

Towards the eradication of poverty

EAPN vision and

recommendations for the

EU Anti-Poverty Strategy



TABLE OF CONTENTS

Executive Summary	6	
Glossary & list of abbreviations	8	
Introduction	10	
Mainstreaming the participation of people experiencing poverty across the EU Anti-Poverty Strategy		
From alleviation to eradication of poverty: shifting the narrative for a stronger EU Anti-Poverty Strategy	17	
12 priorities for a rights-based and comprehensive EU Anti-Poverty Strategy	26	
I. STEPPING UP THE EUROPEAN PILLAR OF SOCIAL RIGHTS	27	
Priority 1 Ensuring an adequate, accessible, and enabling income for all	28	
Priority 2 Addressing in-work poverty through quality employment and adequate wages	30	
Priority 3 Ensuring access to adequate essential services at all stages of life	32	
Priority 4 Addressing homelessness and severe material deprivation	38	
Priority 5 Addressing the intersectional aspects of poverty	40	
II. BEYOND THE EUROPEAN PILLAR OF SOCIAL RIGHTS: TOWARDS A COMPREHENSIVE APPROACH TO POVERTY	42	
Priority 6 Exploring pathways for the legal recognition of socio-economic discrimination	43	
Priority 7 Protecting migrants, asylum seekers and undocumented people	44	
Priority 8 Ensuring the right to healthy and affordable food	46	
Priority 9 Pushing a green but also socially fair transition for people living in poverty	47	
Priority 10 Enshrining the digital rights of people living in poverty	49	
Priority 11 Addressing criminalisation of poverty in the EU	51	
Priority 12 Protecting and supporting anti-poverty civil society organisations	53	
Funding the eradication of poverty	54	
Promoting and strengthening National & Local Anti-Poverty Strategies	61	
Including EU candidate countries in the EU Anti-Poverty Strategy	63	
Summary of recommendations	65	
Bibliography	74	

ACKNOWLEDGMENTS

This position paper was drafted by Jessica Machacova (Senior Policy & Advocacy Officer) and edited by Kahina Rabahi (Policy & Advocacy Coordinator) and Juliana Wahlgren (Director), with expert support from Sérgio Aires.

It is based on desk research and a workshop discussion held during the EAPN EU Inclusion Strategies Group on Friday, November 29, 2024. The draft underwent three rounds of review between Tuesday, December 17, 2024, and Friday, February 28, 2025.

Feedback was received from EAPN France, EAPN Germany, EAPN Ireland, EAPN Lithuania, EAPN Netherlands, EAPN North Macedonia, EAPN Portugal, EAPN Spain, ATD Quart-Monde, PICUM and FEANTSA.

This document was created by EAPN Europe. All text and illustrations are the exclusive property of EAPN Europe and are protected by law. Permission is granted to view, photocopy, and print the contents of this document for personal, non-commercial use only. Any form of alteration, manipulation, or modification of the content is prohibited without prior authorisation from EAPN Europe.



Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Commission. Neither the European Union nor the granting authority can be held responsible for them.



ABOUT EAPN

The European Anti-Poverty Network (EAPN) is the largest European network of national, regional, and local networks, bringing together anti-poverty NGOs and grassroots groups as well as European organisations active in the fight against poverty and social exclusion. Together, we defend the rights of people experiencing poverty and ensure their active participation in the EU decisionmaking process.



EXECUTIVE SUMMARY

EAPN welcomes the announcement of the first-ever EU Anti-Poverty Strategy, as announced by the President of the European Commission Ursula von der Leyen on 18 July 2024. We have been advocating for a rights-based and comprehensive EU Anti-Poverty Strategy since the creation of our network in 1990.

Past and current initiatives of the EU to combat poverty and social exclusion have proven insufficient. This is evident, for instance, in the persistently high number of people living in poverty over time. In 2023, 94.6 million people in the EU were at risk of poverty and social exclusion¹. Poverty harms millions of people, and the EU has not yet taken sufficient action to eradicate it.

EAPN believes the EU Anti-Poverty Strategy represents a crucial opportunity to work towards poverty eradication.

This position paper sets out EAPN's vision for the policy content of the upcoming EU Anti-Poverty Strategy (EU APS). It complements our Roadmap towards an EU Anti-Poverty Strategy – Process proposal for an effective policy, published in October 2024, which focuses on the design process of the EU APS.



THE FIRST PART focuses on **mainstreaming the participation of people experiencing poverty** (PeP) throughout the EU APS. We strongly believe that no legal, policy, or budget initiatives should be taken without the involvement of those directly impacted by systems and structures of oppression. To that end, this paper provides guidelines for the European Commission to establish a meaningful and sustainable participatory mechanism for people

experiencing poverty at all stages of the EU APS.



THE SECOND PART presents recommendations for a strong foundation for the EU Anti-Poverty Strategy, advocating for a narrative shift from the alleviation to the eradication of poverty. Given the current state of poverty and social exclusion in Europe, and the fragmented approach the EU has taken so far, EAPN advocates for building strong foundations for the EU APS with: concrete targets to achieve the eradication of poverty; a comprehensive definition of poverty, reflecting the lived experiences of PeP; a commitment to improving the measurement of poverty; a policy framework based on democracy, the rule of law, and fundamental rights; and actions to shift the narrative surrounding people living in poverty.



THE THIRD PART outlines **12 key priorities** for the EU APS.

The first five priorities are built on the European Pillar of Social Rights (EPSR), and aim to strengthen them:

- Priority 1: Ensuring an adequate, accessible, and enabling income for all,
- Priority 2: Addressing in-work poverty through quality employment and adequate wages,
- Priority 3: Ensuring access to adequate essential services at all stages of life,
- **Priority 4:** Addressing homelessness and severe material deprivation,
- **Priority 5:** Confronting the intersectional aspects of poverty.

The remaining seven priorities extend beyond the EPSR scope. They aim to comprehensively address the root causes of poverty and capture its multidimensional aspects, while fostering connections across EU policy areas.

- Priority 6: Exploring pathways for the legal recognition of socio-economic discrimination,
- **Priority 7:** Protecting migrants, asylum seekers, and undocumented people,
- Priority 8: Ensuring the right to healthy and affordable food,
- Priority 9: Advancing a green but socially fair transition for people living in poverty,
- Priority 10: Enshrining the digital rights of people living in poverty,
- **Priority 11:** Addressing the criminalisation of poverty in the EU,
- Priority 12: Protecting and supporting antipoverty civil society organisations.



THE FOURTH PART explores how to finance the EU APS and, more broadly, the eradication of poverty.

The EU APS will be launched in a context where competitiveness and security have been declared top priorities by the European Commission. In addition, defence spending is increasingly prioritized over welfare investment, while austerity policies continue to be promoted through the European Semester and the Stability and Growth Pact. Without adequate funding, the EU APS risks becoming an empty shell.



THE FIFTH PART addresses the interplay between national anti-poverty strategies (NAPs), local anti-poverty strategies (LAPs), and the EU APS. A multi-level governance approach is essential to ensure real impact. We believe the EU APS is the perfect opportunity to support the creation and reinforcement of NAPs and LAPs. This paper provides a set of recommendations to ensure an integrated approach in this direction.



THE SIXTH PART highlights the importance of including EU candidate countries in the EU APS. These countries also face alarming levels of poverty, the EU APS should extend to them by prioritising an anti-poverty perspective in the EU enlargement process.

GLOSSARY

ACTIVE INCLUSION APPROACH

A comprehensive strategy aimed at integrating individuals experiencing poverty and social exclusion into society and the labour market. It is based on three interconnected pillars:

- Adequate income support,
- Inclusive labour markets,
- Access to quality services.

AROPE

The at-risk-of-poverty or social exclusion indicator, abbreviated as AROPE, corresponds to the sum of persons who are either at risk of poverty, severely materially and socially deprived, or living in a household with very low work intensity.

ESSENTIAL SERVICES

EAPN understands essential services as services of general interest, both economic and social in nature, which are fundamental to people's lives and where public authorities must ensure adequate standards for all.

EUROPEAN PILLAR OF SOCIAL RIGHTS

The European Pillar of Social Rights (EPSR) is a framework established by the EU in 2017 to promote fair and well-functioning labour markets and welfare systems across EU Member States. It outlines 20 principles and rights aimed at ensuring social inclusion, equal opportunities, and access to social protection for all EU citizens.

INTERSECTIONALITY

Intersectionality is a concept that examines how different forms of social stratification – such as race, gender, class, sexuality, disability, and other identity markers – intersect and interact to shape individuals' experiences of privilege, oppression, and discrimination.

NON-TAKE-UP

Non-take-up refers to the situation where individuals or households who are eligible for social benefits or support services do not access them due to various barriers (such as administrative burden, complicated procedures, digitalisation, lack of information, or stigmatisation).

MARGINALISED GROUPS

In this paper, the term "marginalised groups" encompasses the following groups, who are disproportionately affected by poverty: women, racialised people, LGBTQIA+ people, older and younger people, undocumented people, migrants, Roma people, Travellers, people with disabilities, people discriminated against because of their religion or beliefs, and single parents.

MISSING POOR

In this paper, the term "missing poor", which refers to those who are invisible in traditional poverty statistics, includes the following groups: racialised people, Roma people, people in informal or undeclared work, homeless people experiencing multiple grounds of discrimination, undocumented migrants, refugees and asylum seekers, institutionalised individuals, and people deprived of liberty.

MULTIANNUAL FINANCIAL FRAMEWORK

The Multiannual Financial Framework (MFF) is the European Union's long-term budget plan, setting expenditure ceilings for the EU over multiple years. The current MFF runs from 2021 to 2027.

POVERTY

EAPN's work is based on the following definition of poverty:

- Poverty is a fundamental human rights violation. It affects human dignity and the right to equality and non-discrimination.
- Poverty is much more than material deprivation; it also involves social, psychological, and political deprivation.
- Poverty has its roots in systemic and structural injustice. It stems from the unequal distribution of wealth and resources and intersects with power relations and historical inequalities based on gender and gender expression, race, religion, migrant status, age, sexual orientation, and disabilities.

RIGHTS-BASED APPROACH

A rights-based approach (RBA) is a conceptual framework and methodology for development, policymaking, and programming that is grounded in international human rights standards and principles. It seeks to empower individuals and communities, particularly those who are marginalised and disadvantaged, to claim their rights and hold duty-bearers (such as governments, institutions, or other entities) accountable for fulfilling these rights.

SOCIAL MAINSTREAMING

EAPN advocates embedding a social mainstreaming principle into all EU legal, policy, and budgetary tools. This principle would align the EU Anti-Poverty Strategy with key frameworks by ensuring they also aim to eradicate poverty.

SUBSIDIARITY PRINCIPLE

The subsidiarity principle is one of the fundamental principles of EU law. It determines whether decision-making should take place at the EU level or remain with national, regional, or local governments. It is enshrined in Article 5(3) of the Treaty on the European Union.

STRUCTURAL

This term refers to the specific components, frameworks, or arrangements within a system or institution that shape its function or organisation.

SYSTEMIC

This term refers to the entire system as an interconnected whole, emphasising how its components interact and perpetuate outcomes or behaviours.

List of abbreviations

AROPE At Risk of Poverty or Social

Exclusion (AROPE)

EIGE European Institute for

Gender Equality

EPSR European Pillar of

Social Rights

ESF+ European Social Fund +

ESIF European Structural and

Investments Funds

EU European Union

EU APS EU Anti-Poverty Strategy

EU-SILC European Union Statistics on

Income and Living Conditions

FRA EU Agency for

Fundamental Rights

LAPS Local Anti-Poverty Strategies

MFF Multiannual Financial

Framework

MIS Minimum Income Schemes

NAPS National Anti-Poverty Strategies

PeP Person experiencing poverty

RBs Reference Budgets

SDGs Sustainable Development Goals

TEU Treaty of the European Union

TFEU Treaty on the Functioning of

the European Union

UN United Nations

INTRODUCTION

CONTEXT: POVERTY, INEQUALITIES, AND SOCIAL INJUSTICE ON THE RISE

The figures are staggering but, sadly, all too familiar: in 2023, 94.6 million people in the EU were at risk of poverty and social exclusion². This represents at least 21% of the EU's population. Although these figures have slightly decreased over time, poverty remains widespread, undermining the dignity and well-being of millions.

At the same time, according to Oxfam, the five richest billionaires in the EU increased their wealth by more than 75.9% between March 2020 and November 2023³. This demonstrates that poverty is not an issue of resource scarcity; rather, it derives from inequality and injustice in the distribution of wealth and resources.

No statistics will ever fully capture the full, complex reality of poverty. First, because poverty is multidimensional and extends far beyond material deprivation. According to ATD Quart-Monde and the University of Oxford⁴, some dimensions of poverty remain hidden, including intense physical, mental, and emotional suffering accompanied by a deep sense of powerlessness. Second, because the way poverty data is currently collected systematically excludes many marginalised groups, such as racialised people, Roma people, homeless people, undocumented individuals, and those deprived of liberty (see glossary)⁵.

At the international level, the United Nations (UN) has recognised the urgency of tackling poverty. In 1998, it established the position of Special Rapporteur on extreme poverty and human rights, tasked with advocating for systemic and structural strategies to fight poverty through a human rights lens. Furthermore, the Sustainable Development Goals (SDGs) call on UN Member States to eradicate all forms of poverty.

The evolution of the at-risk-of-poverty or social exclusion (AROPE) rate in the EU since 2010



Source: Eurostat

- 2 Eurostat, People at risk of poverty or social exclusion in 2023, June 2024
- 3 Oxfam, Wealth of EU's five richest men soar almost 6 million euros every hour since 2020, January 2024
- 4 Bray R., de Laat M., Godinot X., Ugarte A., Walker R., <u>The Hidden Dimensions of Poverty</u>, Montreuil, Fourth World Publications, November 2019
- 5 EAPN, EU Poverty Watch Towards a Sustainable Social Welfare for the People?, December 2023

In comparison, the EU's current poverty reduction ambition appears weak. In 2021, the European Pillar of Social Rights (EPSR) Action Plan set a headline target of reducing the number of people at risk of poverty or social exclusion by at least 15 million, including at least 5 million children, by 2030, compared to 2019. This is not only a dissapointing step back from the Europe 2020 target of reducing poverty by 20 million, but it also reinforces the harmful narrative that poverty is inevitable and cannot be eradicated.

EAPN firmly rejects this notion: to us, eradicating poverty is a political choice. One that depends on collective decisions about wealth distribution, resource allocation, and the democratic participation of the most marginalised.

And bold ambitions require bold action.

This is why we welcome the announcement of the first-ever EU Anti-Poverty Strategy (EU APS) by the European Commission President Ursula von der Leyen on 18 July 2024. EAPN believes that, with the right vision, level of ambition, resources, and concrete measures, the EU APS has the potential to make real progress towards poverty eradication in the EU.

As outlined in the chronology on page 13, this is not the first time the EU has explored the idea of an EU Anti-Poverty Strategy. However, none of the previous EU-level initiatives have delivered concrete, positive outcomes for people living in poverty.

EU candidate countries also face alarmingly high levels of poverty and social exclusion. According to the most recent Eurostat data⁶, the at-risk-of-poverty rate (AROPE) is, for instance, around 20% in Serbia (2022), 20.3% in Montenegro (2021), 22% in Albania (2021), and 21.8% in North Macedonia (2020). These figures exceed the EU average AROPE rate, which stood at around 16.5% in 2022. The EU Anti-Poverty Strategy therefore presents an opportunity to prioritise an anti-poverty perspective within the EU accession and cooperation frameworks for candidate countries. Our policy recommendations on the subject will be integrated throughout this paper, alongside a dedicated section on page 63.

SEIZING THE START OF THE NEW EU POLICY CYCLE

In her confirmation hearing and written response to the European Parliament, Ms Roxana Mînzatu, Executive Vice President of the European Commission for Social Rights and Skills, Quality Jobs, and Preparedness, provided some insights on what the EU APS will include: "The starting point [of the EU APS] must be the root causes of poverty, such as inequality and social injustice, low incomes, weak labour market attachment, gaps in access to social and essential services, affordability, to name a few.⁷"

These promising announcements come at a crucial moment, marked by the start of a new EU policy cycle. In addition to the EU Anti-Poverty Strategy, the European Commission will launch an EU Affordable Housing Plan in 2026. It has also committed to renewing the European Pillar of Social Rights (EPSR) Action Plan as well as the Gender Equality and LGBTIQA+ Equality Strategies and the EU Anti-Racism Action Plan. Discussions on the Multiannual Financial Framework (MFF) post-2027 will also accelerate this year.

However, it is important to note that EAPN and other civil society organisations advocating for human rights, dignity, and equality operate in a **hostile political context**. The most recent EU elections saw a surge in support for the far right. As a result, traditional political allies in the fight against poverty in the European Parliament are weaker than ever. With such fragmented political forces, reaching a consensus on advancing social rights will be more challenging.

Additionally, the fact that the European Commission has prioritised **competitiveness**, **security**, **and defence over strengthening the welfare system** for the next five years highlights the need to strengthen our advocacy efforts for a comprehensive and ambitious EU APS.

⁶ Eurostat, Living conditions in candidate countries and potential candidates, May 2024

Since 2022, rising inflation rates in the EU have exacerbated the energy and housing crises. These challenges have brought additional strain on people experiencing poverty, including those in employment. This is compounded by the lack of a social justice and anti-poverty perspective in the policy framework addressing the digital and green transitions.

On the contrary, an Anti-Poverty Strategy has the **potential to address the structural causes of poverty.** To be effective, it must be based on a rights-based approach, recognising poverty as a violation of fundamental human rights, rather than relying on soft law mechanisms that fail to comprehensively tackle its root causes.

WHY IS EAPN ADVOCATING FOR AN EU ANTI-POVERTY STRATEGY

As outlined in the EAPN Roadmap Towards an EU Anti-Poverty Strategy⁸, the EU APS has been a longstanding demand of EAPN since its creation in 1990, for two key reasons:

- 1. The complexity of poverty has yet to be fully addressed by the EU. So far, the EU has primarily treated poverty as a socio-economic and individual issue, failing to address its full complexity and the root causes that drive it. Similarly, the EU has not yet ensured alignment with existing policy frameworks. Thefuture EUAPS presents an opportunity to introduce an overarching, comprehensive, and ambitious proposal that captures the multidimensional nature of poverty and its intersection with other key EU policy frameworks.
- 2. Current targets and frameworks are insufficient. While the EPSR represents a central framework for promoting social rights and inclusion, its action plan needs to further address the specific needs of those experiencing poverty and social exclusion, and the most vulnerable segments of our society. The poverty target of reducing the number of individuals at risk of poverty by 15 million is a major scaling back from previous ambitions and SDGs. It also lacks specific sub-targets (such as those related to homelessness, women, migrants, and people with disabilities). Moreover, an action plan does not allow the EPSR to be treated as a unified block of rights.

