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Assembly

## Research and Library Service Briefing Paper

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# European Update: Social Development

Update Prepared for the Committee for Social Development – December  
2010 to March 2011

## 1 Background

Action 8 of the Committee for the Office of the First Minister and deputy First Minister's 'Report on its Inquiry into Consideration of European Issues' (January 2010) states that the NI Assembly Research and Library Services will screen the annual European Legislative and Work Programme and will provide regular information updates in areas which are of particular interest to statutory committees. The first European brief for the Committee for Social Development which was based around the European Commission Work Programme 2010 can be viewed [here](#)<sup>1</sup>.

This current paper provides an update of the three issues that the Committee for Social Development identified for further progress reports – i.e. the **European Green Paper on Pensions, fuel poverty interventions**; and **measures to prevent housing foreclosure**. The paper also provides a brief roundup of other social development

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<sup>1</sup> NIAR 152/10 European Commission Work Programme 2010 – Social Development.  
[www.niassembly.gov.uk/researchandlibrary/2010/15210.pdf](http://www.niassembly.gov.uk/researchandlibrary/2010/15210.pdf)

related European news over the past few months and provides a list of recent Assembly Questions to the Minister for Social Development in relation to European issues. The final section of this paper provides an overview of those issues in the [European Commission Work Programme 2011](#) which may have relevance to the Social Development portfolio<sup>2</sup>.

## 2 European Commission Green Paper on Pensions

The European Commission [Work Programme 2010](#)<sup>3</sup> made a commitment to open up public debate as to how long-term trends (e.g. demographic ageing) will impact on the lives of European Citizens. One issue to be scrutinised, via the publication of a Green Paper, was the future of pensions (Strategic Initiative No. 27). The Green Paper was to look at options for ensuring the sustainability and adequacy of pensions in light of the ageing, mobility patterns in Europe and the functioning of financial markets. The Green Paper, '[Towards adequate, sustainable and safe European pension systems](#)' was published on 7 July 2010 and the consultation period ended in November 2010.

The importance of adequate and sustainable pensions and its role in strengthening social cohesion was outlined by the former, President José Manuel Barroso as follows<sup>4</sup>:

*“Millions of Europeans are wholly dependent upon pensions. The crisis has shown the importance of the European approach to pension systems. It has demonstrated the interdependence of the various pension pillars within each Member State and the importance of common EU approaches on solvency and social adequacy. It has also underlined that pension funds are an important part of the financial system. We need to ensure that pensions do the job intended of providing the maximum support to current and future pensioners, including vulnerable groups.”*

### What is the EU's role in relation to pensions?<sup>5</sup>

The design of pensions systems is largely the responsibility of individual Members States and the Green Paper does not question this. However, the regulatory framework at the EU level covers four main areas:

- Cross-border co-ordination of social security pensions to facilitate the free movement of workers and equal treatment for workers who change country;

<sup>2</sup> European Commission Work Programme for 2011, [http://ec.europa.eu/atwork/programmes/index\\_en.htm](http://ec.europa.eu/atwork/programmes/index_en.htm)

<sup>3</sup> European Commission Work Programme 2010 [http://ec.europa.eu/atwork/programmes/docs/cwp2010\\_en.pdf](http://ec.europa.eu/atwork/programmes/docs/cwp2010_en.pdf)

<sup>4</sup> European Commission (2010) Green Paper: Towards adequate, sustainable and safe European pension systems.

<http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=839&furtherNews=yes>

<sup>5</sup> The remainder of this section has been extracted directly from the European Commission Employment, Social Affairs and Inclusion website -

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/10/302&format=HTML&aged=0&language=EN&guiLanguage=en>

- The establishment of an internal market for funded occupational pension schemes and the necessary minimum standards on prudential rules to protect scheme members and beneficiaries;
- Minimum guarantees concerning occupational pensions; and
- Anti-discrimination rules to both statutory and private sector pensions schemes.

Beyond this, there is a co-ordination process used to facilitate and promote national reform, share best practice and set high level objectives and indicators. There is also the area of fiscal sustainability where the Treaty requires Member States to operate government budgets that do not jeopardise the functioning of the Economic and Monetary Union. The Council can recommend remedial action (including in the area of social security) if problems arise.

### **What issues does the Pensions Green Paper cover?**

The Green paper asks fourteen questions about how work at EU level could help the Member States in ensuring that pensions are adequate, sustainable and safe, while fully respecting the principle of subsidiarity. The paper is based around three main themes, i.e.

- How the EU can best support Member states as they seek to balance periods spent in work with periods spent in retirement, taking account of structural changes in European societies, labour markets and rising life expectancy. This links closely to the European 2020 strategy for smart, sustainable and inclusive growth.
- Removing obstacles to the mobility of workers including supplementary pension schemes.
- Ensuring the safety of pensions now and in the future. The Green Paper looks at mitigating risk and volatility for workers and pensioners. It seeks to ensure that funded pension systems are secure and that they strike the right balance between efficiency and safety.

