A missed opportunity?
Social Platform's initial reaction to the European Pillar of Social Rights Action Plan

Introduction

The COVID-19 pandemic has caused unprecedented economic, employment, and social crises, exacerbating pre-existing social inequalities and bringing to the surface the weaknesses of existing social protection systems.

It is therefore no surprise that, according to a recent Eurobarometer survey of around 27.000 people in the 27 EU countries, 88% of Europeans consider a "social Europe" to be important to them personally. Some of the most pressing problems they highlighted regard equal opportunities, access to the labour market, fair working conditions, access to quality health care, the living standard in the EU as well as social protection and inclusion. 71% said they consider a lack of social rights to be a problem.

This demonstrates that people across the Union expect the EU and its Member States to take ambitious and comprehensive action to build a more socially just and inclusive Europe for all.

Social Platform's initial reaction to key aspects of the Social Pillar Action Plan

Since the proclamation of the Social Pillar in 2017, Social Platform has been advocating for the comprehensive and ambitious implementation of the Social Pillar through EU and national action on all 20 Pillar principles. We have equally been calling for an Action Plan that sets ambitious targets and measures at EU level and makes strong recommendations for related action at national level to fully implement all 20 Pillar principles. This is now more important than ever to address the socio-economic impact of the pandemic and to ensure Europe's social recovery for all. We therefore welcome the publication of the long-awaited Social Pillar Action Plan.

The European Commission 2021 Work Programme states that the "European Pillar of Social Rights will be the compass of Europe's recovery and our best tool to ensuring no one is left behind."

Unfortunately, in our view, the proposed Action Plan misses the opportunity to be a comprehensive and ambitious implementation plan for the Social Pillar and to ensure that the Social Pillar can indeed be the compass to Europe's recovery.

1. Lack of coverage of all 20 principles of the Social Pillar

The Social Pillar contains 20 thematic principles that can contribute to the building of a more socially just and inclusive Europe. While the Action Plan contains many positive initiatives in a variety of policy fields[1], it does not foresee action on all 20 Pillar principles, but instead mainly focuses on policy areas in which

[1] Social Platform will publish a longer more in-depth analysis of the entire Action Plan detailing our views on the various initiatives at a later stage.

the European Commission plans actions for its 2019-2024 mandate. In our view, this demonstrates a lack of ambition and longer-term vision, which is especially needed to ensure Europe's social recovery from the COVID-19 pandemic. We believe that by not taking action on all principles, the European Commission risks establishing a hierarchy between the rights and principles contained in the Social Pillar, which are all crucial to building a more social Europe. While the implementation of some Pillar principles must currently be prioritised due to their importance in the current context of ensuring Europe's social recovery from the pandemic, the Action Plan should outline steps on how to achieve all 20 Pillar principles through EU and/or national action by 2030.

2. Insufficient number and ambition of EU targets

A key aspect of the Action Plan is its three headline targets related to the three chapters of the Pillar, with each target containing between one and three thematic sub-targets. Especially in the absence of an overarching post-2020 strategy that builds on the targets set in the Europe2020 strategy for the 2010-2020 period, Social Platform advocated for the Action Plan to contain ambitious targets with related indicators to be set for all 20 Pillar principles. While we therefore regret that only three headline targets with few sub-targets were chosen, we welcome that targets have been set, as they are indispensable to measure progress made.

However, several of the suggested headline and sub-targets remain below our expectations. The Action Plan foresees the following targets:

Employment

- At least 78% of the population aged 20 to 64 should be in employment by 2030.
- The gender employment gap should be at least halved compared to 2019.
- The provision of formal early childhood education and care should be increased.
- The rate of young people neither in employment, nor in education or training (NEETs) aged 15-29 should be decreased from 12,6% (2019) to 9%.

Education

- At least 60% of all adults should participate in training every year by 2030.
- At least 80% of those aged 16-74 should have basic digital skills.
- Early school leaving should be further reduced and participation in upper secondary education increased.

Poverty reduction

- The number of people at risk of poverty or social exclusion should be reduced by at least 15 million by 2030.
- Out of 15 million people to lift out of poverty or social exclusion, at least 5 million should be children.

The new headline employment target of at least 78% set in the Action Plan is roughly in line with the ambitions of the Europe 2020 strategy. In 2008, the Europe 2020 strategy set an objective of reaching an employment rate of 75%, at a time when the employment rate of the EU was at 69%,[2] thus aiming at achieving a 6.0 percentage point increase. In the last quarter of 2019, the employment rate had reached

[2] Europe 2020. A European strategy for smart, sustainable and inclusive growth.

73.1%.[3] The COVID-19 pandemic led to a decrease of the employment rate, which was at 72.4% in the third quarter of 2020.[4] Increasing the employment rate to at least 78% would be a 5.4 percentage point increase. We welcome the addition of a sub-target to at least halve the gender employment gap.

With regards to the headline target and sub-targets on education and skills, we fully agree with the ambition to increase participation of adults in training and the strengthening on digital skills. While we understand their relevance for labour market participation, we regret however that the sub-target on basic digital skills has been limited to the age group of 16-74, as digital skills are also crucial for older persons in an increasingly digital world to ensure their social inclusion and participation in society. Moreover, we regret that no concrete target with regards to reducing early school leaving has been set, contrary to the Europe 2020 strategy that included such a target.

