

Shaping a European Child Guarantee

KEY FINDINGS

Despite recent positive developments, child poverty and cycles of intergenerational poverty and disadvantage remain a problem in the EU with the COVID-19 pandemic aggravating the situation.

The European Union is considered a leader in fighting child poverty. A milestone was the Council Recommendation on Investing in Children adopted in 2013. Prompted by the European Parliament, the Commission plans to go further: A proposal for a Council Recommendation on a Child Guarantee is planned for 2021. Such a guarantee shall ensure access to quality and free early childhood care and education, nutrition, health and housing implying a coordinated approach at European, national, regional and/or local level. Given the political importance, the European Parliament has recently established a Coordinator for Children's Rights.

Recent research and statements demonstrate a shared consensus on a number of elements of such a Child Guarantee, in particular on the need to improve services to compensate for disadvantage and to establish European targets on reducing poverty. Views diverge, however, with regard to the scope and focus of such a Guarantee. Options proposed include an additional, complementary service guarantee promoting participation in early childhood care, and tailoring other services to the individual needs of the poorest continuing in education as education is an effective way to break the cycle of intergenerational disadvantage. Another option discussed is the revision of the Council Recommendation of 2013, which could be combined with the first option.

Further discussion will be needed to shape a Child Guarantee taking a pragmatic approach with a view to effective implementation in the Member States and building on lessons learnt from the Youth Guarantee (e.g. outreach).

This briefing is an updated and extended version of an earlier note prepared for the [European Parliamentary Week 2020](#), co-organised by the European Parliament and the Croatian Presidency in February 2020. Taking account of the COVID-19 crisis, it complements a briefing on [Child poverty and the Child Guarantee](#) (2019) and a study (2018) on [Child poverty and EU funding](#) prepared for the EMPL Committee.

Child poverty and intergenerational cycles of disadvantage as a challenge

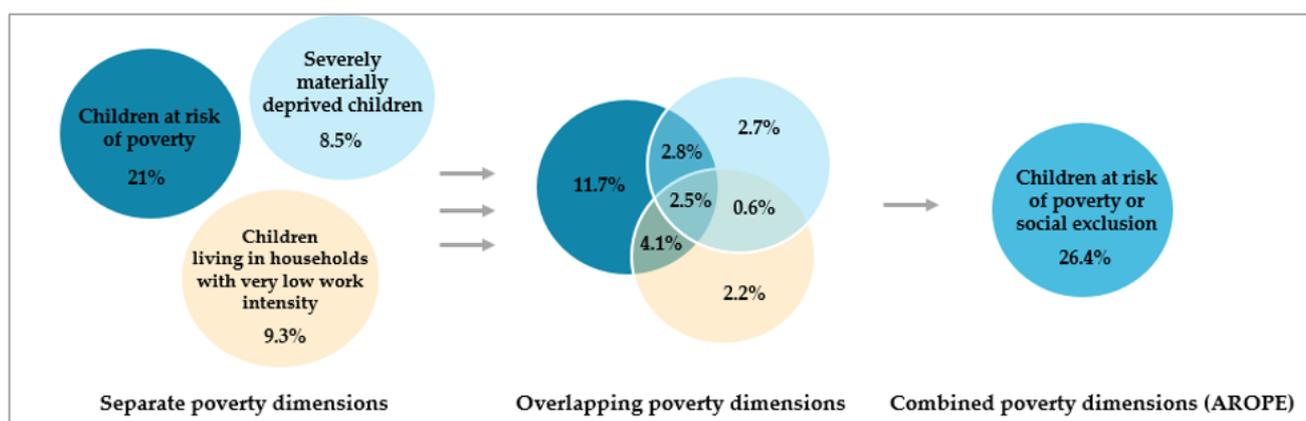
[Research](#) considers child poverty as a major problem for the EU as one in four children is at risk of poverty or social exclusion, nearly one in ten children is suffering from severe material deprivation or growing up in a context of social exclusion, for example in a jobless household. Consequences are serious: Robust evidence exists that child poverty has not only short-term, but significant long-term effects, creating an **intergenerational cycle of disadvantage and inequality**.



