housing services that they need to live

²⁵ The Polish National Network has difficulties to understand this omission as in 2019 the European Social Policy Network (ESPN) issued detailed national reports about homelessness in the EU, including a synthesis report.

with dignity and that affordable childcare services are available. The United Kingdom Report is very descriptive – while it mentions a lot of relevant topics, it does not offer a critical take on policies or advice for improvement; there is an absence of consistent explanatory analysis and no associated reflection. EAPN UK also strongly deplores the take on "**investment**" which **does not include health**, **care and other social spending**, which is linked to the failure to shift the analytic frame away from fiscal austerity. They are rather portrayed as a risk to fiscal sustainability in the chapter on the public finances and debt sustainability. Finally, EAPN Hungary deplores that even though employment went up in Hungary in the last years, the Country Report omits to address the social consequences (e.g. poverty, migration, growing reginal disparities) of an **unsustainable economic model**.

2.2 Poverty target – what progress?

A first consideration highlighted specifically by three EAPN members (AT, BE, DK), but shared by all members, is that **poverty is not sufficiently present in the Country Reports**. They underline the invisibility of Europe 2020 and the targets in many Country Reports (or at least the fact that they are not any more explicitly referred to) as worrying. In Austria and Belgium, the Europe 2020 and the social targets are only mentioned in Annex A. In Finland, the European Commission does not pay enough attention to the fact that Finland is not going to achieve its poverty target. For Spain, however, the contrary is true and the Country Report also includes an analysis of the extent to which the main objectives of the Europe 2020 Strategy are being achieved, indicating e.g. still considerable gaps compared to the target as to rates of employment and early school leaving, despite recent improvements.

Some countries are praised for a reduction in poverty (CZ, IE – in CZ also for the low unemployment rate) or their low poverty rates (FI), but improvements should not mean abandoning efforts. There seems to be a lot of emphasis on what is positive (or low in comparison with the EU28 average), without a complementary analysis of what is still needed, particularly when so-called reduced levels are still unacceptably high. Some countries (e.g. BE, IE) report a much less explicit reference to agreed EU-level indicators on poverty and social exclusion compared to earlier years (see also below), lamenting the "invisibility" of the Europe 2020 Strategy poverty target. In the Czech Republic although the risk of poverty (measured by the AROP indicator) is relatively low, still a significant number of people live in households with income only slightly above the poverty line. The related still persistent problems of over-indebtedness as well as lack of affordable housing are not mentioned. As in 2019, the Irish Report highlights that the poverty rate decreased, which provides an excuse for the fight against poverty not to be prioritised, although the rate is still higher than before the economic crisis. In analysing the effect and effectiveness of social benefits, EAPN Ireland also recalls the need to design policies in a way that provides adequate benefit levels (and not relative achievements compared to EU averages) and proposes to use an integrated Active Inclusion approach, tackling the multidimensional nature of poverty, supporting access to an adequate income, whether in or out of work, access to affordable quality services, and access to a quality job for those who can work. This view is fully shared by the broader EAPN membership.

Child poverty is still very high e.g. in Ireland, Portugal and Spain, as highlighted in the Country Reports. Our members support universal child/family benefits as a sustainable solution to reduce child poverty, with wide public support and improved take-up. Additional targeted support to access affordable childcare and early childhood education is needed for families in poverty. EAPN notes a lack of reference to the integrated approach based on the three pillars of the Investing in Children Recommendations: adequate resources, services and participation.

In-work poverty is identified as a growing risk and one key facet of poverty in the cases of ES, NL, and the UK. EAPN Spain welcomes that the European Commission warns against the widespread and persistent use of temporary contracts (also in the health care sector, contributing to the large turnover of health workers!), with Spain having the highest share in the EU (26%). They agree with the assessment that this dysfunctionality fuels income and social inequality, low wages and in-work poverty and hinders human capital formation and labour productivity gains. Finally, Germany notes that even though the number of long-term unemployed reduced further to 0.6 million or 1.3% of the active population in 2019, the share of people experiencing poverty and social exclusion has only decreased very moderately.

Another major concern for some members (DK, FI, IE) is that **data on poverty, and/or the interpretation of it, is sometimes distorted and obscures realities**. The Danish Report simultaneously claims that the poverty rate has stabilised and provides evidence that poverty is increasing. The steady economic growth in the last decade does not translate sufficiently into reduced rates of poverty and social exclusion. This shortfall is also not made visible and the "conclusions" from the Scorecard Scoreboard fails to grasp this only repeating that Denmark has been a more equal society with strong social welfare for more than a century. Our Irish members feel that poverty needs to be measured not just in relation to the poverty line, as this doesn't capture adequacy and purchasing power. Also Eurostat and national data used differs quite considerably as to the number of people that would still need to be lifted out of poverty and social exclusion (174,000 vs. 23,000) to achieve the poverty reduction target (AROPE) of the Europe 2020 Strategy.

Looking at aggregate country data without a breakdown by various criteria is an important problem, which leads to **several key groups not being adequately captured in the analysis** (CZ, IE), including people with disabilities, single parent families, mainly mothers (CZ). EAPN Portugal highlights that although the current Government has re-instated the reference values of some benefits, Portugal is still failing in terms of overall impact of social transfers on poverty reduction, due to a lack of adequate financing and clearly non-poverty-proofed benefit levels.

2.3 Is the European Pillar of Social Rights adequately incorporated and the Social Scoreboard appropriately taken up?

While nearly all EAPN members confirm references to the European Pillar of Social Rights (EPSR) and the Social Scoreboard in their Country Reports, the consensual view (AT, BE, DE, DK, ES, FI, FR, IE, PL, PT, UK) is that **there is no adequate mainstreaming of all the Social Pillar principles in the Report** itself, that the references are brief (e.g. IE), and/or that the Pillar is not even mentioned beyond the box of indicators from the Social Scoreboard. Some EAPN National Networks welcome the effort to link the SDGs to the principles of the EPSR and/or the indicators of the Social Scoreboard but note that this is not done in a very sophisticated or integrated manner (AT, BE, IE, PT). They also note the up-to-now limited (AT, CZ, PL) or even non-existent (HU) effect on national policies (or legislation) of this legally non-binding EU-level interinstitutional political declaration. Spain flags up growing concern about the lack of achievements with regards to the commitments related to the EPSR and the SDGs and welcomes that the lack of budgetary effort and the deficiency of coordination between administrations and between social and health services are clearly highlighted as problems.

EAPN Malta and Portugal report more positive effects from the references to the principles of the EPSR and the Social Scoreboard indicators as both provide a helpful framework for comparison and benchmarking. In the Polish case the reference to the EPSR – both in relation to positive developments such as labour market development, reduction of poverty and to negative situations such as unmet healthcare needs, the high gender employment gap or the low availability of childcare places²⁶ – is also considered as a useful "hook" to argue for policy change. For the UK positive impulses are felt from references to the EPSR principles in relation to increased employment rates and improved digital skills.

At least seven EAPN members (AT, BE, CZ, DK, FI, IE, UK) flag up a major concern that **the use of EU averages in the Scoreboard lets Governments off the hook**. Benchmarking Member States to other countries' performances instead of pursuing ambitious common goals and targets, leads to a watering down of social standards and lacks ambition (in particular for the countries categorised as "average" or "good performers"), rather than supporting much-needed upward convergence. Our Austrian, Belgian, Danish, Finnish and Irish members feel that countries who appear to do well on the Social Scoreboard are not encouraged to do more.

