



Taking stock of the policies of Europe 2020 and the way forward

**Meeting of the Chairpersons of the Committees
on Social Affairs
Malta, 24 March 2017**

**Barbara Kauffmann
DG Employment, Social Affairs and Inclusion**

Europe 2020 targets

Poverty and social exclusion

- *By 2020, at least 20 million fewer people in or at risk of poverty and social exclusion, compared to 2008*

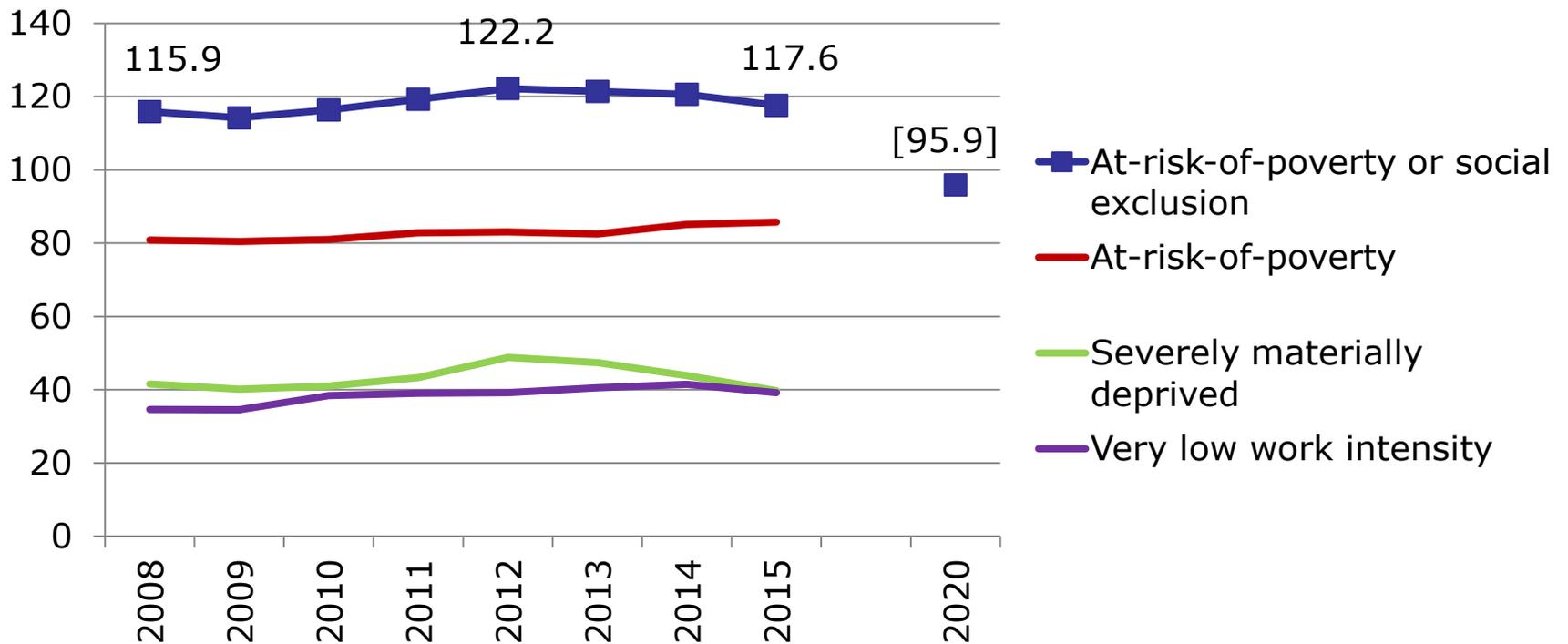
Employment

- *75% of the 20-64 year-olds in employment*

Education

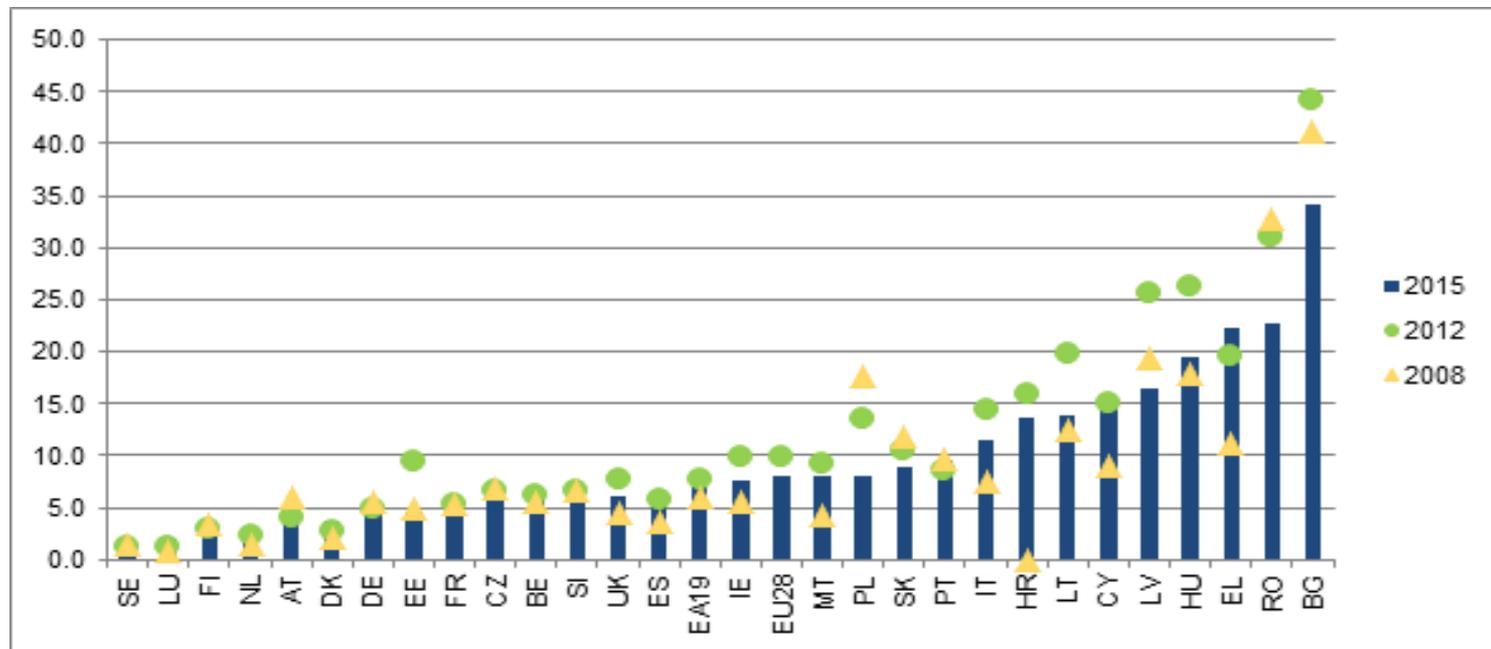
- *Reducing school drop-out rates below 10%*
- *At least 40% of 30-34-year-olds completing third level education*

People at-risk-of-poverty or social exclusion (EU27, million)

