



The social dimension of Europe 2020

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Europe 2020: the EU's growth strategy

- The Europe 2020 strategy is about delivering growth that is:
 - **smart**, through more effective investments in education, research and innovation;
 - **sustainable**, thanks to a decisive move towards a low-carbon economy;
 - **inclusive**, with a strong emphasis on job creation and poverty reduction.
- The strategy is focused on **five ambitious targets** in the areas of **employment**, innovation, education, **poverty reduction** and climate/energy.

Europe 2020: 5 EU targets

By 2020:

- *75 % **employment** rate (% population aged 20-64)*
- *3% investment in **R&D** (% of EU GDP)*
- *“20/20/20” **climate/energy** targets met (incl. 30% emissions reduction if conditions are right)*
- *< 10% **early school leavers** & min. 40% hold tertiary degree*
- *20 million less people should be at **risk of poverty or social exclusion***

Supported by 7 Flagship Initiatives

A concrete European target for poverty and social exclusion reduction

EU level target for lifting at least 20 million people out of poverty or exclusion by 2020

- Based on 3 existing EU social inclusion indicators:
 - At-risk-of-poverty rate,
 - People living in severe material deprivation,
 - People living in jobless households

National targets

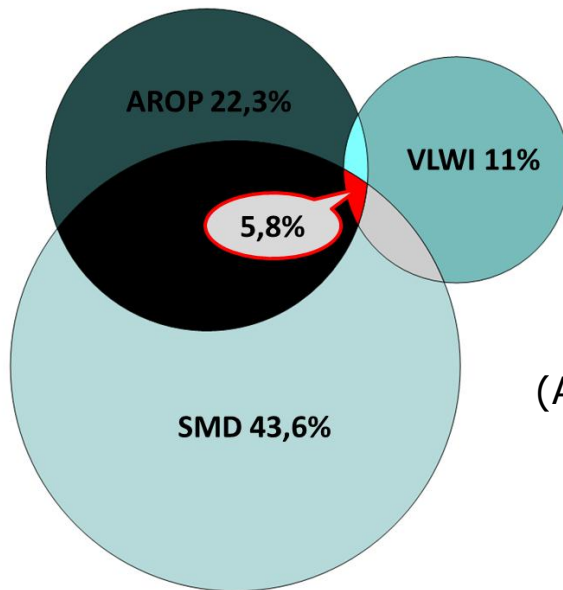
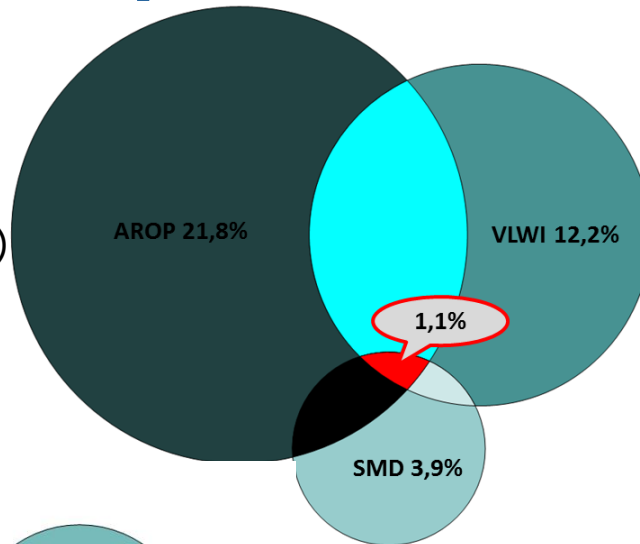
- Member States are free to choose the most appropriate indicator to set their national target
- Member States to show how they will contribute to meeting the EU level target, in dialogue with the Commission

Implement jointly with **the European Platform against Poverty and Social Exclusion**

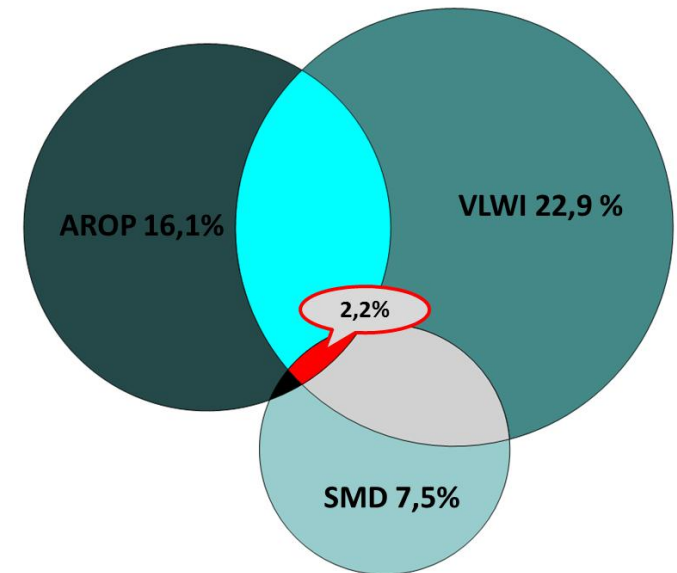


Different facets of the population at risk of poverty or social exclusion (2011)

