



EUROPEAN ANTI POVERTY NETWORK

REPORT

# MAKING SOCIAL RIGHTS THE COMPASS IN THE EUROPEAN SEMESTER!

## EAPN Assessment of the Country Reports and Proposals for Country- Specific Recommendations 2018

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## 1. INTRODUCTION

2018 is the 8<sup>th</sup> year of the implementation of the Europe 2020 strategy for smart, sustainable and inclusive growth through the European Semester. The Annual Growth Survey 2018<sup>1</sup> highlighted the positive signs of economic recovery and gave the key message that structural reforms had yielded positive results, supporting improvements in growth and jobs and promoting economic and social convergence. As a key positive development, the Pillar of Social Rights was quoted as being fully integrated, as a '*compass*' for the Semester. However, the overall 3 AGS priorities remain unchanged from the previous years: 1) boosting investment, 2) supporting structural reforms and 3) ensuring responsible fiscal policies, with no mention of the Europe 2020 social targets, particularly on poverty reduction. As a result, concerns were raised by EAPN<sup>2</sup> about how far the economic priorities and approach in the European Semester in 2018 would be genuinely reformed to put social rights and poverty reduction first rather than giving priority to stability and growth and relying on trickle down theories to reduce poverty.

Whilst the situation on poverty and social exclusion has marginally improved, slowly returning to its 2008 levels, the EU has still made no actual progress on its target to reduce poverty by at least 20 million by 2020. In 2016, 118.7 million people, or 23.5% were at risk of poverty or social exclusion,<sup>3</sup> i.e. nearly 1 in 4 with a marginal decline since last year (2015 data). However, there are major differences between Member States, with one third of the population in Bulgaria, Romania and Greece in a critical situation, with a marked increase in 2016 for Romania. The share was also significantly higher than the EU average in Italy, Lithuania, Latvia, Spain, Croatia and Cyprus. On the other end of the scale, the Czech Republic, Finland, Denmark and the Netherlands ("best performers") had the lowest proportion of their population at risk of poverty or social exclusion, below 17%. Meanwhile in-work poverty remains an increasing trend, reaching 9.6% providing further evidence that a job alone is not enough to lift people out of poverty. Groups most at risk are children (26.4%), young people (30.5%), low skilled (34.9%), people with disabilities (29.9%) and non-EU born (39.1%).

EAPN welcomes the signs of progress in the Country Reports. In 2018, the EC Communication<sup>4</sup> accompanying the 2018 Country Reports underlines that the European Semester has been "*enriched*" by the European Pillar of Social Rights to support "*renewed convergence of better working and living conditions*". It emphasizes the aim of the Country Reports to monitor 3 dimensions of the Pillar: Equal Opportunities and access to the labour market, Fair working conditions, and Social protection and inclusion. It makes specific reference to key concerns around adequate skills, gender employment gap, rising in-work poverty and low impact of social transfers on poverty reduction and includes boxes on key priorities on *sustainable, adequate and effective safety nets*, including minimum income. It highlights that the Country

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<sup>1</sup> European Commission Autumn Package November 2017, Annual Growth Survey 2018

<sup>2</sup> EAPN Response to the AGS package 2018: Getting results on poverty and the Social Pillar (December 2017)

<sup>3</sup> Based on AROPE indicators = at risk of poverty and or social exclusion.

<sup>4</sup> EC Communication (07.03.2018) 2018 European Semester: Assessment of progress on structural reforms, prevention and correction of macroeconomic balances, and results of in-depth reviews.

Reports also monitor Country-specific Recommendations' implementation, and trace progress on Europe 2020 targets.

However, the overwhelming focus of the Country Reports still primarily appears to be on strengthening the foundations of European economies, based on the 'virtuous triangle' of investment, structural reforms and responsible fiscal policies, raising concerns about how far there will be a continued priority given to deficit reductions primarily through austerity measures, directly impacting on poverty and undermining social rights.

Whilst the Social Pillar is clearly visible, there is a missed opportunity to promote a rights-based approach and to comprehensively mainstream the 20 principles. The dominant focus continues to be cost-effectiveness, competitiveness and convergence. Although the social scoreboard is more consistently quoted, including the most negative social indicators, these are not always emphasized nor linked to concrete suggestions or priorities for action. Monitoring of Europe 2020 social targets, particularly the vital poverty target, too often appears to be reduced to quoting the data on the targets, but lacking assessment of progress made towards the target and proposals for action. The danger of a reduced focus on poverty reduction geared to the EU average from the Scoreboard rather than as an explicit high-level EU goal and target for the delivery of Europe 2020 goals through the European Semester **requires urgent action!**

Finally, whilst EAPN welcomes the mention in the Communication of encouraging engagement with Civil Society Organisations as well as other stakeholders in the Semester, much clearer guidelines are needed to specify the quality and resources needed to support systematic involvement at all stages of the process, enabling NGOs and particularly those working with people in poverty to engage effectively. Monitoring of the quality of such engagement needs to be mainstreamed in the Country Reports and at all stages of the Semester.

The test of the effectiveness of the mainstreaming of the Social Pillar and Europe 2020 social targets will be seen finally in the proposals of the Country-specific Recommendations in May. EAPN hope to see a strong increase of the quantity, quality and coherence to ensure delivery on the full Pillar of Social Rights and poverty reduction target.

In this report, EAPN presents our members' assessment of the 2018 Country Reports: monitoring progress on the Europe 2020 poverty target, the mainstreaming of the European Pillar of Social Rights, and follow-up on the 2017 Country-Specific Recommendations.

Inputs were collected from 21 national and 2 European Organization members, in an in-depth mutual learning exchange held during the EAPN EU Inclusion Strategies Group Meeting in Belgrade on 8-10 March 2018 (AT, HR, CZ, DK, EE, FI, DE, HU, IE, IT, LT, LU, MT, NL, PL, PT, RO, SK, ES, SE, UK (21) + AGE Platform and Eurodiaconia). Additional written responses were received from 12 EAPN national networks (AT, BE, CZ, DE, IE, IT, LU, MT, NL, PL, PT, ES).

## Key Messages on the Country Reports

1. Positive progress with Social Pillar, but all principles need to be mainstreamed and coherently delivered through whole report.
2. Delivering on Europe 2020 Poverty target must remain a key focus through integrated anti-poverty strategies!
3. Social scoreboard needs better, more timely indicators and must be linked to goals and not just scoreboard averages to avoid downward convergence.
4. More focus needed on universal access to services: affordable social housing, healthcare and gender pay gap and attention to key excluded groups.
5. Missed opportunity to make civil society a key stakeholder and monitor quality of engagement.

