



# A stronger social Europe powered by inclusive cities

## Key messages:

We are facing an unprecedented crisis in Europe that is deepening social inequalities, putting our European social model at risk. Addressing this crisis requires bold actions. Nobody can respond to this crisis alone, but only by working together in solidarity between all levels of government can we mitigate the negative impact on the most vulnerable in our society and build a fair, inclusive and sustainable recovery in the EU, leaving no one behind. Cities are committed to working together with the EU institutions and national governments to put people at the heart of the recovery. In turn, we expect European leaders to engage cities as key partners in reinforcing social Europe and to ensure a strong urban dimension in the EU recovery plan.

A stronger social Europe is a Europe of inclusive cities, where:

- Cities should be engaged as key partners in driving a fair and inclusive recovery in Europe. Cities have been the hardest hit by the pandemic crisis, and it is in cities that the socio-economic consequences are most visible, and the recovery is most urgent. At the same time, the pandemic has shown that cities are able to act quickly to protect the most vulnerable people and provide urgent support to all in need. Cities have shown leadership in managing the COVID-19 crisis on the frontline and solidarity in sharing know-how with other cities to help contain the virus. We have demonstrated our responsibility and resilience by immediately reallocating municipal budgets to take pro-active measures to mitigate the negative impact of the crisis on people. We are ready to lead the recovery together with the EU and member states. For this to be possible, the EU recovery plan should have a strong social and urban dimension.
- Social investment should be strengthened as a key priority for a fair and inclusive recovery. We have the chance to do more than temporarily undoing the effects of the pandemic crisis and starting over where we left off. We can build back better. We should make sure all Europeans have access to affordable healthcare of good quality. We should create more quality jobs with fair working conditions, more inclusive education paths and skills training, ensure decent and affordable housing, grant active support for the most vulnerable and equal opportunities for all people. To achieve this, we need strong investment in social infrastructure and social services at local level, with the right policy mix and financial resources for implementing the European Pillar of Social Rights and the SDG agenda.
- A new pact between city and EU leaders should be set up to drive social Europe forward. Cities and EU leaders can build a stronger social Europe by working together in a renewed strategic partnership. As the level of government closest to people, cities work to ensure EU social policies reach out to those in need. In the wake of this crisis, we are more determined than ever to ensure a fair and inclusive transition to green and digital economy where no one is left behind.

## Contents

<b>Facing unprecedented social challenges .....</b>	<b>3</b>
<b>Managing the crisis and mitigating its impact .....</b>	<b>3</b>
<b>Driving a fair and inclusive recovery in Europe.....</b>	<b>4</b>
<b>Social investment as the key to a fair and inclusive recovery .....</b>	<b>5</b>
<b>Reinforcing social Europe as a key opportunity to build back better .....</b>	<b>7</b>
<b>Reinforcing the EU social agenda with a stronger urban dimension .....</b>	<b>8</b>
<b>Working with cities for an inclusive recovery and a stronger social Europe... </b>	<b>13</b>

## Facing unprecedented social challenges

People living in cities have been the hardest hit by the COVID-19 pandemic due to high population density in urban areas and are deeply affected by the economic and social crisis. As shown by the OECD<sup>1</sup>, the pandemic has a strong asymmetric impact, disproportionately affecting cities.

Job losses are estimated to be higher in large cities than elsewhere<sup>2</sup>, hitting the low-skilled, the self-employed, migrant workers, those with a precarious contract and those in the informal economy particularly hard. The risk of unemployment is highest among young people, whose education and training pathways have been disrupted, many not finding internships or apprenticeships to complete their studies. The number of working poor is also estimated to increase<sup>3</sup>.

The crisis has exacerbated pre-existing inequalities. Vulnerable people such as the homeless, the elderly, Roma, people with disabilities, victims of gender-based violence, migrants and refugees, have become even more vulnerable. Gender inequalities have increased<sup>4</sup> with women facing a triple burden: home office, home caring, home schooling<sup>5</sup>. Moving many essential services online, including education and training, has widened the digital divide, especially affecting children in poverty.

Poverty is rapidly rising in cities, with new groups of people at risk of poverty - the 'new urban poor'. More people are having financial difficulties due to job loss and income drops, and are at risk of losing their home. Freelance professionals and the self-employed are particularly at risk as they are not always covered by national income support measures. Undocumented migrants, who had been active in the informal economy, are now coming forward to ask cities for help<sup>6</sup>. Cities have already seen a significant rise in the number of people seeking food aid and basic material assistance.