### **Is the European Commission recommending increases in pensionable age?**

No, setting retirement ages or increasing pensionable age is an issue for Member States. The Green Paper does not make firm recommendations nor does it comment on any particular Member States' pension system.

### **Is the Commission trying to force people to take out a private pension?**

No, this is a matter for Member States to decide. The Commission does not advocate one particular type of pension system. The Commission aims to help and encourage Member States to design schemes which ensure that they are safe and appropriately mitigate risk and volatility so that the aims of adequate and sustainable pension systems are met.

### **Is the Commission going to propose the establishment of a pension benefit guarantee system?**

This issue was the subject of consultation, however, it stated that such systems needed to be closely considered within the review of the solvency rules for pension funds and EU rules aiming to protection workers' rights when employers become insolvent.

### **Mitigating Against the Pensions Crisis – Trends and Member States**

The Green Paper also highlights key trends by Member States in attempting to mitigate against the current financial crisis<sup>6</sup>:

- **Encouraging more people to work more and longer** so as to obtain similar entitlements – e.g. increases in State Pension age; rewarding later and penalising earlier retirement; moving from benefits based on earnings in best years to entitlement based on working career average earnings; closing or restricting early exit pathways; labour market measures to encourage and enable older workers to stay in the labour market and encouraging greater gender equality in the labour market.
- The move from largely **single to multi-tiered pensions systems**. A trend in most, if not all, Member States to lower the share of public Pay As You Go pensions while giving an enhanced role to supplementary, prefunded private schemes.
- Measures to address **adequacy gaps**, e.g. efforts to broaden coverage, easing access to pensions for vulnerable groups and increasing financial support for poorer pensions.
- **Gender dimension** – women tend to predominate among those with atypical contracts, tend to earn less than men and tend to take career breaks for caring responsibilities more often than men. As a consequence their pension tends to be lower and the risk of poverty tends to be higher amongst older women. While periods of care are recognised in some Pay As You Go systems, this is less straightforward in funded pension schemes, with the question of how to finance this aspect.

Further to these points the Green Paper also identifies a number of areas where some Member States must take action to address pension adequacy and sustainability:

*“Reforms have underpinned recent increases in effective retirement ages and opened new avenues to delivery adequate pensions in a sustainable manner. At the same time, reforms have given and will continue to give rise to greater individual responsibility for outcomes. While people have more choice, they are also exposed to more risk. For reforms to be successful, all pension scheme must deliver their part and risk must be well*

<sup>6</sup> European Commission (2010) Green Paper: Towards adequate, sustainable and safe European pension systems, p5.

*understood and managed. Future pension adequacy will rest on a combination of returns in financial markets and labour markets delivering opportunities for longer and less broken contributory careers. To strengthen social cohesion, a number of Member States may want to address outstanding issues such as minimum pensions, coverage of atypical workers and crediting of some involuntary employment breaks, for example when caring for frail dependents."*

## What is the UK's response to the Pensions Green Paper?

The UK responded to the Green Paper via a Department for Work and Pension News Release on 12 November 2010. The Minister for Pensions, Steve Webb, stated that,

*"It is important that we have a considered, wide ranging and open discussion about how to ensure pensions are secure and affordable, and encourage individuals to save for their retirement. However we don't believe that there is a "one size fits all" model for pension systems across the EU.*

*"We fully support creating a robust and sustainable single market for insurance, but we don't believe the new capital solvency requirements should be applied to occupational pensions."*

The UK Government's response to the Green Paper can be accessed [here](#)<sup>7</sup>. In short, it outlines a number of ways in which the UK Government maintains it is responding to many of the key issues included in the Green Paper, i.e.:

- Improving pensioner income, e.g. announcement in the June 2010 Budget of uplifting incomes of people of pensionable age by the 'triple guarantee' of uprating pensions by average earnings, prices or 2.5%, whichever is higher.
- Allowing carers to build State Pension entitlement.
- Reviewing State Pension Age and accelerating State Pension Age to 66 by 2020; putting into place age discrimination and employment measures and initiatives to promote older people's participation in the labour market.
- Reviewing the costs and options for public sector pensions (i.e. the Pensions Commission/Hutton Report).

