



# EU COVID-19 recovery plan must lead the way towards Sustainable, Green and Inclusive Economies and Societies

SDG Watch Europe Statement  
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**For the COVID-19 Recovery Plan, we call on the EU Institutions and Member States to:**



**Let this be a Wake-up Call: Our System is the Problem! We need a Paradigm shift**



**Implement Immediate Debt Cancellation and Stop any Unjust Austerity Measures**



**Make the SDGs and the Paris Agreement the Guidelines to get out of the Crisis**



**Fight all Other Crises too**



**Strengthen the Social Protection System and make it Accessible for All**



**Protect our Democracies, Human and Civic Rights**



**Lead the Way to a Socially and Ecologically Sustainable Economic System with Revised, Green Budgets**



**Ensure Transparency of Political Decisions on COVID-19 and Beyond, as well as Full Inclusion and Participation of Civil Society**



**Link Economic Recovery to Clear Conditions and Say No to Bail-outs for Polluters and Tax Havens**



**Show Transformative Global Action against Poverty and Hunger**



## Let this be a Wake-up Call: Our System is the Problem! We need a paradigm shift

The COVID-19 pandemic is challenging our way of life to an unprecedented degree and has uncovered the weaknesses of our globalised economic system. It has exposed the failures of the neoliberal policies and more than three decades of public sector privatisation and underfunding. We now clearly see the serious implications of a privatised, profit-oriented health system, the structures of dependence in the global value chains, the hardship of people working in precarious jobs, of women taking on unpaid, invisible care work, or the missing financial safety net for a generation of freelancers. Many vulnerable groups such as migrants, refugees, ethnic minorities, including Roma, people with disabilities, homeless people and others have never had equal access to employment and face higher exposure to unemployment and poverty. The International Labour Organisation estimated that the crisis would wipe out the equivalent of 195 million full-time jobs in the second quarter of 2020. Our current system destroys the environment by polluting the air, water, and soil, and exploiting resources and material, leaving more than 10 percent of the global population in extreme poverty, with many vulnerable groups disproportionately highly impacted. Let this crisis be a wake-up call to recognise the devastation our economic system brings to people, societies and the planet. More than ever, we need a system change. Building back the old economies is nothing but a recipe for further crises.



## Make the SDGs and the Paris Agreement the Guidelines to get out of the Crisis

Billions of euros in recovery funds are putting our economies on pathways that will shape our societies for decades. Policy-makers have to ensure these funds are an investment in a sustainable and inclusive future. With the SDGs and the Paris Agreement we have two internationally agreed frameworks to guide any measures in the current crisis. The exit strategy out of the crisis cannot be by continuing the same way as before or even as was done in the last EU crisis. The EU must promote a deep change driven by public policies that provide stronger guarantees for equal access to rights and services, strengthen democracy, social justice and equity by a profound restructuring of the financial, production and consumption systems in order to deliver environmental, social and economic sustainability, social inclusion, accessibility and wellbeing. It is crucial that any measures to combat short-term struggles have mid- and long-term perspectives.



## Strengthen the Social Protection System and make it Accessible for All

The COVID-19 pandemic has shown the precarity of our social system and is exposing and exacerbating inequalities. It is having an enormous impact on gender equality and women's rights. On the one hand, women have the biggest share in the provision of essential services (making up to 76% of healthcare workers in the EU), take on higher rates of precarious jobs, and assume the highest share of unpaid care work. On the other hand, due to the lockdowns, women are now at a higher risk of intimate domestic violence and other forms of violence, including discrimination and racially motivated incidents while having less access to support nets. All the while, women have less visibility in terms of public discussions and decisions in the crisis, especially those from vulnerable groups. Any recovery policies that intensify or increase gender inequality is undemocratic and economically nonsensical.

Young people are also highly affected. They are confronted by uncertainty in their studies, training and professional careers. Young people unemployed before the pandemic outbreak are currently excluded from the benefits given to adult people who lost their job in the crisis. Furthermore, several weeks of lockdown have shown us that cultural and creative contents are essential to our mental and physical well-being. Creators, however, are often underpaid or experience precarious working conditions due to existing national legislative frameworks lacking protection for freelance and intermittent workers. Ultimately, they are also excluded from EU benefits. Any forward-looking recovery strategy must not leave culture and its ecosystems behind.