## Proposals for Priorities for the Country Specific Recommendations 2018

### *Ensure progress on the poverty target and the Pillar of Social Rights!*

1. Prioritize the fight against poverty and social exclusion, through EU and national comprehensive, rights-based integrated anti-poverty strategies, and through comprehensive poverty, social and equality impact assessment.
2. Require higher investment in social policies and raise the levels of social protection including minimum income, as a cornerstone of guaranteeing dignified lives, free of poverty
3. Guarantee universal access to affordable quality services, including healthcare and housing in line with the Social Pillar.
4. Invest in inclusive labour markets, featuring a pathway approach to quality, sustainable employment for all groups
5. Shift the narrative from austerity to social investment in social rights and standards, and finance adequate and sustainable welfare states through tax justice and progressive taxation.
6. Leave Nobody behind – design complementary support and integration strategies for groups at particular risk of poverty and exclusion
7. Take active steps to promote meaningful civil dialogue including people experiencing poverty

## 2. EAPN MEMBERS' ASSESSMENT OF THE 2018 COUNTRY REPORTS

This chapter summarises the assessment made by EAPN's National Networks of the 2018 Country Reports, with additional views from two European Organisations in membership of EAPN (AGE Platform, Eurodiaconia). The analysis highlights positive and negative / missing elements, as well as tracking the monitoring of the Europe 2020 poverty target, the mainstreaming of the European Pillar of Social Rights, and the follow-up on the 2017 Country-Specific Recommendations.

### 2.1. Overall assessment of the Country Reports

Nine EAPN members (AT, FI, HU, IT, LU, PT, RO, SK, UK) see **a noticeable improvement in their Country Reports this year**, in what concerns the accuracy of the analysis, and the attention paid to social issues, including poverty. Several EAPN members (CZ, FI, IT, MT, PL, PT, RO, ES) have seen **some of their own concerns reflected in this year's Country Reports**, however they highlight that other significant parts of their input were overlooked (CZ, PL, ES). In 2017, **EAPN National Networks prepared *Poverty Watches***, their own analysis of key developments and trends in poverty in their countries and fed this work through active lobbying at national level to decision-makers and the European Commission. This practice will continue in 2018 and onwards.

However, one member (PL) **do not see any improvement from last year's Report**. Equally, 6 members (BE, FI, LT, MT, PT, UK) point out that, despite improvements, the **primary focus continues to be on macroeconomic issues**, and the sections dedicated to the fight against poverty are limited in comparison to other chapters (AT, BE, LU, PT, UK). Moreover, the **impact of other policy areas on social issues is not adequately linked and assessed**, and an analysis of the multidimensional roots of poverty is missing (BE, DE, IE, UK). A number of members (FI, IT, LU, UK) point out **contradictions between the Executive Summary and the Report itself**, with the tendency to be less incisive on social challenges in the former, which raises concerns that the Country-Specific Recommendations in 2018 will not go far enough.

Some positive references in the 2018 Country Reports, as indicated by our members, include:

- Most members (AT CZ, DK, HU, IE, LU, MT, NL, SK, UK) welcome that **access to housing in their countries is addressed**, even if not in-depth, and some that the **impact of rising housing prices is acknowledged, reducing affordability** (AT, CZ, IE, MT, NL).
- A number of members (AT, BE, CZ, DE, HU, IE, MT, NL, PL, RO, SK) are pleased that **the gender employment gap** is highlighted in their Country Reports and plead for more supporting measures for women with caring responsibilities, stressing the particularly difficult situation of single parents. The **gender pay gap** is also mentioned in some countries (AT, CZ).
- **Access to healthcare** is rightly picked up in the Reports as a challenge in Austria and Hungary, while **obstacles for vulnerable groups in accessing services** is also mentioned in Hungary and Ireland.

- The **link between socio-economic background and educational attainment**, as well as **unemployed youth with a migrant background**, are acknowledged in Austria, Belgium and Ireland.
- **Over-indebtedness** is highlighted by the Report in the Czech Republic, which is encouraging, as 860.000 people have been evicted because of defaulting on their mortgages (nearly 9% of the population), of which roughly 500.000 (5% of the population) are considered as over-indebted.
- The Report for Spain recognized the issue of **income inequality**, which is the second biggest in the EU and was already part of the key issues highlighted in EAPN Spain's Poverty Watch 2017.
- Recognition of the **low positive impact of minimum income reforms** in Portugal is acknowledged in the Report, as well as the fact that the effectiveness of social transfers needs to be improved.
- In Italy, the Report acknowledges that progress towards the employment target is largely attributable to **precarious jobs, with a rise in in-work poverty**.
- In Hungary, limited social dialogue, as well as **attacks on civil society**, are mentioned which is a welcome addition to last year.
- It is encouraging that the Report mentions the **expansion of social protection to atypical workers** in Poland.
- The particular employment situation of **older workers and people with disabilities** is reflected in the Report for Belgium.
- The **key challenge of corruption** for public finances and the stability of the country's institutions was highlighted in Malta.

## 2.2. What is missing from the Country Reports?

EAPN Estonia and EAPN Austria point out that the **statistics used are out of date (2015)**, while EAPN Austria also laments that the *Social Report 2015-2016*, published by the Ministry of Social Affairs in January 2017 and keenly reflecting EU topics: EU 2020, the European Pillar and ESF is completely overlooked and not mentioned in either the Country Report for 2017, or the one for 2018. Moreover, they deplore that the **Country Reports often feel like a shopping list of affected groups**, rather than an analysis of the causes of poverty and social exclusion, as well as guidance for progress.

EAPN Malta underlines the **lack of a strong reference to poverty**, and its causes linked to poor working and living conditions. EAPN Belgium highlights that **there is no rights-based approach** for poverty, education or income in the Report. EAPN Germany stresses that, while the Reports documents social dialogue in the country and praises the Government for it, **civil dialogue is conspicuously missing**, while it is a key element of sustainable, evidence-based policy-making.

Many members (BE, CZ, DK, HU, IE, LT, LU, MT, NL, PL, SE) are concerned that **housing tends not to be viewed from the social context, but rather from a financial perspective**, with proposed market solutions which do not prioritize increasing **access to affordable and social housing**. In Luxembourg, an implicit recommendation calls for cutting the demand side by lowering subsidies and fiscal advantages, while there are **no recommendations set for the supply side**. In Ireland, although the

Report refers to the social context (including social housing and homelessness), the main focus is on mortgages with less focus on the levels of rent in the private sector and the Governments dependence on this sector to address its social housing needs) which is one of the key causes of homelessness.

In the Netherlands, the **shortage of affordable rented accommodation** is not mentioned, nor the freeze on the housing allowance for 4 years. EAPN Poland highlights that the Report does not mention housing at all, despite recent efforts of the Polish Government to change social housing regulations. In Malta, the influx of highly paid foreign workers, especially from the finance sector is causing rents to rise making the private sector unaffordable. Some of these problems are slowly being addressed. In Slovakia and the United Kingdom, social housing tends to be built in inexpensive but underdeveloped areas, with no access to jobs or services, which is not mentioned in Reports. EAPN Denmark indicates that **homelessness not mentioned**. In Ireland, while the Report does state that family homelessness increased 200% between 2011 and 2016, it still claims that absolute figures are quite low, while in December 2017, there was a record 8,587 people in homelessness, involving 1,408 families with 3,079 children. EAPN Belgium laments the lack of reference to **energy poverty**.

