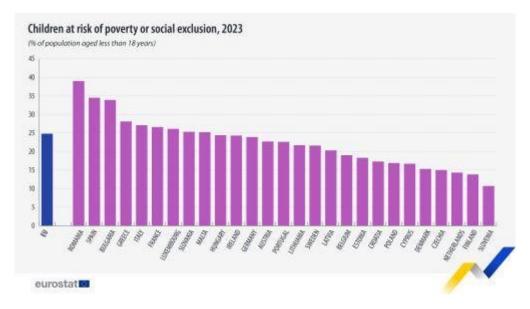


A Europe that protects every child: Aligning EU's policies and budget to eradicate child poverty

Recommendations from the EU Alliance for Investing in Children on the European Child Guarantee, EU Anti-Poverty Strategy, and MFF

INTRO

Child poverty remains a deep and persistent crisis across Europe, affecting millions of children in every EU country. Despite progress made in recent decades, around 94 million people in Europe live in households at risk of poverty. According to <u>Eurostat</u>, in 2023, a staggering **24.8%** of children in the EU were at risk of poverty or social exclusion, far higher than the 20.6% of adults. This means that **20 million children** - **one in four** - are being denied the foundation for a fair and equal future. This is not inevitable; it's a political choice - a choice we cannot accept.



Growing up in poverty is not just a childhood hardship – it can lead to **lifelong inequalities that limit opportunities and weaken the whole society**. Adults who experienced child poverty and social exclusion are less likely to be employed, earn 20% less on average, and suffer poorer health, equivalent to losing two weeks of life expectancy each year. **The cost of inaction is staggering**. The annual economic burden of childhood disadvantage is estimated at <u>3.4% of GDP across OECD countries</u>. Economic crises deepen existing inequalities, weaken social cohesion, strain public services, and ultimately undermine Europe's long-term stability and growth.

This is not just a national problem; it is a **pan-European crisis**. The persistence of child poverty reflects a collective **systemic failure** with severe socio-economic, health, fiscal, and security consequences across Europe. The impact extends beyond education and employment – poverty is one of the key contributing factors to **family separation**, resulting in children being placed in alternative care, which further damages their prospects and **perpetuates the cycle of poverty**.

We cannot afford to look away. Investing in children is not just a **moral obligation**: it is an **economic and social necessity** for a stronger and fairer Europe. The EU and its Member States must act decisively to break this cycle and put an end to child and family poverty.

Despite the challenges posed by child poverty, existing **EU** frameworks and upcoming initiatives present a critical opportunity for transformative change. As highlighted in Executive Vice-President Roxana Mînzatu's mission letter, strengthening the European Child Guarantee is crucial to ensuring its continued success in providing essential services to children in vulnerable situations. Moreover, the forthcoming revision of the European Pillar of Social Rights (EPSR) Action Plan and the new EU Anti-Poverty Strategy must place child and family poverty at the heart of Europe's social agenda, adopting an integrated and comprehensive approach that addresses its structural causes.

However, policies alone are not enough, adequate funding is crucial to their success. The **Multiannual Financial Framework** (MFF) plays a pivotal role in providing the financial resources needed to **translate commitments into action**. While national public budgets are key, EU-level funding is essential for supporting pan-European coordination mechanisms and financing innovative, cross-sector initiatives that national resources alone may struggle to sustain. The MFF serves as a strategic tool to bridge funding gaps, scale effective solutions, and ensure a cohesive European response to child poverty.

For this reason, this paper outlines the <u>EU Alliance for Investing in Children</u>'s (Alliance) **key recommendations** on the European Child Guarantee, EPSR Action Plan, EU Anti-Poverty Strategy, and the MFF. **We advocate for a bold, integrated, and adequately funded approach to eradicate child poverty.**

RECOGNISING THE CHILD POVERTY CRISIS

Understanding its full impact on children, families, and society

Child poverty and social exclusion remain critical and deepening crises across Europe, affecting over 20 million children in the European Union. This stark reality is not just a statistic but a failure of policy and priorities that severely impacts children's physical and mental health, education, and overall well-being. Even **short periods of deprivation during childhood can have long-lasting and detrimental effects**, trapping children and their families in a cycle of poverty and social exclusion that is difficult to escape. These adverse outcomes not only limit individual potential but also **weaken Europe's social fabric and economic future,** perpetuating intergenerational poverty.

According to <u>Eurostat</u>, **from 2019 to 2023**, the number of children at risk of poverty and social exclusion rose from 19 million (23.6%) to nearly 20 million (24.8%), an **increase of approximately 4.2**%. This worsening crisis stems from **compounding factors**, including the long-term impact of the COVID-19 pandemic, the ongoing cost-of-living crisis, and climate

change. These challenges have disproportionately affected children and families in vulnerable situations. Economic shocks have stretched already limited resources, and in many cases, funding for social policies designed to protect the most at risk is being diverted elsewhere, a particularly troubling trend in the context of the EU's post-pandemic recovery.