EAPN ROADMAP FOR AN EU ANTI-POVERTY STRATEGY

In October 2024, EAPN published its *Roadmap for an EU Anti-Poverty Strategy*⁹. It outlines four principles that should guide the design process of the EU Anti-Poverty Strategy.

EAPN's 4-pillar approach towards an EU anti-poverty strategy

A Theory of
Change shifting the
power to eradicate
poverty.

Participation of
people experiencing
poverty and civil
society.

A cross-cutting approach with other EU policies. A strategy supported by a **strong governance** & **coordination.**

Without a strong ambition to eradicate poverty, a participatory approach, alignment with other EU policy frameworks, and strong governance and coordination, the impact of the EU APS will remain limited.

COMPLEMENTARY IMPLEMENTATION RECOMMENDATIONS

In addition to the principles outlined in the EAPN Roadmap, this position paper introduces **two further implementation recommendations**.

Creating a position of EU Anti-Poverty Coordinator

As explained throughout this paper, poverty eradication cannot rely solely on socio-economic policy measures. Its multidimensionality and complexity require a comprehensive strategy that spans multiple policy areas. At the EU level, the division of policy responsibilities into institutional silos risks impeding the European Commission's ability to take coordinated, ambitious action to eradicate poverty.

With the Executive Vice-President of the European Commission Roxana Mînzatu contributing to other key Commission portfolios, such as housing and equality, the EU Commission is well positioned to plan comprehensive action in these areas. However, an anti-poverty perspective should also be integrated in all policy areas.

Adedicated EU Anti-Poverty Coordinator responsible for implementing the strategy, facilitating cooperation across policy areas, and liaising with Member States, other EU institutions and stakeholders, such as civil society organisations, would enhance efficiency and coherence. This role would also help ensure that poverty and social exclusion remain priorities in key cross-cutting instruments, such as the post-2027 MFF.

The EU Anti-Poverty Coordinator should be supported by a team of staff members and adequate financial resources to fulfil their mission effectively and ensure the proper implementation of the EU APS.

Clear governance mechanisms, reporting obligations, and strong political engagement must be defined to ensure that poverty eradication remains high on the agenda and that consistency is guaranteed throughout all stages of public policy development.

Setting up progress indicators and a monitoring framework

Effective progress indicators and clear milestones are critical for measuring the success and impact of EU strategies. A useful reference is the EU Disability Strategy 2021-2030, which introduced eight key indicators in 2021. Their implementation is described through an online monitoring tool provided by the European Commission¹⁰.

Clear and concrete indicators will be key to ensuring transparency, accountability, and the overall efficiency of the strategy. These indicators should help establish a vision where poverty eradication is not just wishful thinking but an attainable horizon.

OBJECTIVES AND METHODOLOGY

This position paper is part on the policy content of the EU Anti-Poverty Strategy. It outlines **EAPN** recommendations on the challenges to be addressed, priorities, and concrete legislative, policy, and budgetary measures to be incorporated into the upcoming EU APS.

It draws on different sources, listed in the bibliography at the end of this paper:

- Recent EAPN publications and position papers,
- Internal exchanges with members and external stakeholders throughout 2024,
- Continued work with EAPN's delegation of people experiencing poverty,
- Consultations with technical experts from EAPN members.

The document is divided into six parts. The first focuses on mainstreaming the participation of people experiencing poverty throughout the EU Anti-Poverty Strategy. The second outlines the foundations of the EU Anti-Poverty Strategy, advocating for a narrative shift from the alleviation to the eradication of poverty. The third presents

12 key priorities on which basis the EU APS should be built. The fourth explores how to fund the EU APS and broader efforts to end poverty. The fifth examines the interplay between national antipoverty strategies and the EU APS, while the final section is dedicated to the inclusion of EU candidate countries in the EU APS.



MAINSTREAMING THE PARTICIPATION OF PEOPLE EXPERIENCING POVERTY ACROSS THE EU ANTI-POVERTY STRATEGY

EAPN believes that no legal, policy, or budgetary initiatives should be undertaken without involving those directly impacted by systems and structures of oppression. This involvement should not be limited to the policy design phase but must also extend to the implementation and evaluation stages.

For these reasons, our Roadmap advocates the **creation of two Committees:** one for civic and social parties, comprising civil society organisations, academics, trade union representatives, and other relevant stakeholders; and another specifically for people experiencing poverty (PeP).

A clear methodology for the participation of people experiencing poverty, including practical requirements to ensure meaningful engagement, must be developed. We believe these Committees – particularly the one for PeP – should be **central to the implementation of the EU APS**, with their involvement mainstreamed across the recommendations outlined in this paper.

However, when involving PeP in the EU APS, several safeguards must be put in place **to prevent an extractivist approach** of their experience for policymaking purposes.

An extractivist approach in participatory democracy occurs when affected communities are consulted, but their experiences are not reflected in the final stages of policymaking, are used for short-term goals, or are not adequately compensated for the time spent informing policymakers. The guidelines outlined in the following section should serve as a basis for a meaningful and sustainable participatory mechanism for PeP.

The EAPN Roadmap was complemented by further discussions during the EAPN People's Summit on 28 November 2024 in Brussels¹¹. These discussions led to the following guidelines for a participatory mechanism involving people experiencing poverty and civil society organisations:

- People experiencing poverty should be involved from the outset in designing the EU APS.
- The participation process, including its modalities and objectives, should be transparent from the beginning.
- 3. Their contribution and participation should be remunerated.
- Consultative meetings with people experiencing poverty should be held in all EU Member States, not just in capital cities.
- Online participation should be an option, adapted to the needs of participants, including accessibility for those with disabilities and translation services.
- 6. Civil society organisations should be involved in facilitating the participation of people experiencing poverty. EAPN and its European Organisations (EOs) members, such as Eurochild, FEANTSA, and other European organisations, have extensive experience working directly with affected communities.
- 7. People experiencing poverty should not only represent themselves but also consult with and gather input from others in similar situations. To support this, they should be given the necessary tools and resources.
- Their contributions should be made visible in the final EU APS and included in evaluation indicators.
- 9. A Code of Conduct should be adopted for each Committee to ensure inclusive participation.

FROM ALLEVIATION TO ERADICATION OF POVERTY: SHIFTING THE NARRATIVE FOR A STRONGER EU ANTI-POVERTY STRATEGY

THE STATE OF POVERTY IN EUROPE: EAPN NATIONAL MEMBERS' PERSPECTIVE

EAPN strives to amplify the voices of people experiencing poverty as well as those of its national and European network members. In this context, the EAPN Poverty Watch reports gather findings, trends, and analyses to provide a clearer picture of poverty in Europe.

Every year, the network paints an increasingly dire picture of poverty and social exclusion across Europe. While not claiming to be comprehensive, the Poverty Watch reports highlight many dimensions of poverty that are often overlooked by the official methodologies.

In **2023 and 2024**, the Poverty Watch made the following assessments¹²:

• EAPN national members reported an **alarming overall situation**, emphasising food insecurity, inadequate housing access and maintenance, and limited access to affordable, quality healthcare, energy, and sanitation in many European countries.

- Various national networks documented growing unease and hardship experienced by people living in poverty due to rising housing costs and increasing evictions.
- A period of soaring prices and high inflation has placed a heavy burden on various sections of society, particularly the most vulnerable.
- The profile of those at risk of poverty and social exclusion in Europe is diverse, with **some population groups more affected than others**, such as women, young adults, single-parent families, people with lower educational attainment, children, the unemployed, the elderly, and people with a migrant background.
- Overall, official poverty measurement methods continue to underestimate the extent of the problem. Marginalised groups remain invisible in traditional data collection (see glossary). Further, poverty statistics receive less political interest from decision-makers than unemployment data, resulting in less frequent updates.

This stark reality calls for an appropriate policy response: an ambitious EU Anti-Poverty Strategy, with a clear goal of eradicating poverty as its foundation.

THE LIMITED AMBITION OF THE EU IN FIGHTING **POVERTY**

For decades, EAPN and civil society organisations have fought tirelessly to maintain poverty and social exclusion on top of the EU policy agenda. Despite persistently high levels of poverty and the limited effectiveness of public policies - both at EU and national levels - there remains political resistance to adopting tangible and ambitious commitments to work towards the eradication of poverty.

However, the commitment to eradicating poverty is not new.

In March 2000, at the Lisbon extraordinary meeting of the European Council¹³, the EU Heads of State and Government agreed on the following commitment: "Steps must be taken to make a decisive impact on the eradication of poverty by setting adequate targets to be agreed by the Council by the end of the year."

Despite this, the first EU poverty reduction target was not adopted until 2010, with the launch of the EU2020 Strategy. This strategy aimed to reduce poverty by at least 20 million people by 2020.

Timeline: the fragmented attempts of the EU to fight poverty

The following timeline showcases key initiatives taken by the EU to tackle poverty and social exclusion. It highlights the EU's fragmented approach to fighting against poverty.

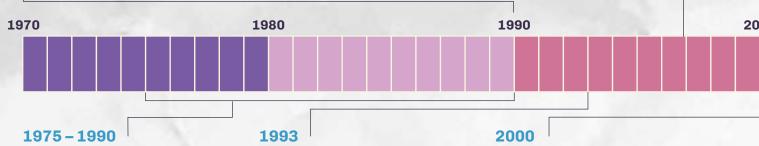
1990 THE EU COMMISSION ADOPTS A RECOMMENDATION

encouraging Member States to support national anti-poverty networks and programmes.

1997

THE EUROPEAN EMPLOYMENT STRATEGY

is introduced, focusing on reducing unemployment as the main tool for fighting poverty and social exclusion.



THE FIRST THREE ANTI-**POVERTY PROGRAMMES**

funded projects and helped align views on the definition of poverty.

THE 4TH ANTI-POVERTY PROGRAMME

is blocked by Germany, the UK, and the Netherlands, on the grounds that poverty and social exclusion should be addressed at the national level.

THE LISBON STRATEGY

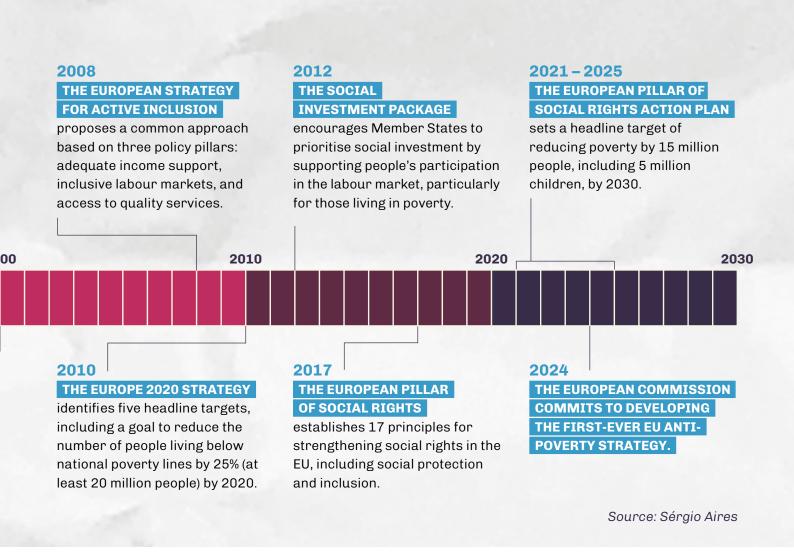
launches the Open Method of Coordination to strengthen the fight against poverty, requiring EU Member States to produce National Action Plans for Inclusion.

However, this target was ultimately missed, and the EU2020 Strategy prioritised economic stability and growth over social rights and inclusion, leading to devastating cuts to welfare systems¹⁴.

In March 2021, the European Pillar of Social Rights (EPSR) Action Plan set a new headline target: reducing the number of people living in poverty by at least 15 million, including at least 5 million children, by 2030. However, as highlighted in the 2025 Commission proposal for a Joint Employment Report (JER)¹⁵, published on 18 December 2024, "achieving the 2030 EU headline poverty reduction target of at least 15 million will require a significant acceleration during the remainder of

the decade." Between 2019 and 2023, poverty has only declined by 1.6 million people. At the national level, the JER proposal mentions that "only about half of the Member States showed some progress towards their national targets, with more efforts needed."

The EPSR headline targets fall short of the ambition set by the Sustainable Development Goals (SDGs). As mentioned in the introduction, SDGs require UN States Parties to eradicate all forms of poverty. By setting a much less ambitious goal, the EU must now use the EU APS to align with the values enshrined in Article 2 of the Treaty on EU-human dignity, equality, and respect for human rights.



¹⁵ European Commission, Proposal of Joint Employment Report 2025, December 2024

Over time, political commitments to eradicate poverty have weakened. Meanwhile, the **subsidiarity principle** (see glossary) **has regularly been used by EU Member States as a pretext to limit EU-level efforts** towards poverty eradication.

For instance, in 1993, a coalition of Member States led by the UK, the Netherlands, and Germany blocked the adoption of an EU anti-poverty strategy under the Fourth Anti-Poverty Programme, arguing that poverty and social inclusion fell exclusively within national competence.

Similarly, during the 1997 Amsterdam Treaty negotiations, the same Member States fought to limit EU competencies in ensuring social inclusion – which shows that the EU's limited role in tackling poverty is the result of political choices, rather than inherent legal constraints. Many legislative initiatives have suffered from this resistance, resulting in watered-down policies. This was, for instance, the case of the Minimum Wage Directive¹⁶, which was diluted by EU Member States such as Denmark and Sweden, who argued that wage-setting falls under the remit of national competences. The latter recently introduced an annulment action at the Court of Justice of the EU¹⁷.

The subsidiarity principle does not inherently require limiting EU action. Instead, it stipulates that action should be taken at the most effective level, whether EU, national or local. However, considering that poverty rates are alarmingly high in all Member States, we believe the EU Anti-Poverty Strategy is the perfect opportunity to reflect on how the subsidiarity principle can be used to enhance EU action to eradicate poverty, in coordination with national and local governments.

CAPTURING THE COMPLEXITY OF POVERTY

Poverty is a systemic phenomenon that affects all aspects of life and extends beyond social policy. However, this complexity has not yet been addressed by the EU.

EAPN believes this complexity should be reflected not only in how poverty is defined at the EU level but also in how it is integrated into the broader EU policy architecture.

Based on years of cooperation with its members and people experiencing poverty, EAPN advocates for a multi-level definition of poverty where:

- Poverty is a violation of fundamental rights. It affects human dignity and undermines the right to equality and non-discrimination.
- Poverty is much more than material deprivation. It also involves social and psychological hardships.
- Poverty is rooted in systemic and structural injustice. It stems from the unequal distribution of wealth and resources and intersects with power relations and historical inequalities based on gender and gender expression, race, ethnicity, religion, migrant status, age, sexual orientation, and disability.

This definition goes far beyond how poverty has been approached by the European Commission and the Council of the EU to date.

¹⁶ Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union

So far, EU institutions have mostly framed the fight against poverty as an enabler of economic growth. While protecting the social model is key to competitiveness and prosperity, this approach has lacked a rights-based perspective and has prioritised macroeconomic indicators during times of crisis. Even though economic growth can lead to job creation, it does not address the issue of unequal wealth distribution, one of the root causes of poverty.

Moreover, addressing poverty solely through the lens of competitiveness and growth fails to address the intricate systems of power that maintain people in poverty. This focus ultimately leads to a dangerous narrative: poverty eradication is not profitable enough to warrant political attention.

In the European Commission's 2024-2029 political guidelines18, the EU APS is not listed among the deliverables for upholding the social market economy. This omission is further illustrated in the European Commission's internal structure: issues related to poverty and social exclusion fall under the remit of the Directorate-General for Employment and Social Affairs (DG EMPL), while matters concerning non-discrimination and human rights fall under the Directorate- General for Justice (DG JUST). We believe this divisive allocation maintains an artificial silo between social rights and the other human rights enshrined in the EU Charter of Fundamental Rights.

The EU's fragmented approach in the fight against poverty underscores the urgent need for a comprehensive, ambitious EU APS dedicated to eradicating poverty.

Recommendations for the EU Anti-Poverty Strategy

The EU APS should be based on the following foundations:

• A COMMITMENT TO ERADICATING POVERTY, NOT JUST ALLEVIATING IT

Given the striking number of people living in poverty in the EU, EAPN believes a shift in approach is needed. **Working towards poverty eradication** is at the core of societal progress towards well-being, care, and community cohesion – especially in the context of green, digital, and demographic transitions. This commitment forms the basis for delivering a rights-based, integrated strategy. It is also key to securing a long-term approach to the EU Anti-Poverty Strategy that will outlast the current European Commission's mandate.

A 50% REDUCTION OF PEOPLE IN POVERTY BY 2030 (COMPARED TO 2017 LEVELS)

As stated by the 2025 European Commission proposal for a Joint Employment Report, much greater efforts will be needed in the next five years – both by the EU and Member States – to meet the EPSR poverty reduction target. EAPN believes the **initial weakness of this target** has contributed to a lack of ambition in addressing poverty and social exclusion.

While we acknowledge that eradicating poverty is an enormous task requiring a step-by-step approach and structural shifts from both the EU and its Member States, we believe it is urgent to align with Target 1.2 of the SDGs¹⁹.

As an intermediary step, the EU APS should **aim for a reduction of 50% of people living in poverty in the EU by 2030 compared to 2017 levels (the year of the European Pillar of Social Rights was adopted). The long-term objective must remain the eradication of poverty.**

• A COMPREHENSIVE DEFINITION OF POVERTY REFLECTING THE EXPERIENCE OF PEOPLE LIVING IN POVERTY

To date, the EU has mostly addressed poverty as a socio-economic and individual issue, relying on the AROPE indicator since the EU2020 Strategy. However, as ATD Quart Monde and the University of Oxford highlighted in 2019, there is a consensus among civil society organisations, activists, and international organisations that **poverty extends beyond socio-economic and material deprivation**.

EAPN's working definition of poverty (as outlined above) is shaped from years of collaboration with its members and people experiencing poverty. We call on the European Commission to base the EU Anti-Poverty Strategy on a comprehensive definition of poverty, reflecting the experience of people living in poverty.

To that end, we recommend the creation of a Committee of People Experiencing Poverty (PeP Committee), which would participate in the design, implementation, and evaluation of the EU APS, alongside a Committee of civic and social parties (see <u>page15</u> and EAPN's Roadmap towards an EU Anti-Poverty Strategy²⁰).

