



Brussels, 30 October 2015
To Vice President Valdis Dombrovskis
European Commission

Dear Vice President Dombrovskis,

Eurodiaconia is a network of 45 organizations in 32 European countries providing social services and working for social justice. Founded in the Christian tradition we work to ensure that our societies provide opportunities for all people to live in dignity and realize their full potential. Ensuring a social market economy that promotes inclusive growth remains a priority for our members and this is demonstrated by their engagement in the European Semester at national and regional level throughout Europe.

In advance of the commencement of the 2016 European Semester we would like to present several points that should be stressed in the 2016 Annual Growth Survey and as a result shape the ensuing National Reform Programmes and Country Specific Recommendations. The 2016 European Semester should ensure that the vision of smart, sustainable and inclusive growth guides policies at European and Member State level, reflecting the commitment to a Social Triple A and the Europe 2020 strategy.

The recently presented Communication from the Commission concerning Economic and Monetary Union¹ rightly stresses that the European Semester must address key priority issues of macro-economic and social relevance. We must underline that this will only be achieved if there is political commitment from the European Commission that is transferred into policy advice and recommendations to Member States. The starting point for such commitments must be in the Annual Growth Survey for 2016. The AGS should highlight not only the needs for change in social policies to support economic growth but stress the need for effective and efficient social policies for the well-being of society as a whole. Socially well performing societies are also economically well performing societies and the tight link between these two dimensions should be mainstreamed in the AGS and the whole Semester cycle. To this end we would propose that the Annual Growth Survey for 2016 should address the following points:

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Identifying spending on social protection, including social services, as an investment towards inclusive growth rather than a burden that needs to be reduced. In light of social spending's high social and economic returns, such outlays should not be subject to fiscal consolidation measures and be exempt from the Macro-Economic Imbalance procedure. Increasing spending on social protection that is both targeted and universal in application will contribute to the aim of upwards social convergence.

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Related guidance on the modernization of social protection schemes must not be solely focused on activation of people into the labour market but ensure the reduction of poverty and social exclusion across the life cycle. The Commission should encourage reforms of national social protection schemes which address poverty throughout the lifecycle, and which address extreme forms of destitution such as homelessness and food poverty in an integrated manner. This should subsequently also be pursued in the Country Specific Recommendations for 2016.

¹ Communication from the Commission to the European Parliament, The Council and the European Central Bank: On steps towards Completing Economic and Monetary Union COM (2015) 600 final





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Guidance given to member states on job creation must follow the principles of fair and decent work, ensuring no increase in work-related poverty, and should be supported by adherence to the principles of Active Inclusion as set down in Commission Recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market (2008/867/EC).

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The Annual Growth Survey should expand the 2015 emphasis on job creation in the health care sector to include the social care sector and encourage member states to invest in the needed training, education and employment conditions to promote quality employment in this sector.

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Stakeholder engagement in the European Semester must extend beyond social partners and include Civil Society such as the members of Eurodiaconia. Increased stakeholder engagement will ensure the legitimacy of the Semester, however such engagement must be timely and of quality. The European Commission could issue enhanced guidance to Member States on how to ensure such cooperation with stakeholders.

If the European Union wants to ensure sound and sustainable growth in the future it must encourage and incentivize Member States to invest in social policies, including social services. The Annual Growth Survey 2016 can reflect the importance of social policies to achieve smart, sustainable and inclusive growth.

We thank you in advance for your attention and remain at your disposal if you would like more information on our proposals.

Yours sincerely,



Heather Roy
Secretary General
Eurodiaconia

www.eurodiaconia.org

cc
Commissioner Marianne Thyssen
Alexander Italianer, Secretary General
Michel Servoz, Director General, Employment, Social Affairs, Mobility and Skills