

## Open letter to the ECOFIN Council calling for a long-term EU budget and recovery funds that advances women's rights and equality between women and men

3 November 2020 Brussels, Belgium

## **Dear Finance Ministers of EU Member States,**

**In copy:** Members of the Committee of the Permanent Representatives of the Governments of the Member States to the European Union (Coreper II)

The European Women's Lobby (EWL), the largest umbrella organisation in Europe representing over 2,000 women's associations, is writing to you in regards to the negotiations on the Multiannual Financial Framework (MFF) 2021-2027, including the EU's recovery plans Next Generation EU (NGEU). Our members throughout Europe have already been calling on their governments to adopt an EU budget, which will ensure progress is made on equality between women and men.

Ahead of this week's Economic and Financial Affairs Council (ECOFIN) meeting on Wednesday 4 November, we would like to reiterate our call for a robust EU budget with the ambition to ensure maximum outcomes in public spending by closing inequality gaps between women and men, in promoting women's full participation in all areas.

At the onset of the public health pandemic across Europe, women have sustained our societies and continue to do so as the social and economic consequences unfold. Last week, the European Institute for Gender Equality's (EIGE) launched the 2020 Gender Equality Index, which revealed that it will take another 60 years to achieve equality if we continue at the same pace. We are concerned that the impacts of COVID-19 will only set this progress back further, given the surge of male violence against women, increased rates of women's unemployment, heightened risks of poverty and overdependence on women's paid and unpaid care work. EU Member States now have the opportunity to reverse this trend.

Together with our national member organisations, we demand that spending priorities are **gender mainstreamed** and that **gender budgeting is applied to the EU budget, including NGEU**. This is necessary to ensure that all public expenditure is shaped through **sex-disaggregated data** and **ex-ante and ex-post gender impact assessments** and that the design and disbursing of funds will have equal outcomes for women and men to close the persistent gaps highlighted in the Gender Equality Index.

Ensuring EU fundamental values, specifically **equality between women and men** as per Article 2 TEU and the EU Charter of Fundamental Rights, **must be made conditional when accessing EU funds**. Advancing EU fundamental values, equality and non-discrimination must be at the core of the EU's recovery plans and long-term budget, to ensure women and girls, particularly those on the margins of

<sup>&</sup>lt;sup>1</sup> https://eige.europa.eu/news/gender-equality-index-2020-can-we-wait-60-more-years

society, can fully access and participate in all upcoming opportunities as Europe heads towards a more caring, green and digital society. This must also include **sustainable and sufficient resourcing to women's essential services and civil society organisations** who are working to promote the EU's fundamental values on the ground.

We urge EU Member States to support the calls of the European Parliament and agree to additional top-ups to 15 MFF flagship programmes, which include the **Citizens, Equality, Rights and Values programme**, the only funding stream that directly supports the objectives in the European Commission's Gender Equality Strategy (2020-2025) and aims to eliminate violence against women.

Closing gender inequality gaps reaps huge economic benefits. Studies demonstrate that improvements to women's equality can create up to 10.5 million new jobs by 2050, of which 70% would be occupied by women.<sup>2</sup> This would lead to an increase in EU GDP per capita by 6.1 to 9.6%, amounting to a total gain of €1.95 and €3.15 trillion.<sup>3</sup>

Despite these figures, NGEU fails to make any targeted investments to the care sector and focuses predominantly on boosting jobs in male-dominated industries. Women spend 13 hours more than men per week on unpaid care and housework.<sup>4</sup> Care responsibilities keep 7.7 million women out of the labour market, compared to just 450,000 men. This leads to an estimated loss of €370 billion per year for Europe;<sup>5</sup> half the total amount of NGEU's €750 billion. Investing in a Care Deal for Europe would double employment rates in the care sector compared to investing in construction. In countries such as Germany, the total number of jobs created would be 6 times higher for women.<sup>6</sup>

Furthermore, as EU Member States are in the process of establishing a National Recovery and Resilience Plan, we note that in the European Commission's guidelines, Member States are invited to "outline how [...] civil society organisations have been consulted and involved in designing the reforms included in the plan." We therefore hold you and your government to these obligations to ensure the active and consistent consultation with women's civil society organisations across EU Member States, including all stages of the European Semester Process, to make sure that the reforms included in the National Recovery and Resilience Plans correspond to women's experiences on the ground.

