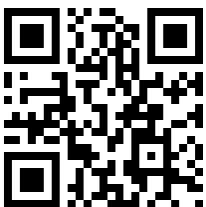


STUDY

Requested by the EMPL committee



Fighting Child Poverty: the Role of EU Funding



Policy Department for Economic, Scientific and Quality of Life Policies
Directorate-General for Internal Policies
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Fighting Child Poverty: the Role of EU Funding

Abstract

The study focuses on the role of EU funding in fighting multidimensional child poverty in EU Member States. It analyses the use of EU funding (that is, ESF, ERDF, EAFRD and FEAD) to address the problems of children at risk of poverty and social exclusion, and in particular materially deprived children. It reveals that although investments addressing child poverty problems are less visible in the strategic and monitoring framework of EU funds, Member States do use the available EU funding to improve the target group's access to adequate nutrition, childcare and education services, housing and healthcare, as well as integrating service provision and promoting de-institutionalisation. Based on the identified gaps but also good practices across the Member States, the study provides a list of recommendations on how to better address child poverty as an issue of specific concern in the post-2020 EU funding period.

This document was requested by the European Parliament's Committee on Employment and Social Affairs.

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LIST OF ABBREVIATIONS

AROPE	At risk of poverty or social exclusion
AROP	Relative income poverty
CSR	Country Specific Recommendation
EARDF	European Agricultural Fund for Rural Development
EC	The European Commission
ECEC	Early child education and care
EP	The European Parliament
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	The European Union
FEAD	Fund for European Aid to the Most Deprived
LWI	Low work intensity
MS	Member State
NRP	National Reform Programme
SMD	Severe material deprivation
UNICEF	United Nations Children’s Fund

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EXECUTIVE SUMMARY

Background

In the EU, **child poverty** has increasingly been understood as a context-specific, multidimensional phenomenon, **encompassing not only a lack of money and assets** but also **other forms of deprivation** connected to **children's survival, development, protection and participation** in decisions that affect their lives. The **rights-based approach** to child poverty highlights the multiple factors which contribute to a child's well-being, and articulates **the rights of children** to an **adequate standard of living**, and to be **free from deprivations** across crucial aspects of their lives including their **health, education, nutrition, care and protection**.

At European level there is a broad and clear consensus that action is needed to address child poverty and to promote children's well-being. In February 2013 the European Commission adopted the **Recommendation 'Investing in children – breaking the cycle of disadvantage'** as part of its Social Investment Package, and in July 2013 the Council gave its unanimous support to this recommendation. In November 2015, the Parliament adopted a resolution on *"Reducing inequality, in particular child poverty"*. In 2017, the European Parliament went a step further, voting for a preparatory action to look at the feasibility of a rights-based child guarantee scheme.

The use of European funding to address child poverty is considered important, as the **stronger commitment to the Cohesion Policy for inclusive growth and the fight against social exclusion** represents one of the major changes in the strategic approach adopted during the 2014-2020 programming period. With a view to the preparation to the post-2020 financial framework it remains an important question, how the issue of child poverty will be covered by EU funding during 2021-2027 programming period.

Focus of the study

The overall aim of this study is to **assess how, and to what extent, Member States use EU funding to improve the situation of children at risk of poverty and social exclusion, particularly those living in severe material deprivation**. In particular, the study presents:

- Patterns, trends and factors in child poverty in the EU and recent policy responses at EU level and across Member States.
- An analysis of how the strategic framework and rules governing the ESF, ERDF, EAFRD and FEAD address different aspects of child poverty, and to what extent Member States use EU funding to support interventions targeting children at risk of poverty and social exclusion, particularly those living in severe material deprivation.
- Evidence on the effectiveness of EU-funded interventions and their (potential) impacts on child poverty as well as success factors in, and key obstacles to, the effective use of funding.
- A list of recommendations to strengthen the focus of EU funding on child poverty as an issue of special concern in relation to the post-2020 programming period.

The study is based on desk research of academic literature, relevant European and national policy documents, statistical and administrative data, as well as an interview programme involving stakeholders at EU level and in the six countries (Bulgaria, the Czech Republic, Germany, Ireland, Poland and Portugal) selected for the in-depth country case studies. A short survey was also sent to more than 350 representatives from the managing authorities of ESF and ERDF programmes at national and regional level. Due to a relatively low response rate, the data from this survey was analysed only qualitatively, as additional evidence to accompany previous desk research.

Key findings

The multidimensional character of child poverty and huge differences in the numbers of children living in material deprivation across Member States call for stronger actions to break the ‘vicious circle’

Monetary poverty is the **main driver** of **multidimensional child poverty**, and **children living in multidimensional poverty** are more likely to experience **monetary poverty as adults**. According to Eurostat, 25 million children in the European Union (26.4% of the population aged 0 to 17) were at risk of poverty and social exclusion in 2016, and over 8 million (8.5% of the population aged 0 to 17) were living in severe material deprivation.

To measure the **scale of poverty and social exclusion** in EU Member States, in the context of the Europe 2020 targets, the AROPE indicator is used. **Children are ‘At Risk Of Poverty or social Exclusion’ (AROPE)** if they live in households experiencing relative income poverty (**‘at risk of poverty’**) or **‘severe material deprivation’**, or if they live in a household with **‘very low work intensity’**. Because it focuses on households, the **AROPE** indicator does not specifically capture the **living conditions of children** and their **access to goods and services**, which are of crucial importance to children’s development. Even so, analysis of the available statistical data clearly indicates that ‘severe material deprivation’ (SMD) is the AROPE component in which differences between Member States are the largest:

- In 2016, around **8.5% of children** in the EU lived in a **household affected by severe material deprivation; 9.3% of children lived in a household with very low work intensity; and 21% of children lived in relative income poverty**. The majority of **children in severely materially deprived households also experienced other aspects of poverty or social exclusion**.
- Although the patterns and trends seen in AROPE and SMD indicators were somewhat similar, the **differences in the shares of children living in severe material deprivation** in 2016 were huge, ranging from **0.7 % in Sweden to 36.1% in Bulgaria**.
- Between 2008 and 2016, the **percentage of children living in severe material deprivation increased in 10 Member States**. The largest increases were in **Greece** (which rose from 10.4% in 2008 to 26.7% in 2016) and **Cyprus** (from 9.7% in 2008 to 17.7% in 2016). Significant rises were also seen in **Italy** and **Ireland**.
- During the same period, a substantial **decrease** in the share of children living in **severe material deprivation** was observed in **Poland, Romania** and **Latvia**.

Thus, **investments** which address the **specific problems** faced by **children living in material deprivation** and who as a result suffer from multidimensional poverty, remain necessary to break the **‘vicious circle of poverty’**.

Broad EU-level consensus on policy responses to child poverty is followed by weak specific focus on the issue in the European semester agenda and national strategic frameworks

Analysis of the key EU-level documents shows increasing attention to child poverty problems, as well as political consensus on the need to implement measures which target children at risk of poverty and social exclusion, particularly those suffering from severe material deprivation:

- All key EU institutions (the Council of the European Union, the European Parliament, the European Commission) send clear messages to the Member States that **integrated strategies** which go **beyond ensuring children’s material security** should be at the centre of efforts to tackle child poverty, recognising **the multi-dimensional character of the phenomenon**.
- Member States are encouraged to **combine support to parents** with **access to affordable early childhood and care services**, and to develop **strategies based on three pillars: 1) access to adequate resources; 2) access to affordable, high-quality services; 3) children’s participation**.

The assessment of EU Member States' national policies/approaches and programmes for children, however, reveals that the **limited progress** made to implement the 2013 Recommendation on Investing in children **is insufficient to address the scale of the child poverty problem**:

- Only **four countries (EE, FR, IE, MT)** have taken **initiatives to strengthen their policies/approaches** and programmes in a significant number of areas.
- Another **seven countries (BG, LT, LV, NL, PT, SI, SK)** have **made some improvements**.
- **Very limited progress** has been made in most areas **in those Member States with high or very high levels of child poverty or social exclusion (CY, EL, ES, HR, HU, IT, RO, UK)**.

Despite the important place of child poverty on the EU's policy agenda, our study shows that the European Semester process fails to specifically promote the Commission's Recommendation on Investing in Children:

- while seven country-specific recommendations (**CSRs**) **specifically addressing child poverty** were made in 2014, in 2015 there were only two; in 2016, one; and in 2017 – none.
- Very few CSRs on investing in children were made in 2017, and tackling **child poverty is not prioritised** in the process.

Design of EU funds does not specifically address children at risk of poverty and social exclusion

During the 2014-2020 programming period, the 'Europe 2020' target on the number of people to be lifted out of social exclusion and poverty across Member States was reflected in the strategic framework of EU funds. However, the overall design of EU funds does not specifically address child poverty:

- Only **FEAD directly addresses child poverty** and highlights child poverty as being among the most extreme forms of poverty with the highest impact in terms of social exclusion. In 2014-2020, MSs used FEAD to provide **food, material assistance and social inclusion activities** to children suffering from severe material deprivation.
- **ERDF** and **ESF** regulations indicate that funding may be used to **improve education, health and social infrastructure**, and to enhance **access to affordable and high-quality services** including **out-of-school care and childcare**, interventions preventing **early school-leaving**, promoting equal access to good-quality **early-childhood, primary and secondary education**; however, the thematic objectives of these funds do not refer specifically to the problems of children at risk of poverty and social exclusion.
- Although the **promotion of social inclusion, the reduction of poverty**, and economic development in rural areas were included among the thematic priorities of **EAFRD**, the lower-level objectives and targets **do not refer to child poverty**. For this reason, EAFRD was excluded from more detailed analysis.

Although a number of more detailed implementation provisions could potentially **have helped to improve the orientation** of EU-funded interventions to fight **child poverty**, their implementation has had limited impact:

- Although interventions which target disadvantaged children were **funded to some extent in most Member States**, the **lack of clear objectives and targets** on reducing child poverty **precludes commitments to invest** in this area, and **complicates monitoring and reporting** on their progress.
- **ESF common indicators** which refer to participants under 25 years old **are not specific enough**, and neither the 'Europe 2020' targets, nor the common indicators for ESI funds, include any other means to monitor progress in the reduction of child poverty.
- Only **FEAD** includes a **monitoring framework** for **children aged 15 or below** who suffer from **material deprivation** and receive support.

- Although **ex-ante conditionalities** had some positive effects on the strategic and regulatory framework in the areas of inclusion, early school leaving and health, **none of their implementation requirements specifically mentions children at risk of poverty and social exclusion** and, in particular, those living in **material deprivation**.
- **The co-ordination of funds** to enhance synergies between 'hard' measures funded by ERDF, and 'soft' measures funded by ESF, is still limited. This is due to restrictions imposed by cross-financing rules and eligibility requirements. **Complementary ESF and FEAD-funded projects** are rare exceptions to this.

EU funded interventions have aimed to improve the adequacy of nutrition, as well as the quality and accessibility of childcare, education, health services and housing – though there is a lack of evidence as to their scope and results

During the 2014-2020 ESIF programming period, the 2013 Recommendation on Investing in Children was used to leverage more funding opportunities for children and their families via ESF, ERDF and FEAD. However, only FEAD includes a monitoring framework that is sufficient to measure **the outputs** and **results** of funded interventions with regard to the specific target group of children aged 15 and below who live at risk of poverty and social exclusion, particularly those experiencing material deprivation. According to 2016 administrative data, during the period 2014-2016, under FEAD funded interventions:

- Almost **11 million children** received **food support** in the form of food packages or meals. These children constituted a large share (29.6%) of all FEAD beneficiaries. The highest shares of children receiving food support were in Malta (47.04%) and the Czech Republic (40.82%).
- **296,971 children** received **material assistance** in the form of school materials such as school bags, stationery, exercise books, pens, painting and other equipment, as well as sports equipment. The total values of these goods was over **EUR 6.76 million**.
- A small number of children received social inclusion assistance measures in DE (2,137 children, or 10% of total number of persons receiving assistance) and SE (12 individuals, or 2%).

ESF and ERDF allocations to investment priorities which target children can only be tracked at the level of categories of interventions. The precise scope of investments which target children at risk of poverty and social exclusion cannot be assessed from the available administrative data. These data only provide indications, that:

- 25.6% of the total ESF allocation of **EUR 86.4 billion** was earmarked for **social inclusion measures**.
- ESF allocations of **EUR 8 billion** were set aside for measures to tackle **early school-leaving**.
- Under ERDF, **EUR 11.9 billion** has been earmarked for measures to promote **social inclusion and combat poverty**, including alternative community-based care.
- Approximately **EUR 5.9 billion** in ERDF allocations has been earmarked for investment in **education facilities**, of which **EUR 1.22 billion** was allocated to **ECEC infrastructure**.

The analysis revealed that **children at risk of poverty and social exclusion** were only one among other target groups for interventions aimed at the **improvement of affordable, high-quality childcare**, the **prevention of early school-leaving**, and the **provision of integrated services**. ERDF and ESF-funded interventions in the areas of health services and social housing addressed children only indirectly.

Improved nutrition and childcare services demonstrate the measurable effects of EU funding

Although only limited data is available on the effects of EU funded interventions targeting children at risk of poverty and social exclusion, and in particular those living in material deprivation, our analysis revealed that improved nutrition and affordable childcare services were among the main areas in which EU funding was effective. For example:

- Ex-post evaluation of the **2007-2013 Cohesion policy** in the **field of education in Poland** revealed that support aimed at making **pre-school education more widespread and accessible** had a huge impact on the availability of kindergarten places and responded to an important social need, especially **in rural areas** characterized by **high child poverty rates**.
- Mid-term evaluation of FEAD revealed that in term of effectiveness and impact, FEAD had a positive impact on the alleviation of **food deprivation, especially among women and children**. It also had a positive effect **on alleviating children's material deprivation** through the targeted financing of **specific materials for school children**, and personal **hygiene items for babies**. Both of these were highly effective.
- There were also indications **that FEAD accompanying** measures can be effective in helping target groups towards their social inclusion, especially if they retain their 'accompanying' character, i.e. they are offered together with food support.

Challenges in addressing child poverty during EU policy cycle

The study identifies a list of **challenges for the post-2020** programming period that are particularly relevant in addressing child poverty problems in the EU funding cycle:

- **The lack of strategic (specific)** objectives referring to children in the relevant EU Regulations and EU funding rules.
- The **specific policy response contained in the European Semester** (NRPs and CSRs) is weak. This response is linked to, and should guide, the programming of the relevant EU funding.
- The **lack of visibility of materially deprived children** in national and regional EU-funded programmes.
- **The lack of a monitoring framework to measure the scope and outputs of investments** targeting children due to the **absence of relevant ESF and ERDF common indicators** and **relevant categories of intervention for financial data**.

