CHALLENGES FOR NON-STATUTORY WELFARE PROVISION IN AN ENLARGED EUROPEAN UNION

Proceedings of Caritas Europa’s Third Enlargement Conference
Held in Prague, October 7-9 October 2002
Co-Financed by the European Commission
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Executive Summary

The following document contains the proceedings of Caritas Europa’s Third Enlargement Conference. Since the first conference was held in October 1999, the cooperation between Caritas organizations and the European Commission has only deepened. From being participants receiving general information about the workings of the European Institutions three years ago, our Central and Eastern European Caritas members are now moving in the direction of becoming active participants in the shaping of European policy, especially in the field that this working conference concerned itself with - the provision of health and social services by not for profit organisations.

Caritas Europa, with amongst its members a large number of providers of Non Statutory Welfare, is alarmed by the lack of consistent legislation in the Candidate Countries of Central and Eastern Europe where health and social care is concerned. As we can learn from these proceedings, EU law has only marginal effects on national health and social welfare systems. The shared European social values that are represented in providing equitable healthcare systems that are available to all citizens, form part of a European tradition that is reflected in the national health care systems in the 15 actual member states. However, apart from looking at Health from a market aspect, and legislating for AIDS and Tobacco in this context, the EU’s enlargement negotiations do not have the mandate to legislate for measures that could eradicate inequalities in the health and social care sector of the Candidate Countries.

Caritas Europa has called this conference to provide questions and answers to fuel the debate on the future of Non-Statutory Welfare in the Candidate Countries. To this end we have invited EU and other specialists (university and social security networks) to comment on the present health and social care systems in an enlarging Europe and the framework of legislation (or lack of ) they operate in. Furthermore, we have looked with a critical eye at our own organisations as providers of health and social services in our national contexts. This approach has provided us with preliminary conclusions and recommendations for future action. In July 2003, a special chapter of the Caritas Europa Position Paper on the Social Consequences of Enlargement will be devoted to our conclusions on Non Statutory Welfare.

This proceedings packet is divided into several sections. The first 18 pages contain speeches and summaries of speeches given at the conference. The next section is devoted to summaries of the various working groups followed by a section containing country reports and SWOT analyses given by representatives of National Caritases, whose countries are either EU candidates or will be bordering the future EU. Finally, the last section contains material for advocacy: a press statement sent to the Danish Presidency, an encouraging letter acknowledging the importance of promoting a dialogue with civil society from Gunter Verheugen, the European Commissioner for Enlargement, and finally Caritas Europa’s own conclusions and recommendations.

Reflecting back on the conference, it is clear that organizations like Caritas will have a great deal of work to do before, during, and after enlargement. Without a definite set of EU laws regulating health and social welfare provision, NGOs and civil society organizations must actively lobby for improved health care access and treatment, particularly for the most vulnerable groups in our society, while continuing their work in providing non-statutory welfare services. Severe financial cutbacks, political subordination of health departments, inefficient management structures, and over-burdened public and private health insurance organizations will remain formidable obstacles during the next few decades. However, pan-European challenges such as demographic ageing and rising public expectations will further dictate the urgency of constructing sustainable systems for healthcare and social services in the Candidate Countries. All of these obstacles highlight the necessity of structural health care reform. More importantly, however, these obstacles highlight the importance of continuing our Caritas’ work, from grassroots level projects to multilateral programs, both now and in the future.
Ladies and Gentlemen, dear friends in Caritas, dear invited guests

As newly appointed Secretary General of Caritas Europa since 1st of July 2002, succeeding Hermann Icking, it is a privilege and a profound pleasure for me to welcome you all to the Third Enlargement Conference organised by Caritas Europa, with financial support of the European Commission.

It affords me also the chance to get to know many of you personally, that I did not yet have the chance to meet before. It is an even greater pleasure to be able to do so in the beautiful city of Prague. When I woke up this morning, I was greeted by the splendid panorama of the early morning sun lighting up the magnificent splendour of the skyline of one of Europe’s finest cities, and it is hard to imagine today that only a few weeks ago this city and its people were fighting such a heroic battle against the destruction caused by the terrible flooding that took place, a disaster of which the consequences remain a reality to the people of Prague and other parts of the Czech Republic every day.

This is Caritas Europa’s third Enlargement Conference. The first Enlargement Conference was organised by Caritas in Brussels exactly 3 years ago, in October 1999, and it marked the beginning of a process of continuous reflection and preparatory work on what the next phase of EU enlargement will mean for us, and on how the Caritas family of organisations throughout Europe can best prepare for the very fundamental changes that this next phase of EU enlargement will bring about.

This process of reflection and preparation is nowhere near being finished, but we are rapidly approaching crucial points on the European calendar. This third enlargement conference will therefore be an important stepping stone in the run up to these crucial moments in the shaping of Europe’s history.

The Conference carries the subtitle “Challenges for Non Statutory Welfare Provision in an Enlarged European Union” and that subtitle effectively describes what it is that we set out to discuss here over the next few days: identifying those challenges, analysing those challenges, exchanging information with one another on our different perceptions about these challenges, finding common perspectives, common points of view, common goals for advocacy and common needs with regard to the capacity building that we need in order to prepare ourselves for the fundamental changes in non-statutory welfare provision that the Enlargement will bring.

Let us reflect briefly what the Enlargement means in real terms.
No less than 10 countries are candidate to join the EU from 2004 onwards, in other words just over a year from now. Not all these 10 countries will – in all likelihood – join the EU at the same time, but it can be expected that in a relatively short timeframe, starting from early 2004, all 10 of these countries will join the EU.

Currently, there are 15 EU member states, with a total population of approximately 372 million people. After this next wave of accession and enlargement, and assuming it proceeds according to schedule, there will be 25 member states with a total population of close to 500 million people. Just consider these simple figures: the number of autonomous states within the Union will increase by 40 % and the total population within the Union will increase by almost 30 %.
From an economic point of view, the enlarged European Union will become, as an entity, the largest economic power in the world, and the enlarged European Union will have a population almost double that of the current only real ‘superpower’, the United States of America. Will the enlarged European then become another world superpower? Clearly, there will be a potential for a fundamentally changed balance of power in the world as a result of the Enlargement process. Will the accession of some deeply religious countries such as Poland revitalise moral values in an enlarged Union? Again, the potential for such fundamental changes are clearly there. But these are not the questions we are here to discuss during the next three days.

During this Third Enlargement Conference, we, the network of European Caritas organisations and in our own right as important actors of civil society, who are also often providers in the field of social welfare in our countries, wish to focus our work and our thoughts specifically on the challenges posed by the enlargement process on the field of non-statutory welfare provision.

So let us look briefly at where we, Caritas Europa, stand on these issues. In the Caritas Europa Strategic Plan, as adopted at the Caritas Europa Regional Conference in Kaunas in Lithuania in 1999, we already underlined the importance that we wish to attach to the Enlargement process.

On the basis of that strategic plan we installed tools such as the Enlargement and non-statutory welfare working groups, and we began the process of organising – with the support and help of the EU – special Enlargement Conferences.

The aim of these Conferences is to share on a European level in the Caritas work and to learn and to better know each other, the national Caritas organisations in Europe, especially with respect to where we stand on social welfare.

In the forthcoming months the European Union will have to take some profoundly important decisions regarding the conditions under which this Enlargement will take place. As a network that is represented and active in every country of Europe, regardless of whether they are, will be or will not be a member of an enlarged European union, we have the distinct advantage that we are active in social welfare and related services in virtually all European countries. It is based on that omnipresence throughout Europe, that Caritas Europa, through its Enlargement Working Group, feels it is in a good position to prepare a comprehensive position paper on the issue of the Enlargement, its impact and its conditions.

Those of you who were present during this year’s Caritas Europa Regional Conference in Sesimbra in Portugal will undoubtedly remember that this message was delivered to Mr. Jean-Luc Dehaene, one of the two vice chairs of the Convention for the future of Europe, and the person primarily responsible for the dialogue with civil society. Mr. Dehaene responded by encouraging us to work on such a position paper and to feed it back to the Commission. That is what we intend to do here: work on the social welfare chapter of this comprehensive Enlargement position paper.

But in addition to preparing our own Caritas Europa position paper, we also continue to be very actively involved in similar discussions and the preparation of a similar position paper on Enlargement being prepared by the Social Platform, a conglomerate of European social NGO’s that is seen by the Commission as one of the most important partners in the field.

During this Third Enlargement Conference, and inspired by expert keynote addresses that will set the framework for our discussions, we will first of all set out to exchange practical information and points of view, from our own national perspective as well as from the perspectives of groupings of countries (current EU member states, candidate EU member states and new ‘EU border states’), on a number of social issues related to the Enlargement, such as the free movement of people,
EU competition policy in relation to social services, unemployment, and social services related to poverty and the family. These are the topics of the country reports that we will exchange this afternoon and of the workshops in break out groups that we will conduct in the next couple of days.

But during this Third Enlargement Conference, we will also analyse situations together, and draw conclusions and come up with practical recommendations with regard to the challenges that we face, the financial constraints that we face, the advocacy and policy development needs, the needs to professionalise our social services workforce, which includes many volunteers, the networking and alliance building that we will need to engage in with other providers of social welfare and finally, last but certainly not least, the capacities that we will need to build in this respect.

In the run up to this conference, Caritas Europa member organisations, especially those from the candidate countries from Central and Eastern Europe have quite rightly pleaded for a very active, bottom up format of this conference, with limited ‘top down’ expert input and with maximum work to be carried out in workshop groups.

So it is a self-chosen challenge to all of us here to work hard in the working groups and to achieve the results that we expect from this Conference, which I would like to summarize as follows:

1. Definition of common perspectives, common points of view, elements on which we agree. In this respect, it is considered of great importance that also a fair number of western European Caritas organisations are represented here, as this will enhance the dialogue and provide interesting differences in perspectives.
2. Setting common goals for the advocacy and lobby activities towards the EU on Enlargement related issues.
3. In the field of social work, the definition of our specific needs with regard to building our capacities to cater for the challenges ahead.

Before we start our work, I would like to take this opportunity to thank those people who have worked so hard to organise this Conference.

Specifically, our thanks go to Dominic Verhoeven (Caritas Vlaanderen) as the Chairman of the Caritas Europa Working Group on Non Statutory Welfare, and Alojisz Stefan (Caritas Slovenia) as the Chairman of the Caritas Europa Working Group on EU Enlargement. These two Caritas Europa Working Groups joined forces to create the content and format of this conference.

A special word of thanks goes out also to the driving forces behind the actual realisation and organisation of this Conference within our Caritas Europa staff, specifically to our EU Liaison and Enlargement Officer Jacqueline Tordoir, who is here with us today, and David O’Connell, who is not here but who did a lot of groundwork during Jacqueline’s recent maternity leave, including the successful application for EU co-funding, and finally – last but by no means least – to Dana Hradvoca and Manika Jainova, the Caritas Europa Capacity Building team here in Prague, who worked so hard and efficiently in the logistical organisation of this conference. Please join me in giving all these people a warm round of applause for their important contribution.

