

SOCIAL AFFAIRS FORUM NEWS / MAY 2014

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SECRETARIAT UPDATES

Together for Social Europe

Our next Social Affairs Forum will take place on 3 and 4 June in Amsterdam.

If you haven't registered, please do so:

http://www.solidar.org/spip.php?page=agenda&id_evenement=60

Tuesday, 3 June:

As vast and major social policy changes are being prepared and implemented in the Netherlands in the field of care, social support and youth care which have important and radical consequences for local municipalities, clients, social service providers and on civil society, we would like to discuss with you possible ways to approach these challenges collectively.

Furthermore, we will showcase Humanitas' activities with close cooperation between our volunteers (informal care/social support) and actors in formal care/social support to discuss conditions, possibilities and risks.

Wednesday, 4 June:

Our regular Social Affairs Forum subdivided into four working groups will take place: Social economy working group, Social Progress Watch Initiative expert network, Volunteering and Active citizenship working group and the operation and implementation of the EaSI programme.

SOLIDAR Social Progress Watch Initiative expert network

At the SAF on 2 April, members and partners discussed the evidence-based recommendations provided in the briefing paper and made suggestions to make them more specific. On the basis of this discussion, after the meeting **national feedback tables** were prepared by SOLIDAR Secretariat and sent back to members asking for assessment and complementation of the national recommendations defined in the above mentioned briefing.

We extended the Social Progress Watch Initiative to three more countries: Portugal, Romania and Serbia. At the same time we are collecting inputs form members on the national feedback tables.

Next steps

At the next SPWI Expert Network meeting we will discuss how to improve the monitoring tool by identifying more specific sub-indicators and developing a new methodological approach. In addition strategies and actions for the upcoming six months will be discussed.

SOLIDAR Social economy working group

After the launch of our [common framework paper](#) ('manifesto') at the beginning of March, we published our [factsheet on the Social Investment Package](#) and are currently preparing our social economy field visit on 3 June in Amsterdam where we will get an insight into the different work fields of our Dutch member organisation Humanitas.

At the same time, we are collecting case studies to show case best practices in the daily work of our members. These case studies will be presented in Amsterdam and published later on. Furthermore, we are involved in different working structures at EU level to find the best ways of advocating for a positive transposition of the Public Procurement Directive at national level.

Next steps

Besides the field visit on 3 June, we will discuss strategies and actions for the upcoming six months in our next Social economy working group on 4 June in Amsterdam. Furthermore, we will discuss the changing social policy background and the implications on the daily work of our members and brainstorm on actions regarding the ratification of the Public Procurement Directive. Another topic to discuss will innovation in social services which will be a topic of the SOLIDAR training academy in autumn.

Volunteering/active citizenship working group

During the SAF on 2 April, SOLIDAR members and partners shared information about initiatives undertaken in the area of promoting active citizenship and volunteering for social cohesion. The [policy recommendations](#) developed in the framework of the European Year of Citizens 2013 were discussed and participants brainstormed ideas to organise an initiative to promote and evaluate the implementations of these recommendations.

Next steps

At the next Volunteering/active citizenship Working Group on 4 June in Amsterdam, we will discuss SOLIDAR's members involvement in the European Citizens seminar on 10-12 in Copenhagen and members will provide updates on other initiatives/campaigns in this areas. Furthermore, strategies and actions for the upcoming six months will be discussed.

POLICY UPDATES

Outcome of the European Elections: The day after – Winners and losers

The European elections that ended on 25 May have not yet produced a clear winner, but are already teaching us some lessons:

