

Methodology for reporting social expenditure

EuroHealthNet's input to the European Commission's public consultation, August 2021

EuroHealthNet's mission is to promote multi-sectoral actions in support of social determinants of health and health equity in Europe. As highlighted on multiple occasions before¹, also in response to this call for input, EuroHealthNet comes forward with a call to ensure that multi-governance level public expenditures in social fields (including health) are adequate, realistic, and evidence-informed. This, in turn, will foster modern, forward-looking and resilient social protection systems able to support people in meeting their daily needs, withstand the risks and build their resilience when most vulnerable. Indeed, today more than ever investments, not austerity in social spending, are needed with elevated parental and caring responsibilities, prolonged or chronic sickness, healthcare, disability, old age, housing, unemployment, and poverty. This lays at the core of the Social Europe delivering on social rights for all its citizens, and building a strong and resilient society capable of withstanding short- and long-term challenges today and in the future, including those related to green, digital and demographic transitions.

With the above in mind, **EuroHealthNet welcomes the European Commission's initiative to set out a methodology for reporting on expenditures with a social focus, including those aimed at children and young people and gender equality.** The scope of the initiative is of vital importance to guarantee the impactful and inclusive implementation of the Recovery and Resilience Facility and the Recovery Plans (including via the European Semester and the Social Scoreboard's indicators) as foreseen in its agreement, that is to say *"to mitigate the economic and social impact of the coronavirus pandemic and make European economies and societies more sustainable"*². This should help support better monitoring of European and Member States' actions addressing child poverty, including via investments in health promotion and prevention (as per the European Child Guarantee) and vital socioeconomic determinants of health and well-being. But a more comprehensive approach to addressing vulnerabilities via spending frameworks should be taken. For this reason, we would welcome a methodology for social spending reporting facilitating progress and performance tracking also for other vulnerable groups in need of social support. This would increase synergies with other EC's initiatives on ageing, socially-just green and digital transitions, inclusion of ethnic minorities and migrants, or a more targeted support for the homeless.

The proposed methodology is a major step forward, as it requires Member States to **define and report investment targets for social expenditure.** Given the importance of this exercise for ensuring that funds reach population groups and meet their present and expected needs in real terms, we believe the European Commission should take a step forward and **include in the proposed definition the requirement to Member States to provide information on how decisions are taken.** More specifically, the **reporting of social expenditure should invite Member States to provide details on:**

- The **rationale and criteria** used for the selection of reforms and investments and how they will contribute to the implementation of Social Rights (as per the EPSR)
- What **evidence** has been used to support such selection (including best practices, social return on investment approaches and foresights) and how data has been collected
- Existence of **implementation and/or sustainability plans**

¹ https://eurohealthnet.eu/sites/eurohealthnet.eu/files/PP_Social_Protection_FINAL.pdf

² https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en



- Whether **monitoring systems and evaluation of impact** are foreseen and if they include an **equity dimension**
- Whether/which **stakeholders** have been **involved in the decision/implementation process** and through which channels
- Whether **investments and reforms are part of long-term strategies or ad hoc interventions**

EuroHealthNet and its members look at the Recovery and Resilience Facility as **key opportunity to promote reforms and investments that will allow much needed structural reforms in social and health sectors** to ensure sustainability and inclusiveness. We therefore believe that an agreement on **common and minimum set of indicators for monitoring and reporting on social expenditures is fundamental for ensuring best value for EU money, reaching people and sectors in need of support when the EU recovers from the pandemic**. It will also determine our resilience to future crises. For more information, we invite to consult EuroHealthNet Policy Precipis on “[Improving Health and Health Equity through Strong Social Protection Systems](#)” also available on EuroHealthNet website and our Health Inequalities Portal. This response is based on a feedback from EuroHealthNet’s membership, including [De Nederlandse GGZ](#).