

**Committee of the Regions****ECOS-V-012****89th plenary session
31 March – 1 April 2011**

**OPINION
of the
Committee of the Regions
on
THE EUROPEAN PLATFORM AGAINST POVERTY AND SOCIAL
EXCLUSION**

THE COMMITTEE OF THE REGIONS

- recognises that competence for delivery of actions on the ground in this area rests primarily with Member States and local and regional authorities, although the Commission can support this through EU funding and facilitating mutual exchanges of best practice, shared knowledge, and through proper assessment of the social impact of EU policies;
- welcomes the references to tackling child poverty as a priority of the flagship initiative, however, regrets the limited commitment to doing this and the narrow perspective taken of child poverty, and sees no reason to delay adoption of the Child Poverty Recommendation in 2011;
- calls for the Commission to give unequivocal backing to maintaining and building on the work of the Social Open Method for Coordination (OMC), exploring how regional and local stakeholders can be more effectively engaged in this process;
- suggests to the Commission to prepare EU level Guidelines for Member States to ensure effective participation of local and regional authorities and other stakeholders in the preparation of the NRPs; notes that "territorial pacts" are potentially the most comprehensive and coherent mechanism for involving local and regional authorities in this process;
- supports the broadening of the European Social Fund focus from employability and quantity of jobs to combating poverty and social exclusion on the understanding that an integrated employment policy as a core element in a successful drive to reduce poverty will remain a key priority as part of the ESF;
- notes the overwhelming support from respondents to the Committee of the Regions survey for a compulsory priority to combat social exclusion and poverty under the future regional programmes in the EU Cohesion Policy.

Rapporteur

Ms Christine Chapman (UK/PES), Member of the National Assembly of Wales

Reference document

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions *The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion*
COM(2010) 758 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

Visibility and commitment ...actions speak louder than words

1. welcomes the commitment by the EU to lift at least 20 million Europeans out of the risk of poverty and social exclusion by 2020 and welcomes the Communication from the Commission "*The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion*" (COM(2010) 758 final) as a dynamic framework for action to support achieving this target;
2. welcomes the greater visibility given to poverty and social exclusion in the Europe 2020 Strategy, and agrees that the social dimension should be at the heart of this strategy; recalls that poverty is a threat to at least 1 in 6 European citizens;
3. notes that the test of success of the flagship initiative will be the extent to which it initiates, encourages and supports – in political, technical and financial terms – actions that deliver real sustainable change in individual people's lives;
4. recognises the importance in this context of involving people themselves living in poverty and also the NGOs that work with them;
5. calls on the Commission and Member States to demonstrate genuine political will to translating the EU level commitments on poverty into real action adopting an approach that includes implementation of the rights contained in the Charter of Fundamental Rights and introduction of the horizontal social clause, in close cooperation with local and regional authorities, and take this opportunity to build a fairer, more just and more equitable society;
6. notes, however, that poverty and social exclusion cannot be sustainably reduced, nor inclusive growth achieved, without tackling inequality and discrimination; notes that increased growth and employment during the period 2000-2008 did not have a substantial impact on poverty, whilst inequality increased in many countries; this situation has worsened as a result of the impact of the ongoing social and economic crisis;
7. wishes to highlight the need to draw up, as a matter of priority, a framework and a roadmap for implementing the Recommendation on Active Inclusion and a directive guaranteeing an adequate minimum income, which is at least above the poverty line;
8. expresses its deep concern on the imbalance between the European Commission's previous commitment to ensure "smart, sustainable and inclusive economic growth" and the recent Communication on the Annual Growth Survey with a focus on stronger fiscal consolidation;