The value of the Social Scoreboard indicators is recognised: They ensure a continuing focus on the Europe 2020 targets and indicators, which is otherwise increasingly absent (AROPE – at risk of poverty and social exclusion) and that they are actively monitored, together with inequality and other key indicators, even though the link with the 20 principles of the EPSR is not so clear. Several members (BE, DK, FI, HR, HU, PT, UK), however, raise concerns that this **monitoring approach and "tools" fails to mirror the actual situations and developments on the ground**, and that the capturing of poverty, inequality and social exclusion is at least partly inadequate as it is currently measured by the Social Scoreboard. Austria is critical about the missing link with the SDG1 goal and the EU 2020 poverty reduction target, both in the text and in the Social Scoreboard. For Croatia, the Social Scoreboard

²⁶ This is well underpinned by a reference to the EPSR principles linked to the presentation of the monitoring indicators of the social scoreboard, showing the same alarmingly low level of accessibility of childcare for children up to the age of 3 as in the 2019 Country Report.

indicators would need to be combined with other indicators in cross sectoral analysis to provide a better picture, e.g. of specific risks of poverty or the employment rate by as gender and age group, also need to design appropriate policy responses. Additionally, and as already highlighted in 2019, Belgium feels that the Scoreboard indicators do not do justice to the full Social Pillar principles as the country is compared to the EU28 average²⁷ whereas, in order to support upwards convergence, it should be rather also compared to countries with a similar prosperity, economic performance and social tradition. EAPN Denmark makes similar observations²⁸. EAPN UK reports a **"biased" or misleading use of the indicators of the Social Scoreboard**, by emphasising those where the UK scores above average, rather than those where it is rated as "to watch", which is the case for all aspects relating to poverty, inequality and health care (AROPE; SS80:20; the impact of social transfers other than pensions on reducing poverty; self-reported unmet needs for medical care, as well as NEETs²⁹!).

2.4 Factoring in effects of COVID19 pandemic - a game changer for CSRs

Referring to COVID19 as a key "game changer" since the publication of the Country Reports at the end of February, several members underline 'positive' policy responses, at EU and national level, as well as concerns about the mid and long-term impact and how these will be paid for. EAPN France is in support of announcements by the European Commission that public debt should not be the only valid criteria to assess the budgetary situation of a country after the Coronavirus pandemic and highlights that **public deficits should not be the priority**. Our French National Network approves the postponement of the application of the Stability and Growth Pact and would like to see new EU-level solidarity tools developed, e.g. in the context of the European Stability Mechanism (ESM) to have an EU budget fit to effectively tackle the impacts of the pandemic on people, in particular the poor and vulnerable, on their income and regular obligations, e.g. for rent, energy, school material, education and training, etc. and on employment. The Czech National Network reports that as part of the package of government measures to alleviate the effects of the Coronavirus pandemic, old debts were cancelled, and certain types of regular payments stopped for the time being for people in a situation of over-indebtedness. EAPN Ireland informs that the Irish Government on 24 March announced that a Covid-19 Pandemic Unemployment Payment increased benefits from 203€ (= current level of jobseekers and the main social welfare payments) to 350€ weekly. Spain highlights that the Coronavirus pandemic means even higher risks and/or negative effects for poor and/or over-indebted households, gender equality, homeless and immigrants and older persons and those with chronic illness and disabilities. EAPN UK flags up that young single people already in receipt of Universal Credit (minimum social assistance) before the outbreak of the pandemic now are likely to be the most disadvantaged social assistance claimants as the amounts paid to those on "legacy benefits" have not been increased, compared to new beneficiaries.

²⁷ Taking as example Principle 14 of the EPSR on adequate minimum income, the Social Scoreboard cannot adequately reflect the fact that most social benefits in Belgium are below the poverty threshold and therefore do not enable people to lead a dignified life.

²⁸ Even though Denmark is in comparison doing well ("average" or "better than average") on 11 of the 14 indicators of the Social Scoreboard, there are social issues "to watch" or "to monitor" - "increased proportion of young people who drop out of education and training", "share of early school leavers" and "impact of social transfer on poverty reduction" - which does not become clear enough from the Country Report.
²⁹ The Country Report shows clear social deterioration, with above EU-average poverty rates and all forms of poverty increasing as does the number of working poor (to 11.3% in 2018). Child poverty increased since 2007 more than in any EU country, with most of the poor children living in households with someone in paid work and the poverty rate of single parents peaking at an all-time high. Rough sleeping also saw a "sharp increase".

2.5 Annex D on Priority Investment Areas in Just Transition Fund

A number of National Networks refer to Annex D, since this year's Annex is dedicated to "Proposals for priority investment areas and framework conditions for effective delivery for the 2021-2027 Just Transition Fund" replacing the use of the European Cohesion Funds for social investment in 2019. They all deplore (AT, BE, DE – indirectly, DK, FI, HU, IE, LT, PT, UK) that the **attention given last year to cohesion policy and EU Cohesion Funds**, including ESF/ESF+ (as of 2020), **to financially support the implementation of social policy and the monitoring of delivery on progress on social rights is now gone**. EAPN Germany refers to "old" Annex D on the use of Cohesion Fund Money (contained in the Country Report for 2019) and its positive role to monitor and target measures³⁰. The Portuguese National Network regrets that an assessment of how the funds were allocated to the fight against poverty and social exclusion is missing. EAPN UK welcomes that the Country Report mentions that 1.3 million people were trained last year using the UK ESF programme, with a focus on support for the labour market integration of disadvantaged groups.

The new Annex D only refers to the investments from Just Transition Fund, still to be set up:

- Several EAPN members (see above) show strong disappointment about the way the poverty reduction target is portrayed in the context of the "Just Transition" priority and which role is given to it there. EAPN had already flagged this risk up in its response to the 2020 ASGS and JER which now seems to fully materialise. The shift of attention to the European Green Deal has contributed to a much lower ambition and priority given to the joint European aim and target to reduce (or even eradicate) poverty (BE, PT). MS are "only" asked to take countermeasures which would ensure that the transition to a climate-neutral/low-carbon economy does not further increase (social) inequalities, instead of highlighting the need for adapted support and targeted measures for certain vulnerable groups particularly affected by the related changes (BE, DK, HU, PT).
- EAPN members also report that the socio-economic consequences and/or challenges are only mentioned in a more general manner. For example, the social dimension is reduced to the topic of "upskilling and reskilling of workers" to be better prepared and more adequately qualified for jobs needed in a more digital and greener economy (AT, PT). This observation is confirmed by EAPN Denmark deploring the focus only on the cement industry located in one region and the main measure suggested the upskilling and reskilling of workers and by EAPN Finland reporting that social consequences and/or challenges of Just Transition are not dealt with in the Annex (which is about how to reduce the use of peat). Other networks say the topics covered there are of little or no relevance for them, their political priorities and the people their members care for and support (IE, LT, MT, PT). EAPN Portugal spells out that in Annex D there is no reference to poverty reduction and that the "most social concern" highlighted is on active labour market policies, i.e. the employability and adaptability of workers.

³⁰ ESF funds, between 2015 and 2018, benefited more than 1.3 million people. This European money was largely effectively spent to support the long-term unemployed (180,000+ cases), disadvantaged people (150,000+ cases), people with a migrant background (390,000+ cases) and young people who are not in school, have no work or are not undergoing vocational training (100,000+ cases).

On the other hand, the Croatian, Czech and French National Networks, recognise that these **investment guidelines** appear well elaborated in terms of promoting green transition, and are **formulated with sufficient insight into the regional specificities**. Croatia applauds the identification of investment strategies to reduce greenhouse gases, well supported by EU funding from the Just Transaction Fund and rolled out according to the different regional economic structures and needs. EAPN Poland also sees the value of this new Annex, given the large coal sector to be substantially reduced due to climate objectives and several Polish regions which are expected to suffer most from the related job losses. Whereas the bulk of investments understandably should go to typical economic regeneration measures for regions based on coal-industry undergoing economic transformation, they deplore that the active integration of jobseekers is only mentioned once.