Specific vulnerabilities and geographical disparities exacerbate the uneven distribution of child poverty across Europe. While some regions experience consistently high poverty rates, even prosperous urban areas register particularly high levels of deprivation. The children most at risk in these areas often belong to groups in vulnerable situations, including Roma children, children with a migrant background, children with disabilities, children in alternative care and precarious family situations, and those living in single-parent households. For example, children whose parents were born abroad are twice as likely to live in poverty as children of EU nationals. As recognised by the Child Guarantee Recommendation, these groups face compounded vulnerabilities that make them even more susceptible to the consequences of poverty. They are often excluded from the systems and policies designed to meet their basic needs, for example due their residence status, which further deepens their marginalisation. This systemic exclusion deepens inequality and reinforces a cycle of disadvantage that becomes harder to break with each passing generation.

Yet, despite overwhelming evidence of the economic and social returns of investing in children, policymakers continue to focus on immediate economic recovery and budgetary constraints rather than prioritising long-term, high-impact social spending. Quantifying the need for targeted investments, especially in early childhood, is crucial. In particular, social investments and reforms yield higher returns when targeted at the early stages of citizens' lives, as highlighted in the European Commission's 2024 Employment and Social Developments in Europe (ESDE) report. The report emphasises that social investments in children contribute to better education outcomes and enhanced job prospects later in life, which in turn stimulate economic growth. To meet the 2030 targets for early childhood education and care, the report indicates that the EU should invest an additional €11 billion per year. Social investment is key to the EU's cohesion, security and competitiveness: prioritising child poverty reduction and child rights strengthens both democracy and stability.

The consequences of inaction are predictable and dire: **neglecting children's needs today will lead to increased societal costs in the future**, weakening both social cohesion, security, and economic performance across the EU. The time for political hesitation is over; **the EU must act now to end child poverty and invest in a future where no child is left behind.**

THE EUROPEAN CHILD GUARANTEE

Driving positive change at the European and national levels

The European Child Guarantee represents a **once-in-a-generation opportunity** to combat child and family poverty and social exclusion. By adopting the European Child Guarantee Recommendation, Member States made a historic commitment to ensure access to essential services such as healthcare, education, housing, and nutritious food for children living in vulnerable situations. By specifically focusing on children in vulnerable situations, the instrument aims to break the cycle of poverty and improve opportunities for those most at risk of exclusion. The policy has the potential to serve as both a preventive and an intervention tool,

addressing immediate needs while tackling the structural barriers that perpetuate social exclusion.

However, in recent months, the Alliance has observed **growing scepticism** among **newly elected MEPs** and across various European policymakers regarding the impact of this instrument. Before advancing recommendations to strengthen it, it is crucial to highlight the tangible results already achieved, demonstrating the Child Guarantee's effectiveness and reinforcing the case for scaling its success.

One of the most powerful aspects of the Child Guarantee is its ability to **financially support the setting up of new social inclusion initiatives** across the EU. For example, in Italy, the Ministry of Labour and Social Affairs allocated €40 million from the European Social Fund Plus (ESF+) to support the inclusion of Roma children. Moreover, the <u>DesTEENazione project</u>, which received €240 million, has established multifunctional spaces for young people, fostering social inclusion and providing safe spaces where children can learn, grow, and develop life skills. This initiative highlights how the Child Guarantee can **mobilise new targeted investments** to address the needs of children in vulnerable situations, investments that, without this instrument, would simply not be available.

Numerous national action plans and biennial reports on the implementation of the Child Guarantee have acted as a **powerful incubator for innovation**, fostering creative and impactful projects to **combat educational poverty**. In Italy, for instance, by leveraging the collaborative framework established through the interministerial working group and the technical support of institutions like the *Istituto degli Innocenti*, the Child Guarantee mechanism has piloted and scaled innovative models targeting vulnerable children and adolescents. Initiatives such as the UPSHIFT programme for 21st-century skills development, peer support for families in vulnerable situations through Family Centres and foster care for migrant minors exemplify how the Child Guarantee has driven experimentation and the replication of best practices. The **ESF+ platform has provided critical financial resources**, enabling the testing and documentation of these models, which have reached over 4,000 children, 600 caregivers, and 500 operators. This structured approach has not only addressed immediate needs but has also created a foundation for sustainable, scalable solutions to reduce educational poverty and social exclusion across the country and beyond.

