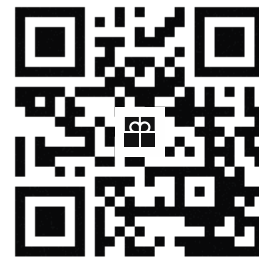


# Promoting shared prosperity in the European Semester

*Taking stock of the 2018 cycle and launching the 2019  
Semester*

# Eurodiaconia

Eurodiaconia is a **dynamic**, Europe wide **community** of organisations founded in the **Christian faith** and working in the tradition of Diaconia, who are committed to a Europe of **solidarity**, **equality** and **justice**. As the **leading network of Diaconia in Europe**, we connect organisations, institutions and churches providing **social and health services and education** on a Christian value base in over 30 European countries.



We bring members together to **share practices**, **impact social policy** and **reflect on Diaconia in Europe today**.

Eurodiaconia is a **dynamic**, Europe wide **community** of organisations founded in the

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# Executive Summary: Promoting shared prosperity in the European Semester

Eurodiaconia is a network of 46 organizations in 33 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.

Building on the two reports we published earlier this year<sup>1</sup>, a survey of our members' involvement in the Semester at national level, and on our general policy work, this paper aims at **taking stock of the evolutions of the European Semester in 2018, and at setting priorities for the coming cycle**. It therefore assesses whether the social challenges in the Member States have been adequately taken into account and if the key documents are effectively monitoring the implementation of the European Pillar of Social Rights – bearing in mind that this was the first cycle since its proclamation. Building on this, it **analyses the policy areas which should be the priorities in the next cycle in order to promote sustainable growth and shared prosperity**.

The report is organised in two sections. The first one provides a general assessment of the 2018 European Semester and looks at trends and evolutions in the way social issues are balanced with economic ones following the adoption of the Pillar.

The second section presents the policy priorities Eurodiaconia would like to see at the forefront of the coming cycle, taking into account our members' experience and the lessons learned from the 2018 Semester.

## Chapter 1: Assessing the 2018 European Semester: an increasingly social Semester which needs further efforts to reflect the Social Pillar

### 1.1 The 2018 Country Reports: an increased focus on social analysis which would benefit from better streamlining

- A section summarising Member States' performance on the Pillar would be a useful addition to the Communication accompanying the publication of the country reports.
- Improve the monitoring of the implementation of the European Pillar of Social Rights, beyond the box highlighting the country's situation with the indicators of the social scoreboard.
- Set up a systematic analysis of the implementation of each principle of the Pillar throughout all country reports. If some principles are chosen as political priorities for the cycle, give clear and transparent guidance to Member States and other stakeholders at the beginning of the Semester.

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<sup>1</sup> Eurodiaconia, *Rebalancing social and economic policy analysis in the European Semester; An appraisal of the 2018 Country Reports by Eurodiaconia and its members*, May 2018, available here:

[https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports\\_201806.pdf](https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports_201806.pdf)

Eurodiaconia, *Better social reforms to foster sustainable growth: An assessment of 2018 draft country-specific recommendations by Eurodiaconia and its members*, May 2018, available here:

[https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia\\_CSRS-assessment\\_201805.pdf](https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia_CSRS-assessment_201805.pdf)

- Add quantifiable targets to reach for all social scoreboard indicators, making use of the EU 2020 targets when possible.

### 1.2 The 2018 Country-Specific Recommendations: more social issues covered but still often with a fiscal sustainability or labour market angle

- Broaden the focus of the healthcare and pensions recommendations, which too often only concern fiscal sustainability and cost-effectiveness. These are important aspects but they should be balanced with questions of adequacy, affordability, or access more often in order to avoid impacting quality.
- Focus more on the issues of social housing and homelessness.
- Continue the efforts to rebalance economic and social recommendations, making sure that economic and financial recommendations do not contradict the recommendations given in the social field.

### 1.3 The National Reform Programmes (NRPs): a disappointing lack of evolution

- Make sure all NRPs are available in both English and the national language(s) in order to ensure their full accessibility by all European and national stakeholders.
- Promote a uniform structure between all NRPs so that they all have a part looking at the progress towards reaching the national 2020 targets, detailing what the target is and what the situation is now. Similarly, they should all have a part on the involvement of stakeholders which details how civil society is involved in NRP drafting, the Semester at national level, and reform-making in general.
- Use the NRPs as a way to report on the Social Pillar implementation, using the examples of the NRPs which put this forward in 2018.
- make sure all NRPs have a section in which they report on the social policy measures taken to tackle the most important social challenges.

### 1.4 The role of civil society: some improvements at EU level which are not mirrored in the Member States

- Continue the efforts to improve the involvement of civil society at EU level, especially the Strategic Dialogues.
- The results from the survey we did among Eurodiaconia membership show that this is not reflected at national level. Encourage Member States therefore to mirror these efforts and better include civil society in the process by considering them as important partners for reform-making in the social field, institutionalising consultation and participation processes that have a meaningful impact on the content of the NRPs and reforms, therefore valuing their input as key actors of the sector and eventually promoting a more inclusive and democratic Semester. Updating the NRP guidance to include this seems necessary, in view of the Social Pillar and the updated Employment Guidelines.

## Chapter 2: Social priorities for the 2019 European Semester

Using our policy work and our members' experience, we have drawn up the following priorities for the coming Semester cycle:

### 2.1 Promote quality employment to ensure sustainable growth and put an end to the increasing in-work poverty trend by

- Promoting job quality to build a sustainable path of economic growth and social development in the EU;
- Putting access to affordable and quality services at the heart of employment policies;
- Mainstreaming the role played by social services as an essential pillar towards sustainable job inclusion;

- Minding the degree of inclusiveness of labour markets, fighting discrimination and promoting equal opportunities for under-represented groups;
- Closely monitoring the adequacy of social protection for all types of workers, including those in non-standard employment, in line with the proposed Council Recommendation on access to social protection for workers and the self-employed;
- Using the European Semester to underscore the need for targeted efforts towards the employment and social integration of wider groups of people and leverage on EU funding. We support the new MFF proposal which highlights the need to couple EU funding with the priorities in the country-specific recommendations.

## 2.2 Tackle child poverty to promote equal chances for children in our societies by

- Recognising that children are the age group most at risk of poverty or social exclusion, and that child poverty has increased in some Member States.
- Encouraging direct support to families since a child's wellbeing depends heavily on the family in which he grows up.
- Promoting measures such as adequate child allowance and fostering participation in after-school activities.
- Breaking the intergenerational poverty cycle by promoting equal opportunities and putting greater emphasis on the fight against child poverty.

## 2.3 Provide targeted and tailored services for non-EU migrants, especially women, to promote their labour market participation by

- Highlighting that migrants' social inclusion depends on positive interactions between them and the host society.
- Recognising that obstacles to integration are numerous: limited access to the labour market and education, cultural or linguistic barriers, discrimination, lack of access to affordable housing and healthcare, limited access to social rights in general, etc.. These obstacles may be particularly felt by migrant women.
- Introducing measures at the national level that are tailor-made and give greater consideration to the specific challenges faced by migrants.
- Promoting the setup of an effective system at the national level that recognises migrants' skills, experience, and existing qualifications.
- Tailoring language courses to the needs and daily organisation of migrants, especially of women with caring responsibilities.
- Supporting mentoring programmes to foster integration on the labour market and social interactions with the local population.

## 2.4 Ensure affordable and accessible housing across Europe and tackle the growing homelessness challenge by

- Highlighting the growing challenges of homelessness and housing exclusion caused by structural factors (poverty, insufficient income, unemployment, lack of affordable housing) as well as relationship-based ones. The strong increase of rents over the last years and lack of adequate and affordable housing in many cities across Europe represent an additional risk for vulnerable people.
- Recognising that migrants (EU and non-EU) are particularly at risk of homelessness as they combine multiple risk factors.
- Addressing housing and the fight against homelessness throughout the entire European Semester cycle, in line with the principle on housing and assistance to the homeless of the European Pillar of Social Rights.

