



THE FIGHT AGAINST POVERTY, SOCIAL EXCLUSION AND DISCRIMINATION

By supporting Member States in the fight against poverty, social exclusion and discrimination, the European Union aims to reinforce the inclusiveness and cohesion of European society and to allow all people to enjoy equal access to opportunities and resources.

LEGAL BASIS

Article 3(3) of the Treaty on European Union, Articles 19, 145-161 of the Treaty on the Functioning of the European Union (TFEU) and Title III of the Charter of Fundamental Rights of the European Union (EUCFR).

OBJECTIVES

Combating poverty and social exclusion is one of the specific social policy goals of the EU and its Member States. In accordance with Article 153 TFEU, social inclusion is to be achieved solely on the basis of non-legislative cooperation – the open method of coordination (OMC) – while Article 19 TFEU allows the EU to take action to fight discrimination both by offering legal protection for potential victims and by establishing incentive measures.

ACHIEVEMENTS

A. Fight against poverty and social exclusion

Between 1975 and 1994, the European Economic Community conducted a number of pilot projects and programmes designed to combat poverty and exclusion. However, given the absence of a legal basis, Community action in this area was continually contested.

The situation changed with the entry into force, in 1999, of the Treaty of Amsterdam, which enshrined the eradication of social exclusion as an objective of Community social policy. In 2000, the Social Protection Committee was established to promote cooperation between the Member States and with the Commission (Article 160 TFEU).

The Lisbon strategy, launched in 2000, created a monitoring and coordination mechanism consisting of objective setting, poverty measurement based on a set of indicators and benchmarks, guidelines for the Member States and national action plans against poverty. It also established a new governance mechanism for cooperation between the Commission and the Member States: the OMC, a voluntary process for



political cooperation based on agreed common objectives and common indicators. Stakeholders, including social partners and civil society, also cooperate in the process. Since 2006, a new policy framework, the open method of coordination for social protection and inclusion (social OMC) has regrouped and integrated three separate OMCs on social inclusion, health and long-term care and pensions.

In its October 2008 [recommendation](#) on the active inclusion of people excluded from the labour market, the Commission said that the 'Member States should design and implement an integrated comprehensive strategy for the active inclusion of people excluded from the labour market combining adequate income support, inclusive labour markets and access to quality services'.

The Europe 2020 strategy introduced a new common target in the fight against poverty and social exclusion: to reduce the number of Europeans living below the national poverty line by 25 % and to lift more than 20 million people out of poverty by 2020. This target was not achieved, and in March 2021, the Commission included a new headline target of reducing the number of people living in poverty by at least 15 million (including at least 5 million children) by 2030 in the [European Pillar of Social Rights action plan](#). The related national targets were presented in June 2022.

In December 2010, the Commission launched the European platform against poverty and social exclusion as one of seven flagship initiatives of the Europe 2020 strategy, together with a list of key initiatives, such as an assessment of active inclusion strategies at national level and a [white paper on pensions](#).

Following the establishment of the European Semester in 2010, the Commission presented a [proposal](#) in 2013 to strengthen the social dimension in the governance of the economic and monetary union, in response to calls from the European Council and Parliament. A key component is the social scoreboard, which is a set of indicators, including income inequality, household disposable income, the at-risk-of-poverty-or-social-exclusion rate, the rate of young people neither in employment nor in education or training and the impact of social transfers on poverty reduction.

In November 2017, all three of the main EU institutions expressed their commitment to the [European Pillar of Social Rights](#) (EPSR) in a joint proclamation. The EPSR establishes social protection and inclusion as one of three key areas ([2.3.1 Social and employment policy: general principles](#)). The EPSR has been used to launch a series of legislative and policy initiatives, such as [Directive \(EU\) 2019/1152](#) on transparent and predictable working conditions, the social fairness package, which includes [Regulation \(EU\) 2019/1149](#) establishing a European Labour Authority and the [Council Recommendation](#) of 8 November 2019 on access to social protection for workers and the self-employed, and [Directive \(EU\) 2022/2041](#) on adequate minimum wages, which aims to fight in-work poverty.

The EPSR action plan of March 2021 contained a number of relevant initiatives: the [EU strategy on the rights of the child](#), the [Council recommendation establishing a European Child Guarantee](#), the [European Platform on Combating Homelessness](#), the [Council recommendation on adequate minimum income ensuring active inclusion](#), the [European Care Strategy](#) and a [high-level group on the future of social protection and of the welfare state](#), which has presented 21 recommendations to improve social



protection systems and welfare states. In June 2021, the EU Ministers for Employment and Social Affairs endorsed a revised list of social scoreboard headline indicators.

