



EFC Contribution to the consultation on the future “EU 2020” Strategy

Brussels, 14 January 2009

The European Foundation Centre (EFC)¹ welcomes the European Commission consultation on the future “EU 2020 Strategy”. Foundations have often been at the forefront of European integration, building on their respective cultures, traditions and structures; they perceive the importance of working together, the concrete added value of partnership, sharing expertise, pooling resources and promoting European solidarity and integration. They have an important role to play in carrying forward this process so that it fully meets the expectations of the peoples of the European Union. In their daily work, foundations contribute to addressing the different challenges identified by the Strategy. In this context, the EFC is pleased to share its views on the proposal which should put the needs and interests of citizens at its core.

1. The EFC hopes that the consultation is just as a first step in a process to collect contributions from all stakeholders including vulnerable groups, to develop a new strategy which will affect all citizens.
2. The EU 2020 Strategy should address how best to advance economic growth, innovation and creativity to promote the well-being of all and a more sustainable environment in a global context.
3. The European Union is preparing its next ten-year strategy in a complex and strenuous economic, financial, social and demographic context. The EU2020 strategy should not only focus on how to exit from the current crisis; it should be seen as an opportunity to take stock of the current economic, social and environmental situation and to set up a new and long-term/sustainable framework.
4. The EU 2020 Strategy will only succeed if it empowers all its citizens and EU residents to participate in and contribute to the development of Europe’s economy and social cohesion, or in other words, as set out in the Manifesto of the Spring Alliance², “establish an economic and governance strategy that puts people and the planet first”.

In this context the EFC would like to outline a series of proposals:

Putting the Single market at the service of citizens and civil society

What is the situation?

- The EFC fully agrees with the Commission’s statement that the “EU is still not tapping all the benefits of its single market” and that “obstacles to cross-border activity remain”. This is true for foundations which still face administrative and legal obstacles to their cross border

¹ www.efc.be

² www.springalliance.eu/

operations across the European Union which prevent them from operating in a European-level playing field on an equal footing with other European legal forms.

What are we calling for?

- 5. Developing an effective internal market for public-benefit foundations' action across Europe.** In this regard **the European Commission must present without delay a proposal for a European Foundation Statute.**

The work started in 2007 with a feasibility study- in support of the Statute- should be completed with the adoption of a Regulation on a European Foundation Statute in due course. Such a Statute would bring benefits to both foundations and EU policy, in particular, helping to develop public good foundations' activities supporting citizens' participation and initiatives at European level, and supporting the EU's competitiveness by directing resources into research, creativity and innovation.

Public benefit foundations make a real difference to the public good across the European Union, but the full potential of their activities is also being hampered by the burden of Value Added Tax (VAT). The current VAT system creates a series of problems for the foundation sector, which should be reviewed **to ensure a fair VAT treatment of public-benefit foundations** which will allow them to maximise the public-benefit impact of their work.

Whereas the Commission outlines that "State aid rules have been overhauled in recent years", the EFC believes that **EU competition and state aid rules should better cater for the diversity of the various entrepreneurial and legal forms** including those with a recognised public good purpose which activities and services benefit citizens and the general interest.

In line with the EU Treaties, greater efforts should be made in Member States' tax policy to ensure that citizens and citizens' organisations do not suffer from tax discrimination relating to their country of residency.

- 6. Ensuring access and accessibility to the internal market for all citizens**

The new EU Strategy should encourage efforts to ensure accessibility for public buildings, buildings of public interest, private companies, access to goods and services, tourism, transport, technology and communication." Indeed all citizens cannot take advantage of the opportunities offered by the single market including the online-market, in particular persons with specific needs and requirements such as persons with disabilities and older people. A commitment to accessibility is a commitment to the fundamental rights of European citizenship. There is a pressing need for e-accessibility legislation to be presented by the Commission, covering fields such as the accessibility of websites, digital technology and ATMs.

