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CONTRIBUTION TO THE INFORMAL EPSCO COUNCIL

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(Part 1)

The role of civil dialogue for achieving inclusive growth that benefits all and supporting democracy

Contribution to Plenary session I: The role of social dialogue for inclusive growth (21 April)

Existing and emerging challenges to civil dialogue

Contribution to Workshop I: Existing and emerging challenges to social dialogue (22 April)

Towards meaningful and structured civil dialogues

Contribution to Plenary session II: Towards true and responsible social dialogues (22 April)

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PRELIMINARY NOTE

> *"1. The institutions shall, by appropriate means, give citizens and representative associations the opportunity to make known and publicly exchange their views in all areas of Union action.*
>
> *2. The institutions shall maintain an open, transparent and regular dialogue with representative associations and civil society."*
>
> *(Article 11 paragraph 1 and 2 TEU)*

Social Platform is the largest civil society alliance fighting for social justice and participatory democracy in Europe. Consisting of 48 pan-European networks of non-governmental organisations (NGOs), we campaign to ensure that EU policies are developed in partnership with the people they affect, respecting fundamental rights, promoting solidarity and improving lives.

Social Platform fully supports social dialogue and advocates for meaningful and structured involvement of civil society next to and complementing the involvement of social partners. *We respect the different competences of social partners and civil society organisations, but want to ensure the creation of an appropriate space for both.*

We therefore thank the Latvian Presidency for its commitment to fully associating Social Platform in the informal EPSCO and their request to facilitate a broader view respecting the role of civil dialogue in improving policy decisions and outcomes.

socialplatform

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KEY MESSAGES

The role of civil dialogue for achieving inclusive growth that benefits all and supporting democracy

I. Draw from civil society's grass root experience: *open up the decision-making processes to social and equality NGOs ready to engage in a lasting dialogue on policy developments and the implementation of the economic and social priorities of the EU.*

II. Re-balance economic and social priorities and policies: *rebalance financial and economic priorities with a strong commitment to social priorities in European and national policies, and ensure they are mutually reinforcing.*

III. Social investment as a crucial part of any European investment strategy: *invest in ambitious integrated employment policies and social policies, including social protection, social services and social economy, in line with the 2013 Social Investment Package.*

Existing and emerging challenges to civil dialogue

I. Civil society voices left unheard: *while involving civil society in policy-making has been recognised to support and reinforce the legitimacy, accountability and adequacy of policies, this involvement has been put under increasing pressure and reduced in recent years.*

II. Social NGOs attacked in their capacity to support people: *while public authorities are relying more heavily on social NGOs to provide basic services to people that need them, their functioning has been put under heavy pressure by a lack of financial means.*

Towards meaningful and structured civil dialogues

I. A partnership beyond mere consultation: *commit to meaningful and structured civil dialogue which implies working together as partners in developing, implementing and evaluating policies at all levels and at all stages of the policy-making process.*

II. The role of the EU in fostering civil dialogue: *maximise the use of and expand existing resources, knowledge and expertise through regular and structured dialogue with civil society at EU level, and to provide guidance to member states on civil dialogue with regards to EU policies.*

III. The role of member states in fostering civil dialogue: *develop a regular and structured dialogue with civil society at national, regional and local level, and to provide structural support to CSOs to develop their capacity.*

The role of civil dialogue for achieving inclusive growth that benefits all and supporting democracy

Contribution to Plenary session I: The role of social dialogue for inclusive growth

Introduction

Civil dialogue is a concrete tool to strengthen the relationship between decision makers and civil society organisations (CSO) and the people they represent. These organisations channel the direct voice of people on the ground. Listening to them can improve the way in which EU and national policy makers formulate and implement policy by helping them better understand the complex realities many Europeans face in their daily lives.