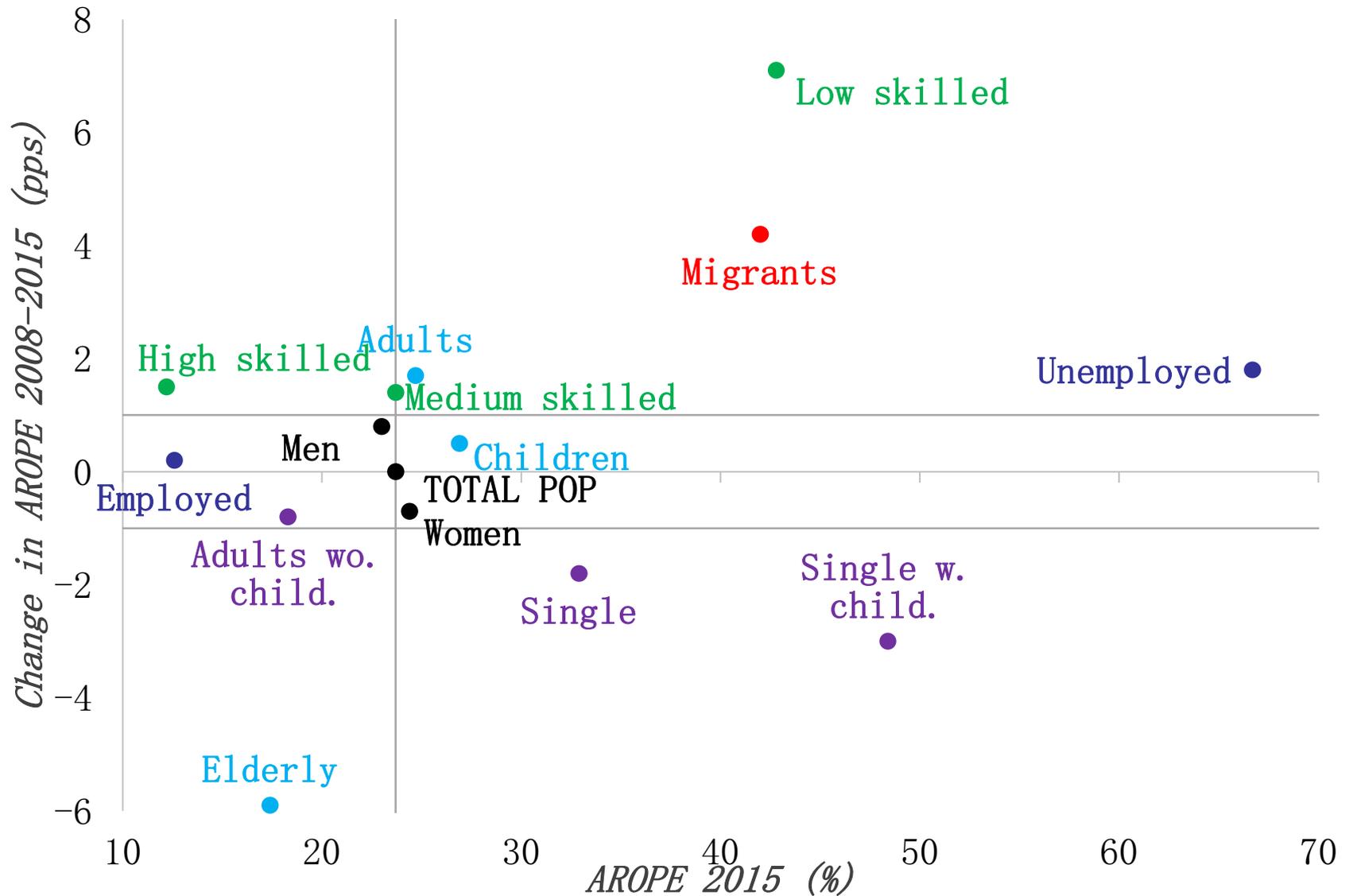


Large differences across countries

Severe material deprivation rate (% of total population)