2.6 What is the effect of the incorporation of the SDGs and of Annex E?

Ten National Networks (BE, DE, DK, FI, IE, LT, MT, PL, PT, UK) report that the SDGs are very present in the report and links to these objectives made throughout the entire text. In addition, Annex E contains statistics and indicators for all EU MS – including on poverty, inequality and access to basic rights – setting out in detail (but only reporting data) progress made for a given country towards the SDGs. They, however, also highlight that in the Country Reports 2020, the SDGs appear to be simply "copied and pasted" into the text, i.e. they are not really linked to the analysis presented nor the policies and/or reforms assessed or proposed. Their significance for policy development and the elaboration of social and sustainable CSRs is clearly underdeveloped, as also explained in the paragraph below. On the other hand, EAPN Hungary regrets that sustainability is basically absent from the policy debates and measures: for example, the evaluation reports of the National Council of Sustainable Development, also referring to the SDGs, are ignored by the relevant governmental bodies. Ireland quotes the statement that significant or mixed progress has been made towards the achievement of nearly all SDGs, but that housing affordability is still a concern. This analysis is mirrored when references are made to the implementation of specific principles of the EPSR -where high levels of homelessness, rent increases in big cities and insufficient provision of social housing are identified as the three key problems to be urgently tackled. The Maltese and Polish National Network share a detailed analysis of progress made for specific SDGs in their countries, including on SDG 1 "Poverty reduction" and SDG 8 "Decent work and economic growth". EAPN UK welcomes the inclusion of the Eurostat SDG Indicator Set as a very useful tool for national advocacy work³¹ providing good cross-country comparisons and the evaluation of progress made in the last five years.

Some members also warn against the **risk that with the inclusion of the SDGs, existing policy priorities and a clear social direction of the European Semester will get lost**, not least as regards the poverty reduction objective, simply because there are now so many goals listed (BE, PL). The SDGs should be mainstreamed in the Country Reports, not least in view of the goals of a reduction of poverty and inequality, but also for urban and environmental issues (DK). EAPN Finland highlights that the evaluation of achievements on SDG goals is mainly done by presenting the table of numbers in the Annex, with only very little assessment of their significance and development in the Country Report (seen identically by LT which also remarks a rather strong shift towards environmental topics and

³¹ As the text is explicit that e.g. SDG1 (no poverty) and SDG 10 (reducing inequality) are going in the wrong direction in the UK. But as for the EPSR, there is no great attempt to have an integrated assessment framework including the EPSR principles and the SDG targets (adapted to the EU) to be used as a coherent evaluation tool.

goals). Our Portuguese National Network is not alone in highlighting the risk associated with a joinedup analysis of Social Scoreboard indicators and SDGs targets, as the performance on the SDGs goals paints an overly rosy social reality in most Member States.

2.7 Have the 2019 Country-Specific Recommendations been adequately implemented?

A quick answer is that it's a **mix of progress and disappointment** and that it largely depends on the CSR (even which aspect of a CSR) which is being analysed and also on the country. Our members do not view all CSRs as positive, particularly those which lack policy coherence, undermine positive commitments to improve social rights, propose to drive down public deficits and debt through efficiencies and cost-cutting in public services and social protection.

Some EAPN members (DK, ES, IE, MT, PT, UK) underline that they **generally agree with the analysis contained in the Country Reports** about the implementation of the Country-Specific Recommendations for 2019 (in the case of the UK, for one of the two CSRs relevant for social policy). EAPN Denmark welcomes the inclusion of a "social CSR" aligned to economic and environmental priorities. In Malta, there is some progress stemming from a CSR to improve inclusive education and training. Our Portuguese National Network welcomes that the European Commission shares the view that the effectiveness and adequacy of the social safety net still needs to be improved as reforms have failed to substantially reduce poverty by means of social transfers, and this against the backdrop of rising house prices. They also share the assessment of positive effects of CSR 2 recommending measures to address precariousness, employment and labour market segmentation³².

Quite some EAPN National Networks, however, note that CSRs have only been partially implemented and come up with a rather **critical assessment of the extent to which the 2019 CSR have been implemented** (AT, CZ, LT, MT, PT). Others (DE, FR, PL) share **"mixed feelings", depending on which CSR or which aspect of a CSR is being looked at**.

- This first observation is surely true for reforms of the social insurance system in Austria (CSR 1: "Ensure sustainability of the health, long-term care, and pension systems, including by adjusting the statutory retirement age in view of expected gains in life expectancy"). An implementation deficit was observed in view of CSR 2 ("... boost labour market outcomes for the low skilled, in cooperation with the social partners. Raise the levels of basic skills for disadvantaged groups, including people with a migrant background") where the reforms had an insufficient positive effect on improving the situation of the most vulnerable groups (AT).
- The Czech Republic deplores implementation deficits on the CSRs reflected by still limited progress on increased employment rates for disadvantaged groups and continuing hurdles to enter the labour market due to an insufficient number of affordable childcare services.

³² Measures introduced comprise a reduction of the maximum duration of fixed-term contracts from three to two years; of fixed-term employment contracts from six to four years, the elimination from the Labour Code of the norm that allows fixed-term hiring for permanent jobs for long-term unemployed and first time job seekers. EAPN Portugal also highlights as positive the effect of the 2019 CSR 2 that the use of undeclared work was also discouraged by improving the capacities of labour inspectorates to combat bogus self-employment.

- Our French member is on the one hand very positive about a CSR which have led to the creation of a grant for employment and to more young people benefiting from the Youth Guarantee (there will be a need to assess if this "pathway" will in the mid-term perspective lead to quality jobs for the young people or rather is a "bridge" to precarious jobs). On the other hand, they are disappointed by the implementation of a CSR recommending reduced housing subsidies having very negative effects for people in a vulnerable situation when it comes to housing.
- EAPN Germany reports that partially and/or fully implemented and non-implemented recommendations roughly balance each other out, which is an insufficient result.
- The Lithuanian National Network considers misleading that very slight increases of the universal child benefit and indexation of pensions are classified as "progress" (i.e. concerning measures implemented some years ago and insufficient to bring about an important reduction of poverty).
- EAPN Netherlands is worried about progress claimed in the Country Report on CSR 1 "reducing the debts of households and the distortions in the housing market, including by supporting the development of the private rental sector". They highlight that there is no effective control or rent levels in the private sector which contributes to in-work poverty. There is still a lack of social rental housing available for people with lower incomes and housing allowances have been frozen for the last four years.
- The Polish National Network shares the criticism of the reform changing the organisation of primary and lower secondary education expressed in CSR 2 as it will likely increase the risk of educational inequalities, not least between urban and rural areas. Although CSR 2 recommends increased efforts to improve the availability of child and long-term care to facilitate an increased (female) labour market participation (with the Country Report acknowledging "modest progress"), EAPN Poland deplores the fact that the importance of these services for poor families and their special needs were not noticed and emphasised. Even if CSRs in principle can be supported, the failure in the analysis of the 2019 CSRs to analyse whether the policy reforms have led to an adequate solution concretely that the minimum pension is still lower than the social minimum calculated for pensioners is also not seen as helpful.

A main concern from EAPN members is that many Governments do not seem to fully implement the positive social CSRs (AT, DE, ES, HR, LT, MT, PL, PT, UK), also evidenced by CSRs being repeated in more or less the same form year after year (AT, HR, PL, PT). As in 2019, a CSR on the adequacy of benefits in order to better address income inequality, poverty and social exclusion and encouraging a more progressive taxation system design went unanswered in Lithuania. The UK highlights that since 2014 there has not been a CSR on labour markets, social protection, social assistance and/or poverty which also does not allow any assessment of progress or the extent of its implementation.

Another issue raised is the lack of **policy coherence** within the Recommendations themselves (i.e. between the macroeconomic and more social CSRs), where **negative macro-economic CSRs undermine social rights,** and not enough correlation between analysis and CSRs. In Belgium and Malta, the Government is (indirectly) being pressured to lower public spending, particularly through cuts in support to pensions, health and/or long-term care services. The Czech Republic states that the

requirement to ensure long-term fiscal stability and sustainability of public budgets is only a synonym for cuts in spending e.g. for health care which is considered strongly undesirable. France points out that the 2019 CSRs require the government to cut social spending and praise the stagnation in wage growth. The UK CSR on housing is part of the finance chapter in terms of investing in growth for the housing market, whilst supply, affordability, and the rise in homelessness are not mentioned.