- Encouraging Member States to develop national strategies establishing access for all to a decent and affordable housing as a priority, to invest more in preventive measures to avoid homelessness, and to move towards a long-term vision with reintegration into permanent accommodation as an ultimate goal.

## 2.5 Increase the focus on health and social services to adapt to the ageing of European societies by

- Promoting a coordinated approach to coherently address the challenges associated to the rising demand of care provisions, the declining supply of carers and the financial pressures to deliver high quality health and social services;
- Promoting and monitoring the implementation of the measures contained in the initiative to support work-life balance;
- Using the Semester to stress the potential gains to be reaped from increase integration of health and social care services,
- Promoting socially responsible public procurement practices in line with Directive 24/2014/EU.

## Introduction: Eurodiaconia's work on the European Semester in 2018

Eurodiaconia is a network of 46 organisations in 33 countries, founded in the Christian faith and working in the tradition of diaconia. Representing over 30 000 local organisations, Eurodiaconia members provide social and healthcare services and promote social justice. They are engaged in all facets of social inclusion, from the integration of people with a migrant background, to work with disadvantaged youth, and elderly care.

**Eurodiaconia has been closely following the European Semester** process since its beginning in 2011. As a network and together with other civil society organisations, we have been calling for the inclusion of stronger social analysis within the European Semester and have published regular reports on the European Semester<sup>2</sup>, calling strongly on the European Commission to develop the social dimension of the European Semester, as macro-economic recommendations should not be made without carefully taking into account the potential effects on the well-being of citizens. Although aiming for economic growth is important, it should be balanced and go hand in hand with the **objective of shared prosperity**. This is particularly important at a time where the European Union and its support for globalisation are increasingly questioned by those citizens who are left aside or even losing from this process.

**Putting citizens' faith back into the European process comes through policies that promote the fair sharing of the benefits of growth within European societies.** Therefore, the network **welcomed the proclamation of the European Pillar of Social Rights in November 2017** as well as the use of the European Semester for the monitoring of its implementation. We published two reports this year, based on our members' input and assessing respectively the country reports<sup>3</sup> and the country-specific recommendations<sup>4</sup>. We also welcome the renewed call for investing in reforms and for promoting social investment in this cycle. We call for the 2019 cycle to pursue this trend and strengthen it, in line with the negotiations of the new MFF and the proposal for a new Reform Support Programme.

Building on the two reports mentioned above, a survey of our members' involvement in the Semester at national level, and on our general policy work, this paper aims at **taking stock of the evolutions of the European Semester in 2018, and at setting priorities for the coming cycle**. It therefore assesses whether the social challenges in the Member States have been adequately taken into account and if the key documents are effectively monitoring the implementation of the European Pillar of Social Rights – bearing in mind that this was the first cycle since its proclamation. Building on this, it **analyses the policy areas**

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<sup>2</sup> Eurodiaconia, [European Semester 2015: Evaluation and Recommendations](#)

<sup>3</sup> Eurodiaconia, *Rebalancing social and economic policy analysis in the European Semester; An appraisal of the 2018 Country Reports by Eurodiaconia and its members*, May 2018, available here: [https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports\\_201806.pdf](https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports_201806.pdf)

<sup>4</sup> Eurodiaconia, *Better social reforms to foster sustainable growth: An assessment of 2018 draft country-specific recommendations by Eurodiaconia and its members*, May 2018, available here: [https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia\\_CSRS-assessment\\_201805.pdf](https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia_CSRS-assessment_201805.pdf)



**which should be the priorities of the next cycle in order to promote sustainable growth and shared prosperity.**

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The second section presents the policy priorities Eurodiaconia would like to see at the forefront of the coming cycle, taking into account our members' experience and the lessons learned from the 2018 Semester.

## [Chapter 1: Assessing the 2018 European Semester: an increasingly social Semester which needs further improvement to reflect the Social Pillar](#)

Eurodiaconia and its network recognise and welcome the **increased focus on social policies in the European Semester** in 2018, which has also been reflected in the Country Reports (CR) and Country-Specific Recommendations (CSRs). Following the proclamation of the European Pillar of Social Rights, the European Semester now needs to prove that it can effectively play the expected crucial role of implementation monitoring framework for the Social Pillar.

Several issues which Eurodiaconia had been calling for have received more attention recently within the European Semester outputs. The 2018 Country Reports for example, stress the importance of investments in improving social safety nets and social infrastructures, including social housing. Although there is still some way to go, the last two years mark a shift of perception **from social expenditure as costs towards considering them as investments**, which help to build more resilient economies. In addition, the European Commission also recognized the problematic issue of **in-work poverty**, which has significantly increased across Europe recently and currently affects about 10% of all workers. In this regard, Eurodiaconia welcomes the Commission's attention to **quality employment**.

You will find below a more detailed analysis of the different outputs of the 2018 European Semester.

### [1.1 The 2018 Country Reports: an increased focus on social analysis which would benefit from better streamlining](#)

The proclamation of the European Pillar of Social Rights provides a unique opportunity to enhance the social analysis within the European Semester and achieve a better balance between economic and social reforms. Expectations have therefore been high, and while the Country Reports and the Communication from the Commission<sup>5</sup> have visibly taken the Social Pillar into account, this remains below expectations. In our analysis of the 2018 country reports published this summer thanks to the input of our members<sup>6</sup>, we make the following points.

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<sup>5</sup> [https://ec.europa.eu/info/publications/2018-european-semester-communication-country-reports-0\\_en](https://ec.europa.eu/info/publications/2018-european-semester-communication-country-reports-0_en)

<sup>6</sup> Eurodiaconia, *Rebalancing social and economic policy analysis in the European Semester; An appraisal of the 2018 Country Reports by Eurodiaconia and its members*, May 2018, available here:

Firstly, a **section summarising Member States' performance on the Pillar** would be a useful addition to the Communication accompanying the publication of the country reports. This would provide a short analysis of the general state of implementation of the European Pillar of Social Rights in the EU, before going into the country-specific analysis – it could be used for comparison's sake, and to keep watch on the global implementation trends in the EU.

Secondly, we regret that the **monitoring of the implementation of the European Pillar of Social Rights has mainly been included through a box reflecting the results of the Social Scoreboard**. The addition of this box is an improvement and adds value to the country reports compared to previous years. However, the Social Scoreboard fails to reflect the entire Social Pillar. In particular, the principles concerning social inclusion are not well reflected through the Social Scoreboard and are thus hardly included in the Country Reports. This is partly due to the difficulty of quantifying such policies and thus calls for a wider analysis of the Pillar implementation, beyond the social scoreboard.

A **systematic analysis of the implementation of each principle of the Social Pillar throughout all Country Reports** would be the way to achieve this goal. It would clearly identify each principle, match laws and policy measures to them, and follow with an evaluation of their implementation and reforms. This would allow for more consistency throughout the country reports and would be complemented by the Pillar box.