Recommendations to reinforce the focus on child poverty during the post-2020 EU funding period

Based on an analysis of the EC proposal (dated 2 May 2018) for a **Common Provisions Regulation (CPR)** and **Regulation on European Social Fund Plus (ESF+)**, we suggest a number of recommendations which may help to improve the focus of the relevant EU funds on fighting child poverty during the 2021-2027 programming period:

- Ensure that the current **references to children** remain in the final version of ESF+ Regulation. Each such instance has a trickle-down effect during the preparation and negotiations for the EU funding programmes.
- Encourage policy discussion and **the setting of targets at national level, especially within those MSs where the material deprivation aspect of child poverty remains most acute**.
- Ensure that relevant **CSRs** mentioning **children at risk of poverty and social exclusion** are taken directly on board in the preparation and negotiations for the relevant 2021-2027 EU funding programmes, possibly by setting a specific target for programmes within those MSs which have the largest shares of children living in severe material deprivation.
- Ensure that the reference to **child poverty** remains in the **enabling condition**, which requires Member States to develop a national strategic policy framework for social inclusion and

poverty reduction before investing ESF+ or ERDF in the selected areas. Such a framework should include “evidence-based diagnosis of poverty and social exclusion including **child poverty**, homelessness, spatial and educational segregation, **limited access to essential services and infrastructure**, and the specific needs of vulnerable people”¹.

- Such a diagnosis would make it possible to identify those geographical **territories with the highest rates of child poverty**, as well as the limitations in their access to essential services. At least for those MSs which have the largest shares of children living in severe material deprivation, it would be important to include a requirement to allocate a **specific share of ESF+** (and possibly ERDF) resources **for the provision of services targeted directly at children** within such designated territories. This allocated amount would be on top of (and, ideally, in close synergy with) the two per cent of ESF+ allocated to material deprivation.
- **Expand the application** of the aforementioned **enabling condition** to cover the ESF+ specific objective “(x) promoting social integration of people at risk of poverty or social exclusion, including the most deprived and children”.
- Consider **expanding** the application of the **common output indicator**, “Number of children below 18 years of age”, to the whole ESF+ shared management.
- Retain a more **detailed categorisation of the fields of intervention**, as suggested by the draft 2021-2027 CPR, in order to gain a better insight into where and how MSs are investing relevant EU funds into interventions which directly target children and child poverty.

¹ Proposal for a Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument. COM/2018/375 final - 2018/0196 (COD)

INTRODUCTION

The European Parliament resolution of 24 November 2015 on reducing inequalities with a special focus on child poverty² emphasized the need for greater political visibility in fighting child poverty at the highest EU political level, if the EU is to meet the Europe 2020 strategy target of reducing the number of people affected by poverty by at least 20 million by 2020. Under the UN Convention on the Rights of the Child (UNCRC), all children should be guaranteed the right to education, health care services, housing, protection, participation in decisions that affect them, leisure and free time, a balanced diet, and to receive care in a family environment.

This EP resolution, calling for the introduction of a European Child Guarantee to lift children out of poverty, states that the majority of Member States have given little attention to using EU structural funds to fight growing rates of poverty among children in Europe, and promote their social inclusion and general well-being. The Committee on Employment and Social Affairs of the European Parliament (EMPL) has requested this study on "The use of EU funds in the fight against child poverty since 2008 and its effectiveness in the reduction of poverty" with the aim of providing Members with an up-to-date picture of developments in an area of critical importance to the work of the Committee. The analysis delivered should enable Members of the EMPL Committee to gain an independent perspective on the subject, particularly with regard to the use of relevant EU funds, their interplay and impact, in order to draw conclusions for the Post-2020 Multi-annual Financial Framework.

The scope of this analytical study is to provide an up-to-date overview and analysis addressing the following aspects:

1. **Child poverty:** What are the patterns, trends and factors at EU, national (and regional) level since 2008?
2. **Policies:** Is there a consensus on key elements of policies to tackle child poverty at EU level?
3. **Design of EU funds:** What provisions exist on fighting child poverty within the thematic priority of combating social exclusion and poverty?
4. **Use of EU funding:** To what extent have Member States used EU funds to support poor children or those at risk of poverty since 2008?
5. **Impact of EU funding:** Is there evidence that EU funding is effective in reducing child poverty (or social exclusion) since 2008?
6. **Challenges:** What are the key obstacles to the effective use of EU funding to fight child poverty?

This document is the **final report of a research study**. It presents the results of research and provides policy recommendations for the post-2020 framework, based on the EC proposals on the draft Common Provisions Regulation and draft ESF+ Regulation for the 2021- 2027 programming period.

² European Parliament resolution (2014/2237(INI))

This study tackles the very **broad and complex policy issue of child poverty**, with a focus on **the role of EU funding in fighting it**. To the extent possible, the research **focuses on the analysis of EU-funded actions targeted directly at children**, in particular children at risk of poverty and social exclusion – especially those suffering from material deprivation. The rationale behind the focus of the research on children themselves, rather than on measures which target family or household poverty, is that:

- in most EU Member States, the proportion of children at risk of poverty and social exclusion is higher than the same indicator for the population as a whole;
- children are one of the most vulnerable groups, as they live in most of households experiencing the risk of poverty and social exclusion, yet do not have a decisive say in household spending; and
- the assessment of all measures targeting the causes of child poverty, i.e. income support or support for parents' employment, requires more detailed analysis and research with a wider scope.

For the purpose of this study, we used the **primary target group** and the **type of policy measure** as two key criteria in determining whether a **policy intervention is targeted directly at children**. In terms of the **primary target group**, our analysis revealed that, with the exception of FEAD targeting materially deprived children, EU-funded interventions that tackle child poverty generally address children at risk of poverty and social exclusion while targeting several other groups. That is why indirect measures targeting the broader group of children or addressing the problems of specific vulnerable groups, such as Roma, asylum seekers, refugees, ethnic minorities or the disabled, provide useful information on EU-funded interventions to fight child poverty.

In terms of **the type of policy measure** employed, those which directly target children are likely to fall into the categories of service provision (i.e. childcare, education, health, other social assistance services); the supply of goods (i.e. food and material assistance); human capacity building of persons/staff working with children at risk of poverty and social exclusion; and development of infrastructure *directly* used by children (e.g., day care centres).

In this study we considered EU-funded measures as being directly targeted at children if they met both the target group and type of policy measure criteria. In particular, the field research has been used to gather previously unavailable data on how, where and with what level of success have Member States used four EU funds (ESF, FEAD, ERDF, and EARDF) to implement policy interventions (i.e. dedicated programmes, groups of projects) targeted at children at risk of poverty and social exclusion, and in particular materially deprived children. The research aimed to better understand why the utilisation of EU funding in this area remains relatively limited or invisible, and to discover what factors might facilitate its more effective uptake in the future.

METHODOLOGY

To provide an up-to-date analysis and evidence-based results, the study combined **desk research** of available literature, administrative and statistical data with additional field research, which included **a survey** of ESF and ERDF Managing Authorities, **six country case studies (BG, CZ, DE, IE, PL, PT)** and a **programme of interviews with EC and national officials**.

Desk research

To provide a comprehensive analysis of existing literature and research, to identify knowledge gaps, and to develop sufficient background knowledge for the selection of country studies, we have conducted a review of research material on the subject. The main goal of the desk research was to systematically review and summarise the existing information on the subject. This task enabled the research team to provide the European Parliament with a summary of available research evidence concerning:

- **Patterns, trends and factors in child poverty** at EU, national and regional level since 2008; and
- **Discussion on key elements of policies** to tackle child poverty at EU level.

The study considered the relevant documents produced by EU institutions, as well as academic literature, relevant studies, publications, databases, networks, etc. which exist at international, national and regional level.

Survey of Managing Authorities

For our survey of Managing Authorities, we selected only those national and regional OPs that allocate EU funding under categories of intervention that most closely relate to children, in particular poor children (see Table 1).

Table 1. ESF and ERDF categories of interventions related to child poverty

ESF	ERDF
110 "Combating all forms of discrimination and promoting equal opportunities"	9 "Promoting social inclusion and combating poverty"
111 "Enhancing access to affordable, sustainable and high-quality services, including healthcare and social services of general interest"	51 "Education infrastructure for school education (primary and general secondary education)"
112 "Reducing and preventing early school-leaving and promoting equal access to good quality early-childhood, primary and secondary education including formal, non-formal and informal learning pathways for reintegrating into education and training"	52 "Infrastructure for early childhood education and care"
115 "Socio-economic integration of marginalised communities such as the Roma"	

Source: PPML.

Administrative data and common monitoring indicators aggregated at country and EU level provide insufficient information on whether Member States spent ESF and ERDF funding purposefully to reduce child poverty. For this reason, the research team conducted a short survey of managing authorities, aimed at collecting qualitative **information on specific objectives directly targeting poor children in ESF and ERDF Ops**, and **specific indicators** to monitor their progress and achievements.

Country case studies

The six Member States (**BG, CZ, DE, IE, PL, PT**) selected for the country case studies represent different geographical locations and sizes of country, different levels of severe material deprivation, policy areas with strengthened approaches addressing child poverty, and all four EU funds (see Table 2).

Table 2. Country selection matrix

	SMD, children aged 0-17, 2016	Country size	EU funds investments in children
Germany	3.0%	Large	ESF, FEAD
Poland	5.8%	Large	ESF, ERDF
Czech Republic	6.3%	Large	ESF, FEAD
Ireland	9.2%	Small	ESF, FEAD
Portugal	9.6%	Large	ESF, ERDF
Bulgaria	36.1%	Small	ERDF, ESF, EAFRD

Source: compiled by PPMI.

In-depth, semi-structured interviews in Member States focused on interventions that hold the best promise of being inspiring, effective and transferrable. The research team conducted 2-3 interviews per country with different stakeholders involved in the development or implementation of the selected good practices. Interviewee selection profiles included: **representative of EU fund management and control system; policy maker or expert in the field of child poverty;** and **beneficiary or partner organisation** involved in the implementation of EU-funded intervention. Full country case studies are available in Annex 2 of the report.

1. CHILD POVERTY IN THE EU: PATTERNS, TRENDS AND FACTORS

The objective of the first section of the study is to briefly introduce the phenomenon of 'child poverty' in the EU context. Concretely, this section presents patterns, trends and factors at EU and national level from 2008 until 2016, the most recent year for which data for all Member States is available.

KEY FINDINGS

In the EU, **child poverty** has increasingly been understood as a complex, context-specific, multidimensional phenomenon, **encompassing not only a lack of money and assets** but also **other forms of deprivation** connected to **children's survival, development, protection and participation** in decisions that affect their lives. The **rights-based approach** to child poverty highlights the multiple factors which contribute to child well-being and articulates **children's rights to an adequate standard of living**, and to be **free from deprivations across** crucial aspects of their lives including their **health, education, nutrition, care and protection**.

Monetary of poverty of parents, however, is the **main driver** of **multidimensional child poverty**, and **children living in multidimensional poverty** are more likely to experience **monetary poverty as adults**.

- In 2016, around **8.5% of children** in the EU lived in a **household affected by severe material deprivation; 9.3% of children lived in a household with very low work intensity; and 21% of children lived in relative income poverty**. The majority of **children in severely materially deprived** households also **experienced other aspects of poverty or social exclusion**.
- Although patterns and trends observed in the AROPE and SMD indicators were somewhat similar, the **differences in the shares of children living in severe material deprivation** in 2016 were huge, ranging from **0.7 % in Sweden** to **36.1% in Bulgaria**.
- Between 2008 and 2016, the **percentage of children living in severe material deprivation increased in 10 Member States**, with the largest increases in **Greece** (from 10.4% in 2008 to 26.7% in 2016) and **Cyprus** (from 9.7% in 2008 to 17.7% in 2016), but also in **Italy** and **Ireland**.
- At the same time, a substantial **decrease** in the share of children living in **severe material deprivation** was observed in **Poland, Romania** and **Latvia**.

Thus, **investments** which address the **specific problems** of **children living in material deprivation** and who as a result suffer from multidimensional poverty, remain necessary to break the **'vicious circle of poverty'**.

1.1. The multidimensional character of child poverty

Even though poverty is a commonly used term, approaches to defining and measuring child poverty vary in different contexts. The most widely used **monetary approach** is concerned with the lack of financial resources available to individuals or households (Thorbecke, 2008; Tsui, 2002). This approach relies on drawing a poverty line as a threshold to determine whether people are considered poor, usually on the basis of household incomes. The number of individual children living in households with income below this line is calculated in order to estimate the share of children living in poverty.

Poverty lines are set with either **absolute or relative thresholds**. **Absolute poverty** is usually associated with a lack of resources to cover basic needs or goods. In terms of measurement, this refers to a condition in which an individual or household's resources remain below an 'arbitrarily' fixed poverty line that is considered to cover the costs of basic survival (Arndt et al., 2017). Making no reference to other people's income, and adapting little over time, the absolute poverty line has been used particularly in contexts in which the focus is on reaching minimum living standards for a large share of the population, including children.

In contrast, children live in **relative poverty** when their lives fall **behind the average standard of living around them, in a particular time and place** (Townsend, 1979; UNICEF 2007). Understanding poverty as a relative condition is the most commonly accepted approach to distinguish the poor from the non-poor in wealthy contexts, including the EU (UNICEF, 2007). In 1984, the European Community defined the poor as "persons, families and groups of persons whose resources (material, cultural, and social) are so limited as to exclude them from the minimum acceptable way of life in the Member States in which they live" (85/8/EEC). Up to the present, the definition of poverty in the EU relies primarily on the comparison between the poor and the rest of society.

A common monetary measure of relative poverty **identifies a certain percentage of national median income** to determine relative poverty lines. In the EU, this **relative income poverty** ('at-risk-of-poverty') threshold is set at 60% of the national median equivalised disposable income after social transfers. The strength of relative income poverty indicators lies primarily in their **sensitivity and responsiveness to short-term changes in living standards in a particular society**. Despite this strength, relative income measures have two main weaknesses. First, making EU cross-country poverty comparisons based on a common poverty line drawn at a certain percentage of median income can provide a misleading picture, as the levels of income and living costs differ across the Union (UNICEF, 2012). To illustrate, a household consisting of two adults and two children younger than 14 years with 60% of median equivalised income in Romania has an actual income of €3,085 a year, while a of household of the same type with 60% of median equivalised income in Luxembourg has an income of €42,611 a year (Eurostat, 2016 [ilc_li01]). Even though the poverty threshold is often expressed in terms of purchasing power standards, relative income poverty may clearly come to refer to **very different living standards of children in different EU Member States**.