Territorial inequalities are also deepening, with deprived urban areas being the most severely affected and requiring specific measures tailored to their local needs. Tackling these various social consequences of the crisis will require considerable social investment at local level.

## Managing the crisis and mitigating its impact

Cities are on the frontline of managing the COVID-19 crisis. We used all our capacities to act in a fast, proactive and innovative way to respond and prevent further exacerbation of social exclusion. We promptly mobilised resources both internally, by reallocating available staff to help deliver targeted measures, and externally, by coordinating support with civil society and social economy organisations. We have stretched our healthcare and social services sometimes beyond limits to meet the new and urgent needs of people on the ground. We set up new and extra services to provide tailored support to the most vulnerable people. Such emergency measures<sup>7</sup> include:

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<sup>1</sup> OECD (June 2020). *The territorial impact of COVID-19: Managing the crisis across levels of government*. [bit.ly/2BoP0cp](https://bit.ly/2BoP0cp)

<sup>2</sup> OECD (April 2020). *Coronavirus From pandemic to recovery: Local employment and economic development* [bit.ly/2VH1S4t](https://bit.ly/2VH1S4t)

<sup>3</sup> ILO (April 2020). *Monitor on the impacts of COVID-19 on world of work*. [bit.ly/31EYta1](https://bit.ly/31EYta1)

<sup>4</sup> European Institute for Gender Equality (2020). *COVID-19 and gender equality*. [bit.ly/2YzGsrB](https://bit.ly/2YzGsrB)

<sup>5</sup> The crisis has shown that the majority of healthcare workers, people working in the care sector and in other essential jobs are women. Women have been on the frontline of these jobs during the pandemic but are facing inequality in pay and career opportunities. With schools closed, the responsibility of home-schooling next to managing home office lay heavily on women. Eurocities (2020). *City dialogue on the impact of COVID-19 crisis on women*. <https://bit.ly/32ONji1>

<sup>6</sup> This is the case for thousands of Brazilians in Amsterdam and Filipinos in Milan, according to the reports from these cities.

<sup>7</sup> See full list in Eurocities (July 2020). *Overview of social measures in cities to respond to COVID-19 crisis*. [bit.ly/3iCWk10](https://bit.ly/3iCWk10)

- extending health care services to test, help and advise residents on COVID-19 measures
- food aid delivery such as solidarity food baskets to the elderly, homeless, families in need
- extending the shelter capacities for homeless people and for victims of gender-based violence and setting up new emergency housing by repurposing public buildings
- support for home-schooling by supplying digital devices to low-income families
- reinforcing outreach and information services for all people, including people who do not speak the local language, by setting up multilingual info points and helplines

At the same time, cities ensured the continuity of essential services, such as providing childcare for children of workers in crucial sectors. To minimise the virus spread, we have quickly digitalised many healthcare, employment and social services, innovating with new solutions for e-inclusion.

Cities have also pro-actively set out measures to mitigate the socio-economic effects of COVID-19 on people and jobs, in an effort to prevent and combat rising poverty and inequalities, acting faster than national governments and covering gaps in national welfare policies. Such measures<sup>8</sup> include:

- financial aid to families in need, SMEs, self-employed and freelancers (incl. creative sector)
- introducing tax breaks, loan guarantees, improving conditions and access to loans for SMEs
- banning evictions and freezing rent payments for tenants in municipal and public housing
- creating new jobs through municipal works (e.g. renovation of social housing) or through wide-reaching pacts for employment with local businesses
- setting up online training courses for up-skilling and re-skilling and matching the new demand and offer of skills between the industries that need to dismiss staff or reduce working hours (e.g. tourism and hospitality) and sectors that need more staff (e.g. healthcare and schools)

## Driving a fair and inclusive recovery in Europe

Cities play a key role not only in managing the crisis and mitigating its socio-economic consequences, but also in driving a fair, inclusive and sustainable recovery in Europe. Many cities are already showing leadership in the recovery from the crisis and some have set up local recovery plans with the participation of all actors in the city, such as the ‘Pact for Barcelona’<sup>9</sup>. Through their example, cities are inspiring others on how to build back better through social investment, bolder social policy, ambitious goals for a green transition and working in partnership with other levels of government.

