

Brussels / April 29 2022

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**EU GUIDANCE ON DISTRIBUTIONAL IMPACT ASSESSMENTS (DIAs)
IN NATIONAL MEMBER STATE POLICIES TO REDUCE POVERTY**

**EUROPEAN COMMISSION CALL FOR
EVIDENCE FEEDBACK STATEMENT**

The European Confederation of Independent Trade Unions (CESI) is a confederation of more than 40 national and European trade union organisations from over 20 European countries, with a total of more than 5 million individual members. Founded in 1990, CESI advocates improved employment conditions for workers in Europe and a strong social dimension in the EU. CESI represents public and private sector workers and is a recognised European sectoral social partner.

CESI broadly welcomes the initiative of the European Commission, as laid out in its Call for Evidence published on April 4 2022, to issue guidelines for the Member States to carry out ex-ante distributional impact assessments (DIAs) in their national policy making in order to prevent them from having direct or indirect adverse on poverty levels and household incomes.

CESI agrees with the objective of the initiative. CESI has for long proposed a new European Social Deal, analogous to the European Green Deal, which is placed in the centre of the EU institutions' activities, making social fairness, decent work and equal opportunities an overarching priority. Like environmental and climate protection, social measures often fall victim to allegedly necessary policies to stay 'economically competitive' and not 'overburden' businesses and employers. After the post-2007 crisis, recent years have seen a shift away from the social and towards climate protection, and green policies have remained a priority in the post-Covid recovery response by the EU and the Member States. Social policy priorities appear to be pushed further aside as the Ukrainian crisis evolves and impacts on the EU's economy. While climate protection and economic growth is undoubtedly centrally important, social inequalities persist in Europe and must not be pushed to the background. Therefore, as the EU agrees to set concrete targets to become climate neutral and rebound economically strong from the Covid crisis, it should set equally ambitious targets for social fairness, decent work and equal opportunities – via a new European Social Deal.

While the European Commission's initiative on DIAs goes in the right direction of a European Social Deal, CESI criticises that it falls short of it.

The policy instrument envisaged by the European Commission to realise DIAs in the Member States – guidelines issued by means of Communication – is unfortunately not as effective as binding targets via a directive or a regulation.

In the absence of hard regulation, it appears that at least the European Commission's envisaged monitoring process of the implementation of DIAs by the Member States – regular informational provided to the Social Protection Committee and the Employment Committee and regular reviews of DIA practice in Member States and mutual learning events aimed at further improving tools and methodologies used to conduct DIAs – could be strengthened.

Moreover, the guidelines should make clear and explicit that DIAs should be streamlined and applied in all policy fields. Their scope should not remain vaguely defined as pertaining to "*planned budgetary measures and other reforms*" in the areas "*such as employment, taxation, social protection and social inclusion*", as the Call for Evidence phrases it.