However, to provide us with a general framework before we start our own work, we consider ourselves very fortunate to welcome to our Conference some expert keynote speakers, who from their expertise will set the scene and the background from which we will approach our work.

I wish you all a fruitful and productive Third Enlargement Conference.
I am delighted to welcome everyone, this morning of the second day of our third enlargement conference. Three years on, since the first enlargement conference in October 99, we are still enjoying a great collaboration with the European Commission, in particular, DG Enlargement, who have once again agreed to support our conference financially.

I would like to welcome our new secretary general Marius Wanders and thank him for the great support which he has already given to the enlargement group.

Caritas Europa saw very early on that there was a need to inform and support all the ‘newly born’ Caritas, which were allowed to come into existence after the fall of the Berlin wall. This is why the first enlargement conference was organized in October ‘99, on the initiative of Father Wojchiech Director of Caritas Poland. There, for the first time, most of you had the opportunity to obtain a deeper knowledge of what ‘Brussels’ and the EU could mean for your country and your people.

We have all developed enormously since then. Your organizations have grown. Caritas Europa has professionalised. We are now able not just to take in information on policy, but shape it ourselves. This is what our third enlargement conference is about.

We are gathered here together at a key moment in the Enlargement Calendar. Tomorrow, the European Commission will issue the Regular Reports and set out the state of play on the eve of the next wave of enlargement. Those of you who attended our two previous Enlargement Conferences, will know that these reports will provide us with an assessment on how far the so called ‘Accession Countries’ have progressed in their preparation for enlargement.

Rumours in the Brussels are that the Commission’s advice will be positive. Overall progress is good. The countries are doing well in adapting to the legal and financial realities they will have to face when part of the EU. For the first ten, therefore, EU enlargement will go ahead as planned. In 2004 the first countries could already be Member States. Romania and Bulgaria will work towards an indicative date of 2007.

This sounds like great news for all those in favour of enlargement, but is it? Is the EU not running the risk of ticking boxes for matters that purely reflect the candidate countries’ economic and legal progress, areas that have more easily assessable parameters? Is the EU not overlooking those areas that are wider and deeper than the pure ‘acquis communitaire?’ (the name for the EU body of laws that needs to be adopted). Is the EU aware of the areas that extend beyond the narrow limits of Community competence?

How can we ensure that this is a sustainable enlargement? Sustainable not just for the lawyers, economists and diplomats. But sustainable for our health systems, for our poor, our elderly and those who live on the margins of our society?

So what about those areas that are largely part of every country’s national responsibility, such as health and social security? Areas where the EU is not fully or mainly responsible. Will the EU and national authorities proceed, indifferent to the urgency of reforms? Will the national handling of
transition in these areas, continue to be blind to the new political realities, indifferent to future funding risks, and incapable of tackling a system that is now 12 years behind us?

Many candidate governments have taken their hands off health provision and the provision of social services. Often they have opened them up to the private sector without an adequate understanding of how the private sector’s role fits in to the bigger picture of common European values. And by these values, we mean affordable universal access, to decent services, and with some regard for human dignity.

In addition to the privatisation lottery, most countries have failed to put workable structures in place that are conducive to adequate care for the sick and the elderly. More and more - and often by default - national authorities are putting their own citizens at an increasing risk of poverty, and ill health. The patient rarely comes first.

So as Europe returns to the centre, what must we do to put values at the centre of Europe?

This is why we have this working conference, to look at the areas, which are being overlooked. To investigate, share and test our knowledge and experience. So that we can come out at the other end, with informed advice that is clear and prioritised for policy makers on all levels. What comes out of this conference, will be published as proceedings and serve a basis for our enlargement strategy paper which will be published medio next year.

As I said earlier, Caritas Europa, and by this I mean, the Member Organisations that make up Caritas Europa, has made real progress. We now have Commissions and Working groups looking at advocacy issues that cover nearly all the concerns that are shared by all members. For enlargement issues, we have the ad-hoc enlargement working group. Its existence is a fact since the second enlargement conference in May 2001, thanks to the support of our president Denis Vienot.

The ultimate aim for the ad-hoc enlargement group is to produce a Caritas Europa Strategy Paper on Enlargement by July 2003. This strategy paper will embody the views shared by the members of Caritas Europa. This will be our advocacy paper on enlargement when we lobby the European Institutions and our national governments.

For this paper, we have decided to look at three areas, which we think deserve our careful scrutiny before and after accession:

- Free Movement of people,
- Unemployment
- and Non-Statutory Welfare.

Benefiting from the fact that we are represented all over Europe, we look at these three areas from three different geographical angles:

- central and eastern European candidate countries,
- The present EU member states countries
- and the border countries to the new enlarged EU, after accession is completed.

You will now be presented with the findings on all three areas by three members from our ad-hoc enlargement working group, led by our president Aloizij Stefan. Father Wojchiech will report on
the Central and Eastern European Countries, Andrej Wascowicz for the Border countries to the new EU and Oliver Mueller for the EU countries. Unfortunately Oliver cannot be here today because of pressing issues in his own organization. So thank you Bernd Otto for presenting his work this morning. These three people have been working very hard to get this ready for you.

In the afternoon, in your working groups, it is your turn to give your input from your perspective. Without a doubt, your work today will be an invaluable step on the road to completing our strategy paper on enlargement. This paper will aim to voice our concerns about how enlargement will affect the poor, the sick, the elderly, the unemployed, and minorities in our societies. Our strategy paper will give recommendations on how this enlargement can be an inclusive process. One that will benefit all the citizens of a newly reunited Europe.

I would like to end my introduction with some words first said at the first enlargement conference by our great friend the late Hermann Icking, ‘A new solidarity must be established, with adequate social security for everyone, not just for privileged people. Understanding the transformation process presupposes a critical analysis of society and a vision of the ‘common good’ and how it should be shared.’

In this spirit, let’s use our work today, to see what we can do to put our values back at the centre of a reunited Europe.
• Pacolet’s conception of the ‘welfare state’ is synonymous with social protection. The concept consists of many layers, all of which protect individuals when certain hardships such as unemployment, illness, retirement, and poverty occur.

• The ‘welfare state’, therefore refers not only to the state but the state system and all kinds of social security and private insurance. The state need not be the provider or the organizer of the services, these can be provided by other public or private providers.

• Throughout his lecture, social protection referred to a function, while the welfare state refers to a system of institutional settings.

• Four views on social protection
  1. Micro level – starting from needs of population (the demand side)
  2. Meso level – the supply side of services and institutions
  3. Macro level – aggregation at macro-level (demography, employment, spending)
  4. The private-public mix

The macro level is the aggregation of the micro level needs of the individual and the meso level is the provision of services to meet these needs.

• 2 major types of welfare state: Bismarck oriented and Beveridge oriented. Each of these models was then broken down into high and low levels of expenditures.

• Pacolet stated that the differences between these systems are disappearing. Both are adopting characteristics of each other. One the primary differences between these systems used to be about taxes and social security; however, they both have the same end goal – to cover the whole population.

• In Beveridge oriented systems, the organization of the welfare state used to be completely a public responsibility. In some countries, the transfer of some of this responsibility is often perceived as a form of privatisation, when in reality, the ownership of provision changes, but the level of public financing does not change.

• With regard to his slide on health care expenditure as a percentage of per capita GDP, Pacolet drew the following conclusions: there was a period of stagnation in the early 1990s, but most countries now are trying to ‘catch up’. There is a direct correlation between income and health expenditure; the higher the per capita GDP, the greater the health care expenditures. Adding in several of the more wealthy CEECs, Pacolet notes that they are much poorer than even the poorest of the EU countries and their spending is significantly lower.

• Many of his slides denoted the proportion of health care spending, figures referring to greying of the population, the percentage of dependent elderly persons etc. Some of his figures, however, showed stark contrasts between the EU-15 + Norway and the accession countries. These are mentioned below.

• On his slide on private non-profit employment as a percentage of total employment (1995), his figures showed that about 1 percent of total employment came from the non-profit sector in Czech Republic, Hungary, Romania, and Slovenia. In some of the EU countries, such as Ireland, Netherlands, and Belgium, the percentage of private non-profit employment was over 10 percent. Most EU countries were between 4 and 9 percent.

• A similar graphic was shown when volunteers were included.
• On one slide, Pacolet drew a diagram outlining the circles of informal care/the circles of solidarity, for most of the EU countries. The inner circle was the household, surrounded by the circle of the family, surrounded by neighbours and other.

• In conclusion, Pacolet’s slides are intended to show how important the industry of health care provisions is, as a share of total employment or national income, or how relatively unimportant (as market share) the private non-profit or voluntary initiative is. Yet this informal care is often five times more important to suffering individuals.

• The health and social services sectors will grow in line with economic development and in line with the demographic aging of the population. Along that economic path, it will create jobs, provide value, and support further economic growth.
Not only since the outcome of the Irish Referendum on the ratification of the Nice Treaty, which came as somewhat of a surprise to many within the EU, and the related creation of internal administrative preconditions for an expansion, does there seem to be a general nervousness pervading the scene in many countries. An embarrassing slowdown in the ambitious expansion process is looming, together with all of the related diplomatic and economic problems. On the other hand, just how wide the gap is that exists between the EU plans and the expectations of the nations involved has been exposed for the first time for many people. The history of the EU’s intended eastward expansion is by no means particularly old. After the fall of communism, EU policies concentrated in the short term on financial and other practical assistance. This transitional period has lasted for over 10 years, and only in the last 4 years has there been any preparation of precisely formulated adaptation activities. Up until 1997, the expansion process, particularly in terms of its foreseeable social consequences, was regarded by many Central Europeans as being mainly a “private matter” between Germany and Austria. Elsewhere, it has only been appreciated comparatively recently that integration into the EU’s area of jurisdiction, which has become very tightly sealed due to the internal market and currency union, will not only entail tremendous adaptation measures on the part of the neighbouring eastern countries, but may also involve significant financial impact. The real problem lies here, as it always has, in today’s unfortunately largely de-emotionalised EU legislative area. From the former cause so dear to the hearts of peace-loving idealists, who assumed that a “Greater Europe” would guarantee fewer conflicts, has grown, in accordance with rebus sic stantibus, the doctrine of unforeseeability, into an authoritarian, highly-structured model in which states struggle to allocate resources to their best advantage. It’s not by chance that, in particular, the “small man” and the “small woman” are no longer able to cope with this project, which for the most part feeds on a steady stream of new fields of action, without first resolving old questions. This explains the widespread EU scepticism running through a broad spectrum of the most diverse groups, ranging from the state-socialistic conservative Swedish left, to the economically neo-liberal British conservatives, the nationalistic French traditionalists, Germans wishing to retain the Deutsch Mark, or anxious middle-of-the-road states. The only factor unifying all of these is a kaleidoscope of fears about a loss of identity, a social “end of all feelings of comfort”, or abstract worries about an obscure EU Super State under the influence of the major economies. People are in general often quite philosophical about the active information on the EU process, its purpose, its aims, its advantages and even risks. There is in fact no fundamental public debate in many member states. If citizens outside of Ireland were asked for their opinions as well, there could definitely be a lot more trouble in store for the Brussels establishment. With this background in mind, it is clear that a further step forward by the EU that entails tangible changes in customary social standards will be particularly subject to criticism.

