



**Vice-President Valdis Dombrovskis
European Commission**

Vice-President for the Euro and Social Dialogue, also in charge of Financial Stability, Financial Services and Capital Markets Union

Re: Eurodiaconia reaction to the Annual Growth Survey 2018

Brussels, 13 December 2017

Dear Vice-President Dombrovskis,

On behalf of Eurodiaconia, a network of 45 social service and healthcare providers founded in the Christian faith, fighting poverty and promoting social justice in 32 countries across Europe, I am contacting you hereby in response to the 2018 Annual Growth Survey (AGS). Eurodiaconia brings together over 30 000 providers of services and advocates for social justice who work with hundreds of thousands of people every day. Our members have long-standing expertise in addressing social exclusion and care needs across our society, including the most vulnerable, and a strong commitment to fostering a more inclusive Europe.

Based on our members' involvement with the European Semester and on the social situation in Europe, we presented in September several proposals for the AGS 2018 to you, reflecting our members' common experience and values. Our network highly welcomes the Commission's increased emphasis on social objectives through the European Pillar of Social Rights and the 2018 AGS that reflect the Commission's continuous effort towards a more social approach of the European Semester.

We would nevertheless like to draw your attention to some concerns related to effective implementation of social objectives on the national level. Taking into account the 118 million people living at risk of poverty in the EU, we also believe the European Commission should show a bolder ambition in its reference to poverty reduction, including reducing in-work poverty.

Therefore, we would like to share with you some recommendations to capitalise on the positive momentum around the European Pillar of Social Rights, and to take effective steps against poverty and social fragmentation in the framework of the European Semester.

1. Enable Member States to increase social investment:

Eurodiaconia welcomes the importance the AGS attributes to the need for social investments in the areas of education and health, as well as in "affordable, accessible and quality services". Social investments should indeed be seen as opportunity to increase social cohesion and improve employment prospects, while receiving economic and social returns over time. However, it remains unclear how Member States will be able to significantly increase their social investments, while continuing structural reforms to improve public finances. **Therefore, Eurodiaconia calls on the European Commission to facilitate social investment by considering specific areas of public social expenditure with a high economic return for exemption from the corrective and preventive arm of the Stability and Growth Pact and the Fiscal Compact.**

2. Support quality employment as a requirement of social cohesion:

Eurodiaconia acknowledges the AGS 2018's call for "adequate job security and accessible social protection" for workers in all types of employment. Our network, however, regrets the little importance that is given to quality employment, despite the fact that high numbers of Europeans are employed in insecure and/or low income contracts, putting them at risk of in-work poverty. **We therefore call on the**

Page 1 of 2





Commission to ensure that the issue of quality employment is more prominently addressed in the next steps of the European Semester process.

3. Strengthen the EU's commitment to end poverty and social exclusion:

Eurodiaconia strongly welcomes the AGS's reference to 'social protection and inclusion to tackle inequality and poverty', as well as to the "right to minimum income benefits for people lacking sufficient resources". However, our network is concerned by the strong link between benefits and labour market participation that is established throughout the AGS, as this risks leading to increased conditionality of social protection schemes and thus might exclude those who are not able to take part in the labour market. **Our network therefore urges the European Commission to facilitate access to social protection, adequate minimum income benefits and quality services for everyone, independently of labour market activation measures.**

4. Facilitation of civil society involvement:

Eurodiaconia deeply regrets that stakeholder involvement and the role of civil society in shaping the European Semester has not been addressed in the AGS. Civil society organisations, including faith-based organisations and churches, can share valuable insights on the social situation and needs on the local level. They should therefore be consulted and systematically included in the European Semester process at European and national levels. Given the difficulties that even our largest member organisations experience for a meaningful involvement on the contents of National Reform Programmes at national level, **our network calls on the Commission to provide guidelines on stakeholder dialogue to strengthen the synergy between EU processes and local needs, as well as the democratic legitimacy of the European Semester.**

We thank you for the interest in our work and for the attention you will be giving to this letter, and in doing so, for the consideration you are giving to our members' work and experience. We hope that you will give the issues highlighted in this letter careful consideration in the ongoing process of the European Semester. My team and I remain available to discuss further these points or how our organisation can support you in working together for a European Union at the service of people and their wellbeing.

Yours sincerely,

Heather Roy

Secretary General

Eurodiaconia 

Rue Joseph II, 166
1000 Brussels, Belgium

Tel +32 (0)2.234.38.60

GSM + 32 (0)479 552780

heather.roy@eurodiaconia.org

www.eurodiaconia.org