## What's happening with the Pensions Green Paper now?

The Green Paper was debated in the European Parliament on 15 February 2011 (transcript of the debate is available [here](#)<sup>8</sup>). The European Commission is in the process of analysing the responses to the Green Paper consultation and will consider

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<sup>7</sup> See [www.dwp.gov.uk/docs/ec-pensions-green-paper-uk-gov-response.pdf](http://www.dwp.gov.uk/docs/ec-pensions-green-paper-uk-gov-response.pdf)

<sup>8</sup> See [www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+CRE+20110215+ITEM-015+DOC+XML+V0//EN&language=EN](http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+CRE+20110215+ITEM-015+DOC+XML+V0//EN&language=EN)

the best course for future actions to address these issues at EU level. According to the EC Commission Work Programme 2011 the Commission will publish a White Paper on Pensions in the **3<sup>rd</sup> quarter of 2011** which will address “some or all” of the issues identified as part of the Green Paper consultation process.

### 3 Fuel Poverty and Energy Efficiency Interventions

Whilst energy in Northern Ireland is primarily an issue within the remit of the Committee for Enterprise, Trade and Investment, it may however, be beneficial to keep a watching brief over European macro energy and low-carbon economy developments given the relevance to energy competitiveness (and the possible implications for alleviating fuel poverty); the low carbon economy in terms of the potential impact on house design and construction.

#### Example of a key development in energy efficiency and a low-carbon economy: the ‘Energy 2020’ Strategy

The European Commission adopted the Communication “[Energy 2020 – A Strategy for competitive, sustainable and secure energy](#)”<sup>9</sup> on 10 November 2010 “Energy 2020” defined the energy priorities for the next ten years and set out the actions to be taken to tackle the challenges of saving energy, achieving a market with competitive rates, securing supplies, boosting technological leadership, and effectively negotiating with international partners. The Commission has identified five top priorities:

- **Energy Savings:** a focus on initiatives of the two sectors with the most significant energy savings potential – transport and buildings. To help house owners and local entities to finance renovation and energy savings measures, the Commission will propose “investment incentives and innovative financial instruments” by mid 2011. The public sector to take energy efficiency into consideration when buying works, services or products.
- **Pan-European integrated energy market with infrastructures:** No Member State should be isolated from the internal energy market by 2015. Over the next 10 years overall energy infrastructure investments in the EU of 1 trillion Euros are needed.
- **27 States, one voice on energy in the world:** it is proposed that the EU co-ordinates its energy policy vis-à-vis third countries and that the Commission extends and depends the Energy Community Treat to further integrate countries willing to participate in the EU’s energy market including major co-operation with Africa.
- **Europe’s leadership in energy technology and innovation:** four major projects will be launched, i.e. new technologies for intelligent networks and electricity storage, research on second generation biofuels, and the ‘smart cities’ partnership to promote energy savings in urban areas.

<sup>9</sup> See [http://ec.europa.eu/energy/strategies/2010/2020\\_en.htm](http://ec.europa.eu/energy/strategies/2010/2020_en.htm)

- **Safe, secure and affordable energy through active consumers:** new measures on price comparisons, switching suppliers, and clear and transparent billing.

The consultation on the Energy 2020 Strategy ended on 2 July 2010. There are a number of measures contained with the new European Commission Work Programme 2011 to progress the implementation of the Strategy. Further information on European energy efficiency and low carbon economy initiatives will be contained within the forthcoming European Brief for the Committee for Enterprise, Trade and Investment.

## 4 Foreclosure Avoidance

The European Commission Work Programme 2010 highlighted foreclosure avoidance and a communication on best practices in Mortgages as a potential strategic and priority initiative for the future. The Work Programme stated that such a Communication would provide examples and guidance for national public authorities on how solutions could be developed to ensure early intervention measures to ensure that citizens do not find themselves subject to foreclosure procedures.

Progress to date: the European Commission's proposed Single Market Act along with its work programme for 2011 re-confirm its continuing interest in a range of mortgage-related issues. The Commission is also expected to propose a Directive on responsible mortgage lending and borrowing in March 2011. The Financial Services Authority (FSA) suggest that this could look to harmonise member states' legislation on the information provided to potential mortgage customers, the assessment of a consumer's creditworthiness and the supervision of lenders and intermediaries<sup>10</sup>.

## 5 European News Round-Up – Dec 2010 to Feb 2011

Key news over the past three months which relate to areas of interest for the Committee for Social Development centre around - **social security co-ordination** and the rights of European citizens; the creation of **sustainable pensions** systems across Europe; the **European Year of Volunteering** and **Poverty and Social Exclusion**. The issue of European **public procurement regulations**, their impact on housing and the potential for opening up opportunities for small/medium first was mentioned by the Chief Executive of the Northern Ireland Federation of Housing Associations at the recent Northern Ireland Housing Conference (23 Feb 2011).