B. Anti-discrimination legislation

1997 can be regarded as a turning point, as a new article (now Article 19 TFEU) was introduced into the Treaty establishing the European Community, empowering the Council to take action to deal with discrimination on grounds of racial or ethnic origin, religion or belief, age, disability or sexual orientation. In 2003, this article was amended by the Treaty of Nice to allow the adoption of incentive measures. In 2009, the EUCFR entered into force, including several articles on equality and non-discrimination. In 2011, for the first time in history, the EU became a party to an international human rights treaty, the UN Convention on the Rights of Persons with Disabilities (UNCPRD). The 2017 EPSR reaffirmed the principles of gender equality and equal opportunities.

A number of directives have been adopted in this area:

- The [Racial Equality Directive](#) (2000/43/EC);
- The [Employment Equality Directive](#) (2000/78/EC);
- The [Equal Treatment Directive](#) (2006/54/EC), merging a number of previous directives dedicated to equal opportunities for men and women;
- [Directive \(EU\) 2019/1158](#) on work-life balance for parents and carers, which takes a broader perspective on sharing care responsibilities between women and men;
- [Directive \(EU\) 2022/2381](#) on improving the gender balance among directors of listed companies and related measures.

A 2008 proposal for a [directive on implementing the principle of equal treatment between persons outside the field of employment](#) (the Horizontal Anti-Discrimination Directive) has still not achieved consensus in the Council. In December 2022, the Commission put forward two proposals for a directive establishing standards for equality bodies.

C. EU funding

The main funding instrument is the European Social Fund Plus (ESF+), which makes EU funding available to co-finance actions aimed at fighting poverty and exclusion, combating discrimination and helping the most disadvantaged gain access to the labour market ([2.3.2 European Social Fund](#)).

For the 2021-2027 period, the ESF+ has a total budget of almost EUR 99.3 billion. The ESF+ [Regulation \(EU\) 2021/1057](#) requires 25% of the funds to be earmarked for social inclusion, at least 3% of the budget to be spent on food aid and basic material assistance for the most deprived and, in EU countries where the number of children at a high risk of poverty is above the EU average, a minimum of 5% of ESF+ resources must be spent on measures that contribute to children's equal access to free healthcare, education and childcare, decent housing and adequate nutrition.

The FEAD was set up in March 2014, by [Regulation \(EU\) No 223/2014](#). The fund supports Member States' actions to provide material assistance, in combination with



social inclusion measures, to the most deprived. In the current programming period, it is integrated into ESF+.

In September 2020, the European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) was established to support Member States in their efforts to cope with the COVID-19 pandemic and to preserve jobs and incomes, especially through short-time work schemes. By its expiration date on 31 December 2022, it had provided EUR 98.4 billion in back-to-back loans to the Member States.

The [Recovery and Resilience Facility](#) (RRF) entered into force in February 2021 with the aim of providing up to EUR 723.8 billion in funding through the end of 2026 to mitigate the economic and social impact of the COVID-19 crisis. Two of the six pillars set out in the RRF contribute to tackling poverty and social exclusion.

In March 2022, in the context of the Russian invasion of Ukraine, the Commission put forward a proposal for Cohesion's Action for Refugees in Europe (CARE) to introduce more flexibility in the 2014-2020 cohesion policy rules. Member States can use such resources to finance emergency measures and to provide immediate support in the areas of employment, education and social inclusion. The [Flexible Assistance for Territories \(FAST-CARE\) Regulation](#) extends the existing support provided under CARE.

In the context of the transition towards a climate-neutral economy, the European Union has adopted a series of measures to ensure that poverty and social inclusion do not worsen. Some examples are the Just Transition Mechanism, including the Just Transition Fund, and the Social Climate Fund.

D. EU strategies for specific groups

A new [EU disability strategy for 2021-2030](#) was presented by the Commission in March 2021. Three of the seven flagship initiatives of the strategy have been delivered: the European resource centre AccessibleEU, the Disability Platform and a renewed human resources strategy for the Commission. Another flagship initiative, the [European Disability Card proposal](#) (6 September 2023) is awaiting Parliament's and the Council's position and agreement. The implementation of the strategy can be followed on the Commission [monitoring framework website](#).

The von der Leyen Commission has made building a 'Union of Equality' one of its key priorities, resulting in a number of new initiatives:

- [2020-2025 gender equality strategy](#) following on from the 2016-2019 strategic engagement for gender equality;
- [Directive \(EU\) 2023/970 of the European Parliament and of the Council of 10 May 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms](#);
- [2020-2025 EU anti-racism action plan](#);
- [EU Roma strategic framework for equality, inclusion and participation](#);
- [Council recommendation on Roma equality, inclusion and participation](#);



- [2020-2025 EU LGBTIQ equality strategy](#);
- [2021-2027 action plan on integration and inclusion](#), which includes proposals in four areas (education, employment, housing and health), with the aim of promoting the integration and social inclusion of migrants and people with a migrant background;
- [2021-2030 EU strategy on combating antisemitism and fostering Jewish life](#).

