European and External Relations Committee

EU 2020 Strategy

Written submission from Scottish Council for Voluntary Organisations

About SCVO

The Scottish Council for Voluntary Organisations (SCVO) is the national body representing the interests of the voluntary sector in Scotland. It does so through its Policy Committee which is elected from its membership of around 1300 Scottish voluntary organisations (including large and small; local, national and international voluntary organisations; covering many different fields of activity). Many of these members are themselves intermediary bodies representing the interests of the sector locally and with respect to specific types of work. Through them we maintain further contact with the sector at large and the issues that affect it.

SCVO’s mission is to advance the values and shared interests of the voluntary sector, often through representing its views to Government and other public bodies. In addition to building voluntary sector capacity and strengthening governance; increasing the effectiveness of the voluntary sector’s infrastructure; and promoting citizen action and civic engagement, SCVO has adopted “Promoting civil society interaction locally, nationally and globally” as one of its key objectives for the period 2007-2010. Further details about SCVO can be found at www.scvo.org.uk.

A main focus of our international work is supporting and sharing learning between SCVO and its members and our respective counterpart organisations across the globe. This engagement is facilitated through our leading role with the global Affinity Group of National Associations (AGNA) and the recent development of the European Network of National Associations which bring together SCVO-equivalents from across Europe. Additionally, SCVO facilitates Scottish voluntary organisations’ links and activity at a European level, and have recently convened a European Policy Group for the Scottish voluntary sector. This Group’s experience and knowledge is instrumental in informing our policy positions.

Introduction

SCVO welcomes the opportunity to respond to this inquiry on the European Union’s 2020 Strategy and its implications for Scotland. Our answers to the questions posed by the Committee and the key points below reflect both internal discussions within SCVO and those of the Scottish Voluntary Sector’s European Policy Group that we were able to have in the very limited time available.

In general, we believe the EU’s 2020 Strategy lacks sufficient emphasis on social and environmental issues, even to achieve its own stated aims, and we would like to have seen a more detailed document, incorporating more specific measures and targets, that prioritise peoples’ well-being and a sustainable development approach for Europe.

1. The Lisbon Strategy and Scotland’s performance against its targets

As a whole, the Lisbon Strategy too narrowly viewed Europe’s objectives as merely ‘jobs and growth’. Indeed the EU’s own recent evaluation of Lisbon acknowledges that while attempts to increase employment may have had some success, this has not succeeded
in lifting people out of poverty. Whilst Scotland has performed well in respect to Lisbon’s employment targets, we have also matched the EU’s lack of success in making a ‘decisive impact on poverty’. This lack of success has been a direct result of the jobs and growth focus of the strategy. From a Scottish civil society perspective, we would also highlight the following failings as being of major relevance to Scotland:

- insufficient links were made across different EU strategies
- there should have been greater emphasis on skills and lifelong learning, especially to overcome high unemployment levels for young and other excluded people
- there was a lack of focus on supervision and risk in the financial system
- the absence of any significant green agenda was a major omission

Most importantly, there seems to have been a series of missed opportunities in terms of partnership, ownership and stakeholder involvement in policy development, target setting, and implementation at EU, member state, and regional level. This is amply evidenced by our general lack of knowledge of what targets Scotland was aiming for, how well we benchmark against other European countries, and whether we have made any progress towards those targets. The EU’s evaluation of Lisbon recognises the value of contributions from technical experts but Lisbon could and should have encouraged more involvement of all stakeholders, especially civil society technical expertise, at national as well as European levels. There is much that Scotland could have gained, and contributed, from a more active participation in the relevant processes. More active engagement by all actors in Scotland in the National Reform Programme, in the OMC in Social Inclusion and Social Protection, and in the European Employment Strategy, would have brought an important additional element to policy making in Scotland.

2. How should EU 2020 address the failings of the Lisbon Strategy?
Unfortunately the 2020 Strategy does no better at affording sufficient weight to social and environmental issues that are fundamental requirements even to deliver its own aspirations for economic growth and competitiveness. The rhetoric around the desire for a ‘social Europe’ is there but not the actions, measures or outline target setting processes to back anything up. As it stands, the Europe 2020 agenda appears to ignore most of the lessons from the current crises, and actually represents a step backwards for social cohesion and social inclusion in Europe, and will do nothing to address the inequalities that exist across Europe.