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<sup>10</sup> See [www.fsa.gov.uk/pages/About/What/International/mortgages/index.shtml](http://www.fsa.gov.uk/pages/About/What/International/mortgages/index.shtml)

February 2011	
16 Feb  <b>Social Security Co-ordination</b>	<p><b>The European Commission took the decision to take Spain to the European Court of Justice for refusing EU Pensioners access to free medication</b> while temporarily resident in Spain. Under EU social security legislation (Regulation 883/2004), pensioners temporarily residing in another Member State can make use of their European Health Insurance Card (EHIC) to receive necessary healthcare under the same conditions as pensioners insured under the sickness insurance scheme of the visiting Member State. The Spanish authorities however, refuse free medication to EU pensioners because the European Health Insurance Card does not indicate that they are pensioners.</p> <p>For further information see <a href="http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/189&amp;format=HTML&amp;aged=0&amp;language=EN&amp;quiLanguage=en">http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/189&amp;format=HTML&amp;aged=0&amp;language=EN&amp;quiLanguage=en</a></p>
15 Feb  <b>Pensions</b>	<p><b>The European Pensions system is debated in the European Parliament - a resolution approved in the European Parliament states that Member States must act to ensure that pension schemes can sustainably deliver an adequate income to the EU's growing number of retired people</b>, despite the economic crisis. European MEPs stressed also stressed that pension portability must also be addressed, as must inequalities faced by women and older workers. At present there are four people of working age for every person over 65, by 2060 there will be just two. Responsibility for pensions lies with Member States, which are re-evaluating or reforming their schemes in the light of the current economic situation and their ageing. MEPs urge EU countries to maintain "stable, reliable and sustainable" pension systems as well as adequate retirement allowance levels to combat poverty in old age. The resolution was approved by 535 votes to 85 with 57 abstentions.</p> <p>For further information see <a href="http://www.europarl.europa.eu/news/public/focus_page/008-113233-001-01-01-901-20110207FCS13232-01-01-2006-2006/default_p001c007_en.htm">www.europarl.europa.eu/news/public/focus_page/008-113233-001-01-01-901-20110207FCS13232-01-01-2006-2006/default_p001c007_en.htm</a></p>
14 Feb  <b>Social Security Co-ordination</b>	<p><b>The European Commission takes Belgium to the European Court of Justice for discrimination in social security benefits</b></p> <p>Around 200 non-Belgian European citizens who worked in the Belgian Congo or Ruanda-Urundi and contributed to the Belgian social security system do not enjoy the same social rights as their Belgian colleagues. On the basis of their complaints, the European Commission has acted to enforce compliance with the principle of non-discrimination between European citizens in line with the Treaty and European legislation. Following a supplementary reasoned opinion sent to the Belgian authorities in 2010, the Commission has decided to take Belgium to the Court of Justice.</p> <p>For further information see <a href="http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/165&amp;format=HTML&amp;aged=0&amp;language=EN&amp;quiLanguage=en">http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/165&amp;format=HTML&amp;aged=0&amp;language=EN&amp;quiLanguage=en</a></p>
4 Feb  <b>Single Mothers</b>	<p><b>A hearing in the European Parliament debates the situation of single mothers across Europe and the challenges they face.</b> About 1 in 3 children in the European Union are born to single mothers and 9 out of 10 of single parents are women. A recent survey of women called for more flexible working hours and easier access to childcare. Italian MEP Barbara Matera (EPP) who will draft Parliament's report on the subject spoke of the "exponentially growing number of mothers in poverty". She underlined importance of ending gender discrimination, ensuring responsibility of fathers and conditions for conciliating family and working life.</p> <p>For further information see <a href="http://www.europarl.europa.eu/news/public/story_page/047-112868-031-01-06-908-20110131STO12856-2011-31-01-2011/default_en.htm">www.europarl.europa.eu/news/public/story_page/047-112868-031-01-06-908-20110131STO12856-2011-31-01-2011/default_en.htm</a></p>
January 2011	

