

## **Opinion of the Deutscher Verein für öffentliche und private Fürsorge e.V. (German Association for Public and Private Welfare) regarding the European Pillar of Social Rights Action Plan and the “Porto Declaration”**

The opinion (DV 11/21) was adopted on 16 June 2021.

**Deutscher Verein für öffentliche und private Fürsorge e.V.  
(German Association for Public and Private Welfare) – the forum for the  
social sector since 1880.**

The German Association for Public and Private Welfare (Deutscher Verein für öffentliche und private Fürsorge e.V.) is the joint forum of municipalities and non-statutory social welfare organisations and their social services in Germany, the Länder (federal states) and academia in all fields of social work and social policy. Through its experience and expertise, it monitors and shapes policy and legislation in relation to children, young people and families, the social insurance system, social assistance, assistance for the elderly, care and rehabilitation, social volunteering, the planning and management of social work and social services as well as international and European social policy and social legislation.

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The German Association welcomes the fact that the European Union has once again set headline targets in the areas of poverty and social exclusion, skills and employment. Member states need to implement ambitious national targets and social policy initiatives in order to achieve the reinforcement of social Europe by 2030. In order to achieve upward social convergence at a high level, the German Association supports the further implementation of the European Pillar of Social Rights at EU level and in the member states, as proposed by the European Commission in its Action Plan. National, regional and local interests, as well as those of civil society, should at the same time be widely incorporated into the process of shaping policy.

## 1) Preliminary remarks

The European Commission submitted the “European Pillar of Social Rights Action Plan”<sup>1</sup> on 4 March 2021. It is intended to serve the implementation of the European Pillar of Social Rights (EPSR) announced by the European Union in 2017. The Commission proposes a multitude of initiatives at EU and Member State level over the coming years and relates to the three areas of “more and better jobs”, “skills and equality” and “social protection and social inclusion”. At the same time, the Commission proposes the setting of three EU headline targets in the areas of poverty and social exclusion, skills and employment, to be achieved by 2030. At its informal meeting on 8 May 2021, the European Council approved these targets in the “Porto Declaration”<sup>2</sup>; the member states are called on to “define their own national targets as a contribution to this collective effort”.

## 2) Reinforcing social Europe

From the perspective of the German Association<sup>3</sup>, a social Europe is characterised by activities of the European Commission, of the European Parliament and of the Council of the European Union, which collectively set powerful impulses for upward social convergence of the social benefit systems of the member states, flanked by adequate structural assistance to strengthen social cohesion and with clear social goals in an overall strategy for policy coordination in the EU, with national, regional and local interests together with the interests of civil society being broadly incorporated in the European process of shaping policy. In this regard, deepening the EU’s social dimension also requires social shaping of the digital transformation.

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1 European Pillar of Social Rights Action Plan, COM(2021) 102 final, [https://eur-lex.europa.eu/resource.html?uri=cellar:b7c08d86-7cd5-11eb-9ac9-01aa75ed71a1.0001.02/DOC\\_1&format=PDF](https://eur-lex.europa.eu/resource.html?uri=cellar:b7c08d86-7cd5-11eb-9ac9-01aa75ed71a1.0001.02/DOC_1&format=PDF)

2 Porto Declaration, European Council, 8 May 2021, <https://www.consilium.europa.eu/en/press/press-releases/2021/05/08/the-porto-declaration/>

3 Opinion of the German Association regarding the consultation of the European Commission on reinforcing social Europe, NDV 2020, 268 et seq. [https://www.deutscher-verein.de/en/uploads/dateien-stab-internationales/dv-06-20\\_opinion-consultation-reinforcing-social-europe.pdf](https://www.deutscher-verein.de/en/uploads/dateien-stab-internationales/dv-06-20_opinion-consultation-reinforcing-social-europe.pdf)

### 3) Pursuing upward social convergence at a high level

Just as a prospering economy in the EU enables people to share in society and in the labour market, permanent economic success is based on effective and efficient social policy. The German Association is calling for the potential and the instruments set out in the Treaties<sup>4</sup> to be exploited, in order to deepen the EU's social dimension.<sup>5</sup>

