

**O**n 4 March 2021, the European Commission issued its [Action Plan](#) for the implementation of the European Pillar of Social Rights (EPSR), featuring three major targets for the EU to be achieved by 2030 in the areas of employment, skills and social protection. The third of these headline targets sets out the objective of reducing the number of people at risk of poverty or social exclusion by at least 15 million, of which at least 5 million should be children. Although it welcomed an Action Plan that puts meat on the bones of the EPSR, the European Anti-Poverty Network (EAPN) pointed out a number of [critical aspects](#), which were discussed in an online conference hosted by EAPN Portugal on 22 March.

### **The Action Plan of the European Pillar of Social Rights: what concrete meaning in the lives of the citizens?**

The first part of the EAPN event uncovered the details of the Commission's Action Plan. The president of EAPN Portugal, Jardim Moreira, called to attention the difficult context that the Plan will have to face. The social fallout of the COVID-19 pandemic and of national lockdown measures [have supercharged poverty](#): an increasing number of people strive to make ends meet, and those who were already in need often face further problems connected to inadequate access to essential services such as health care and (distance) education.

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Against this backdrop, EAPN expressed disappointment over the rescaling of the Europe 2020 poverty target (Europe 2020 aimed at lifting 20 million of people out of poverty and social exclusion), and would have instead welcomed a more ambitious plan including, for example, a stronger commitment to minimum income guarantees across Europe. The concerns of EAPN Portugal are shared by many commentators, as was well reflected in the words of Sandra Monteiro (Le Monde Diplomatic), according to whom the Action Plan of the EPSR betrays a

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By Stefano Ronchi

somewhat weak commitment, whereas it needs a strong commitment in the face of today's social challenges. In the words of Graciela Malgesini, representative of EAPN Spain: 'It is inconsistent that when the situation worsens - in the context of COVID, the poverty reduction target is watered down'.

The call for a stronger commitment to EU social imperatives, however, seems to be well taken by the Portuguese Presidency of the EU. Mariana Vieira da Silva, Minister of State for the Presidency, drew attention to the results from the last [Eurobarometer survey on social issues](#), which, showing that nine in ten Europeans (88%) 'consider a social Europe to be important to them personally', now makes the Portuguese Presidency 'fully aware of what Europeans expect from the EU'. In the context of the EPSR and the COVID-19 emergency the EU has indeed strengthened its instruments for fighting poverty, for example by expanding and refinancing programmes like the Fund for European Aid to the Most Deprived (FEAD). The Coordinator of the Portuguese National Strategy to Fight Poverty, Edmundo Martinho, moreover, highlighted the importance of the Resilience and Recovery Plan, which will provide Portugal with an unprecedented amount of resources for dealing with today's new crisis. Limiting school dropouts, enhancing the minimum wage, fighting job precarity and increasing family allowance, providing better health and housing support alongside minimum income are among the policy priorities of Portugal, which, in the words of Mariana Vieira da Silva, not only welcomes digitalization and a greener economy, but also wants to make sure that everyone will have the opportunity to enjoy these advancements.

*Governments should ensure that all relevant stakeholders participate in the policy debate*

Katarina Ivanković-Knežević, Director of Social Affairs at DG EMPL of the European Commission and former State Secretary at the Ministry of Labour and Pensions of Croatia, presented in detail the Action Plan. The Commission foresees a very intensive agenda for the timeline 2021-22, ranging from the proposal of a [Directive on minimum wage](#) (already advanced in October last year) through to the recommendation on adequate minimum income envisaged for 2022. Member states—stressed Ivanković-Knežević—play a crucial role when it comes to employment and social policy: national governments have to clearly address the objectives of the EPSR and the Action Plan through the use of the Resilience and

Recovery Fund. In doing that, governments should ensure that all relevant stakeholders participate in the policy debate, as the 'civil society contributes to policies on the ground and to the Commission representing the voice of people'. Overall, in their remarks, EAPN and State representatives from Spain, the Czech Republic, France and Slovenia all shared appreciation for the opportunity provided by the Resilience and Recovery Fund. However, concerns were raised on the piecemeal approach used by the Commission in implementing the Action Plan on the EPSR, whereby diversified priority has been given to different objectives of the Pillar. Most notably, the actions proposed with regard to minimum income protection appear scant, especially in the context of the pandemic.