We therefore support the four proposals (below) being put forward by European civil society organisations in calling for future actions that could fulfil Barroso’s declaration of intent to make sure “social, economic and environmental objectives go hand in hand”. These are to:

- Go beyond a short-term exit strategy: transform the EU economic strategy to serve people and planet
- Go beyond jobs as the only social answer: put your commitment to fight poverty in practice and propose a European strategy to reinforce social protection, guarantee access to services and minimum income for all
- Go beyond flexibility and self-employment: propose a European Employment Strategy that genuinely contributes to more quality jobs for all
- Go beyond a vision of people as mere consumers: make participation, citizenship and fundamental rights matter
3. Your overall impression of the European Commission’s consultation
Disappointingly, the EC failed to uphold even its own minimum standards for consultation which require respondents to be given “at least eight weeks. ….. and [that] a consultation period longer than eight weeks might be required in order to take account of the need for European or national organisations to consult their members in order to produce a consolidated viewpoint [and for] main holiday periods”. On a more positive note, the consultation did provide a very flexible format, merely requiring ‘comments’. Nonetheless, many civil society organisations and networks (including ourselves) were unable to pull together a response in the time made available to us that included the lengthy Christmas and New Year break.

The EC’s recently published summary of responses to its 2020 consultation has erroneously portrayed social and environmental organisations as being ‘broadly supportive’ of the Strategy. This has caused much anger and unnecessary friction between civil society representatives and Commission officials.

While the Scottish Parliament does not have minimum consultation time periods to abide by, this current European and External Affairs Committee inquiry request for written submissions within only eight working days is quite unacceptable. It is impossible for any organisation, especially those that serve a broad constituency and have to be accountable to their members, to consult properly and provide a comprehensive response in such a short timescale. Scottish Government guidelines require officials to allow three months for responses wherever possible.

4. What do you consider to be the Key aspects of EU2020 for Scotland
Regrettably, the EU 2020 Strategy makes only one passing mention of civil society and even then it is only to ask for its support. Civil society is not just a passive supporter but an essential partner that can contribute ideas, thinking and people’s skills and time to play an important role in developing and delivering the Strategy. Not only is civil society active in almost every work area, European civil society is a significant force in terms of empowering citizens, campaigning for reforms, sustainable development, public service delivery, and ensuring inclusion – and the Strategy fails to recognise any of this.

Evidence of the Importance of Civil Society from Scotland

Scotland’s voluntary sector is incredibly diverse, with wide-reaching impact. From housing associations, social care providers and grant-making trusts, through to NGOs and social enterprises, right down to the grassroots level of residents associations and community sports groups, the sector plays a vital role in shaping Scottish society. These associations build the networks and relationships that contribute so significantly to Scotland’s economy and quality of life. Currently,

• the sector generates £4.1 billion a year and provides paid employment for 130,000 people
• over 1.3 million Scots volunteer on a regular basis and many more on an informal basis
• the sector holds over £8.6 billion of community assets.

No other sector brings this value to the economy or our society. Our sector is trusted more than any other. We support the most vulnerable people in our society, and deliver high quality, value-for-money services for the public good.
In addition to arguing for greater civil society involvement in European and member state levels, Scotland has a great opportunity to lead the way in working with us as equal partners with the public and private sectors to ensure that Europe becomes a “knowledge-based, connected, greener and more inclusive economy, growing sustainably, creating high levels of … social progress” and well being (rather than fast economic growth and high levels of employment, as aimed for in the EU’s 2020 Strategy).

Key aspects of the Strategy where civil society can make a significant contribution and/or has significant concerns are set out below under the Strategy’s three priority headings:

**Creating value by basing growth on knowledge**

We support this general objective, which Scotland is well equipped to take forward, but as the EU states “there needs to be a greater emphasis on vulnerable groups, gender equality and social cohesion” to ensure that everyone is able to participate and no one is excluded from gaining, using and enhancing knowledge and skills.

Scotland has a well-developed social economy but this very positive and more sustainable part of the economy is little recognised in the EU’s Strategy. Better opportunities for social enterprise should be offered, along with more supportive business conditions and equal access to investment. This would enable social innovation and broader contributions to the knowledge economy and well-being in Scotland to flourish.

The EU’s focus on the digital economy is also key to Scotland. While we have rightly prioritised its development and expansion, we need to ensure it is responsive to the needs and aspirations of the socially and financially excluded, our rural communities, and our social firms. We need to ensure that everyone in Europe has the opportunity to engage, participate and contribute in ways that suit them best.

**Empowering people in inclusive societies**

It is indicative of the lack of progress in the Commission’s thinking that the section that is ostensibly about addressing poverty and social exclusion remains focused around work and skills. With poverty rates increasing in the UK and across the EU, the Commission must have a renewed focus on how member states can take more effective action to address poverty.

This section of the Strategy includes all the right references to skills, accessibility of life-long learning, social security and justice, but lacks any real ambition. Given that the Commission’s own evaluation of Lisbon stated that “jobs alone do not secure a reduction in poverty levels or social inclusion”, we would have expected the document to say more about what other measures are required.