Closing inequality gaps between women and men will boost the European project, and set a global example of a united region that is grounded in care for all people and the planet. We trust that you share our concern that EU spending must reflect the EU's political priorities and that this will be at the core of the ECOFIN meeting.

We include our recommendations in annex and trust that you will give your utmost attention to our demands.

Yours sincerely, Gwendoline Lefebvre EWL President

<sup>4</sup> https://eige.europa.eu/covid-19-and-gender-equality/unpaid-care-and-housework

<sup>&</sup>lt;sup>2</sup> EIGE, Economic case for gender equality in the EU, 2017.

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> EIGE, Gender Equality Index 2020: Digitalisation and the future of work, p 47.

<sup>&</sup>lt;sup>6</sup> Dr Elisabeth Klatzer & Dr Azzurra Rinaldi, "<u>"#nextGenerationEU" Leaves Women Behind</u>", July 2020, p 29.

<sup>&</sup>lt;sup>7</sup> COMMISSION STAFF WORKING DOCUMENT GUIDANCE TO MEMBER STATES RECOVERY AND RESILIENCE PLANS, SWD(2020) 205 final, 17/9/2020, pp 13 and 33.



## Annex: European Women's Lobby recommendations for a thriving EU budget that places equality between women and men at its core

EWL's key messages for a robust EU long-term budget calls for equality between women and man (as per the EU Treaties) to be positioned at the core towards a transformative, sustainable European Union. EWL urgently calls on the political commitment of EU decision-makers and EU Member States to ensure the following before the adoption of Next Generation EU and the upcoming EU budget:

- **1.** Incorporate women's perspectives and adopt a gender budgeting lens across all programmes, including the 30% climate mainstreaming targets and 20% of NGEU aimed at digital initiatives. This must include concrete objectives, targets, ex-ante and ex-post gender impact assessments, indicators (i.e. EIGE's Gender Equality Index), regular review cycles (i.e. the reintroduction of a mid-term review of the MFF), tracking and correction mechanisms, and drawing on sex disaggregated data, to alleviate any detrimental effects funds may have on women and ensure women benefit equally from EU funds.
- **2.** Introduce 'women's corona funds' within NGEU and all national Recovery and Resilience plans, with increased funds and standalone budget lines dedicated to eliminating all forms of violence against women, enhancing access to women's sexual and reproductive health and rights, addressing women and girls living in poverty, and increasing funds towards women's specialist services.
- **3.** Direct immediate and long-term investments towards a **Care Deal for Europe** to complement the European Green Deal and across all national Recovery and Resilience plans, that recognises **women** and men as *equal-earners-equal-carers* across the life cycle, improves **working conditions within the** care sector, and boosts the **creation of jobs**.
- **4.** Establish a robust monitoring mechanism such as a Recovery and Gender Equality Advisory Body at EU and Member State level, consisting of gender budgeting experts and women's rights organisations, to ensure the recovery funds, including the Recovery and Resilience Facility as a minimum, are distributed to gender mainstreaming measures.
- 5. Increase funds to the Citizens, Equality, Rights and Values programme to €1.83 billion in current prices, with at least 15% allocated to the sub-strand on equality between women and men within the Equality, Rights and Gender Equality strand.
- **6.** Earmark 40% of the Citizens, Equality, Rights and Values financial envelope to the *Daphne* strand, to address the alarming surge in cases of male violence against women during COVID19 and to fully resource women's civil society organisations.
- 7. Ensure increased and earmarked funding to support women's civil society organisations, to actively combat the shrinking space for civil society and uphold the rule of law, including: a) 50% of earmarked funds in the Citizens, Equality, Rights and Values programme; b) Reverse the €2 billion cuts to the European Social Fund Plus, to ensure an 'appropriate amount of ESF+ resources' is sufficiently directed to women's rights organisations; c) Earmark funds in the upcoming Asylum and Migration Fund for early-stage integration programmes and essential services for women and girls experiencing the most extreme forms of vulnerability.
- **8.** Make equality between women and men, as per the EU Treaties and fundamental rights, a prerequisite enabling condition for EU Member States to uphold when using EU funds.
- **9.** Increase the total budget to the European Institute for Gender Equality (EIGE) to ensure its sustainable work to advancing equality between women and men as mandated, and collecting data that is disaggregated by sex, establishes indicators for gender budgeting, and monitors spending.