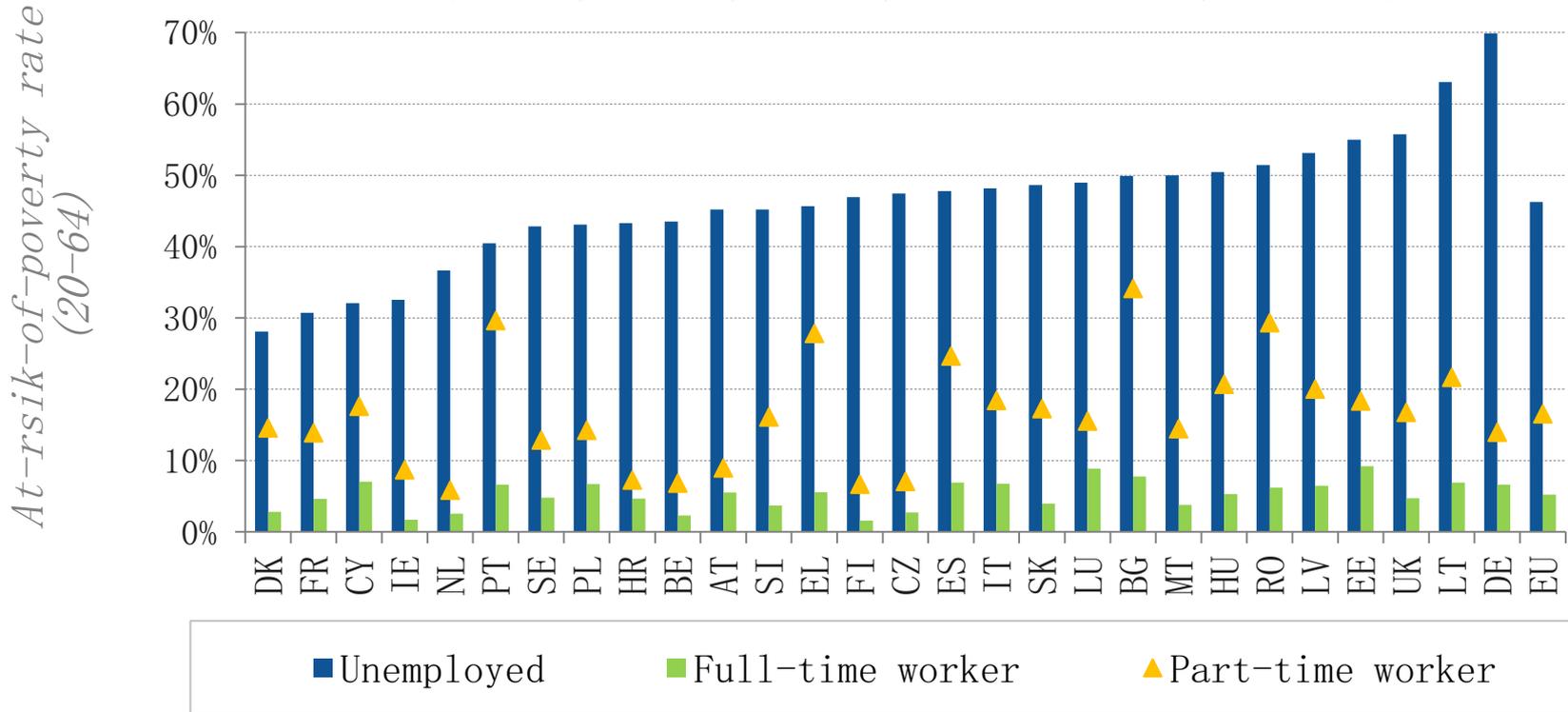


Source: EUROSTAT [ilc_mddd11]



Full-time work protects relatively well against poverty

At-risk-of-poverty rate by activity status (20-64 years old)



Key findings

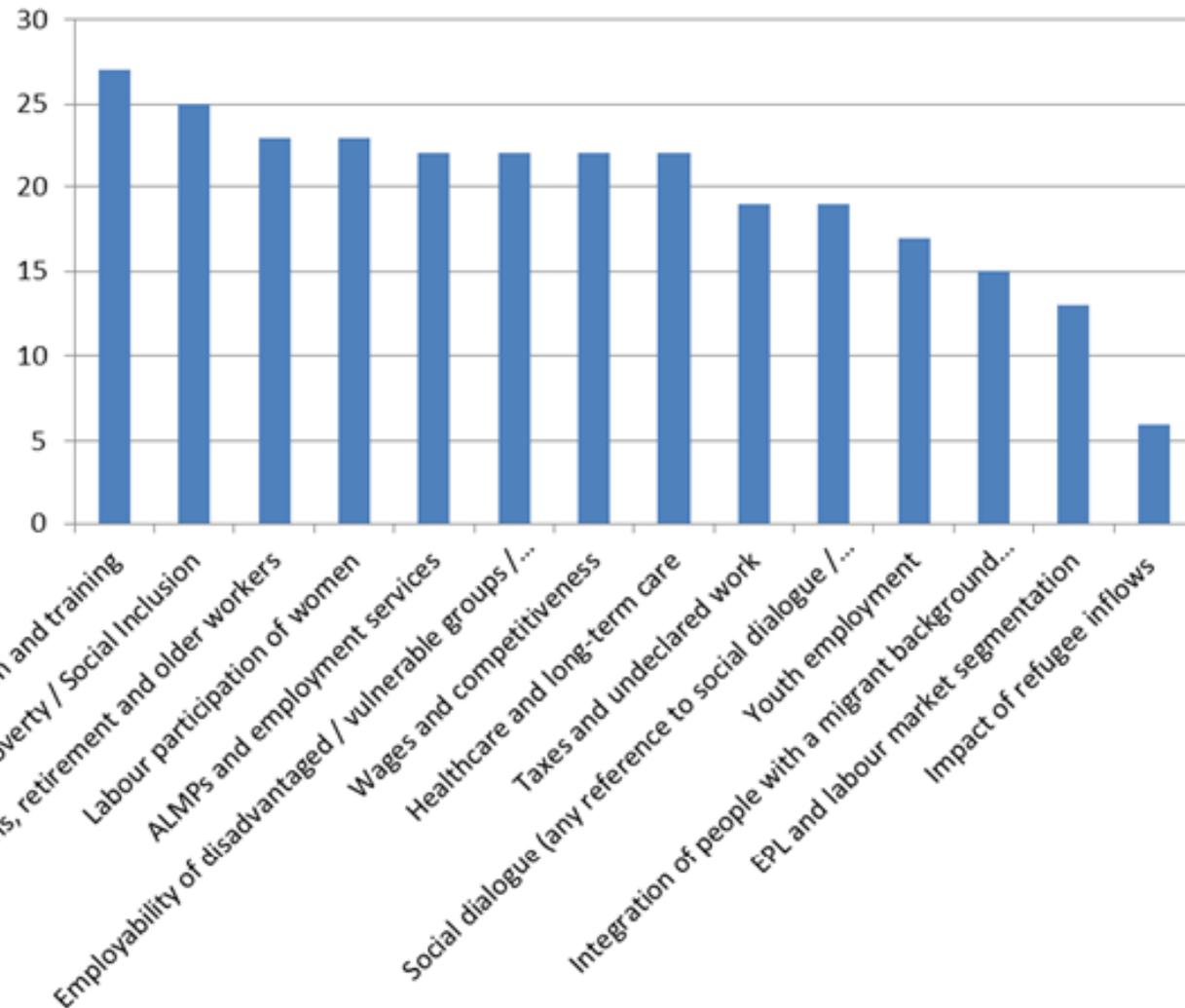
- Poverty arises when **low-wage** is accompanied by **low-work intensity** in the **household**
- Link between **in-work poverty & household size** → need to support families with children
- **Full-time work** protects relatively well against poverty while **unemployment** is a serious poverty risk
- The **quality of the job** (in terms of work intensity & wage level) determine whether people escape poverty upon getting a job

