



France 2006

Social Inclusion cross cutting policy tools

Comment Paper, Cyprus



On behalf of
European Commission
DG Employment, Social Affairs and Equal Opportunities

Social Inclusion cross cutting policy tools

Comments and Statements

Toula Kouloumou

Ministry of Labour and Social Insurance, Social Welfare Services

Elias Mallis

Ministry of Finance

1. Relevance of the social inclusion cross cutting policy tools for Cyprus

It is widely recognized at both European and national levels that the involvement of all actors to design implementation and monitoring of policies are necessary prerequisites for addressing successfully the complex and multi-dimensional problem of social exclusion. Therefore, we consider that the proposed coordination and partnership strategy is relevant not only for participating countries, Cyprus included, but also for most if not all European countries.

As recognized in the Joint Report on Social Protection and inclusion (2005) all new member states have created new structures to involve civil society in the social policy planning. For Cyprus in particular, the need to raise the involvement and strengthen the capacity of all stakeholders in order to achieve their full and effective participation in combating social exclusion is highlighted.

The Cypriot welfare model consists of a mix of policies, universal and targeted, which complement each other. One of the main tools for fighting poverty and social exclusion is the public assistance scheme which is means-tested and guarantees a minimum income for all citizens. Because of the small size of the country but also its social system, social services are mainly delivered by the statutory sector through district offices located at the main cities. The local authorities-at a limited degree so far-and the NGOs, offer complementary social services at the local level.

The Social Welfare Services (SWS) are the coordinating authority with regard to social exclusion/inclusion issues and cooperate with other relevant governmental bodies and actors (NGOs, Local Authorities and Social Partners etc.). A Committee for the implementation and monitoring of the NAPincl is established headed by the SWS. Stakeholders raise the need for better coordination and for setting a more appropriate structure along with a clearer mandate. Conflict issues between the main actors as well as the lack of an integrated and functional social network structure are also raised (independent expert reports).

The Council of Ministers of the government of Cyprus recently approved for the introduction of a Medium-Term Budgetary Framework (MTBF) covering the period 2007-2009. The MTBF, originally introduced in other E.U countries can be used as a financial tool for social inclusion measures (specific relevant targets can be set) and also as a link of the medium term targets set at the macro level with the annual budgetary process at micro level within the policy context set by the National Lisbon Strategy Program.

The fiscal policy of Cyprus is based on a two-pillar approach; the National Lisbon Strategy Program, which includes, among others, social inclusion measures and the Convergence Program, which provides for the implementation of the MTBF to secure fiscal sustainability of public finances. The one pillar supplements the other and as a result fiscal sustainability ensures the implementation of social inclusion policy measures. Notwithstanding, the MTBF sets a concrete and strict fiscal policy framework, allowing for only 2% increase in public consumption expenditure, the increase of social expenditures can increase more and reach 2,5%. This is an explicit commitment of government's policy to achieve sound public finances by maintaining and enhancing social inclusion policy measures

The existence of an institutional framework enacted by Law in France provides a solid base for the coordination of the actions taken to fight social exclusion. The setting up of a sub-directorate dealing with social exclusion issues and charged among others with the monitoring task shows commitment for the implementation of an integrated approach. There is a need of better understanding the role of the bodies functioning at national level, the degree of involvement of actors and how coordination is achieved in practice. The tools deployed are in line with the objective to involve stakeholders but the degree of involvement is not clear.

The French Social Inclusion DPT (cross-functional policy document) is an innovative, well-structured policy tool that offers an alternative way for conducting and coordinating governmental departments responsible for the state budget and also promotes inter-departmental and ministerial cooperation, which are necessary in order to effectively combat social exclusion. Yet another positive aspect of the French DPT is the incentives-oriented policy direction included in it, which is required for the program managers, thus, leading to an overall improvement of governance. However, financial efficiency of the DPT depends primarily on the conjunction with quality indicators, which should take into consideration issues such as quality of the service provided, time needed to service, monitoring procedures etc.

The organization of conferences at both national and regional level seems a good tool for sharing information and increase awareness on social exclusion. The 17 regional inter-partnership social observation platforms on the one hand satisfy the criterion of participation and that of exchange data and views but on the other hand, create an unambiguously high administrative cost. The local forums finally seem to be original tools that could partly respond to the crucial issue of participation of people experiencing social exclusion themselves.

2. Potential transferability in Cyprus

The setting up of a regulatory framework for combating social exclusion could better address issues related to citizen's rights. The need to adopt a more comprehensive and integrated approach in order to address the coordination and participation challenges in particular those related to the monitoring and implementation of the NAPincl is recognized.

Under this framework, the French paradigm is very interesting for Cyprus and it could implement the idea of preparing its own DPT under the coordination of the competent body (Social Welfare Services) and the cooperation at ministerial level for achieving the best possible outcome.

However, the functioning of the institutional framework for social inclusion policy measures in order to succeed needs to be well-designed beforehand especially in financial and monitoring terms based mainly on the objectives and priorities set and also on deadlines of implementation and assessment procedures. Such a framework will facilitate strategic planning, improve the capacity of all stakeholders responsible for social inclusion issues and lead to better governance

3. Important questions, key issues

In both national and local levels, how is it ensured that financial resources are used efficiently (i.e. allowances are used for those really in need) for addressing the needs of socially vulnerable persons in an effort to include them in society?

Are there any measurable outcomes of the efforts made since the first inter-ministerial meeting? What are the lessons learned?

How the proposed strategy ensures that the most vulnerable and less powerful are not excluded from this process not in terms of information but of genuine participation?

How the French Social Inclusion DPT (cross-functional policy document) will influence coordination and partnership at local level?