POLICY POSITION

Eurochild Policy Position on a Renewed Social OMC

It is widely acknowledged that to reach the poverty targets set within the Europe 2020 Strategy cooperation in the field of social policies (that has taken place within the framework of the Social Open Method of Coordination (OMC) since 2000) needs to be reinforced.\(^1\) The past ten years have given the EU and its member states valuable experience in cooperation on social issues. Development on child poverty and social exclusion since 2000 owes a lot to the Social OMC and in particular to its social inclusion strand.

Currently, the Social Protection Committee (SPC) is preparing an opinion on adapting the Social OMC to the Europe 2020 framework, which is to be submitted to social affairs ministers in June. At the EPSCO Council in March 2011 the same ministers had already stated that the Commission and the member states should “clarify with the relevant stakeholders, and in the light of the experience of the first European Semester, how best the OMC can contribute to the governance of the Europe 2020 Strategy and to the implementation of the objectives of the [European Poverty] Platform and vice versa.”\(^2\)

Clarification and backing for a new Social OMC is very much needed, especially given the new reporting and governance structure introduced by the Europe 2020 strategy and the constraints the European Semester cycle can impose on social inclusion policies. The OMC, although not without its weaknesses, is now the key to uphold and reinforce a distinct process owned and driven by the social agenda for the next ten years.

A revived Social OMC would have to overcome its former weaknesses:

- The failure to integrate the coordination process into national policy making;
- The lack of ownership at national level and little political leadership at EU level resulting in insufficient visibility and commitment;
- And a range of governance and implementation issues, including poor mainstreaming of social inclusion priorities in other areas and low stakeholders’ involvement at national/local level and insufficient targeting through European structural funds.

At the same time, the new Social OMC should build on its achievements thus far:

- The commonly agreed objectives and indicators;
- The significant increase in knowledge base on poverty and social exclusion in the EU and the emergence of new thematic priorities;
- The collection of valuable research and data;
- Good practices of stakeholders’ participation – in particular involvement of people experiencing poverty and civil society networks;
- Transfer of experience in policies and practices across the EU through peer reviews, partnership with civil society networks etc.;

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Eurochild, having been involved in analysing the National Action Plans on social inclusion (NAPs/Inclusion) and developments under the Social OMC until now, regards it of key importance that there was a shift over the past ten years to acknowledge children as rights holders. Targeting child poverty and well-being has gradually addressed children in their own rights, distinguished from family policy. We believe this approach must be maintained and child poverty has to be mainstreamed in a holistic way across other policy areas. In order to achieve that and many other concrete outcomes the political value, the coordination and the significance of the process has to be enhanced. Even more so, since the entry into force of the Lisbon Treaty, as its horizontal social clause (Article 9 of the Treaty) gives a boost to the social dimension.

The new OMC should continue to offer an integrated approach across all its three strands (social inclusion; pensions; and health and long term care). However, due to Eurochild’s experience, this document focuses mainly on the social inclusion strand of the Social OMC; without prejudice to the importance of pension and health and long-term care policies. Eurochild believes that a strong renewed Social OMC should include the following tools and processes at national and EU levels.

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<th>MEMBER STATE LEVEL</th>
<th>EU LEVEL</th>
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<td><strong>National Reform Programmes (NRPs) that reflect strong commitment to address poverty and social inclusion.</strong></td>
<td><strong>Annual growth surveys (AGS) that also assess the implementation of EU targets and mainstreaming of poverty and social inclusion policies in other areas.</strong></td>
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<td>Specific <strong>national strategies on poverty and social inclusion</strong> developed by each member state as a part of national policy making processes followed by a detailed report to the EU every 3 years.</td>
<td>Development of <strong>EU guidelines on national poverty and social inclusion strategies</strong> and <strong>Tri-annual Joint Report on social inclusion and social protection at EU level.</strong></td>
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<td>National operational programmes on spending of <strong>structural funds</strong> should provide detail on how the envisaged spending programmes reflect national strategies and EU priorities.</td>
<td>Development of an <strong>EU toolkit</strong> to assess operational programmes according to social inclusion and social protection objectives.</td>
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<td>Continued work of the <strong>Indicators Sub-Group</strong> of the SPC and development of indicators portfolio according to thematic priorities.</td>
<td>Detailed <strong>analysis of commonly agreed indicators</strong> across the whole poverty and social exclusion portfolio every 3 years (linked to the Joint Report).</td>
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Deepening of **exchange and learning on policies and practice** on social inclusion and social protection through Peer Reviews, research activities and analysis.

**Annual Convention on social inclusion and social protection,** as a tool of stocktaking the situation across the EU, present draft work programme developed by the SPC in cooperation with the European Commission for the following year, that is open to including representatives from local/regional governments, trade unions, professional associations and NGOs.

