

**Olivier De Schutter, UN Special Rapporteur on extreme poverty and human rights – mission to the EU, December 2020**

**Submission by Caritas Europa**

**1. Challenges within the constitutional architecture of the European Union, particularly regarding social rights, for addressing poverty, inequality, and social exclusion.**

A key challenge to make progress in the area of social policy is the **unanimity voting** requirement, which implies that one single country can block the adoption of legislation by the Council. The current Treaty on the Functioning of the EU includes options to decide by qualified majority voting (e.g. art. 153 TFEU para 2 (b)), allowing thus for more effective decision making, but they are not used. See also [Caritas Europa's comments to EC Roadmap for more efficient law making in social policy](#).

Caritas Europa calls for the potential and the instruments set out in the Treaties to be exploited, in order to deepen the EU's social dimension and pursue upward social convergence at a high level.

Another challenge is the **limited EU competence** in social policy making. This requires a good coordination of social policy making between EU, national and regional levels, according to their legal competences. Caritas Europa calls for a **Europe 2030 (anti-poverty) strategy** (see more below) to improve that coordination. The European Commission (EC) and the Council should ensure coherence of European social and economic policy in the **European Semester**, by integrating the social objectives of such Europe 2030 Strategy and the EPSR in the Semester monitoring process. The EC should improve monitoring of the implementation of social policy related country specific recommendations (CSRs).

The EC should oblige MS to design **basic social protection systems** that guarantee a decent life for all citizens. The EPSR enables an opportunity to strengthen the social rights component of impact assessments in the preparation of legislative proposals by the EC. The EC should design practical guidelines and tools for Member States (MS), drawing out common characteristics and setting common standards for eligibility criteria, access to services, and a transparent mechanism for setting up and indexing benefits. Hence, the EP and Council, on proposal by the EC, should adopt a **legal framework on standards on minimum income**.

The EU should urge MS to safeguard access to social rights and services, especially by those in situations of vulnerability. The EC should promote the exchange of best practices addressing legal barriers, bureaucratic hurdles and other difficulties faced by people in need when trying to access services. Gradually moving towards universal access to services and minimum income, while improving a tailor-made individual approach in service provision are vital steps toward this aim. The Council should further adopt a Council Recommendation towards this aim, and monitor its follow up.

## 2. The potential of the various social protection tools under present or future EU competence to address poverty, inequality, and social exclusion.

### 1. *Need for a Europe 2030 (anti-poverty) strategy*

The EC should develop a **social and sustainable post-2020 strategy** which prioritises poverty eradication and supports the implementation of the EPSR and the SDGs. EU commitment to the SDGs, in particular targets 1.2 and 1.3 should be confirmed and translated into an Action Plan. The current focus on the Green Deal as the new growth strategy is insufficiently addressing this concern.

Explicit **social objectives** should be defined and their achievement monitored in the European Semester process in order to achieve a social and sustainable market economy aiming at full employment and social progress, or upward social convergence at a high level. Such objectives include a strategy against precarious employment and in-work poverty; for guaranteed high-quality, accessible and affordable social services for all; investment in early childhood education and care as well as family support; ensured access to quality, appropriate and affordable housing; and a guaranteed means-tested minimum income above the poverty line.

The new strategy should also set further **targets** and add **sub-targets**:

- ⇒ Improve targeting: incorporate sub-targets relating to groups at high risk of poverty or social exclusion and care targets for elderly and dependent people. The EC should work with MS to ensure that their targets are adequate and to establish national sub-targets for poverty reduction among groups most at risk.
- ⇒ Further targets: further targets should also be agreed related to unemployment, especially long-term unemployment and youth unemployment, in-work poverty and to address serious problems in some countries in respect to young people neither in employment, education or training.

### 2. *Implementation of the European Pillar of Social Rights (EPSR)*

With the EPSR, a plan was agreed to strengthen the social dimension of the EU politically and to work towards upward convergence of the social systems of the MS. The focus should now be on implementation and monitoring: the EC should take legislative initiatives to make the EPSR enforceable and turn it into a strategic tool to influence EU macroeconomic governance.

Caritas Europa urges the EC to strengthen its effort in raising awareness of the EPSR among MS and subsidiary legislative bodies by creating guidelines for the implementation and/or a compilation of best practice examples where especially regional or local legislative bodies have implemented the EPSR.

The first proposals under the EPSR have become applicable EU law. Further initiatives are needed to implement the principles and rights of the EPSR, contributing to improved economic and social cohesion in the EU, such as the Action Plan on migrant

inclusion, the Roma Strategy, the Action Plan against racism and the Action Plan on equality between women and men.

Caritas Europa calls on the EC and the MS to adopt the principles for effective and reliable social welfare provision systems put forward by the European Economic and Social Committee (EESC)<sup>1</sup> and to continue to develop their social welfare provision systems on that basis.

We call on the MS to aspire to social convergence of European social welfare provision systems at a high level and, in doing so, to include the regional and local authority and civil society actors.