Persons with disabilities have been deeply impacted by the crisis. They have been discriminated against in accessing healthcare, have seen their support systems disappear and were subject to lockdown measures that had a very negative impact on their lives, including lack of food and access to medicine. Also, this situation concerns Roma communities, who are facing significant loss of livelihood, jobs and income increasing child poverty. Lockdown of entire Roma settlements has been observed in many Eastern and Central European countries depriving these communities from equal access to quality healthcare and prevention when those are most needed and social services can positively impact the poorest members of our society.

Before hosting yet another industry summit, we need clear support for the social foundations of our societies going much beyond any emergency recovery funds. This includes: (i) the introduction of universal health care as well as the development of a Care Deal for Europe.

This should include the re-communalization of and investments in the health and care sector in all European countries, with a substantial increase in pay of the nursing staff, and the recognition of all genders as equal-earners-equal-carers; (ii) budget increase for social security systems providing equal access to services for all and the establishment of effective safety nets and support for the most marginalised people in our societies (e.g. homeless people, refugees, victims of gender based violence, migrants, Roma communities, frontline workers, older persons, persons with disabilities, children at risk, those affected by prostitution, prisoners); (iii) Europe wide adequate (minimum) wages, especially for jobs that are now considered essential and of systematic importance but are chronically underpaid (such as retail, cleaning sector, child-care).

For member states, now is the time to finally permanently introduce an adequate minimum income and guaranteed utilities. Marginalized communities and those hardest to reach have to become a top priority for financial and social support rather than be discriminated against with harsher measures than those imposed on the general population.



## Lead the Way to a Socially and Ecologically Sustainable Economic System with Revised, Green Budgets

Never before have our economies received this amount of public financial support. This is a historic opportunity to use public funds for structural change and to implement basic principles in order to create a resilient, just and sustainable economic system. As long as our economies are dependent on growth, the recession will be devastating. We need a planned, sustainable and equitable downscaling of our economies with increased funding of sustainable sectors, amongst them healthcare, education, renewable energies and ecological agriculture.

Some corporations and governments are now lobbying for the halt or withdrawal of environmental, social and climate standards. We cannot accept this roll-back, and neither should the EU institutions and member states. It would be irresponsible to weaken existing sustainability legislation or environmental and social requirements. Any existing achievements in terms of sustainability have to be kept and supported. The EU Green Deal must proceed as the basis of a stimulus package to relaunch the EU economy in line with sustainable development and in order to support human wellbeing, guarantee a prosperous green jobs sector and ensure a sustainable economic system.

The EU must revise its current budget to facilitate adequate resourcing for COVID-19-related actions. The next Multiannual Financial Framework of the EU will play a central role in the economic and social recovery from the COVID-19 outbreak. We thus need ambitious reforms of the MFF and the European Semester to mainstream the SDGs throughout the EU budget in order to put the public interest at the heart of EU policy-making.

The EU's support should focus on civil society actors, local private sector and inclusive business models, which have a track record in contributing to sustainable development. For example, cooperatives are jointly owned and democratically controlled by their members (producers, workers and/or consumers) which makes them more resilient to crisis, while being platforms for decent work and contributing to reducing inequalities. Therefore, the cooperative enterprise model can be a pathway to creating a sustainable and just economic system better able to withstand future crises.

Given the severe socio-economic effects that COVID-19 will bring, we need an ESF+ with increased earmarking for social inclusion and material deprivation. Given the decrease of donations in economic crises, the economic and financial support in this crisis cannot be on the back of public civil society funding. When it comes to balancing the additional funds in the EU or member states budgets, the already scarce public funding for civil society has to be excluded from any budgetary cuts. We are concerned at the reduction of significant funds in the Commission's current MFF proposal (a decrease in €186 million in current prices to the Justice, Rights and Values Fund) that contribute towards the advancement of women's rights and eliminating violence against women. Investments are not gender neutral, this amount must be put back in the proposal, with increased investments towards objectives that promote gender equality across all EU funds.



