



Poverty between reality and perceptions: the communication challenge – Background information

How many people are experiencing poverty in the European Union?

The EU is one of the richest areas in the world. Yet 79 million Europeans experience poverty, 19 million of whom are children.

How is poverty measured?

Poverty is measured by a set of common indicators within the EU. The main indicator used is the number of people "at risk of poverty". The threshold is set at 60% of the national median disposable income.

Which population groups are most at risk of poverty?

While everyone may experience poverty at some point in their lives, some population groups are more at risk of poverty and social exclusion than others. These include: people with disabilities, immigrants and ethnic minorities, people experiencing homelessness, women, people with alcohol problems, isolated older people and families with children.

What does the EU do to fight poverty and social exclusion?

In 2000, EU leaders established the EU Social Protection and Social Inclusion Process (SPSI) and pledged to make a decisive impact on eradicating poverty by 2010. Through this process the EU coordinates and encourages Member State actions to combat poverty and social exclusion, and to reform their social protection systems on the basis of policy exchanges and mutual learning.

As such, SPSI underpins the achievement of the Union's strategic goal of sustained economic growth, more and better jobs, and greater social cohesion by 2010.

Two key policies related to SPSI are the Social Agenda and the Open Method of Coordination.

What are the priorities of the EU for combating poverty and social exclusion?

- Promoting multidimensional integrated strategies to combat poverty
- Tackling the gender and age aspects of poverty
- Fighting child poverty and the intergenerational transmission of



poverty

- Promoting inclusive labour markets
- Eradicating disadvantages in education and training
- Ensuring equal access to adequate resources and services such as accommodation, health and social protection
- Promoting active inclusion
- Addressing the needs of vulnerable population groups, such as persons with disabilities, the elderly and persons experiencing homelessness

What is the Open Method of Coordination (OMC)?

The economic, social and employment challenges that Member States have to face are increasingly similar, for example, ageing population and the changing work patterns imposed by globalisation.

The Open Method of Coordination (OMC) was set up at the Lisbon European Council in March 2000. It is a soft law method for coordinating action between Member States. The guiding principle is that Member States exchange best practices in the fields of social protection and social inclusion. Within this framework for cooperation, national policies can be guided towards common objectives, and Member States have developed action plans on poverty and social exclusion.

What is the EU's role with regard to employment, social affairs and equal opportunity issues?

These policies are the primary responsibility of Member States, but the EU can intervene in accordance with the subsidiarity principle. This means that the EU can set minimum standards and rights but also coordinates action. So tackling the social inequalities in Europe is a combined effort of the EU and Member States.

What is the Renewed Social Agenda?

The renewed social agenda was adopted by the European Commission on 2 July 2008.

The seven priority areas of the Social Agenda are:

- Children and youth – tomorrow's Europe
- Investing in people: more and better jobs, new skills
- Mobility
- Longer and healthier lives
- Combating poverty and social exclusion
- Fighting discrimination and promoting gender equality
- Access to opportunities and solidarity on the global scene



The Social Agenda is the social policy dimension of the EU strategy for growth and jobs – the so-called Lisbon Strategy. It contains concrete measures and avenues for future action. The guiding principle is to ensure that economic, employment and social policies are complementary.

The various instruments and processes that are used to implement the Social Agenda include:

- legislation
- social dialogue
- the European Employment Strategy
- the Open Method of Coordination in the field of social protection and inclusion
- the European Social Fund
- the PROGRESS programme

Citizens benefit from the objectives of the Social Agenda because it contributes to providing jobs and equal opportunities for all.

What is the Lisbon Strategy for growth and jobs?

The Lisbon strategy for growth and jobs was defined at the Lisbon Summit in March 2000 in order to make the European Union more dynamic and competitive.

The aim was to increase average economic growth by 3% and to create 20 million jobs by 2010, and the Lisbon Summit identified the steps towards achieving this.

At the mid term review it was seen that the results were disappointing, and that not enough progress had been made to meet the targets. The solution found was to reduce the number of goals and focus more strongly on jobs and growth. The two main EU wide targets are an employment rate of 70% and the investment of a minimum of 3% of GDP in research and development by 2010. In order to reach these objectives, a single clear set of guidelines was developed.

What are the European Union's instruments in the field of em-



ployment, social affairs and equal opportunities?

- **The European Social Fund (ESF)**

The European Social Fund (ESF) helps Member States achieve the goals they have set themselves to provide more and better jobs. The main objective of the ESF is to help prevent and fight unemployment, to make Europe's workforce and companies better equipped to face new challenges, and to prevent people from becoming too remote from the labour market.

The ESF funds training and provides support for setting up a company. It also provides assistance for women, older workers and young people in order to enhance their access to the job market and thus to improve their job prospects.

- **PROGRESS**

Progress is the EU's social solidarity and employment programme for 2007-2013. Its aim is to strengthen the EU's support to Member States to achieve the Social Agenda – more and better jobs and a more cohesive society.

PROGRESS supports policy development in five areas:

- employment
- social inclusion and protection
- working conditions
- non-discrimination
- gender equality

Citizens will benefit from PROGRESS because Member States will promote laws, policies and practices in line with Social Agenda goals, more and better jobs and a more cohesive society.

- **European Globalisation Adjustment Fund (EGF)**

The European Globalisation Adjustment Fund (EGF) aims to combat the negative effects of globalisation and to reconcile economic growth and social cohesion.

While generally globalisation is a good thing, it can have an adverse effect on the economy submitting socio-economic systems to greater competition, which can result in massive job loss.

The EGF supports workers mainly in regions and sectors which have been disadvantaged by this exposure to the global economy. It pro-



vides one-off, individual support to individuals, not companies, who have lost their jobs as a result of these changing world trade patterns.