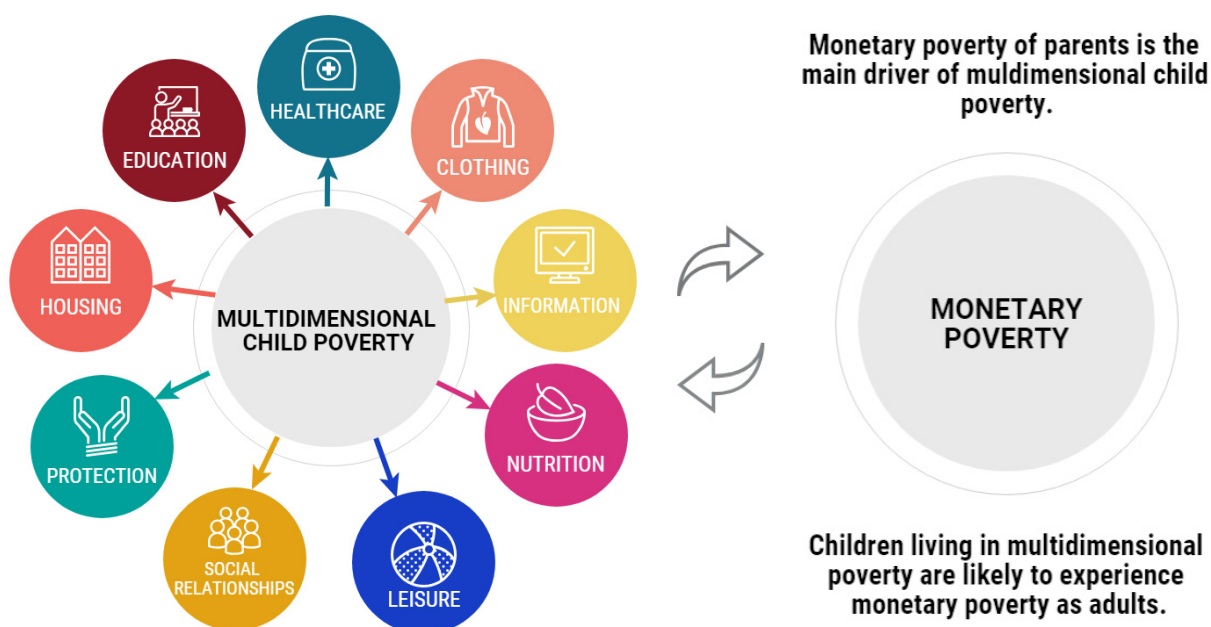
Second, household income does not always serve as the most adequate proxy for the real resources available to a child (UNICEF, 2012). Instead, relative income poverty should be understood as an indirect measure, with the possibility that **children may be deprived in households that are not income-poor** and vice versa (see e.g. Main and Bradshaw, 2014). Ultimately, children have little say in the distribution of resources in a household (Feeny and Boyden, 2004). Social inequalities, the availability of goods and services and the state of the economy in general, are some additional, interrelated factors influencing children's risk or experience of poverty in the EU context, which lie beyond the scope of this measurement (Marshall, 2003). To address some of the aforementioned limitations, reported **material deprivation measures and indicators relating to parents' labour market participation** have been used to complement relative income measures when assessing **children's material well-being** (UNICEF, 2007).

Moreover, while **material circumstances in a household play a crucial role, a consensus exists** that it is key to understand the **multidimensional character of child poverty** (Ben-Arieh, 2008; Clery et al., 2014; Main and Bradshaw, 2016). In other words, it is very important to define and measure child poverty beyond the traditional conceptualisations drawn mainly for the adult population, and to seek the very real, often interrelated aspects of children's lives that are affected by poverty. The multidimensionality of poverty is reiterated, for instance, in the 2005 State of the World's Children, PE 626.059

which defines child poverty as “deprivation of the material, spiritual and emotional resources needed to survive, develop and thrive, leaving them unable to enjoy their rights, achieve their full potential or participate as full and equal members of society”. Similarly, in the EU, child poverty has been increasingly understood as a complex, context-specific, multidimensional phenomenon, encompassing **not only a lack of money and assets** but also **other forms of deprivation connected to children’s survival, development, protection and participation in decisions** that affect their lives (EC, 2013).

In order to identify different dimensions relevant to the context, most studies build on ***the rights-based approach***, grounded in the 1989 UN Convention on the Rights of the Child (CRC) (e.g. Gordon et al., 2003; UNICEF, 2007b; de Neubourg et al., 2012; Chzhen et al., 2016; Chzhen and Ferrone, 2016). The CRC highlights the multiple factors contributing to child well-being, and articulates children’s rights to an adequate standard of living, and to be free from deprivations across crucial aspects of their lives including their health, education, nutrition, care and protection. As such, it extends its focus to the social and power issues that lie at the root of poverty. While monetary poverty is a crucial driver of multidimensional poverty (as illustrated in Figure 2), the relationship between monetary poverty and multidimensional poverty is much more complex than many studies portray (Roelen et al., 2012; Dawson, 2015; Main and Bradshaw, 2014). Evidence indicates that although monetary and multidimensional child poverty are strongly associated, groups of children also exist that are poor either in an exclusively monetary, or an exclusively multidimensional sense. Working towards a complementary use of both approaches is vital to obtaining a comprehensive picture of child poverty, and to ensuring that the needs of all children are identified and addressed.

Figure 1. Multidimensional and monetary approach to child poverty



Source: adapted from the UNICEF’s rights-based approach to multidimensional child poverty measurement (UNICEF and Global Coalition to end Child Poverty, 2017; Chzhen, Bruckauf, Toczydlowska, 2017).

Child poverty also has distinct causes and effects which can last a lifetime, as many key decisions relating to the future are made around this stage of life. The fundamental causes of child poverty in the EU context are those underpinning broader community and household poverty, linked to economic circumstances, social inequalities and institutional bias in policy and service delivery, among other factors (Marshall, 2003). At the micro-level, the individual resilience of children, especially at an early age, is often shaped indirectly and comes through the characteristics of the local community and the immediate caregiving environment. For instance, growing up in an economically and socially disadvantaged area is likely to restrict children's access to good-quality services and opportunities for development. Children living in single-parent households, especially those headed by women, are more likely to live in deprived families – as are those living with parents who have lower levels of education and employment, or who face challenges in accessing decent jobs or adequate support systems. As children grow older, they become increasingly **directly affected** – particularly those who belong to vulnerable groups. For example, children from a marginalised ethnic background, especially Roma and traveller children, refugee and migrant children, and children with disabilities, are in many instances more likely to face discrimination, structural inequalities, and have a particularly high risk of growing up in poverty.

Evidence from various disciplines indicates that **growing up in poverty** harms children not only immediately (Brooks-Gunn and Duncan, 1997), but can have long-lasting effects (Corak, 2006; Esping-Andersen and Myles, 2009). For example, studies have shown **impact on children's physical, cognitive and social development**, which in turn places them at risk of later learning, employment, and behavioural problems (Conley, 1999; Brooks-Gunn and Duncan, 1997; Guo and Harris, 2000). Furthermore, there is a risk that child poverty extends into poverty in later life and even later generations, especially when a range of policy and delivery failures takes place (Brooks-Gunn and Duncan, 1997; Minujin, 2009; Kurukulasuriya and Engilbertsdóttir, 2012). At household level, factors increasing the likelihood of intergenerational transmission of poverty factors include: household and individual characteristics, assets and capabilities; systematic inequalities; adolescent pregnancy; early child care and development practices; domestic violence; household income; livelihood and survival strategies; and service uptake (Bird, 2007).

The risk of poverty being both chronic and intergenerationally transmitted (the 'vicious circle of poverty') is yet another characteristic underlining the special nature of child poverty. It points to the importance of recognising child poverty as a problem on its own, and taking concrete anti-poverty measures specifically aimed at girls and boys, to level their life chances and limit the intergenerational transmission of poverty.

1.2. Facts and trends at EU level

To monitor the scope of poverty or social exclusion at EU level, a composite indicator measuring 'At Risk Of Poverty and social Exclusion', referred to as AROPE. AROPE combines three complementary measures: relative income poverty, severe material deprivation and severely low work intensity.

Box 1: Components of the AROPE indicator

Children are at risk of poverty or social exclusion (AROPE) if they live in households that report experience of at least one of the following conditions:

- They are '**at risk of poverty**' (relative income poverty), which means they live in a household with an equivalised disposable income after social transfers below the poverty threshold set at 60% of the national median.
- They experience '**severe material deprivation**' and their living conditions are severely constrained by a lack of resources. The household in which they live cannot afford at least 4 of the following 9 items:
 - to pay their rent, mortgage or utility bills
 - to keep the home adequately warm
 - to face unexpected expenses
 - to eat meat or proteins regularly
 - to go on holiday
 - to have a television set
 - to have a washing machine
 - to have a car
 - to have a telephone
- They live in a household with '**very low work intensity**', i.e. a household inhabited by individuals aged 0-59, in which working-age adults (18-59 years) have worked less than 20% of their total work potential during the past year.

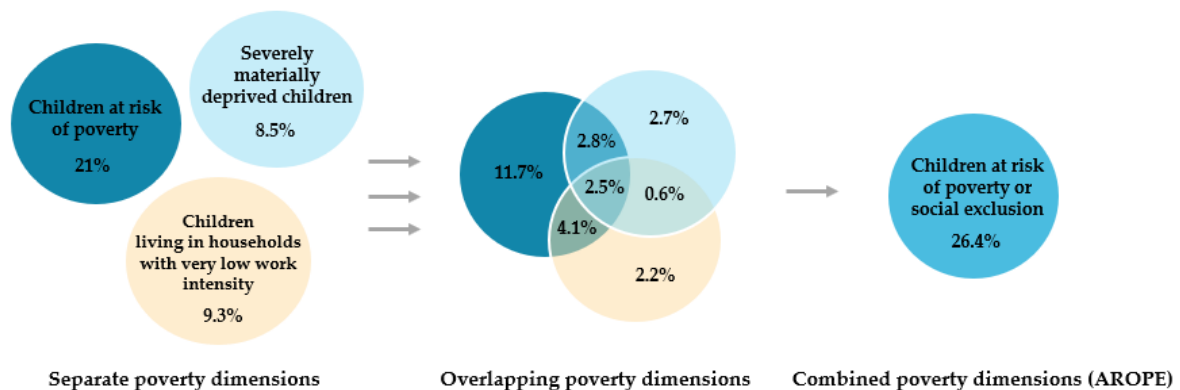
While AROPE is useful as an overall indicator of the scale of poverty and social exclusion, **its primary limitation in monitoring child poverty** is that **AROPE is not a child-specific measure**. Data is collected through household surveys, designed on the assumption that resources are shared equally among all household members, and the principle that the needs and living standards of children are the same as those of other members of the household. To illustrate, having access to a telephone at an early age might be not as relevant to children as having access to regular leisure activities or a quiet place with enough room and light to play or do homework. With AROPE, child poverty is derived from simple age group breakdowns, using data that lacks a child's perspective. In other words, the indicator does not adequately capture the living conditions of children and their access to the goods and services that are particularly key to children's development. While several attempts have been made to better analyse **child deprivation** across the European Union (EU) by reflecting the multidimensionality of children's experiences of poverty (Guio et al. 2016, 2017, UNICEF 2014), no child deprivation indicator has yet been adopted at EU level.

In 2016, **almost 25 million children in the EU (26.4% of the population aged 0-17, or over one in four children)** were at risk of poverty or social exclusion. Around **21% of children lived in relative income poverty, i.e. in households with an equivalised disposable income below the poverty threshold**, and 9.3% of children lived in a household with very low work intensity (Figure 2).

As many as **8.5% of children lived in a household affected by severe material deprivation** – that is, in a household whose members are unable to pay for at least four of the previously mentioned items, considered by most people in the EU to be desirable or even necessary to lead an adequate life (Figure 2). The majority of children in severely materially deprived households also **experienced other aspects of poverty or social exclusion**. Around 2.5% lived in all three situations of poverty and social exclusion; 2.8% lived in severely materially deprived households with an equivalised disposable income below the poverty threshold; and 0.6% lived in severely materially deprived households with a very low work intensity.

In comparison with other age groups, **children are disproportionately likely to live in poverty**. This was highlighted by the most recent Joint Employment Report (2018), which found 26.4% of the total population aged 0 to 17 were at risk of poverty or social exclusion, compared to 24.2% of working age population (16-64), and 18.2% of the elderly (aged 65 and over).

Figure 2. Children 'At Risk Of Poverty or social Exclusion' (AROPE) in 2016 (% of total population, EU-28)



Source: Eurostat, EU-SILC (ilc_pees01)

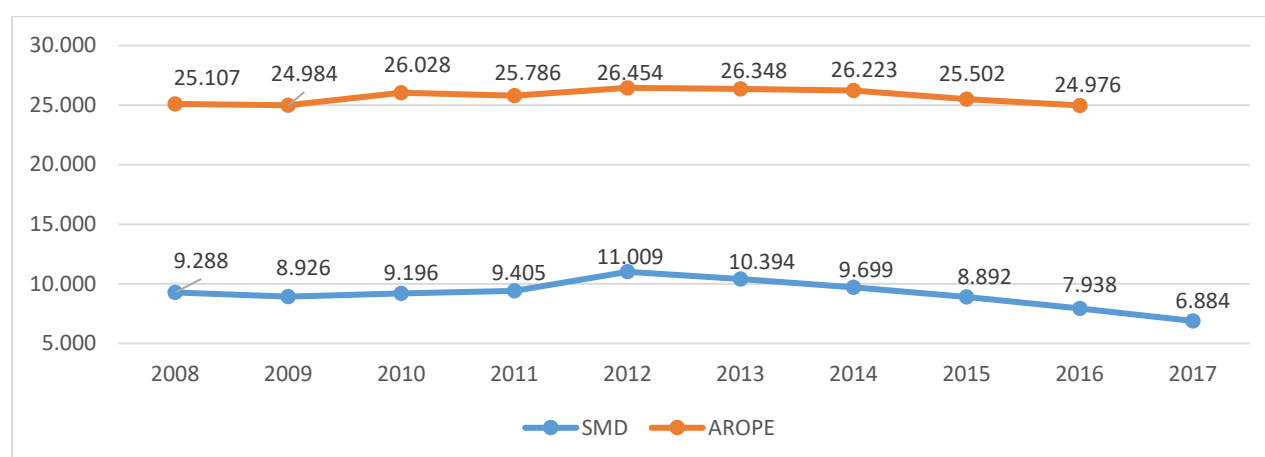
Slightly higher AROPE rates were recorded **for girls** (26.8%) compared to boys (26.1%). While the risk of poverty or social exclusion is high among children of all age groups, **children from 12 to 17 years are most at risk** (29.1%), followed by children aged between 6 and 11 years (26.4%), and children younger than 6 years (23.8%). Furthermore, according to other available EU statistical data, **the composition of the household** in which a child lives, the **parents' labour market situation and educational level** are additional factors affecting the risk of poverty or social exclusion among children in the EU. Single-parent households with dependent children – especially those headed by a woman (EIGE, 2017) - are at the highest risk of poverty or social exclusion, with almost 1 in 2 (48%) at risk of poverty or social exclusion in 2016. The highest 'at risk of poverty' rates are also recorded for very low work intensity households with dependent children (68.3%). In terms of educational level, almost two-thirds (63.7%) of children with low-educated parents live in poor households, compared to only 10.3% of children with tertiary-educated parents.

The risk of poverty or social exclusion among children further increases when these factors are further shaped by **structural inequalities, such as ethnicity or migrant status**. Progress in reducing poverty among these groups is particularly difficult to measure using the Europe 2020 indicators. From what data is available, children with a migrant background are consistently at a greater risk of poverty than children whose parents are native born (Tarki, 2011). In 2016, the AROPE rate across the EU-28 for children with at least one parent who was a foreign citizen was almost twice as high (35.8%) as for children whose parents were nationals (18.8%). Poverty rates are also very high for different types of Roma households. According to the latest data collected for FRA's Second European Union Minorities and Discrimination Survey (EU-MIDIS II), one in three Roma children lives in a household in which someone went to bed hungry at least once in the previous month (FRA, 2016). EU-wide surveys, however, scarcely reach some of the most excluded populations (homeless and street children, children living in or leaving institutions, migrant children of undocumented status, refugee children, etc.) whose situation remains largely invisible in data, and requires specific additional studies.