9. emphasises the importance of work, but also notes that employment alone does not guarantee a route out of poverty and that further action is required to combat in-work poverty, and ensure access to quality, sustainable employment and regrets that the key issue of ensuring an adequate income, in line with Council Recommendation 92/441/EEC and the 2008 Commission Recommendation on Active Inclusion is not further emphasised;
10. notes that the objective of high quality of life and well-being for all EU citizens must be pursued so as to reduce poverty and social exclusion, which are a reality for too many EU citizens; measures must be taken to lower threshold effects and create more and wider ways into the job market for people who are excluded;
11. recognises that competence for delivery of actions on the ground in this area rests primarily with Member States and local and regional authorities, although the Commission can support this through EU funding and facilitating mutual exchanges of best practice, shared knowledge, and through proper assessment of the social impact of EU policies; welcomes in this context the Commission's commitment to social impact assessments but requests these impact assessments to become territory-sensitive;
12. reiterates the need to introduce a social horizontal clause in the context of Article 9 of the Treaty on the Functioning of the European Union which ensures that Single Market related legislation takes into account requirements linked to the promotion of social cohesion, particularly a high level of employment, the guarantee of adequate social protection, the fight against social exclusion and discrimination, a high level of education, training and the protection of human health and sound housing policy, and does not limit in any way the exercise of fundamental rights as recognised in Member States and in the EU treaties;
13. acknowledges the work undertaken during the European Year for Combating Poverty and Social Exclusion (2010) to give greater profile to these issues; seeks the *European Platform against Poverty and Social Exclusion* to be used as a vehicle to ensure the European Year's legacy is rooted in the political priorities of the EU for the next decade;

Multiple-dimension of poverty and particular vulnerable groups

14. welcomes recognition within the Communication of the multi-dimensional form of poverty and social exclusion, and in particular the explicit references to child poverty, young people, the elderly, the working poor (including lone parents and single-wage families), women, disabled people, migrants, ethnic minorities and the Roma people;
15. welcomes recognition of the complex elements that contribute towards poverty, including access to employment, low income levels and personal debt, access to basic services, education, health, mental health, housing, discrimination, as well as the challenge of inter-generational transmission of poverty and the territorial dimension to poverty;

16. welcomes the reference to the importance of combating homelessness and recalls its recent opinion on the issue¹;
17. refers to its opinion on the Green Paper on pensions² and welcomes the Commission's announcement to present in 2011 a White Paper to address sustainability and adequacy of pensions;
18. reiterates the call for the Commission to set an ambitious European social housing agenda which will strengthen its role in social inclusion policies in the next generation of structural funds and confirm that the public service functions of social housing are to be defined at Member State level;
19. agrees that a holistic and integrated approach, encompassing the needs of the different groups, and the particular challenges faced, is required to alleviate and prevent poverty;
20. wishes to highlight here too the important role that can be played by those who have themselves experienced poverty and by NGOs working with people in this situation and also acknowledges that all other relevant stakeholders, such as the social partners, public and private service providers, civil society organisations and local and regional governments and authorities should be involved in a holistic and integrated approach;
21. highlights the negative externalities associated with poverty and social exclusion, including the impact on health, mental health, impact on solidarity within society, lack of trust, disengagement, violence, and potential social unrest;
22. calls for greater recognition from the Commission and from Member States that poverty is a shared responsibility and a challenge for society as a whole, and not to be viewed as a stigma or failure of people who happen to be poor or socially excluded;
23. welcomes the commitment to adopt at the June 2011 European Council a strategy for the social integration of the Roma;

Child Poverty

24. highlights in particular the importance of addressing child poverty, which represents a badge of shame for EU society, and agrees that addressing child poverty is an important factor in tackling inter-generational transmission of poverty, which requires a holistic approach to prevention, placing the rights of children at the forefront;

¹ CdR 18/2010, adopted in October 2010.

² ECOS-V-008 CdR 319/2010 final adopted on 28 January 2011.

25. expresses disappointment that EU leaders could not agree to a specific child poverty target/commitment as part of Europe 2020;
26. welcomes the references to tackling child poverty as a priority of the flagship initiative, however, regrets the limited commitment to doing this and the narrow perspective taken of child poverty, and sees no reason to delay adoption of the Child Poverty Recommendation in 2011;
27. calls for a more comprehensive approach to the issue of child poverty, and notes that work is already advanced within the EU on this in terms of establishing "common principles", evidenced by the declaration signed by the EU Presidency Trio (Belgium, Hungary and Poland) at the Child Poverty Conference in September 2010, and the Employment Council's conclusions of 6 December 2010, which call for combating Child Poverty to be a priority;
28. notes also the actions being taken at regional level to address child poverty in a more comprehensive way, further encourages best practises to achieve the best possible outcome in this regard;
29. calls for social impact assessments to take specific account of the potential impact of measures on the already precarious situation of children in families at risk of poverty;