The role of the European Semester

- Almost 50% of all CSRs are on labour market, skills, education or social policy (2016)
- Since October 2015, the European Semester has been streamlined and now involves:
 - Stronger focus on employment, social performance and inequality
 - Emphasis on upward social convergence
 - Enhanced involvement of social partners
- Inclusive growth at the core of 2017 Annual Growth Survey:
 - Improving social fairness and reducing inequalities



Coverage of labour market, education/skills & social issues in 2017 Country Reports



Number of Member States featuring ...



Implementation of 2016 CSRs

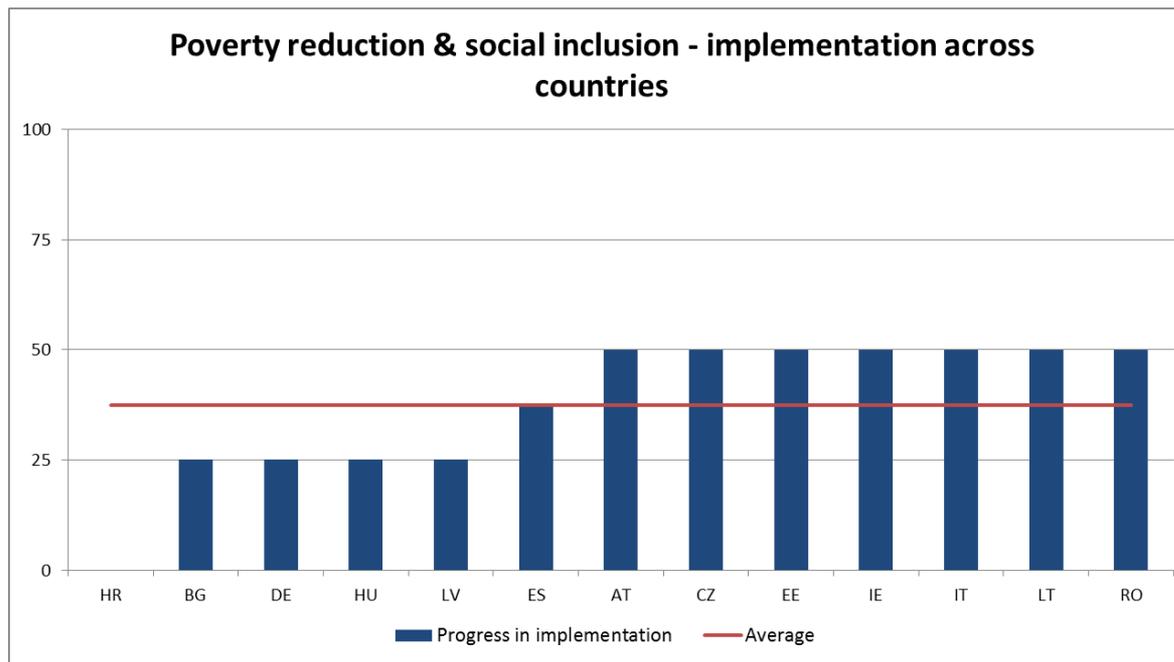
Policy areas	AT	BE	BG	CY	CZ	DE	DK	EE	ES	FI	FR	HR	HU	IE	IT	LT	LU	LV	MT	NL	PL	PT	RO	SE	SI	SK	UK	
Employment protection legislation & framework for labour contracts						■					■					■				■	■	■						
Unemployment benefits											■		■			■					■	■	■					
Active labour market policies		■	■	■				■	■	■		■	■	■	■	■		■					■			■	■	■
Incentives to work, job creation, labour market participation	■				■	■		■	■	■			■	■	■					■	■			■			■	■
Wages & wage setting		■	■					■	■		■	■									■	■						
Childcare	■							■	■					■												■	■	■
Health & long-term care	■		■	■				■	■					■									■	■		■	■	■
Poverty reduction & social inclusion	■		■	■		■	■		■	■		■	■	■	■	■		■					■	■			■	■
Education	■	■	■			■			■		■			■									■	■			■	■
Skills & life-long learning		■							■	■	■					■			■	■		■				■	■	■