This PeP Committee would play a vital role in the elaboration of a comprehensive definition of poverty, as a foundation for the actions within the EU Anti-Poverty Strategy. An accurate, multidimensional definition of poverty is key for effective decision-making.

A COMMITMENT TO IMPROVING POVERTY MEASUREMENT

Since the EU2020 Strategy, poverty has been measured using the AROPE indicator, which consists of three sub-indicators:

- Relative poverty (at-risk-of-poverty rate/monetary poverty AROP),
- Material deprivation, capturing a form of absolute poverty,
- Labour market exclusion, measured by severe low work intensity.

Although the AROPE indicator has been instrumental in improving understanding of the extent of poverty in the EU, we believe it can be significantly improved to better encompass the complexity of the reality lived by people experiencing poverty. AROPE has, for instance, been criticised for **perpetuating a binary view** of those living in poverty, failing to capture its depth and complexity²¹.

Another criticism is that AROPE as the main indicator to measure poverty fails to account for data gaps and the missing poor – those ignored in traditional statistical methods. The missing poor also includes those who are excluded because of premature deaths linked to poverty and social exclusion²².

Reference Budgets (RBs) provide an alternative approach to get a better sense of poverty, based on the minimum goods and services needed for an acceptable standard of living for an individual household in a given country, region, or city²³. While RBs are mentioned in the Directive 2022/2041 on Minimum Wages²⁴ and the Council Recommendation on Minimum Income²⁵, their current scope remains limited and should be coupled with other indicators. They must be expanded for different households and developed with the involvement of people living in poverty.

- 20 EAPN, Roadmap towards an EU Anti-Poverty Strategy Process proposal for an effective policy, October 2024
- 21 Elena Bárcena-Martín, Salvador Pérez-Moreno, Beatriz Rodríguez-Díaz, Rethinking multidimensional poverty through a multi- criteria analysis, Economic Modelling, Volume 91, pages 313-325, 2020
- 22 Mathieu Lefebvre, Pierre Pestieau, Gregory Ponthiere, Counting the Missing Poor in Pre-Industrial Societies, Catholic University of Louvain, 2021
- 23 European Commission, webpage on Reference Budgets, checked on 5 March 2025
- 24 Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union
- 25 Council Recommendation of 30 January 2023 on adequate minimum income ensuring active inclusion

EAPN also raises concerns about the use of the EU–SILC (European Union Statistics on Income and Living Conditions) methodology, which-although useful for cross-country comparisons–fails to capture the lived experience of poverty, especially regarding social exclusion and housing insecurity and hidden forms of non-monetary poverty²⁶. It also does not adequately measure hidden poverty, such as social stigma, discrimination, and psychological impacts²⁷.

The EU Anti-Poverty Strategy presents an opportunity to reflect on how AROPE indicators, RBs, the SILC methodology and overall poverty measurement can be improved. To that end, we recommend that the European Commission **create a dedicated working group** comprising people experiencing poverty, academics, Eurostat, the EU Agency for Fundamental Rights (FRA), the European Institute for Gender Equality (EIGE), statistics offices of EU Member States, policy makers, civil society organisations, and practitioners working in essential services. This working group should be tasked with developing an updated poverty and social exclusion measurement tool before the end of the current European Commission's mandate.

• FRAMING POVERTY AS A RULE OF LAW, DEMOCRACY, AND FUNDAMENTAL RIGHTS ISSUE, RATHER THAN SERVING AS A PREREQUISITE FOR ECONOMIC GROWTH

The fight against poverty and social exclusion has largely been framed by the EU and its Member States as a prerequisite for economic growth. The EU2020 Strategy positioned poverty reduction as a condition for smart, sustainable, and inclusive growth. However, in practice, the pursuit of stability and economic growth has eclipsed meaningful efforts to address poverty.²⁸

This approach is also reflected in the way the European Commission operates, creating a policy silo that prevents EU policies from effectively addressing the multidimensional nature of poverty and social exclusion.

However, poverty does not only hinder people's capacity as economic agents and workers. Socio-economic status impedes access to human rights, including healthcare, education, housing, and protection from discrimination.

Similarly, poverty is closely linked to the four pillars of the rule of law: it impedes access to justice, while state corruption diverts funding from social protection systems and essential services. The media can contribute to stigmatising people living in poverty, while civil society organisations fighting against poverty play a crucial role in upholding democratic checks and balances.

- 26 EAPN, EAPN Assessment of the 2020 Country Reports and Proposals for Country-Specific Recommendations, July 2020
- 27 Bray R., de Laat M., Godinot X., Ugarte A., Walker R., <u>The Hidden Dimensions of Poverty</u>, Montreuil, Fourth World Publications, November 2019
- 28 EAPN Position Paper, Delivering Agenda 2030 for people and planet, September 2019

Atthesametime, there is a growing consensus of the incompatibility between the relentless pursuit of economic growth and the fulfilment of human rights. This is, for instance, one of the key conclusions of the 2024 report by the UN Rapporteur on Extreme Poverty and Human Rights. According to Olivier De Schutter, the dominant focus on economic growth is driven by profit maximisation that benefits the wealthiest groups in society while undermining efforts to combat poverty²⁹. EAPN believes that a shift of perspective is needed to bring meaningful change to the lives of those experiencing poverty.

As stated in Article 2 of the Treaty on the European Union, the EU is founded on the values of human dignity, fundamental rights, and equality. Yet, by failing to take ambitious and appropriate action towards poverty eradication, we believe **the EU directly contradicts Article 2 of the TEU.**

When designing the EU APS, the European Commission must ensure poverty and social exclusion are framed both as social inclusion challenges but also as rule of law, democracy, and fundamental rights issues.

The Commission current fragmented approach should be addressed by establishing the **position of an EU Anti-Poverty Coordinator** with a dedicated team, who would be tasked with overseeing the implementation of the EU APS across the European Commission's Directorate-Generals and in cooperation with other EU institutions and Member States. (see page 13).

SHIFTING THE NARRATIVE ABOUT POVERTY AND PEOPLE LIVING IN POVERTY

Discrimination and stigma against people living in poverty remain widely undocumented by the EU. However, the experiences of EAPN members speak for themselves: discrimination and poverty stigma trap people in poverty, increase non-take-up, exclude them from the labour market, and reinforce the criminalisation of poverty by EU Member States. Individual discriminatory attitudes are shaped by public narratives, policies, and disinformation about experiences of poverty that fail to give a voice to those who live this reality.

The EU Anti-Poverty Strategy should contribute to changing the narrative. A rights-based strategy is key to addressing stigma and discrimination. For instance, schemes like minimum income should be framed as fundamental rights rather than benefits that people must deserve. This shift is essential for reducing stigma against people experiencing poverty and for increasing take-up of social support schemes.

Another crucial step is introducing socio-economic status as a recognised ground for discrimination in EU law – this issue is addressed in more detail on page 43.

12 PRIORITIES FOR A RIGHTS-BASED AND COMPREHENSIVE EU ANTI-POVERTY STRATEGY

These 12 priorities **are divided into two parts:** the first part makes concrete recommendations to strengthen the European Pillar of Social Rights (EPSR) and its current action plan. The second part goes beyond the EPSR principles, aiming to break down policy silos and ensure the EU Anti-Poverty Strategy captures the full complexity of poverty.

I. Stepping up the European Pillar of Social Rights

PRIORITY 1 Ensuring an adequate, accessible, and enabling income for all

PRIORITY 2 Addressing in-work poverty through quality employment and adequate wages

PRIORITY 3 Ensuring access to adequate essential services at all stages of life

PRIORITY 4 Addressing homelessness and severe material deprivation

PRIORITY 5 Addressing the intersectional aspects of poverty

II. Beyond the European Pillar of Social Rights: Towards a comprehensive approach to poverty

PRIORITY 6 Exploring pathways for the legal recognition of socio-economic discrimination

PRIORITY 7 Protecting migrants, asylum seekers and undocumented people

PRIORITY 8 Ensuring the right to healthy and affordable food

PRIORITY 9 Pushing a green but also socially fair transition for people living in poverty

PRIORITY 10 Enshrining the digital rights of people living in poverty

PRIORITY 11 Addressing criminalisation of poverty in the EU

PRIORITY 12 Protecting and supporting anti-poverty civil society organisations

I. STEPPING UP THE EUROPEAN PILLAR OF SOCIAL RIGHTS

2025 is a pivotal year, as the European Pillar of Social Rights Action Plan will be renewed in parallel with the development of the EU Anti-Poverty Strategy. At a time when only 1.6 million people have been lifted out of poverty since 2019, EAPN believes the EU APS is the perfect opportunity to strengthen existing commitments and deliver concrete improvements in the lives of people living in poverty.

The first three priorities – ensuring adequate income, inclusive labour markets, and access to essential services – form the pillars of an active inclusion approach to social policies. Two additional priorities, addressing homelessness and intersectionality, should be mainstreamed throughout the EU APS.

PRIORITY 1 ENSURING AN ADEQUATE, ACCESSIBLE, AND ENABLING INCOME FOR ALL

EPSR principles:

Principle 2: Gender equality

Principle 4: Active support to employment

Principle 13: Unemployment benefits

Principle 14: Minimum Income

Principle 15: Old-age income and pensions

Principle 17: Inclusion of people with disabilities

Minimum Income Schemes (MIS) are essential components of integrated and rights-based anti-poverty strategies. They are crucial for guaranteeing adequate minimum living standards and a decent quality of life for all. They also enable people to participate fully in society³⁰. Adequate, accessible, and enabling MIS play a vital role in providing income protection and – when coupled with enabling essential services – offer a route out of poverty for those most in need.

All EU Member States have some form of minimum income scheme in place³¹. However, **these schemes consistently fall below the poverty threshold**³². They fail to lift millions of people above the poverty line, leaving them stigmatised, isolated, and trapped in cycles of poverty and social exclusion.

The Council Recommendation on adequate minimum income, adopted on 30 January 2023, marks an important step forward in implementing principle 14 of the EPSR. However, its implementation by EU Member States remains voluntary. It also contains many shortcomings regarding a rights-based approach, a common EU-wide framework, and the methodology for reference budgets³³. An initial assessment by EAPN members suggests that the Council Recommendation has not particularly improved the adequacy, accessibility, or enabling characteristics of the MIS thus far³⁴.

Similarly, the **non-take-up of MIS** and other social **schemes** remains a significant issue, driven by individual, structural, and systemic factors³⁵, such as lack of awareness, stigma, discrimination, and cultural and social barriers. The extent of non-take-up remains largely unknown at the EU level. Addressing this issue requires a coordinated set of actions at both EU and national levels, such as awareness- raising, building trust in institutions, addressing economic incentives, building a rights-based approach to MIS, and partnering with civil society organisations and people experiencing poverty.

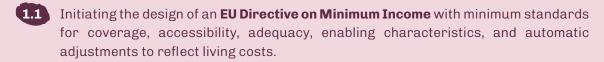
According to the 2024 EU Pension Adequacy Report by the European Commission³⁶, **old-age poverty and social exclusion have been slowly increasing since 2015**. In 2022, 20.2% of older people were at risk of poverty or social exclusion. The report also mentions the growing disparity between poverty rates among men and women over the age of 65, with the gap widening from 4.1 points in 2012 to 5.6 points in 2022.

- 30 EAPN, Council Recommendation on Minimum Income: Not enough to fight poverty, February 2023
- 31 European Commission, webpage on Minimum Income, checked on 5 March 2025
- 32 European Commission, Proposal of Joint Employment Report 2025, December 2024
- 33 EAPN, Council Recommendation on Minimum Income: Not enough to fight poverty, February 2023
- 34 Assessment to be published by EAPN in Spring 2025
- 35 Olivier de Schutter, Non-take-up of rights in the context of social protection Report of the Special Rapporteur on extreme poverty and human rights, April 2022
- 36 European Commission, EU pension adequacy report, 2024

Gender has a significant impact on pension adequacy, as gender segregation in the labour market leads to lower-paid jobs and disproportionate unpaid domestic work for women. In 2019, women over 65 received, on average, pensions 29% lower than those of men³⁷.

As stated by AGE Platform, guaranteeing universal, accessible, and adequate minimum pensions is crucial to eradicating the rising levels of poverty among older people³⁸.

Recommendations for the EU Anti-Poverty Strategy



- **Using the MFF post-2027** to improve adequacy, accessibility, and enabling characteristics of MIS across all EU Member States, ensuring dedicated funding for the design, reform, and implementation of minimum income schemes and the structural strengthening of social protection systems.
- 1.3 Encouraging Member States to **reform their tax systems** to ensure sustainable funding for adequate MIS, for instance, through the European Semester Country-Specific Recommendations (CSRs).
- 1.4 Ensuring that minimum income schemes in EU Member States also apply to pensions.
- 1.5 Implementing targeted, integrated measures to address the non-take-up of MIS and other social schemes.
- Guaranteeing automatic adjustments of MIS, pension schemes, maternity, paternity and parental leave benefits, and other social schemes in response to inflation and changes in the cost of living.
- Maintaining the issue of the **gender pension gap** as one of the priorities of the EU Gender Equality Strategy post-2025 and ensuring synergies with the EU APS.
- 1.8 Ensuring the full implementation of the Council conclusions of 20 June 2024 on pension adequacy.

PRIORITY 2

ADDRESSING IN-WORK POVERTY THROUGH QUALITY EMPLOYMENT AND ADEQUATE WAGES

EPSR principles:

Principle 5: Secure and adaptable employment

Principle 6: Wages

Principle 7: Information about employment

Principle 8: Social dialogue and involvement

of workers

Principle 9: Work-life balance

Principle 10: Healthy, safe, and well-adapted work environment and data protection

Employment does not always provide a sustainable route out of poverty. According to the Social Scoreboard³⁹, in 2023, 8.3% of workers lived in households at risk of poverty, meaning their yearly disposable income was below 60% of the national household median income level. According to the European Trade Union Confederation (ETUC)⁴⁰, Europe's lowest-paid workers have suffered the sharpest decline in purchasing power this century, with statutory minimum wages decreasing by up to 19% in real terms.

Even though its proportion has declined since 2016⁴¹, in-work-poverty is still a reality for millions across the **EU**, especially as people receiving unemployment benefits are increasingly sanctioned for not taking up jobs.

Marginalised groups are disproportionately affected by in-work poverty. Rising unemployment, the erosion of workers' rights, lower wages, and precarious contracts have brought about disastrous social consequences, exacerbating problems of indebtedness, putting pressure on pension systems, worsening mental health, and ultimately deepening poverty and exclusion⁴².

There are many other contributing factors to in-work poverty, such as low wages, work precarity, low-work intensity, the gender pay gap, and discrimination in accessing stable, high-quality employment. These challenges are further aggravated by the expansion and normalisation of non-standard forms of work, the weakening of trade unions,⁴³ and the dismantling of social security systems.

EAPN believes that the EU APS should prioritise tackling in-work poverty through two key axes: ensuring access to **quality employment and guaranteeing adequate wages**. We believe the EPSR provides a strong foundation for an inclusive employment model, where job quality and stability, fair wages, and access to essential services collectively help lift people out of poverty.

EAPN advocates for quality jobs that provide fair wages, job security, workers' rights, work-life balance, access to social protection, opportunities for professional development, and safe working conditions⁴⁴. Employment that does not fit these criteria will only perpetuate poverty.

Employment is, first and foremost, a human right, a means for social inclusion and participation in society, as well as a vital contribution to the economy. The focus should therefore be on job quality rather than quantity. Similarly, sanctioning individuals by reducing or cutting social benefits for not taking up employment pressures them into accepting poor-quality jobs.

In parallel, the adoption of the EU Directive on Minimum Wages⁴⁵ in 2022 marked an important step towards securing **adequate minimum wages** in the EU. However, while the directive aims to address in-work poverty, it does not include national poverty thresholds among

- 39 European Commission & Eurostat, Social Scoreboard, checked on 5 March 2025
- 40 ETUC, Minimum wage directive boost to struggling workers, September 2022
- 41 European Commission & Eurostat, Social Scoreboard, checked on 5 March 2025
- 42 EAPN, Quality of Work and Employment in the EU, 2014
- 43 Olivier de Schutter, The working poor: a human rights approach to wages, October 2023
- 44 EAPN, Quality of Work and Employment in the EU, 2014
- 45 Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union

the criteria for setting statutory minimum wages. Furthermore, most EU Member States have yet to implement it⁴⁶. For these reasons, while we advocate for upward wage convergence across the EU, the priority should be to ensure an adequate minimum income for all, as stated above.

In like manner, **persistent gender, ethnic, and youth pay gaps remain a significant issue**. In the EU, women earn on average 13% less per hour than men⁴⁷. However, comparable data on ethnic pay disparities is not available in the EU. In the UK, ethnic minority workers are paid 19.04% less per hour than white employees⁴⁸. The EU

Race Equality Directive⁴⁹ addresses discrimination based on racial or ethnic origin in employment, education, and social protection but does not address the issue of pay gaps. Concerning the youth pay gap, ETUC data shows that, in 2014, people under 30 earned on average only 74% of the overall standard wage. The causes of this gap stem from the prevalence of unstable work contracts, sector segregation, and unpaid traineeships. While the European Youth Guarantee promotes access to quality employment, apprenticeships, traineeships, or education within four months of becoming unemployed or leaving education, it does not address the youth pay gap.

Recommendations for the EU Anti-Poverty Strategy

- Ensuring the **2022/2041 Directive on Minimum Wages** is swiftly and fully implemented by all EU Member States and monitoring its implementation with the participation of civil society organisations and trade unions.
- 2.2 Ensuring the 2023/970 Pay Transparency Directive is swiftly and fully implemented by all EU Member States to address the gendered aspects of in-work poverty.
- 2.3 Proposing a legally binding EU tool to address the ethnic pay gap.
- 2.4 Tackling the youth pay gap by strengthening the European Youth Guarantee.
- Proposing concrete measures to promote **upward wage convergence**, **ensuring minimum wages are set at 60% of the national median wage** and provide a decent standard of living.
- 2.6 Aligning the EU Employment Guidelines with these objectives.
- 2.7 Collaborating with Member States to **ensure undocumented migrants benefit from minimum wage protections**, by setting up a firewall between labour enforcement and immigration authorities.
- 2.8 Allocating a dedicated strand within the European Social Fund (ESF) post-2027 to ensure employment opportunities for the long-term unemployed.