The proportion of children at risk of poverty or social exclusion in the EU decreased only slightly over the 8 years for which all-Europe data was available, from 26.5% in 2008 to 26.4% in 2016. Furthermore, during most of this period the figures have been significantly higher, due to the adverse effects financial and economic crises have had on children in the EU. At its peak in 2012, as many as 26.454 million children were at risk of poverty or social exclusion (Figure 3) and overall, children were at a higher risk of poverty or social exclusion than the rest of the EU population in all but five countries (Social Protection Committee, 2014). Indeed, the statistics and other evidence indicate that, after young people, children were the group most affected by the crisis (OECD, 2014; UNICEF, 2014).

Despite a relatively positive trend in recent years, with AROPE levels decreasing since 2012, **the risk of poverty or social exclusion among children across the EU remains high**. Achieving the target of lifting 20 million people, including those aged below 18, out of poverty by 2020 remains a significant challenge for the Union.

Figure 3. Children at risk of poverty or social exclusion (AROPE) and in severe material deprivation (SMD), 2008-2017 (in thousands, EU-27/28)



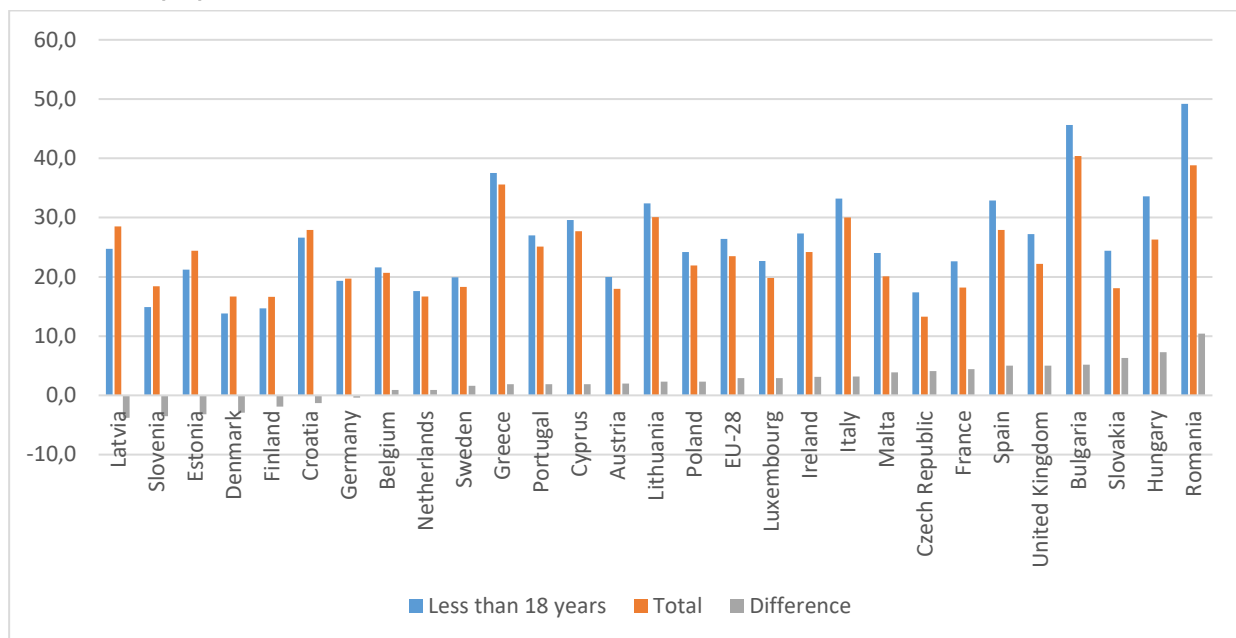
Source: Eurostat, EU-SILC (ilc_pees01)

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1.3. Patterns across Member States

AROPE rates are much higher in some countries than others. In 2016, almost half of children were at risk of poverty or social exclusion in Romania (49.2%) and Bulgaria (45.6%), followed by Greece (37.5%), Hungary (33.6%), Spain (32.9%), Italy (32.8%) and Lithuania (32.4%). The lowest incidence of children at risk of poverty or social exclusion was seen in Denmark (13.8%), Finland (14.7%) and Slovenia (14.9%). However, compared to the population as a whole, children are more at risk of poverty or social exclusion in most (21) Member States.

Figure 4. Children aged 0-17 and total population at risk of poverty or social exclusion, %, ranked in increasing order by difference between child AROPE rates and total population AROPE rate, 2016



Source: Eurostat, EU-SILC (ilc_pees01)

To present the data in a more concise way, **Member States can be grouped into four classes** according to the proportion of children at risk of poverty and exclusion (see below).

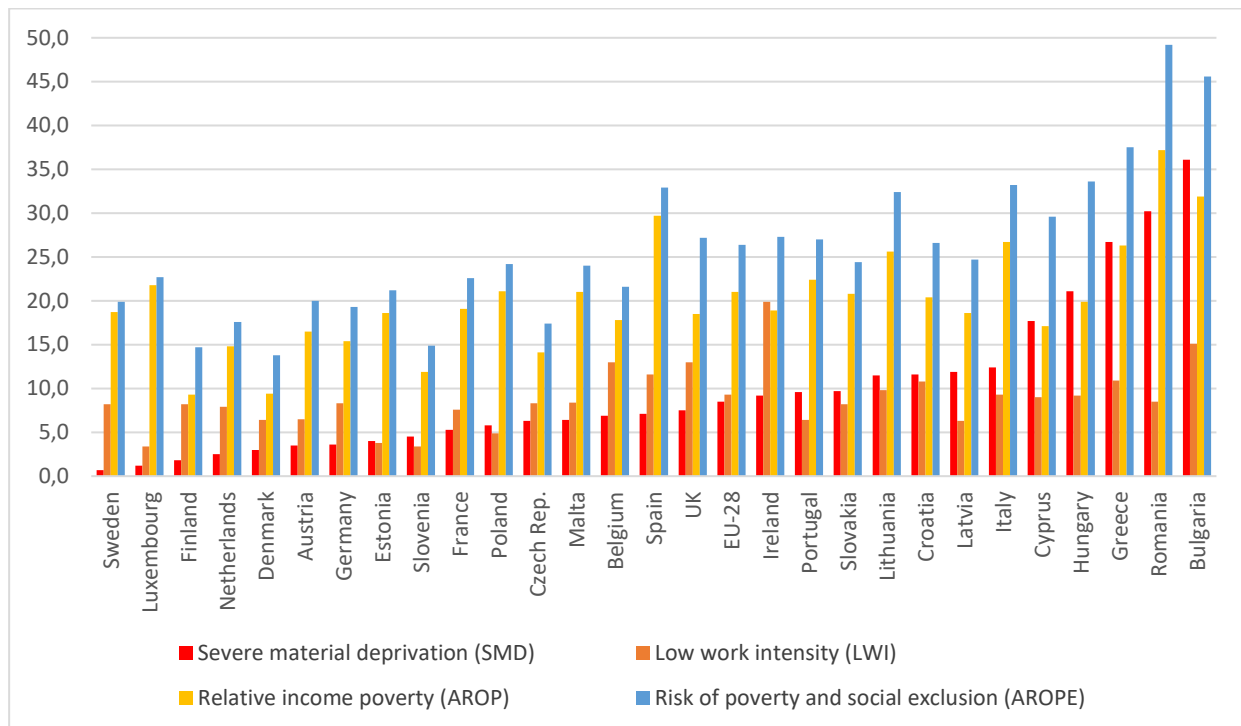
Table 3: Population at risk of poverty or social exclusion (AROPE), children aged 0-17, %, 2016

Groupings	Member States
Low 14-20%	DK (13.8%), FI (14.7%), SI (14.9%), CZ (17.4%), NL (17.6%), DE (19.3%), SE (19.9%), AT (20%)
Mid 21%-26%	EE (21.2%), BE (21.6%), FR (22.6%), LU (22.7%), MT (24%), PL (24.2%), SK (24.4%), LV (24.7%)
High 27%-34%	HR (26.6%), PT (27%), UK (27.2%), IE (27.3%), CY (29.6%), LT (32.4%), ES (32.9%), IT (33.2%), HU (33.6%)
Very high 34%-50%	EL (37.5%), BG (45.6%), RO (49.2%)

Source: developed by PPMI based on Eurostat, EU-SILC (ilc_pees01)

As previously mentioned, child poverty has come to refer to different situations in different EU Member States. This becomes especially obvious when the composite AROPE measure is broken down into its separate dimensions. As seen in Figure 5, while some Member States possess similar AROPE rates, the rates across the separate dimensions vary significantly.

Figure 5. AROPE by separate dimension, ranked in increasing order of ‘severe material deprivation’, children aged 0-17, 2016



Source: Eurostat, EU-SILC (ilc_pees01)

The share of children experiencing ‘severe material deprivation’ is the poverty dimension that varies the most across the Member States. As seen in the **Table 4** the rate is as low as 0.7% in Finland and as high as 36.1% in Bulgaria.

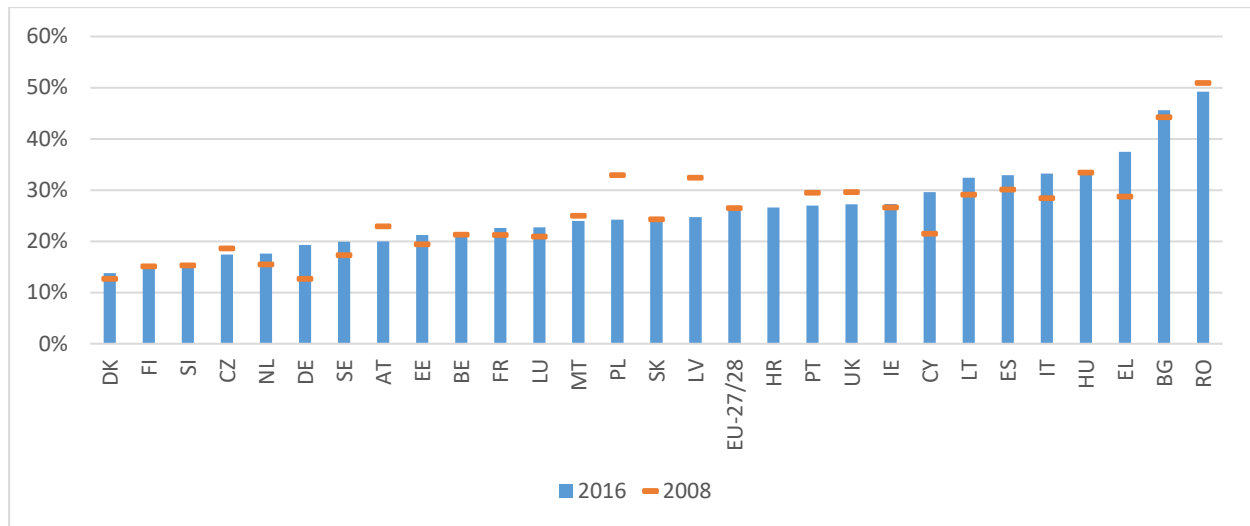
Table 4: Population in severe material deprivation (SMD), children aged 0-17, %, 2016

Groupings	Member States
Low 0-5%	SE (0.7%), LU (1.2%), FI (14.8%), NL (2.5%), DK (3.0%), AT (3.5%), DE (3.6%), EE (4.0%), SI (4.5%)
Mid 5%-10%	FR (5.3%), PL (5.8%), CZ (6.3%), MT (6.4%), BE (6.9%), ES (7.1%), UK (7.5%), IE (9.2%), PT (9.6%), SK (9.7%)
High 11%-20%	LT (11.5%), HR (11.6%), LV (11.9%), IT (12.4%), CY (17.7%)
Very high 21%-40%	HU (21.1%), EL (26.1%), RO (30.2%), BG (36.1%),

Source: developed by PPMI based on Eurostat, EU-SILC (ilc_pees01)

In more than half of Member States, the proportion of children at risk of poverty or social exclusion increased between 2008 and 2016. Among those 16 Member States in which the AROPE rates increased, the largest differences were observed in Greece (from 28.7% in 2008 to 37.5% in 2016, an increase of 8.8 pp) and Cyprus (from 21.5% in 2008 to 29.6% in 2016, an increase of 8.1 pp). By contrast, the largest decreases were observed in Poland (from 32.9% in 2008 to 24.2% in 2016, a decrease of 8.7 pp) and Latvia (from 24.7% in 2008 to 32.4% in 2016, a decrease of 7.7 pp).

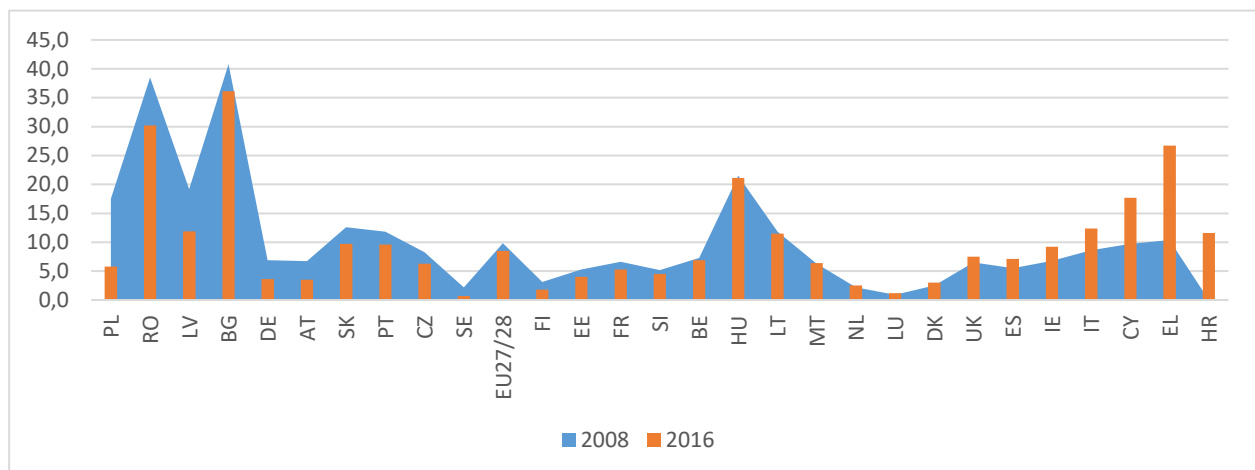
Figure 6. Children at risk of poverty or social exclusion (AROPE) in 2008 and 2016 (% of total population, EU-27/28)



Source: Eurostat, EU-SILC (ilc_pees01)

Similar trends can be observed for ‘severe material deprivation’ (see Figure 7). **Between 2008 and 2016, the percentage of children living in severe material deprivation increased in 10 Member States**, with the greatest increases occurring in Greece (up from 10.4 in 2008 to 26.7 in 2016) and Cyprus (up from 9.7 in 2008 to 17.7 in 2016), but also in Italy and Ireland. Though early data for 2017 shows positive changes in these four countries, the level of children’s material deprivation remains high. By contrast, from 2008 a substantial decrease in the percentage of children living in severe material deprivation is observed in Poland, Romania and Latvia.

Figure 7. Children living in severe material deprivation (SMD) in 2008 and 2016 (% of total population, EU-27/28)



Source: Eurostat, EU-SILC (ilc_pees01). Note : the 2008 data for Croatia (HR) are not available.

