

**Europe 2020 mid-term review:
Contribution of the Liaison Group**



Liaison
Group

European Economic and Social Committee

1. Introduction

1.1 Background and contribution of Civil Society to the launch of Europe 2020

The Lisbon Strategy, launched in 2000, aimed to make Europe “*the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion*”. In 2005, after a mid-term review revealed mixed results, the focus was narrowed to productivity, jobs and growth. Social cohesion, social inclusion, and gender equality and equality for all were lost.

When the crisis started in 2008 policies were mainly orientated towards saving the private banking sector and financial and fiscal consolidation. It became apparent that the EU would need another strategy which would also answer to the emerging social crisis. Civil Society Organisations (CSOs) and their overarching platforms actively participated at every step in the preparation process for the new strategy. In 2010, Europe 2020 was launched as the EU’s strategy for smart, sustainable and inclusive growth. Five headline targets were set - including objectives on employment, the reduction of poverty and social exclusion, education, and climate change and energy. The majority of CSOs welcomed this new integrated approach. However it should be pointed out that the strategy lacks a rights based approach which would provide a framework to measure and monitor the impact on inequalities. Gender equality was also not specifically addressed despite the fact that equality between women and men and gender mainstreaming are objectives of the EU.

1.2 The European Semester

In 2011, the European Commission set up a yearly cycle of economic policy coordination called the European Semester with the objective of reinforcing EU economic governance and to supplement the commitment of member states in achieving the Europe 2020 targets. Recital 16 of Regulation 1175/2011, requires the involvement of the European Parliament, National Parliaments and consultation of other stakeholders in the Semester process. CSOs involvement is paramount given the growing recognition of the need for democratic legitimacy. By being involved CSOs can facilitate the involvement of other sectors of government and better consideration for social justice in the EU economic governance process.

At the European level CSOs constructively take part in the process by analyzing National Reform Programmes (NRPs) and Country Specific Reports (CSRs), but they are not involved in any consultation process. Some European CSOs work with national members to propose CSRs and an alliance of CSOs also compiles alternative CSRs¹. European CSOs also promote the strategy among national CSOs who have so far not been adequately involved.

1.3 State of play of Europe 2020

Four years after the launch of Europe 2020, the EU is far from achieving its targets particularly on poverty and employment. The ongoing financial crisis led to a focus on fiscal and financial consolidation through austerity plans which have resulted in increased poverty, unemployment and inequality. Although the climate targets look better, the improvement is more due to reduced industrial production than to the achievement of the strategy’s goals.

The social balance sheet is alarming: 124 million people live in poverty² (an increase of 10 million); 24 million people are working poor; 25 million people are unemployed (almost 11%); and, 13.9 million young people are NEETs. On top of this income inequalities have risen with the top 20% having earned 5.1 times as much as the bottom 20% in 2012, demonstrating a growing social divergence in Europe. Divergences exist not only within the member states but also between them, and not only with those who are under the rules of austerity.

¹ from the social, cultural, environmental and equality, including gender equality, perspective.

² representing 26.9% of women and 24% of men.

These alarming social and employment trends have to be taken into account as a premise to any review of the Europe 2020 strategy as also acknowledged by the European Commission in the communication “*Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth*” launched on March 05, 2014.

The main question now is whether the revised strategy will be narrowed like the Lisbon Strategy in 2005 and if the inclusive growth dimension will be watered down. We the Civil Society Organisations Liaison Group believe the focus should instead shift to the implementation of the strategy in the member states, on rehabilitating the real economy³, and on investing in people and policies that would provide a realistic chance of reaching the original objectives.

³ the [part](#) of a country's [economy](#) that [produces goods](#) and [services, rather](#) than the [part](#) that consists of [financial services](#) such as [banks, stock markets, etc.](#)

2. Governance

The concern of civil society is that current policies and European processes are insufficient to reverse the breakdown of social Europe. The situation will not change if the focus stays solely on economic growth without ensuring that it is sustainable for the planet, inclusive and rights based, and without taking proper account of the negative social impact of current macroeconomic policies.