2.8 Benchmarking with non-EU countries - Input from European Organisations

Due to the need to reorganise work and priorities by the EAPN members in the candidate countries, **North Macedonia** and **Serbia** (who receive a Progress Report from the European Commission instead of a Country Report every year) sent no oral or written input this year, thus no information on the benchmarking with non-EU countries could be included in this analysis.

AGE Platform reports a general feeling from their national members that older people are not really covered by the Country Reports. There is no disaggregation of targets and indicators by age and gender, which makes it very difficult to assess. Some of the indicators in Annex C are useful, for example looking at healthy life years, and not just life expectancy. The AGE members also would like to have EU-level indicators on social isolation to better capture its impact on the mental health of older people. There is a sense that macroeconomic considerations and objectives stay clearly dominant and that social policies are only looked at when there is no economic problem. Whenever there is an economic issue, it takes precedence over everything else. AGE members deplore that at least in a number of Country Reports the gender employment, pay and pension gaps are less focused on than in earlier years. The same holds true for the labour market participation of older workers and energy poverty. All issues should be better monitored again in the future as well as the risk of poverty for people aged 75+. Growing regional disparities in the access to public and private services would also deserve more attention as well as the challenges for older people in relation to digitalisation (accessibility, training). AGE also calls for a refocus on the concepts of "solidarity", "social rights" and "universality" instead of on "fairness".

Eurochild is pleased to see that child poverty was mentioned in 24 of the 28 Country Reports, and that early childhood education and care (ECEC) was featured in all of them, except for the Netherlands. As millions of children are denied access to basic social and economic rights in Europe, the increased attention to housing and health services in the Country Reports also is a positive development. Moreover, Eurochild welcomes that almost half of the Country Reports feature the need for transition from institutional to community and family-based care for children and youth as well as for people with disabilities. Eurochild deplores the lack of attention to children's access to adequate nutrition which is also of particular concern as it is one of the five areas the Child Guarantee financial initiative would be supporting if agreed under the next seven-year EU budget 2021-2027, but only mentioned in two country reports (RO, UK). Concerning the SDGs and the EPSR, despite the commitment shown by their integration into the Country Reports, they remain a distant set of political commitments, whilst the European Semester would have the potential to strengthen monitoring of countries' progress in meeting them.

IFSW Europe³³ fully endorses the EAPN recommendations to urgently revise the 2020 CSRs (see Chapters 1.1 and 3.1) to prioritise urgent direct support to people (not just economic support to companies and markets) and to reinforce quality public health and social care services. The rational for this is that human rights and social justice must remain at the forefront of all efforts in confronting these unprecedented events and their impact into the future. IFSW Europe underlines that the COVID19 pandemic must bring about a rethink on the place of public health, social services and social protection systems in all countries of Europe based on the principle that people really do matter more than anything else – the social must balance the economic. There must also be a re-focus that gives real meaning to the demand of "leaving no one behind". For IFSW Europe the principles in the European Pillar of Social Right, above all, must be at the heart of the future of Europe.

2.9 Civil Society Participation and Impact

The majority of EAPN national networks **continue to attempt to engage in the European Semester at national level** via various means: engaging with Social Ministries on the NRP, and with the European Commission on the Country Reports and Country-specific Recommendations (European Semester Officers based in the Commission Representations and Brussels-based Desk Officers). Much of this input is based on EAPN networks own national <u>Poverty Watches</u>³⁴, or through specific written submissions, bilateral meetings, organising and attending national events/meetings.

At the EU level, a marked improvement has been noted in the openness of the European Commission, particularly DG Employment to involve national members in EU structured dialogue – these have taken the form of large seminars, or more usefully the targeted input/dialogue sessions in 2019 where national members are invited to exchange together with Desk Officers on specific themes at key milestones in the Semester.

In the EAPN assessment of the 2019 European Semester³⁵, **72.73% of networks reported engaging in the Semester and 50% felt their engagement had increased in 2019**. In relation to the Country Report, 72.3% said they had contact with their European Semester Officer (AT, BE, BG, FI, FR, DE, IE, LV, LT, MT, NL, PL, PT, RO, ES, SE) with 31.82% feeling that this relationship had improved over the last year. (AT, BE, FI, LV, LT, PT, ES). 54.55% had contact with the Commission Desk Officers (AT, BE, FI, HU, IE, LT, LU, MT, PL, PT, ES). Nearly 60% provided input to the Country Report, via the Poverty Watch or email. (AT, BE, BG, CZ, EE, FI, FR, IE, LT, MT, NL, PL, ES). This contrasts with only 31.82% of networks being consulted on the NRP in 2019, and only 27.27% invited to a meeting. 45.5% however provided input to the NRP.

³³ IFSW Europe members represent front line social workers and the situation for most citizens that we work with has been seriously affected by austerity over the past ten years. More people have been pushed into poverty, including those who have jobs, with reduced access to preventative social services, adequate health care and social protection. This has led to rising numbers of children in care, homelessness, destitution particularly for refugees and migrants, lack of access to services and support for people with disabilities, mental health issues, older people, children and families in crisis and experiencing domestic abuse.

³⁴ Short report from EAPN EUISG webinar exchange on Country Reports – 2 April 2020

³⁵ EAPN: Is the 2019 European Semester more social?, EAPN assessment of the European Semester 2019: Sept 2019

An **improvement is also seen with regard to perceived impact on the Country Reports**. The majority of networks felt that their input is reflected somewhat (55%) whilst 18.18% felt their inputs were taken on board in the NRPs. The verdict from the EAPN webinar exchange held on the 2nd April 2020 on the Country Reports³⁶ was that participation with the European Commission is visibly improving, but still very uneven across Member States. Several members highlighted how their interaction with the European Semester and Desk Officers had improved, particularly through bilateral meetings on the Country Report, and in some cases sharing drafts for comments. Several members reported satisfaction with gaining visible results in the text in the Country Report (BE, ES, IE, LT, PL, PT).

Some examples of positive impact are: EAPN LT who raised concerns regarding low accessibility and quality of social services, care services, transport, education with the Desk Office (DO) and the European Semester Officer (ESO) through bilateral meetings and written submissions. These are clearly reflected in the 2020 Country Report. They also note growing attention to income inequality and social exclusion. For EAPN ES, the Country Report directly quotes sections of EAPN ES input and reflects overall EAPN ES approach. EAPN ES has systematic meetings with both the Spanish Government departments responsible for the NRP and with the European Semester Officers. In 2019, EAPN ES organised a set of joint meetings with the ESO in all autonomous regions - on the Semester and the European Pillar of Social Rights. In EAPN Ireland's case (IE) they were able to make an input to the ESO as EAPN but also as part of Better Europe Alliance³⁷, which EAPN coordinates. In Poland, EAPN presented their Poverty Watch to the Government Working Group that monitors Europe 2020 targets and prepares the NRP, helped by significant media coverage. This was followed by bilateral meetings with the ESO and DO. As a result, they felt that their positive message that poverty has been cut significantly because of raised benefits for families, is amply reflected in the CR. In other cases, the impact is visible but limited (PT) – giving a focus on the inadequacy of incomes but lacking concrete policy actions to address the lack of effectiveness of social protection and income support benefits. However, this positive engagement between ESOs and CSOs is still missing in too many countries,

However, this positive engagement between ESOs and CSOs is still missing in too many countries, particularly the poorest countries facing the greatest challenges (EE, LV, BG, RO). The EAPN webinar underlined a worryingly uneven playing field between Member States and in the different European Semester Officers approach, in terms of commitment to meaningful engagement of civil society organization in different countries. It is unacceptable and contrary to the EU rule of law and social acquis that in some countries there is no engagement and civil society organizations continue to be outlawed and undermined (HU).