Social, financial and economic crisis

30. welcomes the references to the economic and financial crisis, however, is disappointed that the Communication does not go further; calls for more recognition to be given to the significant social costs that have resulted already, and calls for the Commission to undertake an in depth analysis of the impact the austerity measures being taken by national governments across Europe are having and will have in the coming years on poverty and social exclusion, including the effect at local and regional level on provision of core services of general economic interest;
31. urges that there be an assessment of reforms undertaken, in particular of the extent, costs and impact of societal innovations, and that new solutions that have proven effective be developed and applied throughout Europe;
32. reiterates the potential risk of a lost generation of young people as a result of the impact of the crisis, evidenced by the increase in youth unemployment to around 21% in 2010; however, reiterates that youth unemployment is an intractable and continuous problem fluctuating between 14.5%-18% during 2000-2008; notes that these figures disguise significant variations across the EU, between Member States and within Member States, and down to the level of small communities;

33. draws attention to the difficulties experienced by those in poverty to access regular Banking and Financial Services, and the role of local and regional authorities in providing financial information, support and advice;
34. calls for urgent action to address the consequences of high personal indebtedness; welcomes in this context the reiterated commitment to the Progress Microfinance Facility for microloans but urges caution in pursuing measures aimed at stimulating new forms of commercial micro-financing, driven by the pursuit of profit for the lenders rather than the pursuit of financially and socially sustainable economic activity;

Governance and partnership

35. welcomes the references to engaging local and regional authorities through the Committee of the Regions as a way to increase focus on the territorial dimension of poverty and strengthen synergies in the delivery of EU funds; questions lack of reference to local and regional authorities in section 3.5 on stepping up policy co-ordination between Member States, given that in many Member States they have direct competence for social policy;
36. calls for the Commission to give unequivocal backing to maintaining and building on the work of the Social Open Method for Coordination (OMC), exploring how regional and local stakeholders can be more effectively engaged in this process; highlights the value of its work in raising the profile of issues such as active inclusion and child poverty;
37. seeks clarification on the status of the National Action Plans for Social Inclusion, and whether these will be integrated into the National Reform Programmes (NRPs) for Europe 2020; seeks reassurance that if this is the intention, this approach will not lead to a narrow focus on "macro-economic" targets, and that the Commission will reconsider reinstating NAPs for Social Inclusion should the mainstreaming approach not work effectively;
38. suggests to the Commission to prepare EU level Guidelines for Member States to ensure effective participation of local and regional authorities and other stakeholders in the preparation of the NRPs; notes that "territorial pacts" are potentially the most comprehensive and coherent mechanism for involving local and regional authorities in this process, as envisaged in the Fifth Cohesion Report;
39. expresses its concern at the postponement of the Communication on Active Inclusion to 2012, and asks the Commission to advance the publication of the Communication to 2011, including an assessment of implementation of active inclusion;
40. welcomes reference to participation of people experiencing poverty as a key objective of inclusion policies, and would welcome more explicit commitment in the flagship initiative about how the Commission proposes to do this, including the key target groups identified in

the Communication. For example, is this envisaged as part of the high level steering committee that will be set up to drive forward the social innovation actions?