Social reforms and political cohesion in Central and Eastern European Countries (CEEC)

In theory, as always, everything seemed so simple. With the fall of the communist social order, various protagonists in the CEEC began to make adjustments in matters of national health. The old system of state control had fallen into disrepute more or less everywhere and had to be superseded by changes bringing greater advantages to the various protagonists, but above all to the numerous contractors. To the quite considerable astonishment of those western countries predominantly under Anglo-Saxon influence, the focus was placed on the German social security model, which had tended to be described there for political reasons as “surviving”. In practice,
carrying out the reforms turned out to be more arduous than first anticipated. In the five so-called
“first wave” eastern countries, i.e. Poland Hungary, Czech Republic, Estonia and Slovenia, but
even more in those remaining countries also included in the round of negotiations, such as
Lithuania. Latvia, Slovakia, Bulgaria and Rumania, creating social reforms with the aim of a
somewhat modest, but legally secure, effective and financially viable system has proved to be
difficult.

Weak points in the reform process
The following difficulties have emerged in nearly all of the aforementioned countries, with the
possible exception of Slovenia, which enjoys the advantage of never having been subjected
directly to the Soviet sphere of influence:

• The transition from the state health system to the social security model is not being universally
achieved.
• The creation of efficient management structures presents problems in the public sector.
• Funds are often allocated to prestige projects without any long-term impact.
• In part, grave financial bottlenecks exist with the resultant de facto inability to make payments.
• Formidable surplus capacities continue to exist, especially in the in-patient sector, without
  corresponding adequate productivity.
• Administrative passing on of problems to the tier of administration with the least amount of
  resistance (predominantly the (state) health insurance fund) prevails.
• Reimbursement when actually exercised has largely no links to quality.
• Extensive undefined economic structures continue to exist, entailing high cash payments
  without any basis in law.\(^3\)
• A high degree of political subordination of the health sector is apparent.
• Minimally qualified personnel are the rule, with high levels of fluctuation due to inadequate
  reimbursement.
• Health insurance is often dependent on other state institutions, which are too busy fighting their
  own struggle to achieve prestige, such as the Ministry of Finance.
• Other problems include: appointing the wrong staff, misuse of official powers and corruption.

The Commission’s lack of a mandate as real quandary
It is generally agreed to be significant that the Commission and the PHARE programme it is
operating to accompany the transformation process have no mandate to dictate to any State that it
has to introduce a “better” health system. This is having an effect today already in the EU with the
ongoing decline in quality and also applies naturally to the CEEC. In the so-called “aquis
communautaire” -- that is to say, the whole of the EU’s legal measures -- the health sector only
occupies a small space. This explains why the tar content of cigarettes is regulated in a legally
binding manner, whilst the existence of an efficient health fund is only stipulated insofar as this
should be “capable of being coordinated” on the basis of the Legal Decree EC 1408/71.

\(^2\) “Back to Bismarck”, the title of a thematically appropriate, but not very flattering, work, describes
this renunciation of the State model in conjunction with an absence of controls, as is characteristic
in one way or another for 10 of today’s EU member states.

\(^3\) Slovenia is attempting to counteract this by legalising a supplementary insurance. In other
countries, shadow reimbursement is the actual basis of existence for many service providers

This, as the legal basis for the regulation governing the provision of health care between countries,
has already raised problems for many tourists in the Mediterranean area, where the so-called
Overseas Entitlement Card is not honoured, as practitioners tend to prefer cash on the spot.
Looking at it another way, it often enables foreign EU patients, through the manipulation of
emergency requirements when they are outside of the country, to obtain treatment that is not
available or for which they themselves have to pay when at home.\(^4\) Up until now this phenomenon has not been widespread enough to give any cause for alarm, but it may be assumed that, at borders shared with future new EU states in the east, a similar development will soon arise, and take on unknown proportions. The fact that the Commission has no mandate is also seen as a guarantor for the fact that, for example, Germany and Austria can pursue their systematic pathway with minimal state involvement, self-regulated and hopefully with a growing social-ethical implementation of the powers of competition. A uniform EU model should somehow correspond, presumably, in its structure, its quality and the care that is offered to one of the numerous taxation-financed, state-operated and inadequate models, as still typified in the everyday provision of care in 11 EU countries.

If the flow of cross-border health care demand increases -- which is scarcely predictable in terms of quantity, but for this reason alone not improbable either-- influenced in no small part by the latest encouraging judicial rulings of the European Court of Justice in the cases of “Smits-Geraets” and “Peerbooms”, the financially weak Eastern European social security structures would face severe problems. Treatment abroad is becoming an increasingly attractive possibility, and one of which the general public is becoming more aware. In practise, the European Court of Justice will hardly change anything in the East in this respect. Here the problems are more to be found in the area of cross-border treatment provisions. It remains to be seen whether a Polish regional health fund that already has problems with local hospital invoicing, will be able to swiftly satisfy the possible demand from Germany. It is in the nature of things that a person acting rationally in his own best interest will hardly be tempted to forego any advantages that are to be acquired. But should the patients from the CEEC not renounce the possibilities that have been opened up to them due to freedom of movement and acquiesce to their present lot, then a conflict is surely inevitable. Economic migration can only be avoided if national governments tackle their own health issues, with the aim of creating effective structures offering tangible social progress, after years of simply marking time. If this does not happen, or if the unavoidable transitional periods are not purposefully used for maintaining social stability by means of bilateral, in other words, German-Austrian activities, then a rapidly rising demand can invariably be assumed, provided those seeking services do not risk incurring higher costs.\(^5\)

**From the point of view of health insurance**

The General Delegation for the Management of Reforms at Brussels, from where the lavish PHARE funds were flowing, has not proven its worth from the systems viewpoint. The list of problems in the East is still inherent within the system even 10 years after the changes started being implemented. As a border country, Germany has a special interest here; this applies presumably to small- to mid-sized businesses in the greater border area as well as to the whole social security system.

\(^4\) Such a practice is established regularly today between France as the receiving country and Spain, but more particularly Italy. It is the outcome of local contacts being made between health systems with great differences in terms of generosity.

\(^5\) This already excludes so-called “European Court Cases” in the in-patient area, so that only local allowances can be permitted. The individual participation would be enormous. From the Eastern standpoint, the Court has thus opened no current new pathways. Except for the E111, the overseas health voucher, which, in a case of emergency, temporarily puts one on the same footing as local people.

For many years, social security organisations and agencies in Germany have been providing considerable amounts of advice to the CEEC, although here as well, the state is being encouraged not to permit the transitional periods to expire. An attempt should be made to aim at avoiding health care migration, through the provision of operationally effective structures and raising the general rule of law as an indisputable basis of social citizenship.
Quantitative aspects of a historically unprecedented event
The comprehensive integration of the present group of candidate countries for EU membership, including countries with an unusually backward level of social and economic development, will make considerable demands on the resources and political capability of the EU. Basically, a high level of consensus between the current member states would help to minimise squabbles over allocations and rivalry, in the interest of the historical integration project. Unfortunately, the reality at the present time looks somewhat different. After an initial lack of interest, more and more of the current EU member states who find themselves on the receiving side are becoming apprehensive about the future of the regional and structurally oriented funds that are latently shoring up their own economies. Their agreement to expansion – Ireland makes this clear -- will hardly be able to be maintained without corresponding assurances. Where in the end the considerable additional funding amounts are to come from – at present no exact amounts have been named –is unclear, and not only to the population in general. Even under the maintenance of strict transitional periods leading up to the granting of full freedom of movement to populations, in the interest of avoiding excessive demands on the already struggling regional labour markets – for instance in the new east German states -- the question must be resolved as to how an individualised and economically “sensible” migration of East European workforces into the wage and social security levels of neighbouring EU member states can be kept to acceptable levels. It is at the present time hardly possible to give precise figures, not least because all historical examples of population movements had to start from completely different legal dimensions. Migrating in order to take advantage of better earning opportunities is already comparatively simple under the conditions of basic EU freedoms -- as a result of legal adjustments, the prohibition of discrimination and the comparatively high reversibility of decrees. Economic migration can probably be most easily prevented by ensuring that higher priority is given in the CEEC than has been the case up until now to a stabilising social policy and an effective social security system. If during the transitional period nothing changes in this respect, then a considerable amount of potential population shift will have to be assumed. Comparisons with the earlier southerly expansion of the EU are also problematic. For one thing, there was no “internal market” at that time, with its predominant freedoms. On the other hand, national policy back then demonstrated a relatively clear readiness to make real improvements to the social structures that had been handed down.6

Social initiation of the CEEC and reinforcement of social policy structures
If the social initiation of the CEEC is successful, whereby the countries of the former “first wave” will still be in the foreground, opportunities will definitely present themselves. After all, Germany’s system of self-administration and minimal state involvement seems to stand alone in the EU today to a large degree, with the exception of Austria. That is why the principle of social security definitely needs to be strengthened.

6 Spain, Portugal and Greece had virtually no form of social policy under the former dictators. Only at the time of entry into the EU was this changed -- even if it was not up to the German level. Also the regional contrast was not comparable in terms of the geographical proximity that exists between Germany and Poland.
This must be done in such a way that the social security system in question, even if quite modest, functions in a legal and orderly manner. The politicians of the CEEC should, if need be, in addition to the specification requirements, make it clear to the Commission that an efficient social security system brings that very prize of social stability that is so lacking in many places. The expansion eastwards is a gigantic task for generations, comparable with the reunification of Germany, though with a different dimension. It must succeed, unless we want to end up having -- located right next to the EU’s economically prosperous area -- a zone of instability and lawlessness that must inevitably also lead to an erosion of our system. In order to succeed, in addition to adequate transition periods leading up to freedom of movement, targeted support and, if need be, political pressure are required. Even in ethical terms, the ultimate goal is certainly not a bad one. Essentially, it is a matter of replacing the former lack of any political concept of the social policy needs entailed by eastward expansion, with the resultant apprehensions and rejection, with an open, problem-conscious and targeted policy. The problem should in no way be played down in the interest of maintaining or regaining credibility, or indeed be interpreted as a historically based inevitable macro-economic sacrifice.

Against this background, any attempt to have the Irish once again hold a plebiscite on an unchanged Nice draft treaty, after a respectable period of time has passed, whilst tactically tempting, is not without risk. The criticisms and worries of nations and individuals should always be taken seriously and the impression be avoided that one is simply marching onward with one major project after the other, without any alternative, and with no one really understanding why anymore. “Europe” as a project urgently needs to be more down to earth and to gain more resonance amongst the people. This concept should therefore be steered away from the specialist level as soon as possible, and be explained in more detail to the general public. The mistake that was made in producing convincing arguments for the introduction of the common currency could certainly be easily repeated in the eastward expansion project. The result could be exceedingly serious, as fear represents a not insignificant means of manipulation in internal political discussion. Only someone who is prepared to point out honestly and openly the opportunities and the risks, who outlines pathways and does not avoid talking about hurdles and obstacles to be surmounted, can be sure of enjoying broad-based support.
EU policies on enlargement regarding social services and health care

Nick Fahy
European Commission official
from Task Force for Public Health, DG Health and Consumer Protection

(Summary)

- Mr. Fahy stressed that healthcare and social services are primarily the responsibility of EU Member States. This reflects historical roots of EU; since inception of EU, Member States wanted to keep responsibility of health and social welfare services.

