The EMIN Project and the EU Roadmap for Adequate Minimum Income Schemes

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A. The EMIN project
   A.1 What is EMIN?
   A.2 Objectives
   A.3 Work in EMIN
   A.4 Year 1 of EMIN
   A.5 Year 2 of EMIN
   A.6 What’s next?

B. Draft EU Roadmap for the Progressive Realisation of adequate MIS
   B.1 Setting the scene
   B.2 Awareness raising and public debates - Arguments
   B.3 An EU Directive on adequate MIS (why?, content, factors to consider)
   B.4 Integrate follow up on adequate MIS in key EU processes (Europe 2020, Structural Funds, other EU social processes, minimum standards)

Conclusions
A. The EMIN project
A.1 What is EMIN?

- The European Minimum Income Network (EMIN) is a two-year project (2013-2014) funded by the European Commission, and supported by the European Parliament.

- Lead by EAPN EU, it gathers partners at EU and national levels:
  - **European level Partners:**
    - AGE Platform Europe
    - FEANTSA (European Federation of National Organisations Working with the Homeless)
    - Belgian Public Administration, (Public Planning Service for Social Integration, Anti Poverty Policy and Social Economy)
    - ANSA (Agence Nouvelle des Solidarités Actives)
    - ETUI (European Trade Union Institute)
    - OSE (Observatoire Social Européen)
    - SIRG (Social Inclusion Regional Group)
  - **National levels partners:**
    - EAPN national organisations and other NGOs in 30 EU countries (EU + Serbia, FYROM, Norway and Iceland)
A.2 Objectives of EMIN

To raise awareness

• the importance of adequate MIS to tackle PSE and keep people socially active in society, notably in crisis periods - last safety net
• the Importance for the whole society of adequate MIS as the base for high level social protection systems
• the commitments made by the Council, Commission and EU institutions on adequate Minimum Income Schemes

To build consensus

• Building strong alliances/partnerships of advocacy at EU and national levels (EMIN networks)
• Advocate to take the necessary steps towards the progressive realisation of adequate and accessible MIS
  • EU and national ROADMAPS

to create networks in all European countries and at European level to defend the right to a minimum income for all, which is adequate to allow a decent life and to participate fully in society
A.3 Work in EMIN

• common definitions:
  • Minimum Income schemes: “income support schemes which provide a safety net for those who cannot work or access a decent job and are not eligible for social security payments or whose entitlements have expired”
  • Adequate Minimum Income: income that is indispensable to live a life in dignity and to fully participate in society

• Analyze current trends and barriers in three key domains:
  • coverage / conditionality of access (including activation)
  • non-take-up
  • adequacy

• Build consensus on the necessary measures and next steps for the progressive realisation of adequate and accessible MIS

• Present and exchange information about 'good' and 'unsatisfactory' practices and promote learning and knowledge transfer

• Create awareness on existing EU frameworks, including the 1992 Council Recommendation and the 2008 Recommendation on Active Social Inclusion

• Contribute to the identification of common definitions at the level of the EU but also national: what means ‘adequate’? What means ‘accessible’?

• Contribute to the possibility of an EU framework for enhanced cooperation in this field.
A.4 Year 1 of EMIN

• Creation and Implementation of the European Network of Minimum Income: with the participation of a wide range of different stakeholders

• Establishment of five pilot National Minimum Income Networks in Denmark, Ireland, Belgium, Italy and Hungary

• reports on the analysis of minimum income schemes in the 5 countries identified: based on a common framework and definitions

• Thematic dimensions
  • on the adequacy of minimum income for old age, led by AGE Platform, in FR, BE, PL
  • on access of vulnerable groups, including the homeless, led by FEANTSA, in IT, FR, HU, RO, IR, UK, FI, PL

• Two sessions of peer review: exchange of results and identification of key learning points from pilot countries’ reports identified in the 5 countries.

• Conference European level (Year 1)

• analyse and dissemination of key learning points from the work in the five countries and the two thematic approaches.
A.5 Year 2 of EMIN

- reports on the analysis of MIS, identification of obstacles and next step in the remaining 25 countries (based on the development experience of these reports in the 5 pilot countries)
- Support for the implementation of measures aimed at the progressive realisation of adequate MIS in the 5 pilot countries (national road maps)
- 30 conferences nationwide to help building a consensus and alliances on adequate MIS in each country (networks EMIN and national road maps)
- High Level EU Conference to make suggestions for improving coordination at EU level in the field of minimum income schemes, including the proposed EU common definition and criteria for adequate minimum income schemes
A.6 What’s next?