**Thematic priorities,** followed by stronger policy recommendations and implementation.

Partnerships with **external stakeholders** and their on-going involvement.
NRPS AND THE ANNUAL GROWTH SURVEY

The ‘inclusive growth’ elements of the Europe 2020 strategy provide an opportunity to adopt a systematic and coherent EU approach in the areas of social inclusion, including tackling child poverty and promoting child well-being. The Social OMC should feed into all implementation stages of the Europe 2020 strategy, including the National Reform Programmes (NRPs). The NRPs also have to reflect the strong commitment to address poverty and social inclusion. Under the policy areas of employment, economy, education, and environment the NRPs have to take account of how poverty and social inclusion targets will be met.

Within the European Semester cycle, the Annual Growth Survey (AGS) will be published every January to help the drafting process of the NRPs. Therefore, the AGS should contain a specific chapter on poverty and social exclusion that assesses the implementation of EU targets and the mainstreaming of poverty and social inclusion objectives in other policy areas.

Member states should also introduce supplementary national sub-targets at different levels of government. Such a framework would also help member states in building the NRPs on an extensive social agenda.

Furthermore, a specific EU target and a (sub-)national target related to child poverty and well-being should be introduced in addition to the poverty target.

NATIONAL STRATEGIES ON POVERTY AND SOCIAL INCLUSION

It is crucial that the new Social OMC builds on the commonly identified policy objectives, and reinforces them through greater ownership of targets at national level. Member states should no longer be able to draft reports independently of national policy-making, and use "OMCs as a reporting device rather than one of policy development".

Therefore all member states should implement multi-annual national strategies on poverty and social inclusion as an integral part of their national policy-making processes, which are in line with the common objectives. As every member states should have a national strategy, those countries where this is not yet the case need assistance and encouragement to create such multi-annual strategies. The national strategies should be drawn up reflecting country-specific circumstances, and can have different timeframes and starting points. The SPC would continue to define, together with the Commission and the member states the main policy objectives; however it would be the national ministries of social affairs that have to own the process by coordinating the national strategies on poverty and social inclusion, and mainstreaming these policies within their national decision-making processes.

Eurochild underlines that by integrating the Social OMC procedure into multi-annual national strategies, the entire process could gain coherence, purpose and visibility; and the common objectives could be reinforced and monitored in way that gives larger ownership to the countries and greater weight to target-setting at national level.

To ensure a regular and rigorous monitoring process, member states would need to submit a detailed report to the European Commission on their national policy development every three years, regardless at what point they are in their national strategies’ cycle. This would supplement the annual cycle of the NRPs. Member states’ reports will have to be in line with the commonly agreed objectives and indicators; and drafted in a structure that is based on guidelines provided by the EU so that member states can identify challenges, involve stakeholders in finding solutions, monitor progress, and include examples of good practices in their report.

The European Commission would gather the member states’ reports and prepare a Tri-annual Joint Report on social inclusion and social protection six months after their deadline for submission. Thus, the Commission would have to evaluate every three years the policy developments on social inclusion and social protection at EU level and set common EU priorities for the next cycle. It would also assess the national strategies on a case-to-case basis, prepare country-specific recommendations and provide guidelines for future policy development.

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Commission should also produce indicators that can measure the quality of national strategies and provide a comparative analysis of attained improvements at national levels.

**LINKING SOCIAL AND TERRITORIAL COHESION**

Until now, the European structural funds have not been sufficiently aligned to assist member states in the implementation of social inclusion objectives. They could now become a key element of the national strategies. It is important to ensure that operational programmes for both the European Social Fund (ESF) and the European Regional Development Fund (ERDF) detail how the spending reflects the national strategies and the common EU priorities of the Social OMC. Spending under the ERDF should be more tailored to address priorities and challenges of social, employment, training, and education policies.

The EU should develop a toolkit to assess operational programmes according to social inclusion and social protection objectives, encourage the effective use of structural funds and widen the allocations for social inclusion measures. This should include the possibility of using sanctions for the misuse of EU funds.

**INDICATORS**

There has been considerable progress in the development of commonly identified indicators to improve the analysis of poverty and social exclusion. These indicators should continue to help measure progress towards achieving the common objectives, as well as the Europe 2020 targets. The Indicators Sub-Group of the Social Protection Committee should maintain its responsibilities in developing the indicators according to the thematic priorities. There should be detailed analysis of commonly agreed indicators across the whole poverty and social exclusion portfolio every three years (linked to the Joint Report). To measure the specific target on child poverty and well-being broader indicators on well-being should be introduced.