In the following sections, we present our recommendations for a fair and inclusive recovery in Europe, starting from supporting social investment with EU funding, to reinforcing social Europe with an urban dimension and finally, improving governance by working together with cities.

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<sup>8</sup> Eurocities (July 2020). *Overview of city measures to mitigate the socio-economic impact of COVID-19*. [bit.ly/2YWl9Aj](https://bit.ly/2YWl9Aj)

<sup>9</sup> <https://bit.ly/BCNpact>

# Social investment as the key to a fair and inclusive recovery

The pandemic has shown just how essential healthcare, social infrastructure and public social services are at local level for our society. The recovery from this crisis is a tipping point for social investment. Learning from the past financial crisis of 2008-2009 when austerity measures led to increasing inequalities<sup>10</sup> and underinvestment at local level, the response to this crisis should be different. Cuts in social and healthcare services must be avoided by boosting local social investment in the EU recovery plan. Public social services are essential for Europe's recovery and have a key role in social cohesion. However, the recovery will require an unprecedented level of social investment in local services and infrastructure that cannot be done by cities alone.

Cities have been able to respond promptly to the pandemic crisis thanks to their investment in public social services and infrastructure. Cities are responsible for over 60% of the total public investment in social infrastructure and social services<sup>11</sup>. However, this level of investment is at risk given the strained municipal budgets due to increasing demand on social services and emergency support coupled with dramatically falling revenue from taxation and tourism<sup>12</sup>. Without additional financial support, many cities will be forced to implement service cuts and will have to choose which services to continue and which to stop. It is thus crucial to ensure cities have the necessary resources to continue to help people in need.

## Recommendation 1: Make social investment a priority of the EU recovery plan and MFF

The recovery from this crisis should be fair, inclusive and sustainable, and drive forward the green and digital transitions. Strong social investments should be at the core of this recovery, where economic, environmental and social policy must mutually reinforce each other. We recommend to:

- Change the approach to social investment by looking at spending for social infrastructure and social services as an essential investment and not a cost.
- Maintain the flexibility in state aid rules post-pandemic by keeping spending for social infrastructure and social services outside of the budget deficit calculation.
- Apply social impact assessment to all EU policies, especially all funds under the EU recovery plan. Include a gender impact assessment and gender budgeting.

<sup>10</sup> EIB (2018). *Inequality in Europe*. [https://www.eib.org/attachments/efs/econ\\_inequality\\_in\\_europe\\_en.pdf](https://www.eib.org/attachments/efs/econ_inequality_in_europe_en.pdf)

<sup>11</sup> OECD (2018). *Regions and Cities at a Glance*. [bit.ly/2VH4PIC](https://bit.ly/2VH4PIC)

<sup>12</sup> For example, Florence is estimated to suffer a €200 million deficit in its city budget and Barcelona a 14% drop in the city's GDP, which is four times more than the previous financial crisis.

## Recommendation 2: Support cities' efforts for a fair and inclusive recovery

There should be clear recognition of local governments' key role in dealing with this crisis as well as of the specific urban challenges in all EU recovery instruments. Without cities acting so fast, we would have seen many more casualties and a deeper recession in the EU. For cities to be able to step up efforts, we need a stronger urban dimension in the EU recovery plan. We call on the EU to:

- Ensure investments are made especially in public services at local level to build resilience particularly in the care sector, including healthcare, childcare, elderly care and social care.
- Give the InvestEU programme a strong urban focus to ensure adequate investment in social infrastructure, such as affordable housing, childcare and health facilities.
- Include an urban dimension in the new EU4Health programme to harness urban preparedness by supporting municipal health capacities in synergy with ESF+ and ERDF.
- Ensure that member states fully apply the partnership principle at national level, giving cities a seat at the table when the recovery plans are being developed and investment priorities are set for the recovery and resilience facility, cohesion policy and the Just Transition Fund.