2. POLICY RESPONSE: KEY ELEMENTS OF POLICIES TO TACKLE CHILD POVERTY

To provide an overview of the key elements of policies to tackle child poverty, we carried out a review of EU policy documents, academic literature, relevant research studies and publications reflecting on the issue. In the following sub-chapters we present the main policy responses to child poverty problems agreed at EU level, then analyse whether and how these developments are reflected at the level of EU Member States in the course of the European Semester process.

KEY FINDINGS

Analysis of the key EU-level documents shows increasing attention to child poverty problems, and political consensus on the need to implement measures targeting children at risk of poverty and social exclusion, particularly those suffering from severe material deprivation. Yet the assessment of EU Member States' national policies/approaches and programmes for children reveals that the **limited progress** made to implement the Commission's 2013 Recommendation on Investing in children **is insufficient to the scale of the child poverty problem**: only **four countries (EE, FR, IE, MT)** have taken **initiatives to strengthen their policies/approaches** and programmes in a significant number of areas; another **seven countries (BG, LT, LV, NL, PT, SI, SK)** have also **made some improvements**. **Very limited progress** has been made in most areas **in those Member States with high or very high levels of child poverty or social exclusion (CY, EL, ES, HR, HU, IT, RO, UK)**.

Despite the importance of child poverty on the EU policy agenda, our study shows that the European Semester process fails to specifically promote the Commission's Recommendation on Investing in Children.

2.1. Increased attention to child poverty problems and wide consensus on policy responses at EU level

While the primary responsibility for combating child poverty and social exclusion lies with the Member States, in recent years the European Union has adopted an increasingly common approach. Matters relating to children poverty have been increasingly prioritised, and are present in a transversal manner in a number of EU policy areas.

Enshrined in the Treaty on the Functioning of the European Union and present among the key objectives of the Europe 2020 strategy, the goals of fighting social exclusion and lifting over 20 million people out of poverty provide the momentum for child poverty issues to remain high on the political agenda:

- In 2011, the European Council adopted the **conclusions on tackling child poverty and promoting child well-being**, which invited MSs "to emphasise the aspects of child poverty within their national policies", "to mainstream the fight against child poverty across all policy areas and [...] where appropriate take targeted action" and to "effectively use the Structural Funds and other EU financial resources" for this purpose.
- Six recent Council Presidencies (Belgium in 2010, Hungary in 2011, Cyprus in 2012, Ireland in 2013, Greece in 2014, and the Netherlands in 2016) organised conferences and commissioned evidence on child poverty.

- The European Parliament has adopted resolutions addressing child poverty, including on promoting inclusion and combating poverty, and on the European Platform against poverty and social exclusion. In addition, on 24 November 2015, the **Parliament** adopted a **resolution on reducing inequalities with a special focus on child poverty**. The resolution recommended that Member States make a real commitment to developing policies to combat child poverty and introduce **Child Guarantee**³;
- In a major policy development, in February 2013 the European Commission adopted the **Recommendation 'Investing in children – breaking the cycle of disadvantage'** as part of its Social Investment Package. This Recommendation sets the framework approach for addressing child poverty, which is now commonly followed by other EU institutions.

A general consensus reflected in the aforementioned recommendation on investing in children has been achieved at EU level, driven by several basic horizontal principles and encompassing three pillars. This encourages Member States to develop integrated strategies, combining support for parents with access to affordable early childhood and care services.

Table 5: The three pillars of the 2013 Recommendation 'Investing in children – breaking the cycle of disadvantage'

Pillar 1: access to adequate resources	Pillar 2: access to affordable quality services	Pillar 3: children's participation
<ul style="list-style-type: none"> • Support parents' participation in the labour market • Provide for adequate living standards through a combination of benefits 	<ul style="list-style-type: none"> • Reduce inequality at a young age by investing in early childhood education and care • Improve education systems' impact on equal opportunities • Improve the responsiveness of health systems to address the needs of disadvantaged children • Provide children with a safe, adequate housing and living environment • Enhance family support and the quality of alternative care settings 	<ul style="list-style-type: none"> • Support the participation of all children in play, recreation, sport and cultural activities • Put in place mechanisms that promote children's participation in decision making that affects their lives

Source: developed by PPMI based on Commission Recommendation of 20 February 2013, Investing in children: breaking the cycle of disadvantage (2013/112/EU).

³ European Parliament resolution of 24 November 2015 on reducing inequalities with a special focus on child poverty, (2014/2237(INI)).

All key EU institutions, the Council of the European Union, the European Commission and the European Parliament, send clear messages to the Member States that **integrated strategies** which go beyond ensuring children’s material security should be at the centre of efforts to tackle child poverty, recognising the multidimensional character of the phenomenon.

In its 2013 Annual Report on the social situation in the EU, the Social Protection Committee included a policy toolbox based on the three pillars and reflecting the horizontal principles, as well as an evidence review. This toolbox for combating child poverty demonstrates that **most policy measures targeted directly at children**, and in particular children at risk of poverty and social exclusion, relate to **access to services: ECEC, housing, health and integrated services**.

Table 6. Policy toolbox to combat child poverty

Access to resources: Parental employment and family benefits		Access to services		Integrated anti-poverty strategy
<ul style="list-style-type: none"> • Low effective marginal tax rate • Progressive and individualised taxation • Parental leave, paternity leave 	<ul style="list-style-type: none"> • Effective and adequate benefits • Balance between universal and targeted • Balance between cash and in-kind • Progressive across quintiles 	<ul style="list-style-type: none"> • ECEC (affordable, accessible, inclusive, high quality) • Housing (adequate and affordable) • Health (preventive health, parenting support) 	<ul style="list-style-type: none"> • Integrated services 	<ul style="list-style-type: none"> • Data, targets • Multi-sectoral, multi-agency • Multi-level • Cross-departmental • Single access points

Source: Social Protection Committee. (2014). Social Europe: Many ways, one objective. Annual report of the Social Protection Committee on the social situation in the European Union (2013).

Other stakeholders, such as the partner organisations of the EU Alliance for Investing in Children⁴, have welcomed the aforementioned approach to combating child poverty, but called for:

- the development of a multi-annual roadmap setting out implementation plans for the Commission's recommendation;
- a commitment to long-term funding through the earmarking of EU funding to help reduce poverty and exclusion;
- the development of better indicators of child-wellbeing; and
- more rigorous monitoring and reporting, including the setting of sub-targets in the Europe 2020 strategy and the development of better indicators for children's wellbeing⁵.

These considerations for civil society are based on the fact that the implementation of social policies lies within competencies of Member States, and EU institutions have limited tools to affect the development of national policies. Assessment of EU Member States' national policies/approaches and programmes for children conducted by ESPN in 2017 revealed that the **limited progress** made to implement the 2013 Recommendation on Investing in children is **insufficient to the scale of child poverty problem**:

- Only **four countries (EE, FR, IE, MT)** have taken **initiatives to strengthen their policies/approaches** and programmes in a significant number of areas.
- Another **seven countries (BG, LT, LV, NL, PT, SI, SK)** have also **made some improvements**;
- **Very limited progress** has been made in most areas **in those Member States with high or very high levels of child poverty or social exclusion (CY, EL, ES, HR, HU, IT, RO, UK)**.

At EU level, the annual cycle of the European Semester is presented as one of the most important measures to coordinate national policies and implement 'Europe 2020' targets, including those on combating poverty and social exclusion. The next sub-chapter of this report presents recent results from the European Semester process with regard to EU-level consensus on policy measures to fight child poverty.

⁴ Caritas Europa, Caritas Europa, COFACE Families Europe, Don Bosco International, European Anti-Poverty Network (EAPN), EASPD European Association of Service Providers for Persons with Disabilities (EASPD), Eurochild, Eurodiaconia, EuroHealthNet, European Federation of National Organisations Working with the Homeless (FEANTSA), European Parents' Association (EPA), Mental Health Europe, Platform for International Cooperation on Undocumented Migrants (PICUM), Save the Children, SOS Children's Villages International.

⁵ Save the Children, 2014, Eurochild, 2017.

2.2. Tackling child poverty is not a priority in the process of the European Semester

The European Semester is a cycle of economic and fiscal policy coordination within the EU. During the European Semester, Member states align their budgetary and economic policies with the objectives and rules agreed at EU level. Structural reforms, and policies focusing on promoting growth and employment in line with the 'Europe 2020' strategy, form one of the blocks of economic policy coordination within the process of the European Semester:

- Each year, based on EU guidance for national policies prepared on the basis of the Annual Growth Survey, Member states submit their **National Reform Programmes (NRP)** presenting reforms and measures to make progress towards smart, sustainable and inclusive growth.
- Based on the assessment of these programmes, the Council of the European Union adopts **country-specific recommendations (CSRs)**, which adapt the priorities identified at EU level to the national level and focus on what Member State can realistically achieve over the next 12-18 months.
- At the beginning of the following cycle of the European Semester, implementation of CSRs and overall progress towards 'Europe 2020' targets is presented in the **country reports (CRs)**.

Analysis recently conducted by Eurochild shows that the **European Semester** process has failed to promote the Commission's Recommendation on Investing in Children, as **very few country-specific recommendations on investing in children were made in 2017**, and tackling child poverty is not prioritised in the process (Eurochild, 2017). This trend is alarming: Eurochild reported that while seven CSRs specifically addressing child poverty were made in 2014, in 2015 there were only two; in 2016, one. In 2017, there were none.

Likewise, in 2018, while the child poverty situations in Member States are assessed as part of European Semester country reports, the issue was not covered comprehensively by CSRs. Concerns have been raised that the prioritisation of short-term economic issues (implemented via austerity measures and cost savings) over longer term investments in social measures may lead to negative impacts on children (Eurochild, 2017). The **policy implications** of such a status quo are paramount, as they **prevent the development of integrated strategies to fight child poverty**.

More detailed analysis of the European Semester documents for the six Member States selected for the country case studies reveals that despite the presence of child-related issues in 2016-2017 NRPs, CSRs and CRs, this process of the adaptation of EU-level priorities to the national level fails to emphasise child poverty problem specifically, or to introduce a comprehensive approach to addressing it. In most cases, the process demonstrates fragmented attempts to:

- improve access to services, especially to childcare and education, and in particular for Roma children, children with disabilities and other disadvantaged groups;
- promote the process of de-institutionalisation;
- increase labour market participation of women with young children; and
- develop a balanced household/family support and child-benefit system.

Out of the countries analysed, only Germany demonstrates the intention to introduce a package of measures combating child poverty. The include an effective system of child benefits and support, covering the essential needs required by children to develop, educate and participate (see Table 7 below).

This lack of a comprehensive approach to the problem of child poverty within the European Semester cycle, and the weak links between EU-level priorities and national policy development, were also apparent during the 2014-2020 programming process for EU funds (see sub-chapter 3.2.)

Table 7. Presence of the issue of child poverty in the European Semester process in selected Member States

Country	SMD rate (%), children aged 0-17, 2016	Presence of child poverty-related issues in the European Semester 2016-2017 (Country Reports and CSRs 2017)	Focus on child poverty-related issues in the National Reform Programme 2017	Focus on child poverty-related issues in the National Reform Programme 2018	Presence of child poverty-related actions in 2018 CSRs
Bulgaria	36.1	Yes In the CR 2017, comments are made addressing vulnerability and promoting equal access of certain groups, including children , especially those with disabilities and Roma children; deinstitutionalisation; education (increasing provision of quality mainstream education, in particular Roma (also in CSR); improving educational opportunities, including in early childhood, especially for Roma children).	Yes Continuation of childcare system reform ; prevention of family separation (updated Action Plan on Deinstitutionalisation for the period 2016-2020).	Yes In the Bulgarian NRP, child poverty is acknowledged as a pressing issue. The severity of the problem among children in disadvantaged groups such as Roma and rural residents is highlighted. Focus on child-related features among the measures addressing CSR3, in these policy areas: pre-school and school education (providing integrated services for early childhood development, enhancing coverage and inclusion of children and pupils, reducing early school-leaving), childcare deinstitutionalisation (continuation and finalisation).	Yes "Improve the provision of quality inclusive mainstream education , particularly for Roma and other disadvantaged groups."
Portugal	9.6	Yes In the CR 2017, comments on policy developments are made: increases in child benefits, support for single parents as having limited impact on poverty reduction; attention drawn to the issue of gaps in school performance between students from different socioeconomic backgrounds.	Yes Integrated approach to addressing the needs of children and tackling child poverty: plans to increase family allowances, follow-up of children receiving family allowance, with complementary measures foreseen in fields such as education and health; restoration of pre-austerity rates within the	Yes Reducing inequalities through combating poverty and social exclusion, giving priority to women, the elderly, people with disabilities, and in particular children and young people, taking into account not only the high incidence of child poverty but increased vulnerability of households with children.	No

Country	SMD rate (%), children aged 0-17, 2016	Presence of child poverty-related issues in the European Semester 2016-2017 (Country Reports and CSRs 2017)	Focus on child poverty-related issues in the National Reform Programme 2017	Focus on child poverty-related issues in the National Reform Programme 2018	Presence of child poverty-related actions in 2018 CSRs
			guaranteed minimum income scheme, which benefits low-income/at-risk families with children.		
Ireland	9.2	Yes In the CR 2017, references are made to quality childcare and the need for social infrastructure, including social housing (also in CSR); comments on some success in addressing child poverty as well as the government's financial measures and stronger focus on targeted and early intervention policies.	Yes Notable policy developments: Affordable Childcare Scheme (a universal, non-means tested subsidy for parents of children aged 6 months to 3 years; including a childcare subsidy targeted at low-income parents with children aged 6 months to 15 years); introduction of paternity leave and Paternity Benefit	Yes Affordable Childcare Scheme underway as a direct measure to promote a reduction in child poverty; increased childcare subsidies; further extension of universal free pre-school provision (the ECCE programme); development of school age childcare services; increases in financial supports for working families and increasing income disregards on One Parent Family Payment in the Budget 2018	Yes "Ensure the timely and effective implementation of the National Development Plan, including in terms of clean energy, transport, housing, water services and affordable quality childcare " Also, a recommendation on reducing long-term arrears, building on initiatives for vulnerable households.
Czech Republic	6.3	Yes In the CR 2017, comments are made on the low availability of affordable childcare in the context of the low labour market participation of women with young children (although some progress made on CSR 2016 – removing obstacles to labour market participation of under-	Yes Comments on the progress made in increasing labour market participation of women with young children but still insufficient availability of affordable childcare ; some progress on increasing the inclusion of disadvantaged children but inclusion of Roma	Yes Further implementation of the Schools Act introduced in 2016, which guarantees a place in nursery schools for three-year-olds from 2018 and for two-year-olds from 2020). Changes to the family support system, e.g. introduction of one-week parental leave; Family	Yes "Strengthen the capacity of the education system to deliver quality inclusive education , including by promoting the teaching profession. Foster the employment of women, the low-skilled and disabled people, including by improving the