In our view, the proposed poverty reduction target is very disappointing. The Agenda 2030, which was adopted in 2015, contains a goal to "End poverty in all its forms" (SDG 1), setting an ambitious target of reducing at least by half the proportion of men, women and children of all ages living in poverty by 2030.[5] In 2019, around 91 million people in the EU were at risk of poverty or social exclusion (AROPE).[6] This number can be expected to have increased due to the socio-economic impact of the COVID-19 pandemic. Reducing the number of people at risk of poverty or social exclusion by 15 million from 91 million to 76 million would only be a decrease of 16,5%, staying significantly below the ambition of the 2030 Agenda - even taking into consideration a shorter implementation timeframe. Moreover, while we welcome that a specific sub-target with regards to reducing child poverty specifically has been set, it is regrettable that it only aims at lifting at least 5 million children out of poverty, thereby also staying significantly below the ambition of the Agenda 2030.

As part of the Action Plan, the European Commission invites the Council and the European Parliament to endorse these three targets and calls on the Member States to define their own national targets. It is crucial that all Member States endorse these targets and set national ones to ensure that the EU jointly at least achieves, but hopefully exceeds these targets by 2030.

3. The role of the European Semester process in monitoring the implementation of the Social Pillar

The Action Plan highlights the importance of the European Semester process for monitoring the implementation of the Social Pillar at national level. While we fully agree with the importance of the European Semester process in this context, we regret that the Action Plan does not further detail how the European Semester process will be reformed after the exceptional 2021 cycle to strengthen its capacity to adequately monitor the implementation of the Social Pillar. Social Platform has made recommendations for the reform of the European Semester process to achieve this objective, emphasising that social, environmental, economic and fiscal priorities must be balanced throughout the European Semester process and all its documents.

4. Social Scoreboard revision

[3] Eurostat. Statistics explained. Employment - quarterly statistics.
[4] Idem.
[5] UN Sustainable Development Goals. Goal 1 No poverty
[6] European Pillar of Social Rights Action Plan

Good data collection will be crucial to support the implementation of the Social Pillar. We therefore welcome the upcoming revision of the Social Scoreboard. In in our view, the Social Scoreboard must fully cover all 20 Pillar principles and better disaggregate data by population groups and household types. This is indispensable to ensure that collected data reveals existing barriers to equal rights and opportunities for various groups in vulnerable situations, enabling EU and national level policy-making to address these barriers and ensure that adopted measures actually reach groups in vulnerable situations.

Annex 2 of the Action Plan demonstrates that the European Commission plans to add more indicators, which are very welcome, but a lot more are needed to ensure that the Social Scoreboard fully covers all 20 Pillar principles. Moreover, it currently remains unclear in the annex how much more disaggregation of data by population groups, with a focus on groups in vulnerable situations, will be undertaken.

5. Stakeholder involvement

The Action Plan rightfully underlines that all stakeholders, including civil society organisations, have a role to play in implementation of the Social Pillar. However, the Action Plan then only refers to the need to strengthen social dialogue at EU and national level. While this is important, we regret that similar efforts are not encouraged for civil dialogue, which is insufficiently recognised and structured, especially at national level. Civil society organisations represent the interests of people, including those who are in the most vulnerable situations and underrepresented in policy-making. They also represent social economy actors and not-for-profit social service providers, who support millions of people in their day-to-day lives. Civil society organisations can therefore contribute crucial expertise to ensure that policies and legislation correspond to the lived realities of people, including those in the most vulnerable situations who, otherwise, are often not reached by mainstream policies.

We however strongly welcome that the European Commission encourages Member States to organise a coordination mechanism to ensure engagement of all relevant stakeholders in the implementation of the Social Pillar. We call on all Member States to organise such a coordination mechanism and ensure that civil society organisations are fully involved in all steps of the policy-making, implementation, evaluation and monitoring process.

6. Coherence of the Action Plan with other EU initiatives

We strongly regret that the Action Plan does not address the question of its coherence with other EU initiatives. Indeed, while it briefly refers to other overarching initiatives like the UN Sustainable Development Goals (SDGs) and the European Green Deal, it does not establish coherence between these and other initiatives, detailing how all of them contribute to the same goals. Moreover, in the context of a lack of an overarching EU post-2020 strategy, it remains unclear how all of the EU's ongoing and upcoming thematic strategies and initiatives contained in the Action Plan as well as the above-mentioned broader frameworks will contribute to the same objectives.

7. Conclusions and outlook

The European Commission foresees a review of the Action Plan in 2025, setting further action at EU level to achieve the 2030 targets. As the proposed Action Plan does not foresee action on all 20 Pillar principles, it is crucial that this review fills in the blanks and ensures that comprehensive and ambitious action is taken on all 20 Pillar principles.

Considering the above-mentioned shortcomings of the Action Plan, ambitious implementation of the Social Pillar at all levels of governance is key to ensure Europe's social recovery from of the COVID-19 pandemic. Only then can the Social Pillar truly be the compass of Europe's recovery and the best tool to ensuring no one is left behind.

This is the time for the EU and Member States to take action, demonstrating to people across Europe that they are fully committed to building a more resilient, socially just and inclusive Europe.