2.1 The European Semester

Looking back at the previous European Semester cycles, in our view the current processes are not transparent, are not being properly implemented, and are ineffective in serving the goal of achieving the Europe 2020 targets.

Since 2011, the Annual Growth Surveys (AGS) have shown a disconnection between the Europe 2020 strategy and the European Semester. As there is an EU wide poverty target, the lack of concrete guidelines and very limited number of proposals formulated to address the on-going increase in poverty and social exclusion within the AGS is disappointing. Employment measures were put forward in contradiction with ensuring quality employment, decent minimum wage, closing the gender pay and pension gap, and job security. Improving and investing in good education was only referred to in respect of increasing employment for growth and not as a goal in itself. On top of this, apart from 2012, there were no progress reports on the implementation of Europe 2020. The AGS 2014 re-proposes five priorities focused on economic and financial policies favoring budget cuts in the social field that continue to damage the European welfare state: pursuing differentiated, growth-friendly fiscal consolidation; restoring bank lending to the economy; promoting growth and competitiveness for today and tomorrow; tackling unemployment and the social consequences of the crisis; and modernising public administration.

Although the 2014 AGS recognizes the role of civil society in the dissemination and communication of the European Semester we hope that this will not limit their involvement in the whole process. It should be one element of a real cooperation with civil society in all phases of the European Semester process and its implementation.

It is positive to see the Joint Employment Report annexed for the first time to the AGS 2014. The Report includes a Scoreboard composed of five key employment and social indicators on household income, inequality, poverty, unemployment and young people who are not in education, employment, or training (NEETs). This social Scoreboard aims to help strengthen the social dimension of the Economic and Monetary Union (EMU). It should help reinforce the monitoring of employment and social developments as part of macro-economic surveillance within the European Semester. The aim is to identify (better and earlier) major employment and social problems that need to be tackled and to prevent serious divergence between the social situations in Eurozone countries. However, contrary to the scoreboard used under the Macro-economic Imbalance Procedure, the outcomes of the social scoreboard do not have binding implications. Without such a mechanism and potential to trigger action, the social dimension will be an empty shell with economic and financial policies continuing to damage the social tissue of our continent. The Scoreboard also lacks a gender equality dimension which means that the European Semester is left without the necessary instruments to combat gender equality.

No real improvement has been seen in the NRPs over the past number of years. The general message continues to be one of austerity, focusing on macro-economic corrections. While there has been some progress in involving stakeholders at national level very often their opinions are not taken up in the final version of the NRPs.

The CSRs have shown some improvement over the years. In 2013 the number of CSRs on poverty, employment, education, and care and health services increased. Furthermore some new positive individual proposals were formulated for some countries regarding key target groups such as children, youth, migrants and Roma. The overarching Communication on the 2014 CSRs also stated that *“several Member States need to pay more attention to combating different forms of poverty – child poverty, homelessness, in-work poverty and over-indebtedness of households – and to ensure the effectiveness of the welfare systems that deal with those*

affected". However some CSRs are a cause for concern as they could have an adverse effect on gender equality, notably those concerning: pension reform (the current average gender pension gap is 39% in the EU); the proposals to revise pay and pensions review mechanisms; the rise in retirement age without taking into account years of healthy life; and the proposal to introduce tax incentives for couples' second incomes. The European Pact for Gender Equality (2011-2020) calls on member states to apply a gender equality perspective in their NRPs and on the Commission and the Council to incorporate a gender equality perspective in the AGS and the CSRs.

Consistency between the different CSRs is also lacking. The main focus is still on reducing public deficits and debt, primarily through reducing public expenditure with huge consequences on public services, rather than on coherent and balanced proposals which deliver on the objectives of Europe 2020⁴. Unless such a balance is restored, this absence of coherency will continue to generate increased poverty and social exclusion and undermine the coherence of the social CSRs and their potential for delivery. For example, active labour market reforms are promoted without any requirement of employment being sustainable and of high quality. Furthermore, the ongoing failure to set CSRs for Troika countries sends the message that these countries are excluded from Europe 2020 (when in fact they need it most). While it is positive that the social partners⁵ were formally invited to comment on the CSRs in 2013, CSOs were not.