There was overall consensus that apart from notable exceptions, the **engagement with national governments is still lagging behind,** particularly regarding the input to the NRP and the implementation. A key problem is the dominance of the Prime Minister's office or Economic Ministries, and where civil society is only invited to discussions with the Social Ministries, if meetings are held, which is not always the case. Systematic engagement as part of a structured dialogue process is only evident in a handful of Member States, and these with room for improvement. (BE, DE, IE, PL, ES).

 $^{^{\}rm 36}$ EAPN short report on webinar on Country Reports 23.03.2020

³⁷ The Better Europe Alliance is cross-sectoral alliance established in 2014, with initial funding from the European Commission's pilot funding line, involving Social and Environmental NGOs, trade unions etc.

With the adoption of revised Employment Guidelines in 2018, mainstreaming the EPSR and specifically referring to civil society engagement³⁸, **it was expected that the Country Reports would give systematic attention to reporting stakeholder engagement**. However, most members report little focus on civil society participation or engagement (HR). Where it is mentioned, it is primarily to highlight social partners and improving social dialogue (IE) although it this is not clear what concrete steps have been taken. However, members welcome the acknowledgement in some CRs to supporting greater engagement from civil society (IE). *"Further efforts to promote the involvement of civil society organisations could better support policy implementation and development, in particular in the framework of the European Semester as well as the national and local climate initiatives*. (Irish Country Report 2020). However, this structured involvement is needed on all policy areas. Eurochild is concerned that this issue was only addressed in four Country Reports (BG, EL, HU, RO) whereas traditional spaces for civil engagement are shrinking in the EU. They are moreover disappointed about the lack of attention and commitment to child participation in the European Semester despite years of raising this as a concern.

In some cases, **positive improvements regarding improved civil society engagement that have taken place are not captured** in the Country Report (BE, IE, LT). For example, no mention is made that the Irish NRP includes for the first time an annex containing a summary of the main issues and proposals from stakeholder submissions. In Belgium, no reference is made to the significant step forward that has been achieved this year, where the Belgian Platform Against Poverty was specifically coordinated and timed to provide detailed input to the NRP 2020, with the direct involvement of BAPN and other stakeholders.

A more general issue raised by members is the **lack of focus in the Country Reports on the need for support by national governments to autonomous civil society and community development organisations**, particularly at local level. These organisations are necessary to support the active participation of the most marginalised people and communities. They ensure that those impacted on by policies can participate at all stages of the policy process and that policies to prevent and address poverty and social exclusion are the correct ones and are effective. Severe cuts and changes to programmes have greatly undermined this over many years and resulted in these communities being further marginalised. This needs to be reversed as part of the overall policy process (BE, IE, HU).

³⁸ EC: Employment Guidelines 2020 updates the original Guideline 7, and Recital 11. This is renumbered to Recital 10.

3. COMMON MESSAGES FOR ALTERNATIVE CSRs

In this section we summarise common messages drawn from EAPN members' proposals for 2020 Country-Specific Recommendations (CSRs) which are captured in the final section of this report.

3.1 COVID19 Priorities

In the context of the COVID19 epidemic, most EAPN members in their Recommendations underlined the urgency of revising the 2020 CSRs to prioritize urgent direct support to people's health, supporting jobs, adequate incomes and livelihoods, as well as economic support focussed on companies and markets. (See also chapter 2.4: COVID Impact).

Put people and social rights first!

1. Embed poverty/social impact assessment.

It is essential to quickly monitor the impact of the COVID19 virus on the poor and other vulnerable and disadvantaged groups, as well as the policy measures being proposed: particularly on tax/benefit and subsidy measures to check who wins/loses, that poverty is not being increased nor income and social inequality widened. This should include gender equality and distributional impact and inform policy guidance (IE, UK).

2. Reinforce quality public health and social care services

The COVID19 Crisis has highlighted the insufficiencies of our universal health systems, and capacity to prevent and treat disease. Short term investment and support to deal more effectively with the current crisis must be underpinned by a commitment to increase funding of universal, quality public health and care services, reducing health inequalities and ensuring nobody is left behind (PT, UK). When the current lock-down measures and restrictions for citizens and health and social care workers, there will be even bigger need for health and social services to address the social and psychological consequences of isolation and confinement (including from domestic violence), disrupted service provisions in the field of education, child care, homelessness, food distribution/banks.

3. Prioritize adequate minimum income and social protection, continuing increases

Many countries are reinforcing income support as short-term measures on those impacted on by COVID 19: increasing levels and coverage of minimum income and unemployment benefit levels. These need to be further increased, with simplified systems for access, but must avoid 2 tier welfare systems or negative conditionality. Support should be continued as long-term investments in resilient welfare states and social cohesive societies (BE, DK, IE, PL, PT, UK).

4. Protect employment/ prevent precarious work/ revalue front-line work

New commitments must be made to quality jobs, preventing the increase of precarious, new ways of work and reinforcing employment protection and rights, including access to social protection regardless of employment status. COVID19 has exposed the reality that front-line essential workers in a range of economic sectors including health, care, household/domestic and retail/delivery services are paid the least. This should provide both the motivation to systematically address the insufficient

monetary and societal recognition of care and other service work in sectors of the economy with a high share of low-paid, female and/or precarious employment. Urgent action must be taken to increase wages and improve working and pay conditions, in sectors providing essential services, predominantly impacting on women, migrant and other vulnerable workers (UK).

5. Ensure that the poor don't pay with austerity

The EU must learn the lessons of the 2008 crisis, ensure that the eventual reductions of public debt and deficit, which the EU will enforce, do not require a new wave of austerity measures which will increase poverty and undermine a sustainable recovery. A commitment to the SDGs and Agenda 2030 only underlines the need to ensure that increased commitment to public services and welfare states are driven by fairer redistributive tax policies (PT, UK).

3.2 Overall Messages based on the Country Reports

As well as the urgent recommendations outlined above, Members prioritised the following recommendations drawn from their assessments of the 2020 Country Reports

Ensure Macroeconomic Policies promote social rights, not undermine them!

Most EAPN networks want more explicit CSRs that ensure macroeconomic policies support rather than undermine social rights, pro-actively contributing to reducing poverty and inequality (FR), as part of a commitment to implementing the SDGs and the European Pillar of Social Rights. Even before COVID19 impact, members are concerned about the continuing impact of austerity measures, and the failure to recoup previous long-standing cuts to services (PT, UK). This primarily means targeting tax/benefit polices to promote a fairer redistribution of income and wealth providing long-term finance for welfare states and helping to reduce inequality whilst investing in public services and social protection (LT, UK). Particular attention should be made to increasing tax collection, tackling tax evasion and avoidance, but also actively promoting more progressive taxation which increases taxes to wealthy people and companies, and reduces taxes to lower paid workers (DE, LT, UK). Some networks highlighted the need to invest in more sustainable (green as well as social) development and growth (ES), however without prioritising green over social rights, with some wariness about the way in which priorities on the European Green Deal are being promoted.

Give strong priority to poverty reduction, social rights/SDGs and integrated antipoverty strategies

All networks propose a more systematic focus in the CSRs on achieving progress on the Europe 2020 poverty target together with concrete implementation of all principles of the European Pillar of Social Rights (EPSR)/underpinned by the Sustainable Development Goals (SDGs). A human-rights based approach needs to be much more evident, as part of a commitment to the SDGs (AT, DK, ES, FR, PT) in all areas, particularly SDG 1, demonstrating how they contribute to reducing poverty. There is a continuing concern to keep a high spotlight on EU AROPE indicators, capturing the multidimensional aspects of poverty, fulfilling SDG 1 to end poverty in all its forms (BE, DE, IE). A clear commitment to Post 2020 renewed poverty targets, to take people above the poverty line, is called for by several (AT,

BE, DE, ES, IE), as well as support for sub-targets for key at risk groups, eg children (HU). Commitment to support or implement integrated poverty strategies, that ensure access to quality services, social protection and minimum income, as well as quality jobs, is seen as even more relevant in the COVID19 context (DK, FR, DE, HU, IE, PT), also for children (HU), or implementing agreed national strategies, e.g. on poverty reduction and on tackling homelessness (IE). An overarching requirement was made by EAPN Ireland to implement transparent and effective poverty / equality and gender equality impact assessment across all relevant policies. EAPN ES underlines the need to ensure that EU funds are explicitly used to implement social rights.