<p>28 Jan</p> <p><b>Public Procurement – Implications for Housing?</b></p>	<p>The <b>European Commission has opened an official consultation procedure, in preparation of possible changes to public procurement rules.</b> Public procurement accounts for roughly 17% of the EU's GDP. In times of tight budgets and economic difficulties in many Member States, public procurement policy must ensure the most efficient use of public funds. This would require flexible and user-friendly tools. With these objectives in mind, the European Commission has launched a public consultation. This open debate with interested parties will focus on the modernisation of the rules, tools and methods for public procurement to deliver better on these goals. The deadline for responses to the EC's Green Paper on Public Procurement is 18 April 2011. This issue of European public procurement rules was raised by the Chief Executive of the <b>Northern Ireland Federation of Housing Associations</b> in his presentation to the NI Housing Conference in Feb 2011. NIFHA felt that this was an opportunity for an input into amending the Directives to:</p> <ul style="list-style-type: none"> <li>• press for proportionate procurement procedures;</li> <li>• improve opportunities for small/medium firms;</li> <li>• widen the exemption for "single economic operator" and</li> <li>• redress the imbalance in the Remedies Directive.</li> </ul> <p>NIFHA has produced a policy briefing on EU procurement rules which can be accessed <a href="#">here</a><sup>11</sup>. For further information on the consultation see <a href="http://www.proinno-europe.eu/promotion-pro-inno-europe-results/newsroom/european-commission-starts-consultation-modernisation-eur">www.proinno-europe.eu/promotion-pro-inno-europe-results/newsroom/european-commission-starts-consultation-modernisation-eur</a></p>
<p>27 Jan</p> <p><b>Poverty</b></p>	<p>A report backed the <b>European Parliament's Women's Rights and Gender Equality Committee</b> calls on governments to set targets to reduce pay disparities between men and women by 1% per year. As well as the pay gap the report states there is also the associated risk of poverty as <b>17% of all women across the 27 countries of the European Union live in poverty.</b> The elderly, single mothers, the disabled and minority groups are particularly at risk in this instance. The report, drafted by Romanian Socialist MEP Rovana Plumb, also called for more childcare facilities to be made available to mothers to allow work and life to be more finely balanced. MEPs on the Committee also called for more specific programmes to get women into the labour market.</p> <p>For further information see <a href="http://www.europarl.europa.eu/news/public/story_page/014-112307-021-01-04-902-20110121STO12295-2011-21-01-2011/default_en.htm">www.europarl.europa.eu/news/public/story_page/014-112307-021-01-04-902-20110121STO12295-2011-21-01-2011/default_en.htm</a></p>
<p>7 Jan</p> <p><b>The European Year of Volunteering</b></p>	<p>The EU has organised thematic European Years since 1983. Every year there is a strategically uniform campaign in all EU countries, aiming to provide information for the citizens, and to call attention of the national governments on the current issue. <b>The year 2011 is dedicated to the European Year of Volunteering.</b> As part of the European Year of Volunteering, the European Commission introduced a tour which goes through all the 27 EU countries, stopping for 7-10 days in each country.</p> <p>For further information see <a href="http://www.eu2011.hu/news/european-year-volunteering-2011-eyv">www.eu2011.hu/news/european-year-volunteering-2011-eyv</a></p> <p>For further information on the <b>European Year of Volunteering in Northern Ireland</b> see the Volunteer Now website - <a href="http://www.volunteernow.co.uk/News_Detail.aspx?NID=2706">www.volunteernow.co.uk/News_Detail.aspx?NID=2706</a></p>
<b>December 2010</b>	
<p>19 Dec</p> <p><b>Poverty &amp; Social Exclusion</b></p>	<p>The <b>European Year of Combating Poverty</b> comes to a close. From 2011 <b>poverty reduction will become one of the five pillars of the EU policy framework as set out in the Europe 2020 strategy.</b> For further information see <a href="http://www.eutrio.be/pressrelease/closing-session-european-year-combating-poverty">www.eutrio.be/pressrelease/closing-session-european-year-combating-poverty</a></p>
<p>15 Dec</p> <p><b>Poverty &amp; Social Exclusion</b></p>	<p>CECHODAS Housing Europe reports on the findings of the <b>Eurostat Report 'Income and Living Conditions in Europe'</b>. One of the headline targets in the <b>'Europe 2020' strategy is to reduce the number of people at risk of poverty and social exclusion by at least 20 million in the EU27.</b> As regards income poverty, 81 million persons (or 17% of the population) in the EU27 in 2008 were at risk of poverty after social transfers, meaning that their disposable income was below their national at-risk-of-poverty threshold. In the EU27, 42 million (or 8% of the population) were severely materially deprived, meaning that they had living conditions constrained by a lack of resources, such as not being able to afford to pay their bills, keep their home adequately warm, own a car or a telephone, etc.</p> <p>For further information see <a href="http://www.housingeurope.eu/news/1692">www.housingeurope.eu/news/1692</a></p>

<sup>11</sup> See [www.nifha.org/filestore/documents/research\\_and\\_policy/EU\\_Procurement\\_Policy\\_Briefing\\_Apr2010.pdf](http://www.nifha.org/filestore/documents/research_and_policy/EU_Procurement_Policy_Briefing_Apr2010.pdf)