Several EAPN members (CZ, HU, IE, IT, FI, LU, NL) remark that **social protection is inadequately addressed in their Country Reports**, by either overlooking key aspects and consequences, or conflating inaccurate information. In the Czech Republic, **the Report does not mention the impact of stigmatization** that reduces take-up of benefits, nor **cuts that have been made to the housing allowance**, affecting about 90 thousand households (so approximately 200 000 people). In Ireland, minimum income and unemployment benefits are deemed adequate in EU terms, while failing to remark that poverty levels are still high, and **adequacy is not anchored in the poverty line, nor the real cost of living as reflected in reference budgets**. In Italy, the 'inclusion income' is not set at adequate levels, it is **incorrectly presented as individual while it is actually calculated at household level**, and take-up is hindered by lack of synergy between different services. In Finland, **cuts to unemployment benefits are seen as positive incentives to accept work** by the Report, and the same for **cuts to pensions** in the Netherlands, despite their negative social impact on poverty. In Hungary, the employment replacement income is incorrectly reported as minimum income.

Another area flagged up as missing is **in-work poverty** (DE, HU, IE, MT, NL, PL, SK, SE), although in Poland, low wages are taxed at the same rate as higher ones. In Belgium and Germany, while 'disincentives to work' are mentioned as problematic, the report blames it on the generosity of the benefit system, rather than **poor, unsustainable working conditions and low wages**. In the Netherlands, there are no references to ensuring progression towards sustainable contracts, and curbing flexibilisation and bogus self-employment. In Malta, while the housing reform is praised, the **inability of low-income earners to afford accommodation**, due to in-work poverty, are overlooked. In Slovakia, tax allowances for low-income earners are limited to the first job, which implicitly signals the awareness that **many people are forced to work two or more jobs** – yet, the Report does not make this link.

**Child poverty** is also reported by some (LT, PL, PT, UK) as an overlooked dimension, although, for example, Portugal has one of the highest percentages of child poverty in the EU 27 (27% in 2016). While it is mentioned in the Netherlands, **the link is not made to the poverty of the**



**parents**, or to the need for wrap-around support for families. In Malta, **retired people** are still the section of the population most at risk of poverty.

Other issues missing in the analysis, in our members' view, include **indebtedness** (BE, SE), the effect of **austerity and cuts** on social investment and benefits (BE, FI), **migration** (BE), the growing threat of **people with no income** from either work or benefits (HU – more than half a million people), **distributional impact** of taxation on poverty and inequality, including **microsimulation** (PL – although it featured in last year's Country Report), the **gender pay gap** (RO, SE), **older people** (MT, SK).

From the perspective of our **European Organisation** members, **AGE Platform** reports that, while there is more focus on **access to health and long-term care**, this is only seen from a labour market perspective. The emphasis on pensions is rather from a sustainability perspective rather than quality and adequacy, and the AROPE indicator is actually much more heavily reliant on material deprivation and low intensity households than relative poverty risk. **Eurodiaconia** points out that civil dialogue is not monitored and encouraged in a compelling way.

### 2.3. Is progress on the Europe 2020 poverty reduction target adequately tracked in the Country Reports?

In our members' assessment, all Country Reports include, to larger or lesser extent, monitoring of the Europe 2020 poverty reduction target, with some countries performing well (DE, PL, SK, SE), while others are deemed at risk of not reaching it (BE, IT, IE, NL, PT, ES). However, there is a lack of consistency and coherence to the approach.

However, in Germany, **the national poverty target is defined only as reducing the number of long-term unemployed**, rather than referencing the AROPE indicators. Our members feel that this is a highly limiting definition, and hence reported progress is actually a false positive. Equally, **demographic changes are not taken into account** when calculating performance. In our members' view, this fits with a recent trend in Germany, **of individualising poverty rather than combatting its structural causes**. EAPN Portugal also raises concerns that their national target is narrowly defined and **does not take into account key groups**. In Ireland, the solution to high levels of poverty and social exclusion **focuses largely on employment**, rather than benefitting from an integrated approach, which would also look at income and services. EAPN Austria raises concerns that the wording is practically identical to last year's Report, and it still refers to 2015 figures, denoting a **lack of ambition and not taking the target seriously**.

Estonia (EE) refers to the fact that **the Europe 2020 poverty target is only mentioned in the Executive Summary**, while Malta says that only progress on the employment target is mentioned. In Finland, EU targets in general is mentioned in the summary, with the poverty target in other parts of the report. However, the main focus is on the poverty rate, rather than the AROPE indicator. This raises **serious concerns that the poverty indicator of the Social Scoreboard of the European Pillar of Social Rights, which is addressed in more detailed in the Report, could replace the Europe 2020 objective**. This is a very dangerous move, as the Scoreboard indicator is misleading: it relates to EU averages, rather than

concrete poverty reduction goals and targets, and it does not cover the more complex tri-indicator of the AROPE measure (IE, LU, PT, RO).

## 2.4. Is the European Pillar of Social Rights adequately mainstreamed in the Country Reports?

All EAPN National Networks who participated in this exercise (AT, BE, CZ, DK, DE, EE, FI, HU, IE, IT, LT, LU, NL, PL, PT, RO, SK, ES, SE, UK) **confirm the visible presence of the Social Scoreboard** of the European Pillar of Social Rights in their Country Report.

However, the consensual view is that there is **no actual mainstreaming of the Scoreboard findings or, more broadly, the Social Pillar principles in the Report itself** (AT, FI, IE, IT, PL); that **the section is very short** (AT, DK) and **it feels like a symbolic tag-on** or late addition (FI, IE, IT, PL). Many EAPN members (HR, EE, FI, IE, LT, LU, NL, UK) flag up a major concern that **the use of averages in the Scoreboard masks realities** and lets Governments off the hook. The direct consequence of this type of monitoring is a **watering down of standards and a race towards the bottom**, rather than upward convergence, as countries are ranked function on where they stand compared to general EU performance (which may be poor overall!), rather than compared to ambitious common goals and targets.

Additionally, this leads, in our members' views (HR, EE, FI, DE, IE, LT, LU, NL, PT, RO), to **inaccurate and inconsistent policy conclusions about poverty**. For example, EAPN Finland is concerned that although the full AROPE indicator is measured by the Scoreboard, only the poverty rate is mentioned in the summary, which makes poverty appear low in Finland, while in the AROPE overall, as measured by Europe 2020, may be increasing. Similarly, EAPN Ireland states that, while the country scores *better than average* on the Scoreboard's poverty indicator, elsewhere the Report comments that achieving the target for AROPE remains ambitious and a significant challenge for Ireland. This is echoed by EAPN Portugal and EAPN Netherlands. EAPN Luxembourg says the social transfers are praised as effective in reducing poverty, while the Scoreboard flashed the same indicator as *one to watch*. EAPN Estonia reports that, while the country has the highest gender pay gap in Europe (over 30%), the Scoreboard rates the country as a 'yellow' or average performer. EAPN Croatia points out that, while the Scoreboard ranks the country as a good performer on education, youth unemployment is increasing. EAPN Romania mentions inconsistency between the bad overall performance on the Scoreboard and the *best performer* mention with regards to the Gross Disposable Household Income (GDHI) per capita growth.

The **absence of qualitative indicators to accompany quantitative ones** is also a concern for EAPN members (DE, LT, UK). For example, EAPN Germany highlights that, while Germany is praised for its good Scoreboard results and very low unemployment, the rate of in-work poverty, which is the highest in the EU, is not mentioned. EAPN Slovakia also laments that the Scoreboard is too focussed on workers, while not sufficiently taking into account the situation of those unable to work.

