

## **European Think Tank Pour la Solidarité (PLS)'s contribution to the Public consultation on the future EU 2020 Strategy**

PLS is a non-profit organisation promoting solidarity in all its forms as well as sustainable alliances with representatives of European socio-economic stakeholders. Indeed, through concrete projects, PLS puts researchers and associations in touch with public authorities, companies, and social stakeholders in order to meet the challenges ahead and to help build a united Europe, promoting social cohesion.

PLS aims to play an active role in the following areas: 1) formulate sustainable public policies, 2) increase companies' interest in corporate social responsibility, 3) promote social economy and encourage citizens to take part in the decision-making process in order to address emerging challenges; 4) contribute to the construction of a coherent and human social policy in the European Union.

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Contact at the European Commission: [EU2020-registeredorganisation@ec.europa.eu](mailto:EU2020-registeredorganisation@ec.europa.eu)

Contact at the European Think Tank Pour la Solidarité: [lydie.gaudier@pouglasolidarite.eu](mailto:lydie.gaudier@pouglasolidarite.eu)

On November 24th, the European Commission published the Commission working document "Consultation on the future "EU 2020" Strategy, setting out both the vision and priorities for the EU during the forthcoming period 2010/ 2020.

PLS welcomes the consultation process launched by the European Commission on EU strategy for the next decade. However, it regrets that the consultation is organised according to a timeframe, which makes it difficult to have a real impact on the final decision.

The limited time for a consultation process does not enable to trigger a meaningful consultation. It does not allow neither a real debate at national level, nor the involvement of national or European Parliaments. Therefore, more time should be given for the consultation in order to build debate about this important strategy and to build ownership for the strategy among key stakeholders.

PLS calls for the final decision on EU strategy for the next decade to be taken after the European Parliament has had the real opportunity to express its views on the results of the present consultation.

### **1. General comment**

According to the consultation document, the 2020 EU objective is: « *a new sustainable social market economy, a smarter, greener economy, where our prosperity will come from innovation and from using resources better and where the key input will be knowledge* ».

The Commission recognises that the long term social challenges for Europe are: *“the integration of an increasing immigrant population, social exclusion and child poverty, and solidarity between generations in the context of an ageing society.”*

Once again, if the Commission does ask the right questions, it proposes, according to PLS, many wrong answers.

Indeed, the Commission current priorities remain mainly focused on traditional solutions such as increasing the European economy competitiveness, better implementing the internal market in order to favor price competition, productivity and innovation, in particular in the cross-border services sectors and on-line services as e-health, promotion of self-employment, job flexibility and consolidating public finances through the application of the Stability and Growth Pact (SGP).

The only innovative, positive but opportunist aspect is environmental. The Commission seems to be convinced of the necessity to meet the environmental and climate goals and, in particular, to shift the economy towards a low-carbon and energy efficient economy, through the development of a European industrial policy.

But, green jobs creation in an overall competitive market economy is not necessarily compatible with people’s empowerment in socially inclusive societies.

In particular, PLS is particularly cautious about the assertion according to which *“having a job is probably the best safeguard against poverty and exclusion.”* and about the meaning of the sentence: *“modern social security and pension systems, adapted to the crisis and to the ageing of the European population, will be needed...”* because having a job at any price is not the solution to poverty and social exclusion as demonstrate the growing figures about the working poor.

PLS recalls that the social dimension of Europe is not a luxury good, but a key feature of the European social model without which there can be no economic prosperity.

Social inclusion policies, and in particular the implementation of the 2008 recommendation on the active inclusion of people excluded from the labour market based on the three pillars of adequate income support, inclusive labour market and access to quality services, should also be more clearly mentioned as a key element of the 2020 strategy.

From a global point of view, PLS thinks that the EU 2020 strategy must stick back to the spirit of the Lisbon agenda as adopted in 2000 with the aim to make the EU *“the most dynamic and competitive knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion, and respect for the environment”*.

Not only, the four dimensions of sustainable development, respectively economic development, social cohesion, protection of the environment and citizenship must be put on an equal footing in order to meet the present challenges of the EU in a globalized world but also the European multi-level governance system developed in 2000, called the Open Method of Coordination (OMC) in the area of social inclusion,

migration, education and youth must be upgraded so as to achieve better results and visibility.