<p>13 Dec</p> <p><b>Pensions</b></p>	<p><b>European Commission Joint Report on Pensions is published.</b> The report analyses pension systems in the EU, <b>assesses the pension reforms in the light of aggravated challenges and develops an updated agenda for delivering adequate and sustainable pensions.</b> The Economic Policy Committee together with the Ageing Working Group, Social Protection Committee, Indicators Sub-Group, in cooperation with Commission services (Economic and financial affairs and Employment, social affairs and equal opportunities) have carried out a joint analysis of pension systems in the EU focusing on the:</p> <ul style="list-style-type: none"> <li>• results of the last decade of reforms;</li> <li>• impacts of the crisis; and</li> <li>• the long term perspectives beyond the crisis.</li> </ul> <p>The aim was to re-assess the pension reforms in the light of aggravated challenges and develop an updated agenda for delivering adequate and sustainable pensions. The report notes that ensuring that public policies cater for sustainable, accessible and adequate retirement incomes now and in the future remains a priority for the EU.</p> <p>For further information see <a href="http://ec.europa.eu/social/main.jsp?langId=en&amp;catId=89&amp;newsId=958&amp;furtherNews=yes">http://ec.europa.eu/social/main.jsp?langId=en&amp;catId=89&amp;newsId=958&amp;furtherNews=yes</a></p>
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## 6 European Issues Raised Via Assembly Questions

This section provides a list of recent Assembly Questions to the Minister for Social Development on European issues:

<p><b>AQW 2948/11 Mr Alastair Ross - To ask the Minister for Social Development to detail any communication his Department has had with the Northern Ireland Executive Office in Brussels in each of the last 24 months. (Tabled 19/12/10)</b></p> <p>“My Department is in regular contact with the NI Executive’s European Office in Brussels in order to keep updated with EU Policies/Guidance and on various issues relating to former, current and future EU Programmes. My predecessor hosted a reception in September 2009 in the Northern Ireland Office for a range of EU Commissioners, MEPs and Officials, as part of a wider visit. Later the same month a DSD official attended the Barosso Task Force Working Group Meeting in the office.</p> <p>Locally there is significant contact between officials and staff in DFP’s European Unit over a range of issues but current focussing on closure of the Urban II programme. My Department also liaises regularly with the Special EU Programmes body on matters relating to the PEACE III programme. In most cases DFP act as the conduit where issues need to be brought to the attention of the NI Executive Office.</p> <p>The other channel for contact over EU matters is with the Department of Foreign Affairs in Dublin who provide the briefings for each change of EU President. An official from the Department will always attend these on day sessions hosted by DFA.</p> <p>Contact is either by telephone, email and letter or occasionally in person through local meetings. Every effort is made to minimise travel to Brussels give the associated costs.”</p>
<p><b>AQW 2945/11 Mr Alastair Ross – To ask the Minister for Social Development whether there is a specific individual or section within his Department to identify, at an early stage, legislative proposals in the European Commission and the potential impact on Northern Ireland (Tabled 9/12/10)</b></p> <p>“My Department’s European Union (EU) Unit is in regular contact with the European Commission in Brussels in order to keep updated with EU Legislation/Policies/Guidance and on various issues which may have a potential impact on Northern Ireland.</p> <p>The Department’s European Union (EU) Unit was originally established with the objective of co-ordinating EU activities within DSD and monitoring the administration and delivery of EU Programmes. A number of the Programmes have now closed and the Unit is responsible for ensuring that Closure Packs containing a wide range of material and information from various sources throughout the Department are prepared to audit and EC standards. DSD is the Accountable Department for Measure 2.1 of the PEACE III Programme (Creating Shared Public Spaces) and additionally, continues to be involved in a number of other EU initiatives which may potentially impact on Northern Ireland.</p> <p>As the central contact point within the Department on all EU issues and the EU Unit is responsible for co-ordinating,</p>

managing and distributing information, advice and guidance to appropriate branches throughout the Department.”

**AQW 2796/11 Mr Barry McElduff – To ask the Minister for Social Development to detail (i) the number of officials within his Department who are currently directly involved in engagement with the European political institutions; and (ii) the success rate of his Department in accessing European funding in each of the last three years. (Tabled 6/12/10)**

“A total of 5 Officials from my Department are directly involved with the European Commission at different levels on a wide range of European issues, mostly concerned with closed but still live programmes.

My Department continues to draw down funds in line with planned project expenditure.

As Accountable Department for Measure 2.1 of PEACE III, we work closely with the relevant funders and institutions to manage the spend within budget. Additionally, my Department continues to be involved in a number of other EU Initiatives and liaises closely with the European Commission in relation to potential future funding opportunities as follows:

#### TRANSNATIONAL AND INTERREGIONAL PROGRAMMES

Northern Ireland is eligible to three Transnational Cooperation programmes funded from the European Regional Development Fund i.e.:

- North West Europe Programme
- Atlantic Area Programme
- Northern Periphery Programme

In total there is some €1.3 billion for which we can apply in partnership with other EU regions.

