

December 8, 2014

To: Ministers for Employment and Social Affairs

Safeguarding the social dimension of Europe 2020 and keeping the fight against poverty and social exclusion on the European agenda

EPSCO Council of December 11, 2014

Dear Minister,

Following the publication of the 2015 Annual Growth Survey (AGS), Social Platform is concerned that the AGS 2015 will not deliver the "triple A" social rating promised by Commission President Juncker. Europe 2020 and particularly the headline target to fight poverty and social exclusion seem to be pushed down further on the list of EU priorities, with social concerns considered on a secondary level in the context of structural reforms. We also strongly regret that the social indicators included in the Macroeconomic Imbalance Procedure (MIP) are still not put on equal footing with the economic ones beyond employment.

Whereas we welcome the intention to create more and better jobs under the investment pillar of the AGS, this cannot be done at the expense of social inclusion. Sustainable and inclusive growth will only be achieved if it is accompanied by investment in ambitious and integrated social policies that go beyond employment, in line with the 2013 Social Investment Package.

What is urgently needed is the reinvigoration of Europe 2020 and all its headline targets and the commitment to include a strong social dimension in the European Semester 2015.

We therefere ask you to discuss and express in your conclusions the following:

- 1) **Develop policy guidance to member states to fight poverty and social exclusion** as a high priority on the Europe Agenda through a multidimensional approach that goes beyond employment policies, ensuring amongst others access to adequate social protection and services.
- 2) **Insist on the investment in ambitious and integrated social policies**, including social protection and social services, in line with the Social Investment Package and recommend that national expenditure on social policies should be safeguarded from any fiscal consolidation measures.
- 3) Request that the social impact of all projects to be funded in the context of President Juncker's Investment Plan is assessed to ensure that it brings social progress, in particular to those needing it the most, and real added value to the EU as a whole.
- 4) Insist that the European Commission holds to their commitment to better balance economic and social policies by upgrading the social indicators in the MIP. This should be accompanied by a system that triggers preventive and corrective actions once the indicators reach a set threshold. Thresholds should be defined for all social indicators, including those regarding poverty and social exclusion, next to the ones concerning employment.
- 5) Organise joint meetings with ECOFIN to discuss political and practical strategies to ensure that social and economic concerns are put on an equal footing within the MIP as well as throughout the European Semester, in line with the proposal of Commissioner Thyssen at this year's Annual Convention of the Platform Against Poverty and Social Exclusion.
- 6) Reinforce Europe 2020 and the Semester process by taking up the European Parliament recommendations, of its 2014 Report on the European Semester and its Resolution on EU2020.

We hope you will take into account these important issues during your discussions. We remain at your disposal should you require any further information.

Yours sincerely,

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