Beyond the provision of services, the Child Guarantee promotes multi-stakeholder collaboration and cooperation. In Finland, the ESF+-funded programme Social Innovations in Child Welfare, supports social innovation and the development of child welfare services throughout the country, working together with child welfare actors, young people, families and others. By engaging policymakers, CSOs and other relevant stakeholders, the Child Guarantee has created a platform to assess and monitor child poverty at national, regional, and local levels. This approach has allowed for the identification of gaps in service provision and has created opportunities for advocacy, ensuring that governments are held accountable for delivering on their commitments. In addition, the policy framework encourages peer learning among EU Member States, enabling countries to share best practices and refine their strategies for combating child poverty.

Another example of the impact this instrument can achieve is its focus on ensuring that children have access to healthy, nutritious food. At the December 2024 meeting, Child Guarantee Coordinators noted significant progress in the provision of school meals since the adoption of the Child Guarantee in 2021. Croatia and Luxembourg introduced universal free school meal

schemes, Ireland expanded its programme, and Denmark launched pilot projects. This is a key achievement, as school meal programmes have the potential to **improve nutrition and health outcomes**, **reduce the financial strain on families**, **increase school attendance**, **and enhance concentration and cognitive development**, crucial factors for educational success and future employment opportunities. For example, Prof. Dan-Olof Rooth's <u>research</u> shows that Sweden's universal school meal programme improves children's education, increasing lifetime income by 3% on average and up to 6% for the most disadvantaged. He highlights a **benefit-to-cost ratio of 4:1**, rising to **7:1 for disadvantaged children**, based solely on income gains.

The Child Guarantee also champions **child participation** in policy development, ensuring that children, particularly those from marginalised communities, have a direct voice in decisions that affect them. In countries such as Finland, Italy, Spain, and Poland, **advisory boards** and **councils** have been established to incorporate children's perspectives into national policies. This marks a significant step forward in integrating children's rights into both national and EU-level decision-making, ensuring that policies reflect their real needs and lived experiences.

Furthermore, the Child Guarantee extends its impact beyond EU Member States, playing a crucial role in **EU candidate and potential candidate countries**' efforts to tackle child poverty. For instance, in Albania, the framework has been integrated into the National Social Protection Strategy 2024-2030, underscoring its significance in the country's EU accession process.

The **annex** at the end of the document highlights additional initiatives linked to the Child Guarantee.

STRENGTHENING THE EUROPEAN CHILD GUARANTEE

Enhancing its positive impact and addressing persisting gaps

The Child Guarantee is more than just a policy, it is a **transformative instrument** that has already delivered **concrete results**. From targeted social investments and innovative service models to school meal expansion and child participation, its impact is **real and measurable**. As scepticism grows, it is imperative to **defend, strengthen, and scale up** the Child Guarantee, ensuring that **no child in Europe is left behind**.

In particular, while holding significant promise as a comprehensive and proactive approach to addressing child poverty, considerable obstacles remain and must be addressed to ensure the success of this unprecedented instrument.

- National Action Plans (NAPs): Several NAPs submitted by Member States do not identify the specific barriers and challenges faced by children in vulnerable situations or fail to establish key qualitative and quantitative objectives and targets. They also often lack new and innovative measures, instead, repeating existing ones. Comprehensive and disaggregated data on certain categories of children in need are also lacking, as is appropriate and dedicated funding. Finally, some countries have failed to implement planned actions, and fragmented governance structures hinder effective coordination and implementation.
 - → Revise and strengthen NAPs through ongoing feedback: NAPs are living documents that should be regularly updated. Member States should use the biennial reporting process, the European Commission's feedback, and the work of civil society organisations on the topic to revise and enhance their NAPs. This