- Consequently, EU law has only marginal effects on national health and social welfare systems.

- Entitlement, organizations, and delivery of health and social services will remain up to the candidate countries once they join.

- However, there are shared European social values: universal healthcare, minimum standards of living, and similar views on social exclusions and poverty.

- In addition, European countries facing similar challenges: demographic ageing, macro-economic framework, rising public expectations.

- The EU does have regulations concerning the coordination of movement between social security systems; on issues such as cancer, HIV/AIDS, and on tobacco; and lastly, on the cooperation of social protection in general, including pensions, healthcare, pharmaceuticals, medical devices, and social exclusion. Most of these are the result of the Single European Market.

- EU approaches health and social service issues from a market aspect, not social objectives. Recent court cases have had an impact on EU’s involvement in social sector and the long-term implications of this are still being discussed.

- With regard to the future of health and social welfare services in the EU, the accession of the candidate countries will not bring about new changes or legislation. An enlarged EU will have to develop in a more European context, as European countries continue to face similar challenges and have similar concerns.

QUESTIONS:

- When asked about the type of support the DG office could offer, Mr. Fahy responded that the EU is trying to help facilitate and coordinate without imposing on national laws. After 40 to 50 years of negotiation, they have created a system commonly referred to as the ‘open method of coordination.’ Member States will agree to a set of general objectives and will monitor them among themselves. This has the ability to focus MS action and provide a forum for cooperation. However, this is still a sensitive issue.

- There are committees that specifically monitor areas such as social exclusion and pensions.
With the accession of the Czech Republic to the EU, some aspects of the European model will be applied, specifically the right to health care, quality of life and health protection, accessibility of care, and solidarity and risk sharing.

Healthcare creates unlimited demand – This is the main reason why we need regulation. Although there is a trend to create a market in healthcare, it does not work like in other areas. There is an absence of a typical market.

Agreement is needed on social objectives, resources and needs, rules for product safety, and accessibility and availability of healthcare.

The effect of the ‘4 freedoms’ on healthcare can be seen from three perspectives: public health, health and safety in the workplace, and social policy.

Free movement of goods – main area here is drugs and drug policy

Free movement of services – basic principle is non-discrimination: public procurement and economic competition. Cross-border provision of healthcare is partially based on bilateral agreements between insurance companies, but also an institution basis in EU – EU Interreg Program.

Free movement of persons – recognition of qualifications, active HR policy, coordination of social security systems.

Free movement of labour – working time directive, and principles related to occupation health and safety.

QUESTIONS:

In response to a question about why health sector was not well represented, Mr. Hauser stated that in the beginning, EU decision-makers tried to make relevant documents as simple as possible. As a result, the non-profit sector was the first to be eliminated. Also, a lack of experience hindered the creation of EU regulations.
Introduction Non-Statutory Welfare provision in Caritas Europa, a report on Candidate Country member organisations

Dominic Verhoeven, President Non-Statutory Welfare Group, Caritas Europa

1. Elements of a definition of non-statutory social welfare are: its private character (not state-run), its charitable goal, and its relation to the field of social welfare (incl. social work and health care). Hence we can also speak about social profit (a term to be preferred over non-profit, since our services surely produce benefits, though not in economic, but in social terms).

2. Non statutory welfare in the accession countries is characterized by a huge diversity in numbers of initiatives and numbers of personnel, ranging from very small Caritases like Latvia, to very large ones like Poland. This can be due to the size of the country, but also to the number of Catholics in the country.

3. There is however much less difference according to the types of initiatives offered by Caritas Member Organisations in the Accession Countries. Home care is predominantly present, as are shelters for the homeless, social centers, youth and children’s homes, homes for the disabled, and elderly care. On the other hand, large institutions such as hospitals are mostly absent. Most of the initiatives are owned by Caritas and are situated on the diocesan level and work with proper financial resources. Volunteers play a major role in making up human resources.

4. As a general conclusion, there is an overall option for small scale initiatives, close to local community life, which is very different from the highly institutionalised and professionalised services that have been developed in countries like Germany, Austria or Belgium.

5. The relations with the government are mostly rather limited. In most countries, the government is still at large the biggest social service provider. Furthermore, central and eastern European governments turn out to be still reluctant towards religious and private organisations (accusing them of proselytising and competition). Again, in the actual EU countries, Caritas is most times very well embedded in the decision making structures, and the private sector often has the largest market share.

6. Both approaches in government policies can be noticed: in some cases, the government acts as a regulatory body that gives concessions for social services, in other cases there is much more room for subsidiarity, with the state financing the private sector. In general, there is hardly any experience in advocacy work with the government in this fields.

7. Also the links to partner organisations are not really well developed. In most countries, there are partner NGOs from Diakonia or the Red Cross, but there isn’t much cooperation, not even concertation on the level of social welfare sectors (e.g. care for the elderly). Umbrella organisations exist on the national level, but they’re not sectorally organised. In most cases as well, there is no joint representation with these other organisations, nor are the Caritas Member Organisations active on the EU-level of civil society. This, they leave for Caritas Europa.

8. From this very brief overview, based on seven questionnaires, the following challenges arise:

- The need to establish quality standards with regard to care provision;
- The need for capacity building with regard to human resources management;
- The lack of experience regarding establishing recurrent financial mechanisms;
• The challenge to take an active part in the transformation of society;
• The challenge to influence (the making of) legislation both on the national level and in relation to the supranational, EU-level.

9. With regard to the role Caritas Europa has to play, the following objectives were mentioned:

• Caritas Europa should provide a forum of exchange, were all member organisations can meet and exchange experiences and best practices;
• Caritas Europa should organise the capacity building of staff personnel in terms of organisational development, as well as regarding specific sectoral skills (regarding home care, handicapped people, …);
• Caritas Europa should give moral (but visible) support to CEEC Caritas Member Organisations in this fields (via political contacts);
• Caritas Europa should bear in mind the spiritual dimension of our work;
• Caritas Europa should invest itself into advocacy work regarding EU legislation, specifically on social services and enlargement.

10. On some points finally, there was a clear converging of interest both for EU- and accession countries’ member organisations (if we compare the results with the ones from a survey among EU-member organisations).

They find each other on:

• The need for higher quality standards as to provide better services
• The need to influence EU policies on the social acquis
• The need to safeguard and strengthen the own Caritas identity
• The need to strengthen the ‘movement-character’ of Caritas (compared to a more static ‘organisational’ profile)
Report on Working Group: Identity of Caritas

Father Wojciech Lazewski presented the report on the situation in Europe given by Antoine Sondag at the Caritas Internationalis (CI) Seminar held in Poland in the beginning of the year. He also presented the document “Catholic Identity of Caritas” created by the ad hoc working group of the Commission for European Cooperation.

Everyone around the table then presented their view of the situation in their country.

After that, we discussed the different challenges at the European level, and in particular the debate about the Christian tradition of Europe in the Charter of Fundamental Rights. The European Parliament’s “Rojo” report, which denies religious organizations the legitimate right to publicly express their views, was also discussed.

However, many members consider that Christian identity is a more of an issue for our organizations than for the European institutions. They think that it is necessary, therefore, to have a document presenting the Christian identity of Caritas for the public. The minutes of the CI seminar could be useful to create this document.
Report on Working Group: Volunteerism

In our group, we discussed the necessity and importance of:

- Building up the idea of volunteerism within families so that volunteerism becomes perceived as an added value of life
- Volunteers must be incorporated in organizational development – requires conscious planning and monetary budgeting
- Managing volunteers - systems of reward and recognition, have to be treated as equal partners, not as second class staff members, avoid creating hierarchies. Planning their involvement must be made with them – coordination and cooperation
- Investing in volunteers – must take part in every project
- Clearly defined expectations, roles, hours (all mutually agreed upon)
- Education and training – ongoing educational training, both for capacity building and to bring volunteers in as member of the organization (make them feel like part of Caritas feeling – adds to feelings of personal growth.)
Report on Working Group: Networking and Cooperation (compiled from worksheets)

Contents of the report:

1. What do we consider to be meant by networking and cooperation?
2. What are advantages and disadvantages of networking and cooperation?
3. With whom should we pursue networking (national or European level)?
4. Conditions for effective and efficient networking and cooperation

Networking:
• Communication
• Flexible commitment
• A sharing of ideology
• A sharing of capacity, enlarging capacity
• A sharing of experience
• Creating a mechanism and empowering those interested to participate
• Create common goals and targets
• Fun

Cooperation:
• A sharing of resources
• A willingness to compromise

Advantages of networking:
• Increasing knowledge, better understanding, increased information
• Learn through other’s experiences
• Increasing capacity
• Increasing quality, more effective use of time, and human and financial resources
• Create a wider audience
• Creating a synergy: a win-win situation
• Create a system of mutual trust
• Co-responsibility and cultural development

Disadvantages:
• Takes time and patience
• Decentralizes and can sometimes create a bureaucracy
• Requires high levels of organization
• Can increase costs in new areas
• Sometimes have to trust strangers, creates an unknown
• Can lead to confusion

Why does CE need to network and cooperate?
• Global world requires global answers and understanding
• How can a network not network?
• Other organizations are doing so
• Helps CE gain credibility and strengthens organization
• Despite our size, our voice is not always heard

What are the key issues and priority areas that CE would benefit from in networking and cooperation?

• Exchange of different frameworks of Caritas
• Overview for better understanding, more efficient lobbying
• Joining organizations with similar goals
• Management systems
• Intervention projects for all kinds of social ills
• Advocacy in front of EU institutions
• Non-European help
• Improve staff qualifications
• Migration issues and disaster relief

Who are the key players with whom Caritas is to network and cooperate?
Nationally:

• Local and diocesan organizations
• Central government
• Other NGOs and target groups
• Catholic church
• Other churches
• Mass media
• Local authorities

European:

• World Bank
• ILO
• Trade unions
• EU institutions
• CEC

How can CE improve networking and cooperation?

• Training
• Being open and transparent
• Sharing best practices
• Develop a database to exchange programs
• More small workshops to share experiences
• Stimulating and promoting many events of cooperation at various levels
• Facilitate the creation of partnerships by organization meeting in which Western and CEE Caritases are both represented.
• Making networking a professional activity of CE with a networking and fundraising officer

What are the best means to use?

• Working groups
• Conferences
• Clear working strategy developed by CE for CE
• Personal relations
• Get to know NGOs

What do you think is the next most important action to enhance networking and cooperation in CE?
• Training and brainstorming
• Creating a clear plan that is realistic
• Finding a strategy
• Regional conference
• A technical seminar for working groups on this theme
• Allocate sufficient time and resources
• Recognize identity in strategic plans
Report on Working Group: Free Movement of People

* Both CEECs and Border countries represented

In both groups, opportunities were seen operating largely within the Caritas network.