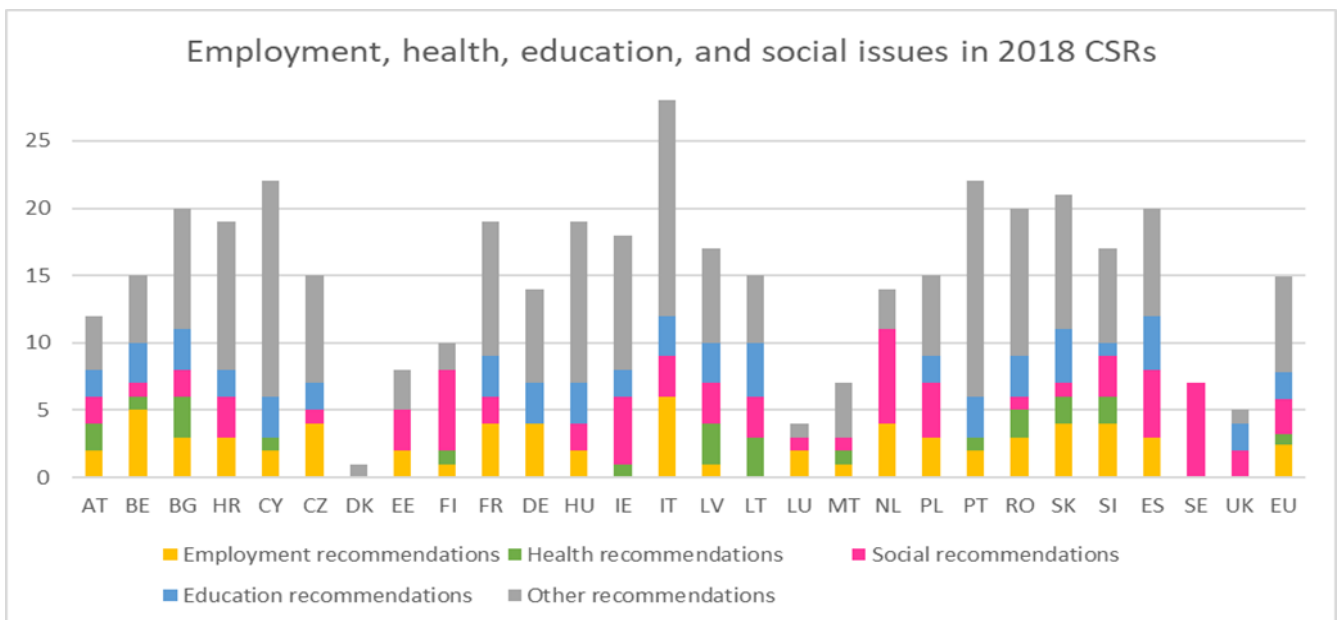
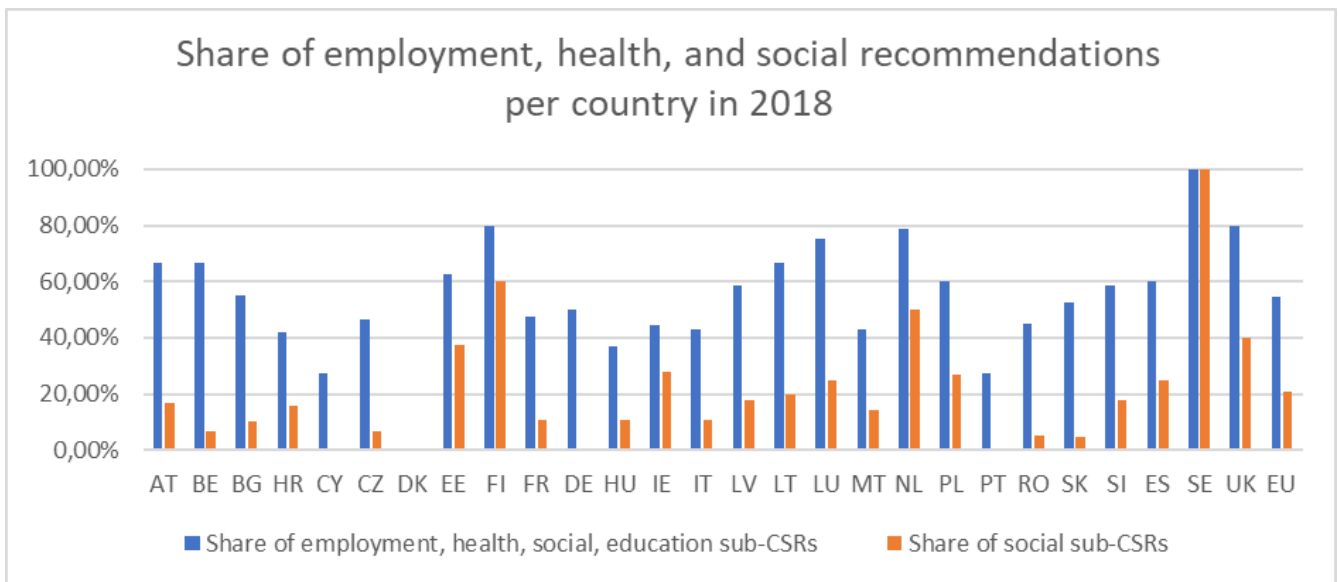
We understand and support the ambition of the Commission to focus each year on a couple of specific principles. Within the proposed consistent structure for analysis, the chosen principles could therefore be subject to longer analysis, but the implementation of the others would still be assessed (though in a perhaps shorter manner). Furthermore, we would call for a clear, **transparent announcement of the prioritised principles at the beginning of the European Semester cycle**. There, the Annual Growth Survey (AGS) is probably the best document for such yearly focus to be explained. This would be more transparent, and would allow for non-for-profit organisations such as ourselves to provide more strategic input, targeted towards the priorities of the Commission.

Finally and coming back to the scoreboard, **adding quantifiable targets to reach for all social scoreboard indicators** would make it clearer, since the comparison with other member states' performance is not easily understandable and does not reflect the whole picture of the country's performance (doing better than an average which is poor means that there is still much room for improvement). Moreover, this would be a **good way to combine the EU 2020 targets with the Social Scoreboard**, and keep visibility and momentum for both instruments rather than having one undermine the other.

## 1.2 The 2018 Country-Specific Recommendations: more social issues covered but still often with a fiscal sustainability or labour market angle

**This year’s country-specific recommendations (CSRs) covered more social issues than previous years:** according to the European Commission, “the share of social sub-parts grew from 41% to 44%”<sup>7</sup> in 2018. This can probably be attributed to the integration of the European Pillar of Social Rights in the country reports, and is a welcome evolution. Hence, all member states received at least one recommendation on a social challenge, except for Denmark.

However, the Commission’s understanding of “social CSRs” is very broad since it encompasses all recommendations related to employment, health, education, and social policies. When looking in more details therefore, **the share of recommendations actually related to social challenges is much lower**, and only corresponds to 21% of all CSRs on average. It varies from 0% for Cyprus or Portugal to 100% for Sweden, as can be seen on the graph below.



<sup>7</sup> According to the presentation given by the European Commission during the Strategic Dialogue of 02/07/2018. Our calculations come up with 55% compared to 50% in 2017.

Indeed, a **high number of so-called “social” recommendations focus on employment and labour market challenges, which are often quite unrelated to social considerations**. The graph below shows the share of employment, health, education, and social recommendations per country compared to the total amount of sub-recommendations, and gives a better idea of the policy spread. The amount of social and employment recommendations is equal on average (2.5), then come education recommendations (2), and health ones (0.8).

However, when looking at the employment, health, education, and social recommendations in the light of the Social Pillar principles, its influence is particularly noticeable:

- **Principle 1 on education, training and lifelong learning:** 12 countries got a recommendation on skills this year compared to 6 last year;
- **Principle 17 on inclusion of people with disabilities:** 3 countries received a recommendation, whilst none had one in 2017;
- **Principle 18 on long-term care:** 3 Member States got a recommendation in 2018 compared to one the previous year (see table below for more details).