- will help ensure that NAPs address gaps or emerging issues and are more innovative in tackling child poverty. The **European Commission's 2026 mid-term report** will represent a key opportunity for revising and strengthening the plans.
- Exclusion of groups most at risk: Children in particularly vulnerable situations, such as those with a migrant background (especially undocumented children), Roma children, children with disabilities, children experiencing homelessness, children in alternative care, and those living in single-parent households, often face legal and administrative barriers to accessing social protection systems designed to support them. These groups are frequently excluded from services due to issues such as residence requirements, lack of documentation, discrimination, and political will. For instance, although the Child Guarantee explicitly identifies children with a migration background, regardless of their migration status, as a target group with specific needs, only six NAPs (Czech Republic, Denmark, Portugal, Slovakia, Spain, and Sweden) include specific measures for undocumented children. This means that, despite the inclusive and forward-thinking nature of the Child Guarantee, children with insecure or irregular residence status risk remaining excluded from the support it promises.
 - → Remove barriers to accessing social protection: Policymakers should remove legal and administrative barriers that prevent children and their parents in vulnerable situations from accessing social protection services. This includes revising residence requirements and ensuring that all children, regardless of their status, have access to essential services.
- Fragmented monitoring: The tracking of progress on child poverty is often disconnected from broader national poverty monitoring frameworks. As a result, there is inconsistency in aligning indicators with actual policy implementation, making it difficult to assess the effectiveness of the Child Guarantee. Considering the upcoming EU Anti-Poverty Strategy and the likely monitoring guidelines for its implementation, it is clear that the monitoring of the Child Guarantee and other poverty-reduction efforts will need to be aligned sooner rather than later.
 - → Ensure a robust and transparent monitoring framework: NAPs should be structured to provide comprehensive, actionable insights into policy implementation. These reports should be integrated into national poverty monitoring systems to ensure alignment with broader poverty reduction efforts. A pivotal role will also be played by the European Commission's 2026 mid-term report, which should be informed by the contributions of both national and European NGOs and has the potential to highlight good practices, identify challenges, and encourage Member States to improve their efforts.
- Stakeholder engagement: Despite recommendations for extensive stakeholder involvement and strong evidence of its positive impact, CSOs are often excluded from the decision-making process, undermining transparency and accountability in the implementation of the policy.
 - → Ensure meaningful stakeholders' participation: CSOs, children and the members of their households should be meaningfully engaged in the design, implementation, monitoring and evaluation of the Child Guarantee. Their

involvement will enhance accountability and ensure that policies are responsive to the needs of children, in particular those most at risk.

SET UP AN INTEGRATED EU SOCIAL AGENDA

Integrating children's rights in the EU Anti-Poverty Strategy and EPSR Action Plan

Child and family poverty is a complex, multifaceted phenomenon that requires a comprehensive and integrated approach to address its root and systemic causes. The upcoming revision of the EPSR Action Plan and the launch of the EU Anti-Poverty Strategy present a critical opportunity to shape the EU's framework for combating child poverty by adopting a comprehensive, integrated, and human rights-centred approach.

These instruments must integrate with the **European Child Guarantee** and the **wider EU's social and climate agenda**, including housing, social protection, EU equality strategies, and the Just Transition frameworks, as well as with national policies. To address not only the proximate causes of child poverty but also its upstream systemic determinants, **fairer economic and fiscal policies** impacting people's living conditions across the life course must also be considered. A comprehensive approach must ensure that policies are complementary and **mutually reinforcing** across different sectors. This will enable the EU to leverage existing initiatives and achieve a more holistic solution to tackle child poverty.

To ensure the success of these frameworks, the Alliance calls for:

- → Human rights-child centred frameworks: Ensure that children's rights are embedded in all dimensions of the EU Anti-Poverty Strategy and in the initiatives of the new EPSR Action Plan, aligning them with the principles of the EU Strategy on the Rights of the Child, the European Charter of Fundamental Rights, the United Nations Convention on the Rights of the Child (UNCRC), and the United Nations Convention on the Rights of Persons with Disabilities.
- → Multi-sectoral coordination: To effectively address the complexity and multidimensional nature of child poverty, the Strategy must promote strong coordination across a broad range of EU policies. This includes social protection, early childhood intervention, inclusive education, deinstitutionalisation and family and community-based care, healthcare, food and nutrition, housing, climate and environmental policies, the economy, and taxation, with a particular focus on ensuring a Just Transition. To ensure coherence and impact, the Strategy should also promote the use of common indicators, coordinated funding mechanisms, and robust accountability frameworks.
- Focus on structural causes and systemic solutions: This is a unique opportunity to redefine the concept of poverty and establish a comprehensive framework to eradicate it, moving beyond material deprivation to tackle the systemic and structural injustices at its root. The Strategy should focus on primary prevention, tackling systemic risks, such as housing insecurity, educational inequalities, and wage disparities. An intersectional approach is essential to fully capture the overlapping dimensions of

poverty that affect marginalised children, extending beyond the social and economic context to reflect the complexity of their lived experiences.