These were put in the framework of networking and exchanges of experience. Some were general, some had more detail. Both groups saw a clear role for Caritas to set up new services for migrants in the country of origin as well as in the host country. These services would entail:

- training migrants for integration
- executing preventative measures against human trafficking
- training nurses and healthcare personnel by EU member organizations in CEECs under strict conditionalities for loyalty to Caritas
- cancelling services for migrants

On the advocacy level, it was felt that the transition of free movement should be campaigned against. Full benefits. An enlargement information day could be organized for the CEECs to welcome into Europe as a visibility exercise for Caritas


Report on Working Group: Unemployment and Social Services

Again, in these groups the opportunities were sought mostly within the Caritas network.

- Setting up employment liaison services where Caritas can act as mediator for job seeking and retraining. Possibly within government scheme: from traditional job seeking - often more accessible than traditional job seeking.
- Retrain services in Caritas areas of competence
- Promoting the value of volunteer work as a skills-building exercise so that re-insertion into the labor market can be facilitated
- Exchange programs within Caritases to improve skills – possibly as a model for multiplication elsewhere
- Involving the West – setting up a database of expertise of services provided which the Eastern and Border country network can link into
- Develop services especially in the hardest linked areas such as rural areas where 100 percent unemployment and alcoholism exist.

Main target groups for action are:

- young unskilled people
- people in rural areas/small farmers
- people laid off by industry
- people over 50 that have not retired

Advocacy:

- Promote social work as alternative career. Offer this solution to authorities and the government
- Promote anti-discrimination
- Promote flexible working conditions (part-time and 35 hour working weeks)

CONCLUSION AND NEXT STEPS:

- We’ve gone a step further in mapping situation and identifying the role of Caritas
- We’ve learned about EU policy in health and social services, as well as about national policy advocacy
- Organizations feel like they don’t have enough staff and expertise to work on national level. Skills transfer is needed.
- Absence of EU Caritases was felt and regretted. They need to be involved and offer expertise in areas where there is gaps (employment schemes, drafting recommendations, models of NSW)

NEXT STEPS:

- Rather than another big conference, we need to narrow down the areas with learning opportunities. Have short workshops with other NGOs, experts, consultants etc.
- Next meeting of Enlargement Working Group – work out clear strategy, action plan, timetable, and budget.
- We need to do the work, let’s not be afraid of unknown.
- Be positive and proactive

SWOT Analysis –

Strengths:
- Ideas will strengthen Caritas network
- Opportunities for exchanges will enrich the organization at a low cost
- Transparency between competences existing in East and West will be improved
- Rather than top-down approach (West-East approach), East can ‘shop’ for skills needed from the West; this way, is demand led.

Weaknesses:
- Not much on advocacy/policy level has come out, more internal opportunities

Opportunities:
- We have identified most vulnerable groups, now we need to investigate recommendations
- Common complaint: we have not competence/expertise – this needs to be sought in and out of Caritas. Look at government schemes to tackle unemployment in the EU. Reach out to other NGOs, other bodies of expertise
- See it as a learning opportunity, not as a status one

Threats:
- We stay forward looking
- We remain at the operational level
- We cannot motivate our Western organizations
- We remained understaffed
Very broad definition of services of general interest:

Services that are important for peoples daily life, such as transport, postal services, telecommunications, education, hospitals, social services, water, and electricity etc.

• Discussion in Working Group on whether or not Caritas should advocate, and if so, how, when, and where it should do this advocacy, for a so-called EU FRAMEWORK DIRECTIVE on these services of general interest.

• A Framework Directive is a document drawn up by EU Commission that sets binding minimum norms and standards, quality benchmarks and criteria, solvability criteria etc. for the services that are the subject of such a Framework Directive.

• Such a directive is advocated for by the European Parliament, the European Council, and the Economic and Social Committee.

• The reason for advocating such a framework directive would be to prevent ‘rogue’ commercial companies dabbling into fields that are normally alien to them without guarantee that they compel to quality and ethical standards (example: a building construction company does not only BUILD a nursing home, they then also continue to OPERATE with staff etc, and market its services, whereas they are all intents and purposes still basically a building and construction company.) It is likely that the Commission would favour this last option because the weight and experience of DG ‘Competition’ within the Commission, with all the consequences thereof (application of the standard ‘Single Market’ procedures with notification of State aids, etc.)

• In any case (i.e. whether or not the ‘framework directive’ option is chosen), any initiative should be supplemented by some kind of ‘Open coordination method’, implying exchange of experiences, in order to avoid sticking to ‘minimum standards,’ but favouring instead a dynamic process towards ‘better’ or ‘best practices.’

• The Working Group observed that there is a lot of confusion over what constitutes a ‘not for profit’ socio-charitable organization. Not-for-profit does not mean you cannot make a profit, it means that if you make a profit, this profit will not enrich the members of the organization or constitute part of their earnings.

• In order for such a Framework Directive to be adopted, Caritas should first elaborate its own position and underline what it thinks should be in it: quality requirements, respect of fundamental rights, freedom of initiatives, consideration of the value added by voluntary work and mission-driven initiatives, Caritas experience in caring for the weak, sick, and needy (core business), non-exclusion of patients or groups etc.

• Practical steps to consider:
  - Advocate the position paper of the Social platform on this topic (immediate action needed: steering committee of this platform on November 15th)
  - Provide comments for inclusion in the Commission Green Paper on this topic (deadline 15 November 2002)
  - Then distribute position papers with a simple FAQ section to Mos to allow advocacy in their own country (no Brussels jargon)
Belarus

<table>
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<th>Population</th>
<th>10,335,382</th>
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| Ethnic Groups     | Belarusian 81.2%  
|                   | Russian 11.4%  
|                   | Polish, Ukrainian, and other 7.4% |
| Religions         | Eastern Orthodox 80%  
|                   | Roman Catholic  
|                   | Protestant, Jewish, Muslim |
| GDP               | $84.8 billion PPP |
| GPD growth rate   | 4.1% (2001 est.) |
| Population below poverty line | 22% (1995 est) |
| Unemployment rate | 2.1% officially registered unemployed (December 2000) |

Overview
Caritas Belarus was established in 1991-1992 (in the diocese Grodno 1991 in the other 2 dioceses 1992); however, it took a very long time for the organization to be registered. Most initial activities were launched by individual parishes.

Activities
Ever since the disaster at Chernobyl, Caritas Belarus has tried to help children hit by the disaster. Caritas Austria helped build new infrastructure and provided humanitarian aid.

The organization started organizing very small projects, since Soviet governments prohibited all church activities and events. Only during perestroika could they begin to organize programs.

Caritas Belarus runs soup kitchens, organizes transfers from children in Belarus and abroad, and provides foods staples and first-aid kits to people hit by disaster and other people in need.

Contacts With Government
In 1995, Caritas Belarus was recognized by the government and during the last few years, Caritas has tried to be more vocal about explaining the role of Caritas. Most people didn’t know the organization was involved in social projects.

SWOT
Strengths-Caritas Belarus would like to devote more and more resources on training colleagues and staff. The recognition of their efforts is widespread.

Threats-Limited by lack of professionals and insufficient training. Until recently, Caritas Belarus did not receive funds from other sources, but it can now use EU funds for Church organizations.
Caritas Bosnia and Herzegovina

<table>
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<th>Population</th>
<th>3,964,388</th>
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| Ethnic Groups | Serbs 31%  
Bosniak 44%  
Croat 17%  
Yugoslav 5.5%  
Other 2.5% |
| Religions | Muslim 40%  
Orthodox 31%  
Roman Catholic 15%  
Protestant 4%  
Other 10% |
| GDP | $7 billion PPP |
| GPD growth rate | 6% (2001 est.) |
| Population below poverty line | |
| Unemployment rate | 40% officially registered unemployed (December 2000) |

Overview
15% Catholic Croat  
60% unemployed  
30% working in black market

Social situation has worsened since conclusion of war. During the war, “good will organizations” were offered considerable material support and donations. Now, however, such organizations face constant financial problems.

Activities
A lack of financial and governmental support has forced Caritas to end projects. Already in 2002, Caritas was forced to end six projects.

Operates home care, projects with blind and handicapped persons, infrastructure repairs, runs kindergartens, shelter for women and children, provision of agricultural goods, runs clinic.

Contacts With Government
Since law does not recognize the Catholic Church, Caritas is not recognized. Caritas hopes that the law will change in the next seven years. As a result of current legislation, Caritas is not registered as humanitarian organization, but as a non-profit organization.

SWOT
Strength- despite myriad financial problems, Caritas BH is structurally well organized. Still have many positive results. Have received community acknowledgement and support.
Threat- Caritas is faced with an increasing brain drain. Unlikely to receive governmental budget support during next 10 years.
Caritas Bulgaria

| Population | 7,621,337 |
| Ethnic Groups | Bulgarian 83.6%  
|             | Turk 9.5%  
|             | Roma 4.6%  
|             | Other 2.3% |
| Religions | Bulgarian Orthodox 83.8  
|           | Muslim 12.1%  
|           | Roman Catholic 1.7%  
|           | Jewish 0.8%  
|           | Protestant, Gregorian, Armenian, and other 1.6% |
| GDP | $48 billion PPP |
| GPD growth rate | 4% (2001 est.) |
| Population below poverty line | 35% |
| Unemployment rate | 17.5% |

Overview
Due to negative population growth -1.14% (2001 est.), Bulgaria has undergone one of the most clearly noticeable demographic changes in South eastern Europe. Bulgaria has a declining birth rate of 8.06 per 1,000 (2001 est.) compared to 14.5 per 1,000 in the early 1980s and a death rate of 14.53 per 1,000(2001 est.). Income depreciation of young families, rising unemployment rates and pessimistic aspirations for future prosperity has all contributed to the one-child family becoming the norm in Bulgaria. Moreover, the negative migration rate of -4.9 migrants per 1000 (2001 est.), further reduces of the size of the Bulgarian population.

Caritas in Bulgaria was established in 1993 from three member organizations – Caritas Plovdiv, Caritas Ruse, and Caritas Sofia. The organization is represented in more than 20 locations in the country and collaborators – in 8 locations.

Activities
Services offered:
Social support and humanitarian aid
- Social services
- canteens
- give up medicines
- social and medical services at home
- rehabilitation of disabled people
- Social protection
- consultations and accompaniment

Training
- children – preliminary class for Roma children, centers for after school work with children
- unemployed - computer training
- refugees – computer training and training of Bulgarian language
- agronomy training of farmers
• Officials and volunteers of Caritas

Contacts With Government
• The State on all levels
• NGOs – local and international
• Above governmental organizations – UNDP, The Europe delegation, UNCHR
• Universities – contracts for the practice of students in the bases of Caritas
• With our clients
• With private farmers/agricultural cooperation in Belene

SWOT
Strengths- Good collaboration with local authorities and the State; Partnership with NGOs and the municipalities; We have the support of the Catholic Church; Openness of the organization – in our teams works a lot of people, who aren’t Catholics; Transparency in the activities of the organization.