With the **Europe 2020 Strategy**, EU member states committed themselves in 2010 to achieving growth that was not only smart and sustainable, but also inclusive. This encompasses in particular empowering people, helping them to anticipate and manage change, build cohesive societies, ensuring access and opportunities for all throughout the lifecycle and promoting equality between women and men. To arrive at inclusive growth, headline targets were set, including with regards to employment rates, educational attainment and the reduction of poverty and social exclusion. In 2015 member states restated their commitment to inclusive growth that *"must enable everyone to take up employment, education or training and ensure that all citizens benefit from adequate social protection when exposed to different risk"*.[1]

From the beginning of Europe 2020 there was a clear **recognition of the importance of civil society** and the need for policy makers to engage in civil dialogue to achieve inclusive growth. The Commission's Communication on Europe 2020 as well the 2010 Integrated Guidelines referred to civil society and its representatives as partners for the implementation, monitoring and evaluation of the strategy. [2] A specific acknowledgement was also formulated in March 2015 by the employment and social affairs ministers, with regards to delivering inclusive labour markets, in particular when discussing job quality and sustainable labour market inclusion.[3]

I. Drawing from civil society's grass root experience

We call on you to open up the decision-making processes to social and equality NGOs ready to engage in a lasting dialogue on policy developments and the implementation of the economic and social priorities of the EU.

Based on their on the ground experience - in particular through their work with and for those people most excluded and discriminated in society - CSOs have developed expertise on how to achieve inclusive growth, especially with regards to:

- adequate social protection across the whole life-cycle and the reduction of poverty, social exclusion and inequalities;
- accessible and quality social, health and care services and the social economy;
- inclusive and quality education;
- inclusive labour markets, sustainable quality employment; and
- ensuring human rights and realisation of equality, including between women and men.

To achieve inclusive growth and cohesive societies, policy-makers should capitalise on CSO knowledge that goes beyond official statistics and establish appropriate cooperative and participative structures that involve organisations:

1. Representing and working with people experiencing poverty and social exclusion.
2. Representing service providers and end users, and organisations working on issues such as health promotion and social protection.

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[1] EPSCO Council, Council Conclusions, 9 March 2015.
[2] European Commission, Communication on Europe 2020, 3 March 2010 : *"This partnership approach should extend to […] civil society so that everyone is involved in delivering on the vision"*; Council Decision on guidelines for the employment policies of the Member States, 21 October 2010: *"the Europe 2020 strategy should, as appropriate, be implemented, monitored and evaluated in partnership with […] representatives of civil society […]"*.
[3] EPSCO Council, Council Conclusions on inclusive labour markets, 9 March 2015: *"Invites the Member States and the European Commission […] To better involve social partners and civil society in discussions on how to improve job quality and ensure sustainable labour market inclusion […]".*

3. Promoting equality and non-discrimination, including organisations working on the issue of discrimination in the workplace and women's organisations.
4. Aiming to ensure access for all to education and training, and in particular those tackling discrimination as this has a negative impact on under-achievement, early-school leaving, unemployment and mental health issues.

II. Re-balancing economic and social priorities and policies

We call for an urgent rebalancing in European and member states policies of financial and economic priorities with a strong commitment to social priorities, ensuring that they are mutually reinforcing.

Five years after the start of the Europe 2020 strategy we are no-where near to reaching inclusive growth, as demonstrated by the failure to reach the poverty and employment targets, the rise of inequalities and growing social divergence. While this was caused to a certain extent by the economic crisis, its impact has been strongly aggravated by austerity measures put in place to "save the economy".

Current policies and processes are still out of balance and are not sufficient for reversing the breakdown of social Europe. Consistency between policies in the economic and social fields is too often missing. Very often they contradict each other with economic priorities winning at the expense of social priorities. The EU also cannot blindly pursue its new priorities and continue to disregard the direct social needs of people as a top priority.

Instead of having a trade-off between competitiveness and social inclusion, or any trade-off between economic and social priorities, policy-makers should take a comprehensive approach and develop different policies in parallel to ensure that they are mutually reinforcing.

