

## The European Child Guarantee

### Executive summary

*The European Parliament introduced the concept of the European Child Guarantee non-legislative initiative in 2015 with the hopes of breaking the intergenerational cycle of poverty and reducing social inequality within Europe. The Child Guarantee aims to provide free healthcare, education, early childhood education and care, decent housing and adequate nutrition to every child who is at risk of poverty or social exclusion in Europe. The main aim of this policy is to combat child poverty and reduce social inequalities. The European Parliament believes that access to the above-mentioned services should be rights - rather than privileges. While the European Child Guarantee represents the European Union's centralised attitude towards the elimination of child poverty, the EU would support Member States by providing funding and helping with policy implementation in their fight against child poverty and social exclusion. This means that Member States will be advised to have their own, multi-annual, national strategies to implement the Child Guarantee.*

Eszter Balázs, 89 Belgium

## Introduction

In 2015, the European Parliament introduced the concept of the European Child Guarantee as a non-legislative initiative with the hopes of breaking the intergenerational cycle of poverty and reducing social inequality within Europe. Following on this request, the Commission carried out a [feasibility study](#) between September 2018 and March 2020, and a [study on economic framework](#) between December 2019 and March 2021. Finally, on 26 March 2021 the Commission published the [Proposal for a Council Recommendation: Establishing a European Child Guarantee](#), which outlines the implementation of the initiative.

The European Child Guarantee aims to provide **free**:

- [healthcare](#)
- [education](#)
- [early childhood education and care](#)
- [decent housing](#)
- and [adequate nutrition](#)

to every child who is at risk of poverty or social exclusion in Europe. The main aim of this policy is to combat child poverty and reduce social inequalities. The European Parliament believes that access to the above-mentioned services should be rights, rather than privileges.

While the European Child Guarantee represents the EU's centralised attitude towards the elimination of child poverty, the EU would support Member States by providing funding and helping with policy implementation in their fight against child poverty and social exclusion. This means that Member States will be advised to have their own, multi-annual, national strategies to implement the Child Guarantee. To assist their strategies, they will also be urged to adopt National Action Plans to help determine the most vulnerable children, assess their needs and the financial investment needed.

## Why is this policy necessary? - Statistics

The necessity of the European Child Guarantee initiative is perhaps best demonstrated by the following facts on child poverty in Europe. In 2013, 26.5 million children in the EU and UK were at risk of falling into poverty or social exclusion (for the definition of "being at risk of poverty or social exclusion", please check [here](#)). Between 2008 and 2012, before the Child Guarantee policy was even considered, the percentage of children at risk of poverty and social exclusion rose from 26.5% to 28%<sup>1</sup>.

Looking at Eurostat's latest data on child poverty, the percentage of children being at risk of poverty or social exclusion in the EU slightly decreased to **22.5% in 2019**. This is still a high number, as it equates to 1 in 5 children in Europe at risk. The ratio is the highest in Romania and Bulgaria, but Greece, Spain and Lithuania are also above the EU average<sup>2</sup>.

<sup>1</sup> Susanne Kraatz. *Shaping the European Child Guarantee*, European Parliament, DG IPOL, Briefing, September 2020. Available at: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/642387/IPOL\\_BRI\(2020\)642387\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/642387/IPOL_BRI(2020)642387_EN.pdf)

<sup>2</sup> Eurostat. *Children at risk of poverty or social exclusion*, October 2020. Available at:

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

According to the European Court of Auditors, child poverty is likely to increase as a result of the COVID-19 pandemic<sup>3</sup>. Apart from the possible health risks which increased enormously due to the pandemic, the issue of rising unemployment was also stressed. When unemployment increases, so will child poverty. Indeed, a survey by Eurofound reported that 50% of the respondents who were part of the working population experienced a reduction of their working time, 28% lost their job either temporarily or permanently, and 38% of the respondent's financial situation worsened during the pandemic<sup>4</sup>. Therefore, the European Child Guarantee is not only a very relevant policy initiative within Europe, but also a very urgent matter.

Furthermore, the COVID-19 pandemic greatly affects children's education and mental health and may increase the danger of violence and abuse. This is emphasised by the draft resolution that has recently been adopted by the European Parliament<sup>5</sup>.