The German Association takes the view that social policy can equally make a contribution to growth and employment, whilst it should also be a pillar of EU policy in its own right. The EPSR, as a guideline for better implementation of social principles and rights in concrete legislation, must therefore be understood as a supporting element of the future European economic and social model.<sup>6</sup> The German Association supports the goal, via the EPSR, of driving upward social convergence in the interests of improved economic and social cohesion in the EU and of supporting the member states in this regard over reform proposals. In doing this, it draws attention to the fact that the necessary consideration of the different traditions and systems of social policy in the individual member states is to be secured through upholding member state competences and respecting the principle of subsidiarity and proportionality in the individual EU initiatives to implement the Pillar.<sup>7</sup>

### 4) Further implementation of the European Pillar of Social Rights within the framework of the Action Plan

In the EPSR, a plan was agreed in 2017 to strengthen the social dimension of the EU politically and to work towards upward convergence of the social systems of the member states. The EPSR sets out 20 employment and social policy principles and social rights to be realised in all EU member states. The first proposals under the EPSR have now become applicable EU law, e.g. minimum standards for accessibility of products and services, employment contracts being specified in writing, and the release of working parents and carers to undertake the work of caring and support. It is now important that this is followed up with further initiatives to implement the remaining principles and rights of the EPSR. What is vital, for the German Association, is not that the EPSR exists as a text, but that it supports an improved reality of life in society for people through appropriate initiatives for

4 Art. 3 (3) TEU, Art. 8-10 TFEU, Art. 26-34 of the Charter of Fundamental Rights of the European Union, Art. 4 (2) together with Art. 151 et seq. TFEU, Art. 5 (3) together with Art. 156 TFEU, Art. 5 (2) together with Art. 145 et seq. TFEU, Art. 157 TFEU, Art. 162 et seq. TFEU

5 Opinion of the German Association regarding the consultation of the European Commission on reinforcing social Europe, NDV 2020, 268 et seq.; Expectations of the German Association regarding the European Union on the occasion of the European Elections 2019: Perspectives for a social Europe, NDV 2019, 49 et seq. <https://www.deutscher-verein.de/en/uploads/dateien-stab-internationales/dv-18-18-expectations-eu-elections-2019.pdf>

6 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.; Opinion of the German Association on the European Pillar of Social Rights NDV 2018, 64 et seq. <https://www.deutscher-verein.de/en/uploads/dateien-stab-internationales/dv-12-17-opinion-epsr.pdf>

7 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.; Opinion of the German Association on the European Pillar of Social Rights NDV 2018, 64 et seq.

implementation at EU level and thus promotes improved economic and social cohesion in the EU.<sup>8</sup>

The German Association hereby again calls on the European Commission and the member states<sup>9</sup> to adopt the principles for effective and reliable social welfare provision systems put forward by the European Economic and Social Committee (EESC) and to continue to develop their social welfare provision systems on that basis: the principle of a social protection floor, principle of need, principle of a precise definition of aims, principle of accessibility, principle of proportionality, principle of solidarity, principle of personal responsibility, principle of participation, principle of structure, principle of the user's right to decide, principle of legal certainty, principle of public interest, principle of transparency, principle of a joined-up approach, principle of a level playing field, principle of quality, principle of coordination. With regard to improving the social circumstances in the member states, the German Association again makes reference to the good experiences with the principle of subsidiarity being applied in Germany, including an active role for civil society, and to the solidarity-based financing of social welfare provision systems. It calls on the member states to aspire to social policy convergence of European social welfare provision systems at a high level and, in doing so, to include the regional and local authority actors, the social insurance providers, and actors in civil society such as the Freie Wohlfahrtspflege (non-statutory social welfare organisations in Germany).

Against this background, the German Association welcomes the fact that the European Commission has submitted its Action Plan for the further implementation of the EPSR. It refers to proposals for initiatives at both EU level and member state level, and rightly so. The German Association agrees with the analysis of the European Commission that measures are for the most part necessary at national, regional and local level in order to ensure that the rights and principles of the EPSR apply to, and are realised for, all citizens of the European Union to the full extent. The German Association reserves the right to give a separate opinion on the individual initiatives announced at EU level.