These evolutions go in the right direction, but there is **no room for complacency since many efforts remain to be done to better reflect social challenges in the recommendations**. Indeed, and as highlighted in our report on the 2018 draft country-specific recommendations<sup>8</sup>, **a lot of recommendations related to pensions and healthcare are focused on fiscal sustainability and cost-effectiveness**. The number of recommendations related to pensions and healthcare both increased by respectively 4 and 2 countries in 2018, but nearly half the pensions (AT, CZ, IE, IT, LU, MT) and healthcare (AT, IE, MT, PT, SK) recommendations focus solely on financial sustainability, without balancing these considerations with social ones such as adequacy, affordability, or access. The simple fact that most of them are located in the part dedicated to economic and fiscal recommendations is already very telling. In the end, there is indeed a **risk of impacting quality** if the recommendations on fiscal sustainability are not balanced with other considerations. Similarly, the **recommendations on housing are too often focused on market issues** and do not cover the growing challenge of homelessness in Europe – although the recitals have a more social angle for 3 out of 4 of the countries concerned (IE, NL, SE, UK).

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<sup>8</sup> Eurodiaconia, *Better social reforms to foster sustainable growth: An assessment of 2018 draft country-specific recommendations by Eurodiaconia and its members*, May 2018, available here: [https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia\\_CSRS-assessment\\_201805.pdf](https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia_CSRS-assessment_201805.pdf)

The 2018 CSRs compared to the principles of the European Pillar of Social Rights

Chapter 1: Equal opportunities and access to the labour market				Chapter 2: Fair working conditions				Chapter 3: Social protection and inclusion											
1. Education, training and lifelong learning T=20	2. Gender equality T=4	3. Equal opportunities T=11	4. Active support to employment T=11	5. Secure and adaptable employment T=4	6. Wages T=7	8. Social dialogue and involvement of workers T=5	9. Work-life balance T=4	11. Childcare and support to children	12. Social protection T=1	13. Unemployment benefits T=1	14. Minimum income T=3	15. Old age income and pensions T=14	16. Health care T=12	17. Inclusion of people with disabilities T=3	18. Long Term Care T=3	19. Housing and assistance to the homeless T=4	20. Access to essential services T=5		
AT, BE, BG, HR, CY, CZ, FR, DE, HU, IE, IT, LV, LT, PL, PT, RO, SK, SI, ES, UK	AT, CZ, IT, SK	AT, BG, BE, CZ, FR, HU, IT, LU, PL, RO, SK	BE, BG, CY, CZ, FI, DE, HU, IT, SK, SI, ES	NL, PL, PT, ES	BG, HR, EE, FR, DE, NL, RO	HR, DE, NL, PT, RO	IE, IT, PL, SK		NL	HU	BG, LV, RO	AT, BE, HR, CZ, FR, IE, IT, LT, LU, MT, NL, LV, PL, SI	AT, BG, CY, FI, IE, LV, LT, MT, PT, RO, SK, SI	CZ, EE, LV	AT, BE, SI	IE, NL, SE, UK	BG, FI, LV, RO, ES		

### 1.3 The National Reform Programmes: a disappointing lack of evolution

When analysing the 2018 National Reform Programmes (NRPs), the first striking feature is the complete lack of uniformity between the reports, both in terms of format and content. This is a source of great confusion, lack of transparency, and causes important variation in the quality of the reports. The first thing is that all NRPs are not available in both the national language and English. Indeed, **two NRPs are only available in English (EE and SK)** which does not facilitate greater national ownership and national stakeholder involvement. Conversely, **seven NRPs are only available in the national languages (BE, DE, HR, FR, IT, PT, and ES)** which impedes transparency and stakeholders engagement at EU level<sup>9</sup>. Concerning content – and keeping the focus on social matters, **only 13 out of the 27 NRPs give a clear indication of the country's progress towards reaching the national 2020 poverty target**. The others usually dedicate a part to it but without mentioning the progress, except for BE and SI where the EU 2020 target is barely mentioned. Similarly, **the involvement of stakeholders**, and especially of civil society, in the Semester process and NRP drafting at national level **is only mentioned in 15 out of 27 NRPs**.

This is also an area where the European Pillar of Social Rights needs to be better streamlined if its implementation at national level really is to be monitored in the Semester, since **only 8 NRPs mention the Social Pillar, of which only one (FR) integrates it significantly**, beyond mentioning it in the introduction (it is discussed in the part on social reforms and has a dedicated box in the Europe 2020 targets section). There seems to be a need to **update the NRP guidance to take the Social Pillar into account**. This would also be a **good opportunity to aim for better uniformity in the structure and content of NRPs**, in order to improve the quality, transparency, and accessibility of these documents. This update of the NRP guidance could **get inspired by the best practices in NRP drafting this year**, such as the way the Social Pillar is included in the French one, or how all the key social aspects are covered in a clear and systematic way in the Irish, Polish, and Romanian NRPs.

When going into the details and based on our members' feedback, the NRPs go from highlighting some of the important social challenges (SK, NL) to not really covering the main ones (CZ, SE, AT, FI). Thus, although **our Slovak member, Evanjelicka diakonia ECAV na Slovensku**, welcomes the inclusion of the integration of the unemployed, of training and education, of childcare for children below three years old, of the integration of Roma people, and of the better social integration of disabled people, it regrets that the aging of society, youth unemployment, and reducing the risk of poverty and social exclusion in all the population (not only for Roma) are not given higher prominence. Similarly, **Kerk in Actie welcomes the extensive analysis of the challenges represented by the over-flexibility of the Dutch labour market** (pressing down effects on wages, social uncertainty, increase of in-work poverty), as well as some of the proposed measures. Likewise, the proposed reforms to tackle in-work poverty and child poverty are judged to be likely to have positive impacts. They underline however that although the announced measures to tackle over-flexibility are a progress, they do not deal with the heart of the problem which is that over-flexibilisation makes work cheap: the measures proposed reduce inequalities by diminishing the protection of fixed-term contracts, but this will keep pushing for cheap labour. Moreover, our member laments the lack of focus on the distressing situation of disabled people at the bottom of the Dutch labour market in the 2018 NRP.

**Our Czech member, Slezska Diakonie**, considers that this year's NRP does not really cover the main social challenges which are the ageing society, the increasing number of people with memory disorder, the increasing number of young people facing drug addiction, the reform of psychiatric care to make it more community-based, the support to family members who care for disabled people, and the position of social work in the Czech society. They highlight that a full implementation of the national reform of psychiatric care, and a strengthening of the interconnections between social and healthcare systems to move towards an integrated care system should be the prioritised social reforms in the Czech Republic.

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<sup>9</sup> This prevented the author of this section from analysing four of the NRPs (DE, HR, IT, PT).

**Church of Sweden** also considers that the Swedish NRP does not really cover the main social challenges, since social work and a focus on social inclusion rather than on employment are clearly missing. Besides, the integration of migrants, social inequalities, mental health issues, and tackling social exclusions are not highlighted enough in the report which our member considers is quite abstract and does not mention all ongoing social initiatives. Similarly, **Diakonie Austria** considers that the 2018 NRP is not very relevant to their work since it mainly focuses on education policies.

Finally, **the Salvation Army Finland** welcomes the mention of the reform of counties, social, and health care, as well as the employment reforms. However they highlight the potential negative impacts of the reform of counties, social, and health care: experts' opinion divert from the views of the government, and there are fears that the reform will be done in a hurry before next spring's elections. This reform may also affect the funding of non-for-profit organisations which currently comes from municipalities. Furthermore, the reform will impact services and their availability: Finland being a large, sparsely populated country, the reform will weaken the availability of services in large parts of it by concentrating services, which will no longer be close to people. Similarly, the employment reforms do not cover some important challenges, such as the difficulty to access services equally across the country, and the potential negative effects of tightening the employment benefits. Additionally, the Salvation Army Finland considers that two main social challenges are missing from the 2018 NRP: the controversial issue of the freedom of choice in social and health care services for vulnerable people (weak, poor, suffering from mental health, drug addicts), and the need for affordable housing since housing costs in metropolitan areas are excessively high compared to income and likely contribute to the current high households debt levels.