## Recommendation 3: Keep the ESF+ budget at strong level, with a clear urban dimension

Cities can drive the socio-economic recovery in their region through social investments in employment, training and social inclusion, but need more financial support. EU funding should match the increasing need for social investment in local employment and skills training schemes and active inclusion measures to tackle child poverty, in work poverty and the digital divide. We are very concerned about the decrease of the ESF+ budget in the new MFF proposal. We call on the EU to:

- Avoid reducing the ESF+ budget to prevent a serious funding gap of the much-needed employment and social initiatives in the recovery phase and throughout 2021-2027 period.
- Ensure EU financial support from ESF+ to sustain our commitment to implement the European Pillar of Social Rights, the child and youth guarantee, to provide food aid and basic material assistance, to fight homelessness, to integrate unemployed people as well as migrants and refugees, and improve the quality of life of the elderly living in home and care centres.
- Ensure ring-fencing for combatting child poverty through integrated plans at local level.
- Use the ring-fencing for youth employment to support municipal Youth Guarantee schemes that can best address youth unemployment at local level.
- Use the new emergency clause to support integrated actions for social recovery in cities as an urgent way to mitigate the social impact of the crisis at least in the first years of ESF+.

## Recommendation 4: Channel EU funding to where it is needed the most, in cities

Despite the urgency in cities, no EU funding was made directly available to cities. EU recovery funds are mostly directed to member states. Cities must be able to use existing EU funds, more flexibly and more directly, to fully support the local economy and the people most in need. So far, this has not been the case. Despite the additional flexibility with the Corona Response Investment Initiative (CRII and CRII+), most cities have not benefited from it. The few exceptions are cities that have the role of intermediate body for ESF or ERDF funds and thus have been able to quickly reprioritise and spend EU funds to support the people and businesses most in need. We call on the EU to:

- Give cities easier and more direct access to ESF+ funding at least during the recovery period for both quicker and more effective policy intervention. Cities have already proven in the current programming that they can be successful intermediate bodies, managing global ESF grants for their territory and are best placed to create effective partnership with local stakeholders to implement ESF.<sup>13</sup> This model should be reinforced under ESF+.
- Involve cities in the governance and programming for 2021-2027 by giving cities a role and ‘seat at the table’ when ESF+ priorities and the programmes are developed at national level<sup>14</sup>.
- Match the priorities of ESF+ programmes with the new social challenges in urban areas, such as homelessness and the new urban poor. Recognise the increasing demand for social services in cities by channelling ESF+ resources to city initiatives that best respond to local needs.

## Reinforcing social Europe as a key opportunity to build back better

This crisis offers an opportunity for systemic change to build a more inclusive and sustainable society. The recovery is our chance to do more than just undo the effects of the pandemic crisis. It is time to ‘build back better’ by putting people first. This means putting social policy high on the EU agenda for recovery, alongside the goals for climate neutrality and digital transformation, and giving cities the means to address poverty and inequalities.

As cities, we are committed to a stronger social Europe based on a new socio-economic model that balances social, economic and environmental objectives. Many cities are already emerging as frontrunners in this transition. Glasgow is prioritising an ‘asset-based’ approach in their recovery, based on meeting the needs of people and nurturing the strengths and resources of communities. Amsterdam is embracing the ‘doughnut economic model’ – a sustainable development model putting people and environmental needs first<sup>15</sup>. Many city development strategies, inspired by the SDG framework, are now used to guide the recovery post-COVID (e.g. Utrecht’s Healthy Urban Living for Everyone strategy, Vienna’s Smart City Framework Strategy, Bristol’s One City Plan). Many cities are building coalitions with local businesses and civil society to be more innovative and develop new business models based on digital, circular and social economy. We have seen how local solidarity and mutual aid networks have

<sup>13</sup> Eurocities (2018). *Lessons learned from cities experiences with the European Social Fund in 2014-2017*. [bit.ly/2zV3nkt](https://bit.ly/2zV3nkt)

<sup>14</sup> Eurocities (2018). *EUROCITIES position on ESF+: A smart investment in people*. [bit.ly/3goqPKO](https://bit.ly/3goqPKO)

<sup>15</sup> Eurocities (2020). *Cities think about long term green recovery post-corona*. <https://bit.ly/3jEwH3b>

been key to supporting our citizens in difficulty. Investing in social capital is as important as investing in financial capital for the sustainability of our communities.

