



Assessment of the 2020 European Semester's Autumn Package

Introduction

Just before the holiday season, the European Commission launched the 2020 European Semester with the release of its 'Autumn Package' – a suite of documents that guide the development of economic and employment policy across the EU for year. Below you will find our assessment and overview of the first stage of the 2020 European Semester Cycle. After the overview and our next steps, you will find a more detailed overview of the most relevant updates from a children's rights perspective.

What is new and what to look out?

- This is **the first European Semester of the new European Commission under Ursula von der Leyen** and her team of Commissioners, who started their term on December 1 2019. The new leadership has already begun to put their own stamp on the Semester.
- The Annual Growth Survey has been rebranded to the **Annual Sustainable Growth Strategy**. It is unclear as of now what exactly this name change will mean for the 2020 Semester.
- **The Sustainable Development Goals (SDGs) will be integrated into the Semester** to assist the Commission '*put people and the planet at the centre of economic policy*'. As a result, both the Country Reports and the Country Specific Recommendations, released later in 2020, will use the SDGs to assess Member States progress in social issues.
- **There is a new focus on sustainability in this year's European Semester**, including the newly released [European Green Deal](#) and the *renewed* Annual Sustainable Growth Strategy. The Green Deal has a weak social dimension which can be an issue if it takes the place of a 'Europe 2030 Strategy'. However, in the Autumn Package **the Semester tried to maintain the same emphasis on the social dimension by keeping the prominent role of the Pillar of Social Rights**.
- This is the final year of the [Europe 2020 Strategy](#), the EU's current overarching agenda for growth and jobs over the past decade. As of now, **it is unclear what the successor to Europe 2020 will be** (the new European Green Deal perhaps?), **and how its successes and failures will be assessed**. We are very interested in how the EU will self-assess its target of reducing the number of people at risk of poverty or social exclusion by 20 million, given that in 2018 there were 110 million people at risk of poverty or social exclusion across the EU. This falls short by 13 million people from the Europe 2020 target.
- **A new term, 'fairness', is introduced to analyse the social dimension in the Semester cycle. 'Fairness' incorporates: implementing the European Pillar of Social Rights; invest in skills and health; fighting poverty; gender equality; fair taxation; social and territorial cohesion; and job quality.** We are interested in knowing how this new objective will be monitored.





- **The Social Scoreboard now includes a regional analysis of Member States on its various indicators** (contained in [this Annex](#)). **According to its traffic light-type system almost all Member States face challenges on at least one headline indicator**, with the exception of the Netherlands.

2020 Semester Cycle Timeline – what’s next?

- **January:** The European Parliament’s report on the 2020 European Semester Autumn Package.
- **January:** The Commission will release a Communication towards an Action Plan for the implementation of the European Pillar of Social Rights, expected later this month.
- **January:** The Social Protection Committee (SPC) of the Council of the EU will carry out an analysis of the social aspects of the Annual Sustainable Growth Survey.
- **Late February:** The Country Reports will be released in late February – Eurochild will once again carry out an assessment of each report using a children’s rights perspective.
- **March:** The Employment, Social Policy, Health and Consumer Affairs (known as EPSCO) Council will meet and adopt the position of the SPC, and will again meet in June after the Country Specific Recommendations are released.
- **April:** Member States will respond to the Country Reports with their National Reform Programmes later in the year.
- **May-June:** The ‘Spring Package’, containing Country Specific Recommendations will be released.

What can you do?

- **Continue to share the [Eurochild 2019 European Semester Report](#).** You can also access the individual country profiles for your country [here](#).
- Please share any information/updates from your experiences of engaging with the European Semester in your country.
- Desk officers in the European Commission’s DG EMPL have told us that they are happy for information from civil society at any point of the year – we encourage you to share any important updates directly with them too – here is [their contact information](#).
- **“European Semester Officers of the Commission have been asked to assess the degree of civil society’s involvement in policy formulation. The results of this preliminary survey show a heterogeneous situation, which could become subject to more detailed analysis”** (2020 Joint Employment Report, p.112). It is promising to see that the Commission is carrying out this piece of work, and we would once again encourage you to get in touch with your country European Semester Officers through [these contacts](#).
- Eurochild will be in contact in the coming weeks with more updates on the 2020 Semester Cycle.

Summary of the Autumn Package

What does the content of the newly released Autumn Package look like, and how will it make a difference for the children of Europe at risk of poverty or social exclusion, which is positively decreasing, yet still high at 24.3%? To answer that question, we have assessed the Autumn Package with a lens on the 'social dimension' and summarised its highlights below.



