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De- marginalizing child poverty and exclusion in the EU framework

Key-Points

1. 1 to 4 children in EU currently lives in poverty and social exclusion.
2. Small improvements during the period 2011-2019, since child poverty was reduced only at 5,5% (Eurostat,2019).
3. To deserve the title of a social and inclusive Europe, bigger efforts are needed.
4. EU organs should guide the Member-States efforts.
5. New initiatives at EU level open the way for a more promising child poverty policy.

How big is the problem?

Child poverty is a critical issue brought to the forefront of EU politics just in 2013 with the European Commission's Recommendation "Investing in children: Breaking the cycle of disadvantage". Up to today, efforts both at community and Member State level have been insufficient, given that 1 to 4 children in EU (Eurostat, 2019) leave under the state of poverty and social exclusion. Positively, child poverty seems to be given a more central role in the EU's program for 2021-2027.

The issue of child poverty needs to be addressed more dynamically if the European Union wants to be consistent with her aim to be more social and more inclusive. A child poverty rate that high, is opposing the value that EU gives to human rights and living conditions. At that point is useful to mention that the goal of the Strategy Europe 2020 to lift 20 million people out of poverty and exclusion was by far not met, since poverty rate has been reduced only by 11 million people (Eurostat, 2019). In 2019 child poverty rate was 22,5% (Eurostat, 2019), which was higher than the overall poverty rate at 21,1% (Eurostat, 2019) and only 5,5% lower than the child poverty rate of 2011 (Eurostat, 2011). With the Covid19 crisis, it is sadly expected to rise even more. Eliminating child poverty and exclusion should be a high priority, since it is the first step to an adult life with equal opportunities.



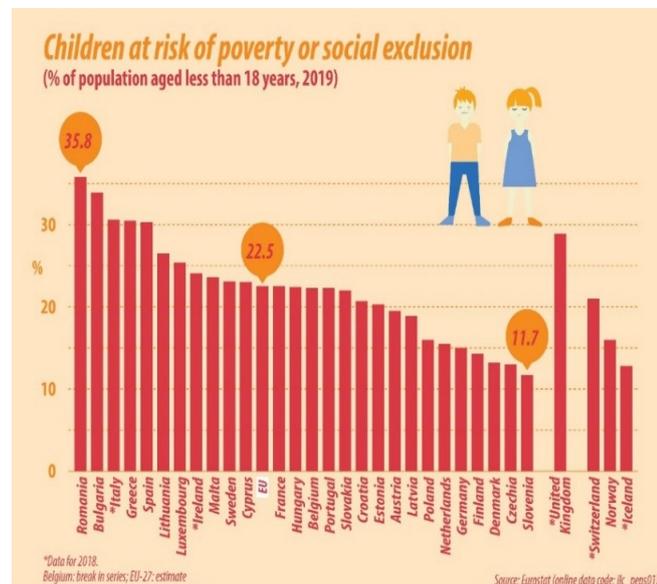
How Child Poverty and Exclusion is measured?

At risk of poverty or social exclusion, abbreviated as **AROPE**, indicates the total of people who are either at risk of poverty, or severely materially deprived or living in a household with a very low work intensity. The AROPE rate is used to monitor the EU 2020 Strategy poverty target and it is also used to depict child poverty and exclusion (Eurostat, 2019).

What at Risk of Poverty means?

The at risk of poverty rate indicates the total of people living in households with an income below the national at risk of poverty threshold, which is 60 % of the annual median income after social transfers (Eurostat, 2019).

In 2017 the European Social Policy Network published reports that evaluate the implementation of European Commission's Recommendation of 2013 by Member States. Its impact, despite being characterized as "moderate positive", was uneven between countries and between policies aiming at child poverty (ESPN, 2017). The efforts taken by Member-States were found insufficient, given that 17 of them continued to have a high or very high AROPE (ESPN, 2017). Weaknesses found by the ESPN, such as absence of a roadmap and a stronger inclusion of the Recommendation in the European Semester, remain, according to the Audit of the European Committee of Regions in 2020. However, developments such as the proposition of including explicitly child poverty in the new Multinational Financial Framework, the Social



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Pillar in 2017 and the Child Guarantee initiative, set the beginning of a more efficient fight against child poverty.