- → Adequate financial commitment at both EU and (sub-)national levels: Ensure that the strategy is sufficiently funded to match the needs and make a meaningful impact by linking it to the MFF, enabling sustained investment in child poverty reduction efforts across Member States. The MFF must allocate dedicated resources for the implementation of the Strategy and ensure alignment across EU funding instruments. This should also entail the full implementation of enabling condition 4.3 under the Common Provisions Regulation, which requires Member States to adopt national anti-poverty strategies which will have to be integrated within the EU Strategy.
- → Meaningful stakeholders' participation: The Action Plan and the Strategy present an opportunity to address the lack of structures that enable children, adults experiencing poverty, and the civil society organisations supporting them to engage meaningfully with EU policymakers throughout the policy cycle, from conception to monitoring and evaluation. Ensuring active participation is not only a matter of representation but also the most effective way to ensure that decisions reflect the real needs of children and families living in or at risk of poverty and social exclusion. No decision on how to tackle poverty should be made without consulting those who experience it.
- → Strengthened monitoring and accountability: Establish robust monitoring mechanisms to track the progress of the Anti-Poverty Strategy and ensure that Member States are held accountable for meeting their child poverty reduction targets. This should include a comprehensive and transparent reporting process and mechanisms. The European Commission should take stock of the success of structures such as the European Platform to combat Homelessness and propose a robust framework for the monitoring of the Strategy and to foster cooperation among relevant stakeholders.
- Support for children in vulnerable situations: Ensure that the strategy is inclusive and effectively targets children and families in vulnerable situations, including children with a migration background, children at risk of violence, children with disabilities, children in precarious family situations, children in alternative care, children born to parents with limited education, and those from racialised and stigmatised, marginalised communities. In this context, complementarity with instruments such as the European Child Guarantee and the Affordable Housing Strategy is fundamental to ensure integrated and coordinated support.

THE KEY ROLE OF INVESTING IN CHILDREN How to ensure adequate allocation of funds

The EU has the tools and resources to end child and family poverty, but **success depends on their effective use and sustainable funding**. The next MFF post-2027 presents a key opportunity to ensure that the EU provides sufficient and targeted funding to support Member States in investing in children. The financial commitments made under the MFF must focus on **strengthening the EU's social model and ensuring that no child is left behind**. By prioritising social investment, supporting civil society, and ensuring that the MFF aligns with the EU's social, environmental, and human rights commitments, the EU can contribute to building a more equitable and safe society for all children.

Well-designed social protection systems are key tools in reducing child poverty by directly supporting families with children. Numerous studies show the positive impact of such policies, not only in lowering child poverty rates but also in enhancing the overall social inclusion of families. These systems promote the full participation of children and their families in society, ensuring equitable opportunities and helping to break the intergenerational cycle of poverty. The root causes of child poverty are addressed by providing adequate financial support and ensuring free access to essential and social services, including early childhood education, free school meals, healthcare, and family support services.

Social protection measures act as preventive mechanisms, enabling families to avoid poverty and reducing the likelihood that children will experience deprivation, inadequate living conditions, or separation from their families. A well-functioning and equal welfare state not only reduces income inequality through redistribution but also **strengthens economic stability** by buffering the negative effects of economic shocks on employment and consumption. As mentioned above, **child poverty carries a significant economic and societal cost**, impacting national budgets, as well as social cohesion, productivity, and employment rates.

Investing in children and effective social protection systems helps build a more equitable and sustainable society. However, as current EU policymakers increasingly prioritise competitiveness, productivity, and defence, there is a significant risk that funding for social issues could be deprioritised or reallocated. Social investment is key to the EU's competitiveness, security, and cohesion: prioritising child poverty reduction and child rights strengthens both democracy and stability.

The EU has a critical role to play in ensuring that EU and national resources needed to reduce child poverty are adequately allocated and distributed. Because of this, the Alliance calls for:

→ A human rights and child-centred approach:

- Guarantee that EU funding regulations, instruments, priorities, and spending in the post-2027 MFF are fully compliant with the principles of the UNCRC and the EU Charter of Fundamental Rights.
- The EU should maintain both horizontal and thematic enabling conditions in the Common Provisions Regulation to ensure accountability and the effective use of investments related to the European Pillar of Social Rights. These enabling conditions should go beyond a mere formality, serving as a tool to enhance Member States' accountability and the impact of the funds, without imposing additional burdens on project-implementing organisations.

→ Consistent and adequate funding for EU social priorities:

As extensively outlined by <u>Social Platform</u>, the size of the post-2027 MFF must be larger than the current MFF and the Next Generation EU programme together, i.e. above EUR 2 trillion. Increased investments in defence and competitiveness should not come at the expense of social policies and programmes that support our social fabric and, in particular, groups in vulnerable situations; adequate social investments are at the core of thriving societies. This investment is only feasible if the overall budget is increased, and social spending is fully supported and further expanded.