There is also an implementation gap between the recommendations set in the AGS and the CSRs and the decisions made by member states. In the 2013 AGS the Commission considered that "longer term investment in education, research, innovation, energy and climate action should be protected and the needs of the most vulnerable in our society should be catered for" as a priority and that it is "essential to invest in the modernization of education and training systems, including life-long learning". Promoting investment in education and skills was mentioned in the CSRs for 22 member states. However over the last number of years member states have cut their spending in education.⁶

2.2 Tools, Instruments and Funds

Europe 2020 Flagships

The strategy includes seven flagship initiatives providing a framework through which the EU and national authorities mutually reinforce their efforts in areas supporting Europe 2020⁷. Among the seven flagship initiatives included in the Strategy, are the 'European platform against poverty and social exclusion' and the 'An Agenda for new skills and jobs' that have been set to reach the goal of inclusive growth.

The '**European platform against poverty and social exclusion**' (EPAP) was designed in 2010 with the aim of supporting member states to reach the headline target of lifting 20 million people out of poverty and social exclusion. The Platform works in close partnership with civil society, the social partners and member states and is keen in directly involving people experiencing poverty and social exclusion in the design and implementation of policy reforms. Another distinctive initiative carried out in the context of the flagship is the Annual Poverty Convention. Despite the fact that two thirds of the actions foreseen under this flagship have been formally delivered, there is still, for the moment, no honest commitment to, and no implementation of, the Europe 2020 poverty target.

The Commission, in its Communication "*Taking stock of the Europe 2020 strategy*" admitted that the flagship did not fully succeed in creating a coherent and integrated framework for social policies and exploiting the synergies between the different actions. The Commission seems even to question its added value.

⁴ It is notable that Europe 2020 nor the goals of smart, sustainable and inclusive growth, or the five targets are referenced explicitly in the preamble of the Recommendations.

⁵ The social partner organisations represent the interests of workers and European employers.

⁶ The Education and Training Monitor 2013 states that 16 Member States decreased their education expenditure at some stage between 2008 and 2011, with six of them showing further significant budget decreases in 2012 (EL, IT, CY, LV, PT, UK-WLS).

⁷ The Strategy for Equality between women and men 2010-2015⁷ requires the Commission to 'support the promotion of gender equality in the implementation of all aspects and flagship initiatives of the Europe 2020 strategy'.

Different flaws of the EPAP can be identified and need to be addressed in order to convert this flagship into an efficient and effective tool. One issue is again coherence: the bigger picture of how the different instruments and processes in the social field (such as the EPAP and its Stakeholder Dialogue meetings, social OMC, Social Investment Package and the EU funds including the ESF and EaSI) should work together to achieve the reduction of poverty is still not clear. Their direct link to the European Semester with the AGS, NRPs, and CSRs, is also missing.

The Annual Convention of the EPAP is still not organised in a way for it to take stock of the implementation of the poverty target in all countries nor does it provide enough room for reflection by the EU, the member states, civil society and other stakeholders, on the actions needed to improve the situation. At the moment, the EPAP and its Convention receive little visibility and political value. The messages and recommendations that came out of the Conventions of 2011, 2012 and 2013, have secured only minimal political commitment. What is missing now – and really needed – is a political process that links the EPAP and its Convention to other European processes. The Convention should put forward clear recommendations to the EPSCO, European Council as well as all other policy makers, and these should be included in the European Semester.

The flagship initiative **“Agenda for new skills and jobs”** was presented as an initiative to help the EU reach its employment target for 2020. It also aims to contribute to the EU educational and poverty targets. In its Communication *“Taking stock of the Europe 2020 strategy”*, the Commission’s assessment of the flagship was particularly negative: its impact at macroeconomic level was limited, the awareness of the flagship has been hampered, and also its link with the European Semester, including the CSRs, has been limited. The flagship is also missing actions that focus on ensuring the quality of jobs created as well as actions to improve the accessibility of the labour market for all women and men that can work. The emphasis of the “white” (health and social care) and “green” jobs as sectors for job creation is welcome, and the benefits on social cohesion and sustainable development should be more prominent.