Press Release of the 2020 Autumn Package:

- **3 Commissioners involved in the 2020 European Semester: Latvia's Valdis Dombrovskis**, Executive Vice-President for an Economy that Works for People; **Italy's Paolo Gentiloni**, Commissioner for Economy; and **Luxembourg's Nicolas Schmit**, Commissioner for Jobs and Social Rights.
- **Sustainable re-branding – Annual Growth Survey renamed Annual Sustainable Growth Survey** to reflect new political priorities of the Commission on sustainability in line with the new European Green Deal. As part of the Green Deal, the Commission revealed four new overarching objectives that will enable a European economy that works for people and planet: **environment, productivity, stability and fairness**.
- In Commission President von der Leyen's [Political Guidelines](#) for the new Commission, the importance of the European Parliament having a 'louder voice' in economic governance was emphasised. **What will a 'constructive dialogue' between the Commission and the Parliament on each stage of the European Semester cycle look like?**

The Annual Sustainable Growth Survey

The priorities in the Annual Sustainable Growth Strategy (ASGS) are the precursor for the Country Specific Recommendations that Member States will receive in 2020. Highlights for Eurochild are:

- “With a stronger focus on climate and environmental policies, the European Semester is reinforced as an encompassing tool for economic and employment policy” (p.5). The four new EU priorities of **environment, productivity, stability and fairness** will be incorporated throughout the entire European Semester process.
- The 2020 European Semester will also integrate UN Sustainable Development Goals (SDGs) for the first time. **Each Country Report will include a new annex setting out the individual Member States' SDG performance**. This annex will monitor each country's progress, based on Eurostat's [EU SDG indicator set](#). **The Country Specific Recommendations will highlight the contribution of national reforms to progress towards delivering on specific SDGs**
- As mentioned above, Eurochild are interested to see how the EU monitors the new priority of 'fairness'. According to the Commission, **'fairness' will be linked to specific policies and goals based on equal opportunities, fair working conditions, a decent living and social protection**. Attention will be paid to “regions, industries and workers who will have to make the largest transitions to a sustainable and inclusive economy”.
- **The 2020 Country Reports will provide an in-depth analysis of all "critical situations" and additional socioeconomic and policy background to better qualify country-specific challenges** in the context of the European Semester.



[The Joint Employment Report](#)

The proposal for a Joint Employment Report (JER) provides an overview of the main employment and social developments in the EU. Importantly, the JER monitors Member States' performance in relation to the Social Scoreboard that accompanies the European Pillar of Social Rights.

- **The good:** Employment continues to increase, though at a slower pace than in past years. According to the JER, 241.5 million people are now in work across the EU – the highest ever reached. **The number of people who are at risk of poverty or social exclusion continued to steadily decline for a sixth consecutive year in 2018.** In that year alone, around 2.7 million fewer people were at risk of poverty or social exclusion than in the previous year.
- In order to address poverty and social exclusion, reforms in a number of Member States aim to strengthen the active inclusion approach, and some Member States are using new measures that go beyond income support to target child poverty.
- **Update to the [Social Scoreboard](#):** For the first time, the JER includes a regional dimension to its analysis of trends across Member States (contained in [this Annex accompanying the JER](#)). The following indicators are most relevant to child poverty: at risk of poverty or social exclusion rate; income quintile ratio; Youth NEET; impact of social transfers on poverty reduction; and children aged less than 3 years in formal childcare. **Almost all Member States face challenges on at least one headline indicator**, with the exception of the Netherlands.
- **The not-so-good:** However, the share of people at risk of poverty (a relative poverty indicator) remained broadly stable compared to 2017. If the overall trend continues at the current pace, the EU could record by 2020 a decline of around 13 million people at risk of poverty or social exclusion since 2008 (against a Europe 2020 target of 20





million). Some groups, notably children and people with disabilities, face a substantially higher risk of poverty or social exclusion.” **In 2018, 24.3% of children are at risk of poverty or social exclusion, higher than the average**, although decreased from 24.9% in 2017.

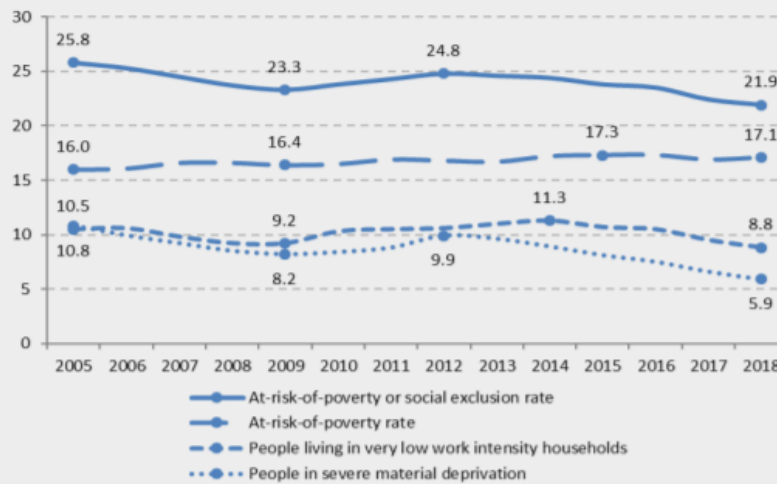
The AROPE rate declines, thanks to a drop in severe material deprivation and improved labour market conditions