Weaknesses - Lobbing and advocacy; Lack of clear standards for the quantity of the suggested services; Our organization has limited capacity; Our activity isn’t popular enough; We are still young organization without big experience; The lack of local fundraising.

Opportunities - Changes in the laws in relation with clarifying the role and the place of NGOs; Amelioration of our collaboration with other NGOs: The existence of clear standards for social services and Change of laws; Development of our collaboration with related Orthodox and Protestant organization. Local fundraising; Capacity building.

Threats - The biggest risk for the activity of Caritas in Bulgaria is the eventual change in the political situation. During the last 10 years, we have worked with different political forces. Each new government has changed the laws in order to make it better. These changes have placed Caritas in waiting position, until the changes are legitimate. Our future plans have to change continuously.
Caritas Czech Republic

| Population | 10,256,760 |
| Ethnic Groups | Czech 81.2%  
| | Moravian 13.2%  
| | Slovak 3.1%  
| | Polish 0.6%  
| | German 0.5%  
| | Silesian 0.4%  
| | Roma 0.3%  
| | Hungarian 0.2%  
| | Other 0.5% (1991) |
| Religions | atheist 39.8%  
| | Roman Catholic 39.2%  
| | Protestant 4.6%  
| | Orthodox 3%  
| | Other 13.4% |
| GDP | $147.9 billion PPP |
| GPD growth rate | 3.4% (2001 est.) |
| Population below poverty line | 8.5% |
| Unemployment rate | |

Overview
Caritas Czech is well rooted historically. Started in 1920s. During years of Communist rule, influence and role was limited. During the last 12 years, Caritas has become the largest NGO in the field of providing social help services. More than 30,000 employees and 5,000 volunteers. The current budget is more than US$30 million. Funding comes from state subsidies, payments from health insurance companies, and payments from clients.

Activities
Caritas is running more than 300 projects from local level. Also working abroad and recently was appointed as a liaison for projects in Chechnya. Works with asylum seekers and homeless. Feel it is a duty to take their side and represent them in public debates.

Contacts With Government

SWOT
Strengths – Big organization, national network, receives a great deal of support from Church. From point of view of other NGOs, however, Caritas is too large and other organizations do not always want to cooperate.

Weaknesses – some people perceive Caritas as a tool of the Catholic Church and as a tool for manipulation.

Opportunities – Caritas would like to improve cooperation at domestic and international levels. With funds from state, public, and Caritas Germany and Austria, may be able to continuing improving upon this. Believe that enlargement will improve social welfare in accession countries and will create new space for NGOs. Caritas Europa may be able to play bigger role in access to EU Funds, especially ECHO.
Threats – Most threats come from a new law. NGOs no longer are able to obtain public funds because state is running own facilities, which are funded 100 percent by government. The law requires year-to-year negotiations with the government – a tough job for personnel in an unstable situation.
Caritas Estonia

<table>
<thead>
<tr>
<th>Population</th>
<th>1,415,681</th>
</tr>
</thead>
</table>
| Ethnic Groups | Estonian 65.3%  
Russian 28.1%  
Ukrainian 2.5%  
Belarusian 1.5%  
Finn 1%  
Other 1.6% |
| Religions | Evangelical Lutheran  
Russian Orthodox  
Estonian Orthodox  
Baptist  
Methodist  
Seventh-Day Adventist  
Roman Catholic  
Pentecostal  
Word of Life  
Jewish |
| GDP | $14.3 billion PPP |
| GDP growth rate | 4.7% |
| Population below poverty line | 25% |
| Unemployment rate | 12.4% |

Overview

Only 0.5% of Estonia’s inhabitants are Catholic, which means that many of staff and volunteers are not Catholic. Caritas does not receive any funds from Catholic Church. Caritas started in 1996, and as early as first year decided to create a list of clear priorities. Due to a lack of human resources, it made the most sense to have competency in one field. Defined Caritas’s priority as work with children and young people – do not intend to exclude other issue areas, but they only come in as part of their relationship with children issues.

Activities

Part of umbrella organization, “Network of Estonian NGOs.”

Participated in organising a conference on advocacy. Leaders from main political parities were asked to present their child welfare policies. Many experts also attended. Conference got extensive coverage by media and triggered a debate afterwards about child welfare in Estonia.

This year, launched another project – Development Cooperation Project – collected blankets, warm clothes, etc. for children’s hospital in Bethlehem. Believe Caritas has to speak up against double sidedness in Israel and Palestine

Contacts With Government

Have very good relationships with Ministry of Agriculture, Ethnic Affairs, and Development of Regional Affairs. During last few years, have been getting more and more funds from business and government. Has proved to be a stable and reliable partner for both.
SWOT
Strengths - As a project based organization, Caritas has come to bring something new in every project. Tries not to stick to classical model, but instead to come up with new ideas to try and include people from different backgrounds.

Weaknesses – In its activities Caritas tries to mix children from different social backgrounds. Although Caritas received funding for projects that aim to bring children together, it has on some occasions failed to attract children from socially advantaged families.

Threats – Businesses and local governments are often more worried about how many people are reached than on the quality of projects. Projects are not only about food, clothing, hygiene, but also art and music. These projects tend to be more expensive and Caritas must constantly explain why projects are expensive and what kinds of results are expected.
Caritas Hungary

<p>| | |</p>
<table>
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<tr>
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<tbody>
<tr>
<td>Population</td>
<td>10,075,034</td>
</tr>
<tr>
<td>Ethnic Groups</td>
<td>Hungarian 89.9%</td>
</tr>
<tr>
<td></td>
<td>Roma 4%</td>
</tr>
<tr>
<td></td>
<td>German 2.6%</td>
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<tr>
<td></td>
<td>Serb 2%</td>
</tr>
<tr>
<td></td>
<td>Slovak 0.8%</td>
</tr>
<tr>
<td></td>
<td>Romanian 0.7%</td>
</tr>
<tr>
<td>Religions</td>
<td>Roman Catholic 65%</td>
</tr>
<tr>
<td>GDP</td>
<td>$120.9 billion PPP</td>
</tr>
<tr>
<td>GPD growth rate</td>
<td>3.9%</td>
</tr>
<tr>
<td>Population below poverty line</td>
<td>8.6%</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>6.5%</td>
</tr>
</tbody>
</table>

Overview

Caritas Hungary is a newer organization, part of Catholic Charity Institutions. Although approximately 65 percent of population identifies themselves as Catholic, was more than 90 percent ten years ago. Hungary is experiencing similar problems with ageing population. Trying to work toward European standards, but with a very low base. Near most EU standards except in area of social services. Impossible to have standards.

Activities

Primary targets for Caritas are families. Also involved in humanitarian activities. Third focus is institutions. Caritas is working to develop a suitable network of institutions to make strengthen social services. Encouraging lobbying within NGOs and within Church.

Contacts With Government

New social government is not taking family political issues as important as previous governments. Caritas tried to bring its values into politics. Believe this is the most important area of lobbying activities.

SWOT

Weakness – need to become more professional in efforts.

Threats – Caritas is working as a Church organization and not necessarily as an NGO. Makes it difficult to obtain funding for certain projects – have only income from donations. Neither the Church nor the government offers financial support for Caritas. Situation is one of constant fund shortage.
Caritas Lithuania

<table>
<thead>
<tr>
<th>Population</th>
<th>3,601,138</th>
</tr>
</thead>
</table>
| Ethnic Groups       | Lithuanian 80.6%  
                       | Russian 8.7%   
                       | Polish 7%       
                       | Belarusian 1.6%  
                       | Other 2.1%       |
| Religions           | Roman Catholic 
                       | Lutheran        
                       | Russian Orthodox 
                       | Protestant       
                       | Evangical Christian Baptist 
                       | Muslim          
                       | Jewish          |
| GDP                 | $27.4 billion PPP |
| GPD growth rate     | 4.8%       |
| Population below poverty line |  |  |
| Unemployment rate   | 12.5%      |

Overview
Lithuania is a catholic country and the influence of the government is viewed as secondary. Tradition is strong and long. Caritas is well recognized and has a good reputation. Number of employees are members of the Catholic Church.

Activities
Has been working on humanitarian activities. Greatest successes are projects with children, homeless, and services for poor. Also works with human trafficking victims. These projects are prepared for dioceses structures. Experience in these areas is quite rich and Caritas is able to train others in the field.

Contacts With Government
Caritas is recognized by the government and has subsequently been able to receive government subsidies. Hope that this relationship will continue to grow.

SWOT
Problems – Insufficient funding for projects. Need support from EU. Our internal relationships sometimes show certain disputes between central Caritas and other organizations. Also experiencing generational problems – look at world differently, differences in training. This problem must be solved at head office. Another challenge is developing relationships with government politicians. Would like a positive impact for people receiving services. At municipal level, this is sometimes more successful. Government has changes and things are not always smooth.
Caritas Malta

| Population | 397,499 |
| Ethnic Groups | Maltese |
| Religions | Roman Catholic 91% |
| GDP | $5.95 billion PPP |
| GPD growth rate | 4% |
| Population below poverty line |  |
| Unemployment rate | 4.5% |

Overview
Caritas Malta is the Church Secretariat for Social and Charitable Action with the aim of co-ordinating and developing the work among the sick, the elderly, persons with special needs, drug users and other people in difficulty.

Activities

Community Outreach
Diaconia - A development programme for social and charitable action in the parish
- Monitoring of social problems and social and charitable work
- Develops parish volunteers through on going training programmes

Poverty Watch
- Research projects to monitor poverty and social problems

Counselling and Social work
- ‘Xefa’q: pre and post test counselling for HIV/AIDS
- Link: Advice and support at the Millennium chapel in Paceville
- After care of Mental Health service users support group
- Disability support in the homes
- Frame work and support to self-help groups – 21+; Epilepsy Association; Widows and Separated Support Groups; Gamblers Anonymous; Alcoholic Anonymous; Huntington’s Chorea Support Group

Prevention Education Awareness
- In schools – Focus Schools Project
- For Youths – Peer Leadership Courses; Youth skills Courses
- In Parishes - Values Groups
- For Parents – Parenting Skills Courses
- In Industry- Employee Assistance Programme

HelpAge
- Social Clubs in Parishes
- Good Neighbour Scheme
- Home Visitors Scheme
- ‘Life Ascending’ spirituality
- Care for Carers Training Programme
- ILAC: Independent Living Advice Centre
- Visits to Residential Homes
- Residential Homes Animation
- Inter-generational Activities
Foundation for the Rehabilitation of Drug Abusers

New Hope Project
- San Blas Programme
- Prison Inmates Programme
- Support Services
- Outreach / Induction
- Families/ Partners Service
- Aftercare
- Harm Reduction
- Short and Long-Term Support

Foundation for the Victims of Usury
Emergency Aid Commission

Caritas Council – coordination of all Catholic Church organizations including homes for the elderly, children, and disability among others. Meetings are held every 3 months.

Contacts With Government:
Ministry for Social welfare, Ministry of Justice, Ministry of Education.