## Recommendation 5: Strengthen the social dimension in the EU strategic priorities

The EU should strengthen the social dimension within the economic and environmental priorities. We need to better balance environmental sustainability with social sustainability in the EU. With all levels of government working together, we can build a stronger social Europe, accelerating a sustainable transition to a greener and digital economy, creating new and better jobs, supporting the most vulnerable groups and creating more equal opportunities for all people. We call for:

- Reinforce the social dimension of the European Green Deal. Cities fully support the goals of the Green Deal<sup>16</sup>. Still, the ambition of a just transition must be reinforced with explicit objectives to reduce poverty and inequalities and help all people in need, not just those in employment. We need a strong focus on affordable housing under the Renovation Wave<sup>17</sup> and in the national recovery plans. We also need due attention at all levels of government to energy poverty, preventing its escalation as Europe shifts to green energy. We must ensure that energy remains affordable for everyone, especially given the digitalisation of work.
- Reinforce the social dimension in making Europe fit for the digital age. The urgent needs in cities to digitalise social services and address the digital divide should be better reflected in the Digital Europe Programme. Cities are working to reduce the digital skills gap but need more EU financial support. We need more investments in digital skills for all people, especially the elderly and early school leavers. We need more efforts to address the digital gender gap by investing more in digital education of women and girls.

## Reinforcing the EU social agenda with a stronger urban dimension

More than 75% of Europeans live in urban areas and face specific urban challenges, such as the lack of affordable housing, gentrification, insufficient places for childcare or the risk of exclusion and segregation for migrant communities and ethnic minorities. The social challenges in cities are complex and inter-linked and cannot be solved by sectorial social policies; only integrated measures tailored to the local context can deliver effective solutions. The COVID-19 crisis has exacerbated social challenges, many of which are specific to urban areas such as rising urban poverty and homelessness. These are urban problems that need European solutions.

## Recommendation 6: An EU anti-poverty framework to support integrated city strategies

Poverty has a strong territorial dimension and nowhere is this more visible than in deprived urban areas where social disadvantages are concentrated, causing significant socio-economic inequalities between

<sup>16</sup> Eurocities (2020). The European Green Deal: Delivering results for citizens with Europe's cities. <https://bit.ly/2ETihgB>

<sup>17</sup> Eurocities (2020). EU's Renovation Wave Initiative: Delivered with cities and citizens. <https://bit.ly/33MXX9p>

neighbourhoods of the same city, and affecting social cohesion in the EU. This cannot be solved with national or regional measures, but only through city strategies based on an integrated neighbourhood approach, joining up housing, health care, employment, education and social services to improve quality of life for all people and the social cohesion. We call on the EU to:

- Develop a new EU anti-poverty framework to support integrated city strategies on poverty reduction. Such strategies could be shaped as ‘Local Pacts’<sup>18</sup>, involving all actors, including the inhabitants of the concerned areas, in the co-creation of actions to fight urban poverty and inequalities. Urban authorities should coordinate the process to design, implement and monitor the strategies, targeting programmes to the most deprived neighbourhoods. Financing should be possible by pooling different EU funds together into integrated territorial investment by combining ESF+ funding for supporting people-based actions with ERDF funding for improving local infrastructure. This model is already applied for instance by the National Programme for Rotterdam South with a budget of €65 million in 2019-2022, of which €4 million from ESF and €4 million from ERDF, with co-financing from national and municipal budgets.
- Mainstream the focus on tackling gender-based inequalities and the feminisation of poverty and social exclusion in both the EU anti-poverty framework and local and national strategies.
- Use the experiences and lessons learned from recent pilots at national and local level in Finland, Spain and Scotland to inform an EU debate on guaranteed minimum income as a necessary policy to fight poverty and social exclusion in European cities and countries.

### Recommendation 7: Set up local schemes of Child Guarantee

We support the creation of an EU Child Guarantee to help children living in poverty and coming from disadvantaged backgrounds, such as migrant or Roma families as well as single-parent families. In cities, especially in deprived urban areas, children often accumulate multiple risk factors, such as poor housing, inequality of opportunities, risk of discrimination, violence and unequal access to services such as childcare, healthcare and education. Such a complex issue can only be addressed effectively at city level through an integrated strategy to tackle child poverty. We call on the EU to:

- Support local Child Guarantee schemes to address the specific urban challenges of child poverty and tackle the specific needs of children at local level. Coordinated by city authorities, the local schemes would be implemented through an integrated strategy joining up social, education, health, housing, employment and family services. Local schemes would combine measures to support parents’ access to work to break the cycle of poverty, with affordable childcare, family income support and policies to enhance equal opportunities.