The flag ship initiative **“Youth on the Move”** is a package of policy initiatives on education and employment for young people in Europe. The aim of this flagship is “to improve young people’s education and employability, to reduce high youth unemployment and to increase the youth-employment rate – in line with the wider EU target of achieving a 75% employment rate for the working-age population”⁸. In the implementation of the initiative, the EU has set the frame and provided some funding for the Youth Guarantee to facilitate young people’s transition from education to the labour market in member states. Nevertheless at national level there are still some challenges to overcome before the full implementation of the Youth Guarantees. Proper monitoring of how the Youth Guarantee needs to be implemented is needed to ensure it respects the main principles defined in the recommendation adopted by the Council in February 2013⁹. We believe it crucial that member states stick to their commitments to set-up efficient mechanisms and invest in creating strong partnerships between public employment services, social partners, employers and educational authorities. We are convinced that the European Semester can hugely contribute to this.

The European Social Fund (ESF)

The ESF aims to help member states restore and increase growth and ensure a job rich recovery while ensuring sustainable development, in line with the Europe 2020 objectives. The first ESF covered investments from 2007 to 2013, while the new Fund as agreed in 2013, will cover 2014 till 2020.

A first key achievement of the new ESF is its broad focus on social objectives. From now on “promoting social inclusion and combating poverty” is also one of the four thematic objectives of the ESF, next to the employment objective. The setting of specific thematic objectives and investment priorities can provide member states with indications on how to spend the money well. Another achievement is the promotion of equality between women and men and equal opportunities for all without any discrimination to be integrated in all actions and also supported through specific initiatives.

⁸ This term has now replaced “women and men” making gender equality more invisible in the overall strategy, particularly important when the unemployment rate of young women is higher than young men.

⁹ i.e. concerning the quality and typology of jobs, traineeships and training opportunities offered by the schemes, as well as the accessibility of the schemes to all young people without any conditionality including from a gender equality perspective.

Furthermore, it was agreed that at least 71 billion of EU resources should be dedicated to the ESF and that at least 20% of this has to be allocated to investment priorities under the social inclusion objective, as requested by many CSOs. At least € 3 billion of the ESF money has to be allocated to the Youth Employment Initiative (implementation of the Youth Guarantee) and another € 3 billion will be added to this from outside the ESF. These resources can help reverse the worrying trend of unacceptably high rates of poverty and unemployment, including youth unemployment, if implemented properly, in partnership with stakeholders such as CSOs.

The “partnership principle” makes it mandatory for member states to organise partnerships with relevant actors, including CSOs. They should be involved in the preparation of partnership agreements and progress reports throughout the preparation and implementation of programmes, as well as in monitoring committees. This allows making an added value of CSOs’ sound knowledge of the reality on the ground, the needs of different target groups, on how to successfully run integrated projects funded by Structural Funds, and the key role played by Structural Funds in delivering on the Europe 2020 poverty reduction and employment targets. The cooperation between the managing authorities and different stakeholders through the proper use of the Code of Conduct on the Partnership Principle, will contribute to an efficient and effective implementation. However much of the ESF implementation planning happened before the Code of Conduct was adopted and therefore only very few member states applied the partnership principle properly. Stakeholders were often just informed about decisions that were already taken by public authorities.¹⁰

Another achievement is the inclusion of some framework conditions that have to be in place before disbursing funding to ensure the proper implementation of the thematic objectives and investment priorities¹¹. Member states should concretely identify from the beginning how and for what they want to use the money. This was often missing in the past under the previous ESF and led to the problem of non-take-up.

It is very clear however that the amount of resources available under the ESF is not enough to solve all the social problems in the EU. Therefore other EU funds, including the ERDF, EaSI and Horizon 2020 should support social policies, and member states have to allocate additional resources from their national budgets.