EU measures have often focused on young people. In 2012, faced with a high number of jobless young people, the Commission proposed a Youth Employment Package, which was followed by the Youth Guarantee in 2013. Another initiative to create new opportunities for young people was the European Solidarity Corps, launched by the Commission in December 2016. In response to the COVID-19 pandemic and its disproportionate impact on young people, the Commission proposed the [Youth Employment Support package](#), including a [Council recommendation on a reinforced Youth Guarantee \(A Bridge to Jobs\)](#). The Commission launched a new work placement initiative under the ESF+ called ALMA (Aim, Learn, Master, Achieve) to reach vulnerable young Europeans who are not in any kind of employment, education or training, with the aim of helping them find a place in the labour market. The previously mentioned [EU strategy on the rights of the child](#) includes actions to tackle poverty, racism and discrimination affecting children and the [European Child Guarantee](#) aims to prevent and combat social exclusion by guaranteeing that children in need have access to a set of key services.

Those facing long-term unemployment have also been a policy focus with the adoption, in February 2016, of the Council [recommendation on the integration of the long-term unemployed](#) into the labour market.

ROLE OF THE EUROPEAN PARLIAMENT

Parliament has repeatedly adopted resolutions with the goal of strengthening EU action to reduce poverty and improve the conditions and prospects of the socially disadvantaged, e.g. its [resolution of 22 October 2020](#), in which it expressed concern about the devastating social effects of the COVID-19 crisis, and its [resolution of 11 March 2021](#). In these resolutions, Parliament called for robust social welfare systems and for a European unemployment reinsurance scheme to be established. In February 2021, Parliament repeated this latter demand in a [resolution on reducing inequalities with a special focus on in-work poverty](#), in which it also called for an overarching European anti-poverty strategy and for the Commission to present an EU framework on minimum income. Demands first put forward by Parliament in 2015 for a European Child Guarantee have now been put into action with the Council recommendation adopted in June 2021.

The Treaty of Lisbon (Article 19(1) TFEU) gave Parliament the power of consent in relation to the adoption of non-discrimination legislation. Parliament was an active player in the debate that led to the inclusion of this article, and it has often called on the Commission and the Member States to ensure the full and timely implementation of the anti-discrimination directives. In its [resolution of 7 February 2018](#), Parliament expressed regret at the lack of progress on the Horizontal Anti-Discrimination Directive



and asked the Commission and the Council to re-launch negotiations. It reiterated these demands in a number of subsequent resolutions and held a plenary debate on the subject in October 2019.

Parliament has also called for the mainstreaming of gender equality in budgets and policymaking and for gender impact assessments to be carried out when establishing any new policy. Resolutions have also expressed concern about the gender dimension of poverty and the gender pension gap (e.g. [the resolutions of 14 June 2018](#) and [16 November 2017](#)). Its resolution of [17 April 2018](#) focuses on empowering women and girls through the digital sector. In its resolution of [5 July 2022](#) on women's poverty in Europe, Parliament recognised that major means of eliminating poverty among women are gender equality in the labour market, removal of existing barriers in the labour market, as well as of barriers to access to affordable services such as childcare and long-term care services.

Parliament has been particularly vocal on improving the rights of persons with disabilities, including by [requesting](#) an ambitious post-2020 European disability strategy and [calling](#) on the other EU institutions and the Member States to reaffirm their commitment to achieving inclusive equality for persons with disabilities and to fully implement the UNCRPD.

Parliament has also [drawn attention](#) to the plight of specific groups during the pandemic and called for a comprehensive anti-poverty strategy. On 8 July 2020, Parliament adopted a [resolution on the rights of persons with intellectual disabilities in the COVID-19 crisis](#). On 17 September 2020, it [called](#) on the Member States to do more to combat social exclusion and anti-Gypsyism, to improve the lives of Roma people and to protect their health amid the COVID-19 crisis. Rising homelessness rates across the EU and the lack of affordable housing have become subjects of growing concern for Parliament, as shown in its [resolutions of 24 November 2020](#) and [21 January 2021](#). In these, Parliament called on the Commission and the Member States to ensure that the right to adequate housing is recognised and enforceable as a fundamental human right in EU and national legislation.

On 5 October 2022, against the backdrop of the energy and cost of living crisis, Parliament adopted a [resolution on the EU's response to the increase in energy prices in Europe](#) urging the Member States to avoid people being obliged to choose between eating or heating and to avoid home evictions for vulnerable households. It highlighted that many people were already in vulnerable situations before the crisis and warned that inflation may make the situation unbearable for low-income households, with the middle class also being increasingly affected. It encouraged Member States to make full use of the existing options to cut taxes on energy products and called on the Commission to consider giving Member States space to introduce further temporary exemptions or reductions on excise duties and energy taxes.

For more information on this topic, please see the website of the [Committee on Employment and Social Affairs](#).

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