Country	SMD rate (%), children aged 0-17, 2016	Presence of child poverty-related issues in the European Semester 2016-2017 (Country Reports and CSRs 2017)	Focus on child poverty-related issues in the National Reform Programme 2017	Focus on child poverty-related issues in the National Reform Programme 2018	Presence of child poverty-related actions in 2018 CSRs
		represented groups, in particular women); Comments on reform measures aimed at improving the inclusiveness of compulsory education (implementation started in 2016) with respect to disadvantaged children, especially Roma.	children in mainstream education remains, low while their school-leaving is disproportionately high	Policy Concept and the Family Report. The important role played by the ESF under the OP Employment is noted in relation to support for families with children and childcare services, e.g. the support of micro-crèches, continued support for children's groups.	effectiveness of active labour market policies."
Poland	5.8	Yes In the CR 2107, comments are made on the increased availability of childcare, insufficient use of childcare and remaining challenges in quality and inequalities of access to early childhood education and care; comments on the new universal child benefit introduced in 2016, which is expected to reduce poverty but whose cost-effectiveness is questionable; comments on changes to child tax credits and family benefits in relation to promoting the take-up of economic activity (their impact on incentives to work).	Yes Changes foreseen in the systems of support for families with children (e.g. changes to child benefits as part of the "Family 500+" programme); measures taken to increase the availability of childcare; implementation of the programme to develop care institutions for children under the age of 3; measures to increase the participation of children with special needs; implementation of solutions to increase the accessibility of kindergarten education and popularisation of pre-school education.	Yes Measures to increase the number of childcare institutions (legislative changes introduced to facilitate the establishment and management of care institutions; increased funds for the implementation of the Toddler+ Programme, which supports the development of childcare institutions for children under the age of 3); further implementation of the Family 500+ programme. Main measures taken in April 2017 to combat poverty and social exclusion: implementation of the "Family 500+" programme.	Yes "Take steps to increase labour market participation, including by improving access to childcare. "

Country	SMD rate (%), children aged 0-17, 2016	Presence of child poverty-related issues in the European Semester 2016-2017 (Country Reports and CSRs 2017)	Focus on child poverty-related issues in the National Reform Programme 2017	Focus on child poverty-related issues in the National Reform Programme 2018	Presence of child poverty-related actions in 2018 CSRs
Germany	3,6	Yes In the CR 2017, comments are made on child poverty as a pressing issue; measures within the support system not benefiting disadvantaged households (e.g. the tax-free child allowance); need for extra financial resources to expand and improve ECEC. CSRs stress “quality and affordable full-time childcare, all-day school and long-term care” as crucial; limited progress on increasing public investment in education; reducing incentives to work for second earners as having indirect links to child well-being.	Yes But no major policy developments promoting children’s rights and well-being since 2016. Introduction of advanced child support benefiting children in single-parent households	Yes The federal government intends to introduce a package of measures to combat child poverty, including an effective system of child benefits covering the essential needs of children to develop, be educated and participate.	Yes “Improve educational outcomes and skills levels of disadvantaged groups. ”

Source: compiled by PPMI.

3. DESIGN OF EU FUNDS: PROVISIONS ON FIGHTING CHILD POVERTY

KEY FINDINGS

In the 2014-2020 programming period, the 'Europe 2020' target on the number of people to be lifted out of social exclusion and poverty across Member States was reflected in the strategic framework of the EU funds. However, the overall design of EU funds does not specifically tackle child poverty:

- **Only FEAD directly addresses child poverty** and highlights that child poverty is among the most extreme forms of poverty, with a high social exclusion impact. In 2014-2020, MSs have used FEAD to provide **food, material assistance and social inclusion activities** to children suffering from severe material deprivation.
- **ERDF and ESF** regulations indicate that funding may be used to **improve education, health and social infrastructure** and enhance **access to affordable and high-quality services** including **out-of-school care and childcare**, interventions preventing **early school-leaving**, promoting equal access to good quality **early-childhood, primary and secondary education**; however, thematic objectives do not refer specifically to the problems of children at risk of poverty and social exclusion.
- Although the **promotion of social inclusion, poverty reduction** and economic development in rural areas were included among **EAFRD's thematic priorities**, the lower-level objectives and targets **do not refer to child poverty**. For this reason, EAFRD was excluded from a more detailed analysis.

Although a number of more detailed implementation provisions could potentially have impact on the **improved orientation** of EU-funded interventions to fight **child poverty**, their implementation had limited impact.

In analysing the design of EU funds with regard to their provisions on fighting child poverty, we look at two levels:

- first, the overall strategic focus and orientation of the relevant EU funds as revealed by their strategic objectives established in the relevant regulations; and
- second, other relevant implementation provisions which were designed to ensure that the relevant EU funds deliver on their objectives and remain focused on results.

These include:

- Strengthened link to the relevant Europe 2020 Integrated Guidelines, the National Reform Programmes and relevant country-specific recommendations
- Improved thematic concentration
- The introduction of ex-ante conditionalities
- Other provisions relating to the coordination of funds and other aspects of implementation

3.1. The overall strategic focus on child poverty improved, but the issue remained less visible in the regulations of FEAD, ESF, ERDF, EARDF

Although ESF, ERDF, FEAD and EARDF differ in their strategic orientation towards tackling child poverty, all of them feature an **increased focus on fighting poverty, and child poverty in particular**, during the current financing period of 2014-2020, when compared to the previous period of 2007-2013. However, analysis of available data reveals that in the current strategic and monitoring framework at EU level, children at risk of poverty and social exclusion were not directly addressed by EU funds, with the exception for **FEAD**.

Until 2014, FEAD's predecessor programme – the European Food Aid Programme to the Most Deprived – was governed by DG AGRI and designed mainly to use up food surpluses produced under the Common Agricultural Policy (European Public Health Alliance, 2016). In the new FEAD, the **strategic orientation towards social inclusion and child poverty became visible**, providing **food and material support** or **social assistance** services to individuals experiencing **severe material deprivation**. Now governed by DG EMPL, the programme clearly indicates the alleviation of extreme forms of poverty as its main objective. The regulation also directly addresses child poverty: it highlights child poverty as being among the most extreme forms of poverty, with a high social exclusion impact (Regulation No 223/2014). In addition to food distribution, FEAD beneficiaries 2014-2020 get access to additional social inclusion activities and receive basic material assistance, depending on the Member State's choice (hygiene items, school start packets, sleeping bags, etc.)

In the period 2014-2020, for the first time, the ESF regulation included the concept of **breaking the 'cycle of disadvantage across generations'** and **included children as a target group**. During the 2007-2013 period, the ESF mentioned 'social inclusion' as a measure to integrate disadvantaged people in the labour market; there was no a separate thematic objective on the reduction of poverty (Regulation No 1081/2006). Child poverty was not explicitly mentioned in its high-level strategic documents: the regulation used word 'child' only once, claiming that measures to reconcile work and private life are relevant to enhancing access to employment. The **2014-2020 ESF investment priorities** have been reoriented to mitigate the effects of the harsh post-crisis economic situation. The current ESF regulation also **mentions children among the most disadvantaged groups**, side by side with older women and the working poor (Regulation No 1304/2013). Relevant legal acts also specify that the **ESF** may be used to enhance access to **affordable and high-quality services** including **out-of-school care and childcare**; interventions preventing **early school-leaving**; and promoting equal access to **good quality early-childhood, primary and secondary education** (Regulation No 1304/2013).

In the case of the ERDF, the relevant investment focus throughout both programming periods remained stable, and mainly concerns the **development of infrastructure** in the areas of **health, social services and education**. However, the fund's focus on social inclusion and the fight against poverty is more pronounced in strategic documents regulating ERDF investments in the period 2014–2020. During the 2007-2013 period, the ERDF treated investments in health, social and education infrastructure as contributions to quality of life, as well as to regional and local development (Regulation (EC) No 1080/2006). The current ERDF regulation, meanwhile, specifically indicates that investments in infrastructure, together with other measures, will be directed "to promote social inclusion, combat poverty and any discrimination" (Regulation (EU) No 1301/2013).

The EAFRD addresses neither child poverty, nor poverty in general, directly. Its key objective for rural development during the 2007-2013 period was “**improving the quality of life in rural areas**” (Council Regulation (EC) No 1698/2005). The EC planned to meet this priority by promoting and diversifying economic activity in rural areas, and encouraging entry into the labour market (Council Decision, 2006/144/EC), all of which eventually contribute to the well-being of rural population, including children. There has been a strategic shift for the 2014–2020 period, with “**promotion of social inclusion, poverty reduction** and economic development in rural areas” now included among the fund’s thematic priorities (Regulation (EU) No 1305/2013). Even so, the fund’s lower-level objectives do not refer to child poverty directly, and it is only possible to presume that interventions may have an impact on reducing child poverty.

Table 8. Comparison of strategic objectives with regard to poverty and social inclusion in the regulations of FEAD, ESF, ERDF, EAFRD

	2007-2013	2014-2020
FEAD	<p>“Due to its intervention stocks of various agricultural products, the Community has the potential means to make a significant contribution towards the well-being of its most deprived citizens. It is in the Community interest to exploit this potential on a durable basis until the stocks have been run down to a normal level by introducing appropriate measures.” (Council Regulation (EC) No 1234/2007 (18))</p>	<p>“The Fund should strengthen social cohesion by contributing to the reduction of poverty, and ultimately the eradication of the worst forms of poverty, in the Union by supporting national schemes that provide non-financial assistance to alleviate food and severe material deprivation and/or contribute to the social inclusion of the most deprived persons. The Fund should alleviate the forms of extreme poverty with the greatest social exclusion impact, such as homelessness, child poverty and food deprivation” (Regulation No 223/2014).</p>
ESF	<p>“The ESF shall support actions in Member States under the priorities listed below: <...> (c) reinforcing the social inclusion of disadvantaged people with a view to their sustainable integration in employment and combating all forms of discrimination in the labour market.” (Regulation No 1081/2006, Article 3).</p>	<p>“The ESF shall support the following investment priorities: <...> (b) promoting social inclusion, combating poverty and any discrimination; (c) investing in education, training and vocational training for skills and life-long learning.” (Regulation No 1304/2013, Article 3)</p>
ERDF	<p>“<...> the ERDF shall focus its assistance on supporting sustainable integrated regional and local economic development and employment <...> through the following priorities:</p>	<p>“The ERDF shall support the following investment priorities within the thematic objectives <...>:</p>

	2007-2013	2014-2020
	<p>10. education investments, including in vocational training, which contribute to increasing attractiveness and quality of life;</p> <p>11. investments in health and social infrastructure which contribute to regional and local development and increasing the quality of life." (Regulation (EC) No 1080/2006; Article 4).</p>	<p><...> (9) promoting social inclusion, combating poverty and any discrimination, by:</p> <p>(a) investing in health and social infrastructure which contributes to national, regional and local development, reducing inequalities in terms of health status, promoting social inclusion through improved access to social, cultural and recreational services and the transition from institutional to community-based services;</p>
EAFRD	<p>"Support for rural development shall contribute to achieving the following objectives:</p> <p><...> (c) improving the quality of life in rural areas." (Council Regulation (EC) No 1698/2005, Article 4)</p>	<p>The achievement of the objectives of rural development <...> shall be pursued through the following six Union priorities<...>:</p> <p><...> (6) promoting social inclusion, poverty reduction and economic development in rural areas." (Regulation (EU) No 1305/2013; Article 5)</p>

Source: compiled by PPMI based on FEAD, ESF, ERDF, EAFRD regulations.

3.2. The implementation provisions of ESI funds do not address the problem of child poverty directly

The implementation provisions of a number of EU funds has had an impact on the orientation of EU-funded interventions to fight **child poverty**, as well as on the **amounts of EU funding** allocated to **interventions targeting children**, and in particular poor children, and **effectiveness of their implementation**.

The emphasis in the new EU budgetary period (2014-2020) on using EU Structural Funds to promote social inclusion and tackle poverty was potentially very important for tackling child poverty and social exclusion. Compared to 2007-2013 Cohesion policy, the 2014-2020 framework proposed a number of new mechanisms to ensure that EU Funds deliver on their objectives. These include:

- **a more strategic approach to programming and reporting**, which included:
 - **a strengthened link to the European Semester** (relevant Europe 2020 Integrated Guidelines, the National Reform Programmes and relevant country-specific recommendations); and
 - **improved thematic concentration**;
- **the introduction of ex-ante conditionalities**; and
- **other provisions relating to coordination of funds** and other aspects of implementation.

3.2.1. Strategic approach to programming and reporting

The programming rules of the 2014–2020 period foresaw **a strengthened link to the European Semester**. Member States now have to make a clear link between EU-funded interventions and the Europe 2020 strategy at the programming stage, with a particular **focus on the relevant country-specific recommendations**. A significant change in comparison with the previous programming periods is that this **link must be maintained throughout the implementation stage**. If new relevant country-specific recommendations are issued which require support from the EU fund, the Commission may request that Member States make appropriate adjustments to their Partnership Agreements and Operational Programmes⁶. However, as explained in the previous chapters, tackling child poverty is not a specific priority in the recent process of the European Semester.

Table 9: Relevant ESF and ERDF thematic priorities

Thematic Objective	ESF investment priorities	ERDF investment priorities
TO9: “Promoting social inclusion, combating poverty and any discrimination”	<ul style="list-style-type: none"> • Integration of marginalised communities such as Roma. • Combating all forms of discrimination and promoting equal opportunities. • Enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest. 	<ul style="list-style-type: none"> • Investing in health and social infrastructure which contributes to national, regional and local development, reducing inequalities in terms of health status, promoting social inclusion through improved access to social, cultural and recreational services and the transition from institutional to community-based services. • Providing support for the physical, economic and social regeneration of deprived communities in urban and rural areas.
TO10: “Investing in education, training and vocational training for skills and life-long learning”	<ul style="list-style-type: none"> • Reducing and preventing early school-leaving and promoting equal access to good quality early-childhood, primary and secondary education including formal, non-formal and informal learning pathways for reintegration into education and training. 	<ul style="list-style-type: none"> • Investing in education, training and vocational training for skills and lifelong learning by developing education and training infrastructure.

Source: compiled by PPMI based on Regulation (EU) No 1301/2013 and Regulation (EU) No 1304/2013.

⁶ Article 23 of the CPR.

To ensure **improved thematic concentration**, during the 2014-2020 programming period, ESF and ERDF allocations in Member States have been programmed across **11 thematic objectives (TOs)** derived from 'Europe 2020' strategy and **58 investment priorities (IPs)** set out in EU regulations. What is new, compared with previous programming periods, is that all Member States must allocate at least 20% of ESF resources to social inclusion (TO9), including measures to provide access to childcare. Although a number of TO9 and TO10 investment priorities relate to investments relating to either poverty or children, none of them mentions child poverty or children specifically (see Table 9).

Our survey of ESF and ERDF managing authorities revealed that children at risk of poverty and social exclusion are more often targeted at the level of separate operations as one of many target groups, e.g.:

- In **Slovakia**, the ESF OP contains the specific objective, "Increasing inclusivity and equal access to quality education and improving results and competences of children and students", as well as relevant monitoring indicators on schools applying an inclusive model of education, and on the number of students with special educational needs.
- In **Portugal**, the ESF OP contains specific indicators on 'Escolhas' ('Choices') programme implementation, focusing on the social inclusion of children and young people in vulnerable socio-economic contexts. and Regional Operational Programme 'Madeira' aims to improve the quality and diversity of services and social responses aimed at the prevention and rehabilitation of children and / or young people with greater exposure to psychosocial problems and their families.
- In **Poland**, operations under regional OPs target children in the institutional care system. Although other EU-funded interventions aimed at providing accessible and high-quality childcare and pre-school education are universal, they also benefit children at risk of poverty and social exclusion.
- In **Bulgaria**, the ESF OP includes the specific objective, "Reducing the number of children and youth, placed in institutions by providing community-based social and health services", as well as relevant indicators on children and youth covered by de-institutionalisation measures and providers of social inclusion services.