## Link Economic Recovery to Clear Conditions and Say No to Bail-outs for Polluters and Tax Havens

Beyond any direct emergency relief (such as short-time compensation) there cannot be any money for the status quo. In line with all the Rio-Principles, including the precautionary principle, the polluter pays principle, as well as the "Do No Harm" principle of the Green Deal, emergency and recovery funds, cannot support any economic activity that is in contradiction to the realization of the SDGs or the Paris Agreement inside and outside the EU (e.g. fossil fuel production, overfishing, industrial agribusiness, or commodity production and imports which cause deforestation, biodiversity loss, land and water grabs or exploitation of people).

Companies bailouts must be linked to clear conditionalities of creating inclusive sustainable growth with maximum impact for local communities. These conditions should be even stronger for multinationals and unsustainable companies, such as airlines. All recovery funds have to have strong accountability and human rights due diligence with an environmental and climate screening for each recovery package. Denmark has suspended those companies from public relief funds that are formally based in tax-havens.

This should be a basic condition in all European countries and for the EU institutions as well. Similarly, we don't accept special-interest policies by the EU or its member states to push certain sectors especially when they are economically absurd and have a negative impact on sustainability.

Recipients of recovery funds have to present their contribution to the realization of these goals in a comprehensible and transparent way. There has to be a system of sanctions in case of violations. Any erosion of environmental and social standards as well as the distribution of bonuses to boards or CEOs despite or because of the COVID-19 crisis have to be reasons for immediate exclusion from public recovery funds.



### **Implement Immediate Debt Cancellation and Stop any Unjust Austerity Measures**

We expect the "Next Generation EU" instrument to not only mitigate economic consequences of the crisis. But this time, the EU needs to save people and the planet rather than focus on the bailouts of corporations or banks. Additional public expenditures caused by the pandemic need to be financed in solidarity among EU member states and supported by the EU institutions in order to avoid overloading national deficits and increasing risk premiums.

The EU and its member states need to take the lessons of the 2008 crisis seriously, in which forced austerity left the most vulnerable groups bearing the greatest costs. Austerity threw greater numbers of people into poverty, wealth inequality has increased significantly since 2008. The most marginalized in our societies are hardest hit by the pandemic and the least able to practice social distancing and other protective measures, meaning they are more likely to become infected and die. The first clear effect of the current crisis is that countries that pursued austerity politics, underfunded or privatized public health facilities now find themselves unable to adequately deal with the burden caused by the pandemic.

We call for solidarity and support for countries and people worldwide that are suffering from these largely unjust austerity measures and debt policies. Economic measures need to focus on the relaxation of multi-annual macroeconomic austerity measures. Given that the economic recovery will be harsh, especially in countries already threatened by the looming debt crisis, and will take years, we call on the immediate debt cancellation within Europe and abroad. This will free countries and societies to invest more in a robust care economy to improve health and care working conditions and boost jobs, education and tackling poverty.



### **Fight all Other Crises too**

A global pandemic does not change that fact that Europe and the world are facing multiple crises such as climate, biodiversity and pollution crisis, growing inequalities, structural changes in many sectors and regions, the outcomes of the privatization of public institutions, and insufficient political action against growing right-wing, right-populist and nationalist extremism, insufficient action against everyday racism and racially motivated violence.

Amongst many other things, the COVID-19 crisis has put the spotlight on the urgent need to strengthen animal protection. 70% of emerging infectious diseases in humans come from animals. The pressure on biodiversity, e.g. due to changes and intensification in land and sea use and loss of habitat for agricultural purposes, is one of the main causes of the spread of zoonoses. The increasing trade in wildlife, illegal or not, is another and the EU is a major destination for exotic pets, including primates, reptiles, and amphibians. The next pandemic could also easily emerge from whatany intensive farms. There, animals are kept by the billions (trillions, if we consider fish in aquaculture) and constitute reservoirs and pathways for diseases that can be dangerous, if not devastating, for humans and wild animals.

Both within the economic recovery, as well as in public policies the fight against those multiple crises has to be alive and strong. All of these crises are interlinked and cannot be solved in isolation but have to take solutions and action against any of these other emergencies into account. In the medium to the long run, enhancing the environmental, social and economic health of societies will be key to build resilience to similar shocks in the future. The postponement of many international conferences as well as of national dialogues and discourses cannot lead to a decrease of public and parliamentary action on solving these crises.