## 5) Pursuing social targets in a European overall strategy

The “Europe 2020” strategy ran until the end of 2020<sup>10</sup>, having been used by the European Union since 2010 to pursue “intelligent, sustainable and integrative growth”, for the purpose of which it had set itself headline targets in areas such as

8 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.; Opinion of the German Association on the European Pillar of Social Rights NDV 2018, 64 et seq.

9 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.; Opinion of the German Association on the European Pillar of Social Rights NDV 2018, 64 et seq.; Opinion of the German Association for strengthening the social dimension of EU policy – establishing effective and reliable welfare provision systems of 15 December 2015, NDV 2016, 63 et seq. <https://www.deutscher-verein.de/en/uploads/dateien-stab-internationales/dv-28-15-english.pdf>

10 Communication from the European Commission “Europa 2020 – A strategy for intelligent, sustainable and integrative growth” of 3 March 2010, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52010DC2020&from=EN>; “A new European strategy for employment and growth”, Conclusions of the European Council of 17 June 2010, <https://data.consilium.europa.eu/doc/document/ST-13-2010-REV-1/en/pdf>

employment, education and social inclusion. The European Council had released “A new strategic agenda 2019-2024”<sup>11</sup> in 2019, which was very cautious in its statements about social principles and rights. With a view to strengthening the social dimension in the EU, the German Association has repeatedly<sup>12</sup> spoken in favour of continuing central elements of the “Europe 2020” strategy in a new EU overall strategy from 2021. Explicit social targets should be defined for this purpose and their attainment monitored in the “European semester”, including monitoring of the implementation of the EPSR, e.g. in the “Social Scoreboard”. In an overall strategy such as this, it is the opinion of the German Association that clear social aspects must be set out in order to achieve a social market economy, which is targeted at full employment and social progress, and social upward convergence at a high level. The European value added clearly arises from the fact that individual EU members cannot achieve by themselves interaction with all member states and a concerted, effective coordination of economic, employment and social policies in response to Europe-wide phenomena. From the perspective of the German Association, a new EU overall strategy must also incorporate the goals of the UN “Agenda 2030 for sustainable development”<sup>13</sup>, such as fighting poverty, reducing inequality and ensuring gender equality.<sup>14</sup>

Against this background, the German Association welcomes the fact that the European Commission has proposed new EU headline targets in the areas of poverty and social exclusion, skills and employment for the period up to 2030 as part of its Action Plan and that the European Council has approved these. For the setting of these EU headline targets to bring about a genuine strengthening of social Europe and an improvement in living conditions locally, member states need to transpose them into ambitious national targets and social policy initiatives. The European Union recently set itself new goals in the areas of climate protection and digitalisation. In order to pursue a strong social Europe that enables a fair transition into the society of the future in the face of ecological, digital and demographic change, it should now coordinate these goals with the EU social headline targets in a new, coherent, overall strategy and monitor their collective achievement within the framework of the “European Semester”.

## **6) EU headline target in the area of poverty and social exclusion**

In the area of poverty and social exclusion, the number of people at risk of poverty or social exclusion should be reduced by at least 15 million by 2030; at least five million of these should be children.

11 <https://www.consilium.europa.eu/media/39914/a-new-strategic-agenda-2019-2024.pdf>

12 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.; Expectations of the German Association regarding the German Federal Government for its presidency of the Council of the European Union in 2020, NDV 2020, 11 et seq.; Expectations of the German Association regarding the European Union on the occasion of the European Elections 2019: Perspectives for a social Europe, NDV 2019, 49 et seq.

13 <https://www.bundesregierung.de/breg-en/issues/sustainability/global-goals-for-sustainable-development-355956>

14 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.; Expectations of the German Association regarding the European Union on the occasion of the European Elections 2019: Perspectives for a social Europe, NDV 2019, 49 et seq.