Although interventions targeting disadvantaged children are **funded to some extent in most Member States, a lack of clear objectives and targets on reducing child poverty discourages commitments to invest** in this area and complicates the monitoring and reporting of progress. ESF common indicators referring to participants under 25 years old are not specific enough, and neither 'Europe 2020' targets nor the common indicators for ESI funds include any other means to monitor progress in the reduction of child poverty.

Box 2: Strategic reporting on EU funds integrated into the European Semester

By the end of 2017, the **Commission** presented its own **strategic report** and conclusions drawn from these Member States' progress reports to the Council, the European Parliament, the Committee of the Regions (CoR) and the European Economic and Social Committee (EESC) within the framework of the European Semester. Although this report admits that MSs face challenges in reaching their national poverty target, and the number of people at risk of poverty and social exclusion remains high, it **does not mention child poverty specifically**. Nor does it identify **children at risk of poverty and social exclusion** as one of the target groups.

The only case in which **children** are mentioned in analysing the impact of reforming ESI funds 2014-2020 in the framework of alignment to the European Semester, is in the country-specific recommendation to the **Czech Republic** focusing on the **availability of affordable and quality of pre-school childcare**, which is well reflected in Czech ESI Fund programmes.

Source: The European Commission, 'Strategic report 2017 on the implementation of the European Structural and Investment Funds', COM (2017), 755 final.

3.2.2. Ex-ante conditionalities

Analysis of ex-ante conditionalities (ExAC) with regard to child poverty shows that although ex-ante conditionalities have had some positive effects on the strategic and regulatory framework in related policy fields, **none of the ExAC implementation requirements mentions children at risk of poverty and social exclusion specifically**.

In order to ensure that Member States meet the conditions necessary for **effective support** through the ESI Funds, the Regulations have laid down a set of legal, policy and institutional requirements: so-called *ex ante* conditionalities, linked to specific investment or Union priorities, or to the existence of administrative capacity for the implementation and application of Union gender equality law and policy in the field of ESI Funds. In the case of non-fulfilment at the time of programme submission, the Member State had to draw up a plan setting out actions to be taken in order to ensure fulfilment not later than 31 December 2016. The Commission has the authority to decide, when adopting a programme, to suspend all or part of an interim payment to a programme's priority, pending the completion of actions.

Six out of seven funding or investment priorities indirectly related to children at risk of poverty and social exclusion (see previous subchapter 3.1.1.) were accompanied by 4 ex-ante conditionalities:

- 9.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines;
- 9.2. A national Roma inclusion strategic policy framework is in place;
- 9.3. Health: The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability; and
- 10.1. Early school leaving: The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU.

Although formally linked to receiving support from the ESI Funds, such conditionalities were likely to have a much wider effect. They could help tackle barriers to investment in the EU, and they supported EU policy objectives and triggered policy reforms and the delivery of relevant country-specific recommendations.

Analysing the value added provided by ex-ante conditionalities⁷ reveals that in areas of investments targeting poor children, ex ante conditionalities have provided incentives to Member States to implement **structural changes** and **policy reforms, prioritise investments based on a needs analysis** and **strengthen the monitoring mechanisms** for strategies and policy frameworks (see the Table 10 below).

Table 10: Example of value added provided by ex-ante conditionalities

Ex-ante conditionality	Examples in Member States
<p>9.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines.</p>	<ul style="list-style-type: none"> In Italy, the ExAC on <i>Active Inclusion</i> supported the national reform identified by CSR 2016, namely the adoption and implementation of a national anti-poverty strategy. The 2016 National Stability Law created a fund aimed at supporting the national plan against poverty, with a budget of €600 million in 2016 and €1,000 million in 2017. Another building block in this strategic framework has been the adoption of guidelines for support to the homeless, which constitute the standards for intervention by social services and the use of ESF and FEAD (Fund for the European Aid to the Most-Deprived).
<p>9.2. A national Roma inclusion strategic policy framework is in place.</p>	<ul style="list-style-type: none"> In Bulgaria, the fulfilment of the ExAC on the integration of marginalised <i>Roma communities</i> triggered the development of methods for monitoring and assessing the impact of Roma integration and the implementation of the National Strategy of the Republic of Bulgaria for Roma Integration 2012-2020, with information at municipal, regional and national level being integrated into a unified information platform. In the Czech Republic, to fulfil the ExAC on the integration of marginalised <i>Roma communities</i>, a monitoring methodology was adopted on the inclusion of Roma in education, housing, social services, employment and health services in order to measure the impact of planned substantial ESI fund investments in these areas. This example illustrates the contribution of ExAC to addressing weaknesses pointed out by the European Court of Auditors (ECA).
<p>10.1. <i>Early school leaving</i>: The existence of a strategic policy framework to reduce early</p>	<ul style="list-style-type: none"> The Czech Republic prepared a detailed action plan for inclusive education to fulfil the ExAC on <i>Early school leaving</i>. This addressed the repeated CSR on the need to include disadvantaged children (including Roma) in mainstream

⁷ The European Commission, 'The Value Added of Ex ante Conditionalities in the European Structural and Investment Funds', SWD (2017) 127 final.

Ex-ante conditionality	Examples in Member States
school leaving (ESL) within the limits of Article 165 TFEU.	<p>schools, and also addressed the infringement procedure against the Czech Republic for racial discrimination against Roma children in education. The action plan provided for regular monitoring of the added value of preparatory classes and of the potential risk of early segregation. It also sought to identify and eliminate barriers to inclusive education.</p> <ul style="list-style-type: none"> • As a result of the <i>early school leaving</i> ExAC, Hungary and Latvia implemented systemic improvements in their national early school-leaving data collection and analysis systems. In particular, IT system functionality was extended, and legislative amendments were adopted, obliging schools and municipalities to collect data on early school leavers.

Source: compiled by PPMI based on the European Commission, 'The Value Added of Ex ante Conditionalities in the European Structural and Investment Funds', SWD (2017) 127 final and 'Guidance on the Ex ante Conditionalities for the European Structural and Investment Funds', 13 February 2014.

Ex-ante conditionalities should lead to the greater effectiveness and efficiency of EU support, as well as that of other public funding in Member States. However, the results achieved by fulfilling these requirements need to be sustainable throughout the implementation period. In its SWD, the Commission pointed out the following limitations of ex ante conditionalities in the period 2014-2020:

- The assessment process as a **one-off exercise at the beginning of programming period**, e.g. when a new investment priority is introduced in a programme because a new challenge has been identified in the framework of the European Semester, the relevant ExAC would not be applicable.
- **The absence of mid-term or ex-post evaluations of the completion of an ExAC** to ensure that it remains fulfilled after the completion of the action plan.
- **The lack of mechanisms to monitor or verify the application of the ExAC** on the ground, and the risk that measures taken to fulfil the ExAC could be reversed⁸.

Some Member States have pointed out that the positive effects of ExAC may be undermined by a lack of appropriate administrative and institutional capacity, and insufficient involvement from relevant stakeholders. Although the examples above demonstrate the positive effects of ExAC on the development of strategic and monitoring frameworks in the area of inclusion, early school leaving and health, there are areas for improvement in the ExAC approach. The formulation of somewhat broad investment priorities allows MSs to choose the more acceptable of them and allocate EU investments in the areas of social inclusion and education.

⁸ The European Commission, 'The Value Added of Ex ante Conditionalities in the European Structural and Investment Funds', SWD (2017) 127 final.

3.2.3. Other provisions: co-ordination of EU funds

The reforms of the 2014-2020 period aimed to improve coordination between the five ESI funds (ESF, ERDF, CF, EAFRD and EMFF), and to enhance the number of potential synergies with other EU instruments. Member States are encouraged to ensure cooperation between the managing authorities responsible for each ESI fund at all stages of the programming, implementation, monitoring and evaluation of their support, both at a strategic and an operational level. For these reasons, the regulatory framework for the ESI funds for 2014-2020 has introduced a number of changes. These include:

- Common Strategic Frameworks which cover all five ESI funds;
- harmonisation of rules between ESI funds, e.g. with regard to the rules on eligibility and durability;
- the possibility of multi-fund operational programmes (ESF/ERDF or ESF/CF); and
- new tools to combine funds, such as the Integrated Territorial Investment (ITI), Community-led local development (CLLD) and Joint Action Plans (JAP)⁹.

Nevertheless, Member States' progress reports 2017 and the EC strategic report both emphasise that room for improvement still exists, and that additional efforts to harmonise rules would be welcomed¹⁰.

Analysis of OPs' interventions targeting children shows that although Member States actively used the opportunity to programme ESF and ERDF investments in one multi-fund programme (particularly at a regional level), this new approach did not bring a significant improvement in the coordination of funds. This is due to:

- requirements to programme ESF and ERDF investments under different investment priorities and specific objectives;
- the difficult and time-consuming process of preparing for ITI, CLLD and JAP applications;
- the separate programming process and different strategic logic for EAFRD; and
- separate funding rules for FEAD.

Because interventions tackling child poverty often include both the development of infrastructure and 'soft' measures funded by the ESF, cross-financing could be used to combine ESF and ERDF funding. However, when interventions are complex and include a number of activities, national funding often replaces EU funds due to strict rules on spending eligibility.

Box 3: Cross-financing in the area of early childcare

⁹ Regulation No 1303/2013.

¹⁰ Source: The European Commission, 'Strategic report 2017 on the implementation of the European Structural and Investment Funds', COM (2017), 755 final.

Cross-financing allows a portion of expenses in a project implemented under the European Social Fund (ESF) to be co-financing from the European Regional Development Fund (ERDF). As a result, the 'soft' project may include expenses that are actually assigned to 'hard' projects. In Poland's Regional Operational Programmes, EU funding for the development of early childcare services is allocated mainly under the ESF investment priority 'Equality between men and women and reconciliation between work and private life'. However, cross-financing of up to 20% is applied to investments in the ECEC infrastructure in regions where the accessibility of ECEC services is low. At the same time, the governmental programme 'Maluch+', funded from the national budget, finances those interventions which go beyond the permitted level of ERDF cross-financing.

Source: PPML.

Another option for combining funding is to separately implement projects which are funded from different funds, and coordinate their activities in time. However, such coordination may face unexpected risks at the stage of project implementation.

Box 4: Co-ordination of ESF, ERDF and EAFRD funding for the process of de-institutionalisation

The Bulgarian project ***Leave No Child Behind*** was one of the first projects launched in the field of de-institutionalisation. This project is also a good example of combining several funding sources: development of the necessary infrastructure was funded through the operational programmes of the ERDF and EAFRD, respectively, while the services provided in the infrastructure created are financed using ESF funds.

During the first stage, the State Agency for Child Protection, along with partners, assessed the needs of children living in institutions and prepared individual action/care plans. During the second stage, municipalities developed and provided relevant services for children in the target group. These services were delivered in day care centres, family-type accommodation centres, social rehabilitation and integration centres, and housing facilities that had previously been modernised and customised using ERDF and EAFRD funding.

However, the children's **need assessment activity** was **behind schedule** due to prolonged discussions, uncertainty over the approach, lack of experience and managerial challenges. Due to the delays in the assessment, the placement of children and service provision did not start on time. According to the **ERDF rules**, municipalities had to start providing services in the facilities constructed using ERDF funds within 3 months of completion. The **delay in primary activities created a risk of violating this rule, placing the whole project at risk.**

Source: PPML.

4. USE OF EU FUNDING TO SUPPORT POOR CHILDREN IN MEMBER STATES

KEY FINDINGS

In 2014-2020 ESIF programming period, the 2013 Recommendation on Investing in children was used to leverage more funding opportunities from the ESF, ERDF and FEAD for children and their families. However, only **FEAD** includes a monitoring framework that is sufficient to measure **the outputs and results** of funded interventions with regard to the specific target group of **children aged 15 and below living at risk of poverty and social exclusion**, in particular those experiencing material deprivation. According to administrative data from the period 2014-2016, due to FEAD-funded interventions:

- Almost **11 million children** received **food support** in the form of food packages or meals. These children constituted a large share (29.6%) of all FEAD beneficiaries.
- **296,971 children** received **material assistance** in the form of school materials. The total values of goods received was over EUR **6.76 million**.
- A small number of children received **social inclusion assistance** measures in DE (2,137 children, or 10% of the total number of persons receiving assistance) and SE (12 individuals, or 2%). For example, “**EU FIT IN**” project specifically aims to **help families** (mainly from RO and BG) who settle in the Neukölln area of Berlin and are **experiencing deprivation and social exclusion**. It seeks to **increase the participation of these families in early education and social care offers, such as day-care facilities or other pre-school or leisure-time offers**, simultaneously helping to solve problems specific to each family.

ESF and ERDF allocations to investment priorities which target children can be only tracked at the level of categories of interventions. The precise scope of investments cannot be assessed from the available administrative data. These data only provide indications, which include:

- 25.6 % of the total ESF allocation of EUR **86.4 billion** was earmarked for **social inclusion measures**.
- ESF allocations of EUR **8 billion** were set aside for measures tackling **early school leaving**.
- Under ERDF, EUR **11.9 billion** was earmarked for measures promoting **social inclusion and combating poverty**, including alternative community-based care.
- Approximately EUR **5.9 billion** in ERDF allocations was earmarked for investment in **education facilities**, out of which EUR **1.22 billion** was allocated to **childcare infrastructure**.

4.1. With the exception of FEAD, investments from EU funds do not specifically address the problem of child poverty

During the 2014-2020 ESIF programming period, the 2013 Recommendation on Investing in children was used to leverage more funding possibilities for children and their families in the European Social Fund (ESF) and the ERDF. What was new compared to the previous programming periods is that all Member States had to allocate **at least 20% of ESF resources to social inclusion, including measures providing access to childcare**. Based on administrative data in 2017:

- 1) 25.6% (EUR 86.4 billion) of the total ESF allocation was earmarked for social inclusion measures (the target of 20% was exceeded).
- 2) ESF allocations of EUR 8 billion were set aside for measures tackling early school leaving.
- 3) Under the ERDF, EUR 11.9 billion has been earmarked for measures promoting social inclusion and combating poverty, including alternative community-based care.
- 4) Approximately EUR 5.9 billion in ERDF allocations has been earmarked for investment in education facilities, out of which EUR 1.22 billion has been allocated to ECEC infrastructure.
- 5) FEAD made available EUR 3.8 billion for fighting poverty and helping the most vulnerable in Europe, i.e. those suffering from severe material deprivation.¹¹

4.1.1. Fund for European Aid to the Most Deprived

Food support is the most common type of assistance provided by FEAD, and absorbs the bulk of its funds (407 million EUR, compared to 7.5 million EUR for basic material assistance). This funding has proved **effective in alleviating food deprivation, especially among people in extreme conditions**, such as homeless people and those in a situation of severe poverty.

In relation to **basic material assistance**, children are one of the main target groups. Monitoring data lists the monetary value of goods for children, enabling us to calculate the value per child in countries that offer basic material assistance. Slovakia shows the highest efficiency by addressing 66,510 children at a cost of 3.72 EUR per child. Greece is also efficient, supporting over 100,000 children at the lowest cost of 5.12 EUR per child. At the other end of the scale is Austria, which supported 64,458 children at a high cost of 76.65 EUR per child, followed by Latvia, which supported 32,189 children at a cost of 24.78 EUR per child. Cumulatively, 296,971 children received basic material support under FEAD-funded interventions.