Spain
(AROPE = 21,8%)



Bulgaria
(AROPE = 22,3%)

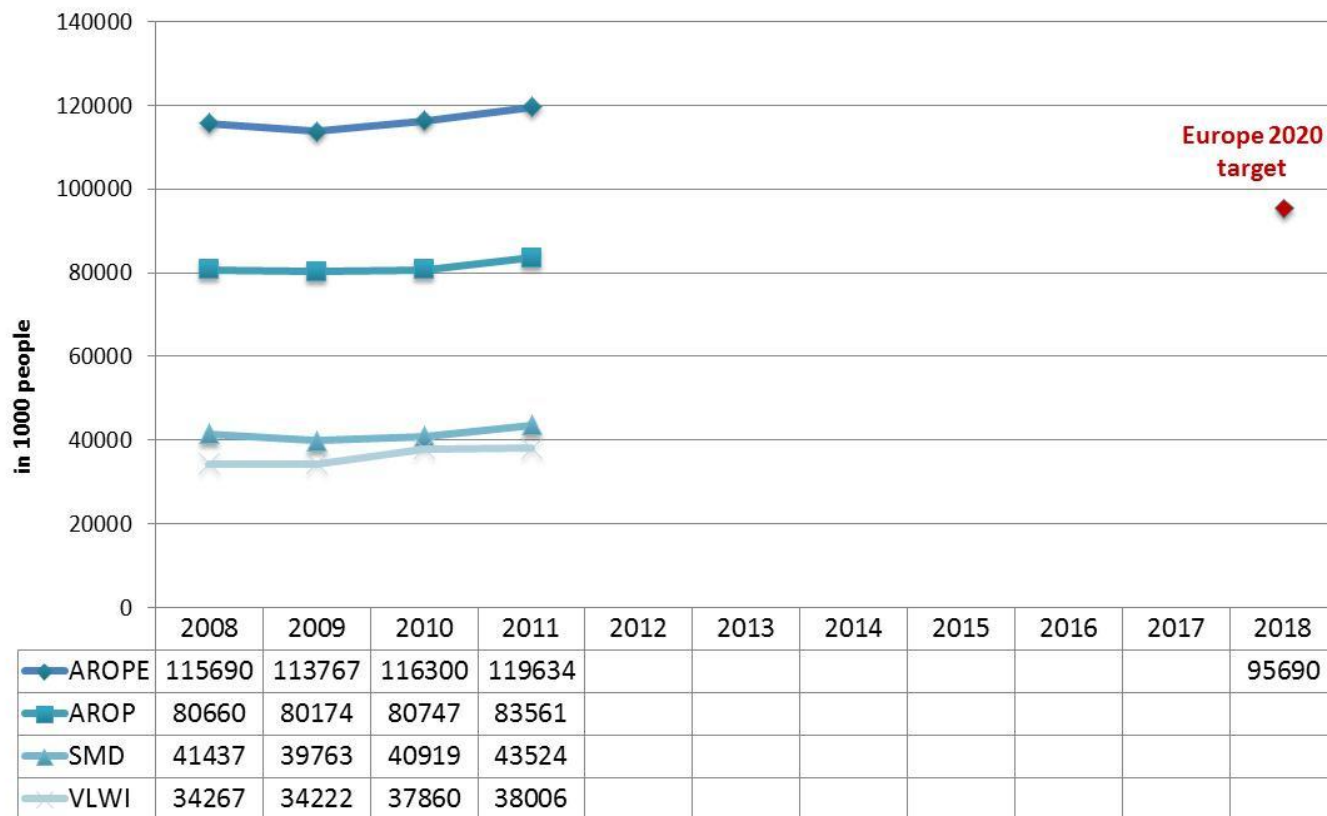


Ireland
(AROPE, 2010 = 16,1%)