Putting social justice and fundamental rights at the heart of the European Project

What is the situation?

- ✓ Inequalities persist in the EU across a range of areas and grounds. A high percentage of Europeans face discrimination and indeed multiple discrimination (based on the six grounds of Article 13 of the EC Treaty: age, disability, gender, racial or ethnic origin and religion or belief) but also according to their socioeconomic status, their residence (such as rural populations remote regions), their legal status (e.g. undocumented migrants), and their educational levels.

- ✓ There is a risk that the economic and financial crisis drives the EU to focus on hard core economic considerations, while the pressing challenges of social and economic injustice and violation of human rights should be given equal attention.
- ✓ The EFC would have liked the 2020 Strategy to address the issue of implementation of Charter of Fundamental Rights.

What are we calling for?

7. Placing social justice and human rights as well as the eradication of poverty and non-discrimination as key priorities for the EU and considering social justice and non-discrimination in all EU policies and programmes.
8. Encouraging the effective application of the United Nations Convention on the Rights of Persons with Disabilities, which entered into force on 3 May 2008.
9. Promoting enhanced cooperation with foundations and civil society organisations and their representative organisations in this field.

Empowering people in inclusive societies

What is the situation?

- ✓ Foundations spend between €83 and €150 billion annually in areas ranging from social services, health and education, to research, science and the environment, and arts and culture. Foundations are also employers, providing direct full-time employment to between 750,000 and 1 million people in the EU. Furthermore, foundations give grants or capital support to create and sustain employment.
- ✓ The strategy rightly stresses the role that education, research, innovation and creativity can play in fostering growth. The knowledge triangle (education, research, innovation) must remain at the heart of the new strategy. The EFC agrees that education and training are key factors for creating new growth *and preventing poverty and inequality*. We also have to address the situations of persons that face greater difficulties and/or need special requirements to integrate the labour market e.g. people with disabilities, older workers, migrants, persons from disadvantaged backgrounds.

What are we calling for?

10. Improved access to education for all, life-long learning and retraining of older people should be a key priority as well as tackling discrimination in access to employment.
11. There is a need to engage more young people in the areas of sciences and research not only at the university level; earlier intervention is also needed. Education of the public on research, innovation and new technologies is also important and often overlooked.
12. Efforts to enhance access to education and learning, research and innovation should be pursued through all available means, incentives and partnerships with civil society actors, foundations, NGOs, education actors and businesses.
13. Specific attention should also be paid to the (re)integration of people with specific requirements in the labour market. They should not be left out of the system; labour market provisions should also be adapted to their needs. Specific support and integration/transition measures should be set up for them even in these times of crisis.
14. Specific achievable targets should be set and monitored.

15. Empowering people, however goes beyond their integration in the labour market, it is about enabling people to participate and contribute to society both in the formal economy and in their communities.
16. The notion of innovation should also be widened to include "social innovation" in order to foster social capital which is important both for competitiveness and social cohesion.
17. There is a need for the EU to develop a policy that spells out its gender mainstreaming strategy in reference to both EU internal policies as well as its external macroeconomic components, such as trade, economic cooperation, political dialogue, and humanitarian aid. A political will and commitment for gender issues and women's health are needed. Responsibility and accountability should be strategically placed at the highest level and gender issues should be a regular agenda item in discussions between the EU and partner countries.

Strengthening the governance of EU strategies

What is the situation?

- ✓ Citizens are consumers, workers, employers and civic actors. In this sense, citizens' participation and citizenship should be key elements of the new strategy and EU processes. Involving citizen and organised civil society in policy-shaping and the preparations of decisions not only strengthens the democratic legitimacy of public institutions, of their work and activities, but also the impact and effectiveness of their action.
- ✓ In various areas ranging from asylum and the integration of migrants, the wellbeing of children, the participation of the elderly to the future of rural areas in Europe foundations have tried to support the voices and perspective of citizens and their communities and groups in the public debate, to contribute to shaping priorities and objectives of future policies.
- ✓ Also, over the last years new ways to involve and listen to citizens such as citizens consultations and citizens panels have been used. These should be mainstreamed in the EU processes and practices, thereby complementing representative and participatory democracy.

