



THE FIGHT AGAINST POVERTY, SOCIAL EXCLUSION AND DISCRIMINATION

By supporting Member States in the fight against poverty, social exclusion and discrimination, the European Union aims to reinforce the inclusiveness and cohesion of European society and to allow all citizens to enjoy equal access to available opportunities and resources.

LEGAL BASIS

Articles 19, 145 to 150 and 151 to 161 of the Treaty on the Functioning of the European Union (TFEU).

OBJECTIVES

Combating poverty and social exclusion is one of the specific goals of the EU and its Member States in the field of social policy. In accordance with Article 153 TFEU, social inclusion is to be achieved solely on the basis of non-legislative cooperation — the open method of coordination (OMC) — while Article 19 TFEU allows the EU to take action to fight discrimination both by offering legal protection for potential victims and by establishing incentive measures.

ACHIEVEMENTS

A. Fight against poverty and social exclusion

Between 1975 and 1994, the European Economic Community conducted a number of pilot projects and programmes designed to combat poverty and exclusion. However, given the absence of a legal basis, Community action in this area was continually contested.

The situation changed with the entry into force in 1999 of the Treaty of Amsterdam, which enshrined the eradication of social exclusion as an objective of Community social policy. As provided for in Article 160 TFEU, a Social Protection Committee was established in 2000 to promote cooperation between the Member States and with the Commission.

The Lisbon Strategy, launched in 2000, created a monitoring and coordination mechanism consisting of objective setting, poverty measurement based on a set of indicators and benchmarks, guidelines for the Member States, and national action plans



against poverty. The open method of coordination (OMC) was also applied, in line with practice in other social policy areas.

In 2006, a new policy framework, the Open Method of Coordination on Social Protection and Inclusion (Social OMC) was established, which regrouped and integrated three separate OMCs on social inclusion, health and long-term care, and pensions. The overarching objectives of the social OMC include: social cohesion, equality between men and women and equal opportunities for all through efficient social protection systems; effective and mutual interaction between the Lisbon objectives of growth, jobs and social cohesion; good governance; and the involvement of stakeholders.

With its [recommendation](#) on the active inclusion of people excluded from the labour market of October 2008, the Commission updated [Council Recommendation 92/441/EEC](#) and stated that 'Member States should design and implement an integrated comprehensive strategy for the active inclusion of people excluded from the labour market combining adequate income support, inclusive labour markets and access to quality services'.

One of the major innovations brought about by the Europe 2020 strategy for smart, sustainable and inclusive growth adopted in 2010 was a new common target in the fight against poverty and social exclusion: to reduce by 25% the number of Europeans living below the national poverty line and to lift more than 20 million people out of poverty. The numbers of people at risk of poverty and exclusion have remained high however, only dropping significantly for the first time in 2017 (by 5.1 million compared to 2016 (Eurostat)).

To achieve this objective, in December 2010 the Commission launched the European platform against poverty and social exclusion, together with a list of key initiatives, such as an assessment of active inclusion strategies at national level and its [White Paper on Pensions \(COM\(2012\) 0055\)](#). Since 2011, an Annual Convention of the platform has brought together policymakers, key stakeholders and people who have experienced poverty.

Faced with an increasing number of people in Europe at risk of poverty due to the crisis, the Commission adopted two further initiatives in 2013.

In its communication 'Towards Social Investment for Growth and Cohesion — Social Investment Package' of February 2013, the Commission urged the Member States to prioritise social investment in people with a view to investing in children in order to break the cycle of disadvantage.

In addition, in October 2013, the Commission presented a [proposal](#) to strengthen the social dimension in the governance of the Economic and Monetary Union, responding to calls by the European Council. A key component is the social scoreboard, which is an analytical tool for detecting developments across the EU that require closer monitoring. It comprises five key indicators: unemployment; youth unemployment and the proportion of young people not in education, employment or training (NEETs); household disposable income; at-risk-of-poverty rate; and income inequalities. Since the 2014 European Semester exercise, the scoreboard has been included in the Joint Employment Report of the Annual Growth Survey, which sets out strategic policy priorities. Moreover, in 2015, three employment indicators (activity rate, long-



term unemployment rate and youth unemployment rate) were added to the Alert Mechanism Report of the Macroeconomic Imbalance Procedure, though they do not trigger any further steps, as the Commission does not consider that they in themselves imply an aggravation of the macrofinancial risks. The European Parliament has called in a number of resolutions for the inclusion of additional indicators, such as child poverty levels and homelessness (see its resolutions of 11 March 2015 and 25 November 2014).

In April 2017, in order to support convergence towards better living and working conditions in increasingly flexible labour markets, the Commission launched the [European Pillar of Social Rights](#). In November 2017, all three of the main EU institutions expressed their commitment to the Pillar in a joint proclamation. The Pillar establishes social protection and inclusion as one of three key areas ([2.3.1](#) Social and employment policy: general principles).