#### 1.4 The role of civil society: the improvements at EU level are not mirrored in the Member States

**The effective involvement of civil society organisations at all levels in the European Semester** process is a key pre-condition for making the European Semester more social. Civil society organisations have a different perspective on many aspects of society and have valuable insight, especially in the area of social inclusion. Besides, they have on-the-ground knowledge and are key actors for social reform implementation at national level. Eurodiaconia welcomes the steps taken by the European Commission in order to **improve the civil dialogue at EU level**. The *Strategic Dialogues* are an important step forward and we hope they can continue to take place at regular intervals during the upcoming cycles.

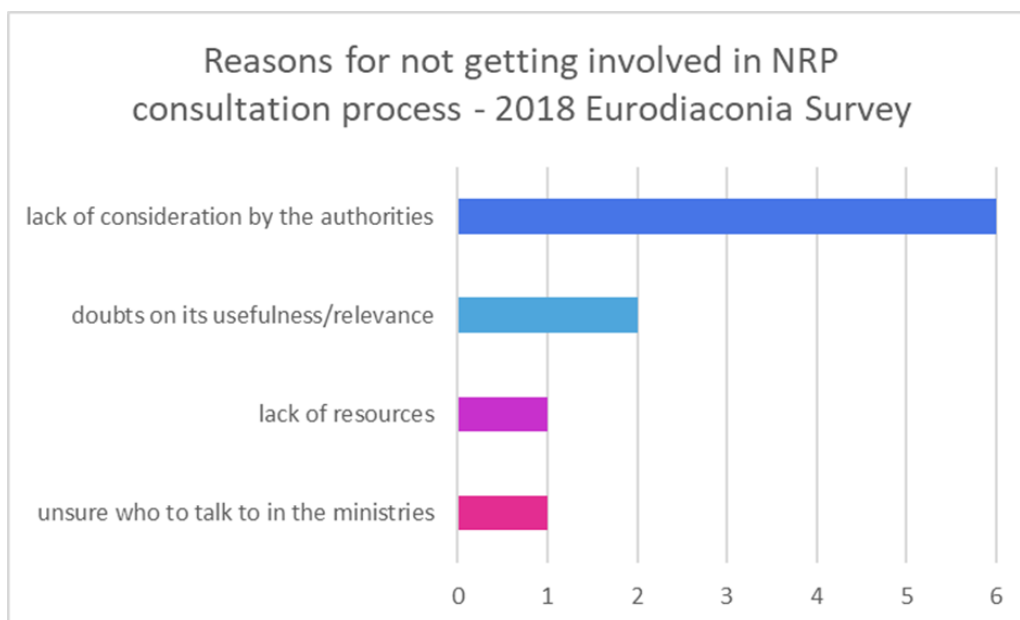
However, we have argued earlier this year that **these efforts do not seem to be translated so far at national level**<sup>10</sup>. In order to get a better idea of the scope of civil society involvement in the European Semester at national level, **Eurodiaconia conducted its own survey among its membership**. The survey asked for details of national members' involvement in the NRPs drafting and in the Semester in their country.

**The results show that the system does not work at national level:** of the seven responses we received, three were aware of a formal consultation process for civil society on the NRP at national level. In two cases it is done through the involvement of committees such as the economic and social committee (CZ, SK), and/or through formal invitations by ministries (CZ), forums (SE), or general procedures open to all civil society (SE). However, despite the existence of formal consultation processes in at least three of the seven Member States covered, **none of the respondent organisations took part in the consultation process in 2018**. Our Dutch member, Kerk in Actie, was the only one who took the initiative, as part of a wider network called the National Council of Churches, to send their assessment of the country report to the Dutch Department of social affairs and employment. The positive sign here is that their contribution was taken seriously by the Secretary of State who replied extensively to their assessment and organised a meeting with them. But our member's feeling was that their contribution was not much reflected in the final NRP.

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<sup>10</sup> Eurodiaconia, *Rebalancing social and economic policy analysis in the European Semester; An appraisal of the 2018 Country Reports by Eurodiaconia and its members*, May 2018, available here: [https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports\\_201806.pdf](https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports_201806.pdf)





*This graph represents the answers to the following multiple choice question in the Survey: Do you take part in the consultation? If not, please specify the reasons: lack of resources, unsure who to talk to in ministries, bad relationship with the national officers in charge, lack of consideration by the authorities, other (please explain). It is in the "other" choice that two members expressed their main reason to be the doubts on the usefulness/relevance of the NRP consultation process at national level.*

In fact, the six members who gave a reason for not taking part **all put forward the lack of consideration by authorities** (RO, AT, SK, SE, NL, CZ). This is worrying considering that these organisations have been delivering health and social services at national level for decades and should therefore be key partners in social reform-making. Two also say that they do not take part in the formal consultation process due to their **doubts in its usefulness or relevance** (SE, NL), which is again quite alarming. Indeed, after detailing the existing consultation process in Sweden, which takes the form of an invitation to *Sakrad*, our member, Church of Sweden, explains that since the consultation of civil society is coordinated by the Prime Minister's office but the report is drafted by the different ministries, the consultation process's influence over the drafting is very limited. Furthermore, the meetings are felt to be more information-giving sessions than dialogue. Similarly, Kerk in Actie (NL) explains that during the Dutch Presidency in 2016, they took part in the consultation process as members of the Social Alliance for Society without Poverty, but that this alliance stopped getting involved in the consultation after that, due to its doubts in the relevance of the process. This is a worrying finding: if civil society stops getting involved in the formal consultation process on the Semester at national level because they have the feeling it is useless, **there is a clear need for revamping this process**. It will also be more difficult to convince them to get involved again.

All the other respondents highlighted that **their Semester involvement was solely taking place through Eurodiaconia**, at EU level, and even our Dutch member insisted that their being able to contribute to the national level process was due to Eurodiaconia's timely warning and useful analysis.

The **updated Employment Guidelines**, adopted on 11 July 2018 by the Council of ministers, contain a clear reference to the need for involving civil society<sup>11</sup> and, coupled with the **Social Pillar**, the Commission now has leverage to push Member States to **make civil society involvement in the Semester at national level a reality**.

<sup>11</sup> <http://data.consilium.europa.eu/doc/document/ST-10464-2018-INIT/en/pdf>



## Chapter 2: Social priorities for the 2019 European Semester: promoting fair economies

In light of the above-mentioned assessment and of the upcoming Autumn package, Eurodiaconia would like to set out its **priorities for social policies in Europe in the coming Semester cycle**. They are derived from our policy work and from the challenges highlighted by our national members during a workshop on the Semester we held at our Annual General Meeting in June 2018. They aim at promoting shared prosperity in the sense that the proposed reforms and orientations allow for the gains of growth to benefit all and increase the fairness in our societies, thereby promoting economic and social improvements.

This is particularly needed at a time where citizens increasingly question the European project. Rebalancing European policies to **ensure the promotion not only of economic growth but also of social inclusion and fairness** is therefore key to make sure that no one is left aside and everyone gains. But, as it is argued in the final report of the IPPR<sup>12</sup>, *“it is not enough to seek to redress injustices and inequalities simply by redistribution. They need to be tackled at the source, in the structure of the economy in which they arise”*.

Thus, Eurodiaconia supports the further streamlining of the European Pillar of Social Rights principles in the coming Semester cycle in order to rebalance the process as truly fostering fair economic systems. The promotion of social investments within the European Semester is at the heart of this strategy as it is the best way to ensure that the Social Pillar becomes a reality: nothing can be done without the appropriate funding. Because resources are not unlimited however, trade-offs have to be made. That is why, in line with the achievements and limitations of the previous Semester cycle highlighted in the first chapter, as well as with the current economic, social, and political situation in Europe, we call for promoting the following **five priorities for social investment** and mainstreaming them throughout the 2019 European Semester cycle.