⁴⁶ ETUC, Minimum wage and collective bargaining systems in Europe, checked on 5 March 2025

⁴⁷ Eurostat, Gender pay gaps statistics, checked on 5 March 2025

⁴⁸ UK government, Homes England, <u>Gender and ethnicity pay gap report</u>, September 2024

⁴⁹ Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin

PRIORITY 3

ENSURING ACCESS TO ADEQUATE ESSENTIAL SERVICES AT ALL STAGES OF LIFE

EPSR principles:

Principle 11: Childcare and support for children

Principle 12: Social protection

Principle 16: Healthcare
Principle 18: Long-term care

Principle 19: Housing and assistance

for the homeless

Principle 20: Essential services

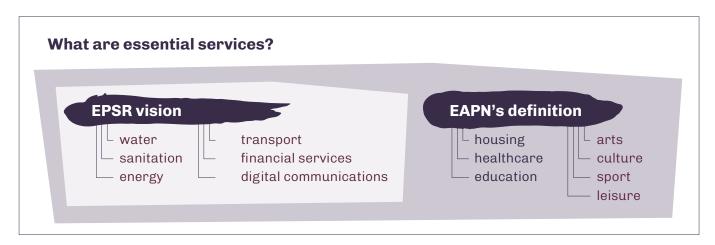
EAPN defines essential services as services of general interest, both economic and social, that are fundamental to people's lives and that public authorities must ensure meet adequate standards for all.

EAPN's definition is broader than that of the EPSR, which limits essential services to water, sanitation, energy, transport, financial services, and digital communications. EAPN expands this to include housing, healthcare, and education. This position paper also recommends considering arts, culture, sport, and leisure activities as key services for social inclusion and poverty eradication.

These services encompass a wide range of activities provided by private entities – such as energy, telecommunications, and transport – but also include vital services embedded in the heart of EU social protection systems, such as education, healthcare, housing, and social services⁵⁰.

Access to affordable, high-quality housing, energy, and public healthcare remains a primary challenge for people experiencing poverty and for EAPN national members⁵¹. EAPN members are increasingly alarmed by declining access to affordable, quality public services due to growing privatisation and liberalisation, which contributes to the persistent cycle of social exclusion for those in poverty. Meanwhile, the rising costs of energy, food, and housing were highlighted as the main challenges during the EAPN Persons Experiencing Poverty (PeP) meeting of June 2022⁵². However, barriers to affordability and accessibility often prevent individuals - particularly those at risk of poverty or social exclusion - from accessing these vital services. This affordability crisis disproportionately affects the most vulnerable, many of whom rely on income support or are forced to go without essential services due to financial constraints.

The EU APS must propose measures that ensure universal access to essential services, regardless of socio-economic status or geographical location. Prioritising access to these services is paramount to ensuring that all individuals can thrive and fully participate in society. When designing these services, policymakers must account for the specific challenges faced by marginalised groups (see glossary) to ensure their right to essential services is upheld on an equal basis.



- 50 EAPN, Equal access to affordable, quality essential services, 2022
- 51 EAPN, EU Poverty Watch <u>Towards a Sustainable Social Welfare for the People?</u>, December 2023 & EU Poverty Watch Towards a systemic approach of social protection, April 2025
- 52 EAPN, The unbearable cost of living, 2022

Ensuring the right to affordable and quality housing

Access to affordable, quality housing is an essential prerequisite for preventing and tackling social exclusion, alongside adequate income and income support. Investing in the right to quality affordable housing, including social housing, should be seen as a priority intervention policy to prevent homelessness, tackle housing exclusion and reduce poverty and social exclusion. It should be a cornerstone of the right to a dignified life.

Reliance on the market alone to increase the housing supply has failed spectacularly to provide affordable housing for all. This has been exacerbated by increased deregulation of rents and cuts to investment in and supply of social housing.

Housing remains the biggest household expense. According to Eurostat, many Europeans struggle to find affordable housing. In the EU in 2023, housing costs exceeded 40% of the disposable income for 10.6% of urban households and 7% of rural households. According to a Eurobarometer survey from July 2024, rising prices and the cost of living (42%) and the economic situation (41%) were the main issues motivating people to vote in the European elections.

For the first time, the European Commission has appointed an EU Commissioner responsible for energy and housing, Dan Jørgensen, who will put forward an Affordable Housing Plan in the coming months. In December 2024, the European Parliament established a special committee on the housing crisis in the EU. This is a key opportunity to ensure synergies between these areas and address, in the EU APS, the issues of housing and energy poverty in a concrete way.

Based on feedback from EAPN members, housing affordability should encompass public and social housing as well as private housing. Affordability should be improved through new construction and renovation, with specific measures targeting people experiencing poverty. The EU Affordable Housing Plan should also address homelessness by aligning with the EU Anti-Poverty Strategy.

Addressing energy poverty

Energy poverty is a multi-dimensional phenomenon that cannot be captured by a single indicator. Its main drivers are income inequalities, disproportionate expenditure of disposable income on high energy costs, and poor energy efficiency and insulation in the residential sector. Its causes and effects are deeply structural, spanning economic, social, employment, energy, climate, taxation, welfare, housing, and health policies⁵³.

Europe's profit-driven energy system, together with its decrepit, inefficient building stock, has left vulnerable citizens over-reliant on fossil fuels. Fossil fuel subsidies have continued to make low-income households dependent on fossil gas, including for electricity.

Decarbonising the local economy—including transport, the job market, and the building sector, particularly heating and cooling systems—is essential to meet social and climate justice goals simultaneously. However, some common EU environmental measures have had a disproportionate impact on the most vulnerable.

Carbon pricing, for example, can be regressive when applied in countries or regions with high levels of income inequality. Concerns remain about the potentially regressive social impacts of extending carbon pricing to household heating and transport.

Energy-poor consumers cannot be left behind to pay the price for climate change; therefore, they should be prioritised in EU and national policies on the green transition. The "polluter pays" and "energy efficiency first" principles should go hand in hand and be applied in a socially responsible way through wider enabling policies. Progressive tax reforms and revenue recycling, adequate minimum wages and minimum income, decent working conditions and living standards, as well as price caps, are essential measures to address energy poverty.

Guaranteeing universal access to social protection

Social protection systems are under increasing pressure, notably due to an ageing population and demographic changes. At the same time, it is essential that social welfare has the necessary resources to fulfil its objectives, including fighting poverty and social exclusion, and redistributing wealth between the richer and the poorer.

In parallel, we can already see in the Autumn Package of the 2025 European Semester that the measures imposing a public debt limit of 60% of a country's GDP and a 3% budget deficit limit, which were reactivated in spring 2024, continue to have negative effects on social protection expenditures as they lead to austerity policies⁵⁴.

Social protection systems remain mostly accessible for those in stable forms of employment. However, those in so-called "new forms of employment" (see glossary), those far from the labour market, undocumented individuals, people without a fixed residence or settled administrative status, and those deprived of liberty face important barriers to accessing social protection.

Stepping up the European Child Guarantee

Child poverty remains alarmingly high in the EU. According to Eurostat, in 2023, 24.8% of children under 18 in the EU were at risk of poverty or social exclusion. According to the European Commission's 2025 Joint Employment Report proposal⁵⁵, the share of children in poverty has remained stable, despite the headline target to lift 5 million children out of poverty by 2030. Similarly, the JER highlights that the 2030 Barcelona targets remain far from being achieved⁵⁶.

As pointed out by the Alliance for Investing in Children⁵⁷, of which EAPN is a member, child poverty, even for short periods, has lasting effects throughout

life and contributes to intergenerational poverty. In recent years, children have paid the highest price for the COVID-19 pandemic, inflation, and the rise in energy and housing prices.

Some children are in more vulnerable situations than others, particularly if they are homeless, have a migrant background, are Roma, racialised, affected by conflicts, have a disability, are from single-parent or large families, are in care, or are subject to protection and educational guardianship measures. They are even more likely to be overlooked by policies at both the EU and national levels.

In addition, access to arts, culture, sports, and holidays should be an integral part of any measures aimed at addressing child poverty.

Securing access to healthcare

According to Eurostat, in 2022, 19% of people at risk of poverty in the EU struggled to afford medical care. Health inequalities are one of the numerous long-term consequences of social exclusion. People living in poverty tend to have more health problems but also face greater barriers to access healthcare, due to unstable employment, administrative or residence status, or conditions such as homelessness or deprivation of liberty.

Not all Member States have the same definition of what is included in healthcare services. The most expensive treatments, such as dental and ophthalmological care, are also the least accessible for people living in poverty. In some Member States, like Spain, these services are not covered by public healthcare, limiting state support for those in need.

In addition, people experiencing poverty face an increasing risk of mental health issues. Mental health traumas linked to poverty, combined with other forms of oppression, require complex responses, but also adequate, affordable, and accessible mental health services.

- 54 EAPN, European Semester 2023: EAPN urges Commission to prioritise social rights over profits, 2023 & EAPN Reaction to the European Semester 2025 Autumn Package, 2025
- 55 European Commission, Proposal of Joint Employment Report 2025, December 2024
- 56 The Barcelona Targets were originally set in 2002 in the area of child participation in Early Childhood Education and Care (ECEC). The following updated targets aim to the following objectives by 2030: at least 45% of children below the age of three participate in early childhood education and care with specific targets for Member States that have not reached the 2002 goals and at least 96% of children between the age of three and the starting age of compulsory primary education should participate in early childhood education and care.
- 57 EU Alliance in Investing in Children, From commitment to reality, June 2024

Recent economic crises and austerity policies in EU Member States have created additional barriers to accessing high-quality, affordable healthcare. As an essential component of social protection systems, universal access to healthcare – including mental healthcare – should be part of any rights-based and integrated strategy to eradicate poverty.

Upholding access to long-term care

The COVID-19 pandemic has refocused attention on the well-being and quality of life of both care recipients and caregivers, as well as on unequal access to affordable, high-quality essential services – particularly in rural areas.

Long-term care (LTC) services are essential for individuals who experience, or are at risk of developing, significant loss of intrinsic capacity and diminished functional ability due to mental or physical illness and disability. People of all ages can develop long-term care needs, but as the global population ages, adults aged 60 and above account for a growing share of LTC users. Wordlwide, an estimated 142 million older people are unable to meet their basic needs independently, and two out of three older adults are likely to require care and support at some point in their lives. Women, people living alone, and those with lower health and socio-economic status are more likely to require LTC services⁵⁸.

Long-term care has strong gender implications⁵⁹. Women have longer life expectancy and are therefore more likely to need LTC services. Access to these services depends on income levels and socioeconomic status. At the same time, most workers in the paid LTC sector are women. In 2021, wages in long-term care and other social services were 21% below the average⁶⁰. Similarly, most LTC workers are migrants, filling essential positions in nursing homes and long-term care facilities.

On 8 December 2022, the Council of the EU adopted a recommendation on access to affordable, high-quality long-term care as part of the EU Care Strategy. While this recommendation marks a step forward, EAPN has identified several gaps that the EU APS could address⁶¹.

Ensuring the right to access arts, culture, sport, holidays, and leisure activities

The right to culture is enshrined in Article 15 of the UN International Covenant on Economic, Social and Cultural Rights. Cultural rights are part of human rights and are crucial to well-being and human dignity⁶². The EU Charter of Fundamental Rights guarantees several cultural rights, including the right to cultural, religious, and linguistic diversity (article 22) and freedom of expression (article 14).

Including cultural rights in the EU APS is essential to addressing the multidimensional nature of poverty. Access to arts, culture, sport, and leisure activities enhances individual well-being and breaks down social isolation, one of the many consequences of poverty. These activities also strengthen community bonds. Similarly, the ability to go on holiday is a crucial vector of social inclusion, contributing to individual well-being, improving physical and mental health, and fostering social bonds.

People living in poverty face structural, social, and economic barriers to accessing these activities. This is often due to financial constraints, as disposable income is prioritised for basic needs, such as housing, food, healthcare, and clothing.

As a result, access to arts, culture, sports, and leisure activities is, in practice, a luxury, even though these activities are essential for social inclusion and poverty eradication. The EU Anti-Poverty Strategy should therefore include and support access to these services, just as it does for other essential services.

- 58 World Health Organisation (WHO), webpage on Long-Term Care, checked on 5 March 2025
- 59 European Institute for Gender Equality (EIGE), Gender equality and long-term care at home, 2020
- 60 Eurofound, Wages in long-term care and other social services 21% below average, March 2021
- 61 EAPN, No backdoor on the right to care, October 2022
- 62 Swiss Federal Commission on Migration, Fribourg Declaration, 2007

Recommendations for the EU Anti-Poverty Strategy

- 3.1 Enshrining a rights-based and person-centred approach to universal and non-discriminatory access to affordable, high-quality essential services, rather than allowing a conflicting interaction between a market-driven approach and public interest.
- 3.2 Ensuring alignment between the EU APS, the European Child Guarantee, the European Care Strategy, the Council Recommendation on early childhood, education, and care, the European Platform on Combatting Homelessness (EPOCH), and the upcoming EU Affordable Housing Plan so that all initiatives work towards poverty eradication.
- 3.3 Turning the European Semester into a Social Semester (see page 55). Public investment in social services should be at the core of the European Semester process. Social and environmental objectives should be central to the process, ensuring that economic and fiscal policies serve the goal of poverty eradication rather than overriding it.
- 3.4 Ensuring offline access to essential services. As more services move online, the EU APS must guarantee that they are accompanied by physical, accessible, affordable, and high-quality essential services available to all, along with easy-to-navigate assistance (as in recommendation 10.1).
- 3.5 Aligning the child poverty reduction target with the UN SDG 1 on poverty eradication by 2030.
- 3.6 Increasing the earmarked funding for child poverty in the European Social Fundpost-2027 beyond 5 % and ensuring inclusion for all Member States (see page 59).
- 3.7 Requiring Member States to adopt national anti-poverty strategies (NAPS) and local anti-poverty strategies (LAPS) as a condition for accessing funds from the Multiannual Financial Framework post-2027. These strategies should include dedicated objectives on child poverty, the Barcelona Targets, and national action plans under the European Child Guarantee (see page 61).
- 3.8 Ensuring adequate funding of social protection systems by developing a common methodology to define social and green investments and assess their potential return on investment. This will enable Member States to exclude such investments from the excessive deficit procedure and avoid sanctions under the Stability Growth Pact⁶³.

- 3.9 Promoting **more progressive taxation systems**, including on wealth, property, and capital, to ensure adequate funding for social protection systems.
- Ensuring the full implementation of the 2019 Council Recommendation on access to social protection for workers and the self-employed.
- Working towards a Council Recommendation on universal and free access to social protection in the EU.
- 3.12 Ensuring social protection, stable employment, and minimum income for live-in carers.
- 3.13 Introducing concrete actions and specific targets to address energy poverty and guarantee the right to affordable, clean energy for all.
- 2.14 Ensuring that price cap measures are complemented by direct subsidies or energy vouchers for those facing energy poverty.
- **3.15** Enforcing a comprehensive **EU-wide ban on energy disconnections**.
- 3.16 Agreeing on EU minimum quality standards to monitor the right to housing, using the EU-SILC indicators as a baseline. These absolute standards should be benchmarked against national norms, and a composite housing exclusion indicator should be developed, linking existing EU SILC indicators (e.g. housing cost, rent arrears, overcrowding, etc.).
- 3.17 Encouraging Member States to regulate housing rents in areas of housing market failure to promote affordable housing for low-income households and promoting public subsidies to support low-income households in accessing decent and high-quality housing.
- 3.18 Providing direct financial support to renovate homes of those experiencing energy poverty, ensuring that upfront costs do not create a barrier.
- 3.19 Guaranteeing access to arts, culture, sport, holidays, and leisure activities for people living in poverty in the MFF post-2027, through dedicated strands in future Creative Europe and Erasmus+ funds as well as Structural and Investment Funds (ESIF).

PRIORITY 4 ADDRESSING HOMELESSNESS AND SEVERE MATERIAL DEPRIVATION

EPSR principles: Principle 19: Housing and assistance to the homeless

According to FEANTSA's latest data⁶⁴, at least 1,287,000 people are homeless in Europe, with numbers drastically increasing in most Member States. Homelessness is the most extreme form of social exclusion, requiring urgent action at both the EU and national levels. Understanding its dynamics and intersectionality with other forms of oppression is essential for rights-based, integrated anti-poverty strategies.

People who are both undocumented and homeless remain a significant concern, reflecting the broader intersection between migration, housing, and poverty. Undocumented migrants – those who lack a residence permit in the country where they live – often face barriers to employment, social services, and housing, increasing their vulnerability to homelessness.

The Lisbon Declaration on the European Platform on Combatting Homelessness marked a commitment from EU Member States to work towards ending homelessness by 2030. The EU Anti-Poverty Strategy is an opportunity to put forward concrete actions and make progress towards this goal, alongside a strengthened European Platform on Combatting Homelessness (EPOCH).

Similarly, severe material deprivation (SMD) remains prevalent among people living in poverty. According to Eurostat, in 2023, 6.8% of the EU population experienced severe material and social deprivation, with significant variations across EU Member States⁶⁵. However, SMD is not directly addressed by the European Pillar of Social Rights, despite its prevalence – particularly among the most vulnerable groups. In this context, providing food and/or basic material assistance remains crucial while simultaneously implementing long-term policies to eradicate poverty. We believe the EU APS must serve as an opportunity to introduce concrete measures to address severe material deprivation and enhance the support currently through the European Social Fund+.

The current ESF+ allocates 3% of its funding to addressing severe material deprivation. The Fund for European Aid to the Most Deprived (FEAD), which operated from 2014 to 2020 before being replaced by this 3% allocation in the ESF+ 2021-2027, has provided vital support for the provision of food and basic material assistance as well as accompanying measures that offer an entry point for long -term solutions. The COVID-19 pandemic, the war in Ukraine, climate change, and inflation have all increased the demand for material support, which should be reflected in the Multiannual Financial Framework (MFF) post-2027.

- **Dedicating a section of the EU APS to homelessness, with specific actions** and objectives to ensure the right to quality and affordable housing.
- **Mainstreaming homelessness and anti-poverty perspectives** in the EU Gender Equality Strategy, the EU LGBTIQ+ Strategy and the EU Anti-Racism Action Plan post-2025, the EU Disability Strategy 2021-2030, the EU Migration Pact, and the EU Action Plan for Integration and Inclusion.
- 4.3 Proposing a Council Recommendation on homelessness.
- Further developing the **European Platform on Combatting Homelessness (EPOCH)** by increasing its funding for both activities and governance and expanding its three work streams on monitoring, mutual learning, and accessing EU funds.
- **Reallocating uncommitted structural funds** from Member States to combat homelessness, under the current Multiannual Financial Framework (MFF)⁶⁶.
- 4.6 Increasing the earmarking for severe material deprivation and accompanying measures in the European Social Fund+ post-2027 from 3% to 10%.