### Recommendation 8: Support affordable housing and fighting homelessness

Housing is a human right. However, cities, regions and member states have difficulties to fulfil this right. The overheated housing markets have to cope, among other things, with a lack of affordable housing, gentrification, ‘touristification’ and ‘financialisation’ of housing resulting in higher numbers of people facing housing deprivation and homelessness. Reinforced by the COVID-19 crisis, the housing crisis in Europe has also reached middle-income earners. We call on the EU to:

<sup>18</sup> This is one of 12 actions recommended in the Urban Agenda poverty partnership action plan, 2018, [www.bit.ly/31PSHAK](http://www.bit.ly/31PSHAK)

- Reduce European fiscal policy barriers to facilitate cities' long-term investment that is a prerequisite for affordable housing and social infrastructure. Social investment is crucial for inclusive growth and just transitions. The Growth and Stability Pact should be more flexible to enable social investment in affordable housing. The European Semester should reflect the reality of affordability of housing through a re-definition of the Housing Price Index indicator in the Macroeconomic Imbalances Procedure and the re-definition of the indicator on social and affordable housing in the Social Scoreboard. A more active use of the investment clause should be used for financing affordable housing in the European Semester to reinforce investments in the short-term and in the existing framework. Programmes for affordable housing should be seen as structural reforms and promoted as such in the European Semester.
- Develop EU legislation to guarantee data sharing from the actors in the platform economy (e.g. booking platforms like Airbnb) to cities. This is necessary as many cities are struggling to cope with the explosive growth of short-term holiday rentals to tourists.
- Remove the narrow definition of the target group for social housing provided in the European Decision on state aid rules for Services of General Economic Interest. The interpretation of this definition has led to legal uncertainty and reduced options for cities to use social housing as a tool for social mix and social cohesion within local housing policies. It should be up to the member states and local authorities to assess the housing needs of their citizens.
- Set up an EU framework to support local and national strategies to fight homelessness. Promote an integrated approach combining housing support (e.g. Housing First) with social care and health services, and active inclusion (access to work or training). Build capacity of cities to collect comparable data on homelessness based on common methodologies.

## Recommendation 9: Unlock cities' potential in driving quality jobs and skills training

Addressing the massive impact of COVID-19 on employment requires all levels of government to work together. We need to prevent a lost generation of unemployed youth. We need to support inclusive labour markets for all people, especially for young people, women, older workers, the low-skilled, the long-term unemployed, people with disabilities, migrants and minorities. At the same time, the crisis has accelerated the trend of digitalisation, making it urgent to adapt our education and training systems. Investing in skills is the key for a fair, inclusive and sustainable recovery. To ensure just transitions, we need to support skills transitions now. Cities play a key role in assessing and promoting new opportunities for local economy, supporting job creation, investing in skills training and directing the unemployed to the sectors looking for new skills. We call on the EU to:

- Revise the EU Employment Guidelines to promote quality jobs with fair pay and decent working conditions for all people, including those working in platform and gig economy. Promote investments and reforms to make labour markets more inclusive and skills training more accessible. Everyone should be able to access education, training and lifelong learning programmes especially people at risk of becoming unemployed.
- Ensure the Just Transition Fund supports integrated plans at local level to help upskilling and reskilling especially for the most vulnerable groups – including people at risk of becoming unemployed - to ensure every person in vulnerable sectors can requalify and develop new skills to remain active in the labour market and benefit from the green and digital transitions. It is vital that employment services work together with social services to identify and support people who have recently lost their job.

- Support Local Pacts for Skills as part of the European Skills Agenda. Good practices from cities show the added value of Local Pacts for Skills that can generate hundreds of quality jobs after skills training of long-term unemployed people. Cities play a key role in coordinating efforts of employers, education and training organisations at local level to set up new skills training programmes to match the demand for new skills. Cities work hard to provide online skills training and make access available to everyone. Innovative local approaches to re-think how to match the offer and demand for new skills should be supported and scaled up.
- Reinforce support to local Youth Guarantee schemes to help young people without a job. Coordinated by city authorities, the local schemes bring employment services working together with social services to identify and accompany young people into vocational training for jobs in newly emerging professions that are highly demanded on the local or regional level, especially in new sectors looking for green and digital skills.