1. The personalisation of the campaign with leading candidates was a step in the right direction. It gave a more European dimension to the elections and in many cases, raised the attention of the media as well as of the public opinion. In some countries the participation in the poll was raised, but still remains disappointingly low compared to the national elections. The message that “your vote counts” seems to have been mainly understood by extremists, fascists and populists. Their results are increasing and this fact is most worrying.
2. Now, it would be a mistake to only concentrate on the question: How to compose a majority in the EP which will be able to propose a candidate for the position of the Commission President? The strong extremist vote calls for a political reaction which shall be more than simply ensuring majorities: the need for re-establishing trust and credibility in the capacity of democracy to find a solution towards tackling the most urgent social needs within the EU.
3. Whereas in an early stage votes for right-wing extremists or true fascists were most likely a vote out of opposition, today, the ideas of the far-rights have now entered the political sphere and have reached the core of our societies. When center-right, and also sometimes center-left, parties think that the best way to absorb the electoral potential of the extreme- right is to integrate parts of their xenophobic positions and their security discourse, we always see the same result: in the end people would rather vote for the original than for the ‘copy’.
4. Unfortunately the media bears strong responsibility and is therefore also accountable for the increase in far right votes: in the course of market shares, journalism has often lost its quality and analytical faculty. In TV reporters have often become the policy and opinion makers and in order to increase attention, they like inviting provocative extremists and give them the floor in debates. Furthermore it was disappointing to see the low level of competence of many journalists that reported on Europe, which eased the arguments of the ‘Europhobe’ throughout Europe.
5. But, and herein lays the real danger: the political discourse is habilitated and the democratic consensus is weakened. France is the best example that proves how this process initially allowed for right-wing extremists to get their foot in the door at local and regional council level and now even within EP. Unfortunately in EU 28 there is a political space for right-wing extremism, due to the vast social imbalances and also the incapacity of the actual majorities to give real answers instead of only making

promises regarding the most urgent social needs at hand. If the focus still remains on saving the banks and attacking the fundamental values of our welfare states, we cannot stop this process. Martin Schulz therefore has set the right priorities and should be able to gather a majority around these issues to unleash a real political change!

6. Winning elections is more than a campaign for votes. The stable strength of the Greens shows that their stability is more due to the fact that they remain implemented in their 'milieu'. This is why they concentrate on their key competences and why they remain successful at their level. Social democracy should remember that their strengths were the strong links not only with trade union movement, but also with civil society and its organisations.

7. As SOLIDAR, we call our civil society fellows to consider common mobilisation and joint action. We have been arguing for political change and we will propose a roadmap (our blueprint) for social justice to the new EP and the new Commission. Just "business as usual" is not only non-effective, but highly dangerous! We can build on the recommendations of the Alliance around the European Year on Active Citizenship because they present the programme for freedom, democracy, as well as for economic, social, cultural and civic rights.

8. In the reactions on the yesterday's result, we here now that there is no more place for calling for more Europe. We do not need less Europe, but more common sense and a socially responsible policy that dries out the landscape of extremists and fascists: a more social Europe!

9. Our European project has been built on lessons learnt from the 30ies of the last century, which led to war. It is built on values and based on the Charta of Fundamental Rights. Freedom of speech yes, but not for hate, xenophobia and racism!

European Commission revises General block exemption regulation (GBER) –

The General block exemption regulation (GBER) enables Member States to grant state aid on the basis of pre-defined criteria with no need to notify the European Commission. The intention is to save time, reduce the administrative burden and promote models of good aid. To achieve these objectives, the Commission has now enlarged the scope of the GBER further as part of its update of the state aid package after several months of consultation with stakeholders. The revised GBER includes new categories of exempted aid and further simplifies the assessment, by reducing the administrative burden for Member States and local authorities and increasing legal certainty for aid beneficiaries. The enlargement of the scope of the GBER and simplification will have to be balanced by increased transparency of aid measures and strengthened ex-post controls.

During the stakeholder consultation, it became clear that several SOLIDAR member organisations were especially concerned by two aspects of the draft GBER:

Regarding training projects, the European Commission lowered the level of aid intensity from 60 % to 50 % in its initial draft. Furthermore, trainees' personnel costs and general indirect costs (administrative costs, rent, overheads) were only to be eligible costs for Small and Medium sized Enterprises (SMEs) with less than 250 employees (Art. 30 para 3 GBER). This restriction would

have been difficult for organisations which are not fulfilling the criteria of SMEs and are therefore excluded from participating in partnership projects. These organisations would have had to carry a double financial burden: they would have had to pay the personnel costs for the participants (wage continuation) and on the other hand these personnel costs would not be considered as co-financing when applying for EU funds.

Several members of SOLIDAR participated in the Commission's consultation, expressing their concerns regarding the suggested changes mentioned above and proposed alternative measures. SOLIDAR advocated at EU level for a revision of the draft - with success!