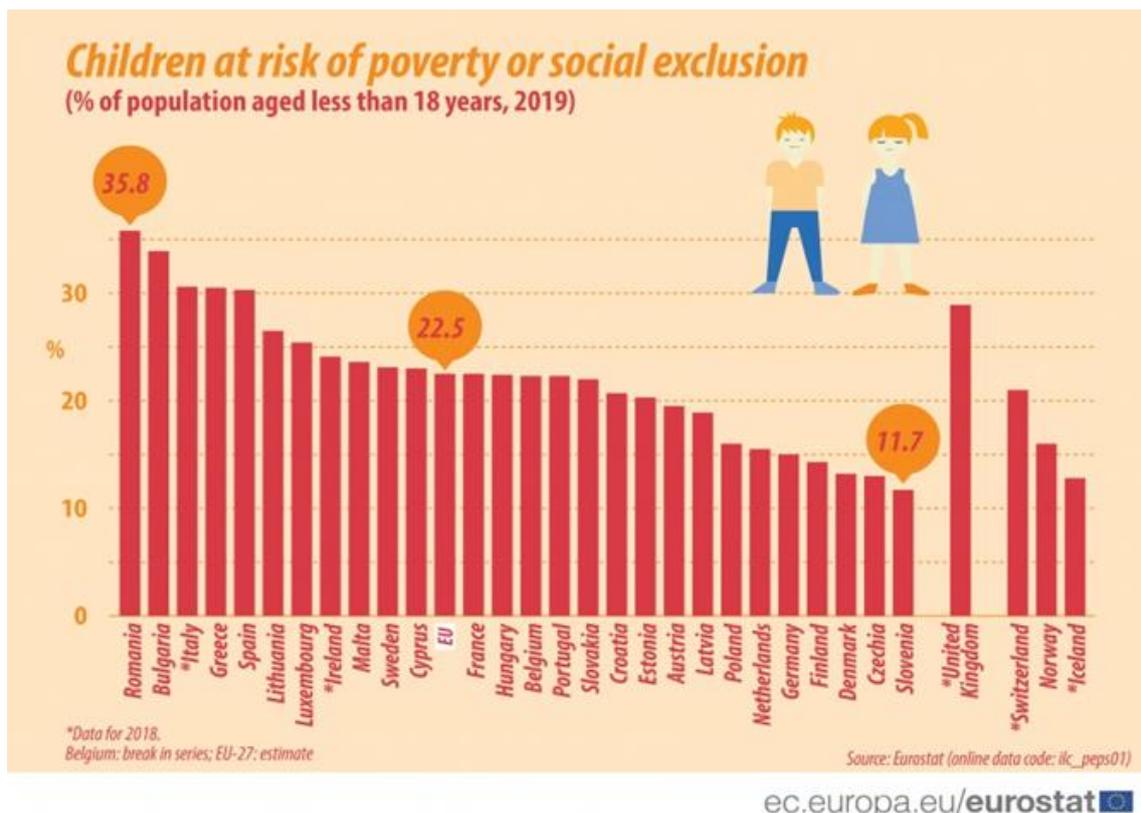


Figure 1 - Children at risk of poverty or social exclusion. Source: Eurostat.

<sup>3</sup> European Court of Auditors. *EU action on child poverty needs greater focus, say auditors*, September 2020, Press Release, Luxembourg. Available at: <https://www.eca.europa.eu/en/Pages/NewsItem.aspx?nid=14139>

<sup>4</sup> D. Ahrendt, J. Cabrita, E. Clerici, J., T. Leončikas, M. Mascherini, S. Riso, E. Sándor. "Living, working and COVID-19", Eurofound, 2020. Available at: <https://www.eurofound.europa.eu/data/covid-19>

<sup>5</sup> European Parliament. *Invest in education, healthcare, housing and family support to protect children*, Press release, 02/03/2021. Available at: <https://www.europarl.europa.eu/news/en/press-room/20210226IPR98809/invest-in-education-healthcare-housing-and-family-support-to-protect-children>

## What is the state of the negotiations?

### 2013 - Commission Recommendation on Investing in Children

The European Child Guarantee's origin comes from the "Commission Recommendation on Investing in Children: breaking the cycle of disadvantage"<sup>6</sup>. This report, which was published in 2013, addresses poverty and social exclusion and stresses that children are more at risk of poverty and social exclusion than adults in most European countries. It concludes that children who grow up in poverty are less likely to do well in their education or later on in their lives which can result in increasing social inequality.