The Social Investment Package

In February 2013 the Commission launched the Social Investment Package¹² (SIP), which represents to a large extent a paradigm shift away from austerity measures towards social investment. While welcoming the policy focus of the SIP, CSOs are concerned that some of the programs undertaken under this initiative seem to promote conditionality and a targeting approach in relation to access to benefits and services.

In order to spur social progress through this initiative, we call for a more coherent and better integrated framework for social policies covering in a comprehensive approach the preventing and adjusting arms to fight poverty and social exclusion. We also call upon the institutions involved in the EPAP to strongly advocate for the need to stop social retrenchment and to support investment in the skills and potential of people so that they can fully participate in society and access decent work.

2.3 Civil dialogue

Currently the involvement of CSOs in, for example, the processes of the European Semester is disappointing. Member states do not want to consult – or if they do consult it is a poorly designed process lacking in quality engagement. Decision making processes need to be opened up to CSOs ready to play their role in their areas of expertise, in European Governance and in the implementation of the economic and social priorities of the EU. This will enable policy makers to tap into the existing, on the ground knowledge of CSOs and will give a voice to those who are directly impacted by fiscal, economic and social policy reforms. Such stakeholder involvement will not only improve policies at local, regional and national level but it will also improve the implementation of

¹⁰ See Social Platform article “[Disappointing implementation of partnerships in structural funds](#)”

¹¹ (e.g. to promote social inclusion and combating poverty, anti-discrimination, gender equality, healthy ageing and for a full implementation of the United Nations Convention on the rights of persons with disabilities while using structural funds)

such policies through services and systems that will be inclusive and sustainable, that can be targeted or universal, that can be flexible, and can be a stronger safety net when sudden shocks hit (such as the social and financial crisis).

Looking at the European Semester, the purpose of involving CSOs should be to ensure the best possible design, implementation and evaluation of policies promoting social inclusion and cohesion so as to generate maximum positive impact and change. This could be achieved partially by the Commission engaging in a more formal consultation during the preparation of the AGS, as it does with the social partners. Furthermore, to support stakeholder engagement at national level, European guidelines should be developed on how to engage with all relevant stakeholders in the elaboration of NRPs. But also more in general, clear and transparent procedures have to be developed and applied at all levels to allow for structural and meaningful stakeholder involvement in developing, implementing and evaluating policies under the Europe 2020 strategy. Favourable environments with sustainable funding for CSOs need to be created to underpin their meaningful involvement.

One of the most important areas for stakeholder involvement in the context of Europe 2020 is the EPAP and its Annual Convention. The Commission said in advance that voluntary guidelines on participation in relevant policies could be developed, but this unfortunately did not happen. Nonetheless, the EPAP has a broad stakeholder base and the number of Stakeholder Dialogue meetings has increased. To bring greater clarity as to the purpose of these meetings and their anticipated outcomes, the Commission could among others work towards a common agenda setting with CSOs, bringing forward suggestions for discussion. Since the first Convention in 2011 the involvement of stakeholders has improved. However, further work still needs to be done to ensure the effective engagement of people experiencing poverty.

3. Civil Society Recommendations: Re-focus Europe 2020 and the European Semester on inclusive growth

A change of governance is needed. We need governance that is consistent, inclusive and cooperative. *Consistent governance* means that we must ensure the coherence of policies set at a European and member state level, in particular through the ex-ante coordination of fiscal, economic and social policies and reforms. *Inclusive governance* requires the prioritisation of the social targets of the strategy. To achieve *cooperative governance* policy making and implementation has to be rendered democratic and legitimate through the meaningful and structured involvement of civil society.

There needs to be much more ambitious and quick action from the EU and member states and the Commission must use the tools and processes at its disposal to put pressure on member states to deliver on the social targets of Europe 2020.