- Maintain a commitment to the EU's priorities, including strengthening societies, the social model, human rights, democracy, and advancing climate action.
- o The **EU budget must prioritise investments in social progress** and the reduction of poverty and inequalities, the **ESF+ must be prioritised** and **retained as a stand-alone fund** supporting social inclusion. Funding must remain consistent and adequate for EU social policies so that vulnerable groups, particularly children, are not left behind. **The earmarking for social inclusion under the ESF+ should go beyond the current 25% for all Member states.**
- Establish child-sensitive funding targets that support social targets at outcome, such as reduction of child poverty, integration, improved child learning outcomes, better mental health, or at output levels, such as percentage of certified social workforce, percentage of national curricula integrating digital skills acquisition. Related to this, the setting up of a Child Marker would allow better tracking of expenditure in support of child outcomes or outputs, as well as enhance transparency in resource allocations, and inform impact assessments of strategies used by the EU.

→ Adequately fund the eradication of child poverty:

- As <u>requested</u> several times by the European Parliament, establish a <u>dedicated</u> ESF+ budget of at least EUR 20 billion for the European Child Guarantee to maximise its impact on reducing child poverty across Europe.
- Ensure that at least 5% of ESF+ resources are allocated to tackling child poverty in all EU Member States. As requested by the European Parliament EMPL Committee, for countries with an AROPE (At Risk of Poverty or Social Exclusion) rate above the EU average, this allocation should be increased to at least 10%, with a focus on targeting the most affected groups and areas. Currently, these countries already invest an average of 7.22% of their ESF+ funding in child poverty-related measures, raising this to 10% would be a realistic and impactful step toward breaking the cycle of poverty.
- Ensure that Member States' Child Guarantee NAPs address child poverty by including clear and transparent financial allocations.
- A more inclusive framework for the Just Transition is needed, with stronger social conditionalities. The important shift towards climate neutrality needs to be accompanied by robust social mechanisms to ensure a socially just green transition. The Just Transition Fund should strengthen its scope beyond employment to address the wider social needs of vulnerable groups impacted by the green transition, in line with the principles of the EPSR. The MFF must allocate sufficient funding to ensure that the transition is not only green but also fair and equitable for all. Notably, the Social Climate Fund should be strengthened to ensure the most vulnerable, particularly children and their families, are not disproportionately affected by climate policies.

- Strengthen a multi-dimensional approach to preventing and reducing child poverty by improving coordination and complementarity between EU and national funding for health, family and community-based social services, early intervention, education, housing, food, and other essential services needed for a healthy life, especially during the first 1,000 days and early childhood, and is essential for positive life course development. This approach helps reduce the 'drivers of demand' by addressing root causes early. Where appropriate, reinforce the place-based dimension of this coordination to ensure that preventive actions are delivered as close as possible to beneficiaries and are cocreated with them, reflecting local needs at regional, municipal, and neighbourhood levels.
- As requested in the previous chapter, the MFF must allocate dedicated resources for the implementation of the EU Anti-Poverty Strategy and ensure alignment across EU funding instruments. This should also entail the full implementation of enabling condition 4.3 under the Common Provisions Regulation, which requires Member States to adopt national anti-poverty strategies – which will have to be integrated within the EU Strategy
- Prioritise targeted and transparent funding for early intervention and prevention programs that focus on breaking the cycle of poverty before it affects the next generation. Also ensure that that Member States' national action plans to address child poverty include clear and transparent financial allocations.
- Pre-Accession assistance funding must prioritise social inclusion and compliance with fundamental rights standards. The successor to the Instrument for Pre-Accession Assistance must emphasise fundamental rights and align with the goals and measures set out in EU cohesion policy tools, such as the ESF+, with a particular focus on the implementation of the European Child Guarantee.

→ Strengthened support for and role of CSOs:

- Engage CSOs and the communities they represent in MFF negotiations through structured consultations, ensuring transparency, communication, and collaboration with stakeholders, including children, during the entire process.
- o Given the importance of a strong civil society for European democracy, the EU should **strengthen its support for CSOs**, ensuring funding is available, inclusive and accessible. They play a vital role in empowering communities and addressing key social challenges, including the fight against poverty and social exclusion.
- Ensure that CSOs are actively and meaningfully involved in the design, implementation, monitoring, and evaluation of EU-funded programmes. This includes ensuring their participation as full voting members in monitoring

- committees. Special attention should be given to CSOs working directly with and led by the very people these programmes aim to support.
- Enhance the partnership principle across MFF instruments by making the
 participation of civil society in monitoring committees a precondition for
 receiving funding. Their involvement should be adequately supported, including
 through remuneration or dedicated EU funding. Additionally, allocate specific
 resources to build the capacity of CSOs and strengthen civil dialogue.
- o **Increase funding for citizens' engagement**, ensuring that children, families, and civil society have a strong voice in decisions that affect their lives.

CONCLUSIONS

Poverty in childhood can dramatically shape the rest of a person's life, limiting opportunities and deepening inequalities. The EU has the tools, policies, and budget to end child poverty; what is needed is political will. Strategies without funding are empty promises. Ambitions without implementation mechanisms are ineffective. If we are serious about protecting children, reducing inequality, and strengthening our democracies, then child poverty must be addressed with urgency, clarity, and resources.