Territorial Cohesion and future EU funding

41. welcomes reference to territorial cohesion in the title of the Communication and underlines the proposed Platform and the EU structural funds are not just delivery vehicles of Europe 2020 but perform broader roles in addressing the social and territorial cohesion objective that is part of EU treaties;
42. agrees that paths should be explored to ensure a better and more effective use of these structural funds in support of the Europe 2020 objectives and supports the broadening of the European Social Fund focus from employability and quantity of jobs to combating poverty and social exclusion on the understanding that an integrated employment policy as a core element in a successful drive to reduce poverty will remain a key priority as part of the ESF; societal innovations in particular should be created and propagated, so that new solutions can be developed in response to problems and challenges, and proven approaches can be collected and used as benchmarks for national, regional and local authorities; notes that achieving a 75% employment target is not in itself sufficient to reducing poverty and social exclusion, and that more emphasis should be placed on addressing the working poor, and raising the quality and sustainability of jobs across Europe, including measures aimed at ensuring adequate incomes, including social benefits;
43. stresses the reality of the austerity measures taken in most Member States and underlines their immediate impact on people living in poverty and exclusion; notes the overwhelming support from respondents to the Committee of the Regions survey for a compulsory priority to combat social exclusion and poverty under the future regional programmes in the EU Cohesion Policy; therefore, calls on the Commission to take this on board in the legislative proposals to be presented in 2011, whilst underlining the importance of ensuring flexibility at the local and regional level to determine the most appropriate implementation methods in combating social exclusion and poverty on the ground;;
44. supports efforts to enhance coordination/synergies between the different EU structural funds to ensure a joined up approaches to tackling the multidimensional dimension of poverty and social exclusion, including the territorial dimension to poverty;
45. stands ready to assist the European Commission in monitoring the implementation of the Europe 2020 strategy by local and regional authorities through its Europe 2020 monitoring platform;

Social Economy, Social Innovation and Experimentation

46. welcomes the contribution that the social economy, volunteering and Corporate Social Responsibility can bring in terms of providing added value to existing universal public service provision;
47. recognises the added value of the active participation of all relevant stakeholders, including those themselves facing poverty and social exclusion, NGOs working with people living in poverty, the social partners, service providers and of course, government at the local, regional, national and EU levels;
48. agrees with the guiding principles adopted by the European Centre for Volunteers (CEV) on the European Year of Volunteering 2011, underlining in particular that volunteering, as an unpaid activity carried out of free will, must not be a substitute for paid work and should not be used as a cheap alternative to replace workforce, or government/public services as a cost-cutting exercise;
49. welcomes initiatives aiming at encouraging companies to employ people from disadvantaged groups and taking better account of social considerations in public procurement;
50. thus acknowledges the importance of support for the social economy and special employment schemes as a means of achieving better working conditions and more sustainable jobs;
51. reiterates the importance of measures that simplify access of NGOs and small partnerships to EU funding, including facilitating access to global grants for small organisations;
52. and agrees that evidence-based social innovation can be crucial to developing new solutions or responding to new challenges, but emphasises that such an approach should recognise existing good practice across Europe, and seek to support and encourage transfer of best-practice, mutual-learning and peer-review by NGOs/community organisations, with a particular emphasis on small-scale actions and grassroots work of such organisations on the ground. Such actions should be introduced in a sensitive way to avoid any risks of stigmatisation of poor people, and we caution use of the phrase "social experimentation" for this reason.

Brussels, 31 March 2011

The President
of the Committee of the Regions

Mercedes Bresso

The Secretary-General
of the Committee of the Regions

Gerhard Stahl

II. PROCEDURE

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|--|---|
| Title | The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion |
| Reference | Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions <i>The European Platform against Poverty and Social Exclusion: A European framework for social and territorial cohesion</i> (COM(2010) 758 final) |
| Legal basis | Art. 307 §1, TFEU |
| Procedural basis | Optional referral |
| Date of Commission letter | 16 December 2010 |
| Date of Bureau/President's decision | - |
| Commission responsible | Commission for Economic and Social Policy (ECOS) |
| Rapporteur | Ms Christine Chapman (UK/PES), member of the National Assembly of Wales |
| Analysis | 16 December 2010 |
| Discussed in commission | 9 February 2011 |
| Date adopted by commission | 9 February 2011 |
| Result of the vote in commission | By majority |
| Date adopted in plenary | 31 March 2011 |
| Previous Committee opinions | <ul style="list-style-type: none"> - The social and economic integration of the Roma in Europe (ECOS-V-006, December 2010) - Combating homelessness (ECOS-V-001, October 2010) - The European Year for combating poverty and social exclusion (2010) (ECOS-IV-021, June 2008) - The future of the Lisbon strategy post-2010 (ECOS-IV-032, December 2009) - Active inclusion (ECOS-IV-019, June 2008) - Women and poverty in the EU (ECOS-051, October 2005) - Partnerships between local and regional authorities and social economy organisations: contribution to employment, local development and social cohesion (ECOS-003, March 2002) |