Despite positive developments before the COVID pandemic, prevalence of relative child poverty and, more severely, of material deprivation **remains a problem affecting many children** (Eurostat 2020).

The situation varies considerably across Europe: The risk is highest in RO and BG (deprivation rates of 70% or more), very high in CY, EL, HU, LV and PT and lowest in some Nordic countries having a long tradition of strong welfare states and inclusive policies. Yet, even in wealthy continental countries (AT, BE, DE and FR), between 10% and 20% of children are affected by deprivation. The risk is highest for households with single parents and those with many children. The [European Alliance for Children](#) underlines that child poverty is very much related low-wage jobs, unemployment or limited access to social benefits of parents.

Figure 1: Children at risk of poverty and social exclusion (AROPE), 2016, (% , aged 0-17, EU-28)



Source: [European Parliament 2018](#), Figure 2, p. 23; AROPE= 1) at risk of relative income poverty (60% of the national median income), 2) severe material deprivation (inability of a household to afford at least four of nine items for an adequate life, i.e. pay rent, utility bills; heating; face unexpected expenses, eat meat/proteins regularly; go on holiday; television; washing machine; car; telephone); 3) Low work intensity (< 20% of the total labour potential of a household at work during 12 months).

A situation aggravated by the COVID-19 pandemic

A [survey](#) by Eurofound shows that one in two workers experienced a reduction of working time, nearly one in three reported to have lost their job, most temporarily. Nearly two in five saw their financial situation worsening. [OECD](#) calls for immediate government measures as "*the poorest children, including homeless children and children in detention, [are] hit hardest. School closures, social distancing and confinement increase the risk of poor nutrition, their exposure to domestic violence, increase their anxiety and stress, and reduce access to vital family and care services. [Moreover] the poorest children are least likely to live in good home-learning environments with internet connection*".

European policy initiatives to fight child poverty

According to [experts](#), Europe is a leader in developing concepts, programmes and policies to fight poverty.

1. The Council Recommendation on Investing in Children (2013)

Building on the [Charter of Fundamental Rights](#) as well as on international conventions, in particular the [UN Convention on the Rights of the Child](#), European anti-poverty policy demonstrates a holistic approach covering material poverty, services and social participation of children.

Adopted as part of the [Social Investment Package](#), a dedicated [Council Recommendation on Investing in children - breaking the cycle of disadvantage](#) (2013) sets out a common European Framework for tackling child poverty. The Recommendation's multi-dimensional strategy centres around the **three pillars**

mentioned above: 1) Access to adequate resources (supporting parents' employment, adequate living standards through a combination of benefits); 2) access to affordable quality services (early childhood education and care, education, health services, housing, family support); 3) Children's right to participate (e.g. culture, sport). So far, [implementation](#) of the comprehensive recommendation is rather slow, follow-up through the European Semester not consistent, and child poverty was not specifically mentioned in the thematic objectives of relevant EU funding instruments (e.g. the European Social Fund).

2. European Parliament going further: pushing for a European Child Guarantee

The European Parliament has a [long tradition in supporting children's rights](#). A dedicated intergroup ensures coordinated and joint action across committees and parliamentary groups and in 2018, a "[European Parliament Coordinator on Children's Rights](#)" was established.

In 2015, the European Parliament introduced the concept of a Child Guarantee as an additional instrument that would target the most deprived children directly, as expressed in the [European Parliament Resolution of 24 November 2015](#) on reducing inequalities. This resolution had a special focus on child poverty. It calls for both a **better implementation of existing policy initiatives** and for the **establishment of an additional instrument**. The European Parliament calls on the Commission and on the Member States to '**introduce a child guarantee so that every child in poverty can have access to free healthcare, free education, free childcare, decent housing and adequate nutrition, as part of a European integrated plan to combat child poverty**'. Further, it recommends '*that all children have access to good quality services at this crucial stage in their development.*'

The proposal follows the model of the Council Recommendation on establishing a [Youth Guarantee](#) (2013). However, it has a stronger link to human rights as set out in the United Nations [Convention on the Rights of the Child](#) (1989), '*the world's most widely ratified human rights treaty in history*'. At European level, the Fundamental Rights Agency (FRA) [analyses avenues for implementation](#).