Support additional integrated strategies for key at-risk groups

Whilst EAPN members support the call for an overarching EU-level integrated strategy to fight poverty and social exclusion for all groups, EAPN networks underline the importance of CSRs to promote additional measures targeted at the main groups facing risk of poverty and social exclusion in their country. Mainly these should be based on disaggregated breakdowns of the social scoreboard, particularly the AROPE and other social indicators. These groups require tailored, integrated support on top of the universal provision drawing on agreed EU strategies (AT, DK, HU, IE). Key groups highlighted are women/closing the gender pay and pension gap (AT), children in low income families drawing on the integrated Investing in Children approach (AT, DK, HU, particularly single parents (IE), groups facing discrimination (AT, DK, IE), people with disabilities and/or mental health problems (DK), older people (MT), Roma and Travellers (IE). Particular attention must be given to groups where existing evidence and comparative data is weak eg due to lack of residence status, eg homeless people (DK, IE, LT), migrants and asylum seekers (AT, DK, IE).

Urgently improve adequacy/coverage of Minimum Income & Social Protection

Many networks propose recommendations to substantially improve the adequacy of minimum income and social protection systems as essential pre-requisites for enforcing the right to an adequate income and dignified life (Principle 12 and 14 EPSR) (BE, DE, ES, HR, IE, LT, PL, PT). The majority recommended upgrading minimum / social benefit levels above the poverty threshold (BE, HR, HU, IE, LT, NL, PL, UK and benchmarked against the real cost of living as established by reference budgets (IE). An equal concern is improving access, coverage and take up (BE, DE, LT, PL), particularly where eligibility conditions are being hardened. Some point out that minimum national standards are needed to reduce regional inequalities (HR), or to maintain temporarily raised benefits (PL). Ensuring that Minimum Income schemes support and enable people into decent jobs, or greater integration and inclusion, requires a step back on negative conditionality in relation to minimum income schemes with punitive sanctions, instead investing in positive personalized support through dedicated social and employment services (BE, LT). Equal concerns are raised about statutory social protection schemes in many countries (DE, HR, PL, PT, UK) recommending increases and extensions in coverage in particularly unemployment benefit levels to better alleviate poverty. Poland cites the need to raise unemployment benefit to 50% of Minimum Wages and to rapidly simplify application and payment systems. Several networks stressed the need for recommendations to tackle over-indebtedness linked to low incomes and rising costs (CZ, LT). In Czechia, they urge measures to monitor the effectiveness of new instruments and ensure that debt relief prevents the expansion of the grey economy.

Guarantee rights to public & essential services: health, housing and social services

As with last year, EAPN members give a strong priority to strengthening access to rights to key services (BE, DK, FR, HR, LT, MT, PT). Particular concern is highlighted over access to **affordable**, **universal health and social care services**, particularly in the light of the impact of COVID19 (PT, UK) and the need to urgently tackle health inequalities both in access and treatment in services, reducing disparities in healthy life years by tackling key social determinants. New investment is needed to ensure equal access, and equality (LT). In some countries this relates to regional inequalities and territorial fragmentation (HR). Increased support for **social services** is strongly underlined (BE, DE, LT), as key to the fight against poverty, ensuring dignity and respect in the treatment of vulnerable people, as well as sensitive, integrated, personalized support adapted to people's needs (BE, LT, DK). An increased call is made for investment in long-term care services and support for independent living for older people/ those with disabilities (MT).

Access to affordable, decent housing (Principle 19 EPSR) continues to be strongly underlined by many members as priority recommendations (AT, CZ, HU, MT, NL, PT), particularly urging investment in new social housing (CZ, FR, HU, NL, MT, PT). In some countries this requires new legislation (CZ). In Hungary, energy poverty is a major concern, and urgent financial support is needed for disadvantaged households, as well as a shift to more sustainable sources of fuel. To tackle high rents in the private sector, comprehensive rent subsidies and rent control are needed (MT, NL), including increased housing allowances, adjusting 'Cost of Living' calculations (MT, NL). Coordinated strategies to fight homelessness and housing first approaches should be supported (DK, LT).

Tackle barriers to access quality jobs and in-work poverty

For most EAPN networks, more effective action is needed to tackle barriers to employment for key target groups. This should involve, not only personalized support, but tailored, relevant education/ training modules adapted to needs and leading to increased access to quality local jobs. More investment in social economy/enterprises is needed to provide either intermediate labour markets or longer-term community-based workplaces providing local services/supportive work environments and jobs, targeting those who are further from the labour market. Others underline urgent action is needed to improve wages and tackle in-work poverty (BE, CZ, FR, HR, PT). This can be done by increasing minimum wages (CZ, DE) or an improved and enforced compliance with legal minimum wages (DE), harmonizing wage setting between public and private sectors. Urgent action to prevent the spread of precarious employment/atypical work is key (PT).

Invest in universal, free public education / training and lifelong learning

Many networks call for recommendations to implement Principle 1 EPSR (quality, inclusive education, training and lifelong learning) (FR, HU, LT, PT). EAPN members underline that education and lifelong learning should be a right throughout people's lives, ensuring participation in society, not just as an instrument to get jobs. However, urgent action is needed to reinforce the universal principle, ensuring that inclusive, quality education systems are available equally to all, and play their role as an instrument to reduce inequality and promote social mobility (FR, HU). Renewed focus is highlighted by some networks for quality, affordable early education and care (LT). Others want increased focus on relevant, adapted vocational training and lifelong learning, working in partnership with non-for-profit community organizations well-rehearsed in providing support to young and older people who have felt excluded from traditional systems (FR). A newer call is made to ensure that education systems adapt to new challenges eg promoting sustainable development and building capacity for civic engagement and exercise of rights (MT) and to address new modes of services provision, working, learning and delivery of public services (HU, IE, AGE).

Strengthen meaningful participation of people experiencing poverty and NGOs at all stages

All members urged the Commission to propose CSRs to Member States to ensure more meaningful participation of civil society organisations and people facing poverty in the European Semester. As highlighted in the above chapter, significant progress is needed to improve the quality of the engagement in all Member States. Two networks called for specific recommendations (BE, FR). France urged the Commission to require a real partnership with people living in poverty and their NGOs to drive social rights implementation in the European Semester through regular and effective. Belgium further underlined that the participation of people experiencing poverty supported by their NGOs needs to be strengthened and guaranteed in every step of the process (design, implementation, monitoring and evaluation). Only by involving them as part of a systematic on-going dialogue process can policymakers make effective and quality choices to tackle poverty in a structural manner. EAPN Ireland asks the government to reinvest in autonomous community development organisations, particularly at local level as these organisations are necessary to support the active participation of the most marginalised people and communities. They also ensure that those impacted on by policies can participate at all stages of the policy process and that policies to prevent and address poverty and social exclusion are the correct ones and are effective. Severe cuts and changes to programmes have greatly undermined this over many years and resulted in these communities being further marginalised, which now needs to be reversed. As highlighted above, the Country Reports continue to give a stronger focus on social partnerships, rather than engagement with civil society (DE, HR, IE, PT), despite the priority given by the European Commission and in the Employment Guidelines. A CSR specifically requiring meaningful engagement with people in poverty and civil society organizations in the European Semester, would send a strong message of the commitment to participation and accountability, particularly of the most vulnerable.