### 2.1 Promote quality employment to ensure sustainable growth and put an end to the increasing in-work poverty trend

The **promotion of job quality is key to build a sustainable path** of economic growth and social development in the EU. Increased inequalities in labour markets, job polarisation, and the rise of non-standard forms of employment or of new forms of work constitute major challenges for European labour markets. These have implications for the future of social protection systems and the cohesion of our societies.

**Social services act upon the declining quality of jobs** and repair the negative effects of such trends. At the same time, the **lack of services is often a barrier for many people to access quality jobs**, resulting in underutilisation of labour or altogether inactivity. Also, the lack of services or obstacles to accessing them may prevent the use of untapped sources of workforce with large potential to contribute to European economies – e.g. people with caring duties, migrants, etc.. For these reasons, **access to affordable and quality services should lie at the heart of employment policies**.

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<sup>12</sup> <https://www.ippr.org/research/publications/prosperity-and-justice>

The essential role played by social services has already been emphasised in key initiatives such as the 2016 Council Recommendation on the integration of the long-term unemployed. It stressed in particular the synergies established between these and employment services to achieve sustainable employment outcomes<sup>13</sup>. This approach is also consistent with the principles enshrined in the Recommendation on active inclusion<sup>14</sup>. In line with these, the new Semester cycle should seize the opportunity to **mainstream once again the role played by social services as an essential pillar towards sustainable job inclusion**.

*Box 1. Good practice from our members in Germany: Diakonie Dusseldorf and Renatec*

**Diakonie Düsseldorf** works in the field of 'employment and education' through Renatec, a social enterprise that combines work, vocational qualifications and a socially educative coaching as a strategy to bring people back into employment.

Renatec offers its services to a very diverse range of users, including people with disabilities and several other groups with increased difficulties to become integrated in the labour market. Renatec offers vocational education in several fields and a first contact with employment takes place through Renatec's own craftwork service, which provides services of painting, installation and renovation to individuals, organizations and companies.

A key target group for Renatec are women who have interrupted their professional careers, usually as a result of maternity, and wish to return to professional life. For these women, a "re-entry career" programme has been introduced recently providing for a 6-month accompaniment. Such an accompaniment includes personal coaching, a skill target planning, organisation of internships with external partners, promotion of personal branding and support in time and family management. Renatec is partially founded with EU funding and regional resources from North Rhine-Westphalia.

More information about the project is available [here](#).

Together with job quantity and job quality, fully-fledged action on employment in the EU must crucially **pay attention to the degree of inclusiveness of labour markets**<sup>15</sup>. Employment should be viewed as a space to fulfil people's rights and open to all, fighting all forms of discrimination and promoting **equal opportunities for under-represented groups**. Such an approach is also economically wise in light of the **mutually reinforcing links between poverty and exclusion from labour markets**. Hence, the 2019 European Semester should pursue the **creation of more and better employment opportunities for disadvantaged groups** of people in light of the preventative value of these against poverty risks.

**Adequate social protection is needed to guarantee the well-being of workers**, both employed and unemployed. In addition, it is a **significant driver of quality levels in employment** because inadequate levels of social protection may lead to suboptimal job placements with negative implications for employees and the economy as a whole in the form of skills mismatches and wasted productive potential.

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<sup>13</sup> [Council Recommendation of 15 February 2016 on the integration of the long-term unemployed into the labour market](#), 2016/C 67/01.

<sup>14</sup> [Commission Recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market](#), 2008/867/EC

<sup>15</sup> These are the three dimensions of labour market performance defined by the renewed OECD Jobs Strategy. For further details on the list of indicators contained in each dimension, see OECD, *Employment Outlook*, 2017, Paris, chapter 1.

As can be seen in the previous sections, some of our members (Kerk in Actie, NL) still highlight the **mismatch between some forms of employment in their country and social protection**, with the negative impacts on poverty risks it entails. We thus call upon the European Semester to **closely monitor the adequacy of social protection for all types of workers**, including those in non-standard forms of employment along the lines of the proposed Council Recommendation on access to social protection for workers and the self-employed<sup>16</sup>.

Also, we call upon the European Semester to underscore the need for targeted **efforts towards the employment and social integration of wider groups of people** and **leverage on EU funding** to underpin such actions. Eurodiaconia members have experienced the advantages of targeted EU funding to support efforts to bring people back into employment.

For instance, the Youth Employment Initiative (YEI) has been key to operationalise the support to long-term unemployed young people within the framework of the Council Recommendation. At the same time, **support to other target groups equally affected by long-term unemployment and at high risk of social exclusion has faltered due to the lack of ad hoc funding instruments**.

The proposal for a new Multiannual Financial Framework has identified the **need to couple EU funding with the priorities and country-specific recommendations** adopted within the European Semester. In light of this, we call upon the new Semester cycle to draw on lessons learnt and lay the ground ahead of the next MFF for a comprehensive approach towards employment challenges, acknowledging their wider impact among different target groups with specific support needs.

## 2.2 Tackle child poverty to promote equal chances of children in societies

Several Eurodiaconia member organisations have stressed their concerns with regard to child poverty this year (Kerk in Actie, NL, has highlighted this in their country reports analysis for example<sup>17</sup>). In a number of countries our members have observed **high numbers of families with children experiencing poverty and in some countries those numbers are on the rise**, despite general improvement of the economic situation.

Those observations by our members are **confirmed by Eurostat data, which show that children are the age group most at risk of poverty or social exclusion** (26,9% compared to 24,7% of 18-64-year olds in 2015)<sup>18</sup>. Compared to previous years, this means only a slight decrease of the number of children at risk of poverty and social inclusion at EU level. In fact, child poverty has even increased in a number of EU countries.<sup>19</sup>

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<sup>16</sup> [Proposal for a Council Recommendation on access to social protection for workers and the self-employed](#), COM(2018) 132 final

<sup>17</sup> Eurodiaconia, *Rebalancing social and economic policy analysis in the European Semester; An appraisal of the 2018 Country Reports by Eurodiaconia and its members*, May 2018, available here: [https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports\\_201806.pdf](https://www.eurodiaconia.org/wordpress/wp-content/uploads/2018/07/Eurodiaconia-response-country-reports_201806.pdf)

<sup>18</sup> [https://ec.europa.eu/eurostat/statistics-explained/index.php/Children\\_at\\_risk\\_of\\_poverty\\_or\\_social\\_exclusion](https://ec.europa.eu/eurostat/statistics-explained/index.php/Children_at_risk_of_poverty_or_social_exclusion)

<sup>19</sup> According to OECD data, it has increased in 13 out of 20 OECD countries with available data, most of them being EU member states: [http://www.oecd.org/els/soc/CO\\_2\\_2\\_Child\\_Poverty.pdf](http://www.oecd.org/els/soc/CO_2_2_Child_Poverty.pdf)

Despite those numbers, it needs to be kept in mind that children are not poor by themselves. **A child's wellbeing heavily depends on the family in which he grows up.** According to Eurostat, single parents and families with three or more children are most at risk of poverty (47.8% and 31.7% respectively in 2015)<sup>20</sup>. Other families particularly at risk are households with low work intensity, parents with low levels of education and migrant families. In addition to this, our members stress the importance of supporting families in debt and families where parents experience in-work poverty.

Therefore, we call on the next Semester cycle to **encourage direct support to families** in order to support children. Effective support also requires measures such as **an adequate child allowance for every child**, which would ensure that children are not disadvantaged by low wages, and that larger families in particular are not disadvantaged due to the number of children they have. This should also be encouraged in the upcoming Semester cycle.