With around ¼ of children in Scotland living in poverty, ingrained health inequalities, high levels of in-work poverty, it will be important for us to make the most of European measures designed to “prevent people falling out of the system, being excluded, and [ensuring] social cohesion”. All stakeholders should engage fully to optimise whatever framework is proposed to organise working life transitions and to support all those in poverty and/or in danger of being excluded. Civil society has proven itself to be a worthy
partner in fighting poverty and social exclusion, and especially well-suited to reaching the most marginalised groups in European society.

**Creating a competitive, connected and greener economy**

The efficient use of resources, including energy, is especially key for Scotland and we have already invested considerable effort in areas such as technology, energy, transport, forestry, and waste issues. Scotland has also been at the forefront of actions to deal with climate change, and is leading the way in Europe with ambitious targets for emissions.

Again, the EU Strategy ignores the crucial role that civil society has played for many decades in developing greener economies. Indeed it is unlikely that Europe would have made any progress were it not for active citizenship and voluntary sector campaigning on environmental issues. So, while “shifting our economy, through targeted regulation, through emission trading, tax reform, through grants, subsidies and loans, through public investment and procurement policies, and through targeting our research and innovation budgets to this end” is important, these measures can only be successful if civil society is empowered to act in full partnership with European institutions and governments. In Scotland’s case, we especially need to continue to develop and promote the voluntary sector’s major contributions to greening the economy including green jobs, recycling, renewable and community energy, community transport, and community ownership of key assets and resources such as forests.

Finally, SCVO believes that the global financial crisis has seriously challenged the view that all problems can be solved by the market. Although the 2020 Strategy alludes to the fact that the “remaining problems in the financial system …need to be solved swiftly in order to support the recovery”, it does not seem to share our belief that alternative approaches are necessary. For example, Scotland has a proud history of mutualism and community-focused not-for-profit financial institutions such as credit unions. The latter can play a key role in Scotland and across Europe in not only helping to support recovery but also avoiding similar crises in the future. The EU should be encouraged to see the economy as a means towards a sustainable society and environment, not an end in itself, and it should include measures to support community solutions, mutualism and self-help, and recognise their role in addressing financial exclusion, employability and better health, as well as providing the necessary investment to support community enterprises.

5. **How can Scotland make progress against the EU 2020 objectives?**

It is difficult to answer this question because the EU 2020 document itself fails to present implementation mechanisms and targets which must be part of any strategy. Indeed, there aren’t really any specified objectives to progress, only a range of ideas, with no detail on which to build independent actions (yet).

Unlike the Lisbon agenda, the 2020 Strategy mechanisms and targets must be developed with input from all stakeholders, at all levels and in all phases, to help to define individual national targets that take account of their starting positions and emphasise the social and environmental aspects of desired outcomes. Once that is complete, it will be important to ensure that Scottish and UK, as well as EU budgets, reflect agreed policy priorities.
6. **In your opinion, what support is required from Government?**

To supplement and reiterate some of the points made above, we would like to see government(s) support to:

- Broaden the focus of the 2020 Strategy to emphasise delivering a ‘social Europe’. This could be complemented by the integration of a human rights-based approach into all aspects of public policy, legislation and public service delivery.

- Break down the walls of the subject- and sector-specific silos to encourage cross-sectoral policy development, co-ordination, integration and monitoring. That said, we need to move away from GDP as a catch-all indicator to an index of well-being and sustainability as our official measure of progress. This would help ensure better integration of social and environmental issues into other policies.

- Help all stakeholders exchange best practice and conduct national benchmarking

- Promote wider recognition of the role and contribution of civil society and the social economy - especially in inclusion, integration and equalities issues; employment; social care; housing; skills and social capital; climate change and renewable energy - and ensure full participation of the sector in public policy and service delivery.

- Ensure appropriate levels of regulation and fully transparent and accountable governance processes, especially in the proceedings of the European Council, whose role is now supposed to include the integration of policies, steering the Strategy, making key decisions and setting the objectives – all of which should routinely involve other key stakeholders such as the European and national parliaments and civil society.

In conclusion, civil society is resourceful, innovative and adaptable. Too often we are hampered by red tape and unnecessary barriers to action. Government must enable our sector to be even more effective in delivering more sustainable communities by removing these barriers and including us in all policy development and implementation processes in Scotland and in Europe.

**References**

Third Sector Summit Interim Research Briefing (November 2007) – Provides latest intelligence on the size of the Third Sector in Scotland, and interim findings from a survey on needs and challenges of SCVO's member organisations.


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February 2010