What are we calling for?

18. Investing in and mainstream consultation mechanisms and dialogue with European citizens. This will help bring the whole process closer to citizens.
19. Setting up a framework which allows continued, transparent and structured involvement of all civil society organisations in the process from agenda setting to policy evaluation and reformulation.
20. Improving access to and scrutiny of decision-making. An effective accountability mechanism should underpin the EU 2020 Strategy.
21. Again specific achievable targets should be set and monitored, using indicators measuring both the quantitative and qualitative impact of the policy.

Assuming global responsibility

What is the situation?

- ✓ In the current context of globalisation and interdependence, EU policies can have a positive impact outside Europe. These policies must take into account sufficiently and directly global issues.

- ✓ Official development assistance (ODA) is of increasing importance amid a global financial and economic crisis, as foreign direct investment and trade flows to developing countries decrease.
- ✓ Foundations have been contributing to global and development issues outside Europe in a wide variety of ways for many years. They have in particular recognised the importance of health in an interdependent world and taken a range of cooperation and networking initiatives with international organisations, political institutions and academic organisations. A policy glossary intended to encourage foundations and other European institutions to play a more active role in global health has also been published by a group of foundations.

What are we calling for?

22. Policy coherence to achieve sustainable development. The EU must extend its social and economic policies to embrace the global dimension as a keystone for prosperity, security, and solidarity reflecting Europe's values and commitment to human rights and sustainable development. There is a need for the EU to develop a coherent approach to achieving an equitable globalisation strategy. For example, as regards health, the EU must include health (and global health) in all policies, assert its approach to global health governance and establish a societal dialogue and partnerships for global health. Europe needs to raise public awareness and establish processes and channels to engage all elements of society in responding to global challenges.
23. Increase and improve finance for development aid effectiveness. Europe needs to deliver on its development commitments, while showing the general public that aid is making a real difference in delivering sustainable results.
24. Accountability is critical for the effective reform of aid and delivery of public goods and services. More specifically:
 - There should be more support towards local demand for accountability, including more aid and different kinds of aid should be used to finance credible, independent civil society and citizen's groups and organisations. Longer-term and more predictable institutional support will help these actors to engage with and influence more effectively the local development agenda.
 - Europe should commit to increasing the transparency of aid and improving access to information on expenditures.

About the European Foundation Centre

The European Foundation Centre (EFC) is an independent association dedicated to creating an enabling environment for foundations, strengthening the infrastructure of the sector, and promoting collaboration, both among foundations and between foundations and other actors, to advance the public good in Europe and beyond.

Who we are: Established in 1989, the EFC today serves a core membership of more than 230 members in some 40 countries. The EFC also hosts the secretariat of The Donors and Foundations' Networks in Europe (DAFNE) set up in 2006.

What we do:

The Centre fulfils its mission through:

- Representing its members' interests at the level of third parties such as European and international institutions
- Improving the visibility and understanding of the role of foundations, and advocating good practice, openness and transparency
- Playing a consultancy role with respect to legal and fiscal issues and expansion of professional development opportunities for foundations' staff
- Convening foundations to facilitate exchanges of information and expertise and fostering cooperation with national-level associations of foundations, donors' fora and other organisations serving the sector

The Centre is an independent international not-for-profit association under Belgian law. Ultimate authority vests in the EFC Annual General Assembly of Members, with governance entrusted to an elected Governing Council, supported by a Management Committee. Membership of the Centre implies commitment to the EFC brand. Members agree to adhere to the [EFC Principles of Good Practice](#).

Details of EFC membership and activities are available at www.efc.be

EFC Registration number in the European Commission register of interest representative is 78855711571-12