We, the EESC's Civil Society Organisations liaison group, expect the review of Europe 2020 to allow for a better protection of social, education and cultural budgets when developing policies to tackle macro-economic imbalances; to increase social investments, particularly in the light of the Commission's SIP; to develop a true and integrated anti-poverty and social inclusion strategy at EU and national level; to mainstream social targets in all other policies; and finally to invest in the creation of, access to and progression in quality and sustainable employment. In particular, we expect the review of the Europe 2020 strategy to integrate the following measures in the future implementation of the strategy, with a view to ensure it reaches its goals on inclusive growth. In 2009, the European Parliament already endorsed several of them in its resolution on the active inclusion of people excluded from the labour market¹³, but implementation is still lagging behind.

The CSO Liaison Group would also welcome joint ECFIN and EPSCO Council meetings in the framework of the European Semester.

Recommendations

3.1 Active Labour Market Policy

We call for the inclusion of the Youth Guarantee as one of the elements to be reported on within the Semester's indicators, in the NRPs, and to be followed-up by the Commission and Council in the CSRs and in the AGS.

We call for Europe 2020 to foster equal access for all to quality education. High-quality, formal and non-formal, inclusive education is a vital prerequisite for successful integration in society and employment prospects and should be reflected in the Europe 2020 strategy. The European Semester should set clear objectives for member states to eliminate all barriers to education and ensure integrated education and access for all. In particular, high quality career guidance counselling must be a core part of education and skills policies while those who have been excluded from the labour market for a long time must have greater entitlements to funding for lifelong learning, especially where "key competences" are concerned.

The role of creative and critical thinking fostered by cultural activities for the development of people's skills is a priority. **We call for an approach of social and human investment** that includes cultural assets and resources. Prioritising the development of European social and cultural capital is a precondition of any successful strategy of recovery and more over for the fulfilment of fundamental human rights for current and future generations.

We call for a reinforcement of the EURES portal, which should ensure fair mobility and enhance access of workers to quality jobs. In particular, the extension of the scope of the EURES network to cover apprenticeships and traineeships should not be at the expense of good quality working conditions for interns

¹³ European Parliament resolution of 6 May 2009 on the active inclusion of people excluded from the labour market (2008/2335(INI))

and apprentices. In this regards, the recommendation voted by the Council on March 13 on a quality framework for traineeships does not seem sufficient to avoid exploitation of interns and apprentices.

We expect the NRPs to include more measures to create new employment through tax incentives and employment subsidies, notably for the most vulnerable groups in society, including NEETS (young people Not in Employment Education or Training). Besides the number of jobs created, the kind of contracts and conditions of employment, including employment patterns, should be reported in the Joint Employment report, including traineeships and within a gender equality perspective.

3.2 Social Services

We expect the review of Europe 2020 to rebalance budgetary policies in favour of social investment, to ensure the right for all to access affordable and high-quality social services. Such social services include affordable housing, childcare and dependent person's care including the elderly accessible public transport, vocational training, and healthcare provision as well as access to affordable energy and other network services, and should be recognized and protected as essential elements of the European Social Model despite the crisis.

We call on Europe 2020 to provide more guidance and to better monitor the implementation of the partnership principle in the implementation of funding programmes notably the ESF. It is crucial for the member states to establish networks at regional and local levels, involving CSOs, to provide and to advise and refer people on where they can receive specific social services (i.e. social benefits schemes, health, mental health and social care services, and vocational training) as well as help in accessing the labour market according to their particular situation.

3.3 Poverty Preventing Minimum Income and Minimum Wages

We call for the setting of adequate minimum income schemes in all member states for children, for persons of active age who are unable to earn sufficient income, and for older persons. This should be based on an EU framework establishing common principles and methods and should enable a dignified life and cannot be subject to punitive conditionalities. **To this end, actions should be included in the Europe 2020 strategy and progress regularly monitored as part of its implementation.** To guarantee each individual's fundamental right to sufficient resources and assistance to live in human dignity, it is crucial that the EU and its member states ensure decent income levels for job seekers and those who cannot access employment through unemployment benefits or other forms of social protection. Such minimum income is essential to keeping people socially included, which is a precondition for their inclusion in employment. Only with the establishment of such minimum income can the EU reach its objectives on poverty reduction.