Our members also observe the **clear link between poverty and social exclusion**. In some countries, there may not be children living on the street, but there are families where parents can't afford for their children to participate in extra-curricular activities or leisure pursuits. A recent study published by Bertelsmann in June 2018, stresses the same strong link between child poverty and social exclusion of children. It shows that children experiencing poverty, even only occasionally, can't participate to the same extent in school and after-school activities than other children<sup>21</sup> **Disadvantages and unequal opportunities such as these at an early age can lead to future exclusion and can foster an intergenerational poverty cycle.**

For this reason, Eurodiaconia members support families to enable their children to participate in society, to feel included from a young age, and have the same opportunities as other children in their school or community. **This type of activities promoting equal opportunities should be better fostered within the European Semester framework.**

*Box 2. Good practice from our member in Poland: the Window project*

Diakonia Polska, (Diaconia Poland) is running the so-called 'Window' project to provide school supplies to the most disadvantaged families. The aim of the project is to support children and young people from socially disadvantaged families with school supplies and educational materials, with the ultimate objective of making education opportunities equal for all.

Within the project, materials are provided which will enable young children to get the most out of their time at school. As such, the project will cover the cost of school supplies, text books, school clothes or travel passes; all of which enable the students to go to school and access education. The goal of the project is to make educational an equal opportunity for all, regardless of the social, religious or economic standing of the pupil. Through the work carried out by Diakonia Polska, as many as 200 families in need of support have been outlined as potential beneficiaries of the 'Window' project.

Already in 2013, the European Commission Recommendation "Investing in Children: Breaking the Cycle of Disadvantage" urged member states to introduce integrated strategies to reduce child poverty and provide

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<sup>20</sup> [https://ec.europa.eu/eurostat/statistics-explained/index.php/Children\\_at\\_risk\\_of\\_poverty\\_or\\_social\\_exclusion](https://ec.europa.eu/eurostat/statistics-explained/index.php/Children_at_risk_of_poverty_or_social_exclusion)

<sup>21</sup> <https://www.bertelsmann-stiftung.de/de/themen/aktuelle-meldungen/2018/juni/kinderarmut-haengt-stark-von-berufstaetigkeit-der-muetter-ab/>

equal chances to children.<sup>22</sup> This recommendation was formulated in the context of the Europe 2020 strategy and its implementation was supposed to be monitored through the European Semester cycle. However, four years later the progress report of the recommendation notes that **only in six Member States the issues of child poverty and social exclusion and of child well-being have improved since the adoption of the recommendation**, while the situation has even weakened in two. The report concludes that “*the modest progress made in the direction outlined in the Recommendation is insufficient to the scale of the problem in many countries*”.<sup>23</sup>

With the proclamation of the European Pillar of Social Rights, the **right to protection of children from poverty has been reconfirmed in principle 11**. Again, the implementation of the European Pillar of Social Rights, is supposed to be **monitored through the European Semester**. In view of the high levels of child poverty reported across the EU and the existing frameworks calling for action to better protect children from poverty and social exclusion, **the European Semester should put greater emphasis on the fight against child poverty**. Member States should be further asked through the European Semester to tackle child poverty by implementing adequate support measures for vulnerable families, such as the ones detailed above.

### 2.3 Provide targeted and tailored services for non-EU migrants, especially women, to promote their labour market participation

Migrant’s social inclusion begins on the first day of arrival and is largely **dependent on positive social interactions between migrants and the host society**. Obstacles that can have a significant effect on migrant’s ability to integrate however, include limited access to the labour market and education, cultural or linguistic obstacles, discrimination, lack of access to affordable housing and healthcare, and limited access to social rights in general. **Such challenges may be particularly felt by migrant women**, especially those identifying as asylum seekers and refugees, those working in low-skilled sectors, or those arriving through family reunification.

**Introducing measures at the national level that are tailor-made and give greater consideration to the specific challenges** faced by migrant women and their experiences will go a long way to assisting their successful integration.

#### *Box 3. Good practice from our member in Austria: Training courses for asylum seekers*

The Evangelisches Diakoniewerk Gallneukirchen is a modern social enterprise for people with disabilities and the elderly. The enterprise offers social assistance training where students learn the necessary skills to support and care for people with special needs. In 2016, they decided to use these existing structures to offer a training course for asylum seekers. The course has two aims: discover the social economy and social care work, and learn the German language. This project is funded by the Diakoniewerk and the region of Upper Austria.

The training course is free and lasts one year and includes 290 hours of lessons, 150 hours of German classes and 200 hours of practical experience. They feature an introduction to pedagogy, psychology and

<sup>22</sup> European Commission Recommendation - *Investing in children: breaking the cycle of disadvantage*, 2013 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013H0112&from=EN>

<sup>23</sup> 2017 Progressreport on implementation of the recommendation on investing in children

nursing studies and training around basic health care principles. The participants improve their knowledge of the German language and can find out if they want to continue with vocational education in the social sector through practical experience in the social services of the Diakoniewerk. Those wishing to continue with a vocational training can do this in one of the schools of the Diakoniewerk once they have received refugee status or subsidiary protection.

Such measures should include access to the labour market upon arrival, access to language and vocational training, access to mentoring opportunities, access to social rights like healthcare, housing, welfare and education, and measures to prevent the discrimination of migrants in all spheres of life.

With regards to measures aimed at facilitating access to the labour market, there should be an **effective system in place at the national level that recognises migrants skills, experience and existing qualifications** on the model of the EU Skills Profile Tool for Third Countries Nationals<sup>24</sup>. Language courses should be accessible to migrant women, especially in terms of location and timing, and should be adapted to be useful for employment and interaction with different services that the migrant might come in contact with. Migrant women should also have access to quality daycare so that they are able to participate in language and vocational training.

**Mentoring programs should also be supported by the different Member States and promoted by the upcoming European Semester cycle.** More funding should also be given to civil society organizations and social partners to develop mentoring programs that assist migrants get the relevant work experience needed to enter the labour market in the various Member States.

**If the EU's objective is to raise the employment rate by 75% by 2020, ensuring that migrants are better integrated and have real opportunities to participate in the labour market will be vital.** We therefore call on this Semester cycle to promote measures such as the ones detailed above to foster the successful integrations of migrants in the EU and capitalise on their potential.

## 2.4 Ensure affordable and accessible housing across Europe and tackle the growing homelessness challenge

Across the European Union, our members report **ongoing concerns as regards homelessness and housing exclusion**. Their concerns are echoed by reports showing that **homelessness is on the rise in almost all EU member states**. According to the 2018 Report on homelessness in Europe by FEANTSA, Finland was the only country that managed to reduce the number of homeless people<sup>25</sup>.

Eurodiaconia members observe **structural factors, such as poverty, lacking income, unemployment, but also the lack of affordable housing as main causes of homelessness**. Furthermore, relationship-based factors, including domestic violence, divorce, and the death of a family member; and personal factors (mental health and addiction problems) have also been observed as key causes of homelessness.

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<sup>24</sup> <http://ec.europa.eu/social/main.jsp?catId=1412&langId=en>

<sup>25</sup> FEANTSA, *Third overview of housing exclusion in Europe 2018*,

<https://www.feantsa.org/en/report/2018/03/21/the-second-overview-of-housing-exclusion-in-europe-2017>



**Migrants are often reported as being particularly at risk of homelessness**, as they combine a number of risk factors. Furthermore, most of our members observe that EU migrants make up an important share of the homeless, which can often be explained by the fact that they are not protected by any social security system (no longer protected by the one in their country, not yet access to the one in the host country).

**In Denmark, the increase of young homeless people has been reported by our members**, while several countries also report an increase of women and families being homeless.