The German Association welcomes the fact that a target relating to the indicator “at risk of poverty or social exclusion” has been proposed in this area by the European Commission and approved by heads of state and government. This is a central indicator of European social policy in which the member states have spent years gathering experience, brought together in three sub-indicators: 1) at-risk-of-poverty rate, 2) index of material deprivation and 3) number of people living in households with very low work intensity. From the perspective of the German Association, the indicator chosen for setting targets thus enables reference to be made to the complexity of the phenomena of poverty and social exclusion with their many causes and implications, which are still closely intertwined, and thus take account of the necessity of differentiated measures from the start. The quantified target of a reduction by 15 million relates to a population group that already comprised around 92.4 million people in 2019<sup>15</sup>. It is the view of the German Association that the social challenge will be amplified by the Covid-19 crisis, thus necessitating ambitious action at EU level and in the member states. A target decided at EU level can only be realised if it is implemented by all member states in the form of ambitious national targets and social policy initiatives. The German Association takes the view – as with the implementation of the “Europe 2020” strategy – that Germany can and should act as a role model for other member states in this area.<sup>16</sup> As part of the “German Sustainable Development Strategy”, which serves the implementation of the UN sustainability goals up to 2030, Germany has set itself a national target for fighting poverty (in reference to UN goal 1 “End poverty in all its forms everywhere”), which was last re-endorsed in the “Update 2021”<sup>17</sup>. Germany has chosen the indicator “material deprivation and severe deprivation” and set out the following target: “The aim of combating “material deprivation” is that the percentage of persons who are materially deprived or severely materially deprived is below the level of the European Union.” It is the view of the German Association that Germany should take the setting of new EU headline targets as an opportunity to set an ambitious national target that allows for the scale and complexity of the problem. The benchmark for setting the target – as was already advised for the implementation of the “Europe 2020” strategy<sup>18</sup> – should be in reference to the number of people who are covered by minimum income schemes.

The German Association welcomes the fact that the European Commission announced in the Action Plan that it would submit a proposal in 2022 for a “Council Recommendation on minimum income”. In its view, measures to provide a secure livelihood make a fundamental contribution to combating poverty and social exclusion; they are based on preserving the dignity of every individual and on the fundamental idea of solidarity. The German Association therefore welcomes the efforts of the European Union, as part of the implementation of the EPSR, to establish adequate national minimum benefits systems and encourages the German

15 According to the latest data from Eurostat, approx. 92.4 million people and hence 2.1 per cent of the EU population (calculation excluding United Kingdom) were at risk of poverty or social exclusion in 2019; this quota was 22.5 per cent among people under the age of 18.

[https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living\\_conditions\\_in\\_Europe\\_-\\_poverty\\_and\\_social\\_exclusion](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_in_Europe_-_poverty_and_social_exclusion)

16 Opinion of the German Association on the National Reform Programme 2012, NDV 2013, 64 et seq.

17 “German Sustainable Development Strategy – Update 2021” of 10 March 2021

<https://www.bundesregierung.de/breg-en/issues/sustainability/germany-s-national-sustainable-development-strategy-354566>

18 Opinion of the German Association on the National Reform Programme 2012, NDV 2013, 64 et seq.

Federal Government<sup>19</sup>, together with the other member states, to develop an EU framework for national minimum income schemes. It reinforces the advice of the EESC that “solidarity-based financing and legal protection [of a secure livelihood] are to some extent in need of improvement”. It is of the opinion that a secure livelihood can and should make a substantial contribution to facilitating social and corporate participation. The financial benefits for the purpose of maintaining a livelihood must give those eligible for benefits a certain level of freedom to enable them to take up employment through their own efforts and actions.<sup>20</sup>

The German Association welcomes the fact that the European Commission has proposed in the Action Plan that the member states introduce an EU-wide Child Guarantee for 2021 and that the Council has implemented the proposal in a “Council Recommendation establishing a European Child Guarantee”<sup>21</sup>. In particular, this is intended to serve the aim of reducing the number of children at risk of poverty and social exclusion by at least five million, whilst ensuring at the same time that children at risk of poverty and social exclusion have effective access to key services such as healthcare and education. The German Association welcomes the fact that the Commission and the Council have addressed this important issue. It reserves the right to give a separate opinion on this individual initiative.

