



NACIONES UNIDAS
UNITED NATIONS

CEPAL
ECLAC



Instrumentos de la Unión Europea para apoyar los procesos de convergencia regional en el diseño de las políticas para la inclusión social y productiva

EU Instruments to support regional convergence processes within the framework of social and productive inclusion policies.

LIEVE FRANSEN

Directora de Europa 2020 – Dirección General Empleo, Asuntos Sociales e Inclusión de la Comisión Europea

RECÍPROCAMENTE

NAPOLI - 25/26 NOVIEMBRE 2014





EU Instruments to support regional convergence processes

Lieve FRANSEN

**Director, Europe 2020 Social Policies
DG Employment, Social Affairs and Inclusion**



The Mandate - the EU legal basis

Treaty on European Union

Full employment, social progress, the fight against social exclusion and social protection among the objectives

Treaty on the Functioning of the EU

High levels of employment, adequate social protection and exclusion are among the Union's objectives, and to be considered when developing policies.

EU Charter of Fundamental Rights

Ensures rights to certain working conditions, collective bargaining and striking, social security, healthcare, reconciling family and professional life



The Strategy – Europe 2020

Adopted in 2010 as the EU's strategy for smart, sustainable and inclusive growth

An integrated approach to growth and job creation building on five headline targets

Two targets in the area of social and employment policies:

- **Increasing the employment rate of the population aged 20-64 to at least 75% and**
- **Lifting 20 million people out of the risk of poverty and social exclusion**



The Instrument – EU level action

Policy guidance: Social Investment Package, White Paper on Pensions, Employment Package, Youth Employment Package, and guidance on modernisation of social protection systems

European Semester: an integrated way of monitoring Member State's economic, employment and social reforms and proposing country-specific recommendations.

Mobilisation of EU Funds: European Social Fund, EaSI, Youth Employment initiative, FEAD

Multilateral surveillance and in-depth thematic reviews through the Social Protection Committee



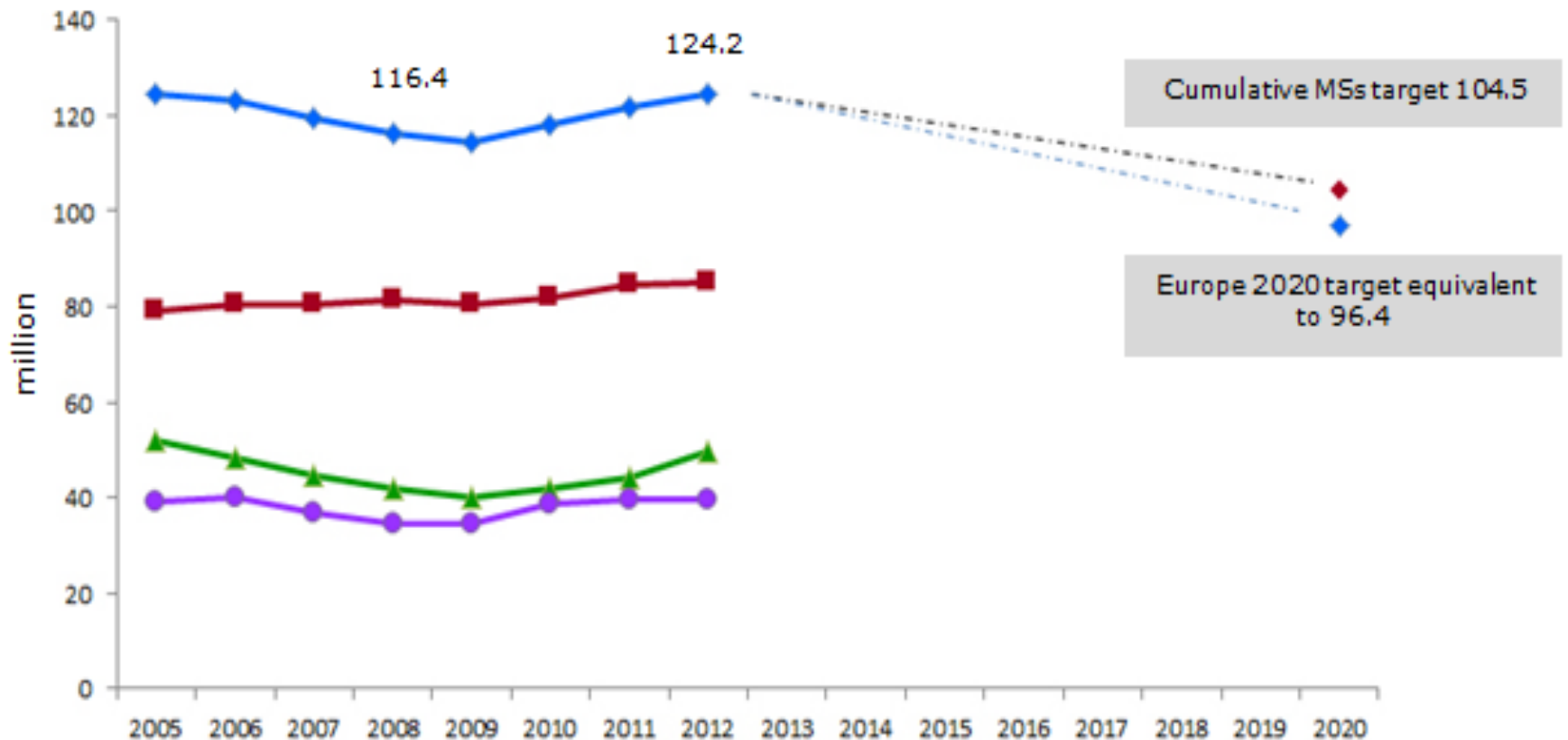
Tacking stock of the Europe 2020 Strategy