No progress
 Limited progress
 Some progress
 Substantial progress
 Fully addressed

- All Member States received in 2016 CSRs on labour market, skills, education or social policy, except from DK and SE
- Progress on 90% of recommendations
- 13 MS received a CSR on poverty reduction and social exclusion
- Other drivers of poverty addressed: i.e. education, skills, LM participation and segmentation, health & long-term care, etc.

Poverty reduction and social exclusion

- Poverty has started to go down, from very high levels
- Some progress on CSRs for the majority of targeted Member States
- No progress in HR, limited progress in BG, DE, HU and LV
- Adequacy and/or coverage of minimum income and accessibility of high-quality public services are key challenges

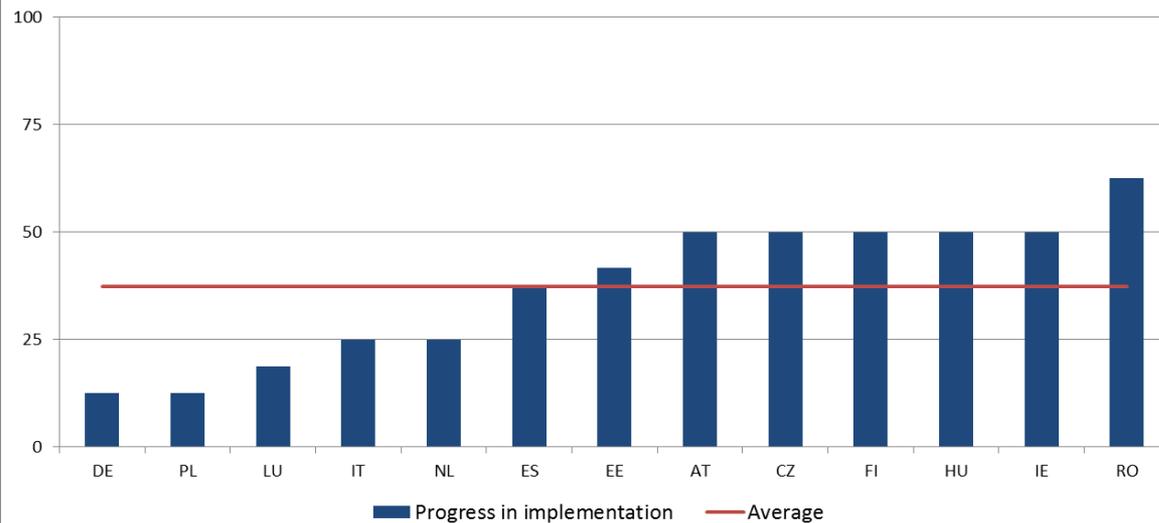




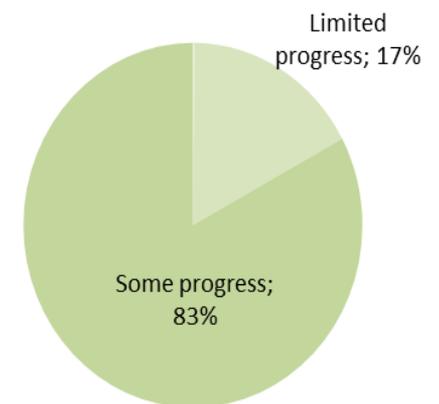
Job incentives, labour market participation & childcare