### **EAPN's call for a European Framework Directive on adequate minimum income**

José António Vieira da Silva, Adviser to the Portuguese Presidency, drew attention to the lessons we have learned from the decade of the economic crisis. Socioeconomic indicators show that, although employment growth and poverty reduction are positively related, participation in the labour market is not a guarantee for being out of poverty. By contrast, joblessness is almost a guarantee of poverty for households where no adults work. Worrying signals also come from the relatively high rates of poverty among the self-employed (often bogus self-employed) and among workers with non-standard contracts.

Taken together, these figures suggest that a minimum wage policy alone is not sufficient to fight poverty. Minimum income guarantees should be raised for those who are not employed or who do not receive an adequate income through work. Still, the Commission has been more assertive in the former policy area, by proposing a Directive on minimum wage that, although depending on the specificities of national systems, will be mandatory. The same cannot be said for minimum income protection. The Commission's Action Plan only envisages a non-legally binding recommendation on minimum income. As Vieira da Silva reminded, such a recommendation is not the first in the field of minimum income protection. The first actually came almost 30 years ago, in 1992, and was by no means conducive to convergence towards more inclusive and generous social assistance across EU member states.

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*questioned the same opportunity of a joint action in that respect.*

EAPN's position in this regard has been clear ever since the 2010s, and it has been recently reiterated in the [2020 position paper on adequate income](#) in the context of the EPSR, and again many times during the Conference on the Action Plan: the EAPN urges the Commission to go beyond the recommendation, and to translate the right to an adequate minimum income over the life-course into a legally binding commitment through a legally-binding Framework Directive.

The direct testimonies of Cidália Barriga (Representative of the National Citizens Council of EAPN Portugal) and Linnéa Partanen (EAPN Finland) opened the audience's eyes to the concrete problems that the pandemic has raised in the everyday lives of people living on minimum income. Making ends meet has become harder and harder for those who were already striving to provide their families with a warm meal before the COVID-19 outbreak, let alone having an internet connection fast enough to be able to work from home or to grant distance learning to kids. On top of that, health needs are not met in an increasing number of cases, including access to mental health assistance, whereby national lockdown and curfew measures contributed to worsen social isolation and mental health issues.

Andreas Aust provided insights from the German case, where the minimum income system has long been criticised for pushing beneficiaries into a perverse trap of 'poverty by law'. Since the Hartz IV reform, the benefit levels fall far below the poverty threshold, and are often associated with poor jobs due to strict conditionality requirements. On the other hand, EAPN Germany has been very active before and during the past Germany Presidency of the EU. The German Minimum Income Network promoted the policy debate through a [policy paper and a bus-tour campaign](#), and successfully called the attention of the Federal Ministry on the poverty matter with a workshop whose results made it to the Von der Leyen Commission. The main demand raised to the German Presidency was that of expanding the [European Green New Deal](#) into a 'social green deal', along the motto 'no sustainability without social progress'. Indeed, the Council Conclusions on Minimum Income Protection adopted in October 2020 comprise a set of recommendations and guidelines to the European Commission for the reinforcement of the minimum income protection as a way of combating poverty, and called on the Commission to propose a Framework Directive.

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However, this call has not met with enough political will on the side of member states' governments. As underlined by Mathias Maucher, Senior Policy Officer of EAPN, the EAPN has long made a strong case for a hard law legal base for minimum income protection. Only through a common definition of adequacy (including coverage, take up, duration), underpinned by national reference budgets, will the EU fight against poverty become effective, taken seriously by member states. It is true—Maucher observed—that the EU has moved some steps forward in respect to Europe 2020. However, when it came to making a final decision on the EU anti-poverty agenda for the coming years, member states were split on the necessity of a binding directive on minimum income, and some even questioned the same opportunity of a joint action in that respect. Against this backdrop, the future of the EU fight against poverty will be highly contingent on the initiatives of single member states and of the Council. The Portuguese Presidency seems to be taking social urgencies seriously, and the Porto Social Summit may finally mark a shift towards turning the EPSR into concrete action in the aftermath of the pandemic.

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