Some members (BE, CZ, DK, DE, IE, NL, SE) note that their countries are performing relatively well on the Scoreboard, with others (PT, RO) less well. The overall absence of a systematic analysis of all areas of the Social Pillar principles is underlined, as well as high key missing concerns including **migrants** (BE, DK), **people with disabilities** (BE), **women and the gender pay gap** (BE, CZ), **childcare** (CZ), **NEETs** (DK), **unmet health needs** (EE), **working conditions** (NL), **impact of social transfers** and **adequacy of minimum income** (PT), **labour market segmentation** (PT), **digital skills** (PT).

## 2.5. Is the implementation of the social 2017 Country-Specific Recommendations adequately monitored in the Country Reports?

According to our members' analysis of the Country Reports, most members (AT, BE, CZ, DK, DE, HU, NL, PL, ES) state that **only limited progress has been achieved** in the key positive Social CSRs highlighted by the 2017 Country-Specific Recommendations for their countries.

EAPN Austria laments the **low priority given by their Government to the CSRs**. The lack of progress made on 2017 CSRs, meant they practically mirrored the 2016 ones. In Belgium, **disadvantaged groups like migrants, people with disabilities and women** face unequal opportunities of access to education and the labour market and remain overrepresented in poverty statistics. In Germany, only limited progress was noted on **increasing social investment, promoting higher real wage growth, and reducing the high tax wedge for low-wage earners**. In Ireland, **resources available for investment in services have been slashed through tax cuts**, contradicting the CSR requesting a broader tax base and reducing tax expenditure. In the Netherlands, much needed measures to **provide adequate social protection for the self-employed, increase the share of permanent contracts, and promoting real wage growth** are still awaited. In Spain, very little was done on **improving coordination between services, promoting open-ended contracts, reducing regional disparities and improving education**.

*"Some progress"* was achieved in the Czech Republic on reducing the administrative burden on small business owners. While EAPN Ireland agrees that some progress is to be noted in enhancing social infrastructure, there are still **gaps in social housing supply and childcare provision, and a continued culture of negative conditionality and punitive activation**. They welcome the Report's urging of the Irish Government to implement a **holistic approach** to supporting inactive households. In Italy, while positive steps have been made in the fight against corruption as required by the CSR, much more remains to be done. In Portugal, some encouraging signs are seen in **the fighting of long-term unemployment and integrating service delivery** – however, in-work poverty persists and the type of jobs is not monitored. In Lithuania, while the Report notes progress on the CSR call to improve the social safety net, EAPN LT sees a very little improvement in its adequacy. Lithuania has established the "amount of minimum consumption needs" linked it to the basic social indicators. It is a positive measure because the benefits will now be indexed. However, the amount of state supported income, for example, is only a half of the "amount of minimum consumption needs". So, these amounts are still not adequate.

In Finland, the CSRs are taken seriously by the Government, but these have led to negative social results, **such as cuts in unemployment benefits**. In Luxembourg, the Recommendations are not covering real social issues, in our members' view, and are also tackled from the wrong perspective – in raising retirement age, rather than curbing early retirement. Conversely, in Poland, the Government resisted the CSR asking for raising the retirement age.

Some EAPN networks (DK, FI, IT, MT, PT) lament the absence of an explicit **Recommendation on their country's poor performance on the Europe 2020 poverty-reduction target**.

### 3. COMMON MESSAGES FOR ALTERNATIVE COUNTRY SPECIFIC RECOMMENDATIONS

This chapter provides an overview of the 2018 alternative Country Specific Recommendations put forward by our National Networks (listed in the country profiles at the end of this report), teasing out common messages of our members. These recommendations are based on our members' analysis of their Country Reports and national situation, as it was for previous sections.

#### **Achieve the Poverty Target and implement all the Pillar of Social Rights**

#### **3.1. Prioritize the fight against poverty and social exclusion, through EU and national comprehensive, rights-based integrated anti-poverty strategies, and through comprehensive poverty, social and equality impact assessment.**

The vast majority of EAPN National Networks who contributed to this report (BE, HR, CY, DK, FR, FI, DE, HU, IE, LT, PT, ES, SE) identified the fight against poverty, social exclusion and inequality as the main priority for their alternative Country Specific Recommendations, to be delivered through an overarching, comprehensive, integrated national strategy. Some members also express the need for immediate actions to be taken to improve the living and working conditions of the most deprived people (HR, CY, HU, LT), helping also to ease their feelings of hopelessness. Members (BE, FI, PT, ES) highlight the central role in a strategy of implementing integrated Active Inclusion approaches, combining adequate minimum income, access to quality services and inclusive labour markets with quality jobs. Such a strategy needs to feature a rights-based approach (BE), as well as ex-ante poverty, equality and gender impact assessment, which must be carried out on all relevant policies, including economic policies (IE, ES) to ensure policy coherence. Many members (CY, DK, DE, HU, LU, IE, MT, NL, SE) highlight the necessity of (re-)defining indicators and benchmarks used to assess social conditions and formulate social policies, since the current approach has often proven incapable of correctly representing the multi-faceted issue of poverty and social exclusion. Persistent austerity measures (cuts to social investment, social protection, services etc) continue to endanger efforts towards poverty reduction (BE, FI). There is a pressing need also to ensure coherence across different institutions and policy domains (HR, DK). Some members highlight the need to revise past measures and actions, in the light of their poor performance in reaching targets (HR, SE), and the importance of the engagement of local governments in social strategies (DK, IT). Some countries (FI, PL) point to microsimulation evidence on distributional impact of current measures and budgets that will lead to a rise in poverty and inequality. Members (HR, HU) also highlight the need to prioritize the necessity to increase the focus on poverty and social exclusion in the public debate, while also ensuring that people experiencing poverty are represented accurately and not according to stereotypes. The development of an EU strategy to fight poverty and social exclusion, effective implementation of the **European Pillar of Social Rights**, and access to ad-hoc EU funding (FR) are seen as important pre-requisites to ensuring policy coherence in national strategies across the EU.

### 3.2. Require higher investment in social policies and raise the levels of social protection including minimum income, as a cornerstone of guaranteeing dignified lives, free of poverty

The vast majority of EAPN respondents (BE, HR, DK, FI, DE, HU, IE, MT, PL, PT, RO, ES, SE) highlight the need to guarantee higher social investment including to achieve adequacy of universal social protection, at a level that allows people to escape poverty and live in dignity. Many members (BE, DK, HU, IT, MT, PT, ES) particularly stress the key role of adequate minimum income schemes. Adequacy should be put in practice by raising benefits above the poverty threshold of 60% median income, while also taking into account reference budgets (IE, MT), and coverage and take-up should also be improved (HR, LT). Some members also refer to the need to enhance benefits for some especially vulnerable groups, such as universal child allowances, especially for single parents households (DK, FI, DE, HU, NL, PL, ES), long-term unemployed (DE, ES), or for people with a long-term sickness or disability (MT, PL, ES), as well as benefits for young people (HR, FI). To ensure real disposable income, over-indebtedness should be tackled (HR, CZ, LT), and low pensions should be raised (PT, ES). The need for better adequacy, duration, and coverage of unemployment benefits is also stressed by a number of members (BE, FI, DE). ***The European Pillar of Social Rights*** provides key principles on adequacy of social protection which would be strengthened by concrete benchmarking (i.e. in relation to the 60% median income and reference budgets), the new legislative proposals on access to social protection and by the development of an EU framework directive on minimum income, and a Golden rule to ensure adequate levels of social protection.