- 13 MS received CSRs in a broad category of job incentives and labour market participation
 - Some progress or more in AT, CZ, FI, HU, IE and RO
- 6 MS were recommended to improve childcare services, mainly to support employment of women
 - Some progress in AT, EE, IE, SK and UK; limited progress in ES

Incentives to work, job creation, labour market participation - implementation across countries



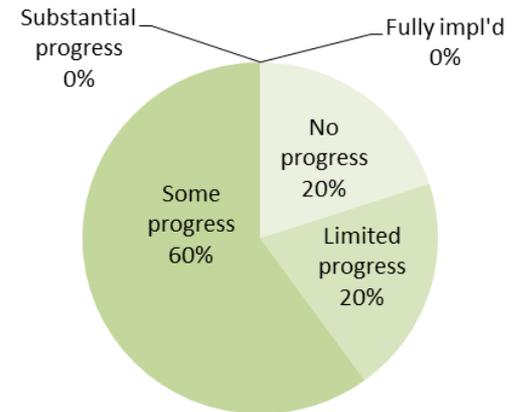
Childcare



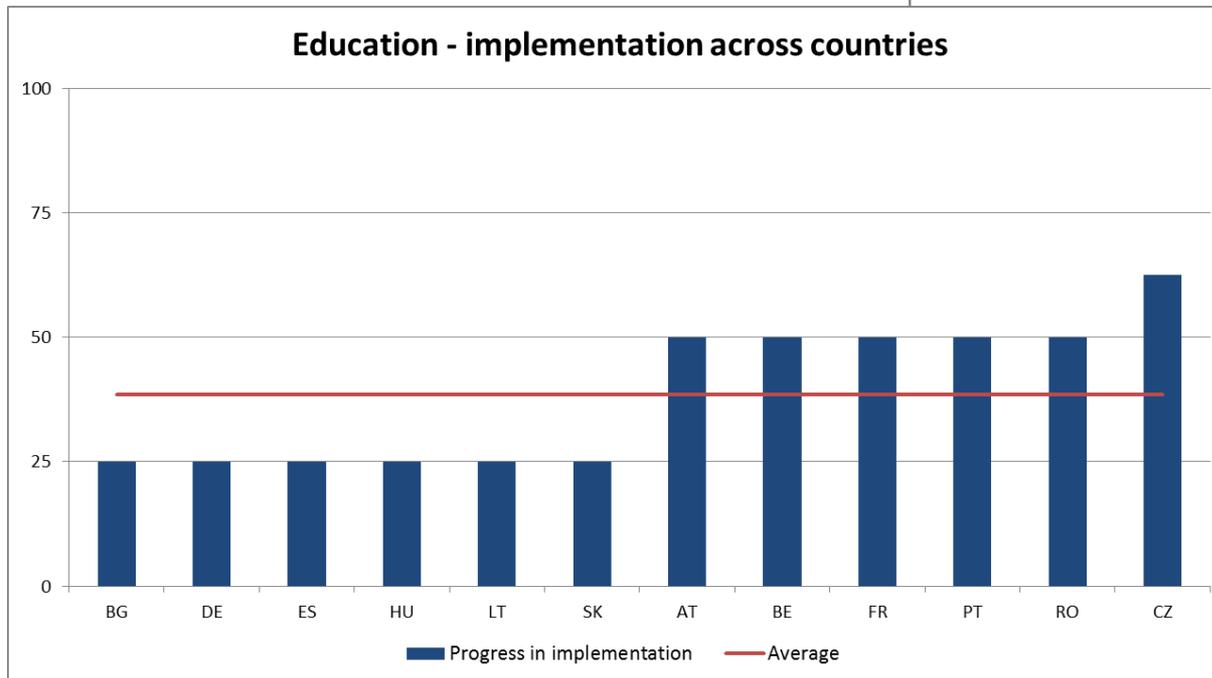
Education and skills

- Important changes in education in CZ but also in other MS such as AT, BE, FR, PT and RO.
- Share of early school-leavers continues to decrease; 10 MS are still above the Europe 2020 strategy headline target of 10%