*Box 4. Good practice from our member in France: ABEJ Solidarité supports the homeless*

ABEJ Solidarité is a member organization of the French Eurodiaconia member FEP (Fédération de l'Entraide Protestante) which supports homeless people in Lille. Next to day centers, emergency and night shelters and shelters for vulnerable persons with mental health problems, the organization also provides healthcare to the most deprived and runs a re-integration programme based on the "housing-first" approach. The re-integration programme "Pôle Logement d'Abord" provides a whole range of different support services and shelters. The programme aims at enabling its users to lead an independent life by entering and keeping their own accommodation. Users are first welcomed without any obligation and no time limit in shelters, which are intended to stabilize their health and social situation. The users have individual rooms, can use the common rooms and receive personalized support through social workers.

In a second step users can move to small studios which are equipped with a kitchen. They are supported by social workers to (re)-learn how to lead an independent life, including how to care for an apartment, how to handle administrative tasks and looking for a job. The housing support service of ABEJ will then support users in finding an adequate long-term housing solution. When the user moves into his own apartment, the organization continues to support him in order to ensure that the transition is successful and that the supported person can effectively keep his accommodation.

In addition to homelessness, some of our members, such as Diakonie Austria, also stress **the increase of people living in inadequate and precarious housing situations**, such as rooms without windows, mouldy rooms and overcrowded housing. **The strong increase of rents over the last years and the lack of adequate and affordable housing in many cities across Europe represent an additional risk for vulnerable people**, as highlighted by the Salvation Army Finland above.

In this context, Eurodiaconia welcomes that the European Pillar of Social Rights includes a **principle on housing and assistance to the homeless**, which demonstrates a genuine political commitment and a framework for investment of energy and resources in the fight against homelessness in Europe. While this **engagement was clearly reflected in the 2018 AGS**, the fight against homelessness was less prominent in the Country Reports than expected and only four member states received CSRs related to housing and homelessness. Considering the rise of homelessness in all Member States but one and the rise of rents in many major European cities, the **issue has been inadequately covered in the Country Reports**.

In view of the implementation of the entire European Pillar of Social Rights, it is **urgent that housing and the fight against homelessness is addressed throughout the entire European Semester cycle**. The European Commission should in particular **encourage Member States to develop national strategies establishing access for all to a decent and affordable housing as a priority, to invest more in preventive measures to avoid homelessness** for example by preventing evictions, and **to move towards a long term vision**, aiming to eradicate homelessness by looking at **reintegration of homeless people into permanent accommodation**.

## 2.5 Increase the focus on health and social services to adapt to the ageing of European societies

The ageing of European societies is a strategic challenge for the coming decades. It has also been highlighted repeatedly by our members, both during the European Semester workshop at Eurodiaconia's Annual General Meeting in June 2018 (ES, SE, PL, CZ, SK) and in the replies to the Eurodiaconia surveys on the NRPs – at the question “which important social challenges are missing from this report?”, both our Czech and Slovak members mentioned the ageing of society. **A coordinated approach** is, therefore, needed to coherently address the challenges associated to the **rising demand for care provision, the declining supply of carers and the financial pressures to deliver high quality health and social services** which are accessible and affordable.

The **initiative to support work-life balance**<sup>26</sup>, which is one of the first deliverables of the European Pillar of Social Rights, has put the spotlight on the need to uphold carers through a stronger service provision. This would contribute to increased levels of well-being among service users and carers, and allow the latter to remain on or access the labour market.

In our view, the Semester should fulfil its role as a tool for the implementation at Member State level of the European Pillar of Social Rights and the initiatives stemming from it. Therefore, we call upon the European Semester to **promote and monitor the implementation of the measures contained in the initiative**. This includes the promotion of accessible care services, boosting quality in services through activities such as trainings, monitoring, support to continuous improvement, scaling up successful initiatives at local and regional levels, and prompting changes in the programming of ESIF to guarantee the provision of care services when challenges are identified.

Beyond the recommendations put forward by the work-life balance initiative, the European Semester should also point at **key strategies to deliver quality care in a more effective manner**. Firstly, it should stress the potential gains to be reaped from **increased integration of health and social care services**. Integrating care services and supporting activities means that the design and delivery of care is made in a more effective manner. This way, users receive a continuum of preventive, rehabilitative, curative, and support interventions which are suited to their needs over time and seamlessly available across different levels and areas of health and social systems. Integration is also more efficient, because it fully releases the potential for synergies across services, it allows for better allocated resources, and it avoids overlaps and the negative effects and costs of service disruptions on health status. Establishing and coordinating the full range of services in the continuum of care will also increase the flexibility and responsiveness of resources to **meet the changing needs of older persons and people with disabilities** and provide more adequate answers.

*Box 5. Good practice from our members in Sweden: person-centred documentation and evaluation (PDE)*  
Bräcke Diakoni has developed a project in Sweden called PDE – person-centred documentation and evaluation. The aim of the project is to increase and help guarantee high-quality, person-centred care for persons suffering from dementia and living in care homes. Going beyond the commonly collected biomedical

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<sup>26</sup> [An initiative to support work-life balance for working parents and carers](#), COM(2017) 252 final.



information (e.g. disease burden, diagnostic tests), staff use the International Classification of Functioning Disability and Health (ICF) from the World Health Organization (WHO).

Often when a person suffering from dementia moves into a residential care home, the person or family members have to make a long list of all the things they can no longer do. Bräcke Diakoni has focused on using the PDE framework to show a person's resources and all the things they can still do, regardless of their diagnosis. As a result, 50% of the beneficiaries of PDE improved mentally and physically. Sometimes users are more independent as a result of this treatment, thus requiring less care, and sometimes they are even able to move back home.

The PDE project is carried out by four different partners: Bräcke Diakoni, FAMNA (The Swedish Association for Non-Profit Health and Social Service Providers), Jönköping Academy for Improvement of Health and Welfare (Jönköping University), and a Swedish IT company (Alkit Communication). It is financed partly by a Swedish innovation agency (Vinnova) (50%) and partly by the four partners (50%).

More information about the project is available [here](#).

A second avenue to enable better service is through **socially responsible public procurement practices**. Such practices should **take into account the quality criteria** which are essential in the delivery of health and social services. To this end, the use of "best price-quality ratio" as the guiding award criterion is key, as well as the inclusion of principles such as continuity, accessibility, affordability, availability, and comprehensiveness of services. Also, a **reasonable duration of contracts should be promoted** in order to ensure continuity of service provision to users, with particular attention to those in vulnerable situations.

The inclusion of such criteria in contracting decisions has been made available by the **new public procurement rules introduced by Directive 24/2014/EU**. However, their take up and implementation by contracting authorities in their daily practice remains underdeveloped. For this reason, **the European Semester should echo the efforts made at EU<sup>27</sup> and national levels towards a more strategic approach to public procurement by contracting authorities**. Such an approach should make use of the **available framework for socially responsible public procurement** that gives "best value for money" by bringing quality, sustainability, and cost together into the contracting decision mix.

*Box 6. Good practice from our members in Norway: an example of Strategic Public Procurement in practice*

In Norway, the transposition of the Public Procurement Directive constitutes an example of a strategic approach towards the social potential in procurement legislation by national authorities. A specific role has been reserved to non-profit actors, who have been granted reserved contracts provided that their bids meet the objectives of the good of the community and budgetary efficiency.

One of Eurodiaconia members in Norway, [Diakonhjemmet](#), reports on significant steps made when it comes to social public procurement. Laws and regulation have opened special tender competitions especially for not-for-profit organizations. This policy on reserved contracts has been approved by EFTA (European Free Trade Association). Furthermore, the tender competitions tend to be more and more linked to the quality and the content of the service provisions. Finally, a political goal has been set by the Norwegian Parliament to ensure that a greater proportion of public procurement in the health and care sector go to not-for-profit companies. The Norwegian authorities have made an explicit commitment to a strategic objective of 25% of public procurement being granted to not-for-profit providers operators by 2025. This approach has been

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<sup>27</sup> [Making Public Procurement work in and for Europe](#), COM(2017) 572 final.

brought forward by Norwegian local authorities which implement such targets on public procurement contracts.


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