### 3.3. Guarantee universal access to affordable quality services, including healthcare and housing in line with the Social Pillar.

Most EAPN members who responded (BE, CY, CZ, FI, FR, HU, IE, IT, LT, LU, PT, RO, ES, SE) underline the importance of high-quality, affordable services, that are accessible to all groups and reach those most in need. Housing and homelessness are particularly identified as crucial areas requiring immediate attention by a number of National Networks (BE, CZ, FI, FR, HU, LU, PT, ES), with concrete proposals to build more housing, including social housing (CZ, FI, LU, ES). Other proposals include promoting housing first strategies to support the homeless and those at risk of homelessness (FR, FI, LU, ES), while also containing the rising renting costs of private dwellings (LU, MT). In this context, concerns are also raised about tackling energy poverty (HU, ES), which severely impact one's quality of life. Health, as well as care (BE, CY, DK, FI, IT, MT, RO) and childcare (NL, PL) are also highlighted as priorities for investment and policy-making, especially in what concerns their affordability (IT), quality (BE, FI, IT, RO) and accessibility (DK, FI, MT). Investment in education and lifelong learning, as well as rendering it more inclusive for all, including children from households and groups experiencing social exclusion, is also a key requirement (HR, CY, DK, FI, HU, MT, RO). The importance of accessing fresh and healthy food, especially for low-income households, and to receive a practical nutrition education is also highlighted (HR, FR, MT). Over the EU, ***the implementation of the Europe Pillar of Social Rights framework*** will be key in relation to ensuring benchmarking on adequate and equal access to quality services for all groups.

### **3.4. Invest in inclusive labour markets, featuring a pathway approach to quality, sustainable employment for all groups**

A common demand for many EAPN members (BE, HR, CY, DK, FI, IE, LT, RO) concerns the realisation of inclusive labour markets, which include improved access and support for key disadvantaged groups to access quality and sustainable employment, in order to ensure a true way out of poverty and hardship. Members equally call for an end to negative, punitive activation practices in favour of personalised, integrated support and positive incentives (FI, LT, ES). Several groups furthest from the labour market are highlighted, such as migrants (BE, FI), young people (BE, FI), older workers (BE), the long-term unemployed (DE, MT), people with a disability (MT). Low wages (including minimum wages) are also a concern in many countries (DE, IT, MT, ES), as well as rising or persistent in-work poverty (RO). Increased precariousness, flexibilisation, and atypical work, including involuntary part-time, are highlighted by some EAPN respondents (BE, HU, LT), as well as the risk of social dumping experienced by posted workers (DK). Calls are also made for improving working conditions, such as through the provision of better financial support for active labour market policies and services, including the Youth Guarantee (HR, DK, FI, MT). A key EU demand is the need for extension of consolidation of employment rights in the *EU Pillar of Social Rights* and an EU framework on minimum wages.

### **3.5. Shift the narrative from austerity to social investment in social rights and standards and finance adequate and sustainable welfare states through tax justice and progressive taxation**

Several members (BE, CY, HR, IT, LT, PL, ES) call for the reform of the tax system to ensure more fiscal justice as both a key pre-requisite of combatting income inequality, as well as to sustainably finance welfare systems and investment in adequate social protection, and quality jobs and services. Members (BE, FR) also denounce continued austerity measures, despite the changing rhetoric, which translate into cuts in social investment to vital services and benefits, key to guaranteeing social standards. Belgium reports that the shift from labour taxes to consumer taxes has a significant negative impact on poverty, due to their regressive nature, while social expenditure is being curtailed. France reports the reiterated formulation of a CSR demanding consistent cuts to housing benefits for low-income households, which can endanger conditions for people already experiencing hardship. At an EU level, a stronger focus should be given to tax as a redistribution instrument, including international corporate tax justice, together with social investment in social protection and social infrastructure, as part of an EU strategy to reduce inequality.

### **3.6 Leave Nobody behind – design complementary support and integration strategies for groups at particular risk of poverty and exclusion**

The vast majority of our members who contributed to this report (BE, HR, DK, FI, FR, DE, HU, IE, IT, LU, MT, NL, PL, PT, RO, ES, SE) highlight that specific groups continue to face a disproportionate risk of poverty and social exclusion in their countries and especially in big cities. These groups require specific monitoring and investment beyond the universal approach and support to overcome the multiple barriers they face in accessing their human

rights, in order to ensure equal opportunities and social justice. These include children (DK, FI, DE, HU, NL, PL, PT, RO, ES, SE), young people (BE, HR, FI, IT, MT), older people (BE, MT), migrants and ethnic minorities (BE, DK, FI, FR, IT, PT, RO, ES), people with a health problem or disability (MT, PL, ES), people experiencing homelessness (FI, LU, ES), women (RO, ES), single parents (DE, MT, PL, ES), long-term unemployed (FI, DE, MT), widows and large families (ES). Common EU strategies are needed to deal with the specific challenges raised by all groups. Where strategies exist, a clear road map is needed for their implementation, i.e. Investing in Children, Roma inclusion, Long-term unemployed.

### **3.7. Take active steps to promote meaningful civil dialogue including people experiencing poverty**

A general message from EAPN members is the need to increase the amount and quality of Civil Society Organisations' engagement in the dialogue processes related to the European Semester, particularly at national level, including the involvement of people with direct experience of poverty (FR, IE, LT, SE). This needs to move beyond one-way 'information' meetings to regular, structured dialogue with a chance to impact on the final policy proposals. Effective engagement implies adequate resources and taxation bases to ensure delivery (FR, LT). Such engagement needs to be effectively monitored and evaluated as part of the European Semester Process i.e. the Country Reports should dedicate a specific section to stakeholder engagement and make explicit the key role of civil as well as social dialogue. Promoting more effective intergovernmental cooperation including civil and social dialogue is also seen as key (LT, SE) as well as ensuring that such civil society participation extends to on-going engagement in national policy processes. At EU level, concrete guidelines and indicators need to be agreed to monitor progress on quality participation in the design, delivery and evaluation of policies.