Recommendation: Investing in Children: Breaking the Cycle of Disadvantage 2013

It calls Member-States to support parents' access to the labor market, , provide adequate income support (such as child and family benefits), improve access to affordable early childhood education and care services, support children's participation in extra-curricular activities and in legal decisions affecting them (Commission, n.d.).

Can EU play a role?

The number of children living in poverty and exclusion is very high in EU. There are found significant discrepancies between Member-States. For example, Rumania has 35,8% (Eurostat, 2019) while Slovenia has 11,7% (Eurostat, 2019). There are also noted great differences among the population of a Member State. The problem of child poverty is more intense in the Roma minority and the immigrants, even though the particularities of these groups make difficult to measure the accurate number of children in poverty. A survey made by FRA found that in the EU, in 2014, 80% of Roma population were at risk of poverty, while the at risk of poverty rate for the general population was 17%(FRA,2016). The differences in child poverty rates both at EU level and at national level reflect, of course, the general economic and social inequalities that exist between Member-States and inside the national population. This remarque makes evident that tackling child poverty and exclusion requires reducing, among others, exclusion and inequalities at the labor market, unemployment, and educational inequalities. Apart from efforts to solve these bigger problems, which will certainly need a lot of time to produce results, it is important to assure that there are measures to alleviate directly and fast child poverty and exclusion.

Combating child poverty and exclusion is not just a political commitment of EU (FRA, 2018). EU is legally bound to protect children's welfare both at EU level and international level (FRA, 2018). At EU level, there are the Treaties (article 2 TEU, 4, 153, 156 TFEU), and the European Charter of Human rights (article 14, 24). At



international level, there is the Convention for the Rights of Children of 1950, which is signed by all Member-States.

In the EU policy framework, child poverty belongs to the field of Social Policy, in which EU has shared competence with the Member States (articles 4 and 153 TFEU). However, child poverty and social exclusion do not belong to the cases where the EU has the right to produce directives that set the lowest requirements for gradual implementation (article 153 TFEU). Nevertheless, EU directives can be issued in fields such as working conditions, social security and equality between men and women at the labor market, which can influence the fight against child poverty (FRA, 2018). An example of an important directive, voted in 2019, on the equal treatment of men and women in the labor market is the work-life balance Directive, aiming at alleviating the problem of secondary earners, which largely affects mothers (Council, 2019). Solving the problem of second earners means a greater motive for mothers to work, since their salary will compensate satisfyingly their time away from home and the costs of working, and it also means a bigger family income.

Even though measures against child poverty are taken exclusively at national level, the EU has also an important role to perform by encouraging, guiding, supporting, and coordinating the Member States (article 156 TFEU) by, for example, realizing studies and publishing guidelines (FRA, 2018). What is more, EU has competence to support, coordinate or supplement the member-states at the fields of education and health, which can be connected to children (article 6,165, 168,TFEU).

Up to now child poverty and exclusion was addressed at a limited level from the EU. The Recommendation ‘‘Investing in children: breaking the cycle of disadvantage was indeed an important step but the absence of a specific roadmap, qualitative goals , benchmarks and a common indicator to be followed by all Member-States limited its influence (ECA, 2020). Another thing that has marginalized child poverty is that it is rarely included in the Countries Specific Recommendations, that the Commission issues in the framework of European Semester. From 2016 to 2019, it was mentioned only in 1 CSR addressed to Ireland (ECA, 2020). It is also not mentioned as a priority in the Multinational Financial Framework 2014-2020, in the ex-ante conditionalities of Common Provisions Regulations and in the Regulation of European Social fund (FRA, 2020).

