



European Commission releases Annual Sustainable Growth Strategy (ASGS) 2021 – What’s in it for Europe’s Roma?

On 17 September 2020, the European Commission published the [Annual Sustainable Growth Strategy 2021](#), accompanied by two annexes, namely the [Guidance to Member States on Recovery and Resilience Plans](#) and the [Commission Staff Working document, template, Recovery and Resilience Plans](#). This package launches the European Semester 2021.

Released two months earlier than usual, the ASGS confirms the commitment to the [European Green Deal](#) and reaffirms the four key dimensions of Europe’s growth strategy - *environmental sustainability, productivity, fairness, and macroeconomic stability* – as guiding principles for the new European Semester cycle. However, it marks a distinct temporary change from previous processes, as it introduces new delivery mechanisms for the next years. The main focus of this year’s ASGS is the **Recovery and Resilience Facility**, the central pillar of [Next Generation EU](#), which is the European Union’s “emergency temporary recovery instrument to help repair the immediate economic and social damage brought about by the coronavirus pandemic, support an economic recovery and build a better future for the next generation.”

The **Recovery and Resilience Facility** combines grants and loans totaling EUR 672.5 billion, which Member States will be able to access by submitting national *Recovery and Resilience Plans*, together with their National Reform Programmes (between now and 30 April). Upon assessing these Plans, the European Commission will propose *implementing acts* (replacing the Country-

Specific Recommendations), accompanied by explanatory *analytical documents* (replacing the Country Reports). Encouragingly, the text refers that this process must be in line with the United Nations Sustainable Development Goals, and also mentions the European Pillar of Social Rights – though only once. Disappointingly, no Joint Employment Report was produced this year to accompany the ASGS and inform the setting of social priorities.

While there is no explicit mention of the European Roma in this year’s Annual Sustainable Growth Strategy, ERGO Network welcomes that “people with a minority racial or ethnic background” are indicated as having been disproportionately hit by the coronavirus crisis (page 9). We further salute commitments to “address long-standing challenges that affect the fairness in society ... and rising inequalities” (page 3), and to “support those who have been hit hardest by the crisis, such as ... vulnerable groups” (page 4). Other proposed measures have the potential of being positive for Roma communities, hinging on the right implementation: reducing inequalities, addressing labour market segmentation, increasing the inclusiveness of the education systems (particularly for disadvantaged groups), ensuring equal access to affordable, accessible, quality healthcare, childcare, and long-term care, tackling the digital divide, reducing energy poverty, and ensuring a just and socially fair transition across green policy areas.

However, the document clearly shows a **prioritisation of green and digital transitions and macroeconomic sustainability, with fairness and social aspects being comparably less stressed in the recovery effort**. Rather than a desire to improve quality of life and wellbeing for all, the driver seems to be limited to “ensuring a productive work force”. While a lot is mentioned about strengthening active labour market policies and reducing disincentives to work, sadly nothing is said about supportive pathways for those furthest from the labour market in an integrated Active Inclusion approach, raising strong concerns about negative activation and punitive conditionality. The quality of the jobs proposed is also not addressed. While socio-economic background is acknowledged as “the most important determinant of educational outcomes”, very little is said about tackling that background through adequate social protection and affordable, quality services. Access to quality and affordable housing is a staggeringly missing dimension, as is any reference to combatting poverty. Equally disappointingly, **the document contains no reference to fighting discrimination and racism, in stark contradiction to commitments made in the State of the European Union** speech, delivered one day prior. The lack of a strong social and equality dimension is particularly dismaying, at a time when the Europe 2020 Strategy has come to an end with no social strategy to take its place, as well as no EU-wide poverty reduction target.

In addition to the four key dimensions of Europe’s growth strategy, the ASGS strongly encourages Member States to include in their Recovery and Resilience Plans reforms grouped under **7 common flagship initiatives**:

1. *Power Up* (renewable energy, clean technologies)
2. *Renovate* (improved energy and resource efficiency)

3. *Recharge and Refuel* (smart transport, hydrogen fueling)
4. *Connect* (access to rapid broadband services, including fiber and 5G networks)
5. *Modernise* (key digital public services, digitalisation of public administration)
6. *Scale-Up* (develop powerful and sustainable processors)
7. *Reskill and Upskill* (education and training to support the green and digital transitions).