110 million people at risk of poverty or social exclusion, 7 million fewer than in 2008

24.3% of children are at risk of poverty or social exclusion, higher than the average

21% is the share of total income gained by the bottom 40% of the population

At-risk-of-poverty or social exclusion rate and its sub-components in the EU



Source: Eurostat, SILC



Table 1. Summary of headline indicators of the Social Scoreboard

	Equal opportunities and access to the labour market					Dynamic labour markets and fair working conditions					Public support / Social protection and inclusion			
	Early leavers from education and training	Gender employment gap	Income quintile ratio	At risk of poverty or social exclusion rate	Youth NEET rate	Employment rate	Unemployment rate	Long-term unemployment rate	GDHI per capita growth	Net earnings of a full-time single worker earning AW	Impact of social transfers on poverty reduction	Children aged less than 3 years in formal childcare	Self-reported unmet need for medical care	Individuals' level of digital skills
Year	2018	2018	2018	2018	2018	2018	2018	2018	2017	2018	2018	2018	2018	2017
Best performers	EL, HR, IE, LT, PL, SI	FI, LV, SE	CZ, FI, SI, SK	CZ, SI, SK	CZ, DE, LU	CZ, DE, EE, SE	CZ		BG, PL, RO	AT, DE, IE, LU, NL, UK	HU, IE	BE, ES, LU		FI, LU, NL, SE
Better than average	CZ, LU	BE, DK, EE, FR, PT, SI	AT, BE, DK, EL, FR, IE, MT, NL, PL, PT, SE	AT, DE, DK, FI, FR, HU, MT, NL, PL, SE	DK, LV, MT, SE, SK	CY, DK, FI, LT, LV, MT, NL, PT, SI, UK	DE, HU, MT, NL, PL, PT, RO, UK	AT, CY, CZ, DE, DK, EE, HR, HU, LU, MT, NL, PL, PT, SE, UK	DK, EE, HU, LT, SE, SK	BE, DK, FI, FR, SE	AT, FR, PL, SE, SI	EL, FR, PT, SE, SI	AT, CZ, DE, ES, HU, IE, LU, MT, NL	AT, CZ, DE, MT, UK
On average	AT, BE, CY, DE, FI, FR, LV, NL, SK, UK	BG, DE, ES, HR, IE, LU, NL, UK	CY, EE, HR, HU	BE, CY, IE, LU, PT	BE, FI, FR, HU, IE, LT, PL, PT	AT, BG, FR, HU, IE, LU, PL, SK	AT, BE, BG, DK, EE, FI, IE, LT, LU, LV, SE, SI, SK	BE, BG, FI, FR, IE, LT, LV, RO, SI, SK	BE, CZ, DE, FI, FR, IE, LU, LV, NL, PT, SI, UK	IT, MT	CY, DE, LU, MT, NL, SK	CY, DE, EE, FI, IE, IT, LV, UK	BE, BG, CY, DK, FR, HR, IT, LT, PL, PT, SE, SI, SK	BE, EE, ES, FR, LT, SI, SK
Good but to monitor		LT			AT, NL, SI						DK, FI	DK, NL		DK
Weak but improving	RO	MT	BG, ES	BG, EL, RO	CY, HR		CY, EL, ES, HR	EL, ES		BG, EE, HU, LT, LV	BG, EL	BG	EL	CY
To watch	BG, DK, EE, HU, PT, SE	AT, CY, CZ, HU, PL, SK	DE, IT, LU, UK	EE, ES, HR, IT, UK	EE, ES, UK	BE, RO	FR		AT, ES	CZ, EL, ES, HR, PL, PT, SI	BE, CZ, EE, HR, PT, UK	AT, HR, HU, LT, MT	FI, RO, UK	EL, HU, IE, LV, PL, PT
Critical situations	ES, IT, MT	EL, IT, RO	LT, LV, RO	LT, LV	BG, EL, IT, RO	EL, ES, HR, IT	IT	IT	CY, EL, IT	RO, SK	ES, IT, LT, LV, RO	CZ, PL, RO, SK	EE, LV	BG, HR, RO