**DEEPENING THE EXCHANGE AND LEARNING PRACTICES**

The potential of mutual learning was not fully exploited under the former Social OMC. Peer cycles are very efficient and visible forms of policy learning and exchanging best practices between member states. Therefore more attention should be paid to a systematic development of Peer Reviews. The annual planning cycle should be agreed by the SPC and external stakeholders, and their topics should reflect the thematic priorities, and support member states in the development of national strategies. The peer pressure should not only provide a chance for comparison, but should also benchmark national priorities and how they are governed. National research activities should be supported by EU-wide research and studies. Evaluation mechanisms of Peer Reviews have to take place at EU level, and have to involve European social networks and local actors to a much larger extent.

**ANNUAL CONVENTION ON SOCIAL INCLUSION AND SOCIAL PROTECTION**

Building on the former stakeholders’ Round Tables, the Annual Conventions should take stock of the situation across the EU and support member states in ensuring priorities on social inclusion and social protection within the European Semester, and analyse the social inclusion implications of the Annual Growth Survey.

These Conventions should present the work programme developed by the SPC in cooperation with the European Commission for the following year. This will include planning for all the tools and processes to be used – thematic priorities, peer reviews, studies, calls for projects, etc. – and should be based on consultation with stakeholders. The annual convention should be the point at which the activities of the year are evaluated and the upcoming programme is reviewed, for finalization before the end of the year. It must also be open to involve representatives from local and regional governments, trade unions, professional associations and NGOs.
THEMATIC PRIORITIES

A multi-annual work programme should continue to enable space for detailed analysis and exchange on thematic priorities of the Social OMC. Unfortunately, there has been little follow-up to previous thematic years. This should be overcome by a more systematic and structured approach to developing the thematic priorities that have already been agreed⁴, and basing new thematic priorities on appropriate instruments required for its implementation. Under the new OMC, the policy recommendations that follow a thematic year should be strengthened through appropriate tools and monitoring mechanisms.

As in 2007 child poverty and well-being was the first thematic priority of the Social OMC in 2013 focus should be on progress made in this area to follow-up on what has been achieved and on the implementation of the Commission Recommendation on child poverty and child well-being which is to be adopted in 2012. The Recommendation should draw upon the analysis of national policies on child poverty and well-being, and existing EU work on the development of indicators and benchmarking.⁵

In-depth national assessments of policy developments and action taken within the thematic issues should be integrated into the three-year report on the national strategies, under an additional chapter to facilitate reporting procedures on the thematic priorities. Also, as mentioned before, the thematic priorities should be more systematically linked to the mutual learning process of the Peer Reviews and ensure a regular involvement of stakeholders.

PARTNERSHIPS WITH EXTERNAL STAKEHOLDERS

It is important that the tools and processes developed at EU level have “buy-in” and on-going involvement of key stakeholders – including those experiencing poverty and social exclusion, the organisations that support them, service providers, local and regional authorities, researchers and policy makers.

These practices are also the route to ensure greater visibility and a more widespread dissemination of information. Member states will have to ensure the policies are monitored in a transparent way at national level. Stakeholders play a key role in informing the media and the public of the work carried out by governments and of the relationship it has with common European objectives.

Until now, stakeholders’ participation has not been sufficiently structured to meet the requirements of a transparent and evidence-based policy development. The involvement of stakeholders, including children and young people, in the instruments and processes developed at EU level should be much broader for the sake of an efficient and targeted social inclusion agenda. It has to be guaranteed that national strategies and reports are developed in a transparent and open process which provides opportunity for an effective involvement of stakeholders both at national and EU levels.

We also call for a significantly higher engagement of people, especially children, experiencing poverty and social exclusion and the organisations that support them, as well as targeted financial support to EU social networks to support the involvement of stakeholders at EU level, in recognition of their input to the social inclusion process in the past.

The SPC should continue to involve stakeholders in the procedures of elaboration and implementation (including the thematic priorities and Peer Reviews) and link it to research activities and studies carried out by professionals in the field.

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Eurochild is a network of organisations and individuals promoting the rights and welfare of children and young people in Europe. The network currently has 90 members in 32 European countries. Our work is underpinned by the United Nations Convention on the Rights of the Child.

Eurochild is supported by the European Community Programme for Employment and Social Solidarity (2007-2013). This programme is managed by the Directorate-General for Employment, social affairs and inclusion of the European Commission. It was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields.

The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries.

PROGRESS mission is to strengthen the EU contribution in support of Member States' commitments and efforts to create more and better jobs and to build a more cohesive society. To that effect, PROGRESS will be instrumental in: providing analysis and policy advice on PROGRESS policy areas; monitoring and reporting on the implementation of EU legislation and policies in PROGRESS policy areas; promoting policy transfer, learning and support among Member States on EU objectives and priorities; and relaying the views of the stakeholders and society at large.