As regards migrants' inclusion and empowerment into European societies, the matter is insufficiently analysed in the proposed working document. Neither concrete nor specific answers are brought forward, which would take into consideration the real difficulties they encounter.

## **2. Recommendations**

In order to address the current challenges to be faced by European societies, PLS urges the European Commission to take into account the following priorities in the EU 2020 Strategy:

- ➔ Implementing the 2008 recommendation on the active inclusion of people excluded from the labour market based on the three pillars of adequate income support, inclusive labour market and access to quality services, through the establishment of concrete action plans at all decision levels (European, national and regional).

PLS also pleads in favour of the adoption of a framework directive on social services of general interest ensuring the access of all citizens to accessible, affordable and high quality social services. Public authorities should also be able to promote social clauses in public procurement.

According to PLS, priority must be given to objectives, which are to facilitate young people and women's labour market access, the elderly and disabled people social protection.

In order to fight against child poverty, lone-parents poverty and to enhance the participation of women to the labour market, the Barcelona target on the provision of quality and affordable child care facilities for children under the age of three years old, must be increased up to 50% for 2020.

- ➔ Reaffirming the crucial role of high-standard social protection systems : 1) in supporting the social cohesion necessary to the development of a competitive knowledge-based economy, 2) in ensuring social inclusion of most European citizens, 3) in supporting the capacity of people out of the labour market for any reasons to remain employable and to find decent jobs accordingly to their personal aspirations, skills and abilities, 4) in ensuring the realization of fundamental rights, equal opportunities and life chances.
- ➔ Reaffirming the importance of reducing early school leaving, low educational attainment and the reinforcement of life-long learning (in particular in the fields of digital inclusion and foreign languages learning). Nevertheless, each citizen should have the right to engage in a decent work, according to article 15 of the Charter of fundamental rights of the European Union.

- Developing new fiscal resources aiming to compensate the demographic change costs, as well as the investments necessary for a shift towards a greener economy and a better social cohesion based on taxes on financial speculation, on capital income, green taxes but also countercyclical mechanisms, such as special companies and banking reserve funds during economic growth periods so as to curb recession economic downturns.
- Emphasise the role of social economy and its overall recognition at EU level based on the fact that social economy principles and functioning are particularly well adapted to EU current social challenges and needs. References to social economy should be explicit in the EU 2020 new architecture, pointing out its positive role in achieving active inclusion and other objectives in European and national policy-making.

European legislation on State aid should take into account the specific general interest mission of social economy through adapted policies.

- Reinforcing the Open Method of Coordination (OMC), the increasing of its visibility and political commitment at national level, in particular national parliament follow-up and the coupling of the social OMC with EU financial instruments, such as the European Social Fund (ESF), as well as the definition of common targets, for instance on the reduction of child poverty, affordability of child care services, decent work, minimum income schemes, minimum social allowances for retired, handicapped or unemployed people, adequate housing, access to a basic bank account.

In particular, the quality in work improvement policy needs to be re-launched at the European level. In spring 2001, under Belgian presidency, the Council of EU Labour Ministers has approved a list of 31 indicators on quality in work, which should be integrated in the OMC process.

- Implementing an environmentally sustainable development model able to reconcile environmental, economic and social issues, in reducing the environmental impact of economic activities and in fighting against wasting and over-consumption but also against energy deprivation and in promoting qualitative, local and affordable agricultural products.

In particular, climate change has risen to the top of the international and public agenda, with the debate focusing on how targets should be set in order to reduce greenhouse gas emissions. Measures to be designed to meet these targets must take into account the social justice objective under penalty of losing in effectiveness and not to be in line with the European project of a more cohesive society.

Moreover, CRS (Corporate Social Responsibility) policies should be developed at European level as a tool aiming to support the implementation of sustainable development measures in the companies, administrations and other organizations.

The European Year 2010 for combating poverty and social exclusion is an unexpected opportunity to be the starting point to set ambitious objectives for

the building of a social Europe by 2020. In this respect, PLS supports the following priorities:

- The introduction of an EU directive on adequate minimum schemes as soon as possible and at the latest by 2015.
- The design of measures aiming to eradicate child poverty by 2020 at the latest and the adoption of a Commission Recommendation by the end of the first half of 2010.
- The adoption of the common definition of homelessness, the development of indicators in order to upgrade the approach of the phenomena as well as the integration of the fight against homelessness in the European Strategy on Social Inclusion by the end of 2010 and the eradication of homelessness by 2020.