The European Pillar of Social Rights has been used to launch a series of legislative and policy initiatives, such as the proposal for a directive of the European Parliament and of the Council on transparent and predictable working conditions and the social fairness package (European Labour Authority, Access to Social Protection)

B. Anti-discrimination legislation

1997 can be regarded as a turning-point, as a new article — Article 13 (now Article 19 TFEU) — was introduced into the Treaty Establishing the European Community (TEC), empowering the Council to take action to deal with discrimination on a whole range of new grounds, including racial or ethnic origin, religion or belief, age, disability and sexual orientation. In 2003, this article was modified by the Treaty of Nice to allow the adoption of incentive measures.

Subsequently, a number of directives were adopted:

- the [Racial Equality Directive](#) (2000/43/EC);
- the [Employment Equality Directive](#) (2000/78/EC);
- the [Equal Treatment Directive](#) (2006/54/EC), merging a number of previous directives dedicated to equal opportunities for men and women.

A comparative analysis of non-discrimination law in Europe (2017) underlines that such directives have tremendously enhanced legal protection against discrimination across Europe, despite minor gaps in transposition in a few Member States.

Two further Commission proposals for directives enhancing equality were not able to achieve consensus in the Council: the directive on gender balance on company boards (2012) and the directive on implementing the principle of equal treatment between persons outside the field of employment (2008). Another directive, on maternity leave (2008, amending a directive of 1992) and backed by Parliament, was withdrawn in July 2015 after years of deadlock in the Council. Instead, in April 2017 the Commission presented a proposal for a directive on work-life balance for parents and carers as one of the deliverables of the European Pillar of Social Rights ([2.3.1](#) Social and employment policy: general principles). This takes a broader perspective on sharing caring responsibilities between women and men.



C. EU funding

In 2007, all existing Community funding programmes in the area of employment and social affairs were integrated into a single framework with the adoption of the Progress programme. In order to further rationalise administration, the Progress programme was incorporated into the Employment and Social Innovation (EaSI) programme for the 2014-2020 period ([2.3.2 European Social Fund](#)).

In March 2014, Parliament and the Council adopted Regulation (EU) No 223/2014 on the Fund for European Aid for the Most Deprived (FEAD). The fund supports Member States' actions to provide material assistance, in combination with social inclusion measures, to the most deprived. The budget earmarked for 2014-2020 amounts to EUR 3.8 billion in real terms, plus an additional 15% in national cofinancing by the Member States in accordance with their national programmes.

The main funding instrument is the European Social Fund (ESF), which makes EU funding available to cofinance actions aimed at combating discrimination and helping the most disadvantaged to access the labour market. In May 2018, the Commission issued its proposal for an ESF+ (2021-2027), which will merge the ESF, FEAD and other programmes.

D. EU strategies for specific groups

In November 2010 the Commission adopted a [European Disability Strategy 2010-2020 \(COM\(2010\) 0636\)](#), building on the Disability Action Plan 2004-2010 and leading to a pilot project for a European Disability Card and legislative measures such as the [Web Accessibility Act](#) (Directive (EU) 2016/2102) and the European Accessibility Act. As regards gender equality, a new programme, the [Strategic engagement for gender equality 2016-2019](#), follows on from the Commission's Strategy for Equality between Women and Men 2010-2015, which defines key priorities. Faced with a high number of jobless young people, in 2012 the Commission proposed a Youth Employment Package followed by the Youth Guarantee in 2013. Additionally, in February 2016 the Council adopted a recommendation on the integration of the long-term unemployed, as proposed by the Commission. Moreover, in December 2016 the Commission launched the European Solidarity Corps to create new opportunities for young people ([2.3.3 Employment policy](#)).

ROLE OF THE EUROPEAN PARLIAMENT

The Treaty of Lisbon endowed Parliament with the power of consent in relation to the adoption of non-discrimination legislation under Article 19(1) TFEU. Parliament was an active player in the debate that led to the inclusion of this article, and it has often called on the Commission and the Member States to ensure the full and timely implementation of the relevant directives. Parliament has repeatedly adopted resolutions with the goal of strengthening EU action aimed at improving the conditions and prospects of the socially disadvantaged and reducing poverty (e.g. its [resolution](#) of 14 March 2018 on employment and social aspects in the Annual Growth Survey). Parliament has stressed the need to combat inequalities as a lever to boost job creation and growth, taking into account gender inequalities. It has called for the mainstreaming of gender equality in budgets and policymaking, and for gender impact assessments to be carried out



when establishing any new policy. Resolutions have also expressed concern about the gender dimension of poverty and the gender pension gap (e.g. [resolutions of 14 June](#) and [16 November 2017](#)). Its resolution of [17 April 2018](#) focuses on empowering women and girls through the digital sector.

In its resolution adopted on [19 January 2017](#) on the European Pillar for Social Rights, Parliament proposed a number of initiatives to strengthen the social dimension, such as:

- A framework directive on decent working conditions in all forms of employment;
- European coordination and quality benchmarking on national minimum wages;
- National minimum income schemes (see also its resolution of 20 October 2010);
- A Child Guarantee;
- Compulsory completion of secondary education;
- Rebalancing European economic governance through stronger social targets.

In response to Parliament resolutions on the subject, the Commission is currently examining the feasibility of action on a Child Guarantee.

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