PRIORITY 5 CONFRONTING THE INTERSECTIONAL ASPECTS OF POVERTY

EPSR principles:

Principle 2: Gender Equality
Principle 3: Equal Opportunities

The few available statistics are clear: those who live in poverty often experience overlapping forms of discrimination. As Audre Lorde said, "there is no such thing as a single issue because we do not lead single-issue lives".

The intersectional aspects of poverty are the result of multiple forms of oppression embedded in patriarchy, capitalism, racism, colonialism, ableism, and heteronormativity.

Despite their significance, intersectional aspects of poverty are barely documented by the EU. EU-wide research on the issue is limited.⁶⁷ One key reason is that the current methods of measuring and collecting statistics on poverty fail to capture the reality of the most vulnerable among those living in poverty – referred to as the missing poor (see glossary).

Over the past decades, the EU has made little progress in addressing discrimination on grounds such as gender, race, ethnicity, disability, gender orientation, age, and religion within its secondary legislation, policies, and budgetary tools. However, these issues are addressed in silos. Institutionally, discrimination-related issues are addressed by the Directorate-General (DG) for Justice and Consumers of the European Commission, while poverty and social exclusion fall under the remit of the DG for Employment and Social Affairs. The EPSR remains the main tool for tackling social exclusion. However, its action plan and social scoreboard fail to account for the specific barriers faced by vulnerable groups.

At the legislative and policy levels, the EU has weak binding mechanisms to address intersectional discrimination, and multiple efforts to combat rights violations continue to ignore the socio-economic aspects of exclusion.

These silos contribute to the EU's failure to fully acknowledge and address the intersectional aspects of poverty at the EU level.

Gender is the issue that has received the most attention so far, largely due to the architecture of EU primary law. However, the social scoreboard, which monitors the implementation of the EPSR, limits the gender lens to the access to the labour market. Women continue to be disproportionately affected by poverty and social exclusion compared to men, particularly those experiencing intersectional forms of discrimination.

According to Eurostat, in 2020, 22.9% of women were at risk of poverty and social exclusion compared to 20.9% of men. Single-parent families – 85% of which are headed by women – face a greater risk of poverty, increasing the likelihood of intergenerational poverty. Similarly, only 51% of trans people are in paid employment, compared to 69,3% of the general population, with trans women facing particularly high rates of unemployment.⁶⁸

The gendered division of labour, both in domestic settings and in education and the workplace, has lifelong consequences for women's economic independence and risk of social exclusion. For instance, women are overrepresented in low-paid sectors such as healthcare and care services.

At the EU level, key policy tools – such as the EU Anti-Racism Action Plan 2020-2025, the Gender Equality Strategy 2020-2025, the LGBTIQ Equality Strategy 2020-2025, and the Strategy for the Rights of Persons with Disabilities 2021-2030 – fail to prioritise poverty and social exclusion. Meanwhile, the Roma Strategic Framework 2021-2030 is still far from meeting its target of reducing the poverty gap between Roma communities and the general population by at least half.

⁶⁷ Latest EU Agency for Fundamental Rights (FRA) reports <u>Being Black in the EU</u> and <u>Being Muslim in the EU</u> now consider AROPE, access to housing and employment, but they are so far the only reports to do so

⁶⁸ European Commission, Legal gender recognition in the EU – The journeys of trans people towards full equality (2020)

The EPSR also dedicates a specific principle to the inclusion of people with disabilities but limits it to access to the labour market. However, people with disabilities face a higher risk of poverty. According to Eurostat⁶⁹, in 2022, 29.7% of the EU population aged 16 or older with a disability was at risk of poverty or social exclusion.

The **EU Disability Strategy** 2021-2030 includes key commitments to addressing poverty among persons with disabilities, including providing guidance to support Member States in reforming social protection systems, focusing on disability assessment frameworks, and closing gaps in social

protection. However, like the other strategies mentioned, it lacks an integrated approach that aligns with broader social inclusion and the fight against poverty.

Considering the intersectional aspects of poverty, it is crucial the EU Anti-Poverty Strategy aligns with key equality and anti-discrimination frameworks, among other tools. Addressing poverty through an intersectional lens is crucial to tackle its structural and systemic dynamics and root causes, rather than viewing it solely as an individual or socio-economic issue.

- Ensuring that the EU APS is drafted in coordination with the EU Anti-Racism Action Plan post-2025, the Gender Equality Strategy post-2025, the LGBTIQ Equality Strategy post-2025, and the EU Disability Strategy 2021-2030. These frameworks should include dedicated sections on poverty-related issues while also integrating an anti-poverty perspective throughout.
- 5.2 Aligning and strengthening efforts to achieve the anti-poverty targets of the Roma Strategic Framework 2021-2030
- 5.3 Mandating the European Institute for Gender Equality (EIGE) and the EU Agency for Fundamental Rights (FRA) to conduct **EU-wide research on the intersectional aspects of poverty**.
- 5.4 Proposing the inclusion of the EIGE's Gender Equality Index in the Social Scoreboard.
- 5.5 Ensuring that the Social Scoreboard includes indicators reflecting the intersectional aspects of poverty.

II. BEYOND THE EUROPEAN PILLAR OF SOCIAL RIGHTS: TOWARDS A COMPREHENSIVE APPROACH TO POVERTY

EAPN's second set of recommendations extends beyond the European Pillar of Social Rights. These recommendations aim to address the root causes of poverty comprehensively and recognise its multidimensional nature, beyond purely socio-economic factors. **The added value of the EU APS lies in its ability to go beyond the EPSR principles.** The following recommendations aim to identify the main areas where bridges can be built to work towards a more comprehensive approach to poverty.

PRIORITY 6 EXPLORING PATHWAYS FOR THE LEGAL RECOGNITION OF SOCIO-ECONOMIC DISCRIMINATION

People living in poverty face daily occurrences of negative attitudes towards them – also known as aporophobia⁷⁰. **Aporophobia manifests in systemic discrimination, unequal treatment, stigma, and individual, societal, and state violence.**

According to the December 2023 EU Barometer⁷¹, discrimination based on socio-economic status is perceived as widespread by 49% of respondents. In 2016, the EU Agency for Fundamental Rights (FRA) found that being homeless is one of the main factors motivating hate crime in the EU⁷².

EU primary legislation leaves room for this list of grounds to be expanded⁷³. Indeed, Article 2 of the Treaty on the EU includes equality, non-discrimination, and human dignity as fundamental EU values. Article 9 of the Treaty on the Functioning of the EU requires the Union to integrate social inclusion into its policies and activities. Article 21 of the EU Charter of Fundamental Rights prohibits discrimination on the grounds of social origin and poverty, among others.

Currently, the EU operates within a hierarchy of protection, where race and gender are safeguarded in all areas of life, while religion and belief, sexual orientation, disability, and age are only protected in the context of employment. Socio-economic background is not recognised as a protected characteristic under EU mechanisms. However, many countries have introduced this ground at the national level.

The absence of recognition of socio-economic status and poverty as grounds for discrimination limits the EU's ability to act against unequal treatment, hate speech, or hate crime.

EAPN believes that socio-economic discrimination should be addressed within the EU Anti-Poverty Strategy, as it contributes to the exclusion and violence faced by people living in poverty.

- 6.1 Developing an **EU-wide legal framework** that explicitly recognises socio-economic status as a form of discrimination and provides legal protections against it in areas such as employment, education, housing, and access to social services.
- **6.2** Funding **EU-wide research on socio-economic discrimination** in the European Union, to be conducted by the EU Agency for Fundamental Rights (FRA).
- 70 FEANTSA, Aporophobia Challenging Hate Crime Against People Experiencing Homelessness in the EU, May 2021
- 71 European Commission, <u>EU Barometer on discrimination in the EU</u>, December 2023
- 72 EU Agency for Fundamental Rights (FRA) Fundamental Rights Agency, <u>Ensuring justice for hate crime victims: professional perspectives</u>, 2016
- 73 Equality and Rights Alliance & Tamas Kadar, An analysis of the introduction of socio-economic status as a discrimination ground, 2016

PRIORITY 7: PROTECTING MIGRANTS, ASYLUM SEEKERS AND UNDOCUMENTED PEOPLE

In 2023, 45.5% of non-EU citizens residing in the EU faced the risk of poverty or social exclusion, compared with 27.9% of EU citizens living in another EU country and 18.9% of nationals living in their own country⁷⁴. A variety of factors contributes to this disparity, such as lower participation in the labour market and overrepresentation in lower-paid sectors⁷⁵.

Similarly, the design of certain migration policies increases the risk of poverty. This occurs when residence permits are employer-specific, making workers more vulnerable to exploitation and underpayment by ill-intentioned employers, when access to social support is limited or delayed, or when individuals who have fallen out of status are unable to regularise⁷⁶ their situation.

Access to social protection is often conditional on the length of residence or mandatory requirements, such as accepting training or employment to continue receiving income support. Access to the labour market is further limited by income thresholds that do not allow individuals to live independently. Migrants' ability to access the labour market is also contingent on shortages in certain sectors, reducing them to being seen as commodities rather than individuals with rights.

Undocumented people – those who do not have a residence permit for the country they live in – are particularly vulnerable to poverty, as they are excluded from the formal labour market and from most essential or support services, including those specifically designed to assist people experiencing poverty.

⁷⁴ Eurostat, Migrant integration statistics - at risk of poverty and social exclusion, September 2024

⁷⁵ European Commission, Statistics on migration to Europe, webpage checked on 2 April 2025

⁷⁶ Regularisation refers to any procedure that allows people to access to a residence permit for the country in which they live, thus 'regularising' their irregular stay. The grounds across the Union are varied and include studies, family unity, private life (i.e. length of time spent in the country), work, training, persecution, exploitation, inability to return to the country of origin, etc. However, most Member States recognize only a limited set of grounds. See PICUM, 2022, FAQ regularisation and access to a secure residence status



- 7.1 Ensuring that the EU Anti-Poverty Strategy includes all people experiencing poverty, regardless of their residence status, by addressing the intersections between residence status and poverty.
- 7.2 Recommending that EU migration policies ensure access to residence permits, whether from abroad or from within the EU, that provide full access to the labour market, social protection, and essential services.
- 7.3 Ensuring access to essential services for all, without discrimination based on migration or residence status.
- 7.4 Providing targeted financial support for community-based projects aimed at assisting the most vulnerable migrants and asylum seekers in the MFF post-2027.
- 7.5 Ensuring that EU-funded measures to eradicate poverty and social exclusion within ESF+ post-2027 are accessible to all those in need, including non-EU citizens regardless of their residence status.
- 7.6 Ensuring that the labour market is unconditionally accessible to all migrants and that migrant workers receive the same labour rights as non-migrant workers.

PRIORITY 8 ENSURING THE RIGHT TO HEALTHY AND AFFORDABLE FOOD

Food poverty is an urgent challenge in Europe, exacerbated by rising food and energy costs. This has triggered a cost-of-living crisis that disproportionately affects the most economically vulnerable groups. Many families are struggling to afford nutritious meals, resulting in adverse effects on their health and overall well-being. In parallel, around 20% of food produced is wasted every year⁷⁷.

Existing support systems – such as pensions, welfare schemes, and wages - have failed to keep pace with the sharp rise in food prices, thus exacerbating both physical and mental health challenges for EU citizens. These widespread, multifaceted negative consequences underscore the urgent need to address the economic decisions that shape European food production and health services.

To combat food poverty, a comprehensive approach is necessary - one that establishes accessible, sustainable, and health-focused food systems. Moreover, the EU must confront resistance from influential vested interests to safeguard public health, invest in social welfare policies, and promote sustainable food production and security, while also tackling the pressing issue of food waste. Europe must ensure that affordable and nutritious food is available to all, addressing the inequalities embedded in the current food system and guaranteeing universal access to essential nutrition and adequate health support, as outlined in Priority 3 of this paper.

- 8.1 Increasing the minimum allocation of the European Social Fund post-2027 to combat material and food deprivation, as well as accompanying measures, from 3% to 10%, (see also priority 4).
- 8.2 Ensuring that social schemes such as MIS and pensions are automatically adjusted to inflation and the costs of living (see also recommendation 1.5).
- 8.3 Ensuring that the MFF post-2027 contributes to improving access to healthy and high-quality food for people experiencing poverty, through the European Social Fund and EU Health Programme post-2027.

PRIORITY 9 PUSHING A GREEN BUT ALSO SOCIALLY FAIR TRANSITION FOR PEOPLE LIVING IN POVERTY

Climate change disproportionately impacts people experiencing poverty. With fewer economic and material resources to cope with environmental risks, they are more vulnerable to health issues, energy poverty, housing insecurity, and forced displacement⁷⁸. If not carefully designed, policies aimed at tackling climate change can also place an undue burden on low-income households, effectively locking them out of the green transition.

The perspectives of people living in poverty are simply absent from current EU climate policies. So far, measures aimed at mitigating the impact of climate change have focused on middle-class households, leaving behind the most marginalised communities.

While the EU Green Deal references the European Pillar of Social Rights and foresees several tools to make the green transition socially inclusive, these tools remain limited in practice. The EU Green Deal primarily relies on market mechanisms, such as carbon pricing, which can drive up energy costs and lead to job losses, disproportionately affecting the most vulnerable.

In 2023, EAPN joined environmental organisations in welcoming the adoption of the Social Climate Fund (SCF)⁷⁹. However, we raised several concerns about the lack of prioritisation of low-income households and the absence of clear mechanisms for fund implementation, making it difficult to assess whether the SCF is effectively supporting the most vulnerable.

EAPN advocates for climate policies to be fully integrated into anti-poverty strategies and policies. The EU Anti-Poverty Strategy is the opportunity to address the current gaps in the EU Green Deal and other EU climate policies, ensuring that the needs of people living in poverty are considered.

- Ensuring adequate funding to address climate poverty, with a focus on energy efficiency and housing renovation in the MFF post-2027, to ensure that people living in poverty receive adequate support during the green transition.
- **9.2** Ensuring the **national social climate plans** formulated by EU Member States take into account people experiencing poverty.
- 9.3 Creating a dedicated, long-term EU public investment fund post-2026 to drive the socially just transformation of our economy towards net-zero and a circular economy.
- 9.4 Ensuring that the Just Transition Fund (JTF) is accessible to people living in poverty, without regional disparities, to support the reskilling and training of low-income workers affected by the green transition. The JTF should also be revised to include targets and commitments aimed at addressing climate-related poverty.
- 9.5 Including social safeguards in the EU Emissions Trading System (ETS), ensuring that carbon pricing increases do not disproportionately impact low-income households, and redistributing revenues generated to households impacted by energy poverty.
- 9.6 Complementing price-cap measures with **direct subsidies**, **automatic social tariffs**, **or energy vouchers** for those facing energy poverty (also see recommendation 3.17).
- **9.7** Enforcing a **comprehensive EU-wide ban on energy disconnections** (also see recommendation 3.18).
- **9.8** Ensuring that public subsidies to companies are conditional on investments that promote **the most sustainable modes of production**.
- **9.9** Ensuring that Member States invest in clean and renewable energy-based **public transportation**, making it available and accessible to all, especially those experiencing poverty.
- 9.10 Safeguarding the **right to access clean water and sanitation** within the European Pillar of Social Rights and the recast 2020 EU Directive on water quality⁸⁰.

PRIORITY 10 ENSHRINING THE DIGITAL RIGHTS OF PEOPLE LIVING IN POVERTY

EAPN's 2024 report on the use of digital tools by people experiencing poverty concludes a concerning trend of digitally induced poverty⁸¹.

EAPN defines digital poverty as the inability to interact adequately with digital devices and spaces, due to a lack of skills, resources (such as electricity, smartphones, and laptops), or internet access. Although digitalisation aims to facilitate access to services, it has inadvertently deepened the challenges faced by those already at risk of poverty. Instead of removing barriers, it has added new ones, making it harder for individuals to access essential information and services, social benefits, and employment opportunities. Many are now required to invest additional resources and pay for digital access. As a result, digitalisation has further pushed individuals into poverty, widening the gap between the digitally literate and the digitally excluded.

The EAPN report also explores issues related to the automation of discrimination, as well as the increasing use of online surveillance and control of people living in poverty. The digital transition, allegedly aimed at improving the efficiency of the welfare state, is now being used for purposes such as "automation, prediction of criminal behavior, identification, surveillance, detection, targeting, and punishment"⁸². This shift is often justified as a means of fraud detection, allowing governments to uncover incriminating inconsistencies in data that can be stored indefinitely and used against claimants.

At the same time, the increasing use of automated eligibility assessments for state support raises concerns about potential discrimination against people living in poverty, as pointed out by Amnesty International in 2024⁸³. The fact that these assessments rely on opaque algorithms with minimal human oversight, makes it even harder for people to understand and challenge decisions made against them.

Furthermore, EAPN members have raised concerns that increased digitalisation is being used to justify austerity policies. European Member States continue to promote digitalisation as a technical silver-bullet solution, yet it does not address the root problem: the structural deficiencies within the current welfare state system. The matrix of digitalisation systems is a one-size-fits-all approach to improve administrative efficiency. Given the many people left behind, alternatives must be explored, especially as austerity measures compromise investment in additional support systems. It is essential to reflect on who benefits from the digital welfare state, who does not, and the rationale behind these disparities.

The report concludes that deeper reflection on techno-solutionism is needed at both the EU and Member State level. The EU Anti-Poverty Strategy presents an opportunity to break the silos between social inclusion policies and digital policies, ensuring that the digital transition does not further exclude those already marginalised.

⁸² EDRi, Missing: people's rights in the EU Digital Decade, May 2023

- **Ensuring offline access to essential services**. As more services move online, the EU APS must ensure they are accompanied by physical, accessible, affordable, and quality in-person essential services, along with easy-to-navigate assistance.
- **10.2** Expanding access to affordable internet coverage by securing financial support in the MFF post-2027 to extend high-speed internet coverage, especially in remote and rural areas.
- **Developing digital literacy initiatives** in the MFF post-2027 to support people living in poverty in accessing essential services, securing quality employment, and protecting their data.
- Assessing the compliance of EU Member States with the EU **AI Act's requirements for high-risk AI systems**, including those used in social welfare.
- 10.5 Cooperating with civil society organisations on a memorandum on the use of AI and data-driven welfare policies, to fully assess their implications and the potential risks of surveillance, control, and discrimination against people experiencing poverty and other vulnerable groups.

PRIORITY 11 ADDRESSING CRIMINALISATION OF POVERTY IN THE EU

People living in poverty are disproportionately affected by criminal law and policies, which contribute to maintaining them trapped in a social exclusion cycle.

As pointed out by FEANTSA⁸⁴, "the gradual erosion of the welfare state, the growing focus on security both nationally and internationally, and the overall deterioration of socioeconomic and environmental conditions are deeply concerning" and contribute to the criminalisation of poverty. In the case of homeless people, this can take the form of legislation banning activities such as sleeping rough or begging.