On 21 May, the Commission published the final version of the new GBER after several months of consultation.

SOLIDAR welcomes the revised rules as they now allow for training costs to be fully recognised as eligible costs and the restriction for SMEs has also been dropped.

The Regulation will enter into force on 1 July 2014. Please find the [full legislative text and the Commission's press release here http://ec.europa.eu/competition/state_aid/legislation/block.html]

Social Policy Innovation: How to implement a social investment approach

On the occasion of the European Commission conference on Mobilising Social Policy Innovations (19-20 May), SOLIDAR launched the fact sheet on 'Social Policy Innovation: How to implement a social investment approach' providing recommendations on how social policy innovation should be used to better serve social purposes and to showcase local examples of innovative social services.

During the **conference**, that brought together over 300 key stakeholders from all over Europe, including representatives from national and local authorities, NGOs, social service providers and academics, SOLIDAR's Secretary General reaffirmed that innovation in policy making should help to achieve social progress and active inclusion and should not be considered as a way to replace social investment. Innovation should go hand in hand with the concepts of sustainability, redistribution of wealth and the EU social welfare model. SOLIDAR's Secretary General suggested a triple 'i' solution for European social policies: 1. (Social) Investment; 2. Innovation (for social purposes); 3. Implementation (through dialogue with all relevant stakeholders).

Social policy innovation should be considered as one of the means to achieve the social objectives of the Europe 2020 Strategy to increase the quality of life of service users/beneficiaries as well as the empowerment of individuals, participation in society and social cohesion. Social policy innovation should therefore only be embedded into a social investment approach by putting emphasis on the long-term social costs of not investing in people.

The following recommendations are put forward in SOLIDAR's fact sheet:

- **The EU's support of social policy innovation should go hand in hand with the support of a social investment approach in order to safeguard a risk-preventing, inclusion oriented and sustainable growth model.**

- **A clearer definition of the criteria delineating social innovation as well as better coordination among the initiatives undertaken by different institutions and the Directorates General could help.**
- **In the social service sector – which is crucial for developing social cohesion and inclusive growth - social innovation should be defined against certain quality criteria and should contribute to ensuring high standards of living and working through the delivery of affordable and high-quality social services.**
- **Innovative does not only mean ‘new’. The EU should acknowledge and support the innovation capacity of the established sector of social economy actors who have a long-standing tradition in adapting to social changes to better meet people’s need.**

In addition, 9 examples of innovative social services from all over Europe are presented in the factsheet.

Read SOLIDAR’s full [fact sheet](#) on Social Policy Innovation

Transatlantic Trade and Investment Partnership (TTIP): Our crown jewels for sale?

The current negotiations of a comprehensive trade agreement between the United States and the European Union have raised the question: “Is a tactic inside the ongoing negotiations on the TTIP between the EU and US being pursued that involves the sale of our most valuable assets, namely the European Social Model?”

TTIP aims to remove trade barriers in a wide range of economic sectors to facilitate purchasing and selling goods and services between the EU and the US. As well as cutting tariffs across all sectors, the EU and the US want to tackle barriers behind the customs border – such as differences in technical regulations, standards and approval procedures. The TTIP negotiations, however, will also look at opening both markets for services, investment, and public procurement.

SOLIDAR is most concerned about the fact that in order to reach the ‘extremely ambitious’ economic growth figures, the European Commission is ready to eliminate non-tariff barriers such as quality criteria in public procurement. In doing so, TTIP has the potential to undermine the quality and accessibility of social services. Moreover, through the elimination of preferential procurement for community-based social services, the European Commission can undermine the economic growth potential of the social economy, which is desperately needed to develop smart and inclusive economic growth.

Therefore, SOLIDAR calls on the European Commission to:

- **Ensure that social services are excluded from the TTIP negotiations;**
- **Make sure that the particular nature of social economy actors is better recognised as a key component of the European Social Model providing quality- and accessible services;**

- **Respect the Voluntary European Quality Framework for Social Services and ensure that quality criteria in public procurement are not considered non-tariff barriers to trade in services;**
- **Offer full transparency for all negotiating mandates and texts to allow for a public debate with civil society and trade unions, and the full involvement of the European Parliament.**

Those 120 million Europeans who are living in poverty or are at risk of falling into poverty depend on the European Social Model to enable new job opportunities and to empower their participation in society. However, TTIP – as it stands now – might even push more people into poverty and social exclusion.