• Advocacy activities at national levels to have relevant partners sign up to the National Road Maps for the progressive realisation of adequate Minimum Income Schemes

• Advocacy activity at national and EU levels to have relevant partners sign up to the European Road Map for the progressive realisation of adequate Minimum Income Schemes

• Follow up discussion at the 2014 European Meeting of People Experiencing Poverty

• European EMIN Conference December 2014

• EAPN is committed to ensuring that the ambition to achieve adequate Minimum Income Schemes in all EU Member States remains on the Agenda.

• EAPN is committed to supporting the development of the National and European Minimum Income Networks beyond 2014 including seeking financial support for this work.
B. Draft EU Roadmap for the Progressive Realisation of Adequate MIS
B.1 Setting the scene: ensure every person’s fundamental right to live a life in dignity

• People living in poverty since 2009: +10 millions. Now more than 124 millions. ¼ of the population cannot enjoy their right to live a decent life.

• Current policies fail to deliver the Europe 2020 target of reducing poverty by at least 20 million by 2020.

• There is little evidence of progress in the Member States to improve systems performance and ensure the adequacy of benefits. Crisis and austerity measures: increased conditionality and the lack of upgrading of benefits.

• A more balanced socio-economic and rights-based approach is needed!

• Urgently needed: development of European Social Standards for upward social convergence and social progress. These standards should be taken up in binding legislation. Member states that do not live up should be held accountable.

• Ensuring adequate minimum income schemes in all member states is a corner stone for such standards. They form the basis on which high quality social protection schemes should be built and should ensure a positive hierarchy with other social benefits and (minimum) wages.
B.1 Setting the scene: emerging consensus on role and importance of MIS at European Level

- European Council and Commission:
  - 1992 Recommendation
  - 2008 Active Inclusion Recommendation
  - 2013 Social Investment Package
- European Parliament
  - 2010 Report on the role of Minimum Income
  - 2011 Report on the Platform against Poverty
- European Economic and Social Committee: 2013 Opinion on Minimum Income supports directive and European Fund of solidarity
- ETUC: 2013 position paper on strengthening the social dimension of the EMU.
Adequate MI based on **human rights of citizens**: Treaty of EU, Charter of fundamental rights, Council of Europe, UN, national constitutions

Adequate Minimum Income is an **income that is indispensable to live a life in dignity and to fully participate in society**

Commitment to achieve the **progressive realization** of adequate Minimum Income Schemes as part of **comprehensive social protection systems**. Addressing **tax justice and redistribution** issues to ensure financial sustainability

Ensure that people who need them can remain **active in society**, help them reconnect to the world of work and allow them to **live in dignity**

They are indispensable for **more equal societies** and more equal societies are better for the whole of society
As the basis for high quality social protection systems, they act as ‘economic stabilizers’: countries with high quality social protection systems are better able to resist negative impacts of the crisis.

Represent a very small percentage of social spending and have a high return on investment. While the cost of non-investment has enormous impacts for individuals concerned and high long-term costs for society.

They are cost effective economic stimulus packages, as the money involved immediately re-enters the economy and often in areas experiencing the impacts of market failure.

They can play a positive role in reversing the destructive trend of rising numbers of ‘working poor’ in Europe.

Inadequate Minimum Income Schemes help in addressing very basic needs, however they are likely to lock people in a cycle of dependency without adequate means to access opportunities or to fully participate in society.
As neither the 1992 Recommendation nor the Active Inclusion Recommendation (2008) has delivered after all these years, a new start and stronger base for action and cooperation is needed.

The directive would give meaning to the horizontal social clause and to the article on combating social exclusion of the Fundamental Rights Charter.

It is no longer viable to develop national social policy without considering the European perspective. Common EU level efforts are needed to help achieve high social standards.

Citizens are strongly attached to the European Social Model. Convergence of costs of living is growing without similar convergence of levels of social benefits and wages. This is leading to a highly divided Europe with loss of solidarity and growing distrust of democratic institutions. A Directive would show commitment to a Union of social values and would help restore confidence.
Treaty Base for a Directive: TFEU - art 153.1.h – people excluded from work

- Principles and Definitions of what constitutes adequate Minimum Income Schemes
- Common methodology for defining adequacy
- Common approaches on coverage and efforts to facilitate take up
- Common information requirements
B.3 EU Directive on adequate MIS – Content 2

- Common requirement for monitoring and evaluation
- The requirement for systematic uprating mechanisms
- Requirement for independent bodies and procedures to adjudicate in cases of dispute between the administration and recipients
- Establishing the principle of the engagement of stakeholders in the monitoring, evaluation and development of adequate Minimum Income Schemes
B.3 EU Directive on adequate MIS –