To our great disappointment, all 7 initiatives deal with green and digital priorities, with virtually **no social or equality objectives**. Only the seventh, which includes references to special attention paid to disadvantaged groups, as well as quality employment and learning opportunities, could marginally be considered a social initiative, however it is explicitly subsumed to the same green and digital goals. This is a tremendous missed opportunity and a very worrying trend, as it **marginalises social concerns at a time where the Covid-19 pandemic brought dire hardship to many people in Europe**, with Roma communities being particularly affected.

The accompanying *Guidance to Member States on Recovery and Resilience Plans* offers a glimmer of encouragement for social justice, though it stops short of embedding a strong equality and inclusion dimension in the Plans. The Plans to be submitted by Member States must cover four aims:

1. *promoting the EU's economic, social and territorial cohesion*, which will consider aspects about income level and distribution, population, education, and employment.
2. *strengthening economic and social resilience*, where Member States are invited to **pay particular attention to vulnerable groups** in relation to employment, skills, and social policies.
3. *mitigating the social and economic impact of the crisis*, which is explicitly underpinned by the implementation of the **European Pillar of Social Rights**, looking at income, health and care, unemployment, education, risk of poverty, impact of the crisis, with **vulnerable groups again explicitly prioritised**.
4. *supporting the green and digital transitions*, where **vulnerable groups are once again mentioned**, in what concerns digital skills.

All these factors could be very positive for Roma inclusion. It is positive that Member States are invited to provide, as part of the plans, **an overview of the social situation, based on the Social Scoreboard of the European Pillar of Social Rights**. It remains to be seen to what extent Member States will include information about Roma communities in this overview, which is why ERGO Network is equally pushing for disaggregated data, including by ethnic origin, to be collected as part of the Scoreboard indicators. Equally encouraging is the fact that **the Country-Specific Recommendations (CSRs) for recent years, and particularly for 2019 and 2020, remain valid**. While ERGO Network lamented the fact that no 2020 CSRs mentioned Europe's Roma, four of the 2019 CSRs (BG, HU, RO, SK) explicitly refer to them.

However, despite the relatively positive description of the aims, the bulk of the text is once again dedicated to achieving environmental and digital objectives, with **very little attention paid to social inclusion and equality**. When the latter are mentioned, they fall under the very limited scope of supporting green and digital transitions and responding to labour market needs, rather than promoting respect for human dignity and wellbeing.

While each Plan must dedicate at least 37% of expenditure to green investment and 20% to digital investment, **there is no minimum target set for social expenditure**. There are some positive references to extending the coverage of unemployment benefits, improving labour market participation of vulnerable groups, strengthening social protection, and ensuring equality for all. Dismayingly, poverty is only referred to twice in the text, and once again there is **no mention of combatting racism and discrimination, and no explicit references to Roma communities**. While it is indicated that the Resilience and Recovery Plans should be consistent with other national initiatives, like the Energy and Climate Plans and the Partnership Agreements and Programmes, sadly **nothing is said about coherence with the National Roma Integration Strategies**.

Encouragingly, the Guidance contains two references inviting Member States to **consult civil society organisations in the drafting and implementation of the Recovery and Resilience Plans**, as well as to describe their consultation and contribution (pages 12, 33), and to include a summary of the stakeholders' involvement (page 7 of the Template). Conversely, the Annual Sustainable Growth Strategy only vaguely mentions "social partners and other relevant stakeholders". More efforts are needed to achieve real ownership of these processes at both national and EU level, and clear cooperation protocols must be put in place, to ensure that the voice of marginalised communities is taken into account in the design, implementation, and monitoring of measures.

This year's Annual Sustainable Growth Strategy is driven by an overriding impetus to fight the consequences of the Covid-19 pandemic, and to build a green and digital Europe. While references to disadvantaged groups are very welcome, the Roma are not specifically taken into account, and the social and equality dimensions are broadly overlooked. There is a lack of coordination and **complete disconnect between Europe's growth and recovery strategies and the EU Roma Strategic Framework for Equality, Inclusion, and Participation**. ERGO Network will continue to push for bringing Roma rights and inclusion much more in focus in the delivery of these initiatives, and for better **alignment with the priorities of the Sustainable Development Goals and the European Pillar of Social Rights**.



ERGO Network response to the Annual Sustainable Growth Strategy 2021