4. EAPN MEMBERS' PROPOSALS FOR COUNTRY-SPECIFIC RECOMMENDATIONS 2020

Member State	Proposals for Country-Specific Recommendations (National Networks)
Austria	EAPN Austria proposals for CSRs 1) The CSRs should require a human rights-based approach to prevent people from poverty, including families with low socioeconomic and/or migrant background.
	2) Address the gender pay and pension gap and promote affordable housing.
	3) Priority should be given to address ongoing limited progress in some CSRs.
Belgium	EAPN Belgium (BAPN) proposals for CSRs 1) Positive action must be taken to remove the barriers that many people today face in order to enter the labour market. Limiting benefits or making them more conditional are not the ingredients of a good activation policy but only lead to more poverty. Positive actions to support the employability of people experiencing poverty, such as education and training, are needed. In addition, the increasing precarity of jobs must be prevented. For some people, jobs in the normal job market are simply not accessible. In order to guarantee their right to work, more investment is needed in the social economy.
	2) The participation of people experiencing poverty in the policy process should be strengthened and guaranteed in every step of the process (development, implementation, monitoring and evaluation). Only by involving them, policymakers can make effective and quality choices to tackle poverty in a structural manner.
	3) Minimum incomes must be increased above the European poverty line. Furthermore, social benefits must be accessible. The far-reaching conditionality of benefits in both social assistance and social security must be reversed. The wellbeing of the people must be made central. The current crisis, due to the Corona pandemic, makes it very clear how important and precious our social security systems are. We hope that this crisis can mean a turning point and the necessary investments will follow. We must avoid at all costs that the consequences of this crisis will be carried by the most vulnerable members of our society.
Croatia	 EAPN Croatia proposals for CSRs 1) The need for structural social reform/ benefits distribution must be linked to ensure a minimum standard of services, in order to avoid huge regional disparities in quality and access to services.
	2) The system of social protection and active employment policies show poor performance in the alleviation and prevention of poverty, primarily

	due to inadequate or extremely low social benefits, low coverage of the poor in remuneration from these systems and the relatively low benefits, that are mostly below the poverty line.
	3) The need to reduce the territorial fragmentation of the public administration, streamline the functional distribution of competencies and enhance the capacity to design and implement public policies. In consultation with social partners, introduce harmonised wage-setting frameworks across the public administration and public services.
Czechia	EAPN Czechia proposals for CSRs 1) Housing - in the future it is necessary to adopt a comprehensive legislative framework addressing this issue (see the Act on Social and Affordable Housing), affordable housing has proved to be crucial for the successful solution of subsequent socio-economic difficulties.
	2) Workers' poverty - in the future it is necessary to strive for a continual increase in the minimum wage, as at present conditions and costs many people are just above the income poverty line.
	3) Over-indebtedness - the need to verify how the latest measures have proved their worth (insolvency amendment in mid-2019); In addition, there is a need to ensure greater access to debt relief so that people do not stay in the grey economy area for a long time.
Denmark	 EAPN Denmark proposals for CSRs 1) Recognize the challenges of poverty – especially the long-term effect of child poverty – and the need for monitoring the problem by reintroducing a poverty line.
	2) Promote a human rights-based approach to combatting poverty and social exclusion and increased dignity in social services for excluded groups. This includes investment in social integration for excluded groups, such as people facing homelessness, refugees and those who cannot benefit from the strong labour market (i.e. people with disabilities or mental health problems), and an adequate social security system for all.
	 A stronger focus on health inequality, addressing the fact that income inequality is reflected in the health treatment. This also includes solving the challenges with treating double diagnoses, which characterizes some of the most vulnerable groups.
Finland	EAPN Finland's proposals for CSRS.
	1. During and after the coronavirus epidemic, ensure measures to help people to cope with everyday life, ensuring an adequate income for the most vulnerable groups. This means comprehensive basic social security, additional support to cover the extra costs due to the crisis and services to ease the social impact of the crisis.

	2. There is a need to invest extensively in active labour market
	policy that supports people experiencing poverty into quality jobs.
	 The wellbeing of children and young people must be secured by ensuring resources for child protection, mental health services and support services for education at various school levels. The social and healthcare reform must be done in a way that ensures effective operating conditions and equality of services, the realization of fundamental rights and access to quality services for all, in a way that reduces health and wellbeing inequalities.
France	EAPN France proposals for CSRs:
	 Ensure that macroeconomic policies promote social rights and poverty reduction. Fight poverty and uphold social rights with an integrated rights-based strategy and a plan of action. Implement policies for quality jobs that ensure that no one is excluded from such jobs.
	 Invest for access to universal, free and quality public education, lifelong learning and technical and vocational training; Increase EU funds to finance actions supporting integrated poverty reduction strategies with civil society actors. Support partnership with people living in poverty and drive social rights through regular and effective dialogue with people living in poverty and NGOs.
	Justification: In particular, we do not believe that growth alone will solve the problems of poverty. On the other hand, we insist on the need to involve, as early as possible, civil society such as various NGOs and the people in situation of exclusion. In addition, EAPN France believes that it is imperative to renew the policies against poverty and exclusion, and in particular the inclusion of the strategy against poverty within the NRP. We also insist on the absolute necessity to evaluate, ex-ante and empirically, the social consequences of poverty and exclusion of measures in the NRP, which is not currently the case.
	As stated on the network's annual survey, EAPN France would like EAPN Europe to request an official response to the Commission and the European Parliament to the proposals made by people living in poverty as part of the annual European meeting of people in situations of poverty (PeP). In order to make this answer more visible, it is hoped that EAPN Europe will publish this response, in press release format, on the world day of refusal of misery, which takes place every year on 17 October.
Germany	EAPN Germany (nak) proposals for CSRs 1) The government should develop a holistic and comprehensive strategy to combat poverty in a sustainable way. The German government should use all three EU-AROPE indicators for measuring poverty: income poverty, material deprivation, households with long-term unemployed persons.

	1
	2) The level of benefits (in the system of basic provisions for jobseekers and non-jobseekers) should be raised so people can live in dignity.3) The minimum wage in Germany should be raised, and compliance with the general minimum legal wage should be better/much more often controlled by the authorities.
Hungary	EAPN Hungary proposals for CSRs 1) Prioritize a well targeted and system-based strategy to fight child poverty: the current family support system is favouring upper middle-class families and does not serve the decrease of child poverty ratio and the demographic decline.
	2) Promote social housing programs, which reflects well the current needs of different risk groups. We are facing a serious crisis in this field.
	3) Invest in an educational system which can serve the mobility of children and youth.
Ireland	EAPN Ireland proposals for CSRs 1) Implement the new Roadmap for Social Inclusion 2020-2025 in an integrated manner ensuring an adequate income for all, whether in or out of work, access to quality services and access to decent jobs. It must also address poverty and social exclusion for all groups in society, ensuring the delivery on the objective of the Sustainable Development Goals to leave no-one behind. The outgoing Government launched the new Roadmap in January. There are weaknesses and gaps in the Roadmap which need to be addressed, but it is essential that implementation gets underway with investment to match the level of ambition needed. This will be particularly challenging following the Covid-19 crisis, but the crisis has also highlighted why ambitious delivery is needed.
	2). Under the poverty target introduce ambitious sub-targets across the different measures for groups with high levels of poverty. While still higher than before the economic crash in 2008 poverty levels have been falling. However, some groups in society experience higher level of poverty and sub-targets, with policy measures to achieve them, are needed to ensure that Ireland delivers on its SDG commitment to leave no-one behind.
	 3) Implement a transparent and effective process for the poverty, equality and gender impact assessment of all relevant policy, particularly crucial in the short-term in informing the response to the economic and fiscal impact of COVID-19. Poverty Impact Assessment has existed as part of Irish policy making for many years but has not been implemented in an effective or transparent manner as a tool to help address the causes or consequences of poverty. Since 2016 the Government has been slowly moving to introduce equality budgeting, but the benefits have yet to be seen. It has been suggested by