### ***Specific initiatives and instruments to implement the EPSR***

- A. On the basis of the Council conclusions on minimum income, the EC should present a proposal for a **framework directive on minimum income** standards. This is the necessary safety net for European social protection systems to guarantee a decent life for all citizens.
- B. The EC presented a proposal for a **directive on minimum wages**. We advocate for a swift adoption of this directive in a way that effectively contributes to eradicating in-work poverty.
- C. The EP and Council should adopt legislation for the implementation of a European **Child Guarantee** in order to ensure access to free healthcare, free education, free early childhood education and care, decent housing and adequate nutrition for the most deprived children and their families.
- D. The EC should carefully monitor the correct transposition and implementation of the **Work-Life Balance Directive** and enhance universal access to affordable services for facilitating independent living and healthy ageing and support MS' implementation of a long-term care insurance.
- E. **Action Plan for social economy enterprises:** social economy enterprises play an important role for the implementation of the EPSR, since they are a source of stable, quality and non-relocatable jobs and enable people at risk of social exclusion to access training and employment. They foster social cohesion and are thus crucial in the fight against poverty and social exclusion.
- F. Through the **Urban Agenda for the EU**, promote investment in affordable and social housing, in order to implement principle 19 (housing) of the EPSR.
- G. Action plan on migrant inclusion, the Roma strategy, the action plan against racism and the action plan on equality between women and men.

### ***3. Adopt the new Multiannual Financial Framework (MFF)***

The EC should design practically-oriented EU structural funding to strengthen social cohesion. It is essential that the Regulation for the European Social Fund (ESF+) from 2021 takes particular account of the principles and rights set out in the EPSR. The EU

---

<sup>1</sup> Opinion of the European Economic and Social Committee on "Principles for effective and reliable welfare provision systems" of 17 September 2015 (SOC/520), <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52015IE1011&from=EN>  
Rue de la Charité, 43 - 1210 Brussels - Belgium • T: +32 (0)2 280 02 80 • F: +32 (0)2 230 16 58 • E-mail: info@caritas.eu • [www.caritas.eu](http://www.caritas.eu)

should also provide impetus to the MS to acknowledge their public responsibility in framing their social welfare systems and social services, and to aspire to a policy of social investment. In its “Social Investment Package” of 2013, the EC underlined the point that precisely those countries with the most efficient social systems were amongst the most successful and most competitive economies in the world, and called on the MS to put greater emphasis on social investment.

To apply EU funding in the most practically-oriented manner, civil society has to be involved. The partnership approach enables intensive participation by civil society at the level of developing and implementing funding programmes at MS level. The partnership arrangement of the Funds is demonstrably a success factor in the implementation of the current ESF and of the Fund for European Aid to the Most Deprived (FEAD) in several countries. It should be expressly anchored in the new ESF+ Regulation, in the same way as it is defined in the new EU Common Provisions Regulation.

The EC should adopt effective measures to increase the take-up of funds by the MS, in order to effectively align structural funding to the goal of upward convergence. This includes retaining the EU co-financing principles from the current funding period in order to ensure that as many project sponsors as possible are able to use funds from the ESF+ programmes from 2021. Experience has shown that project sponsors are often unable to contribute higher own shares to funding. Added to this is the fact that the proposed funding quotas, measured against the organisational and financial expenditure involved in applying and accounting for ESF funds, set too low an incentive.

The EC should propose to earmark in the future ESF+ Fund specific funding to support the active and effective training of a specialised workforce, able to work for the inclusion of the most deprived, and to develop more effective social services provision, allowing for a wider share of the population to access social rights and services. The EC should assess how existing EU funding instruments could contribute to the design and implementation of a common minimum income framework.

#### ***4. Ratification of the Revised European Social Charter (RESC)***

As logical consequence of the proclamation of the EPSR, the EU should ratify the RESC, encourage MS to ratify and support them in the process of accepting and respecting all RESC provisions. The EU Court of Justice should align the status of the RESC with that of other international human rights instruments ratified by all EU MS. References to the principles of the EPSR should refer explicitly to the provisions of the RESC, to which these principles correspond. In order to promote convergence on a single interpretation of the provisions of the EPSR, the references should be accompanied by a recommendation to take into account their interpretation by the European Committee of Social Rights (ECSR).

**3. The expected impacts of the EU's COVID-19 response on the rights of people living in poverty and on improving socioeconomic equality within and between MS.**

COVID19 is having a devastatingly negative impact on the objective of upward convergence, with certain MS' economies being harder hit than others. Weaknesses in their social protection systems are amplified by the drop in economic activity. In this regard, we appreciate the SURE instrument. Caritas Europa supports the goal, via the EPSR, of driving upward social convergence in the interest of improved economic and social cohesion in the EU and of supporting MS in this regard over reform proposals.

The EC should allow to make full use of the flexibility allowed within the Stability and Growth Pact by labelling as 'exceptional circumstances' measures proposed within the frame of fiscal consolidation that would lead to a situation that doesn't conform with the principles of the EPSR, thus allowing deviation from the budgetary commitments of affected MS. Social services are essential for fostering inclusive growth, and funding of not-for-profit service providers is crucial in this context. Expenditure on these services should be considered as social investment able to deliver a mid- to long-term return to individuals, society and the economy as a whole.

Brussels, 08.12.20