Read [SOLIDAR's full briefing paper on TTIP](#)

EU-Canada Comprehensive Economic and Trade Agreement (CETA) - Another threat for the European Social Model?

After five years of negotiating, a conclusion of a comprehensive trade agreement between the EU and Canada (CETA) is estimated to soon come to a close. As the negotiations are being held behind closed doors, dates, documents and positions remain unclear. It was only recently that negotiations received public attention as CETA comprises the same Investor-State-Dispute-Settlement (ISDS) investment arbitration mechanism as in the context of the Transatlantic Trade and Investment Partnership (TTIP) that is currently being discussed extensively as well as critically.

CETA has followed the EU's approach in trade negotiations since 2006 of fully extending market access for negotiating partners to both services and public procurement, similarly to TTIP. CETA is the first free trade agreement where the EU follows the so called "negative list approach" regarding the liberalisation of services: all services are liberalised except for those that are explicitly exempted.

CETA is furthermore the first free trade agreement of the EU which allows full market access for the EU to all levels of the Canadian government: - federal, provincial and local - and vice versa. This sets high standards for the TTIP negotiations as the EU's chief negotiator has stated that "TTIP will go beyond the highest level of market access ever obtained by the EU or the US."

In SOLIDAR's view, the "negative list approach" with the aim of a full liberalisation of the public procurement market in Canada and the EU is unacceptable and poses serious threats to our social model.

Public procurement is a major tool for governments to make public policy choices: to guarantee for social services delivered where they are needed, with consistency and certain quality criteria. A full market liberalisation cannot be desirable - financial markets have recently shown us what can happen if regulation and public intervention are withdrawn and free competition takes over.

SOLIDAR furthermore cannot agree with the “negative list approach” as it has a high risk of omitting important sectors and will tie the hands of public authorities regarding future policy interventions. CETA has the potential - just as TTIP - to undermine the quality and accessibility of social services for people in need.

Trade in Services Agreement (TISA): Public services under threat

Currently, the Trade in Services Agreement (TISA) negotiations are being undertaken behind closed doors by some members of the World Trade Organisation (WTO) with the aim of a further liberalisation of trade and the investment in services. This new agreement encourages privatisation, restricts the government’s ability to regulate in favour of public interest and creates new and powerful rights for large multinational corporations. In addition, this trade deal is being negotiated in secret, without proper consultation and will bind future governments, usually disregarding decisions of national elections, parliaments and courts.

Therefore, SOLIDAR wants to raise awareness on the TISA and is concerned about the threat that TISA will cause to public services. This trade deal consciously promotes commercialisation and favours goods and services in terms of their ability to be exploited for the profit of global corporations. We must ensure that trade agreements are not used to open public services to private commercial endeavours. SOLIDAR calls upon the EU to take the social dimension into account and step up its’ efforts to realise social cohesion.

Furthermore SOLIDAR welcomes the initiative of the Public Services International ([PSI](#)) to demand that those countries currently involved in TISA negotiations:

- Release the text of the TISA agreement,
- Exclude all public services from the agreement,
- Ensure that countries have the right to regulate in the public interest.

We also urge the governments of non-participating countries to clearly state that they will not join the agreement. SOLIDAR defends public goods and services and therefore rejects the TISA. Public services are public goods, not a commodity!

NEXT MEETINGS OF THE SOCIAL AFFAIRS FORUM IN 2014

- **3 – 4 June (Amsterdam)** including:
 - Social Progress Watch experts meeting
 - Social economy working group
 - Volunteering/active citizenship working group
 - Field visit with Humanitas



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- **12 – 13 November (Brussels)**
- **training academy: date tbc**

OTHER EVENTS

- **5-6 June (Brussels):** PESSIS II Seminar followed by project mid-term coordination meeting
- **10-12 June (Copenhagen):** True European Democracy Training Academy
- **17 June (Brussels):** Debate on the Transatlantic Trade and Investment Partnership, organised by SOLIDAR and Social Platform
- **25 June (Brussels):** Annual General Assembly SOLIDAR