	the Oireachtas Committee on Budgetary Oversight and the OECD to build on progress in equality budgeting and put equality proofing on a statutory footing. This needs to be now seriously looked at as a way of making effective progress. Poverty and wider equality impact assessment was not used to inform policy development during the last economic crisis, with very negative social impacts, particularly on some groups in society. Poverty levels are still higher in Ireland, than before that crisis. It is crucial therefore that policy to address the impact of COVID-19 undergo transparent equality and poverty impact assessment.
	4) Benchmark all social welfare rates at a level which is adequate to both lift people above the poverty line and provide them with a Minimum Essential Standard of Living. Irish social welfare rates are below the poverty line and not adequate to provide most households with a Minimum Essential Standard of Living (MESL). Benchmarking welfare rates against these measures would mean that welfare rates would take account of the real cost of goods and services rather than arbitrarily set by Government. Also investing in access to affordable public services helps reduce their cost and the money needed in hand to pay for them.
Lithuania	 EAPN Lithuania proposals for CSRs Tax regulation should be made more progressive and fairer to lower-paid employees. More funding to social security. Improved adequacy and coverage of social assistance, further strengthening of positive work incentives and linking MI schemes with social services. Structural changes in provision of public services: improved accessibility and quality of public services. Changes in social services must rely on people's needs: clear methodology on how to evaluate people's needs and how to respond to them. Clear actions must be taken to tackle homelessness. Accessibility of early education for children must become the priority.
Malta	 EAPN Malta proposals for CSRs 1) Increase access to decent housing by adjusting the Cost of Living adjustment (COLA) for low-income earners; those households earning at below the 60% median income. This will create a better chance to access adequate and affordable housing. The European Commission is invited to monitor if, and to what extent, this is being implemented in Malta. 2) Introduce a comprehensive education programme on sustainable development - Ensure that entitlement to education on sustainable development, and related school subjects such as home economics, are implemented comprehensively from the earliest possible age in order to nurture the right attitudes and skills in order to foster responsible citizens who make informed decisions, are aware of and find their way to services when they need them, and take action to promote and safeguard

	 personal, family and community wellbeing. All children must have access to such topics at school. This will also help them to budget for their daily expenses in the future. 3) Extend free or subsided provision of services to facilitate independent living, healthy ageing and lifelong learning - Extend free or subsided provision of services to facilitate independent living, healthy ageing and lifelong learning - Extend free or subsided provision of services to facilitate independent living, healthy ageing and lifelong learning for the different cohorts within the elderly population who have a low-income or who face unexpected long-term financial burdens. Given the national priority for the promotion of active ageing, one could consider fiscal, in-kind, or other measures to: Facilitate holistic health of the elderly of different age groups, including assistance for home improvements for mobility, safety and security, as well as for house and home insurance policies, and management of different health conditions; Facilitate participation in society through enhanced access to lifelong learning and cultural opportunities, and transport schemes such as carpooling; Foster a culture of an enterprising spirit: the elderly can be nurtured to develop their creative ideas into concrete business proposals and so be encouraged and assisted to continue to be financially productive after retirement age. Due to the projected increase in longevity, which brings with its multiple additional expenses for health care and other goods or services related to wellbeing, it is essential that the elderly have an adequate income to cover these life related costs.
Netherlands	EAPN Netherlands proposals for CSRs 1) The ratio of rent and income must be changed: rent must not exceed 1/6 of the income.
	2) Cost of living and of public transport must be reduced.
	3) In 2021 the government wants to implement tax cuts for businesses. This is adjacent to the policy on rent allowances. Putting 400 million in housing allowances could improve them.
Poland	EAPN Poland proposals for CSRs 1) Polish standard unemployment benefit should be increased substantially to at least 50% of the minimum wage which is 1300 PLN in
	2020. - Polish standard unemployment benefits are very low (6 months average is 25% of the gross minimum wage). The Polish anti-recession package enacted at the end of March does not consist of any measures for unemployed.
	 2) Polish temporary social assistance benefit for single unemployed living in poverty should be increased substantially to the social assistance standard 701 PLN (30% of the minimum wage) in 2020. Polish temporary social assistance benefit for single unemployed living in poverty is very low (22% of the net minimum wage). Polish anti-recession

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	package enacted at the end of March does not consist any measures for unemployed living in poverty.
	3) All conditions and procedures required to have access to unemployment benefit and to temporary social assistance benefit should be simplified as far as possible.
Portugal	 EAPN Portugal proposals for CSRs The situation of Coronavirus is changing everything. The Semester CSRs must reflect this situation: 1) The recommendations of the Commission concerning Portugal and other the Member States must reinforce public, quality/accessible, affordable, essential services (like health), strengthening and consolidation public health services as a guarantee of the rights for all citizens.
	2) We must have recommendations to prevent adoption of austerity measures that, when they exist, will make the poorest pay for the crisis that is starting now.
	3) We must also have recommendations concerning the prevention of precarious work; housing (invest in social housing), fighting poverty and social exclusion. In general, we must guarantee fundamental rights, reinforcing transversal policies to support the most vulnerable.
Spain	 EAPN Spain proposals for CSRs 1) We need the central and autonomous governments to correctly and effectively fulfil their mission of ensuring rights and guaranteeing the wellbeing of citizens. To do this, we demand that they dedicate (at least) 25% of the Structural Funds of the European Union to social inclusion, in a verifiable and transparent way.
	2) The data speaks for itself, it is necessary to give priority to the fight against poverty, as well as to the eradication of the causes that produce it.
	3) The environment be adequately protected, preventing the impacts of climate change, which will surely fall on the poor and vulnerable population. All indicators should be 'green': a cohesive society, without poverty or exclusion, with a high level of education and human development, with an innovative and sustainable economy, in a protected environment. We need that no one is left behind, including the millions of the epidemy and the new impoverished low-income and middle-income families.
United Kingdom	 EAPN UK proposals for CSRs COVID 19 response is the justification: 1) Invest properly in an integrated health and social care system and better capacity for local government to support public health and disease prevention.

2) Ensure that unlike the financial crisis, the burden of paying for the response to COVID19, is not unfairly carried by workers and poorer and disadvantaged people. Ensure that the uplift to Universal Credit and the access to social protection support for the self-employed are retained after the health crisis and there is a new dispensation regarding the value, pay and benefits of front-line workers especially in food, retail, logistics and transport, utilities and basic services, health and care workers.
3) Do not countenance a hard Brexit, especially at a time of almost unprecedented economic shock, and accept a delay in order to ensure an orderly transition. Support dynamic upward alignment on social, employment and environmental measures to ensure high standards and our continued access to our largest market and close relationships with our natural allies.

ANNEX 1. STATUS OF THE DOCUMENT

This EAPN assessment is issued on behalf of the EU Inclusion Strategies Group (EUISG) which has delegated powers within EAPN to develop EAPN policy position papers and reports. Inputs were collected from 20 members by writing and during an online meeting on 2 April 2020 to partly replace the EAPN EU Inclusion Strategies Group Meeting foreseen for 20 and 21 March in Madrid, Spain which had to be cancelled due to the Coronavirus pandemic. 17 EAPN's National Networks (AT, BE, CZ, DE, DK, ES, FI, FR, HR, HU, IE, LT, MT, NL, PL, PT, UK) contributed, with additional views from AGE Platform Europe, Eurochild and the International Federation of Social Workers (IFSW) Europe, three European Organisations in membership of EAPN. Inputs on the final draft were received from BE, CZ, FI, IE and PT. All inputs were incorporated in the final report.

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The European Anti-Poverty Network (EAPN) is an independent network of nongovernmental organisations (NGOs) and groups involved in the fight against poverty and social exclusion in the Member States of the European Union, established in 1990.



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