The Commission's Recommendation rests on three key pillars:

1. Increase [access to adequate resources](#) (which mainly focuses on benefits and supporting parents in the labour market),
2. Increase [access to affordable quality services](#) (services such as education, housing, healthcare, early education and care, family support)
3. Strengthening children's [right to participate](#) in decision-making and play.

Looking at the results of the Investing in Children policy framework, the Commission has noted that real action on the Member State level was minimal. Only a few of the Member States have introduced a comprehensive strategy against child poverty, and those states who lacked such a strategy were usually the ones with the highest number of children being at risk<sup>7</sup>. For example, Belgium, France and the Netherlands were among the countries who have taken initiatives to reduce child poverty, while Hungary, Lithuania, or Bulgaria have not done so. However, it is important to note that Romania and Slovakia were among the 9 countries who attempted to strengthen their policies regarding child protection<sup>8</sup>.

### 2015 - European Parliament introduces the concept of the European Child Guarantee

In 2015 the European Parliament accepted the resolution of the European Child Guarantee<sup>9</sup>. The policy was initially proposed by MEPs from the Parliament's S&D political group (Progressive Alliance of Socialists and Democrats). The policy initiative strongly connects to the Commission Recommendation on Investing in Children as the Child Guarantee serves as an additional instrument in the Commission's fight against child poverty.

However, the Guarantee is different in some aspects from the Commission's Recommendation on Investing in Children. For example, the Guarantee specifically targets children who are the most vulnerable and have

<sup>6</sup> European Commission. "Commission Recommendation on Investing in children: breaking the cycle of disadvantage", Official Journal of the European Union, 20 February 2013.

Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013H0112&from=EN>

<sup>7</sup> European Commission. *Roadmap*, [2020/4318536 – 19/08/2020]

<sup>8</sup> Mary Daly, Fighting child poverty. *The child guarantee, European Parliament*, DG IPOL, Briefing, September 2019.

Available at: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/638429/IPOL\\_BRI\(2019\)638429\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/638429/IPOL_BRI(2019)638429_EN.pdf)

<sup>9</sup> European Commission, *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee on the Regions, EU strategy on the rights of the child*, [COM(2021) 142], 24/03/2021. Available at: [https://ec.europa.eu/info/sites/info/files/1\\_en\\_act\\_part1\\_v7\\_0.pdf](https://ec.europa.eu/info/sites/info/files/1_en_act_part1_v7_0.pdf)

the most urgent needs. The Recommendation on Investing in Children, on the other hand, had a more general approach and aimed to provide universal solutions for every child in poverty. Furthermore, the European Child Guarantee exclusively focuses on improving children's wellbeing, while the Commission Recommendation on Investing in Children has also focused on improving the employability of the parents to make children's living circumstances better.

Most importantly, the Guarantee focuses on providing children who are in the most vulnerable situations free education, healthcare, housing, nutrition, and early childhood education and care.

## 2017 - Commission starts preparations

The Commission has taken on the responsibility to prepare a thorough plan for the implementation of the European Child Guarantee to ensure the policy will be effectively introduced in practice. This process started in 2017 and is still ongoing. The Commission has conducted a feasibility study, consultations<sup>10</sup> and collaborated with UNICEF to test the fundamental principles of the Child Guarantee in different case studies<sup>11</sup>.

### Feasibility study<sup>12</sup>

The first step of the preparation was to conduct a study that analyses the feasibility of the Child Guarantee scheme. The Feasibility Study specifically targeted and involved children who:

- reside in institutions
- live with disabilities
- comes from migrant background (including refugee children)
- and/or live in a precarious family situation.

The Commission consulted with these social groups in different Member States to find out the most efficient ways for children at risk to access free services. The study concluded that Member States' strategies to eliminate child poverty (however different these strategies are in each Member State) are poorly implemented due to the lack of political prioritisation, efficient strategy or fragmentation of responsibilities at national, regional or local level.