The focus on competitiveness and security currently shaping EU policymaking must not come at the cost of dismantling our social fabric. A Union that prioritises defence and productivity while sidelining social investment is undermining its cohesion and weakening its long-term democratic stability, competitiveness and security. There is no sustainable growth, no lasting security, and no shared prosperity without strong, inclusive, and resilient societies. There is no resilience in a society that does not commit to eradicating child poverty.

The EU must rise to this challenge by placing children at the heart of its political priorities, financing frameworks, and upcoming political milestones such as the Anti-Poverty Strategy, the EPSR Action Plan, and the strengthening of the Child Guarantee. The time for declarations is over: children are not only the future but also the present of this Union. What we need now are binding commitments, adequate funding, and coordinated action.

The following Alliance members endorse this paper:

- Alliance for Childhood
- ATD Fourth World
- Caritas Europa
- COFACE
- Don Bosco International
- Dynamo International
- EASPD
- ERGO Network
- Euro Health Net

- Eurochild
- Eurodiaconia
- Hope and Homes for Children
- Inclusion Europe
- ISSA
- Learning for Well- Being Foundation
- Lifelong Learning Platform
- Make Mothers Matter
- Mental Health Europe

- Missing Children Europe
- PICUM
- Save the Children

- SOS Children's Villages
- UNICEF
- QUEST

ANNEX

FURTHER NATIONAL INITIATIVES CONNECTED WITH THE CHILD GUARANTEE

Country	National initiatives connected with the Child Guarantee
Portugal	 Promotion of access to oral health screenings and neonatal/child hearing health screenings for all children. Promotion of access to Primary Health Care services for all children and young people, including proximity consultations. Implementation of the Mental Health and Parenting Programme in Primary health care to support pregnancy and the first year of life. Creation of mental health facilities for children and adolescents (CCISM) in the National Network of Integrated Continued Care, offering free access for children and young people in poverty. Development of school health activities, prioritising children in vulnerable situations and young people.
Estonia	With the Ministry of Education and Research's support, the Education and Youth Board is adapting the YAM (Youth Aware of Mental Health) programme for Estonian schools. Preparatory activities involve cooperation with the healthcare sector.
Greece	 Psychosocial Intervention Program for Adolescents and Youth (Ploes) provides support for adolescents and young people without serious psychiatric or developmental disorders facing psychosocial challenges, including day centres, shelters, and sheltered apartments. The national Protocol Guide for Foster Care developed with input from public entities, UNICEF, NGOs, and foster care parents, this guide outlines protocols for the matching process, foster family adjustment, and ongoing support. Greece is implementing key measures to support children with disabilities, focusing on educational inclusion, independent living, and early intervention. Efforts include improving infrastructure, strengthening support structures, and developing educational tools. The Specialized Support Program for Students with Disabilities and/or Special Educational Needs funds Special Assistants and Special Education Personnel to support inclusive education and special needs. Early intervention efforts include developing a family-centred Early Childhood Intervention (ECI) system for children with disabilities or developmental delays. Supported by DG Reform's Technical Support Instrument (2021–2024), this initiative assessed needs, developed training, piloted family-centred methodologies, and created a National Action Plan. A broader pilot, funded by the Recovery and Resilience Fund, was decided through Ministerial Decision, however the implementation has not yet begun. It is supposed to provide vouchers for at least 2,500 children to access ECI services.
Ireland	• The child Poverty and Well-Being Programme was established by the Taoiseach to reduce child poverty and promote children's well-being. The Programme Plan for 2023-2025 focuses on income support, early learning, childcare, reducing education costs, family homelessness, family/parental support, and enhancing participation in culture, arts, and sport.

• The period poverty mitigation allocated €0.91m in 2024 to combat period poverty through local authorities, family resource centres, and NGOs. This includes free products in public facilities and awareness campaigns.

Italy

- The pilot Project for Family Peer Support developed a peer support model for families in vulnerable situations, particularly those with children with disabilities, in Family Centres. The project promotes mutual assistance and could be replicated across the EU.
- The 21st Century Skills through UPSHIFT Model: Aimed to reduce school dropout rates by fostering skills development for disadvantaged youth in Sicily, Lazio, and Lombardy. Over 2,500 students participated.
- The Social and Educational Inclusion for Roma children launched a public call in 2024, supported by €40 million from ESF+, to reduce school dropout rates and improve access to services.