The criminalisation of poverty can also happen indirectly, for instance, through fines for minor offences such as fare evasion on public transport. Racialised people, Roma people, and other ethnic minorities are more frequently stopped, searched, arrested and subjected to police brutality, especially in disadvantaged areas.

People from disadvantaged backgrounds who use drugs are also more likely to be criminalised than others. This leads to disproportionate targeting and criminal records for minor offences, further entrenching poverty and social exclusion.

The criminalisation of solidarity also impacts migrants, asylum seekers, and undocumented people. As highlighted by PICUM⁸⁵, the criminalisation of migration can manifest in the use of administrative detention for security-related purposes, the application of criminal law as a deterrent for migration, and the use of technology for immigration enforcement.

More broadly, poverty is also a major obstacle when accessing justice. People living in poverty face greater difficulties in obtaining legal aid and securing legal representation⁸⁶.

This leads to an overrepresentation of people from marginalised groups in prisons, especially racialised individuals. According to Eurostat, poverty and social exclusion rates in the EU are higher among incarcerated people than in the general population, though detailed, specific figures vary by country. The EU's data on the issue often reflects the challenges faced by marginalised groups, including people from low-income families or neighbourhoods with higher incarceration risks.

⁸⁴ FEANTSA, Avocats Sans Frontieres (ASF) & Fondation pour le logement des defavorises, Ending the Criminalisation of Homelessness in Europe, December 2024

⁸⁵ PICUM, Between administrative and criminal law: An overview of criminalisation of migration across the EU, April 2024

- Reforming the Directive (EU) 2016/1919 on legal aid for suspects and accused persons in criminal proceedings and for requested persons in European arrest warrant proceedings to include the right to free legal aid for all suspects and accused persons in the EU, regardless of their residence status.
- Prioritising, in the EU Drug Strategy post-2025 and the budget of the EU Drugs Agency, programmes aimed at developing a **harm-reduction and rehabilitation-based approach** to drug use, rather than a criminalisation-based approach.
- 11.3 Allocating dedicated budget lines in the MFF post-2027 to develop community-based alternatives to prisons as well as restorative justice programmes.
- Developing the collection of **qualitative and quantitative data** at the EU level on the various aspects of the criminalisation of poverty and the barriers to justice by marginalised communities.
- Working in cooperation with civil society organisations on a **memorandum on** the use of AI and data-driven welfare policies to fully assess their implications and the potential risks of surveillance, control, and discrimination against people experiencing poverty and other vulnerable groups (same as recommendation 10.5).

PRIORITY 12 PROTECTING AND SUPPORTING ANTI-POVERTY CIVIL SOCIETY ORGANISATIONS

A well-funded and protected civil society is a key component of the rule of law and a well-functioning democracy. However, in recent years, attacks against civil society organisations have been on the rise. These attacks take many forms⁸⁷ and are often driven by rising right-wing populism and xenophobic rhetoric, but not exclusively.

Austerity policies lead to reduced funding for civil society organisations by cutting grants and subsidies and increasing competition among them. This particularly alarming in the context of rising inequalities and the erosion of the welfare state.

Some Member States have enacted legislation that hinders civil society organisations from carrying out their mission. In June 2017, the Hungarian government enacted the "Law on the Transparency of Organisations Receiving Foreign Funds, "imposing excessive reporting and registration requirements that increased surveillance of civil society and activists. Although the law was repealed in 2021, it was replaced with a similar oversight mechanism.

The **criminalisation of solidarity** has intensified in EU Member States in the last year, with a direct impact on civil society organisations and activists. In Italy, CSOs performing migrant rescue operations in the Mediterranean Sea have been criminalised. In France, the 2020 reform of the asylum and migration law has heightened penalties for people supporting undocumented migrants.

The **criminalisation of anti-austerity and labour protests** also occurs in some EU Member States. In France, around 2,500 Yellow Vest demonstrators were injured by the police during the protests between 2018 and 2019⁸⁸.

Protecting civic space is at the core of the EU project. Considering these alarming trends, all available tools, including the EU Anti-Poverty Strategy, should be mobilised to counteract attacks on civil society organisations and activists.

- Creating avenues for directly funding civil society in EU Member States in the MFF post-2027 to mitigate the impact of governments deliberately cutting funds to civil society.
- 12.2 Using the Rule of Law Mechanism in the MFF post-2027 more consistently and transparently.
- 12.3 Strengthening mechanisms to involve civil society in EU decision-making at both at the EU and Member State levels.
- 12.4 Providing legal, financial, and material protection to human rights defenders in the EU.

FUNDING THE ERADICATION OF POVERTY

EAPN has long expressed concerns regarding the austerity policies promoted by the EU, notably through the European Semester and the Stability and Growth Pact89. By reducing public spending and prioritising fiscal discipline, these policies have limited investment in social protection systems and essential services, with disastrous effects for the most marginalised.

The upcoming EU Anti-Poverty Strategy will be launched in a broader context where competitiveness and security have been announced as the European Commission's main priorities for the 2024-2029 mandate⁹⁰. However, **effective** public action must be supported by adequate financial and budgetary tools. Similarly, **poverty eradication is an ambitious goal that cannot be reached without structural changes** to the EU's and Member States' budgetary and fiscal rules.

Concerns are growing as defence spending is increasingly prioritised at the expense of social welfare. Russia's invasion of Ukraine, coupled with the North Atlantic Treaty Organisation's (NATO) pressure on Member States to allocate a minimum of 2% of their Gross Domestic Product (GDP) to defence and military, has led to record-high EU defence spending in 2023 (€279 billion), marking a 10% increase compared to 2022⁸¹.

Since January 25, Mark Rutte, NATO Secretary General, has repeatedly stated that Europe's defence spending is too low, blaming the European social model – particularly funding for health and pensions. EAPN, along with several other civil society organisations, strongly oppose this stance⁹².

EAPN's position is that the EU's economic framework should serve the well-being of people, rather than the other way around.

EAPN's position is that the EU's economic framework should serve the well-being of people, rather than the other way around. To end poverty in Europe, wealth and resources must be distributed drastically differently. The following recommendations aim to initiate discussion and propose how the EU Anti-Poverty Strategy can contribute to this shift in funding the eradication of poverty.

⁸⁹ EAPN Position Paper, Delivering Agenda 2030 for people and planet, September 2019

⁹⁰ European Commission, Europe's Choice - Political guidelines for the next European Commission 2024-2029, July 2024

⁹¹ European Defence Agency, EU defence spending hits new records in 2023, 2024, December 2024

⁹² Joint statement The EU must protect welfare states at any costs, January 2025

FROM THE EUROPEAN SEMESTER TO A SOCIAL SEMESTER

Since EAPN started monitoring the European Semester, its members have reached the following conclusions: its methodology – by overlooking poverty and social exclusion – exacerbates poverty, inequality, and social exclusion rather than promoting well-being and inclusive policies.

This stems from a fundamental contradiction within the EU Treaties that **structurally impedes efforts to eradicate poverty: Article 9** of the Treaty on the Functioning of the EU (TFEU), which provides the legal basis for EU action against poverty and social exclusion, against **Article 126** of the TFEU, which enshrines the Stability and Growth Pact in EU primary law.

Article 9 of the TFEU

THE SOCIAL CLAUSE

In defining and implementing its policies and activities, the Union shall take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, **the fight against social exclusion**, and a high level of education, training, and the protection of human health.

Article 126 of the TFEU

THE STABILITY & GROWTH PACT

- 1. Member States shall avoid excessive government deficits.
- 2. The Commission shall monitor the development of the budgetary situation and of the stock of government debt in the Member States with a view to identifying gross errors.

Specified by the Article 1 of the **protocol 12 on** the Excessive Deficit Procedure:

The reference values referred to in Article 126(2) TFEU are:

- 3% of GDP for the ratio of the planned or actual government deficit to gross domestic product at market prices.
- 60% of GDP for the ratio of government debt to gross domestic product at market prices.

By prioritising deficit reduction over well-being, the European Semester encourages cuts to social spending in EU Member States. Its focus on fiscal discipline, growth, and competitiveness comes at a significant human cost, failing to support the inclusion of the most marginalised⁹³.

The 2025 European Semester will, unfortunately, be no exception. The 2025 Autumn Package, published in November and December 2024, once again fails to place poverty and social inclusion at its core. The European Commission's proposal for the 2025 Joint Employment Report is clear: the EPSR Action Plan's headline target of reducing poverty by 15 million people by 2030, including 5 million children, remains far from being met. Since 2019, poverty and social exclusion were only reduced by 1.6 million. Meanwhile, the 2025 Autumn Package continues to prioritise budgetary discipline while barely mentioning the urgent need for social investment and stronger welfare states⁹⁴.

In addition to having detrimental impacts on collective well-being, the European Semester process lacks transparency and accountability. Civil society organisations and those most negatively impacted by budgetary and fiscal discipline are barely consulted to evaluate the impact of the European Semester on their daily life, especially when Country Specific Recommendations (CSRs) for EU Member States are formulated.

Without structural changes to EU fiscal rules and the architecture and development of the European Semester, the EU economic framework will continue to work against those they are meant to support. We believe the EU Anti-Poverty Strategy serves as an opportunity to shift from a European Semester to a Social Semester, prioritising the people, poverty eradication, and collective well-being, as outlined in the following recommendations.

- Excluding social and green investments from the 3% deficit-to-GDP ratio outlined by the Stability and Growth Pact and the Excessive Deficit Procedure, with no exceptions, and enshrining this Anti-Poverty Golden Rule in the EU Treaties. As we have witnessed defence being excluded from the calculation of the deficit, we are now convinced that bypassing EU Treaty rules is possible with sufficient political will.
- Ensuring social and environmental objectives are central to the European Semester process. Economic and fiscal policies should serve the eradication of poverty.
- **Prioritising social investments in the CSRs** The European Commission should promote incentives for Member States to increase public expenditures on education, healthcare, social protection, and social inclusion in their National Reforms Plans (NRPs).
- Putting democracy, transparency, and accountability at the centre of the European Semester. Civil society organisations and marginalised groups should be consulted and actively involved at every stage of the European Semester process, with concrete follow-up on their input and recommendations.

POVERTY CANNOT BE ERADICATED WITHOUT FISCAL JUSTICE

Poverty is the result of an unequal distribution of resources across society. In this regard, taxation plays a critical role in eradicating poverty. Tax revenues are one of the main tools governments use to finance universal social protection systems and essential services as well as to directly support those in need. Progressive taxation systems are crucial to redistributing wealth and resources and addressing inequalities in the long term.

Who contributes to and who benefits from taxation systems is a political choice. And so is the eradication of poverty. Taxation reflects the values and priorities of those in power, with profound consequences for public services, welfare states, and collective wellbeing.

The current EU taxonomy framework for sustainable activities mostly focuses on climate and environmental investments⁹⁵. In 2023, EAPN has joined forces with social and environmental civil society organisations⁹⁶ to call on the European Commission to include a social and human rights dimension in the EU taxonomy framework. A social taxonomy is essential not only for reaching the EU's social and equality objectives but also for ensuring coherence between climate and social policies.

Who contributes to and who benefits from taxation systems is a political choice.

Similarly, EAPN, as part of the Fiscal Matters Coalition, has expressed strong concerns regarding the 2024 reform of EU fiscal rules⁹⁷. As reflected in the previous section on the European Semester, the new rules cruelly lack a social dimension, discouraging public investment.

Although unanimous consensus from EU Member States is required, the European Commission has the power to propose new taxes to collect its own revenue, rather than relying solely on the contribution of EU Member States. In 2023, the EU adopted the Carbon Border Adjustment Mechanism (CBAM), which is currently in a transitional phase until 2026. However, the proposed EU Financial Transaction Tax (EU FTT) was never adopted due to opposition from several Member States.

EAPN Europe advocates for a fiscal framework that addresses the root causes of poverty and fosters a sustainable future for all, both at the EU and national levels. Tax justice must be a core element of the EU Anti-Poverty Strategy.

- Reforming the EU Taxonomy Framework to include social investments.
- Excluding social and green investments from the 3% deficit-to-GDP ratio outlined by the Stability and Growth Pact and the Excessive Deficit Procedure, with no exceptions. As we have witnessed defence expenditure excluded from the calculation of the deficit, we are now convinced that bypassing Treaty rules is possible with sufficient political will (same as above).
- Developing progressive taxes and committing to **environmental tax reforms** to implement the "polluter pays" principle, while guaranteeing that low-income groups are not disproportionately affected.
- Ensuring Member States develop **progressive tax systems** that aim to end inequalities and fund social and environmental investments.
- **Proposing new sources of EU own resources** to promote public and social investments in the EU and directly finance the implementation of the EU Anti-Poverty Strategy.
- Continuing to **push for an EU Financial Transaction Tax (EU FTT)** as part of the EU's own resources, while working to overcome current political blockages.
- Intensifying efforts to **fight tax evasion and tax havens within the EU**, for instance, by including Member States on the EU blacklist of tax havens.

PRIORITISING SOCIAL INCLUSION IN THE MULTIANNUAL FINANCIAL FRAMEWORK POST-2027

EAPN will publish its recommendations on the Multiannual Financial Framework (MFF) post-2027 during the first half of 2025. However, our recommendations for the EU Anti-Poverty Strategy cannot be separated from concrete demands regarding the next MFF. The year 2025 will be pivotal – not only because of the renewal of the EPSR Action Plan and the EU Anti-Discrimination Strategies but also due to the adoption of the first-ever EU Anti-Poverty Strategy. It will be a key moment to ensure that the allocation of the next multiannual EU budget reflects the socio-economic challenges faced by those living in poverty across the EU.

The European Commission's political guidelines focusing on security and defence present an area of concern. As EAPN and 11 other organisations stated on 29 January 2025⁹⁸, adequate funding for the welfare state as a form of social investment is at the core of peaceful and thriving societies. Strong social safety nets are essential to ensuring families are resilient to economic shocks. In response to increasing pressure to redirect funds toward military and defence budgets, the statement calls on the European Commission to prioritise and protect adequate levels of social spending.

The MFF is the most crucial tool for turning political commitments into practice. Therefore, the MFF post-2027 must be instrumental in implementing the EU Anti-Poverty Strategy. The following recommendations provide an initial framework before EAPN develops a more comprehensive position on the issue.

- Ensuring that a greater proportion of MFF funds are allocated specifically to social investment and cohesion policies that support those most marginalised in the EU.
- Increasing the minimum allocation of the European Social Fund post-2027 to combat material and food deprivation, along with accompanying measures from 3% to 10% (same as recommendation 8.1)
- Including a social funding conditionality clause in the MFF post-2027, requiring Member States to prioritise social investments and adopt Local and National Anti-Poverty Strategies.
- Increasing the earmarking for child poverty in the European Social Fund+ post-2027 beyond 5 % and extending this requirement to all Member States.

THE BIGGER PICTURE: REFLECTING ON THE COMPATIBILITY OF GROWTH AND COMPETITIVENESS WITH THE ERADICATION OF POVERTY

As highlighted across this paper, the European Commission's current priorities raise a key question: to what extent are they compatible with the eradication of poverty?

Mario Draghi's report "The future of European competitiveness," published in September 2024⁹⁹, links competitiveness with the financing of social welfare and a strong emphasis on connecting productivity growth with social inclusion. However, the report fails to address the specific experience of people living in poverty. The term "social inclusion" remains broad and blurry, lacking a clear call to eradicate poverty in the EU. It forms one of the foundations of the new European Commission competitiveness Compass, published on 29 January 2025, which focuses on three core areas: innovation, decarbonisation, and security. Yet, social inclusion is largely absent from the report.

As the European Public Service Union (EPSU) has pointed out, the report is based on a deregulation agenda, with predictably disastrous consequences for public services¹⁰⁰.

Meanwhile, the incompatibility between capitalism and poverty eradication has come under increasing scrutiny in recent years, particularly in relation to the limitations of traditional capitalist models in ensuring well-being, equality, and sustainability.

In 2024, Olivier de Schutter, the UN Special Rapporteur on Extreme Poverty and Human Rights, emphasised in his thematic report the limitations of growth-driven policies in upholding human rights and eradicating poverty¹⁰¹. Indeed, prioritisation economic growth fails to address the root causes of both poverty and climate change, as it is based on the accumulation of wealth among the richest individuals.

By clinging to the growth paradigm, the EU will continue addressing only the symptoms rather than the root causes of poverty. Alternative economic models exist and should be part of any multidimensional, rights-based strategy to eradicate poverty. EAPN and its members can testify to more than 30 years of EU's failure to do so.

PROMOTING AND STRENGTHENING NATIONAL & LOCAL ANTIPOVERTY STRATEGIES

EAPN and its members have long advocated not only for an EU-level anti-poverty strategy but also for strong national anti-poverty strategies. Multiannual and comprehensive strategies are essential not just to setting powerful policy objectives and tools but also for ensuring sustained, long-term commitments. Eradicating poverty will not happen in a single five-year strategy at the EU level, but such a strategy **can create a crucial impetus in this direction**. Similarly, the EU Anti-Poverty Strategy will need to be complemented by a multilevel governance approach, with robust National Anti-Poverty Strategies (NAPS) and Local Anti-Poverty Strategies (LAPS).

The EU2020 Strategy required EU Member States to adopt National Reform Programmes (NRPs) outlining their plans to reach the strategy's objectives, including reducing poverty and social exclusion. Specific measures were required in areas such as social protection systems, the labour market, access to education, housing, and healthcare.

Currently, there is no requirement for EU Member States to adopt NAPS and LAPS, nor are there minimum standards for their design process and content. In addition to lessons from the EU2020 Strategy and feedback from EAPN national networks, other frameworks can serve as inspiration.

For instance, the 2021 Council Recommendation on the European Child Guarantee required EU Member States to submit within nine months an action plan until 2030 to implement the Recommendation, with a set of minimum standards, including the involvement of civil society organisations.

Another example is the EU Anti-Racism Action Plan (EU ARAP) 2021-2025. In 2024, the European Commission released a checklist and monitoring tool to support the development, implementation, and evaluation of National Action Plans Against Racism, based on international commitments made by EU Member States.

At the national level, EAPN members report that **the situation is inconsistent.** While some EAPN members, such as Ireland, Belgium, Spain and Portugal, reported multiannual strategies with concrete goals and involvement of civil society and people living in poverty, others have narrower strategies, as seen in the Netherlands. Poland does not have a strategy but instead operates a poverty and social exclusion programme. In Member States such as Romania, there are no dedicated action plans or strategies to address poverty.

