



## How can the EU's post-2020 budget fight child poverty and social exclusion? Recommendations for the ESF+ and the Common Provision Regulations

Progress on reducing child poverty across Europe remains extremely limited as demonstrated by the fact that the poverty reduction target of the Europe 2020 Strategy has seen the least progress compared to the other targets of the strategy.<sup>1</sup>

Poverty severely impact children's health and their ability to develop their talents and capabilities, to establish relationships, and to learn. Poverty is carried on from one generation to another and severely undermines social cohesion and participation in society. If Member States and EU institutions want to fulfil their "commitment to work towards a social Europe"<sup>2</sup> as declared in the joint Proclamation of the European Pillar of Social Rights, Member States need to start by firmly reducing poverty and investing in children and families in vulnerable situations.

The Commission's proposals for the regulations on the European Social Fund Plus (ESF+)<sup>3</sup> and the Common Provisions Regulation (CPR)<sup>4</sup> provide some positive elements, but more can be done to strengthen the support EU funds can provide for children in vulnerable situations. The following provides the recommendations of the EU Alliance for Investing in Children to improve the proposals.

### 1. Strengthen ESF+ provisions on reducing child poverty

The Alliance welcomes the ESF+ acknowledgment of the need to address child poverty. Among the specific objectives of the ESF+ is the promotion of 'social integration of people at risk of poverty or social exclusion, including the most deprived and children'.

On average, one in four children in EU Member States are at risk of poverty and social exclusion and in many EU countries this number is one in three. Between 2010-2015, an increasing number of children faced this risk in 12 EU Member States.<sup>5</sup>

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<sup>1</sup> Eurostat (17 July 2018), *Smarter, greener, more inclusive? — Indicators to support the Europe 2020 strategy — 2018 edition*. Available at <http://ec.europa.eu/eurostat/documents/3217494/9087772/KS-02-18-728-EN-N.pdf/3f01e3c4-1c01-4036-bd6a-814dec66c58c>

<sup>2</sup> Joint proclamation of the European Pillar of Social Rights, point 7 page 6: [https://ec.europa.eu/commission/sites/beta-political/files/social-summit-european-pillar-social-rights-booklet\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/social-summit-european-pillar-social-rights-booklet_en.pdf)

<sup>3</sup> Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the European Social Fund Plus (ESF+) COM(2018) 382, 30 May 2018.

<sup>4</sup> Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL regulation laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument. COM(2018) 375 final, 29 May 2018.

<sup>5</sup> [http://ec.europa.eu/eurostat/statistics-explained/index.php/Children\\_at\\_risk\\_of\\_poverty\\_or\\_social\\_exclusion](http://ec.europa.eu/eurostat/statistics-explained/index.php/Children_at_risk_of_poverty_or_social_exclusion)

*Given the alarming rates of child poverty and social exclusion in the EU, the text of the ESF+ and CPR needs to include specific provisions to ensure that this objective is realised through appropriate actions and adequate resources. The text of the ESF+ regulation should strengthen the reference to children and children's rights.*

## **2. The ESF+ should take a rights-based and comprehensive approach, including by supporting the implementation of the whole European Pillar of Social Rights**

The ESF+ regulation clearly states that the new instrument should support the implementation of the European Pillar of Social Rights. Several provisions of the Pillar – such as principle 11 on quality childcare and support to children, as well as the principles on social protection, minimum income, health care, housing and assistance for the homeless, and access to essential services – can contribute to reducing poverty and social exclusion amongst children. The ESF+ should therefore contribute to implementing *all principles in the European Pillar of Social Rights*.

The Alliance welcomes the reference to the UN 2030 Agenda for Sustainable Development and emphasizes the need to use the ESF+ for strengthening the implementation of both the UN 2030 Agenda and the Pillar, and to take a rights-based and holistic approach to tackling poverty and social exclusion.