Latvia

Latvia is investing in inclusive education by supporting children with special needs and training teaching staff. From 2023 to 2026, national programmes are equipping teachers to work with students with special educational needs (SEN) and diverse learning needs. In 2023, general and pre-primary curricula were updated, and guidelines for SEN students were developed. Textbooks and materials are free, with special provisions for SEN students. In 2024, €12.1 million, plus €10 million from EU Structural Funds, was allocated. Since January 2023, students receive €130 per year in educational aid, adjusted based on SEN severity.

Spain

- The Spanish government proposed the State Pact on Child Poverty to address child poverty, including the establishment of a Sub-Commission on Child Poverty in the Spanish Congress.
- The Ministry of Health launched a strategy and action plan (2022-2024) for child and adolescent psychiatry, alongside the creation of the Mental Health Commission in 2023 to coordinate mental health initiatives.
- Launched in 2024, the Deinstitutionalisation strategy focuses on improving the protection system for children in residential care and promoting foster care.

Bulgaria

- The Future for Children' Program targets children in vulnerable situations from marginalised groups, providing access to education, healthcare, and social services.
- Bulgaria's action plan has strengthened support for children with disabilities and SEN in early education, healthcare, and social services. A 2024 national strategy, developed by an Inter-institutional Working Group, sets out measures and funding to ensure integrated services. Key actions include improving prenatal care, expanding patronage care, increasing early education access, and enhancing family support. Through the Child Guarantee pilot with UNICEF, family-oriented early intervention models were launched in three regions. Residential care use is declining as more families access community-based services. In 2023, seven social services were created with national funding, and 26 specialised centres for children with disabilities or high-risk behaviour are being

built.

Finland

- The Finnish Model for Leisure Activities ensures all children access to free, enjoyable extracurricular activities during the school day, aiming to make this a permanent practice nationwide. In 2023, youth leisure activities were formally included in the Youth Act, securing government funding. The Ministry of Education and Culture evaluated the model's impact and piloted outreach efforts under the National Child Strategy to identify barriers for youth in vulnerable situations and promote social empowerment. Three engagement strategies were tested to improve access. A 2024 follow-up report on the EU Child Guarantee notes the ongoing social security reforms, including proposed changes to child benefits to reduce poverty and support work-life balance. Over 1,200 young people were consulted through surveys and workshops, with their input feeding into reform planning.
- Key initiatives under the National Child Strategy focus on strengthening youth councils, increasing youth participation in decision-making, and ensuring the inclusion of children requiring special support. Digital participation opportunities have been expanded, enabling young people to express their views without the need for physical presence. Additionally, local training programs on children's rights and participation have been implemented to raise awareness and empower young people to engage in decision-making processes. In addition, the purpose of the Finnish National Child Strategy, in addition activities mentioned above, is to ensure the availability of basic services for all children. As part of this, the implementation of the European Child Guarantee has strengthened the special consideration given to children in particularly vulnerable situations. Furthermore, indicators for assessing the number of children at risk of poverty and social exclusion are being specifically developed as part of the implementation of the Child Guarantee.
- Under the Child Strategy's action plan, child impact assessments and child budgeting are being implemented to evaluate how laws and policies affect children. The Ministry of Social Affairs and Health issued guidelines requiring these assessments, especially in planning family support and education policies. Child budgeting helps manage funds for children's well-being, focusing on early education, mental health, and protection. Helsinki uses it in social investment decisions, and a national child interest assessment has reviewed how budget allocations affect children's lives. In 2024, a child budgeting pilot continued in two welfare areas, with plans to expand it nationwide. Finland has decided to promote the implementation of the European Child Guarantee during this structural fund period through ESF actions. A total of 23 million euros has been allocated for the years 2021–2027.

THE EU ALLIANCE FOR INVESTING IN CHILDREN

The <u>EU Alliance for Investing in Children</u> (Alliance) brings together more than 20 European and international networks sharing a commitment to end child poverty and promote child well-being across Europe.

At a time when over a quarter of children in the EU are at risk of poverty or social exclusion, the Alliance provides expert support in the development of EU and national policies, legislation, and funding programmes in line with the European Commission Recommendation 'Investing in Children - Breaking the Cycle of Disadvantage' and all horizontal principles included therein.

We are united by our commitment to a multidimensional, rights-based approach to tackling child poverty and promoting well-being. Since the initial discussions on the possibility of creating a framework to support the most vulnerable children in the EU, the Alliance has ceaselessly advocated for a robust and comprehensive European Child Guarantee.

After years of negotiations and evidence-based advocacy, we enthusiastically welcomed the EPSCO Council's adoption of the Council Recommendation establishing the European Child Guarantee, which includes most of the requests and recommendations made by the Alliance. The Alliance is now committed to ensuring that this unprecedented European framework will be translated into tangible national policies to support the most vulnerable children in all EU Member States.