Between 2008 and 2012 there was **7.8 million** more people are at risk of poverty or social exclusion totalling **124.2 million** or **24.8%** of the EU28 population.

The EU employment rate stood at **68.4% in 2012** compared to 65.5 in 2010 and 70.3% in the peak year of 2008. Based on recent trends it is expected to increase to around 72% in 2020.

Increasing poverty and social exclusion

- At risk of poverty or social exclusion
- At risk of financial poverty
- Severe material deprivation
- Very low work intensity house holds





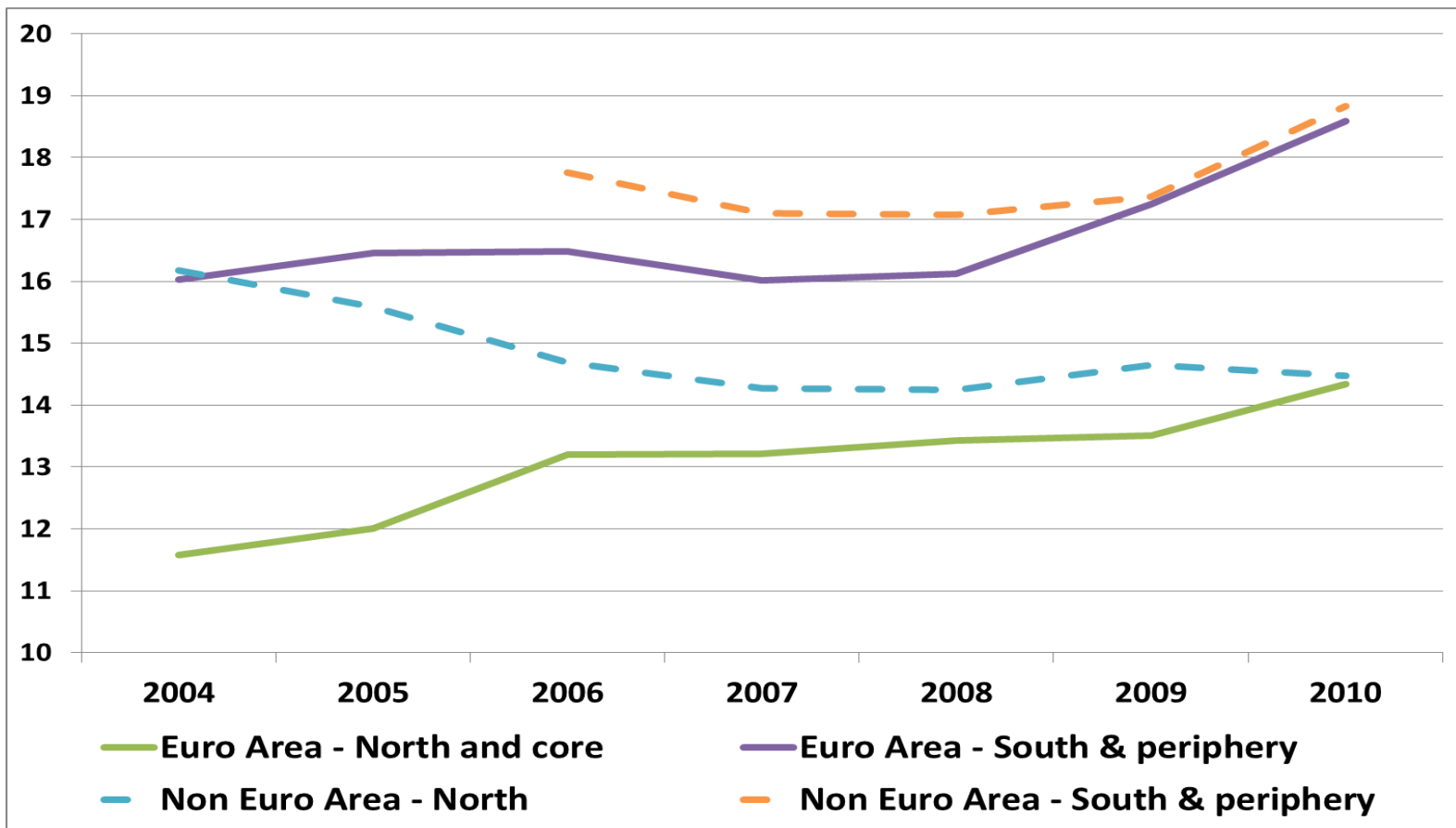
Increasing divergence between Member States

The overall trend masks growing social divergence between Member States and within Member States

Between 2008 and 2012 the AROPE rate has:

- **increased in 15 Member States,**
- **remained stable in 10 Member States and**
- **decreased in 2 Member States.**

Divergence in at-risk-of-poverty rates (18-64)



Source: Eurostat, DG EMPL calculations. Years refer to income reference years

Broader consequences of these social trends

Trends are problematic as differences in social protection and poverty result in:

- **long-term exclusion, loss of human capital and higher costs for future societies**
- **Divergences result in negative spill-over effects, impeding the social dimension of the EMU**



From divergence to convergence - The role of the EU

Support national welfare states at systemic level

- **Defining general social standards and objectives**
- **Leaving ways and means of social policy to Member States according to their social contexts**



Modernisation of social protection systems