## 4. PROPOSALS FOR COUNTRY-SPECIFIC RECOMMENDATIONS 2018

<i>Member State</i>	<i>Country-Specific Recommendation (National Networks)</i>
Belgium	<p><b>1. Upgrade minimum income to ensure a life in dignity for all citizens</b> BAPN and the Regional Networks against poverty underline again the need to increase the social allowances and benefits above the EU poverty threshold. We will remind the Belgian authorities again this year of their commitment written down in the federal government agreement of 2014 and of the EU 2020 Strategy. Until this day, insufficient measures were taken to respond to these commitments.</p> <p>The main policy undertaken by the federal government to tackle poverty is to reorder the labour market, convinced that the only true way to avoid poverty is by work. Combined with budgetary austerity, this policy tends to pull down different social rights or to condition more the access to those rights (decrease of unemployment allowances, liberalization or flexibility of labour market).</p> <p>It is the conviction of BAPN that work is essential for the socio-economic development of each person. Yet, living in poverty and the ways to get out of it are multi-dimensional and increasing jobs quantity cannot be the only accurate response. There are indeed many more areas that should be taken into account to undertake an effective policy (such as a good housing policy, a good and fair health system, the automatic access to social rights – rights-based approach), a truly inclusive labour market).</p> <p><b>2. Build and strengthen an inclusive labour market</b> It is regrettable to read that little progress has been made to integrate vulnerable groups in society and into the labour market. The conditions wherein migrants, for example, mostly work (precarious contracts) are not favouring stability in their daily lives. The dropping of insertion allowances for younger people and unemployment rates of older workers are not necessarily the result of a booming labour market, but also the consequences of a hardening employment policy.</p> <p>BAPN and its members plead for an inclusive labour market where employers' benefits are not the only element taken into account and not given without counterparty: the wellbeing of the workers should be of primary concern. The upcoming segment of temporary contracts is a worrying trend.</p> <p><b>3. Restructure the taxation system towards fiscal justice</b> The tax shift does not actually improve the economic wellbeing of the most vulnerable citizens. The shift from labour taxes to</p>

	<p>consumer taxes does not ease the existence of the poorest among us.</p> <p>It is noted that, despite the austerity policy of the government and the failing tax shift, the government has to search repeatedly for new incomes to answer to the Commission's CSR.</p> <p>Sadly, the government tends to respond to those expectations by cutting back the social expenses, to pull down the social security.</p> <p>BAPN and the networks advocate for a fair fiscal redistribution system. Fiscal incomes should not mainly come from labour or consumption, but also be supplied with taxes on profit and capital. It is a matter of equity.</p>
<b>Croatia</b>	<p>For EAPN Croatia, it is important that the CSRs and the NRP recognize the problem of the lack of consistency and coordination among different public institutions or lack of indicators when detecting vulnerable groups and how little has been achieved in addressing vulnerable groups.</p> <p>Moreover, the Network points out several issues to be addressed:</p> <ul style="list-style-type: none"> <li>- Social support and protection systems still do not sufficiently recognize the needs and rights of the most vulnerable people living in poverty (young unemployed, credit-borne household members) who are not in the public debate and at the centre of the strategy to address poverty;</li> <li>- There is a need to revise past measures and policies to combat and prevent poverty (for example, guaranteed minimum benefits which has significant problems in defining the amount given the number of household members);</li> <li>- The system of social protection and active employment policies show poor performance in the alleviation and prevention of poverty, primarily due to the 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;</li> <li>- There are clear indications that people in poverty are faced with financial problems: there is often a lack of basic necessities (food, clothing, medicines) and there is lack of quality family and social relationships;</li> <li>- It is important to stop the feeling of helplessness among people living in poverty by developing different initiatives from different sectors, but also by their interconnection, while at the same time affecting decision-makers;</li> <li>- The media should present poverty in accordance with real indicators, not based on common stereotypes and prejudice or individual cases.</li> </ul>
<b>Cyprus</b>	<p>To eliminate poverty, a radical redistribution of wealth is necessary within a just, social welfare state that supports vulnerable groups by</p>

	<p>creating development and wellbeing opportunities for all the people and not only for the few.</p> <p>EAPN Cyprus recommendations:</p> <ul style="list-style-type: none"> <li>- To set minimum social indicators from the EU level and to secure their implementation at the national level;</li> <li>- To develop and implement policies that fight inequalities within and among EU member-states;</li> <li>- Immediate measures to be taken to ease the situation of groups of people under the highest risk of poverty and social exclusion;</li> <li>- To create quality jobs and secure access to them;</li> <li>- To create quality and accessible general services that cover basic needs such as education, healthcare, care etc.</li> </ul>
<b>Czech Republic</b>	<p>The key recommendations identified by EAPN Czech Republic are:</p> <ul style="list-style-type: none"> <li>- Focus on the issue of over-indebtedness – conceive measures to prevent indebtedness, to protect the rights of the debtors and the accessibility of insolvency procedure. This should be done by revising the Insolvency Act and the Act on Court Executors, so that the Czech law provides reasonable conditions to reduce the high level of over-indebtedness;</li> <li>- Ensure that a law on social (affordable) housing is introduced in the envisaged timetable to ensure adequate legal regulation of the rights and obligations of all parties to proper and timely allocation of sufficient funds.</li> </ul>
<b>Denmark</b>	<p>The key recommendations identified by EAPN Denmark are:</p> <ul style="list-style-type: none"> <li>- Development and implementation of a national and municipal human rights-based anti-poverty strategy;</li> <li>- Definition of national and municipal poverty lines;</li> <li>- Concertation of a shared effort against child poverty;</li> <li>- Development of an effective integration policy;</li> <li>- Definition of an anti social-dumping policy;</li> <li>- Setting up of an adequate minimum income scheme;</li> <li>- Improvement and extension of the system of social and employment rehabilitation;</li> <li>- Promoting urban development projects in big cities;</li> <li>- Improvement of the school system within “ghettoes” in big cities;</li> <li>- Provision of health policies focusing on excluded groups.</li> </ul>
<b>Finland</b>	<p><b>1. Decrease the risk of poverty and social exclusion in the line of Europe 2020 national target.</b></p> <p>That could mean raising the level of basic social security benefits and building more affordable housing, especially in big cities. There is extra need for action concerning reducing child poverty, and poverty and homelessness affecting young people. To tackle generational poverty it would be important to invest more in early education and in educational policies in general.</p> <p><b>2. Improve the situation of long-term unemployment (including youth and migrants/immigrants) and decrease unemployment.</b></p>

	<p>It is important to increase resources for active labour market policies, especially for wage substitutes and Youth Guarantee.</p> <p><b>3. The social and healthcare systems reform</b> should be done so that it would decrease health and wellbeing inequalities and secure good-quality and accessible services also for vulnerable people and people who need many services.</p> <p><i>Brief justification for these recommendations:</i></p> <ol style="list-style-type: none"> <li>1. Poverty is not decreasing and many different developments and policies (including cuts in the social security, prices of housing) indicate that it will start to increase again;</li> <li>2. Unemployment is not increasing anymore, but long-term unemployment is still high. Active labour market policies should also give positive incentives to work, otherwise poverty of the unemployed people could increase too.</li> <li>3. Social and healthcare systems reform is on its way, but the aim to reduce health inequalities with this reform is more and more missing in the actual action. Finland has relatively big health disparities between socio-economical groups.</li> </ol>
<p><b>France</b></p>	<p>EAPN France main recommendations are:</p> <ul style="list-style-type: none"> <li>- Stop formulating CSRs suggesting to reduce APL (Aides Personelles au Logement – Personal Subsidies for Housing). Such a CSR has been formulated for some years now, and the reductions operated by the French government are highly dangerous for the fight against poverty. The Commission should instead focus on pushing the government to take up actions on integrating migrants in the framework of the European strategy "Housing First";</li> <li>- Don't merge FEAD and FSE, don't shut down the FEAD, but instead propose new financing in the framework of long-term development and support new ideas that could allow sustainable food schemes for everyone;</li> <li>- Push the government into adopting an integrated and comprehensive strategy against poverty that is not limited to children only;</li> <li>- Allow the full and meaningful engagement of the French people experiencing poverty at the annual Meeting of People experiencing poverty, which is an event that takes place every year as a result of the partnership between the Commission, the Parliament and EAPN Europe. A dedicated budget for translation should allow the attending people to communicate in their own languages with the main EU decision-makers. To make this event efficient, it is desirable to organise systematic follow-ups from the Commission and the Parliament on the key messages produced by PeP delegates attending the meeting.</li> </ul>
<p><b>Germany</b></p>	<ul style="list-style-type: none"> <li>- The German government should use all three EU- AROPE indicators for measuring poverty: income poverty, material deprivation, households with long-term unemployed persons;</li> </ul>