In all cases, EAPN national networks report crucial elements needed to ensure that NAPS and LAPS are effective:

- Alignment with the SDGs goals,
- Broad focus on the multidimensional and intersectional aspects of poverty,
- Direct and active participation of people experiencing poverty,
- Synergies and integration with other relevant national strategies and frameworks,
- Clear indicators and multiannual planning,
- Clear links with the ESF+ national and local programmes, and other structural funds,
- Active engagement of the local and national governments,
- Participatory mechanisms with civil society organisations,
- Mutual support and coherence between NAPS and LAPS,
- Adequate human and financial resources.

Both the design process and content of the implementation are key to ensuring impactful NAPS and LAPS. From the experience of EAPN members, adequate resources, the involvement of civil society and people experiencing poverty, and cohesion with other key policy frameworks are crucial elements that must be duly considered when preparing NAPS¹⁰².

The EU Anti-Poverty Strategy presents an opportunity to support the development, strengthening, and implementation of national anti-poverty strategies, complementing and reinforcing EU-level action towards poverty eradication.

- Recommending that all EU Member States and candidate countries develop and implement national and local anti-poverty strategies to complement the EU Anti-Poverty Strategy.
- Including a **social funding conditionality clause**, based on social investment priorities and the adoption of NAPS and LAPS in the MFF post-2027.
- Developing a **checklist and monitoring tool** to promote the development, implementation, evaluation, and adequate funding of NAPS and LAPS, with mechanisms for mutual learning opportunities.
- Dedicating funds in the MFF post-2027 to support the development of NAPS and LAPS, including the involvement of civil society organisations and people experiencing poverty.
- Creating an EU **platform for policy makers and practitioners** to facilitate the development of NAPS and LAPS and ensure their complementarity with the EU APS. This platform could meet twice per year to assess progress and share promising practices. It could also involve representatives from candidate countries.

INCLUDING EU CANDIDATE COUNTRIES IN THE EU ANTI- POVERTY STRATEGY

EU candidate countries also experience alarmingly high levels of poverty and social exclusion. According to Eurostat's most recent data¹⁰³, the at-risk-of-poverty rate is, for instance, around 20% in Serbia (2022), 20.3% in Montenegro (2021), 22% in Albania (2021), and 21.8% in North Macedonia (2020). This is higher than the EU average AROPE rate, which was around 16.5% in 2022.

The EU Anti-Poverty Strategy should also include candidate countries, as it represents an opportunity to prioritise an anti-poverty perspective in the various cooperation and accession frameworks in place with EU candidate countries.

Accession criteria for the EU require several reforms in the economic and human rights areas, in addition to the adoption of the EU Acquis. As the implementation of the EU Anti-Poverty Strategy is expected to provide new impetus, it also creates an opportunity to strengthen the social rights dimension of the EU accession process.

The Enlargement Packages are published by the European Commission to take stock of the accession progress and assess the implementation of the negotiated reforms with the candidate countries. The latest Enlargement Package was published on 30 October 2024.

The IPA III (Instrument for Pre-Accession Assistance) is the EU's main financial tool for providing support to countries in the process of joining the EU. Another tool to support the eradication of poverty in candidate countries is technical assistance for reforms as well as capacity building. In addition, some candidate countries, such as Albania, North Macedonia, Montenegro, Serbia, and Turkey, are eligible to access funding from the Employment and Social Innovation (EaSI) programme as an ESF+ strand.

- Ensuring the IPA post-2027 includes strong priority and dedicated funding for the eradication of poverty, as well as the development and support of local and national anti-poverty strategies.
- Ensuring the IPA post-2027 allocates funding for the European Child Guarantee for candidate.
- Prioritising poverty eradication in pre-accession reforms and assessing progress made in the Enlargement Packages.
- Ensuring a greater focus on poverty eradication in the allocation of the remaining EASI funds to EU candidate countries, and ensuring such funding is available to them in the MFF post-2027, including for strengthening the capacities of institutions and civil society organisations, as well as ensuring the participation of people experiencing poverty.
- Providing support to national statistical offices to improve methodologies for measuring poverty and gathering data comparable to that of the EU.
- **Protecting and funding civil society organisations** active in the fight against poverty in EU candidate countries.

SUMMARY OF RECOMMENDATIONS

Mainstreaming the participation of people experiencing poverty across the eu anti-poverty strategy

The EAPN Roadmap was complemented by further discussions during the EAPN People's Summit on 28 November 2024 in Brussels. These discussions led to the following guidelines for a participatory mechanism involving people experiencing poverty and civil society organisations:

- People experiencing poverty should be involved from the outset in designing the EU APS.
- The participation process, including its modalities and objectives, should be transparent from the beginning.
- Their contribution and participation should be remunerated.
- Consultative meetings with people experiencing poverty should be held in all EU Member States, not just in capital cities.
- Online participation should be an option, adapted to the needs of participants, including accessibility for those with disabilities and translation services.
- Civil society organisations should be involved in facilitating the participation of people experiencing poverty. EAPN and its European Organisations (EOs) members, such as Eurochild, FEANTSA, and other European organisations, have extensive experience working directly with affected communities.
- People experiencing poverty should not only represent themselves but also consult with and gather input from others in similar situations. To support this, they should be given the necessary tools and resources.
- Their contributions should be made visible in the final EU APS and included in evaluation indicators.
- A Code of Conduct should be adopted for each Committee to ensure inclusive participation.

From alleviation to eradication of poverty the EU APS should be based on the following foundations

- A commitment to eradicating poverty, not just alleviating it. Given the striking number of people living in poverty in the EU, EAPN believes a shift in approach is needed. Working towards poverty eradication is at the core of societal progress towards well-being, care, and community cohesion especially in the context of green, digital, and demographic transitions. This commitment forms the basis for delivering a rights-based, integrated strategy. It is also key to securing a long-term approach to the EU Anti-Poverty Strategy that will outlast the current European Commission's mandate.
- A 50% reduction of people in poverty by 2030 (compared to 2017 levels). As stated by the 2025 European Commission proposal for a Joint Employment Report, much greater efforts will be needed in the next five years - both by the EU and Member States - to meet the EPSR poverty reduction target. EAPN believes the initial weakness of this target has contributed to a lack of ambition in addressing poverty and social exclusion. While we acknowledge that eradicating poverty is an enormous task requiring a step-by-step approach and structural shifts from both the EU and its Member States, we believe it is urgent to align with Target 1.2 of the SDGs. As an intermediary step, the EU APS should aim for a reduction of 50% of people living in poverty in the EU by 2030 compared to 2017 levels (the year of the European Pillar of Social Rights was adopted). The long-term objective must remain the eradication of poverty.

- A comprehensive definition of poverty reflecting the experience of people living in poverty. To date, the EU has mostly addressed poverty as a socio-economic and individual issue, relying on the AROPE indicator since the EU2020 Strategy. However, as ATD Quart Monde and the University of Oxford highlighted in 2019, there is a consensus among civil society organisations, activists, and international organisations that poverty extends beyond socio-economic and material deprivation. EAPN's working definition of poverty (as outlined above) shaped from years of collaboration with its members and people experiencing poverty. We call on the European Commission to base the EU Anti-Poverty Strategy on a comprehensive definition of poverty, reflecting the experience of people living in poverty. To that end, we recommend the creation of a Committee of People Experiencing Poverty (PeP Committee), which would participate in the design, implementation, and evaluation of the EU APS, alongside a Committee of civic and social parties (see page 15 and EAPN's Roadmap towards an EU Anti-Poverty Strategy). This PeP Committee would play a vital role in the elaboration of a comprehensive definition of poverty, as a foundation for the actions within the EU Anti-Poverty Strategy. An accurate, multidimensional definition of poverty is key for effective decisionmaking.
- A commitment to improving poverty measurement Since the EU2020 Strategy, poverty has been measured using the AROPE indicator, which consists of three sub-indicators:
 - Relative poverty (at-risk-of-poverty rate/monetary poverty – AROP),
 - Material deprivation, capturing a form of absolute poverty,
 - Labour market exclusion, measured by severe low work intensity.

AlthoughtheAROPEindicatorhasbeeninstrumental in improving understanding of the extent of poverty in the EU, we believe it can be significantly improved to better encompass the complexity of the reality lived by people experiencing poverty. AROPE has, for instance, been criticised for perpetuating a binary view of those living in poverty, failing to capture its depth and complexity. Another criticism is that AROPE as the main indicator to measure poverty fails to account for data gaps and the missing poor those ignored in traditional statistical methods. The missing poor also includes those who are excluded because of premature deaths linked to poverty and social exclusion. Reference Budgets (RBs) provide an alternative approach to get a better sense of poverty, based on the minimum goods and services needed for an acceptable standard of living for an individual household in a given country, region, or city. While RBs are mentioned in the Directive 2022/2041 on Minimum Wages and the Council Recommendation on Minimum Income, their current scope remains limited and should be coupled with other indicators. They must be expanded for different households and developed with the involvement of people living in poverty. EAPN also raises concerns about the use of the EU-SILC (European Union Statistics on Income and Living Conditions) methodology, which-although useful for cross-country comparisons-fails to capture the lived experience of poverty, especially regarding social exclusion and housing insecurity and hidden forms of non-monetary poverty. It also does not adequately measure hidden poverty, such as social stigma, discrimination, and psychological impacts. The EU Anti-Poverty Strategy presents an opportunity to reflect on how AROPE indicators, RBs, the SILC methodology and overall poverty measurement can be improved. To that end, we recommend that the European Commission create a dedicated working group comprising people experiencing poverty, academics, Eurostat, the EU Agency for Fundamental Rights (FRA), the European Institute for Gender Equality (EIGE), statistics offices of EU Member States, policy makers, civil society organisations, and practitioners working in essential services. This working group should be tasked with developing an updated poverty and social exclusion measurement tool before the end of the current European Commission's mandate.

- Framing poverty as a rule of law, democracy, and fundamental rights issue, rather serving prerequisite for economic growth The fight against poverty and social exclusion has largely been framed by the EU and its Member States as a prerequisite for economic growth. The EU2020 Strategy positioned poverty reduction as a condition for smart, sustainable, and inclusive growth. However, in practice, the pursuit of stability and economic growth has eclipsed meaningful efforts to address poverty. This approach is also reflected in the way the European Commission operates, creating a policy silo that prevents EU policies from effectively addressing the multidimensional nature of poverty and social exclusion. However, poverty does not only hinder people's capacity as economic agents and workers. Socio-economic status impedes access to human rights, including healthcare, education, housing, and protection from discrimination. Similarly, poverty is closely linked to the four pillars of the rule of law: it impedes access to justice, while state corruption diverts funding from social protection systems and essential services. The media can contribute to stigmatising people living in poverty, while civil society organisations fighting against poverty play a crucial role in upholding democratic checks and balances. At the same time, there is a growing consensus of the incompatibility between the relentless pursuit of economic growth and the fulfilment of human rights. This is, for instance, one of the key conclusions of the 2024 report by the UN Rapporteur on Extreme Poverty and Human Rights. According to Olivier De Schutter, the dominant focus on economic growth is driven by profit maximisation that benefits the wealthiest groups in society while undermining efforts to combat poverty. EAPN believes that a shift of perspective is needed to bring meaningful change to the lives of those experiencing poverty. As stated in Article 2 of the Treaty on the European Union, the EU is founded on the values of human dignity, fundamental rights, and equality. Yet, by failing to take ambitious and appropriate action towards poverty eradication, we believe the EU directly contradicts Article 2 of the TEU. When designing the EU APS, the European Commission must ensure poverty and social exclusion are framed both as social inclusion challenges but
- also as rule of law, democracy, and fundamental rights issues. The Commission current fragmented approach should be addressed by establishing the position of an EU Anti-Poverty Coordinator with a dedicated team, who would be tasked with overseeing the implementation of the EU APS across the European Commission's Directorate-Generals and in cooperation with other EU institutions and Member States. (see page 13).
- Shifting the narrative about poverty and people living in poverty Discrimination and stigma against peoplelivinginpovertyremainwidelyundocumented by the EU. However, the experiences of EAPN members speak for themselves: discrimination and poverty stigma trap people in poverty, increase non-take-up, exclude them from the labour market, and reinforce the criminalisation of poverty by EU Member States. Individual discriminatory attitudes are shaped by public narratives, policies, and disinformation about experiences of poverty that fail to give a voice to those who live this reality. The EU Anti-Poverty Strategy should contribute to changing the narrative. A rights-based strategy is key to addressing stigma and discrimination. For instance, schemes like minimum income should be framed as fundamental rights rather than benefits that people must deserve. This shift is essential for reducing stigma against people experiencing poverty and for increasing take-up of social support schemes. Another crucial step is introducing socio-economic status as a recognised ground for discrimination in EU law – this issue is addressed in more detail on page 43.

12 PRIORITIES FOR A RIGHTS-BASED AND COMPREHENSIVE EU ANTI-POVERTY STRATEGY

I. STEPPING UP THE EUROPEAN PILLAR OF SOCIAL RIGHTS

Priority 1 Ensuring an adequate, accessible, and enabling income for all

- **1.1** Initiating the design of an EU Directive on Minimum Income with minimum standards for coverage, accessibility, adequacy, enabling characteristics, and automatic adjustments to reflect living costs.
- 1.2 Using the MFF post-2027 to improve adequacy, accessibility, and enabling characteristics of MIS across all EU Member States, ensuring dedicated funding for the design, reform, and implementation of minimum income schemes and the structural strengthening of social protection systems.
- **1.3** Encouraging Member States to reform their tax systems to ensure sustainable funding for adequate MIS, for instance, through the European Semester Country-Specific Recommendations (CSRs).
- **1.4** Ensuring that minimum income schemes in EU Member States also apply to pensions.
- **1.5** Implementing targeted, integrated measures to address the non-take-up of MIS and other social schemes.
- **1.6** Guaranteeing automatic adjustments of MIS, pension schemes, maternity, paternity and parental leave benefits, and other social schemes in response to inflation and changes in the cost of living.
- **1.7** Maintaining the issue of the gender pension gap as one of the priorities of the EU Gender Equality Strategy post-2025 and ensuring synergies with the EU APS.
- **1.8** Ensuring the full implementation of the Council conclusions of 20 June 2024 on pension adequacy.

Priority 2 Addressing in-work poverty through quality employment and adequate wages

- 2.1 Ensuring the 2022/2041 Directive on Minimum Wages is swiftly and fully implemented by all EU Member States and monitoring its implementation with the participation of civil society organisations and trade unions.
- **2.2** Ensuring the 2023/970 Pay Transparency Directive is swiftly and fully implemented by all EU Member States to address the gendered aspects of in-work poverty.
- **2.3** Proposing a legally binding EU tool to address the ethnic pay gap.
- **2.4** Tackling the youth pay gap by strengthening the European Youth Guarantee.
- **2.5** Proposing concrete measures to promote upward wage convergence, ensuring minimum wages are set at 60% of the national median wage and provide a decent standard of living.
- **2.6** Aligning the EU Employment Guidelines with these objectives.
- 2.7 Collaborating with Member States to ensure undocumented migrants benefit from minimum wage protections, by setting up a firewall between labour enforcement and immigration authorities.
- **2.8** Allocating a dedicated strand within the European Social Fund (ESF) post-2027 to ensure employment opportunities for the long-term unemployed.

Priority 3 Ensuring access to adequate essential services at all stages of life

- **3.1** Enshrining a rights-based and person-centred approach to universal and non-discriminatory access to affordable, high-quality essential services, rather than allowing a conflicting interaction between a market-driven approach and public interest.
- 3.2 Ensuring alignment between the EU APS, the European Child Guarantee, the European Care Strategy, the Council Recommendation on early childhood, education, and care, the European Platform on Combatting Homelessness (EPOCH), and the upcoming EU Affordable Housing Plan so that all initiatives work towards poverty eradication.

- 3.3 Turning the European Semester into a Social Semester (see page 55). Public investment in social services should be at the core of the European Semester process. Social and environmental objectives should be central to the process, ensuring that economic and fiscal policies serve the goal of poverty eradication rather than overriding it.
- 3.4 Ensuring offline access to essential services. As more services move online, the EU APS must guarantee that they are accompanied by physical, accessible, affordable, and high-quality essential services available to all, along with easy-to-navigate assistance (as in recommendation 10.1).
- **3.5** Aligning the child poverty reduction target with the UN SDG 1 on poverty eradication by 2030.
- **3.6** Increasing the earmarked funding for child poverty in the European Social Fund+post-2027 beyond 5 % and ensuring inclusion for all Member States (see page 59).
- 3.7 Requiring Member States to adopt national anti-poverty strategies (NAPS) and local anti-poverty strategies (LAPS) as a condition for accessing funds from the Multiannual Financial Framework post-2027. These strategies should include dedicated objectives on child poverty, the Barcelona Targets, and national action plans under the European Child Guarantee (see page 61).
- 3.8 Ensuring adequate funding of social protection systems by developing a common methodology to define social and green investments and assess their potential return on investment. This will enable Member States to exclude such investments from the excessive deficit procedure and avoid sanctions under the Stability Growth Pact.
- **3.9** Promoting more progressive taxation systems, including on wealth, property, and capital, to ensure adequate funding for social protection systems.
- **3.10** Ensuring the full implementation of the 2019 Council Recommendation on access to social protection for workers and the self-employed.
- **3.11** Working towards a Council Recommendation on universal and free access to social protection in the EU.
- **3.12** Ensuring social protection, stable employment, and minimum income for live-in carers.

- **3.13** Introducing concrete actions and specific targets to address energy poverty and guarantee the right to affordable, clean energy for all.
- **3.14** Ensuring that price cap measures are complemented by direct subsidies or energy vouchers for those facing energy poverty.
- **3.15** Enforcing a comprehensive EU-wide ban on energy disconnections.
- **3.16** Agreeing on EU minimum quality standards to monitor the right to housing, using the EU-SILC indicators as a baseline. These absolute standards should be benchmarked against national norms, and a composite housing exclusion indicator should be developed, linking existing EU SILC indicators (e.g. housing cost, rent arrears, overcrowding, etc.).
- **3.17** Encouraging Member States to regulate housing rents in areas of housing market failure to promote affordable housing for low-income households and promoting public subsidies to support low-income households in accessing decent and high-quality housing.
- **3.18** Providing direct financial support to renovate homes of those experiencing energy poverty, ensuring that upfront costs do not create a barrier.
- **3.19** Guaranteeing access to arts, culture, sport, holidays, and leisure activities for people living in poverty in the MFF post-2027, through dedicated strands in future Creative Europe and Erasmus+ funds as well as Structural and Investment Funds (ESIF).