#### THE NORTHERN IRELAND TASKFORCE REPORT AND ACTION PLAN

A European Commission Task Force for Northern Ireland led by the EU Commissioner for Regional Policy was formed in 2007. Its remit is supporting the peace process with a particular emphasis on improving the competitiveness and generating jobs and growth in line with the Union’s overall Lisbon Strategy. An Action Plan has been developed by OFMDM in response to the NITF report. The overall aim of the action plan is:

“To engage more effectively with the European Union and its policies and initiatives to help us to achieve our own Programme for Government priorities, particularly in relation to growing a dynamic innovative economy”

The Action Plan has been developed under five themes:

- Promote our interests within the European Union;
- Access EU funding;
- Raise our positive profile throughout Europe;
- Raise awareness and encourage participation in European matters; and
- Share our experience in conflict resolution with Europe and beyond.

#### THE LEIPZIG CHARTER

The Leipzig Charter was an initiative of the German EU Presidency and was adopted by the Council of Ministers in May 2007.

The central message in the Leipzig Charter is the necessity of ‘integrated strategies and coordinated action’. All levels of government i.e. local, regional, national and European have an interest in healthy cities and share the responsibility for the success of cities. European structural funds are to be made available for local projects that embrace this integral approach.

DSD has been monitoring developments on Leipzig and expressed an interest in participating in a European Leipzig Networking Group.

#### QUARTIERS EN CRISE – European Areas Regeneration Network (QEC ERAN)

DSD is a member of the Belfast in Europe QEC-ERAN group which has an overall objective of:

- Promoting Belfast in Europe QEC-ERAN and demonstrate local good practice in a European context.
- Facilitating exchanges between local people, professionals and politicians in the European cities involved in QEC-ERAN.
- Considering and promoting integrated strategies for the improvement of conditions in inner city areas.
- Promoting research into best practice from other European cities so that a co-ordinated target approach to housing, employment, health and social services, education and economic regeneration achieves maximum effects within Belfast.”

**AQW 1041/11 Dr Alasdair McDonnell – To ask the Minister for Social Development to detail (i) the community**

**groups in South Belfast which have been in receipt of European Union funding through his Department; (ii) the amounts they have received since 1998; and (iii) the community group posts including the number, job title and remit which have been funded. (Tabled 5/10/10)**

“My Department administered Funding to many recipients (some of which may have been community groups from South Belfast) under a number of 1994-99 European Union Programmes. However, due to the passage of time these programmes are long since closed. The branches involved have ceased operation and the relative records, files and documentation have either been put into storage, or, no longer exist as they are now outside the required 10 year retention period.

In view of this I am not in a position to provide information for the years 1998/1999.

I can advise you that under the 2000-2006 PEACE II and Building Sustainable Prosperity Programmes, a number of South Belfast projects did receive EU funding totalling £5,655,258.81.

Unfortunately, details on the community group posts including the number, job title and remit which have been funded are not readily available. It has also not been possible to identify and separate community group projects from the information available.

## 7 The European Commission Work Programme 2011

The European Commission is presenting its [2011 Work Programme](#) at a particularly challenging time for the EU. For this reason, the initiatives that the Commission propose and will initiate in 2011 will have a strong focus on accelerating recovery. The 2011 Work Programme is built upon the five main political priorities for the EU set out by President Borroso in the first State of the Union Address, delivered before the European Parliament in September 2010, i.e.:

- Dealing with the economic crisis and building the momentum of the recovery;
- Restoring growth for jobs by accelerating the Europe 2020 reform agenda;
- Building an area of freedom, justice and security;
- Launching negotiations for a modern EU budget; and
- Pulling the EU’s weight on the global stage.

### Strategic Initiatives the Commission Scheduled for Adoption in 2011

It should be noted that many of the initiatives addressed in the 2011 Work Programme are more directly relevant to the work of other NI Assembly Committees. Nevertheless, there are a number of initiatives which may be general interest to the Committee for Social Development, these are set out below.

**Table 1: Financial Regulation – Directive on responsible lending and borrowing**

Nature of Initiative	Title of the Document	Likely Date of Publication
Legislative	<a href="#">Directive on responsible lending and borrowing</a>	1 quarter of 2011
To assist in the creation of an integrated single market for mortgage credit by boosting consumer confidence and levels of consumer protection, cross-border lending and borrowing and competition in the marketplace. To promote financial stability throughout the EU by ensuring that the mortgage credit markets do not operate in a way that can lead to over indebtedness, defaults and foreclosure and the recommendation on financial inclusion.		

**Table 2: Sustainable Growth – Low Carbon Economy Initiatives**

The Committee may wish to keep a watching brief on the following initiatives for the potential implications for energy efficiency in housing, housing design and construction and fuel poverty intervention.