	<ul style="list-style-type: none"> <li>- The government should develop a holistic and comprehensive strategy to combat poverty in a sustainable way;</li> <li>- Since there's a high at-risk of poverty during unemployment rate, the government should provide for higher level of benefits for long-term unemployed persons, families and single parents. Children should receive benefits for education and participation in social activities ("Bildungs-und Teilhabepaket");</li> <li>- New minimum wages in Germany are a great achievement, but their level should be raised and their actual implementation should be closely monitored and enhanced.</li> </ul>
<b>Hungary</b>	<p>Our recommendations for reducing poverty and exclusion:</p> <ol style="list-style-type: none"> <li>1. Prioritize the necessity of reducing poverty and social exclusion in public discourse;</li> <li>2. Introduce an appropriate minimum income to ensure a decent standard of living;</li> <li>3. Reintroduce the official calculation of the subsistence level, or alternatively, introduce a new indicator and respective measuring protocol in accordance with the social sector's experts;</li> <li>4. A new social contract is necessary to re-establish the social norms of solidarity and empathy, which have eroded during the past decades in Hungary;</li> <li>5. Prioritize investment in people, and most notably children, as a primary social aim;</li> <li>6. Steadily increase, rather than decrease, the resources available to the social sector;</li> <li>7. Renew the social service profession's financial and ethical stability;</li> <li>8. Develop a programme of social policies to ensure appropriate general employment terms, housing conditions, equal opportunities in children's public education, the latter providing for progression from their family background, and a reduction of the nation's general inequalities;</li> <li>9. Energy policies to urgently support the most disadvantaged segment of the population, as well as an integrated view of society, economy and environment in terms of sustainability.</li> </ol>
<b>Ireland</b>	<p>The Poverty Watch covers proposals under a wider range of areas including the following:</p> <ul style="list-style-type: none"> <li>– The new National Action Plan for Social Inclusion 2018-2021 must be an ambitious and integrated anti-poverty strategy. It must be designed and implemented with the participation of people affected by poverty at all stages;</li> <li>– Implement a transparent and effective process for the poverty, equality and gender impact assessment of all relevant policy;</li> <li>– Benchmark all social welfare rates at a level which is sufficient to both lift people above the poverty line and provide them with a Minimum Essential Standard of Living.</li> </ul>

<p><b>Italy</b></p>	<p>EAPN Italy recommendations are:</p> <ol style="list-style-type: none"> <li>1. Adopt a <b>national minimum income scheme</b>, linked to local welfare systems and supported by a tax reform based on the progressive taxation of wealth. Harmonize social policies and measures across the country, ensuring the same rights to all: too often, today, the opportunity to benefit from services and benefits depends on where you live. <b>Involve local authorities</b> in social policy decisions that are too often the result of decisions taken at government level only. <b>Strengthen the skills</b> of the staff in charge of managing and providing social services at the local level. <b>Comment: REI is not minimum income as we intend it; regional disparities continue to be enormous (as noted in Country Report).</b></li> <li>2. <b>Make the life of workers, families and young people more secure.</b> Many people today feel unsecure without a job they can count on in the long run, uncertain of the age and monetary amount of their eventual retirement, poor services, poor health care system... Not responding to these needs can only lead to a further growth in poverty with unsustainable costs for our communities and adverse effects on their quality of life. In this context, social economy that has always taken into account the needs of the people and communities must play a major role.</li> <li>3. The <b>migration phenomenon</b> which certainly will not diminish, urgently needs to be properly managed respecting human rights. The EU and all the member states must make every effort to: <ul style="list-style-type: none"> <li>- open humanitarian corridors to allow people to migrate safely;</li> <li>- create reception systems that do not foster tensions between migrants and old residents;</li> <li>- consider Africa as part of the economic and social system of the European Union;</li> <li>- revise the Dublin regulation to better manage migration flows and offer adequate protection to those in need.</li> </ul> <b>Comment: The agreement with the so-called “Libyan Government” for the management of the migratory flow has worsened the condition of these people, often treated like slaves, in the hands of brutal police or groups of bandits. We have no news of what happens in Turkey’s refugee camps.</b> </li> </ol>
<p><b>Lithuania</b></p>	<p>Key recommendations from EAPN Lithuania are:</p> <ol style="list-style-type: none"> <li>1. Short and long-term measures for reducing poverty, social exclusion and income inequality in Lithuania should be designed and implemented. It should contain an integrated strategy, compiled of further improvements: <ol style="list-style-type: none"> <li>a) tax regulation that would be more progressive and more favorable to lower-paid employees;</li> <li>b) improvements of adequacy and coverage of the social assistance, further strengthening of positive work incentives;</li> </ol> </li> </ol>

	<p>c) development of complex social services that would involve more the case management, provision of preventive and inclusive services, collaboration with NGOs;</p> <p>d) regulation of related legislations (e.g. indebtedness of poor people).</p> <p>2. More attention should be paid to the creation of quality jobs. Also, cooperation with NGOs should be promoted as they are a reliable partner providing personalized employment and social services. The role of unqualified public works and unpaid socially useful activities should be reduced as they do not lead to well-paid long-term employment, distort labour markets and cause stigmatization of poor people.</p>
<p><b>Luxembourg</b></p>	<p><b>1. Take strong action in the field of social housing</b>, regarding both the provision of housing at affordable prices in general, as well as the provision of special social housing. As an intermediary measure continue to provide a comprehensive rent subsidies scheme for those parts of the population that cannot afford the high lodging prices; such a measure should be accompanied by a strong control of rent prices in order to avoid that the amounts spent on the measure will not end up in the pockets of the landlords. And: implement the national strategy against homelessness!</p> <p><b>2.</b> Use the potential of the law on social impact companies to boost employment in this sector.</p> <p><b>3. Lead the strategic change process</b> (called “Third Industrial Revolution”) in a way that social impact is not only one of the evaluation indicators, but that it is a decisive element in the planning and implementing phases (e.g. the changing world of employment by homework, continuous reachability, outsourcing, crowd producing etc.)</p> <p><i>Brief justification of why these are the priority:</i></p> <ul style="list-style-type: none"> <li>• CSR n.1 is more or less the same since 2014 (with a slight change on rent subsidies, because the scheme in place was improved), because the problems in the housing sector aren’t solved - and will not be for several years.</li> <li>• CSR n. 2 is a logical consequence: the possible fruits of the new law should be harvested; not all necessary law specifications and regulatory amendments are done, nor is the behaviour of a lot of civil servants positive so far.</li> <li>• CSR n. 3 builds on the actual strategic future plan being put into practice by the government, is the same then as last year, because the process is still in the shaping phase.</li> </ul>