In order to push policy development, in 2017 the European Parliament called on the Commission to implement as a [preparatory action](#) a feasibility study on establishing a possible Child Guarantee scheme. Moreover, in its [Resolution of 4 April 2019](#), as a concrete step to support policies for a Child Guarantee in the Member States, the European Parliament as co-legislator proposed dedicated amendments to the Commission proposal for the [regulation on the European Social Fund Plus \(ESF+\)](#), in particular allocating an additional EUR 5.9 billion to ESF+ for the purposes of implementing the Child Guarantee, and allocating at least 5% of Member States' ESF+ resources under shared management to the Child Guarantee.

Responding to the risks for children under the **COVID-19 pandemic**, the European Parliament Intergroup issued a [statement in May 2020](#) calling upon the Commission to put in place specific measures to tackle increasing domestic violence against children, and upon Member States to ensure continuing access to quality education, for example through remote learning programs and free and open digital tools such as educational TV and radio programmes.

3. European Pillar of Social Rights and European Commission Work Programme: Fighting child poverty and the child guarantee as priority

Fighting child poverty is an integral part of the [European Pillar of Social Rights](#) proclaimed by the European Parliament, the Council and the European Commission in November 2017. One of its twenty principles, principle 11, states that '*children have the right to affordable early childhood education and care of good quality*' and '*children have the right to protection from poverty. Children from disadvantaged backgrounds have the right to specific measures to enhance equal opportunities*'.

Commission President Ursula von der Leyen has made a European Child Guarantee one of her [priorities](#). Consequently, the Commission committed itself, in its [Communication](#) of January 2020 on further implementation of the Social Pillar, to present a proposal for a Council Recommendation in 2021.

Concepts for a Child Guarantee: Points for debate

There is a widely shared consensus that the planned Child Guarantee should have a focus on improved access to essential services to prevent the intergenerational cycle of disadvantage, that it should not harm further implementation of the Council Recommendation of 2013, and that a European target for reducing child poverty should be set. However, positions differ with regards to its scope and priorities:

- **Complementary, general approach:** The Commission's [Feasibility study for a Child Guarantee](#) (2020: 188f,191f), i.e. the preparatory action requested by the European Parliament, focuses on four vulnerable target groups: children in precarious family situations, in institutions, recent migrants and refugees and children with disabilities). The researchers recommend "*to see the Guarantee as a specific additional tool for implementing Pillar 2 of the Recommendation (i.e. access to services)*" and to target it primarily at children in vulnerable situations or on children in poverty as this would have greater impact. The EU could have a role in setting quality standards in all five areas. Moreover, an additional Child Guarantee should be **formally linked to continued efforts to implement the 2013 Recommendation**;
- **Complementary, sequenced approach:** In her expertise for the EMPL Committee, Daly ([2019](#)) supports a specific Child Guarantee complementing the Council Recommendation of 2013 with a focus on services and the mode of delivery. Given the importance of overcoming the intergenerational poverty trap, she recommends a strategy **starting with early childhood education and care and education** as test cases for the Guarantee. Finally, she suggests to set a **results-oriented child poverty target** which integrates a focus on the poorest children; and
- **Integrated, holistic approach:** In its [Joint statement](#) of 2020, the [European Alliance for Investing in Children](#) stresses that access to essential services is critical, but will not reduce child poverty. The holistic approach taken in the comprehensive policy framework of the Council Recommendation on Investing in Children (2013) should be retained and reinforced in a revised Council Recommendation on a Child Guarantee setting as target to halve the number of poor children.

Shaping a Child Guarantee will require further discussion with regards to its design including effective synergies with existing European policy initiatives (e.g. the [active inclusion strategy](#) and the [Social Investment Package](#), the [Council Recommendation on High-Quality Early Childhood Education and Care](#), the [Council Recommendation on Early School Leaving](#), the upcoming policy initiative on European minimum income policies pushed by [Germany's Council Presidency](#)). It would also be important to consider lessons learnt from the [Youth Guarantee](#) including partnership strategies and outreach.

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© Figure on p. 2 taken from the original study.

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