### Recommendation 10: Support social economy ecosystems in cities

Cities have a key role in developing ecosystems and engaging all actors to experiment with innovative financial tools such as crowdfunding, impact hubs, digital platforms and social impact bonds. Cities have nurtured the potential for the social economy to create fair and decent jobs and inclusive labour markets, encouraging bottom-up solutions, innovating with new business models, promoting community-driven social care and fostering social cohesion. Cities are actively supporting social entrepreneurship and building local ecosystems but have limited competences. We call for:

- the EU action plan on social economy to support and nurture social economy ecosystems at local level as an engine for the sustainable recovery and growth in Europe. It should provide measures to address challenges like the limited access to financial resources, the lack of a legal framework, the limited capacity to scale-up the entrepreneurship ecosystems and the limited capacity to build sustainable social businesses. The action plan should establish a strong cooperation among EU level, member states and cities to capitalise on success factors like integrated local strategies for social economy, existing local networks, tried and tested capacity-building programmes and citizen engagement initiatives.
- the EU action plan should include guidelines on financial instruments (such as loans and social impact investment) available for financing social enterprise.

### Recommendation 11: Foster local plans for integration and inclusion of migrants

The arrivals of migrants and refugees in Europe will continue to increase diversity in our cities. As frontline managers of social cohesion, cities have a big task on their hands to promote the positive values of diversity and mitigate the risk of social polarisation and segregation by protecting migrants from discrimination, respecting their human rights and guaranteeing equal treatment. Through social urban planning, cities can bring together people from diverse backgrounds and ensure social mixing in new, innovative ways. Social integration happens at local level and cities have a duty to leave no one behind when planning for socially sustainable cities and communities. We call on the EU to:

- Provide clear recognition of the key role of cities in the EU Action Plan on Integration and Inclusion. City authorities should be directly involved in the development and implementation of integration

policies at European, national and regional levels and should be supported to put in place local plans for integration and inclusion.

- Make sure that the EU Action Plan supports and promotes integration and inclusion policies that are tailored to specific and diverse local contexts, are rights-based, have a holistic approach and a transversal purpose and cover comprehensive actions.
- Change the approach to the EU's migration policy to prevent situations of forced expulsions, violence and social vulnerability currently faced by undocumented migrants in Europe. Support the actions of cities<sup>19</sup> and member states for the voluntary relocation of refugees in vulnerable situations, especially of unaccompanied refugee children.

## Recommendation 12: Support local strategies for Roma inclusion

The situation of Europe's largest minority remains critical. Roma are at a greater disadvantage than non-Roma across Europe, being more likely to be unemployed and live in poverty. Nowhere is the poverty and social exclusion of Roma more visible than in cities. Many Roma people live in (deprived) urban areas where they face the risk of marginalisation and social exclusion. Roma inclusion happens at local level. Cities play a key role in improving Roma people's access to employment, education, healthcare and housing services. Some cities already put in place integrated strategies for Roma inclusion and many others are committed to stepping up their efforts but need more support from national and EU level. We call on the EU to:

- Adopt a renewed EU Roma Framework post-2020 that should recognise the key role of cities in Roma inclusion, better involve cities in developing and implementing national strategies, and improve cities' access to EU funding for social inclusion<sup>20</sup>.

## Recommendation 13: Promote gender equality on the local level

Women are at the forefront of fighting the pandemic. At the same time, they are hit harder than most men by the impact of this crisis as women are more likely to be in temporary, part-time and precarious employment<sup>21</sup>. Many cities have signed the European Charter for Equality of Women and Men in Local Life within the last decade and set up gender equality action plans<sup>22</sup>. This know-how should inform the recovery plans at EU and national level. Therefore, we call on the EU to:

- Promote participation of women in all decision-making bodies and processes at EU, national, regional and local levels.
- Improve recognition of care work and support programmes that offer alternatives to public childcare, care for the elderly and other dependent persons during pandemics like COVID-19.
- Give special support for setting up funds dedicated to female-led businesses and start-ups.
- Build capacity of cities to collect data on gender violence based on common methodologies.

<sup>19</sup> As part of the Eurocities Solidarity Cities initiative, cities pledge to accommodate a fair share of vulnerable children in the refugee situation in the Greek islands. <https://bit.ly/3kF82wF>

<sup>20</sup> Eurocities (2019). *EUROCITIES contribution to post-2020 EU Roma Framework*. [bit.ly/31HYoTc](https://bit.ly/31HYoTc)

<sup>21</sup> European Institute for Gender Equality (2020). Covid-19 and gender equality. <https://bit.ly/2YzGsrB>