European
Commission

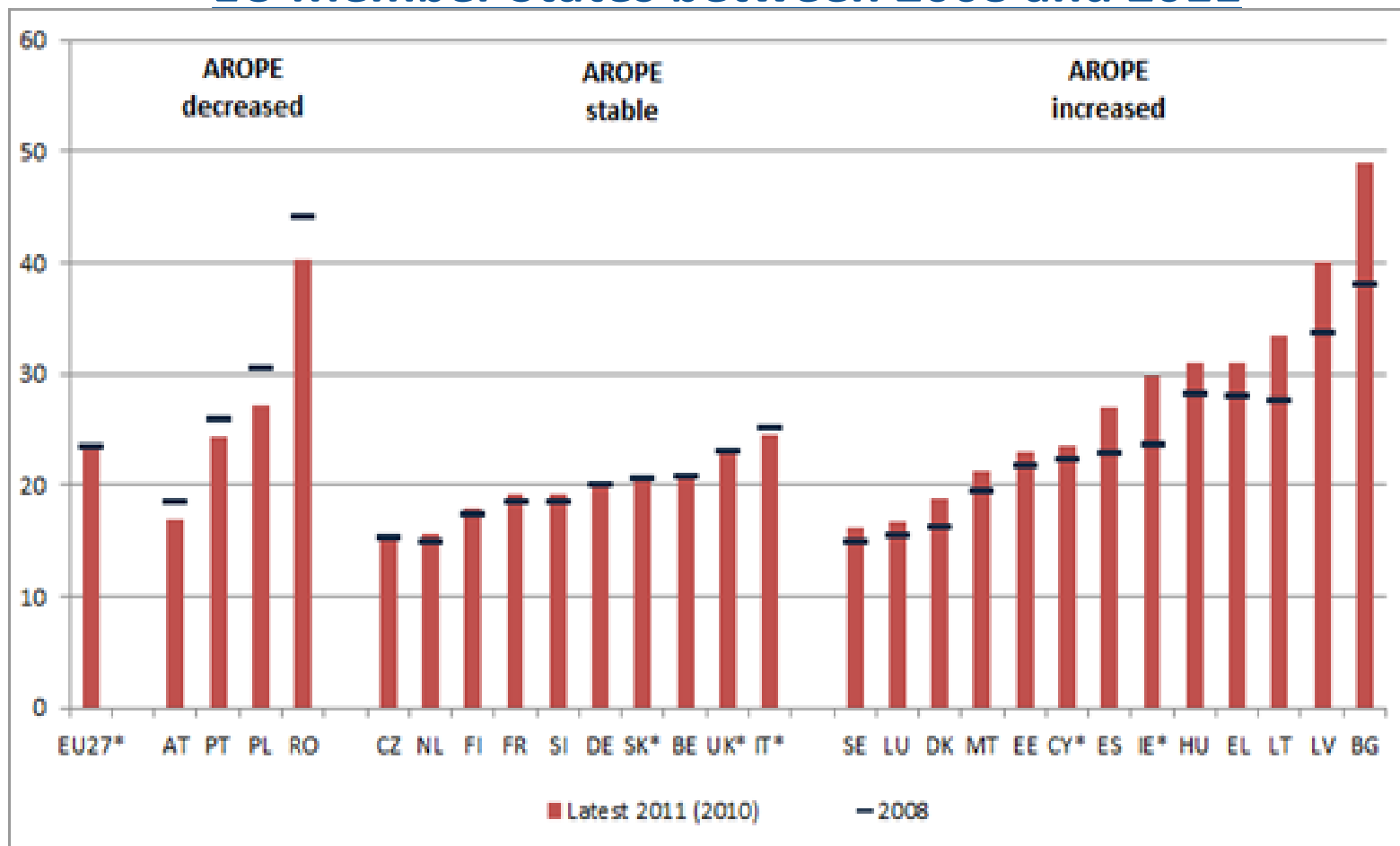
Progress towards the EU 2020 poverty and social exclusion target



Source: Eurostat (EU-SILC), Date of extraction: 04.02.2013

AROPE – at risk of poverty or social exclusion rate; *AROP* - at-risk-of-poverty rate; *VLWI* - share of population living in jobless households); *SMD* - severe material deprivation rate.

People at risk of poverty or social exclusion (AROPE) across EU Member States between 2008 and 2011



Source: EU-SILC 2011

Are we likely to meet our targets for 2020?