<p><b>Malta</b></p>	<p>National level recommendations:</p> <ol style="list-style-type: none"> <li>1. Adopt the three minimum essential budgets as benchmarks to guide social security policies to determine adequacy of minimum income for specific households;</li> <li>2. Give further consideration to the particular circumstances of those who legitimately cannot work. This may require strengthening the social security benefits for people who earn less than the minimum essential budget for their household type;</li> <li>3. Uplift the statutory minimum wage slightly, but annually, for a period of 3 years. This increase would be in addition to the Cost of Living Adjustment (COLA);</li> <li>4. Ensure that entitlement to free medication through the public health system under the Social Security Act (Cap 318 Article 23) and the Fifth Schedule of the same Act is reviewed regularly to reflect a just and accessible system within a sustainable health care system. Due to the expected increase in longevity, consider adding certain medications or supplements which may be required by the older elderly, such as supplements for osteoporosis;</li> <li>5. Address with urgency the financial situation of low-income earners who are renting private dwellings and not benefitting from any subsidies, particularly lone parent families;</li> <li>6. Develop further assistance, structures and incentives for facilitating access to healthier, fresh food by low-income households, and accompany this by appropriate, practical nutrition education;</li> <li>7. Extend free or subsidised provision for facilitating 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;</li> <li>8. Strengthen core, long-term investment in community level education and participatory initiatives promoting more sustainable consumption patterns and lifestyles for Maltese and Gozitan families;</li> <li>9. Develop further awareness-raising and education for the elderly on prevention of health problems and on self-care;</li> <li>10. Ensure that entitlement to Education for Sustainable Development and related school subjects, such as Home Economics, are implemented comprehensively from the Early Years to nurture the right attitudes and skills from a young age towards becoming responsible citizens who make informed decisions and take action to promote and safeguard personal, family and community wellbeing;</li> <li>11. Establish financial and other assistance, structures and incentives to support social innovation initiatives by individual entities or alliances which aim to reduce poverty and improve social inclusion.</li> </ol>
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	<p>Recommendations to the European Commission:</p> <ol style="list-style-type: none"> <li>1. Foster peer learning and domestic policy debate in the European Semester Process;</li> <li>2. Give a stronger voice to the European Pillar of Social Rights in all Member States and definition of concrete strategies for its effective implementation.</li> </ol>
<b>Netherlands</b>	<p>Child poverty is a very important issue in the Netherlands. In the National Reform Programme 2017, the government writes “Children must not be the victims of the financial situation in the family in which they grow up. Social exclusion can also lead to undesirable economic and social consequences if the talents of these children are not sufficiently utilised in the future.”</p> <p>For EAPN NL the most important issues in dealing with child poverty are:</p> <ul style="list-style-type: none"> <li>- Since municipalities make different policies, this can have different impact on children. For example, when children go to secondary education located in another municipality. Here the differences in policy can directly affect the children and their opportunities;</li> <li>- The net disposable income should be used instead of the gross household income while carrying out assessments;</li> <li>- It has to be widely accepted that investing in a good childhood will be paid back double, later in life. Children who cannot participate because of poverty get less chances, will get sick faster and will have little future expectations and hope, and will, as adults, bring extra costs for the community. Preventing this negative way of growing up not only helps the children themselves, but also affects the parents, who hope for a better future for their kids, as well as society.</li> </ul>
<b>Poland</b>	<p>Main proposals for Recommendations:</p> <ol style="list-style-type: none"> <li>1. <b>Make taxes more progressive</b> by reducing them for low income taxpayers and increasing for high income taxpayers;</li> <li>2. <b>Substantial expansion of childcare</b> for 0-3-year-olds and pre-school 3-5-year-olds with special programmes for children from disadvantaged families;</li> <li>3. <b>Make new childcare allowance (500 plus) more redistributive</b> and equitable by excluding rich families (at income test 1922 zł net per person in family) and introducing gradual withdrawal of allowance for families with income above income test (50 gr for 1 zł);</li> <li>4. <b>Change focus in anti-poverty policy from families with many children to single parent families</b>, and families with adult people with severe disabilities and pensioners.</li> </ol>
<b>Portugal</b>	<ol style="list-style-type: none"> <li>1. <b>Enhance more sustainable social protection:</b> combat privatization of pension systems; raise low pensions; promote an adequate minimum income scheme;</li> <li>2. <b>Fight poverty and social exclusion:</b> contribute to the definition of a national strategy to fight poverty and social exclusion giving</li> </ol>

	<p>attention to specific groups like children, elderly, migrants and minorities (in particular Roma communities) and also taking into consideration the gender dimension of poverty;</p> <p><b>3. Redefine social housing policy</b> in order to allow that the most deprived households could have decent housing.</p>
<b>Romania</b>	<p>The main recommendations from EAPN RO are:</p> <ul style="list-style-type: none"> <li>- Policy actions as well as legislation packages (economic and social) to tackle in-work poverty and to support quality jobs creation, in particular, green and social jobs are needed;</li> <li>- Policy actions and interventions to address the massive emigration (migration of healthcare professionals, of educators, of youth “brain-drain”, etc. and its socioeconomic negative effects (children/women, elderly left behind, depopulation, poorer quality of social/ educational/ healthcare services, in particular, in rural areas, etc);</li> <li>- The Ministry of Labour and Social Justice should allocate funding for creation and implementation of integrated social services for children at-risk or affected by poverty and abuse.</li> </ul>
<b>Spain</b>	<p>Key recommendations from EAPN ES are:</p> <ul style="list-style-type: none"> <li>- CSRs and the Semester in general should put more emphasis in the achievement of the EPSR;</li> <li>- Not having progress on poverty, inequality and job security should induce the EC to rethink their macroeconomic recommendations, particularly the room for improvement in the social expenditures;</li> <li>- Spain should improve the Social Policies effectiveness, and this means to rethink the amount and quality of benefits, including MI Schemes;</li> <li>- Wages and pensions are too low, and this compromises the domestic economy’s growth. The CR does not relate the dangerous situation of pensions to low salaries and poor-quality contracts.</li> </ul>
<b>Sweden</b>	<p>EAPN Sweden recommends the government:</p> <ul style="list-style-type: none"> <li>- To make a comprehensive mapping of poverty in Sweden, which is not only limited to social services statistics but also includes those not always seen in the statistics, for example, working poor, long-term illness, families with children and low-income retirees. In this survey, they should interact with civil society actors and utilize their experience and knowledge;</li> <li>- To develop a relevant definition of poverty in Sweden and set clear and measurable goals for how to measure and eliminate / combat poverty;</li> <li>- To investigate the current welfare system failures / system deficiencies and to develop strategies that counteract them, including clarifying the authorities' responsibility to cooperate so that the individual does not end up "between the chairs", without support between the various welfare systems;</li> </ul>

	<ul style="list-style-type: none"><li>- Social insurance system's benefit levels to be adjusted so that pension levels, sickness compensation, etc. ensure the opportunity to live a dignified life with full participation in society;</li><li>- Politicians to work for everyone's right to support and participation through work, support or employment;</li><li>- Low levels of compensation and social benefits to be raised and adapted to general living costs and current needs in today's society;</li><li>- The Parliament to decide on a national action plan to abolish poverty.</li></ul>
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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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