### **Protect our Democracies, Human and Civic Rights**

Health emergencies cannot, in any case, allow the suspension of fundamental freedoms and democratic rights. Given that the pandemic is also exacerbating the challenges already faced by marginalised groups special political attention must be placed on the protection of our human and civil rights, among other things the right to health

(including the provision of sexual and reproductive health and rights) of all, and especially of vulnerable groups such as those residing in institutional settings including shelters for victims of violence and the homeless, and care, residential or nursing homes.

Any restrictions imposed by governments can only be time-bound, have to be transparent and in line with constitutional, human and civic rights and be fully lifted once the pandemic is controlled. Actions against the pandemic cannot be used to undercut people's freedom of expressions of opinions or criticism - also in the public sphere. If protests are in line with hygienic and safety measures and on the basis of free democratic basic order, any obstruction from governments and police are unlawful. The EU has to play a proactive role, internally and at the international level, to avoid and fight any act or try to harm political freedoms and rights.

New measures on data retention and tracking have to be reviewed by policy-makers and independent civil society to prevent the enforcement of even greater control over people, eroding civil liberties and the ongoing justification for the shrinking of civil society space. Protection against COVID-19 and protection of privacy are not mutually exclusive. Any solution must be implemented in a way that is compatible with our civil rights. Before considering the data protection implications of digital contact tracing apps, there has to be a democratic debate on the question if they work at all. If implemented, digital surveillance solutions should be firmly grounded in data protection principles. People must be able to appeal any decision taken by an automated system concerning COVID-19 (especially apps determining whether someone has been in contact with an infected person and must undergo quarantine). Governments and contractors must abide by the provisions of the GDPR.



### Ensure Transparency of Political Decisions on COVID-19 and Beyond, as well as Full Inclusion and Participation of Civil Society

We see a worrisome roll-back of transparency and civil society participation in all political fields and topics. A global pandemic does not justify closed-door negotiations. We call for transparent, inclusive and participatory ways to include civil society (including local actors) in policy-making processes on all levels of government now and in the path of recovery from the effects of the pandemic. The highest standards of transparency and accountability are required to ensure that civil society can exert proper oversight of the aid flows and verify that it reaches the most vulnerable in an effective and efficient manner.

The Right to Public Information (RTI) cannot be curtailed under the pretext of responding to the pandemic. Any suspension of non-urgent RTI activities has to be taken back immediately both in terms of COVID-19 measures and economic recovery plans as well as other political decisions.



### Show Transformative Global Action against Poverty and Hunger

In the face of the global nature of the COVID-19 criticism, with an estimated increase between 400-600 million more people in poverty across the globe, inequalities are exacerbated, impacting the poorest, most vulnerable and highly indebted countries. A new, worldwide hunger and poverty crisis alongside a health crisis is imminent. The EU needs to act now, address the key factors responsible for poverty and deprivation, increase international cooperation, financial support and humanitarian action in light of the manifold crises the pandemic brings. A leading role is needed in the promotion of rights, equality of women, inclusion of persons with disabilities, the fight against discrimination, the environmental emergency and the defence of global public goods, such as health. This includes the immediate evacuation of the Greek refugee camps and the relocation of refugees to safe places throughout Europe in accordance with international human and asylum rights law.

Equally important the EU must finally address the negative externalities of its policies, as outlined in our [Spotlight Report on Sustainability in Europe „Who is paying the bill?“](#). We want to highlight the [recommendations for the global EU response to the COVID-19 pandemic issued by CONCORD](#), including, putting solidarity first, supporting civil society organisations and protecting civic space and human rights. These priorities should also be reflected in the Neighbourhood, Development and International Cooperation Instrument (NDICI), considering that the European Commission's MFF proposal adapted to the COVID-19 recovery provides additional funds to the NDICI as a part of the "Next Generation EU" instrument. The EU should ensure that this funding is dispensed to civil society.

**SDG Watch Europe** is an EU-level, cross-sectoral CSO alliance of CSOs from the development, environment, social, human rights and other sectors. The mission of SDG Watch Europe is to ensure the EU and its member states fully implement the SDGs by 2030.

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