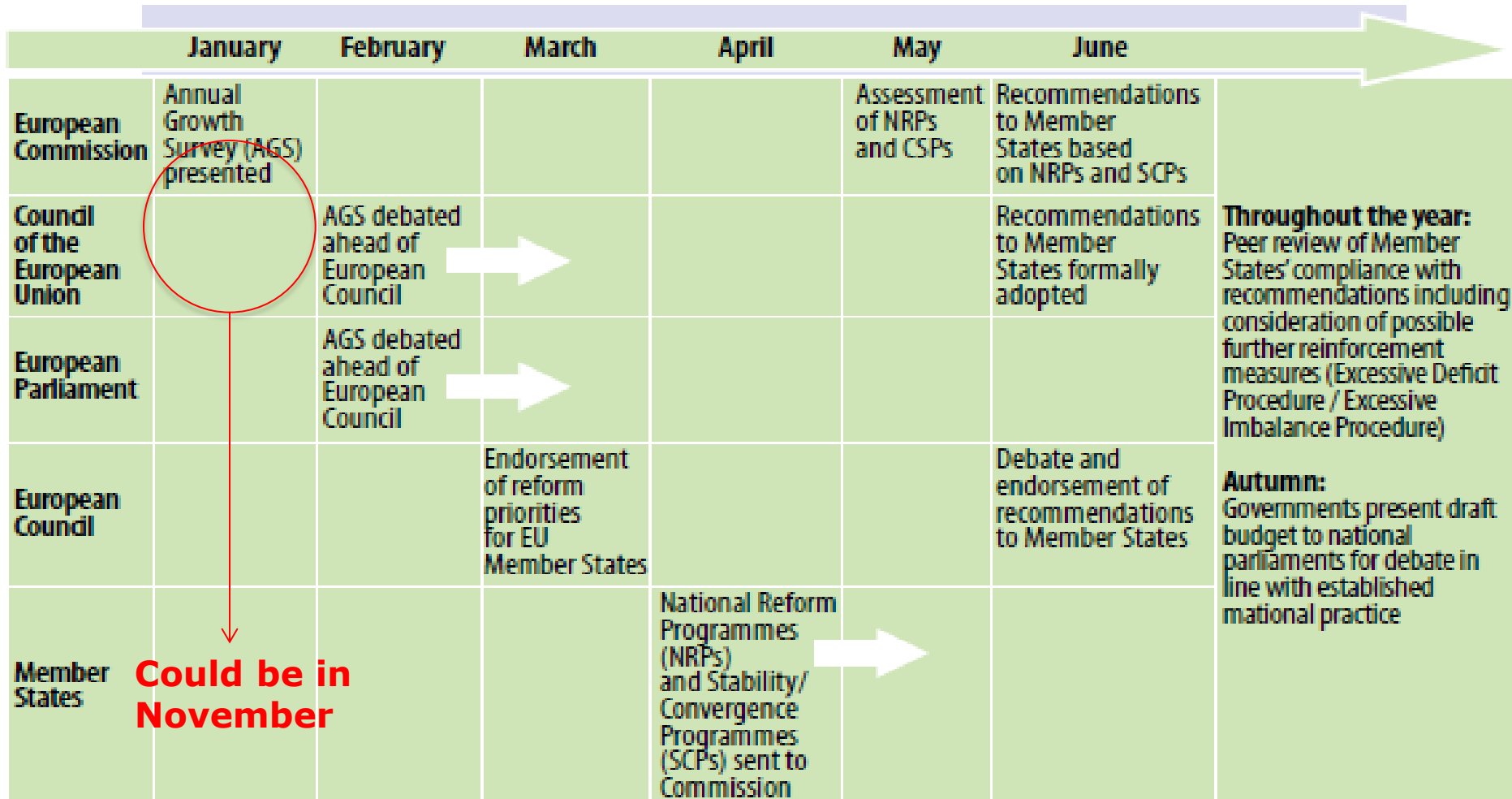
EMPLOYMENT	75% of the population aged 20-64 should be employed	✗
INNOVATION	3% of the EU's GDP should be invested in R&D	✗
CLIMATE / ENERGY	A reduction of CO2 emissions by 20%	✓
	A share of renewable energies up to 20%	✓
	An increase in energy efficiency by 20%	✗
EDUCATION	The share of early school leavers should be under 10%	✗
	At least 40% of the younger generation should have a degree or diploma	✗
POVERTY	20 million fewer people should be at risk of poverty	✗

Making it happen: the European Semester

The European semester is a 6-month period each year when Member States' budgetary, macro-economic and structural policies are coordinated to allow them to take EU considerations into account at an early stage of their national budgetary processes and economic policymaking.