To rebalance economic and social policies and achieve upwards social convergence next to economic and monetary convergence, we call on member states to:

1. **Perform ex-ante coordination of policy proposals and reforms** among ministers of financial and economic affairs and those responsible for social and employment affairs, both at member state level and European level between the ECOFIN and EPSCO Councils. Such coordination needs to be supported by an extensive and comprehensive ex-ante and ex-post social and gender impact assessment of the different policies, taking into account input and assessment by CSOs.
2. **Request the Commission to develop concrete proposals for European social standards** - including with regards to income protection[4] and social services - which can create a European level playing field in view of countering social divergences, achieving social progress and ensuring all people can enjoy their social rights.
3. **Mainstream equality and fundamental rights objectives throughout all policies** to ensure equality for all and to eliminate discrimination on grounds such as sex, racial or ethnic origin, religion or belief, disability, age, sexual orientation or social status.
4. **Organise joint meetings with ECOFIN to discuss political and practical strategies and follow up so that equal value is given to the positions of ECOFIN and EPSCO** to ensure that social and economic concerns are put on an equal footing.
5. **Adopt our proposals for amendments to the new integrated guidelines for economic and employment policies** to ensure they fully support the EU and member states in achieving smart, sustainable and inclusive growth.
6. **Urge the European Commission to revise the Europe 2020 Strategy and recommit to ambitious policies** aimed at achieving the strategy's objective of inclusive growth.

[4] Social standards on income protection could be inspired by ILO Recommendation 202 on social protection floors, 2012.

III. Social investment as crucial part of any European investment strategy

We call on you to invest in ambitious integrated employment policies and social policies - including social protection, social services and social economy - in line with the 2013 Social Investment Package.

While we welcome the Commission's change of rhetoric over the last months from austerity to investment, economic investment policies can only be effective if developed in parallel with comprehensive social investment policies.

In recent years structural reforms have too often led to less inclusive labour markets and less adequate and well-functioning social systems which undermined the EU's recovery in both economic and social terms. It became clear that structural reforms in the form of badly targeted fiscal consolidation in the social sector caused more harmful economic and social imbalances, and undermined economic and social cohesion.

Investing in ambitious and integrated employment and social policies will help to create the right setting for promoting growth, employment and social inclusion. We therefore call on member states to:

1. **Maintain and improve investments in adequate social protection systems**. Ensure that systems are rights-based, accessible, and inclusive, and that social protection bodies are working in a reliant, transparent, efficient and proactive way. Adequate social protection cushions the impact of economic shocks and supports the functioning of society in general.[5]
2. **Invest in the creation of, and equal access to, quality and sustainable employment** and address employment policies from a rights-based perspective, particularly as many people face discrimination when trying to access the labour market. Social and equality NGOs can bring expertise, in particular with regards to those most excluded by the labour market.
3. **Invest in social, health and care services –including but not limited to infrastructure - and the social economy**, including by ensuring increased access to financing under the European Fund for Strategic Investment (EFSI) for social economy enterprises and service providers. These sectors have an increasing demographic relevance and have great potential for job creation. Social NGOs are strongly represented in these sectors and can bring forward concrete proposals for viable projects.
4. **Call for the appointment of experts in employment, social and equality policies to the EFSI Steering Board and Investment Committee**. This should lead to the selection of projects that bring high economic as well as social added value and that are consistent with EU's social policy priorities.
5. **Insist on assessment of the impact of EFSI funded projects on employment and social policies and their contribution to the Union's employment, social and equality objectives**, in particular regarding quality job creation and the Europe 2020 Strategy targets for employment, education and poverty reduction.

[5] ISSA Crisis Monitor Project Managing social security in uncertain times, 2012.

Existing and emerging challenges to civil dialogue

Contribution to Workshop I: Existing and emerging challenges to social dialogue

NOTE: *More proposals on how to improve civil dialogue can be found in our contribution to Plenary Session II.*

Introduction

NGOs have expertise in dealing with specific issues that can complement the valuable work of the social partners. They bring forward the concerns of people that are most excluded from society and are often unheard in the EU political debate. They raise attention to issues that are not very visible on the agenda, thereby contributing to a more democratic and participatory debate. Genuine, effective civil dialogue can generate an active European public sphere and close the gap between citizens and their elected representatives.