*The Alliance recommends that, the ESF+ regulation should maintain its objective to promote social inclusion of those at risk of poverty, including children and aim at leaving no one behind.*

## **3. 30% of the ESF+ should be dedicated to social inclusion and poverty reduction**

Under the current programming period, at least 20% of the ESF is foreseen to promote social inclusion and poverty reduction. Most Member States have exceeded this benchmark and have invested between 20% and 30% for social inclusion and poverty reduction, with an EU level average of 25.6%.<sup>6</sup>

*The Alliance recommends allocating at least 30% of the ESF+ to promoting social inclusion and reducing poverty. This would build on the current practice by Member States and demonstrate the added-value of EU funds in building a more social Europe.*

*The resources included in the 30% of the ESF+ should primarily aim to enhance access to affordable, sustainable, high-quality services; combat discrimination; and promote the social inclusion of all children – including children without parental care – and families experiencing poverty and social exclusion and of migrants and marginalised communities, including the Roma.*

## **4. Further alignment with the European Semester should not undermine social investment**

The ESF+ regulation establishes a stronger alignment of the actions implemented through the ESF+ and the European Semester and Country Specific Recommendations.

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<sup>6</sup> ESF Transnational Platform (April 2018), *Social inclusion indicators for ESF investments – Areas for development in addressing the 20% social inclusion target in the ESF+*. Available at <https://ec.europa.eu/esf/transnationality/content/social-inclusion-indicators-esf-investments-areas-development-addressing-20-social-inclusion>

*The EU Alliance for Investing in Children recommends that a proper balance be ensured among social and macroeconomic objectives in the European Semester process, so that adequate investment for social inclusion and poverty reduction are guaranteed.*

*The European Semester – including its Country Reports – should have an important role to play in monitoring how Member States will implement the enabling conditions on a more regular basis.*

## **5. Maintaining the enabling conditions during the negotiations**

The Alliance welcomes that the current ‘ex-ante conditionalities’ have been retained in the proposed Common Provisions Regulation, by applying a new terminology: enabling conditions. The enabling condition related to the CPR’s policy objective number 4 for ‘a more social Europe by implementing the EPSR’ calls on EU MS to have in place a national strategic framework for social inclusion and poverty reduction. These policy frameworks should be underpinned by ‘evidence-based diagnosis of poverty and social exclusion including child poverty, homelessness, spatial and educational segregation, limited access to essential services and infrastructure, and the specific needs of vulnerable people.’

*This enabling condition should be maintained throughout the negotiations by the European Parliament and the Council.*

*The Alliance recommends that this enabling condition should also apply to the specific objective 4.1.x of the ESF+ regulation “Promoting social integration of people at risk of poverty or social exclusion, including the most deprived and children”*

## **6. Further promoting the participation of stakeholders, including CSOs:**

Civil Society Organisations (CSOs) have a key role in reaching people in vulnerable situations and the most disadvantaged. To support, monitor and report on implementation of EU and national policies CSOs need sufficient capacity and support. Member States should ensure adequate *and meaningful* participation of civil society organisations in planning, implementing and monitoring actions under the ESF+.

*The Alliance for Investing in Children calls for 2% of the ESF+ to be earmarked for the capacity building of social partners and civil society organisations.*

*A revised European Code of Conduct for Partnership (ECCP) should be approved for the next programming period building on the current one and based on the [review of the Thematic Network on Partnership](#).*

**Endnote:**

Since November 2017, the EU Alliance for Investing in Children has been advocating for the MFF 2021-2027 to invest in children and prioritise child poverty reduction.

The EU Alliance for Investing in Children has been advocating for a multidimensional, rights-based approach to tackling child poverty and promoting child well-being since 2014.

This statement was endorsed by the following partner organisations of the EU Alliance for Investing in Children:

Alliance for Childhood European Network Group;  
Caritas Europa;  
COFACE Families Europe;  
Don Bosco International;  
Dynamo International – Street Workers Network;  
Eurochild;  
Eurodiaconia;  
EuroHealthNet;  
European Association of Service Providers for Persons with Disabilities – EASPD;  
European Federation of National Organisations Working with the Homeless – FEANTSA;  
European Public Health Alliance – EPHA;  
Mental Health Europe – MHE;  
Platform for International Cooperation on Undocumented Migrants – PICUM;  
Save the Children;  
SOS Children's Villages International.

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