Skills & life-long learning



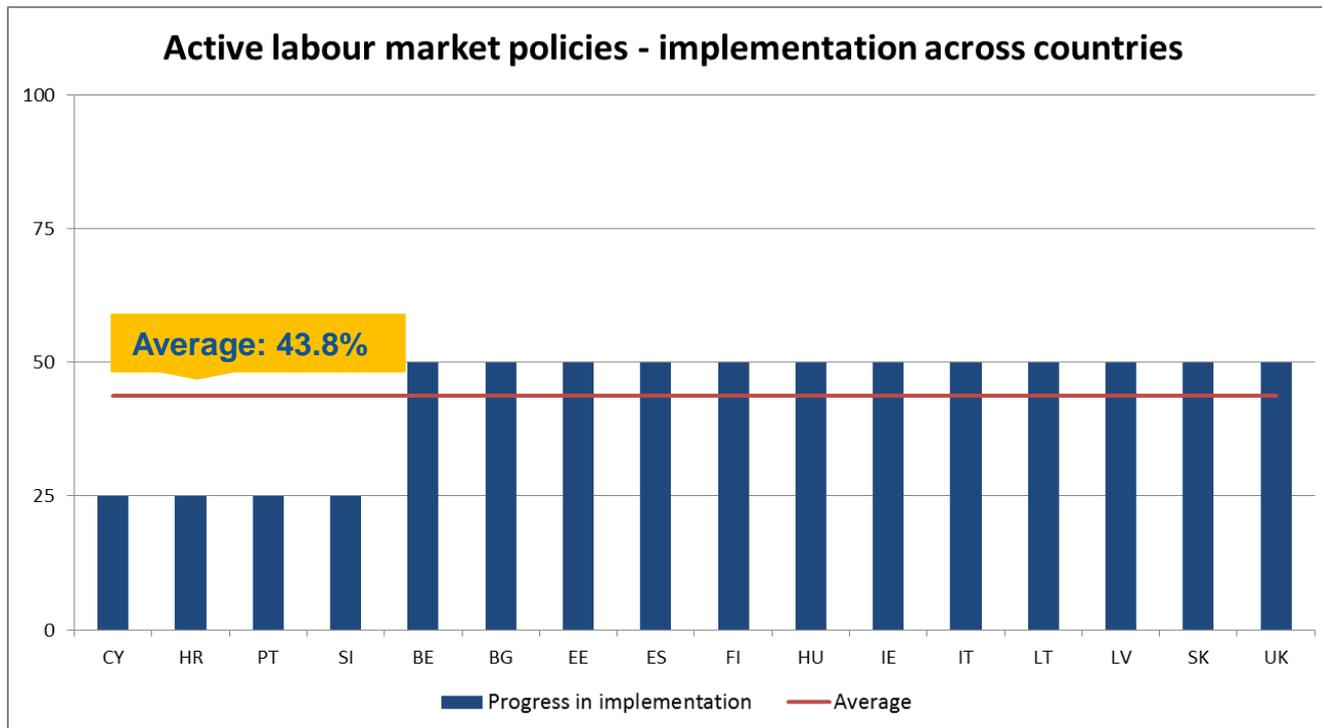
Education - implementation across countries





Active labour market policies

- Still 20.2 million unemployed including 9.2 million LTU (Q3-2016)
- 5.5 million young people entered the Youth Guarantee in 2015
- Recommendations for 16 Member States
- Some progress for the majority of CSRs on ALMPs, including PES
- Main challenges include the integration of long-term unemployed, youth, individualised ALMPs and PES capacity



Some success stories

- In **Malta**, a package of measure to 'make work pay' has been implemented since 2014.
- **Cyprus** adopted the Guaranteed Minimum Income (GMI) in 2014.
- In **Italy**, the 'Support for Active Inclusion' (SIA) provides for greater access to activation programmes.
- **Romania** adopted in 2016 the minimum inclusion income, due to enter into force in 2018.

ESF contributes to the social inclusion target...

- ESF directly contributes to **Europe 2020 headline targets**
- Strong orientation to back financially the delivery on the **poverty reduction target**
 - > 20% of ESF envelope on "Promoting social inclusion, combating poverty and any discrimination"
- ESF investment linked to **economic governance / CSRs**

The way forward (I)

The Social Pillar (expected end April 2017):

A framework for renewed socio-economic convergence:

- Rethinking our policy making and monitoring tools
- Stronger awareness of the deep inter-connections between social and economic spheres
- New encompassing approach to resilience and fairness

Public consultation: enhancing social fairness and tackling inequalities a core priority

Implementation through a mix of instruments: responsibility for delivery mostly at national and local level

The way forward (II)

Governance tools and future policy options

- Short term:
 - **developing benchmarking within the Semester**
- Longer term:
 - **Reflection papers on Social dimension and EMU**

UN Sustainable Development Goals (2030)

Thank you for your attention!