Factors to be considered 1

- The Directive should be based on an integrated Active Inclusion approach combining access to adequate income, essential services and inclusive labour markets

- The EC should create a panel of experts, including members SPC, NGOs, social partners, people experiencing poverty, to discuss common principles and definitions of what constitutes an adequate minimum income

- The Common methodology for defining adequacy of MI should build on:
  - The agreed at risk of poverty indicator, 60% of median equivalised income and the agreed material deprivation indicators, as a national references
  - Use of common EU-wide framework and methodology for reference budgets to test the robustness of the level of MI and of the 60% threshold, based on active participation of people experiencing poverty in the establishment of the basket of goods and services
B.3 EU Directive on adequate MIS – Factors to be considered

- Member States should be required to evaluate their MIS in order to avoid the creation of hidden poverty and to ensure take up, by reducing conditionality requirements, increasing transparency, informing eligible benefit recipients actively about their rights, by establishing simplified procedures and by putting in place policies to fight stigma and discrimination.

- A positive hierarchy must be ensured with minimum wages to stimulate active inclusion and reverse the destructive trend of rising numbers of working poor.

- For people of non-working age, such as children or older people, adequate minimum income schemes need to be introduced through relevant social inclusion measures.

- While it is difficult to go from no or poor quality minimum income schemes to high level schemes, the directive should establish the ambition for the progressive realisation of adequate and accessible minimum income schemes.
B.4 Integrate follow up on adequate MIS in key EU processes

Europe 2020 strategy

- Adequate MIS will contribute to the delivery of the Europe 2020 poverty reduction target.
- Annual Growth Survey should be accompanied by Annual Progress Report: state of play on Europe 2020 targets, including on the role of minimum income in the fight against poverty.
- National Reform Programmes should clearly identify the main instruments to make progress on the poverty target.
- National Social Reports should be made obligatory to document countries’ efforts to fight poverty and should include reporting on minimum income.
- Make use of the social scoreboard as a basis for developing tangible benchmarks for Member States on how to fight or prevent poverty and social exclusion to feed into the Country Specific Recommendations (including recommendations on adequate and accessible Minimum Income Schemes).
Member States should prioritize delivery on the commitment of allocating 20% of ESF for social inclusion in their Operational Programmes, support coordinated use of ESF and ERDF and monitor effectiveness.

Member States should report on the use of structural funds to achieve the poverty target of the Europe 2020 strategy in their national reform programmes.

The European Commission should refuse to accept Operational programmes that don’t respect the 20% ring-fenced budget for social inclusion. It should also support countries by documenting good practices.

The partnership principle should be enforced to ensure access to funds by NGOs and other relevant partners.

B.4 Integrate follow up on adequate MIS in key EU processes

Structural Funds
The Social OMC should assess if and how member states have put in place adequate MIS. The existence and adequacy of such schemes should be reported on in the National Social Reports as part of the follow up of the Active Inclusion Recommendation.

The Open Method of Coordination could be used to exchange best practices on issues such as take-up of MIS.

The reports of the European Social Policy Network and the Knowledge Bank should include data on MIS in countries.

The creation of adequate MIS should be integrated in the follow up of: the Social Investment Package, the Recommendation on Child Poverty, the Agenda for Adequate, Safe and Sustainable Pensions.

The European Commission should commission research on non-take-up in Member States.
B.4 Integrate follow up on adequate MIS in key EU processes

Establish well-defined EU level social standards

- European Commission should use horizontal social clause to assess austerity measures and reforms
- Develop a system of well-defined and binding EU level social standards in hard law, as part of a Social Pact for Europe
- Use the ILO recommendation on national social protection floors, including access to essential goods and services, such as health, education, food and social services, and income support, as reference for these social standards
- The right to a decent minimum income could be a pioneer of such social standards
Conclusions

A story that millions of Europeans would want to hear

- There are already many existing commitments to the progressive realisation of adequate and accessible Minimum Income Schemes at EU level
- Most EU (EFTA) countries have such schemes, so we are not looking for something new but rather a common effort to ensure high quality schemes across all EU Member States
- Under the existing EU Treaties it is feasible to introduce a Directive on the Adequacy of Minimum Income Schemes QUESTION OF POLITICAL WILLINGNESS
- There are compelling arguments why this would be good for the people who need access to such schemes, good for the society in general and good for the EU
- EU citizens would want to know, that this is a possibility and would want to know what Member States and other EU political leaders are doing to introduce or to block such a development and to explain their approach
- The EMIN project is an opportunity to contribute to this ‘story’
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