We call on the EU to use the Europe 2020 strategy and the European Semester to foster the setting of non-discriminatory minimum wages in all member states, to prevent in-work poverty and to close the gender pay gap. Unfortunately, the risk of poverty also exists for people in the labour market, and the EU experiences a growing number of "working poor". Young people often count among these. Young people starting their first jobs often receive the lowest earnings: 30% of people starting work for the first time in 2008 received the minimum wage or less. Where it exists, the stagnation, and in some cases regression, of the minimum wage in Europe has disproportionately affected Europe's working youth¹⁴. In some member states there are even explicit legislation allowing for lower minimum wages to young people (i.e. UK, Greece). Some economists have suggested that the lack of a minimum wage is one of the reasons that Germany has managed to keep its youth unemployment rate so low, in some parts of Germany young people work in low-skilled jobs for less than 1 EUR per hour. Some are even working for as little as 55 cents per hour¹⁵. Third-world wages in Europe's leading economy can not only compound the trend of rising youth poverty, but can also further entrench the low-wage sector and depress wages across all demographics, leading to a two-tier labour market. Therefore, we expect

¹⁴ Schultzen, T., (2012), *ETUI Policy Brief: Minimum Wages in Europe Under Austerity*, <http://www.etui.org/Publications2/Policy-Briefs/European-Economic-Employment-and-Social-Policy/Minimum-wages-in-Europe-under-austerity>

¹⁵ Marsh., S, and Hansen, H., *Insight: The Dark Side of Germany's Jobs Miracle*, Reuters (8 February 2012), <http://www.reuters.com/article/2012/02/08/us-germany-jobs-idUSTRE8170P120120208>

the debate on employment and youth employment in particular in Europe to take into consideration young people's elevated risk of being trapped in in-work poverty, and move beyond the "any job will do" position of some policy-makers. It is time for the Europe 2020 to re-focus on its objective of creating better jobs.

3.4 Social, Gender Equality and Cultural Impact Assessments

A crucial part of the governance structure is the increased use of social, gender equality, and cultural impact assessments at the national and EU level. At the EU level, this should include a greater role for such assessments in the integrated impact assessment that should be applied to the European Semester and policies that impact on social inclusion and poverty.

3.5 New Ways of Measuring Progress

We call for the "social scoreboard" to have a stronger role in the functioning of the European Semester including triggering binding preventive and corrective actions. This would assist policy makers in the design of the NRPs and the CSRs for areas of divergence and social imbalances.

Alternative indicators to GDP could be used to assess if progress is being made towards a more cohesive and inclusive society for all, focusing on social and cultural parameters of wellbeing.

The social OMC can help identify key policy priorities in these areas and, through the development of common indicators, to monitor progress.

Women and men living in Europe should be encouraged to discuss, agree and advocate for their own policies and have the tools available to measure progress and hold governments to account.

3.6 Stakeholder Involvement

Provide guidance on true civil and social dialogue, in particular in the context of the NRPs and the Mid-term Review. Such dialogue has to be about working together in developing, implementing and evaluating policies and has to take place at all levels and at all stages of the process, to ensure their effectiveness as well as their legitimacy. This will not be achieved through a mere consultation with stakeholders.

Ensure the democratic principle of civil dialogue through meaningful and structured involvement of stakeholders in European governance and the European Semester process in particular in line with Recital 16 of the Europe 2020 Guidelines of 2010. Civil and social dialogue supports meaningful, legitimate and democratic governance as well as ownership of Europe 2020 and the EU in general.

Set clear and transparent procedures that allow for structural and meaningful involvement of all stakeholders in developing, implementing, monitoring and evaluating policies under the Europe 2020 strategy. This should be done throughout the European Semester and national semester, and at all levels. Stakeholders should include CSOs and the people they represent, as well as social partners.

Expand your sources for information when developing the AGS and CSRs as well as the preparatory SWPs. Seek information in particular from CSOs carrying out assessments of and proposals for a more legitimate and democratic European Semester.

Involve all relevant stakeholders in the development of a genuine EMU, and in particular in the development of its social dimension, when it is linked to the European Semester process. This is the only way to ensure a genuine EMU that gets the support of people throughout the EU.