



To:

EPSCO and ECOFIN ministers of the EU Member States

Via email

Brussels, 11 March 2024

Dear Ministers,

RE: Strengthen social investments for a strong, just, and resilient Europe

Ahead of the Jumbo EPSCO-ECOFIN Council meeting on 12 March, [Social Platform](#) welcomes the initiative by the Belgian Council Presidency to break out of siloed decision-making and better align economic and social policy-making at ministerial level. We see this as a good step in the right direction and encourage future Council Presidencies to organise this important exchange regularly.

Economic policies and decisions on reforms and investments must be made while accounting for their impact on people. Social consequences are too often an afterthought in economic decision-making. A strong European economy must put people first, only by tackling social inequalities and making necessary social investments can we ensure a prosperous Europe. To do so, we must ensure the necessary fiscal space for urgently needed social investments.

We are starting to see political backlash against climate policies. This is not because people disagree with the [need to fight climate change](#). People are fearful for their future and feel left behind. Insufficient measures are in place to address the social impacts of the green transition, which hit low-income households and vulnerable groups the hardest. Indeed, energy poverty, material deprivation levels and the number of households in financial distress have been on the rise.

Strengthening social investments will ensure people are no longer left behind. Member States need to make investments in areas like quality affordable and social housing, childcare, education and social services and supports. Such investments bring important social and economic returns. They help build more inclusive societies, make economies more resilient and protected from shocks, enable people to be more productive and help prevent the tremendous economic costs of inequalities in the long run.

The EU Recovery Fund was labelled a “success story” by the European Commission, supporting convergence and the preservation of public investments for greater shared prosperity. We must build on this success and guarantee that Europe has the public finances to carry out the deep transformation towards an economy that works for people. However, the revised EU fiscal rules and calls for a restrictive fiscal stance in the Eurozone risk triggering a wave of cuts in public budgets across Europe. This is the exact opposite of what Europe needs today to face the many challenges of tomorrow.

We call on you to increase social investments in your national budgets, strengthen cooperation and policy coherence between EPSCO and ECOFIN filières at national and EU levels, including in the European Semester, and pave the way for a RRF-follow-up instrument post-2026, with mandatory earmarking for social investments.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Laura de Bonfils".

Laura de Bonfils, Secretary General of Social Platform

Social Platform is the largest civil society alliance fighting for social justice and participatory democracy in Europe. Consisting of 45 pan-European networks of 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 acknowledges the financial support of the European Commission's Citizens, Equality, Rights and Values Programme (CERV) programme.

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