## **EUROPEAN COMMISSION**



Ursula von der Leyen The President

> Brussels, 0 5. 04. 2023 Ares (2022) 8995816

Dear Honourable Member.

I would like to thank you, and your cosignatories, for your letter in which you express concerns about the social and economic impacts of the current crisis on the quality of life in the EU, and in particular on the most vulnerable groups in our societies.

The Commission has been doing its utmost to address the significant increase in energy prices, and extraordinary measures have been put in place. Since October 2021, we have been providing guidance to Member States, through both the Communication on tackling rising energy prices and the REPowerEU plan, to develop national support measures, reduce dependence on Russian fossil fuels, diversify supply sources and routes, and accelerate the green transition. Council Regulation (EU) 2022/1854 of October 2022 on an emergency intervention to address high energy prices will endow Member States with extra revenues to support energy consumers, in particular vulnerable households. In November 2022, the Commission presented a proposal on a market correction mechanism to limit excessive increases in the price of gas to the Council.

In this challenging environment, we continue to be committed to fully implementing the European Pillar of Social Rights and its Action Plan of March 2021. We support Member States on their road to achieving the 2030 EU and national targets regarding employment, adult training, and poverty reduction. Principle 20 of the pillar states that everyone has the right to access essential services, including energy. The Commission will soon publish a report providing an overview of access to essential services, with a focus on affordability and structural barriers, as well as on EU and national measures supporting access for people in need.

./..

Dr Milan Brglez, MEP European Parliament 60 Rue Wiertz 1047 Brussels

E-mail: milan.brglez@europarl.europa.eu

As highlighted in the 2023 Annual Sustainable Growth Survey, support measures should be targeted to low-income and vulnerable households. Better targeting allows those measures to be effective in addressing poverty, and in particular energy poverty, while not adding to inflation and limiting the budgetary impact.

Minimum income schemes are particularly important in times of economic downturns. The recently adopted Council recommendation on adequate minimum income on ensuring active inclusion will guide and support Member States reforming their systems. It provides for a special focus on service provision and labour market activation.

The recommendation acknowledges that the activities of civil society and social economy organisations can support public authorities in the design and implementation of inclusion and activation policies. By providing both material and psychosocial support to the most vulnerable, these organisations contribute to restoring human dignity and enhancing social inclusion, while guiding those who can work on the way to employment. Therefore, Member States are called to empower civil society organisations and other relevant stakeholders, such as regional and local authorities, social partners, and social economy actors.

Union funds are available to support the fight against poverty. The European Social Fund Plus can be used to combat social exclusion and address material deprivation. The European Regional Development Fund and InvestEU can equally fund investments in enabling social infrastructure, such as social housing and early childhood education and care, as well as access to quality services. The Recovery and Resilience Facility and the Technical Support Instrument support Member States in designing and implementing structural reforms in the areas of social protection and social inclusion.

I would like to thank you again for sharing your views on these highly topical matters and for your commitment to the European Pillar of Social Rights and its effective implementation.

Yours faithfully,

Ursula von der Leyen

lundo c. os