Priority 4 Addressing homelessness and severe material deprivation

- **4.1** Dedicating a section of the EU APS to homelessness, with specific actions and objectives to ensure the right to quality and affordable housing.
- 4.2 Mainstreaming homelessness and antipoverty perspectives in the EU Gender Equality
 Strategy, the EU LGBTIQ+ Strategy and the
 EU Anti-Racism Action Plan post-2025, the EU
 Disability Strategy 2021-2030, the EU Migration
 Pact, and the EU Action Plan for Integration and
 Inclusion.
- **4.3** Proposing a Council Recommendation on homelessness.

- 4.4 Further developing the European Platform on Combatting Homelessness (EPOCH) by increasing its funding for both activities and governance and expanding its three work streams on monitoring, mutual learning, and accessing EU funds.
- **4.5** Reallocating uncommitted structural funds from Member States to combat homelessness under the current Multiannual Financial Framework (MFF).
- **4.6** Increasing the earmarking for severe material deprivation and accompanying measures in the European Social Fund+ post-2027 from 3% to 10%.

Priority 5 Confronting the intersectional aspects of poverty

- 5.1 Ensuring that the EU APS is drafted in coordination with the EU Anti-Racism Action Plan post-2025, the Gender Equality Strategy post-2025, the LGBTIQ Equality Strategy post-2025, and the EU Disability Strategy 2021-2030. These frameworks should include dedicated sections on poverty-related issues while also integrating an anti-poverty perspective throughout.
- **5.2** Aligning and strengthening efforts to achieve the anti-poverty targets of the Roma Strategic Framework 2021-2030
- **5.3** Mandating the European Institute for Gender Equality (EIGE) and the EU Agency for Fundamental Rights (FRA) to conduct EU-wide research on the intersectional aspects of poverty.
- **5.4** Proposing the inclusion of the EIGE's Gender Equality Index in the Social Scoreboard.
- **5.5** Ensuring that the Social Scoreboard includes indicators reflecting the intersectional aspects of poverty.

II. BEYOND THE EUROPEAN PILLAR OF SOCIAL RIGHTS: TOWARDS A COMPREHENSIVE APPROACH OF POVERTY

Priority 6 Exploring pathways for the legal recognition of socio-economic discrimination

- **6.1** Developing an EU-wide legal framework that explicitly recognises socio-economic status as a form of discrimination and provides legal protections against it in areas such as employment, education, housing, and access to social services.
- **6.2** Funding EU-wide research on socio-economic discrimination in the European Union, to be conducted by the EU Agency for Fundamental Rights (FRA).

Priority 7 Protecting migrants, asylum seekers and undocumented people

- 7.1 Ensuring that the EU Anti-Poverty Strategy includes all people experiencing poverty, regardless of their residence status, by addressing the intersections between residence status and poverty.
- **7.2** Recommending that EU migration policies ensure access to residence permits, whether from abroad or from within the EU, that provide full access to the labour market, social protection, and essential services.
- **7.3** Ensuring access to essential services for all, without discrimination based on migration or residence status.
- **7.4** Providing targeted financial support for community-based projects aimed at assisting the most vulnerable migrants and asylum seekers in the MFF post-2027.
- **7.5** Ensuring that EU-funded measures to eradicate poverty and social exclusion within ESF+ post-2027 are accessible to all those in need, including non-EU citizen's regardless of their residence status.
- **7.6** Ensuring that the labour market is unconditionally accessible to all migrants and that migrant workers receive the same labour rights as non-migrant workers.

Priority 8 Ensuring the right to healthy and affordable food

- **8.1** Increasing the minimum allocation of the European Social Fund post-2027 to combat material and food deprivation, as well as accompanying measures, from 3% to 10%, (see also priority 4).
- **8.2** Ensuring that social schemes such as MIS and pensions are automatically adjusted to inflation and the costs of living (see also recommendation 1.5).
- **8.3** Ensuring that the MFF post-2027 contributes to improving access to healthy and high-quality food for people experiencing poverty, through the European Social Fund and EU Health Programme post-2027.

Priority 9 Pushing a green but also socially fair transition for people living in poverty

- **9.1** Ensuring adequate funding to address climate poverty, with a focus on energy efficiency and housing renovation in the MFF post-2027, to ensure that people living in poverty receive adequate support during the green transition.
- **9.2** Ensuring the national social climate plans formulated by EU Member States take into account people experiencing poverty.
- **9.3** Creating a dedicated, long-term EU public investment fund post-2026 to drive the socially just transformation of our economy towards net-zero and a circular economy.
- **9.4** Ensuring that the Just Transition Fund (JTF) is accessible to people living in poverty, without regional disparities, to support the reskilling and training of low-income workers affected by the green transition. The JTF should also be revised to include targets and commitments aimed at addressing climate-related poverty.
- **9.5** Including social safeguards in the EU Emissions Trading System (ETS), ensuring that carbon pricing increases do not disproportionately impact low-income households, and redistributing revenues generated to households impacted by energy poverty.
- **9.6** Complementing price-cap measures with direct subsidies, automatic social tariffs, or energy vouchers for those facing energy poverty (also see recommendation 3.17).

- **9.7** Enforcing a comprehensive EU-wide ban on energy disconnections (also see recommendation 3.18).
- **9.8** Ensuring that public subsidies to companies are conditional on investments that promote the most sustainable modes of production.
- **9.9** Ensuring that Member States invest in clean and renewable energy-based public transportation, making it available and accessible to all, especially those experiencing poverty.
- **9.10** Safeguarding the right to access clean water and sanitation within the European Pillar of Social Rights and the recast 2020 EU Directive on water quality.

Priority 10 Enshrining the digital rights of people living in poverty

- **10.1** Ensuring offline access to essential services. As more services move online, the EU APS must ensure they are accompanied by physical, accessible, affordable, and quality in-person essential services, along with easy-to-navigate assistance.
- **10.2** Expanding access to affordable internet coverage by securing financial support in the MFF post-2027 to extend high-speed internet coverage, especially in remote and rural areas.
- **10.3** Developing digital literacy initiatives in the MFF post-2027 to support people living in poverty in accessing essential services, securing quality employment, and protecting their data.
- 10.4 Assessing the compliance of EU Member States with the EU AI Act's requirements for highrisk AI systems, including those used in social welfare.
- 10.5 Cooperating with civil society organisations on a memorandum on the use of AI and data-driven welfare policies, to fully assess their implications and the potential risks of surveillance, control, and discrimination against people experiencing poverty and other vulnerable groups.

Priority 11 Addressing criminalisation of poverty in the EU

- 11.1 Reforming the Directive (EU) 2016/1919 on legal aid for suspects and accused persons in criminal proceedings and for requested persons in European arrest warrant proceedings to include the right to free legal aid for all suspects and accused persons in the EU, regardless of their residence status.
- 11.2 Prioritising, in the EU Drug Strategy post-2025 and the budget of the EU Drugs Agency, programmes aimed at developing a harm-reduction and rehabilitation-based approach to drug use, rather than a criminalisation-based approach.
- **11.3** Allocating dedicated budget lines in the MFF post-2027 to develop community-based alternatives to prisons as well as restorative justice programmes.
- **11.4** Developing the collection of qualitative and quantitative data at the EU level on the various aspects of the criminalisation of poverty and the barriers to justice by marginalised communities.
- organisations on a memorandum on the use of AI and data-driven welfare policies to fully assess their implications and the potential risks of surveillance, control, and discrimination against people experiencing poverty and other vulnerable groups (same as recommendation 10.5).

Priority 12 Protecting and supporting anti-poverty civil society organisations

- **12.1** Creating avenues for directly funding civil society in EU Member States in the MFF post-2027 to mitigate the impact of governments deliberately cutting funds to civil society.
- **12.2** Using the Rule of Law Mechanism in the MFF post-2027more consistently and transparently.
- **12.3** Strengthening mechanisms to involve civil society in EU decision-making at both at the EU and Member State levels.
- **12.4** Providing legal, financial, and material protection to human rights defenders in the EU.

FUNDING THE ERADICATION OF POVERTY

From the European Semester to a Social Semester

- Excluding social and green investments from the 3% deficit-to-GDP ratio outlined by the Stability and Growth Pact and the Excessive Deficit Procedure, with no exceptions, and enshrining this Anti-Poverty Golden Rule in the EU Treaties. As we have witnessed defence expenditure excluded from the calculation of the deficit, we are now convinced that bypassing EU Treaty rules is possible with sufficient political will.
- Ensuring social and environmental objectives are central to the European Semester process.
 Economic and fiscal policies should serve the eradication of poverty.
- Prioritising social investments in the CSRs
 The European Commission should promote
 incentives for Member States to increase public
 expenditures on education, healthcare, social
 protection, and social inclusion in their National
 Reforms Plans (NRPs).
- Putting democracy, transparency, and accountability at the centre of the European Semester. Civil society organisations and marginalised groups should be consulted and actively involved at every stage of the European Semester process, with concrete follow-up on their input and recommendations.

Poverty cannot be eradicated without fiscal justice

- Reforming the EU Taxonomy Framework to include social investments.
- Excluding social and green investments from the 3% deficit-to-GDP ratio outlined by the Stability and Growth Pact and the Excessive Deficit Procedure, with no exceptions. As we have witnessed defence expenditure excluded from the calculation of the deficit, we are now convinced that bypassing Treaty rules is possible with sufficient political will (same as above).

- Developing progressive taxes and committing to environmental tax reforms to implement the "polluter pays" principle, while guaranteeing that low-income groups are not disproportionately affected.
- Ensuring Member States develop progressive tax systems that aim to end inequalities and fund social and environmental investments.
- Proposing new sources of EU own resources to promote public and social investments in the EU and directly finance the implementation of the EU Anti-Poverty Strategy.
- Continuing to push for an EU Financial Transaction Tax (EU FTT) as part of the EU's own resources, while working to overcome current political blockages.
- Intensifying efforts to fight tax evasion and tax havens within the EU, for instance, by including Member States to the EU blacklist of tax havens.

Prioritising social inclusion in the Multiannual Financial Framework post-2027

- Ensuring that a greater proportion of MFF funds are allocated specifically to social investment and cohesion policies that support those most marginalised in the EU.
- Increasing the minimum allocation of the European Social Fund post-2027 to combat material and food deprivation, along with accompanying measures from 3% to 10% (same as recommendation 8.1)
- Including a social funding conditionality clause in the MFF post-2027, requiring Member States to prioritise social investments and adopt Local and National Anti-Poverty Strategies.
- Increasing the earmarking for child poverty in the European Social Fund+ post-2027 beyond 5 % and extending this requirement to all Member States.

Promoting and strengthening National & Local Anti-Poverty Strategies

- Recommending that all EU Member States and candidate countries develop and implement national and local anti-poverty strategies to complement the EU Anti-Poverty Strategy.
- Including a social funding conditionality clause, based on social investment priorities and the adoption of NAPS and LAPS in the MFF post-2027.

- Developing a checklist and monitoring tool to promote the development, implementation, evaluation, and adequate funding of NAPS and LAPS, with mechanisms for mutual learning opportunities.
- Dedicating funds in the MFF post-2027 to support the development of NAPS and LAPS, including the involvement of civil society organisations and people experiencing poverty.
- Creating an EU platform for policy makers and practitioners to facilitate the development of NAPS and LAPS and ensure their complementarity with the EU APS. This platform could meet twice per year to assess progress and share promising practices. It could also involve representatives from candidate countries.

Including EU candidate countries in the EU Anti- Poverty Strategy

- Ensuring the IPA post-2027 includes strong priority and dedicated funding for the eradication of poverty, as well as the development and support of local and national anti-poverty strategies.
- Ensuring the IPA post-2027 allocates funding for the European Child Guarantee for candidate.
- Prioritising poverty eradication in pre-accession reforms and assessing progress made in the Enlargement Packages.
- Ensuring a greater focus on poverty eradication in the allocation of the remaining EASI funds to EU candidate countries, and ensuring such funding is available to them in the MFF post-2027, including for strengthening the capacities of institutions and civil society organisations, as well as ensuring the participation of people experiencing poverty.
- Providing support to national statistical offices to improve methodologies for measuring poverty and gathering data comparable to that of the EU.
- Protecting and funding civil society organisations active in the fight against poverty in EU candidate countries.

BIBLIOGRAPHY

EAPN publications

- Explainer Quality of Work and Employment in the EU, 2014
- Position Paper Delivering Agenda 2030 for People and Planet, 2019
- Position paper Council Recommendation on Minimum Income: Not Enough to Fight Poverty, 2023
- Position paper European Semester 2023: EAPN Urges Commission to Prioritise Social Rights Over Profits, 2023
- Position paper European Semester 2025: Reaction to the Autumn Package, 2025
- Report Equal Access to Affordable, Quality Essential Services, 2022
- Report The Unbearable Cost of Living, 2022
- Report EU Poverty Watch Towards Sustainable Social Welfare for the People, 2023
- Report EU Poverty Watch Towards a Systemic Approach of Social Protection, 2025
- Report 2024 People's Summit, 2025
- Review Energy Poverty 2022 (Ed. 1), 2022
- Roadmap Towards an EU Anti-Poverty Strategy Process Proposal for an Effective Policy, 2024
- Statement No Backdoor on the Right to Care, 2022
- Statement The EU Must Protect Welfare States at Any Cost, 2025

European Union institutions & agencies

- European Commission, EU Pension Adequacy Report, 2024
- European Commission, Europe's Choice Political Guidelines for the Next European Commission 2024-2029, 2024
- European Commission, Food Waste and Food Waste Prevention Estimates, 2024
- European Commission, Legal Gender Recognition in the EU – The Journeys of Trans People Towards Full Equality, 2020
- European Commission, NAPAR Monitoring Checklist and Reporting Tool, 2023
- European Commission, Proposal of Joint Employment Report 2025, 2024
- European Commission & Eurostat, Social Scoreboard
- European Council, Presidency Conclusions, Lisbon, Portugal, 23-24 March 2000.

- European Defence Agency, EU Defence Spending Hits New Records in 2023, 2023
- European Institute for Gender Equality, Gender Equality and Long-Term Care at Home, 2020.
- European Parliament, Written Questions and Answers of Roxana Mînzatu, 2024
- Eurostat, Closing the Gender Pension Gap, 2021
- Eurostat, Disability: Higher Risk of Poverty or Social Exclusion, 2022
- Eurostat, Gender Pay Gaps Statistics
- Eurostat, Living Conditions in Candidate Countries and Potential Candidates, 2024
- Eurostat, Migrant Integration Statistics At Risk of Poverty and Social Exclusion, 2024
- Eurostat, People at Risk of Poverty or Social Exclusion in 2023, 2024
- Eurostat, Severe Material and Social Deprivation in the EU, 2024
- EU Agency for Fundamental Rights, Ensuring Justice for Hate Crime Victims: Professional Perspectives, 2016
- EU Agency for Fundamental Rights, Being Black in the EU, 2024
- EU Agency for Fundamental Rights, Being Muslim in the EU, 2024

EU civil society organisations, think tanks & trade unions

- Amnesty International, Gilets Jaunes en France: Un Bilan Inquiétant, 2019
- Amnesty International, Briefing: Social Protection in the Digital Age, 2024
- EDRi, Missing: People's Rights in the EU Digital Decade, 2023
- Equality and Rights Alliance & Tamas Kadar, An analysis of the introduction of socio-economic status as a discrimination ground, 2016
- EU Alliance in Investing in Children, From Commitment to Reality, 2024
- European Federation of Public Services Union, Who Is Behind the Competitiveness Compass?, 2025
- European Trade Union Confederation, Minimum Wage Directive Boost to Struggling Workers, 2022
- European Trade Union Institute, EU Minimum Wage Directive Before the European Court of Justice, 2025

- FEANTSA & Fondation pour le Logement des Défavorisés, Recommendations for Addressing Homelessness and Housing Exclusion in Europe 2024-2029, 2024
- FEANTSA, 9th Overview of Housing Exclusion in Europe, 2024
- FEANTSA, Aporophobia Challenging Hate Crime Against People Experiencing Homelessness in the EU, 2021
- FEANTSA, Avocats Sans Frontières (ASF) & Fondation pour le Logement des Défavorisés, Ending the Criminalisation of Homelessness in Europe, 2024
- Joint Statement, Time to Get It Right: EU Fiscal Rules Reform Risks Going Wrong, 2023
- Joint statement, Why adopting the Social Climate Fund is the right choice for the EU, 2023
- Joint letter Do not lose momentum on the Social Taxonomy, 2023
- Oxfam, Wealth of EU's Five Richest Men Soar Almost
 6 Million Euros Every Hour Since 2020, 2024

EU legislation & policy frameworks

- Council Directive 2000/43/EC of 29 June 2000 Implementing the Principle of Equal Treatment Between Persons Irrespective of Racial or Ethnic Origin
- Directive (EU) 2020/2184 of the European Parliament and of the Council of 16 December 2020 on the Quality of Water Intended for Human Consumption (Recast)
- Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on Adequate Minimum Wages in the European Union
- Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013
- Council Recommendation on Adequate Minimum Income is 2023/C 41/01
- European Commission, A Union of Equality: Gender Equality Strategy 2020–2025, Publications Office of the European Union, 2020
- European Commission, *EU Anti-Racism Action Plan* 2020–2025, Publications Office of the European Union, 2020
- European Commission. Union of Equality: Strategy for the Rights of Persons with Disabilities 2021– 2030, Publications Office of the European Union, 2021

- European Commission, EU Roma strategic framework for equality, inclusion and participation for 2020 – 2030, Publications Office of the European Union, 2020
- European Commission, *Union of Equality: LGBTIQ Equality Strategy 2020–2025*, Publications Office of the European Union, 2020

United Nations

- De Schutter, Olivier, Non-Take-Up of Rights in the Context of Social Protection - Report of the Special Rapporteur on Extreme Poverty and Human Rights, 2022
- De Schutter, Olivier, The Working Poor: A Human Rights Approach to Wages - Report of the Special Rapporteur on Extreme Poverty and Human Rights, 2023
- De Schutter, Olivier, Eradicating Poverty Beyond Growth - Report of the Special Rapporteur on Extreme Poverty and Human Rights, 2024

Academic contributions

- Bray, R., M. de Laat, X. Godinot, A. Ugarte, and R. Walker, The Hidden Dimensions of Poverty, Montreuil: Fourth World Publications, 2019
- Bárcena-Martín, Elena, Salvador Pérez-Moreno, and Beatriz Rodríguez-Díaz, Rethinking Multidimensional Poverty Through a Multi-Criteria Analysis, Economic Modelling, Volume 91, Pages 313-325, 2020
- Lefebvre, Mathieu, Pierre Pestieau, and Gregory Ponthiere, Counting the Missing Poor in Pre-Industrial Societies, Catholic University of Louvain, 2021