At the same time, it welcomes the fact that the European Commission has announced in the Action Plan the establishment of a “European platform to combat homelessness” in 2021, in order to support the exchange of information between member states, cities and service providers in relation to proven practices and the identification of efficient and innovative approaches.

## 7) EU headline target in the area of skills

In the area of skills, at least 60% of all adults should participate in training every year. There should be two focal points in order to achieve this goal: At least 80% of those aged 16-74 should have basic digital skills, a precondition for inclusion and participation in the labour market and society in a digitally transformed Europe. Early school leaving should be further reduced and participation in upper secondary education increased.

The German Association welcomes the emphasis on both areas. In contrast to the “Europe 2020” strategy, however, no quantified target has been set in relation to the indicator “number of early school leavers”. Given the fundamental importance of a basic education and the attainment of corresponding qualifications,<sup>22</sup> the German Association takes the view that this is the very area in which member states should set ambitious targets and take suitable measures in terms of education and social policy.

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19 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.

20 Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.

21 Council Recommendation (EU) 2021/1004 establishing a European Child Guarantee of 14 June 2021, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021H1004>

22 Opinion of the German Association on the National Reform Programme 2012, NDV 2013, 64 et seq.

## 8) EU headline target in the area of employment

In the area of employment, at least 78% of the population aged 20 to 64 should be in employment by 2030. There should be three focal points in order to achieve this goal: The gender employment gap should be at least halved compared to 2019. The provision of early childhood education and care should be increased, thus contributing to better reconciliation between professional and private life (work-life balance) and supporting stronger female labour market participation. The rate of young people (15-29 years) neither in employment nor in education and training (NEET) should be decreased from 12.6% (2019) to 9%, namely by improving their employment prospects.

The German Association welcomes the fact that other aspects have been incorporated into the headline target in addition to the indicator of the general employment rate. It argues in favour of stepping up efforts to integrate the long-term unemployed into the labour market. These are people who have been jobless for several years or repeatedly, or with whom there are multiple obstacles to placement, and they are more likely to suffer social exclusion. This is all the more important in the light of fears that the social challenge will be further exacerbated by the Covid-19 crisis. From the perspective of the German Association, any labour market and employment policy measures must focus on the quality of jobs when starting work as well as the actual consequences of starting work on the reality of life for the people concerned. All efforts need to be focused on sustainable integration into the labour market so that people eventually stop relying on benefits to ensure a subsistence minimum in line with human dignity.<sup>23</sup>

Given the employment rates already achieved in Germany, among both men and women, the German Association welcomes the fact that the new EU headline target for 2030 was expanded to also cover the gender gap, early childhood education and care, and the reconciliation of professional and private life (work-life balance). In the case of the gender gap and work-life balance, however, it is the opinion of the German Association<sup>24</sup> that this is also a matter of the fair distribution of caregiver duties and housework between women and men, as well as the elimination of persistent gender stereotyping. At the same time, work-life balance relates not solely to the upbringing of children, but also to the care of family members. The needs-driven expansion of support services is essential to the reconciliation of childcare duties and career. The German Association welcomes the fact that the European Commission has announced in the Action Plan that it will submit a revision of the “Barcelona targets” for early childhood care and education in 2022, which will address the subject not only of general participation rates but also those of children from low-income households.

The German Association welcomes the fact that the European Commission has announced in the Action Plan that it will submit a “Social Economy Action Plan” in 2021 in order to unlock the potential of the social economy, create high-quality jobs and contribute to fair, sustainable and inclusive growth.

<sup>23</sup> Opinion of the German Association on the National Reform Programme 2012, NDV 2013, 64 et seq.

<sup>24</sup> Opinion of the German Association regarding the consultation of the European Commission on strengthening social Europe, NDV 2020, 268 et seq.

## **Legal notice**

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