## 2021 - Proposal for Council Recommendation

Ursula von der Leyen, President of the Commission, noted the Child Guarantee as one of the Commission's priorities for the year 2021. By this the Commission made a political commitment to continue the

<sup>10</sup> European Commission. *Have your say: launch of consultation on the European Child Guarantee*, 25/08/2020. Available at: <https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=9759&furtherNews=yes>

<sup>11</sup> UNICEF & the European Union. *European Commission and UNICEF launch pilot programme in 7 Member States to break the cycle of child poverty and social exclusion*. 08/10/2020, Date accessed: 31/03/2021. Available at: <https://www.unicef.org/eu/press-releases/european-commission-and-unicef-launch-pilot-programme-7-member-states-break-cycle>

<sup>12</sup> European Commission, *Feasibility study for a child guarantee*, June 2020. Available at: <https://ec.europa.eu/social/main.jsp?catId=1428&langId=en>

preparations for its implementation and to deliver a proposal for the European Child Guarantee<sup>13</sup>.

On the 26th of March, this proposal was published<sup>14</sup>. The Commission proposed a Council Recommendation, which is a slightly stronger form than the Commission Recommendation, however, it is still non-binding. In this document, the Commission outlines the implementation plans of the Child Guarantee. As it is a non-legislative policy, the Member States can only be advised and recommended to adopt the European Child Guarantee.

According to the proposal, the Member States are invited to:

- Nominate National Child Guarantee Coordinators who coordinate and monitor the implementation of the Guarantee.
- Identify the most vulnerable group of children.
- Propose National Action Plans covering the time period up to 2030.
- Outreach to social groups who should be encouraged to take on the services provided by the Child Guarantee.
- Involve stakeholders in the national consultation process.
- Report back to the European Commission.

The available funding is also detailed in the proposal. For example, those Member States whose child poverty rate is above the EU average, will have to earmark 5% of their National European Social Fund Plus allocation to the implementation of the Child Guarantee. Furthermore, the InvestEU, European Regional Development Fund and even the Recovery Plan will provide funding for the implementation of the European Child Guarantee.

The Child Guarantee has been accompanied by another non-legislative initiative, namely the “Strategy on the Rights of the Child”<sup>15</sup>. The latter has a more universal approach (therefore includes topics such as digitalisation or participation in political and democratic life), while the Child Guarantee specifically focuses on children who are the most vulnerable.

## What does this mean?

The Guarantee will contribute to reducing social inequality and support children. For example, by providing free education, families may be able to keep their children in school longer. It also supports families by reducing their costs of providing health care, housing or adequate nutrition for their children. The policy also contributes to the UN’s Sustainable Development Goals, more specifically the first goal: ending poverty<sup>16</sup>.

<sup>13</sup> European Commission, *Work Programme 2021* [COM2020, 690]. Available at: [https://eur-lex.europa.eu/resource.html?uri=cellar%3A91ce5c0f-12b6-11eb-9a54-01aa75ed71a1.0001.02/DOC\\_1&format=PDF](https://eur-lex.europa.eu/resource.html?uri=cellar%3A91ce5c0f-12b6-11eb-9a54-01aa75ed71a1.0001.02/DOC_1&format=PDF)

<sup>14</sup> European Commission. *Proposal for Council Recommendation Establishing a European Child Guarantee*, [COM(2021) 137 final]. Available at: <https://data.consilium.europa.eu/doc/document/ST-7411-2021-INIT/en/pdf>

<sup>15</sup> See note 9 above.

<sup>16</sup> United Nations. *The 17 goals*. Date accessed: 31/03/2021. Available at: <https://sdgs.un.org/goals>

Furthermore, the Guarantee is an integral part of the European Pillar of Social Rights<sup>17</sup>. As 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'. The Commission is devoted to this document and made an Action Plan to put these principles and rights in practice. That is partially the reason why it was important for the Commission to produce a proposal for the European Child Guarantee this year.

During the pandemic, the number of children at risk of poverty is likely to increase and their circumstances are likely to worsen. Therefore, implementing the Guarantee is extremely urgent. Regarding the next steps, the Council of the European Union and the European Parliament will need to accept the proposal of the Commission to be able to start the implementation of the Child Guarantee.

<sup>17</sup> European Parliament, *European Pillar of Social Rights*, 2016/2095 (INI). Available at: [https://ec.europa.eu/info/strategy/priorities-2019-2024/economy-works-people/jobs-growth-and-investment/european-pillar-social-rights\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/economy-works-people/jobs-growth-and-investment/european-pillar-social-rights_en)