Nature of Initiative	Title of the Document	Likely Date of Publication
Non-Legislative (Communication)	<a href="#">Low Carbon Economy 2050 Roadmap</a>	1st quarter of 2011
This Communication analyses the temporal pathway for the transition to a low carbon economy for the EU by 2050, including milestones by 2030, with a view to making EU energy secure and promoting sustainable growth and jobs, while ensuring that the proposed measures are most cost-efficient and do not bring negative distributional consequences. The resulting vision of structural and technological changes needed contributes to the flagship initiative 'Resource efficient Europe' of the Europe 2020 Strategy.		
Non-Legislative (Communication)	<a href="#">European Energy Efficiency Plan until 2020</a>	1 <sup>st</sup> Quarter of 2011
The Communication will identify the key measures to fully achieve the cost-effective energy savings potential of 20% across all sectors including building, utility, transport and industry. In parallel, experience from the first Energy Efficiency Action Plan will be analysed.		
Legislative	<a href="#">Directive on Energy Efficiency and</a>	3 <sup>rd</sup> Quarter of 2011
This initiative is a follow-up to the European Energy Efficiency Plan. It will provide an enhanced framework for energy efficiency and savings policies of Member States including targets, role of National Energy Efficiency Action Plans, exemplary role of public sector, financing, consumer information. It will also define instruments to develop the energy services market and the role of energy companies in promoting energy savings throughout the energy supply chain, including supply to end-users. It will set framework conditions for increased generation, transmission and distribution efficiency.		

**Table 3: Strengthening economic governance – responsible lending and borrowing**

Nature of Initiative	Title of the Document	Likely Date of Publication
Legislative	<a href="#">Directive on responsible lending and borrowing</a>	1st quarter of 2011
To assist in the creation of an integrated single market for mortgage credit by boosting consumer confidence and levels of consumer protection, cross-border lending and borrowing and competition in the marketplace. To promote financial stability throughout the EU by ensuring that mortgage credit markets do not operate in a way that can lead to over indebtedness, defaults and foreclosures. To be delivered together with the Communication on best practice in mortgages avoiding foreclosure and the recommendation on financial inclusion.		

**Table 4: Sustainable Growth – White Paper on Pensions**

Nature of Initiative	Title of the Document	Likely Date of Publication
Non-legislative	<a href="#">White Paper on Pensions</a>	3rd quarter of 2011
Rapidly approaching population ageing creates both an immediate and long term challenge for pensions systems. If the EU is to sufficiently support and complement Member State efforts to deliver adequate and sustainable pensions for citizens, the incomplete and fragmented European Framework of policy co-ordination and regulation needs to be reconsidered holistically. As a follow-up to the Green Paper consultation, the White Paper will address some or all of		

the issues identified.

## Indicative List of Possible Strategy and Priority Initiatives Under Consideration by the European Commission

There are also a number of potential strategic and priority initiatives which may overlap with issues under the remit of the Committee for Social Development:

Nature of Initiative	Title of the Document
<p><b>Modernisation of EU Public Procurement legislative framework</b></p>	<p>This initiative will be aimed at modernising and simplifying the existing EU public procurement framework (Directives 2004/17/EC and 2004/18/EC). While preserving the transparency and non-discrimination principles, the review will seek to ensure that the EU procurement framework is optimised, in line with smart regulation principles, so that it provides the best possible procurement outcomes with the least possible transaction costs and administrative burdens. Issues such as the simplification of procurement procedures, the updating of e-procurement provisions, public-public co-operation, the possible use of public procurement to achieve other policy objectives will be addressed.</p> <p><b>[May be worth monitoring for potential implications for procurement and the Social Housing Development Programme]</b></p>
<p><b>Social Business Initiative</b></p>	<p>To promote social business and its development in the Single Market.</p> <p><b>[May be worth monitoring for potential implications for the social economy and the voluntary and community sector in Northern Ireland.]</b></p>
<p><b>Proposal for a Regulation to establish a European Voluntary Humanitarian Aid Corp (EVHAC) (2012)</b></p>	<p>The objective is to establish a framework for joint contributions from young Europeans to the humanitarian aid operations of the Union. Preparatory Actions in 2011 include an external study which will help in identifying possible options, including preparatory actions.</p> <p><b>[May have relevance for the voluntary and community sector]</b></p>

## 8 Next Steps?

Research and Library Service will track developments relating to those initiatives which are of most interest to the Committee for Social Development. At a later date, should it become necessary to prioritise initiatives for continued monitoring, the criteria listed below could be employed:

- Legislative versus non-legislative proposal (legislative higher priority);
- Stage in policy development (earlier than high priority);
- Relevance (links to other committee work for example);
- Significance (based on likely impact of initiatives in Northern Ireland, e.g. financial); and
- Relevance to Executive's Priorities for European Engagement.

In addition to updating the Committee directly via the Committee Clerk, Research and Library Service's online current awareness tool '**HORIZON**' will be used to disseminate information on developments more widely.

**The Committee may wish to consider adding European to its list of legacy issues for the successor Committee for Social Development.**