While the importance of involving civil society in developing and implementing policy has increased in recent years, their valuable input has been disregarded and their work and sustainability have been put under pressure.[6]

I. Civil society voices left unheard

While involving civil society in policy-making has been recognised to support and reinforce the legitimacy, accountability and adequacy of policies, this involvement has been put under increasing pressure and reduced in recent years.

Currently the involvement of civil society in policy-making, for example in the European Semester, is disappointing. If CSOs are consulted, the process if often poorly designed and lacking quality engagement, and/or their opinions are not taken into account by those making the final decisions. While there has been some progress in involving stakeholders at national level for in the National Reform Programmes, very often their opinions are not taken up in the final versions.

The results of the Commission's Europe 2020 public consultation acknowledged the gap in civil society involvement and the need to improve this in the future.[7] A recent study by the European Parliament's Civil Liberties, Justice and Home Affairs committee (LIBE) also stated: *"In the situation where there is a lack of faith in the government in any of its political forms among the populace, civil society groups continue to turn out mass numbers of supporters as evidence of continued political vibrancy"*.[8]

We therefore call on policy-makers to:

1. **Ensure a better democratic process and ownership of European and national policy-making.** The role of civil society is not to ensure the implementation of an agenda it does not share; its role is to take part in the development of policies to ensure that they serve all people in Europe.
2. **Strengthen the autonomy of CSOs and provide specific funding for European and national civil society organisations to contribute to independent assessments of EU and member states policies.** Based on the principle of CSOs independence, public funding has a key role in helping civil society to voice the preoccupations and needs of ordinary people living in Europe. Operational grants are well suited to do so, as they allow CSOs remain autonomous, fulfil their missions and implement activities in response to the needs of grass-root member organisations.

[6] See also EESC, "The impact of the crisis on civil society organisations in the EU – risks and opportunities", 2013
[7] European Commission, communication on the results of the Europe 2020 public consultation, 2 March 2015
[8] European Parliament LIBE Committee, "The impact of the crisis on fundamental rights across Member States of the EU – Comparative analysis", 13 March 2015.

II. Social NGOs attacked in their capacity to support people

While public authorities are increasingly reliant on social NGOs to provide services to people who need them, their functioning has been put under heavy pressure by a lack of financial means.

While NGOs in member states struggle with less means, they face increasing demand from people in vulnerable situations in need of their support, for example as a result of unemployment, social exclusion and poverty. Many member states have implemented structural reforms which drastically targeted expenditure in social and health services, social protection and education – especially in countries where the social and economic situation is among the EU's worst. Social NGOs are strongly represented in these sectors and are reporting continuous cuts, damaging their ability to provide much needed support: they are forced to downsize or close their services, refuse users, decrease the quality of services and increase costs for users.

To remedy this situation, member states should take action, including to:

1. **Combine European funding, received for example under the European Social Fund, with additional resources from national budgets for social policies**, and allocate these resources to social NGOs when best placed to implement the policy actions concerned.
2. **Safeguard social expenditure from fiscal consolidation measures** and insist on the exclusion of social investments from the deficit targets established under the Stability and Growth Pact.

Towards meaningful and structured civil dialogues

Contribution to Plenary session II: Towards true and responsible social dialogues

Introduction

Article 11 of the EU Treaty recognises participatory democracy as a fundamental democratic principle and calls for the organisation of a dialogue with civil society. Civil society organisations are an invaluable asset in making sure that people are active in shaping their society.

A genuine and long-lasting commitment of all EU institutions and member states to engage in a permanent and structured dialogue with organised civil society at all levels is therefore essential.

Social Platform works with other European organisations across different sectors, all calling for the effective implementation of article 11 TEU.

I. A partnership beyond mere consultation

We call on you to commit to meaningful and structured civil dialogue which implies working together as partners in developing, implementing and evaluating policies at all levels and at all stages of the policy-making process.

At the NGO Forum in Riga in March, Commission Vice-President Dombrovskis stated that, *"all EU institutions have a responsibility to support and engage in a dialogue with civil society."* Furthermore, he explained that, *"CSO's are key partners when implementing EU legislation and policies in member states".*

A true dialogue operates as a two-way process, differing from one-sided consultation or communication of policies and reforms, and is directed towards joint actions on projects that are developed together with all relevant stakeholders.

