Resolution on the Commission communication ‘Towards social investment for growth and cohesion - including implementing the European Social Fund 2014-2020'

2013/2607(RSP) - 12/06/2013 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution on the Commission Communication ‘Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020.

Whilst welcoming the Commission’s Social Investment Package, which establishes the necessary links between national social policies, the process of the European Semester reforms and the relevant EU Cohesion Fund allocations, Parliament regrets the fact that the communication is accompanied by a recommendation in only one area while austerity measures have a major impact in several social policy fields. It stresses that Member States should regard social investment as investment, and that this may give rise to a double dividend with long-term returns and countercyclical effects, thus lowering the risk of damage. Therefore, **targeted social investments should be an important part of Member States’ economic and employment policies** and should be **incorporated in the European Semester process.**

Members note that resources for social policies are not exclusively provided by the public sector, and stress that Member States should **make more use of innovative approaches to financing,** including participation by the private sector and financial engineering through instruments such as social impact bonds, public-private partnerships, microfinance, the social investment passport and policy-based guarantees.

Parliament calls on the Commission to **consider developing a scoreboard for common social investment indicators,** which would constitute a warning mechanism for monitoring progress in the Member States.

Sustainability: Member States are asked to spend more efficiently and effectively and to ensure that their social investment policy is target-oriented, and to undertake frequent monitoring of progress.

Combating poverty and social exclusion: Parliament discusses the important components of the European strategy for the active inclusion of people excluded from the labour market, and calls on the Commission to draw up a **detailed roadmap for the implementation of active inclusion strategies**, which should:

- specify timelines and realistic targets, on the basis of specific indicators and detailed dialogue between the interested parties,
- be closely monitored through the Open Method of Coordination, with relevant tools and procedures being available in case of non-compliance.

Combating child poverty: Parliament stresses the need for adequate financial resources children’s services, and in particular for policies to support poor and vulnerable families.

Confronting homelessness: Members recall Parliament’s request for a detailed roadmap for the implementation of the EU Homelessness Strategy. Parliament stresses that investment in social housing

should also be considered as a social investment that leads to decent job creation and sustainable growth in the long term. It recommends a series of actions for Member States in order to alleviate homelessness.

Youth employment: investment in youth employment must be a key component of national social investment strategies. Member States are urged to take strong measures to fight youth unemployment, in particular through: (i) preventive action against early dropout from school or from training or apprenticeship schemes (e.g. by implanting a dual educational system); (ii) develop comprehensive strategies for young people who are not in employment, education or training (NEETs).

Job creation: Member States must adopt measures favourable to job creation as part of their social investment programmes, such as introducing labour-related tax reforms incentivising employment, and promoting self-employment and business start-ups.

Social entrepreneurship: social entrepreneurship and access to microfinance are crucial elements in the context of social investment, and Parliament makes a series of recommendations and highlights the important role of EU financial instruments and of the European Social Entrepreneurship Funds in improving access to financial markets for social enterprises.

Gender dimension: Members join the Commission in its call on Member States to invest in services – such as high-quality childcare, that help promote gender equality and allow women to enter the labour market.

EU funds: Parliament highlights the crucial role played by cohesion policy and the Structural Funds in promoting social investments and underlines the significant contribution of the European Globalisation Adjustment Fund and of the European Progress Microfinance Facility. It calls for the frontloading of the EUR 6 billion allocated for the new Youth Employment Initiative in the first years of the Multiannual Financial Framework in order to address youth unemployment and implement youth guarantees.

Social dimension of EMU: Parliament makes several recommendations for a Social Package for Europe. Where unjustified blocking minorities are preventing necessary progress, Member States are urged to expand the principle of enhanced cooperation to social and employment policies.