SWOT
Strengths – long-term experiences, qualified staff, volunteers unit, clear HR procedures, information systems being developed, good relationship with media, other NGOs, and with government

Weaknesses – lack of formal systems for fundraising (sponsorships), public fundraising not effective, lack of funds has hindered some drug rehabilitation programs, HR procedures different in Foundations (not centralized)

Threats – New Hope Project taking up a lot of resources, government investing more in its own agencies than in NGOs, government social services are investing heavily in marketing and media promotion, high staff turnover due to competitive salaries from other NGOs and government.
Caritas Poland

| Population | 38,625,478 |
| Ethnic Groups | Polish 97.6%  
               | German 1.3%  
               | Ukrainian 0.6%  
               | Belarusian 0.5% |
| Religions | Roman Catholic 95%  
            | Eastern Orthodox, Protestant, Other 5% |
| GDP | $339.6 billion PPP |
| GDP growth rate | 1.5% |
| Population below poverty line | 18.4% |
| Unemployment rate | 16.7% |

Overview
Caritas Poland has a structure composed of three levels: a national Caritas, 40 diocesan Caritases, and 2 Caritas from the Greek Catholic tradition. There are also 170 groups of young people. The number of beneficiaries is approximately 50,000. There are about 4,000 people employed by Caritas.

Activities
Caritas helps mothers in need, children, and families. Aids elderly people, the sick, the terminally ill, handicapped, and helps rehabilitate drug and alcohol abusers. Helps groups on the verge of marginalization: the homeless, unemployed, immigrants, and refugees.

Contacts With Government
The relationship between Caritas and the current left-wing government is working well and it does not depend on political leaning. Caritas receives financial help from three ministries: the Ministry of Education (receives funds for summer camps held for marginalized children), the Ministry of Employment and Social Affairs (for social projects concerning groups of at-risk children and adults – the unemployed, homeless etc), and from the Ministry of Foreign Affairs for projects abroad.

There are three main dimensions to these relationships: information, consultation, and lobbying. Caritas provides the government with information regarding the needs of its beneficiaries. It requests information concerning Polish laws and the different social problems facing the government. Finally, Caritas lobbies the Polish government to support at-risk youth and adults.

Caritas also has working relations with the Ministry of Interior and the Ministry of Health for projects relating to those areas. Caritas works with police to prevent the trafficking of women and prostitution.

Caritas participates in the Council of Cooperation between the public administration and Polish NGOs under the aegis of the Chancellery of the Prime Minister. The organization also works with many NGOs, including the Red Cross.

SWOT
Strengths – well developed network, trust from the people, substantial human resources, well-developed networks and contacts.
Weaknesses – lack of specialists and professionals, have more volunteers than professional staff, involved in more short-term projects than long-term projects that invest in human potential, insufficient funds, need better relationships with diocesan and parish-level organizations

Opportunities – a partner for the government and other organizations in the struggle against social exclusion, the greatest participation in the creation of a social political network
Caritas Romania

<table>
<thead>
<tr>
<th>Population</th>
<th>22,317,730</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnic Groups</td>
<td></td>
</tr>
<tr>
<td>Romanian 89.5%</td>
<td></td>
</tr>
<tr>
<td>Hungarian 7.1%</td>
<td></td>
</tr>
<tr>
<td>Roma 1.8%</td>
<td></td>
</tr>
<tr>
<td>German 0.5%</td>
<td></td>
</tr>
<tr>
<td>Ukrainian 0.3%</td>
<td></td>
</tr>
<tr>
<td>Other 0.8%</td>
<td></td>
</tr>
<tr>
<td>Religions</td>
<td></td>
</tr>
<tr>
<td>Romanian Orthodox 70%</td>
<td></td>
</tr>
<tr>
<td>Roman Catholic 6%</td>
<td></td>
</tr>
<tr>
<td>Protestant 6%</td>
<td></td>
</tr>
<tr>
<td>Unaffiliated 18%</td>
<td></td>
</tr>
<tr>
<td>GDP</td>
<td>4.8%</td>
</tr>
<tr>
<td>GPD growth rate</td>
<td>44.5%</td>
</tr>
<tr>
<td>Population below poverty line</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>9.1%</td>
</tr>
</tbody>
</table>

Overview

Activities
Caritas Romania’s 11 diocesan organizations have
- Home care (approximately 50 centers)
- Projects for disabled persons (counselling offices, camps, day centers, and protected homes)
- Homes for the elderly and day centers
- Projects for children of Roma descent (schools and kindergartens)
- Medical programs
- Emergency programs
- Agricultural programs
- Direct social help

Caritas Romania also conducts fundraising activities to fund these social programs.

Contacts With Government
Permanent contact and working relationships with many federal and local authorities, EU, and other local NGOs. In 1998, began to receive funds from the Ministry of Labor and Social Solidarity according to Law 34/1998. Frequent discussions with Ministry of Health and Health Assurance House to include home care programs in the national sanitary system. Also has permanent contact with Secretary of State for disabled persons and there is a common project with the Ministry of Education.

At the local level, there are many cooperative projects with authorities.

SWOT
Strengths – involved in many areas of social service provision, have accumulated a great deal of experience, have attained EU PHARE projects, increasingly positive image in Romania, good cooperation with mass media, able to recruit many young staff members
Weaknesses – lack of trust and communication between diocesan organizations and central office, not all of employees and decision-makers are specialized, employees not motivated financially to stay in organization

Opportunities – CE Soda project should help correct the aforementioned weaknesses, will be more money and more application possibilities, local authorities are recognizing that NGOs can be real partners in providing social services, hope that Caritas Romania, with its 12 years of experience, can help develop activities in other less-developed Caritases

Threats – many organizations are going bankrupt, Catholic roots could be a future handicap if Orthodox Church builds own social network, conflicts and increasing distance between more-developed and less-developed diocesan Caritases.
Caritas Slovakia

<table>
<thead>
<tr>
<th>Population</th>
<th>5,422,366</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnic Groups</td>
<td></td>
</tr>
<tr>
<td>Slovak</td>
<td>85.7%</td>
</tr>
<tr>
<td>Hungarian</td>
<td>10.6%</td>
</tr>
<tr>
<td>Roma</td>
<td>1.6%</td>
</tr>
<tr>
<td>Roma</td>
<td>1.6%</td>
</tr>
<tr>
<td>Czech, Moravian</td>
<td>1.1%</td>
</tr>
<tr>
<td>Russian</td>
<td>0.6%</td>
</tr>
<tr>
<td>Ukrainian</td>
<td>0.6%</td>
</tr>
<tr>
<td>German</td>
<td>0.1%</td>
</tr>
<tr>
<td>Polish</td>
<td>0.1%</td>
</tr>
<tr>
<td>Russian</td>
<td>0.6%</td>
</tr>
<tr>
<td>Polish</td>
<td>0.1%</td>
</tr>
<tr>
<td>other</td>
<td>0.2%</td>
</tr>
<tr>
<td>(1996)</td>
<td></td>
</tr>
<tr>
<td>Religions</td>
<td></td>
</tr>
<tr>
<td>Roman Catholic</td>
<td>60.3%</td>
</tr>
<tr>
<td>Atheist</td>
<td>9.7%</td>
</tr>
<tr>
<td>Protestant</td>
<td>8.4%</td>
</tr>
<tr>
<td>Orthodox</td>
<td>4.1%</td>
</tr>
<tr>
<td>Other</td>
<td>17.5%</td>
</tr>
<tr>
<td>GDP</td>
<td>$62 billion PPP</td>
</tr>
<tr>
<td>GPD growth rate</td>
<td>3%</td>
</tr>
<tr>
<td>Population below poverty line</td>
<td></td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>19.8%</td>
</tr>
</tbody>
</table>

Overview
Country is in process of change, particularly after election of right-wing government that promises to move Slovakia toward EU accession as soon as possible. The social sphere is in transformation process also. First phase started this year- many social services moving from central to local level (cities, municipalities, regions). At the end of year, will have self-governmental elections. Hope this will go in direction of self-sufficiency. There is a general willingness to go in this direction, to the decentralized level of provision. Is a chance for Caritas to become a member of the decentralized system, since the second phase will be even more fragile. Will involve a change of benefits and a new pension system.

Activities

Contacts With Government
Has felt discriminated during last 2 years by state institutions. Fought to keep own institutions. Church has weak foundations and this is reflected in constant financial problems.

SWOT
Strength- NGO sphere is quite organized. Caritas is a member of umbrella of human rights issues. Opportunities- trying to coordinate with Ministry of Foreign Affairs to work abroad and trying to better address problems within Slovakia.
Caritas Slovenia

<table>
<thead>
<tr>
<th>Population</th>
<th>1,932,917</th>
</tr>
</thead>
</table>
| Ethnic Groups  | Slovene 88%  
|                | Croat 3%   
|                | Serb 2%    
|                | Bosniak 1% 
|                | Yugoslav 0.6% 
|                | Hungarian 0.4% 
|                | Other 5%   |
| Religions      | Roman Catholic 70.8%  
|                | Lutheran 1% 
|                | Muslim 1%   
|                | Atheist 4.3% 
|                | Other 22.9% |
| GDP            | $31 billion PPP |
| GPD growth rate| 4% (2001 est.) |
| Population below poverty line | |
| Unemployment rate | 11.5% |

**Overview**

Have 2 recognised minority groups: Italian and Hungarian citizens. Also Roma Caritas is organised in 3 dioceses and 352 parishes, has 12 employees and about 4000 volunteers.

**Activities**

Welfare and social services provision – mostly social and material help to families, children, and the elderly. Also does advisory work and counselling/consulting work. During last few years, Caritas has been developing a home care national program and there is one operating now. Volunteers from parishes and dioceses provide most services. Caritas also provides services for mentally handicapped, drug abusers, and mothers in need. Have a social institution for every diocesan Caritas. Have founded 1 home for elderly and there are plans for additional ones in a few years. Also provide spiritual guidance.

**Contacts With Government**

Caritas co-operates with government ministries, especially the Ministry of Health and the Ministry of Social Affairs and Internal Affairs. Receives significant funds from other organisations and from local sources. Own funds fund approximately 20 percent. For 2002, Caritas applied for some funds for home care. Many parish Caritas get local subsidies for their work in non-statutory welfare.

**SWOT**

Strengths – Caritas has a very well developed network. More than 4,000 volunteers on local level. Good Church support on all levels. Relatively positive public opinion.

Weaknesses – lack of specialists and lack of coordination with organizations that have specialists. Very small organization, only 20 professionals. Lack of material support. High requirements for social and medical services and expected from government to reach such high standards. Weak communication ability. Lack of research, info in databases. Problems with status – face over-protected public institutions and network.
Opportunities – as an NGO, have limited access to services. Very flexible and grassroots organizational structure. Designed good training programs for medical services. Many uncovered fields of social and welfare work in Slovenia. Lots of opportunity for Caritas in future.