A genuine civil dialogue will support democratic governance as well as ownership of policies, and will reinforce the legitimacy, accountability and adequacy of measures proposed.

To this end, civil dialogue frameworks should be developed by the EU and member states to allow for policy-makers to work with social NGOs throughout all stages of the process and at levels. Furthermore, stakeholders should be involved in time to ensure that they can provide their input before decisions are taken.

II. The role of the EU in fostering civil dialogue

We call on the EU institutions to maximise the use of and expand existing resources, knowledge and expertise through regular and structured dialogue with civil society at EU level, and to provide guidance to member states on civil dialogue with regards to EU policies.

We are already witnessing an improvement of social partners' involvement in the European Semester process, for example by being formally invited to comment on Country-Specific Recommendations (CSRs), but no equal treatment is given to organisations representing civil society.

Different practices of involving stakeholders currently exist within the institutions - for example between different Directorate-Generals in the Commission - and access for CSOs to the Council is practically non-existent.

We therefore call on the EU institutions to:

1. **Adopt an Inter-Institutional Agreement between the Parliament, the Council and the Commission on civil dialogue**.[9] Such an agreement should include principles, procedures and mechanisms to be put in place for the effective and meaningful involvement of civil society, and would ensure common practices within institutions.

[9] Social Platform, "How to establish an effective dialogue between the EU and civil society organisations", February 2012.

2. **Adopt clear and transparent procedures for civil dialogue, similar to those on social dialogue in the context of the European Semester,** which allow for structural, timely and meaningful involvement of the full range of EU-level stakeholders.
3. **Actively seek to expand their sources of information and take into account the alternative proposals produced by social NGOs**, for example when developing the Annual Growth Survey and CSRs.[10]
4. **Set up a framework for shadow reporting by CSOs on the implementation of EU social policies**, similar to for example the United Nations framework for monitoring the implementation of the UN Convention of the Rights of Persons with Disabilities.
5. **Provide guidance on civil dialogue to member states** through the new integrated guidelines as well as by developing specific guidelines on stakeholder involvement for the development of EU-related policies. The Commission promised to develop already such voluntary guidelines on participation in relevant policies in the context of the European Platform Against Poverty and Social Exclusion, but this unfortunately did not happen.

III. The role of member states in fostering civil dialogue

We call on member states to develop a regular and structured dialogue with civil society at national, regional and local level, and to provide structural support to CSOs to develop their capacity.

In the context of the European Structural and Investment Funds (ESIF), the "partnership principle" makes it already mandatory for member states to organise partnerships with relevant actors, including social NGOs. This allows making an added value of NGOs knowledge and expertise, on how to successfully run integrated projects funded.

We therefore call on the member states to:

1. **Set up a framework for the structural involvement of CSOs**, at all government levels, for developing, implementing, monitoring and evaluating policies, and provide sustainable funding and structural support to enable them to engage. Consult stakeholders in time to allow them to provide meaningful and well-developed input and provide them with sufficient opportunities to contribute throughout the policy-making process.
2. **Set up a transparent and well-structured process for the design, delivery and evaluation of the NRPs with the involvement of national stakeholders.**[11] Provide detailed information in the NRPs on the extent to which stakeholders have been actively involved in the process and on how their input was taken into account.
3. **Engage social NGOs as reliable partners to meet the obligation to implement the "partnership principle" of the ESIF**. This needs to encompass their involvement in the preparation of partnership agreements and progress reports throughout the preparation and implementation of programmes, as well as in monitoring committees.
4. **Invest in capacity building of CSOs and facilitate mutual learning with national, regional and local authorities** through the expansion of existing tools, such as the peer review under the Social Open Method of Coordination, into other areas.

[10] This includes the work of the Semester Alliance that formulated alternative CSRs in the past years.
[11] For example through a platform approach, joint debates and public hearings, regular conferences on the implementation of Europe 2020 in member states.