<sup>22</sup> <https://charter-equality.eu/>

## Recommendation 14: Support social innovation for more accessible services for all

With the current crisis, many social services have been digitalised and moved online. However, cities need to adapt their services and make them accessible for all people, especially for people with disabilities and the elderly. Many cities have developed disability and age-friendly strategies to tailor services to the needs of the most vulnerable. Cities are further piloting new technologies to better engage with citizens, consult them and involve them in the co-creation of policies that affect them directly. To answer the increasing demand for accessible high-quality social services, the EU should:

- Recognise and support cities as key actors in the design and delivery of high-quality, accessible and user-friendly services of general interest.
- Strengthen the EU support for social innovation, capacity-building and the scaling up of innovative practices and models for integrating social and care services in cities.
- Invest in data literacy to ensure that citizens are empowered and informed of their rights.

## Working with cities for an inclusive recovery and a stronger social Europe

Cities are committed to work together with EU and national authorities and with all relevant actors including civil society NGOs, social partners, businesses, academia, social economy organisations and citizens to build a stronger social Europe and ensure a fair and inclusive recovery from this crisis.

## Recommendation 15: Make working with cities an integral part of the European Pillar of Social Rights action plan

Cities are essential partners in building a stronger social Europe. Cities are the engines of Europe's regions in terms of economic development and social progress. As the level of government closest to people, cities are best placed to connect citizens to the EU and ensure their urgent needs get a European response, leaving no one behind. We are determined to work hard to bring the EU closer to citizens and bring citizens and their concerns on top of the EU's agenda.

Cities are hubs of social innovation. Cities are engaging in mutual learning on policies related to the European Pillar of Social Rights principles. Thanks to support from the EU, Eurocities has developed and tested methodologies to support policy transfer, critical friend reviews and mutual learning among cities on fostering inclusive labour markets, integration of migrants and refugees, tackling homelessness, and active inclusion of vulnerable groups such as Roma. Our key achievement has been to co-create innovative solutions to local challenges during a Social Innovation Lab. This has inspired innovative policy changes in cities and has the potential to inspire policy development at EU level. Cities can bring social innovation in the EU social agenda.

Cities are allies of the European Commission in pushing the European Pillar of Social Rights forward. We have already proven our commitment to EPSR implementation with real actions on the ground and we

can inspire national governments to build on our local measures with national policies. We have done so through the Eurocities campaign to engage mayors and deputy mayors to pledge on implementing the Pillar by taking tangible measures backed by specific budget allocations. So far, we have reached 60 city pledges, representing over 51 million citizens, and totalling an investment of over €14.2 billion towards these principles.<sup>23</sup> We remain committed to implementing the European Pillar of Social Rights at local level. We are more determined than ever to build more inclusive cities with a strong focus on a fair, inclusive and sustainable recovery from this crisis. We are ready to do more to deliver social rights for all people, with the support from EU and national level.

While cities have received strong recognition for their role in implementing the European Pillar of Social Rights (EPSR) at local level, their role in developing social policies has still to be recognised at EU level. As cities have direct or shared competences on many social policies<sup>24</sup>, they should be directly involved in the policymaking linked to EPSR. A stronger social Europe can only be achieved by meaningful and wider participation of cities in the making of EU social policies. We call for:

- A pact between the EU and city leadership to jointly shape the action plan for implementing the European Pillar of Social Rights. Based on this pact, cities should be engaged as essential partners in the design, implementation and monitoring of EPSR policies.
- Engaging in a regular and direct dialogue with city leaders on how to fully implement the EPSR and to strengthen social Europe. As a first step, cities should be given a place and role at the EU Social Summit in 2021 where the EPSR action plan will be kicked-off.
- Giving cities a clear role in the European Semester. Similar to the role given to social partners and to civil society, cities should be formally recognised and involved as key partners in this process. Cities should be consulted on the national recovery plans as part of the European Semester that will determine the allocation of the Next Generation EU funding, especially concerning the REACT-EU and the Just Transition Fund.
- Giving cities a clear role in the social open method of coordination (OMC). As a first step, Eurocities should be invited to present the social situation in cities to the EPSCO Council.

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<sup>23</sup> More information and updated figures on city pledges to EPSR available here: [www.inclusivocities4all.eu](http://www.inclusivocities4all.eu)

<sup>24</sup> Evidence from cities in Eurocities (2018). *European Pillar of Social Rights: Cities delivering social rights* [bit.ly/2GuAW12](https://bit.ly/2GuAW12)