Threats – Greatest threats could come from enlargement. Enlargement will not open or make possible pluralism in social service provision. If there is no clear demand or standards from the EU level than there will be steady forward direction for equal opportunities. Enlargement may come too soon. Caritas may not be ready to enter market. Lots of work still to be done. Projects could be jeopardised because of lack of resources – charity, etc. May not be enough support for NGOs in general, and for Caritas in particular. In the end, expect to build a network to help build capacities and develop cooperation and exchange.
ADVOCACY
Civil dialogue
An Essential Condition for an Equitable Enlargement Process

Appeal to the Danish Presidency of the EU

As one of the biggest non-governmental providers, Caritas Europa believes that civil society has a large role to play in shaping and forming future health and social welfare systems. In accordance with the current debates about the Convention and the EU’s stance on Governance, Caritas Europa urges the Danish Presidency to recommend candidate country governments to enter into a debate with civil society, to consult those organizations that are experts in social and health care, to draft fair and inclusive policies and to create measures that will help the poor and marginalized to integrate into the new European reality they are facing.

Caritas Europa welcomes the European Commission’s strategy paper on enlargement issued on 9 October 2002. We support the proposal to welcome 10 candidate countries into an enlarged Europe.

In partnership with the European Commission, Caritas Europa has organized three Enlargement Conferences to study the implications of the enlargement process for the poor and the marginalized in our society. During our last Enlargement Conference held in Prague, 7-9 October, we discussed the provision of health and social services, in the context of increased unemployment. We also studied the possible impact of free movement for our target groups in the candidate countries and beyond.

To ensure that enlargement provides a safe and sustainable political, social, and economic environment for the new Europe, attention should now be paid to the concerns of those most in need. For enlargement to be sustainable in the long term, urgent attention to the condition of the candidate countries’ health and social welfare systems is required.

We concluded that if the governments of the candidate countries continue to overlook the social consequences of transforming their economies, the number of poor and marginalized people will continue to increase after enlargement. Given this situation, initiatives in various fields are required such as:

- Proper retraining and relocation services for small farmers.
- Education and/or vocational training of young unskilled people.
- Retraining programs for the ever-growing amount of people over 50.
- Protection of migrants from exploitation.
- Support to migrants abroad and government schemes to encourage them to make their experience and expertise count in their own societies.
- Extending the benefits of enlargement over the borders of a newly enlarged EU in order to avoid jeopardizing the livelihoods of seasonal workers and small traders from across the new borders.

Caritas Europa is aware that Health and Social Protection systems are the competence of individual member states, present and future, and thus do not form part of the acquis communautaire to be adopted. However, the member states that form Europe, in contrast to the United States, have a great tradition of caring for their citizens through their Social Welfare systems. In an enlarged Europe these values need to be shared and maintained. Caritas Europa, together with many other Social Welfare providers, is ready to face this challenge in the candidate countries. However, negotiations are taking place behind closed doors with little or no involvement of NGOs so far. Moreover, it is generally felt that governments are not ready to take on this debate. The perception remains among the candidate countries’ governments, that if the EU has not put these areas on the agenda for accession negotiations, no immediate need exists for reform.

Who are we?
Caritas Europa is a confederation of 48 European national Caritas organizations. It represents the largest number of Europe wide non-governmental providers of social services. Some of our members also have a large stake in health care provision. Caritas Europa represents Caritases from the biggest cities to the smallest rural communities in the present EU, the Candidate countries and the future border countries.
Mrs. Annalisa Mazzella  
CARITAS  
Rue De Pascale, 4  
1040 Brussels

Dear Mrs. Mazzella,

Thank you for your letter and for the transmission of the documents related to the workshop on "Civil dialogue, an essential condition for an equitable enlargement process".

In the documents concerning the Workshop 3, the Appeal to the Danish Presidency and the Press Release, you underline very important issues such as the need to pay more attention to the social consequence of transformation in candidate countries and the better involvement of civil society in a dialogue with the Government in candidate countries for example.

As you know, the European Commission considers the fight against poverty and exclusion to be one of the main priorities for the EU, also in the framework of the enlargement process. I assure you that during the negotiation process the Commission, within the limit of its competence, clearly underlined the need for Candidate Countries to pay additional attention to this aspect and will continue to do so in the future. The European Commission also invited the Candidate Countries to implement proper reform of their health care and social welfare systems.

As you perhaps know, the Latvian Prime Minister and myself organised a high level conference on the social consequences of enlargement in Riga on 12 October 2001. I enclose you the Chairman’s Statement for your information.
I fully share Caritas' view that civil society has a large role to play in the enlargement process, particularly in the field of combating social exclusion and as regards social reforms. In this respect the Commission favours any initiative which can promote this dialogue.

Yours sincerely,
Conclusions, Recommendations, Issues that need further work in the future

Non-Statutory Social Welfare

Issues concerning the **financing** of health care systems

- Health care spending has a direct correlation with GDP. As Central and Eastern European countries’ GDP is at an average of US$10,042, whereas the average GDP in the EU is $25,743, it is unrealistic to expect health care spending to rise in the short term in the accession countries. If we see this in the context of an ageing population with an increased dependency on health care systems as an inherent effect, the urgency of structural health care reform is evident.

- The transition from the state health system to the social security model is not being universally achieved.

- The creation of efficient management structures presents problems in the public sector.

- Funds are often allocated to prestige projects without any long-term impact.

- In part, grave financial bottlenecks exist with the resultant de facto inability to make payments.

- Administrative passing on of problems to the tier of administration with the least amount of resistance (predominantly the (state) health insurance fund) prevails.

- Reimbursement when actually exercised has largely no links to quality.

- Extensive undefined economic structures continue to exist, entailing high cash payments without any basis in law.

- A high degree of political subordination of the health sector is apparent.

- Health insurance is often dependent on other state institutions, which are too busy fighting their own struggle to achieve prestige, such as the Ministry of Finance.

- If the flow of cross-border health care demand increases, the financially weak Eastern European social security structures would face severe problems.

- Treatment abroad is becoming an increasingly attractive possibility between EU member states patients, and one of which the general public is becoming more aware. Should the patients from the CEEC take advantage of the freedom of movement and go abroad to the present EU member states for
treatment, then a conflict is surely inevitable. Economic migration can only be avoided if national governments tackle their own health issues, with the aim of creating effective structures offering tangible social progress, after years of simply marking time.

- Economic migration can probably be most easily prevented by ensuring that higher priority is given in the CEEC than has been the case up until now to a stabilising social policy and an effective social security system.

Conclusions concerning **Health care provision** in the CEEC’s

- Non-profit employment averages around 1% in CEEC’s against 4.9% in EU countries. Strengthening of this sector is mandatory also in view of an increased demand for health care services.

- “Informal care” (i.e. by relatives, friends etc.) is 5 times more important to suffering individuals than formal care. Society needs to put more value on this form of care and endorse family initiatives by creating incentives.

- Formidable surplus capacities continue to exist, especially in the in-patient sector, without corresponding adequate productivity.

- Minimally qualified personnel are the rule, with high levels of fluctuation due to inadequate reimbursement.

- Other problems include: appointing the wrong staff, misuse of official powers and corruption.

Conclusions on the **Mandate** of Health Care Reform

- It is generally agreed to be significant that the Commission and the PHARE programme it is operating to accompany the transformation process have no mandate to dictate to any State that it has to introduce a “better” health system. This is having an effect today already in the EU with the ongoing decline in quality and also applies naturally to the CEEC. In the so-called “aquis communautaire” -- that is to say, the whole of the EU’s legal measures - - the health sector only occupies a small space.

- In connection with the above, the method of open coordination should be applied in the sector of health care provision, stakeholders, i.e. providers and patients should be actively involved in the policy reform.

- The politicians of the CEEC should, if need be, in addition to the specification requirements, make it clear to the Commission that an efficient social security system brings that very prize of social stability that is so lacking in many places.
Conclusions and Recommendations for Caritas Work

For the conclusions on Caritas identity, volunteerism, networking and cooperation, free movement of people and unemployment, please refer to the conclusions of the working groups earlier in this report.

There is a big advocacy role for Caritas in promoting fair health and social care systems in the cc’s.

Conclusions that will be taken up by the Non-Statutory Welfare Group

A On an EU level Caritas is already lobbying on the special status of services of general interest as we speak.

- For the Framework Directive on the special status of services of general economic interest to be adopted, Caritas should first elaborate its own position and underline what it thinks should be in it: quality requirements, respect of fundamental rights, freedom of initiatives, consideration of the value added by voluntary work and mission-driven initiatives, Caritas experience in caring for the weak, sick, and needy (core business), non-exclusion of patients or groups etc.

- Practical steps to consider:
  - Advocate the position paper of the Social platform on this topic (immediate action needed: steering committee of this platform on November 15th [DONE])
  - Provide comments for inclusion in the Commission Green Paper on this topic (deadline 15 November 2002 [DONE])
  - Then distribute position papers with a simple FAQ section to Mos to allow advocacy in their own country (no Brussels jargon)
  - Will it be taken up in the Convention and how?

B Social Services including Health services under EU Legislation

- Cross border provision of healthcare will provide problems for providers and patients. Caritas Europa (the NSW group) needs to look into the complexity of the situation and the existing EU legislation in the field (The interreg programme) and formulate a Caritas Europa position. The position should concentrate on the ramifications for providers, patients, staff/workers, and the cost factor.

- Other areas that the Caritas Europa NSW group should look at and provide information to its members for as well as take a position on, are the following areas that come under EU legislation:
- Recognition of qualifications for Caritas personnel in the health care sector, DG Education and Culture

C Those not under EU legislation:
- Free Health and social care access for people living below the poverty line (unemployed, elderly, families in social difficulty)
- Social Protection schemes

D Conclusions for the Caritas Europa network:
- Organizations feel like they don't have enough staff and expertise to work on national level. Skills transfer is needed especially from Western Caritases (training in delivering social services such as home care, employment schemes, drafting of recommendations for lobbying, models of NSW), but also outside of Caritas.
- From the perspective of the CEEC Member Organizations, Caritas Europa should provide a forum for exchange, organise the capacity building of staff personnel, give moral support to CEEC Caritas MOs, and increase its advocacy work regarding EU legislation, specifically on social services and enlargement.
- Many Member Organizations feel that Christian identity is more of an issue for our organizations than for the European institutions. They think that it is necessary, therefore, to have a document presenting the Christian identity of Caritas for the public.
- Caritas Europa should improve its networking and cooperation by increasing the number of training sessions, establishing a database to exchange programs and best practice, organizing additional workshops to share experiences, and facilitating the creation of partnerships in which both Western and CEEC MOs are represented.
- Caritas Europa has a clear role to play in establishing services for migrants in both the EU MOs and the CEEC MOs. These services should include preparing migrants for integration and enlargement and taking additional measures to combat human trafficking.
- On the advocacy level, both EU and CEEC MOs agree that Caritas should campaign against the transition period for the free movement of people.

E Concluding Thoughts on the Prague Conference:
- We've gone a step further in mapping situation and identifying the role of Caritas in the three areas of attention for the Ad Hoc enlargement group free movement of people, unemployment, but especially Non Statutory Welfare.
- We've learned about EU policy in health and social services, and the need for national policy advocacy.
- Absence of EU Caritases was felt and regretted. Enlargement will affect us all.
- Unemployment has risen so much in the CEEC’s, that Caritas feels it should be more involved and provide services in the prevention of unemployment to those affected.
- Follow-up conferences should focus on particular themes and contain an exchange of expertise.