Positively, the MFF, the Common Provisions Regulation and the ESF+ Regulation for the period 2021-2027, as proposed by the European Committee, revise this marginalization. More specifically, it is useful to mention some of the changes. Firstly, the proposed ESP+ Regulation includes, for the first time, children as one of the targeted groups in the goal of integrating people at risk of poverty or social



exclusion (article 4). Secondly, the amended proposal of ESF+ regulation requires that all Member States allocate 5% of their ESF+ resources under shared management to eliminate child poverty (amendment 9). Thirdly, the proposed CPR creates the thematic “enabling conditions”, one of which for the first time directly concerns child poverty (article 11). It also upgrades the Charter’ influence in EU and national policy, since its implementation is set as one of the” enabling conditions”(article 11).

European Pillar of Social Rights

Principle 11: Childcare and support to children

“Children have the right to affordable early childhood education and care of good quality.”

“Children have the right to protection from poverty. Children from disadvantaged backgrounds have the right to specific measures to enhance equal opportunities.”

Another positive initiative that could help tackle child poverty (principle 11) is the European Pillar of Social Rights adopted in 2017. Even though the Pillar is not legally bounding, it is expected to play an important role, given that “a more social Europe implementing the European Pillar of Social Rights” is set as a general policy objective for both ESF+ and ERDF funding in the proposed 2018 draft of Common Provision Regulations of the European Commission. The Pillar is accompanied by a social scoreboard, which tracks the progress made in the application of the principles of the Pillar and which is planned to be used in the European Semester. Although it includes only one child-focused indicator, which shows the number of children of less than three years of age in formal childcare, there are also many other indicators associated to children’s well-being and useful to evaluate progress in child poverty, such as indicators for those leaving education and training early, income inequality, young people neither in education nor in employment or training (FRA, 2018).

EUROPEAN CHILD GUARANTEE

It aims to ensure that the more vulnerable children groups (living in precarious family situations, residing in institutions, belonging in recent immigrant families and refugee families, with disabilities and with special needs) will have access to free healthcare,



education, early childhood education and care decent housing and adequate nutrition (Commission, n.d.).

Finally, there are actions specifically for the more vulnerable children groups. For example, the child guarantee initiative, which is currently in development phase by the European Committee is intended to be the foundation for covering the basic needs of children. It will firstly cover the children belonging in vulnerable groups and hopefully expand to cover all kids (EC, 2020). There is a difficulty, however, with this initiative, which is traced at the fact that EU has never planned, implemented, or monitored actions at the field of child poverty (ECA, 2020). Concerning especially Roma children, the new European Framework for Roma Integration 2020-2030 of the European Commission, includes a specific objective for reducing child poverty. The implementation by Member-States is expected to be more efficient, since there are set specific qualitative goals to reduce poverty gap between Roma children and other children by 50% and to lead 85% of Roma children out of poverty by 2030 (Commission, 2020). A very positive provision is that beginning from 2023 the Member-States would have to report their progress to the Commission (Commission, 2020).

What can EU do?

The community organs show a common will to address more effectively the issue of child poverty and exclusion at the new programming period 2021-2027. This will create the necessary foundation for the Member-States to engage better in the combat against child poverty, by taking advantage of the relative European tools, old and new.

With a view to correcting and ensuring a successful child poverty policy it is essential that:

- The Commission develops a roadmap and define qualitative objectives and benchmarks, in order to motivate Member-States to the desired outcome. The setting of one common indicator, that will replace all the other indicators used by Member States separately, is also necessary for best monitor and coordination.
- The Commission addresses more frequently the issue of child poverty and exclusion in the CSRs of the European Semester, since it is an important problem that should be included in the national agenda and budget.



- Given the little experience of EU organs in designing, implementing and monitoring policies in the domain of child poverty and exclusion, the European Commission should pay extra attention in collecting sufficient and trustworthy information for the development of the European Child Guarantee to ensure its efficiency. She should also think if it is better to postpone its application, since in 2022, when it is planned to be initiated, the new programming period and the operational programs of ESF+ would have already been adopted and thus, there is no need of haste.
- Lastly, the European Framework for Roma Integration 2020-2030 could be used as model for setting qualitative targets for tackling child poverty and exclusion in other minorities and vulnerable groups, like children with special needs. The Commission should initiate such efforts.



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