A key priority of the new European Commission

Building on the Social Investment Package the approach has three essential elements to support more efficient and effective Social Protection Systems:

- **Support of participation in the labour market**
- **Preventive rather than curative measures**
- **Comprehensive**

Combined with EU level support through:

- **Targeted country-specific recommendations to modernise social protection systems**
- **Targeted analytical and financial support through the European Social Funds (17 billion euros over seven years to fight poverty and social exclusion), EaSI, FEAD.**

EU funds

European Social Fund

- **Main budgetary instrument for supporting structural reform and investment across EU Member States in the area of employment and social policy.**

Fund for European Aid to the Most Deprived

- **Addressing extreme forms of material deprivation**

Programme for Employment and Social Innovation

- **Supporting social policy innovations with the aim of scaling up successful programmes**
- **Micro-financing to provide start-ups for entrepreneurs**



The Open Method of Coordination and the SPC

An intergovernmental method that provides a framework for cooperation between the Member States

Rests on soft law mechanisms such as guidelines and indicators, benchmarking, peer pressure, and best practice.

The Social Protection Committee – OMC on social exclusion

- **An EU advisory committee for the Employment and Social Affairs Ministers**
- **Monitors social conditions in the EU and promotes discussion and coordination of policy approaches**
- **Ex-ante assessment of policy reforms**