The key stages in the European semester:

- In **November**, the Commission issues its Annual Growth Survey (AGS), which sets out EU priorities for the coming year to boost growth and job creation.
- In **April**, Member States submit their plans for sound public finances (Stability or Convergence Programmes) and reforms and measures to make progress towards smart, sustainable and inclusive growth (National Reform Programmes (NRPs)).
- In **June**, the Commission assesses these programmes and provides country-specific recommendations (CSRs) as appropriate. The Council discusses and the European Council endorses the recommendations.
- **Finally, end of June or in early July**, the Council formally adopts the country-specific recommendations.





Member States' input

EU governments must produce two reports each year in April, explaining what they are doing to move closer to the Europe 2020 national targets.

Stability / convergence programmes are submitted before governments adopt their national budgets for the following year. The contents must allow for meaningful discussions on public finances and fiscal policy.

National Reform Programmes (NRPs) are submitted simultaneously with the stability/convergence programmes, contain the elements necessary for monitoring progress towards the Europe 2020 national targets for smart, sustainable and inclusive growth.

Both reports should be fully integrated within the national budgetary procedure and the European Semester, introduced to improve policy coordination throughout the EU. Regional/local authorities, social partners and other stakeholders must also be involved throughout preparation to build broad-based support for the implementation of these policies.



The Social Investment Package (adopted 20 February 2013)

What is the Social Investment Package (SIP)?

László Andor, Commissioner for Employment, Social Affairs and Inclusion, recently stated that the package is:

'grounded on the idea that social policies should empower people from an early age, strengthen their capabilities to adapt to risks such as changing career patterns, new working conditions or an ageing population and enhance their opportunities to participate in society across the life course'.

Challenges

- *Economic and financial crisis*
 - **High unemployment**
 - **Youth inactivity**
 - **Increased levels of poverty/social exclusion**
- *Demographic changes*
 - **Increased ageing and dependency ratios**
- *Fiscal constraints*
 - **Deficit reduction and budgetary pressures**

Social Investment Framework: 3 Integrated Pillars

- 1. Increase the sustainability and adequacy of social systems through simplification and better targeting*
- 2. Pursue activating and enabling policies through targeted and more effective support*
- 3. Social Investment throughout the individual's life*

1. Increase the sustainability and adequacy of social systems through simplification and better targeting

Better targeting policies on benefits/services that yield higher returns

Simplify administration for benefits/services to facilitate user access and reduce administrative burdens

Increase efforts to reduce fraud and error

Identify good practices on how efficiency of social spending can be raised.

2. Pursue activating and enabling policies through targeted, conditional and more effective support

Integrating benefits and services to enhance people's capacity to participate in the social and economic life of society.

- **Help prepare for (re)entry into the labour market**
- **Create incentives and remove disincentives for labour market participation**
- **Promote inclusive labour markets**
- **Provide adequate income support**

3. Social investment throughout the individual's life

Target policies to the various risks that people face during different stages of their lives, which often compound over time.

Investing as early as possible is the best way to break intergenerational cycles of disadvantage and ensure that people live up to their full potential

- **Policies to address child poverty, including early child education and care (ECEC)**
- **Youth guarantee schemes**
- **Lifelong learning**
- **Active ageing**

The Social Investment Package

- Social Investment for Growth and Cohesion - including implementing the ESF 2014-2020 (COMM)
- Evidence on Demographic and Social Trends – Social Policies' Contribution to Inclusion, Employment and the Economy (SWD)
- Investing in Children - Breaking the Cycle of Disadvantage (REC)
- Follow-up on the implementation by Member States of the 2008 European Commission Recommendation on Active Inclusion of People Excluded from the Labour Market (SWD)
- 3rd Biennial report on Social Services of General Interest (SWD)
- Long Term Care in Ageing Societies – Challenges and Policy Options (SWD)
- Confronting Homelessness in the EU (SWD)
- Investing in Health (SWD)
- Social Investment through the European Social Fund (SWD)

EU instruments to implement the SIP

- *Social Protection Committee and the Social OMC*
- *European Semester*
 - Annual Growth Survey,
 - National Reform Programmes,
 - Country-specific Recommendations
- *European Platform against Poverty and Social Exclusion*
 - 64 Actions to combat poverty and social exclusion
 - Annual convention
- *EU Financial Instruments (ESF and ESIF)*

Further information

Europe 2020 strategy: <http://ec.europa.eu/eu2020>

European Platform against Poverty and Social Exclusion: <http://ec.europa.eu/social/>

Communication for Social Investment package (SIP): <http://ec.europa.eu/social/>

Social Europe - Current challenges and the way forward - Annual Report of the Social Protection Committee (2012):

<http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=7405&type=2&furtherPubs=yes>



Thank you for your attention!