Also, in Member States with FEAD OPII type programmes (DE, DK, NL, SE) children are one of the target groups receiving social inclusion assistance measures: in DE, children under 15 years old comprised almost 10 % of all end recipients; in SE, the figure was 2%. These social inclusion assistance measures can include counselling, integrated service provision, and promoting the use of existing social services.

¹¹ European Commission, SWD(2017) 258 final.

Box 5: 'EU FIT IN' - European Family Integration in Neukölln

The FEAD-funded 'EU FIT IN' project specifically aims to help families who settle in the Neukölln area of Berlin, and who experience deprivation and social exclusion. These families are mainly from Romania and Bulgaria, are often large, and tend to live in precarious housing conditions. They experience high levels of stress, have low-income jobs, low levels of education, and limited awareness about how to raise their children in German society. EU FIT IN seeks to **increase the participation of these families in early education and social care offers, such as day-care facilities or other pre-school or leisure-time offers**. Through this participation, the project hopes to **give children the opportunity to become more proficient in German**, while simultaneously helping to **solve problems specific to each family** and improving their overall prospects in Germany.

Source: PPMI.

4.1.2. European Social Fund

In contrast to FEAD, the ESF and other ESI funds do not have a set of indicators relevant to monitoring investments in children and, in particular, poor children. ESF indicators referring to participants in ESF funded activities who are under 25 years old are not relevant, and allocations to the investment priorities targeting children can be tracked only at the level of categories of intervention.

Table 11. ESF categories of intervention related to child poverty

ESF categories of intervention
110 "Combating all forms of discrimination and promoting equal opportunities"
111 "Enhancing access to affordable, sustainable and high-quality services, including healthcare and social services of general interest"
112 "Reducing and preventing early school-leaving and promoting equal access to good quality early-childhood, primary and secondary education including formal, non-formal and informal learning pathways for reintegrating into education and training"
115 "Socio-economic integration of marginalised communities such as the Roma"

Source: PPMI.

The most recent monitoring data (see **Annex 1**), reported in 2018, shows that the **highest share of ESF funding** in most Member States was allocated to the IP on **reducing and preventing early school-leaving and promoting equal access to early childhood, primary and secondary education**. These measures **indirectly target children at risk of poverty and social exclusion**, as most students at risk of early school-leaving come from disadvantaged backgrounds. Substantial investments were also planned under other IPs in some countries, e.g.:

- PL, RO, PT, IT, GR, HU, HR, CZ, BG and SK allocated ESF funding to enhance **access to affordable, sustainable and high-quality services**, including healthcare and social services of general interest.
- HU, RO, CZ, BG, SK, GR and IT will finance **socio-economic integration of marginalised communities such as the Roma**.
- ES, GR, PT and SK will implement measures aimed at **combating all forms of discrimination** and promoting equal opportunities.

However, this data does not provide estimates of how much ESF funding planned under aforementioned categories of intervention will be targeted directly at children or poor children.

Also, other IPs could include investments which target children, e.g. those aimed at promoting equality between men and women in all areas, including access to employment, career progression, **reconciliation of work and private life** and the promotion of equal pay for equal work.

4.1.3. European Regional Development Fund

The list of ERDF **common monitoring indicators** aimed at providing aggregated data at MS and EU level **does not contain indicators** relating **specifically to children or to child poverty** to monitor allocations and progress across different thematic objectives and investment priorities. However, two categories of ERDF intervention – **51 and 52** - are of the greatest relevance in tracking investments targeting children. Investments under categories of intervention aimed at promoting social inclusion and combating poverty and the development of health and housing infrastructure could also contribute to objectives focusing on children and child poverty.

Table 12. Categories of ERDF intervention relating to child poverty

ERDF categories of intervention
9 "Promoting social inclusion and combating poverty"
51 "Education infrastructure for school education (primary and general secondary education)"
52 "Infrastructure for early childhood education and care"
53 "Health infrastructure"
54 "Housing infrastructure"

Source: PPMI.

Analysis of **SFC monitoring data** for 2017, available on the Cohesion Open Data website (see **Annex 1**), reveals that:

- In comparison to other relevant categories, MS **allocations to the development of early childhood education and care infrastructure are moderate**, with only HU, IT, PL, SK and CZ investing more substantial amounts of ERDF funding.
- **Almost all MSs allocate funding** for the development of **education infrastructure**, with IT, CZ, HU, PT, EE, ES and PL investing the most.
- The category of intervention aimed at **promoting social inclusion and combating poverty** was actively addressed in Member States' OPs, especially in Poland (~36 billion of planned ERDF funding), IT, CZ, ES, HU, SK and DE.
- Although investments in **housing** and **health infrastructure** in PL, HU, IT, CZ, PT and other MSs do not directly address children, they can contribute to the alleviation of child poverty through more affordable housing and accessible high-quality healthcare.

As in the case of the ESF, this ERDF data is not very informative to our research, as categories of intervention attracting substantial amounts of MS allocations do not relate directly to children, and include a broad spectrum of investments in social and public service infrastructure.

4.1.4. European Agricultural Fund for Rural Development

Based on ESIF Open Data, over **16 billion (around 15%) of EAFRD** funding is dedicated to the priority of **social inclusion, the reduction of poverty, and economic development**. Although activities under this priority also aim to improve basic services in rural areas, investments do not target children or poor children at a strategic level and do not contain relevant indicators. Targets for local development include three indicators:

- Number of rural citizens benefiting from improved services
- Number of rural citizens coming under a local development strategy
- Number of rural citizens benefitting from improved access to ICT services and infrastructure

None of these indicators is **age or socio-economic status-specific**. Based on an interview with a DG AGRI official, the **programming and monitoring framework of EAFRD reflects territorial (rural versus urbanised) division**, and does not address specific age groups, i.e. children. For this reason, **EAFRD was excluded from our further analysis**, though in most countries child poverty rates in rural areas are higher than in urbanised territories, and specific objectives and targets for EAFRD would be sufficient to achieve the objective of tackling child poverty.

4.2. EU-funded interventions targeting children directly

Following the monitoring framework for EU funds and the logic of the EP Child Guarantee, our study analyses the selected types of EU-funded intervention primarily benefiting poor children presented in the Table below.

Table 13: Types of EU funded interventions primarily benefiting poor children

<i>Nutrition</i>	<ul style="list-style-type: none"> • Adequate and affordable nutrition (FEAD)
<i>Childcare</i>	<ul style="list-style-type: none"> • Increasing access to quality childcare for children from all social groups and geographical areas (ESF, ERDF)
<i>Education</i>	<ul style="list-style-type: none"> • Accessible and inclusive education interventions (both more universal, but also targeted to selected groups based on migrant background, ethnicity, etc.) • Creation and availability of a suitable out-of-school environment (ESF, ERDF)
<i>Housing</i>	<ul style="list-style-type: none"> • Social housing interventions that assess household composition and give priority to eligible households with children (ERDF or ESF, depending on the type of intervention)
<i>Health</i>	<ul style="list-style-type: none"> • Accessible and high-quality healthcare services targeting disadvantaged children (ESF, ERDF)
<i>De-institutionalisation</i>	<ul style="list-style-type: none"> • Measures targeting children in institutional care, also covered by the process of de-institutionalisation and those in community-based care (ERDF, ESF).
<i>Integrated service provision</i>	<ul style="list-style-type: none"> • Measures based on a holistic approach to service provision, including the construction/modernising of premises (ERDF), and the provision of services and training for the personnel of integrated service centres (ESF).

Source: PPMI

Improved **access to childcare** and **inclusive education** were the focus of **Partnership Agreements** and **2014-2020 national and regional OPs** in a number of Member States (e.g. CZ, EE, EL, HU, PL, SK). According to EC calculations, approximately **6.8 million young people** will be able to **use new or improved childcare or education facilities** in 15 Member States¹². Several Member States also prioritized child-specific investments such as accessible healthcare (BG, RO), de-institutionalisation (LV, RO) and integrated service provision, including childcare, health services and support for parents (HU, RO).

4.2.1. Adequate nutrition

Initiatives which use the Fund for European Aid to the Most Deprived (FEAD) to address child poverty focus mainly on adequate and affordable nutrition:

- by providing free lunches at schools, kindergartens, day centres, etc. (i.e. using institutions as channels of distribution); and
- by distributing food packages to families, taking into account the number of family members (i.e. using parents as channels of distribution).

During the period 2014-2016, food support to poor children aged 15 and below was provided in most Member States under FEAD-fund interventions, with the exception for AT, CY, HR and HU (see the Table 14). Cumulatively, almost 11 million children received FEAD food support in 2014-2016. At the EU level, children comprise **a high share of recipients (29.6%)**, although in some countries, e.g. Bulgaria, children constitute only 2% of end recipients. The highest share of children receiving food support is in Malta (47.04%) and the Czech Republic (40.82%). These differences, and the small share of children receiving FEAD support in Bulgaria, are caused by national eligibility rules for FEAD support: e.g. in Bulgaria eligible recipients are **individuals** or **families** with a low income, the elderly, isolated and lonely residents, the homeless, and people affected by natural disasters and accidents. In the case of Bulgaria, children are mostly supported as members of families with low incomes. Separate numbers of children are not reported.

¹² The European Commission, 'Investing in jobs and growth - maximising the contribution of European Structural and Investment Funds', COM (2015) 639 final.

Table 14: Children as a target group for FEAD food support in 2014-2016

Member State	Number of children aged 15 years or below receiving food support (cumulative value for 2014-2016)	% of total number of persons receiving food support
AT	0	-
BE	207,135	25.92%
BG	5,663	2.03%
CY	0	-
CZ	25,176	40.82%
EE	19,600	34.92%
ES	1,570,707	29.12%
FI	56,283	13.97%
FR	4,470,549	35.31%
GR	108,155	26.38%
HR	0	-
HU	0	-
IE	20,000	36.63%
IT	1,747,439	31.27%
LT	175,588	23.68%
LU	6,337	30.22%
LV	32,434	24.88%
MT	8,020	47.04%
PL	893,027	32.38%
PT	208,051	24.26%
RO	1,277,604	20.13%
SI	84,389	21.99%
SK	75,549	43.17%
Total	10,991,706	29.60%

Source: compiled by PPMI based SFC data.

Examples of FEAD food support include the following interventions:

- The **Czech Republic** supported deprived families with children by providing food and basic material assistance through its FEAD operational programme. In connection with the Council Recommendation to take measures **to enhance the school attendance of disadvantaged children including Roma people**, the Czech Republic decided to include an **intervention in form of free meals provided at school and preschool catering facilities for children in serious social need**.

Box 6: Free school meals (FEAD) in the Czech Republic

Assistance under the FEAD intervention in Czech Republic is targeted at children of between 3 and 15 years of age who are at risk of poverty and social exclusion, and who will be supported through a contribution for the provision of free meals at school catering facilities. The children are included in the supported target group on the basis of an assessment made by the Public Employment Service offices of the income of families at greatest risk of poverty and social exclusion. The healthy composition and quality of lunches are guaranteed by the CZ regulation for all children, so **FEAD joined the national system and began to substitute the parental payment element for some children in need**. These school lunches are very **effective from the point of the rate effect / expenses**, because they are very effective at including poor children (often Roma children). The price of the lunch is around 3 Euros, but approximately one-third of the price is paid by the government for every child and one-third is paid for by the school provider (e.g. regions or towns). The remaining one-third is paid for by FEAD in the case of eligible children.

Source: PPMI.

- **Latvia** has launched **additional distribution of food** and hygiene kits **for infants and children up to 2 years**.
- **Cyprus** has announced a **'Baby Dowry'** scheme which will provide **food**, clothing and other essential items **to households with babies** which fulfil certain eligibility criteria.

4.2.2. Accessible early childhood education and care

Early childhood education and care remains important in the strategic framework of investing in children and combating poverty. EU funding contributes to increased access to quality childcare for children from all social groups and geographical areas, by:

- co-financing the provision of childcare services (ESF);
- constructing or modernising childcare infrastructure (ERDF); and
- training personnel to work with diversity (ESF).

In the 2014-2020 programming period, a total of nearly EUR 1,21 billion in planned MS allocations have been made for the development of early childhood education and care infrastructure. The Czech Republic and Poland are often mentioned in analytical reports as MSs investing effectively in this area.

Historically, the **Czech Republic** has had one of the **lowest rates of formal care provision for children below 3 years** of age. In addition, the **supply of formal childcare** for children between 3 and 6 years old **does not meet the demand**. Recently, the government has addressed the problem by expanding pre-school care.

The increase in the **capacity of preschool institutions**, as well as the development of so-called **children's groups and micro-nurseries** as new types of childcare service on a non-commercial basis, has been significantly enhanced via funding from the ESF and ERDF. Under the ESF, childcare provision is mainly considered as a **measure for improving work-life balance and reducing gender gaps in employment**.

Box 7: Development of childcare services in Poland

In **Poland**, investments in early childhood education services under the **national programme 'Maluch+'** are combined with **ESF-funded (and ERDF cross-financed)** measures aimed at developing **accessible and inclusive early childhood education and care**. The latest edition of 'Maluch+' focuses on direct service provision and EU-funded measures under the 16 regional OPs addressing **lack of childcare infrastructure, equipment and quality of childcare services with a special focus at children with special educational needs**, as well as the accessibility of **childcare services in rural areas**. These measures are accompanied by a regulatory framework increasing the number of children enrolling in early childcare and ESF-funded activities from national OPs. In 2007-2013, EU-funded interventions co-financed 6,500 providers of pre-school education and achieved a total of 173 500 children in pre-school education.

Source: PPMI based on Poland's website for EU funds investments.

Development of childcare facilities and services should be accompanied by measures encouraging or attracting children from disadvantaged backgrounds into childcare, either via regulatory provisions (e.g. setting the age at which children must be enrolled in childcare or pre-school education), or via integrated services that address not only affordable childcare, but also the social inclusion and employment of parents.

4.2.3. Inclusive education

Under TO10, ESF and ERDF-funded activities are aimed at enhancing accessible and inclusive education. Interventions include universal operations, but also those targeted towards selected groups (based on migrant background, ethnicity, special educational needs, etc.). The latter interventions include:

- ensuring the free provision of basic school materials (FEAD) or necessary school transportation (ERDF);
- the training of teachers/other personnel to integrate children with special educational needs into normal classes (ESF);
- the development of relevant education infrastructure/facilities, including those for children with disabilities (ERDF, ESF);
- co-financing of non-formal education and after-school activities for children at risk of poverty and social exclusion (ESF); and
- the development of local centres to support children, day centres (ERDF).

Under **FEAD**-funded interventions, MSs can provide basic material assistance to children living in severe material deprivation in the form of school materials such as school bags, stationery, exercise books, pens, painting and other equipment, as well as sports equipment. However, in 2014-2016 only **Austria** and **Latvia** reported this type of assistance to poor children (see Table 15). Other countries (**CZ, GR, SK**) provided FEAD material assistance in the form of hygiene articles (first aid kits, soap, toothbrushes, etc.)

Table 15: Children as a target groups for FEAD basic material assistance in 2014-2016

Member State	Number of children aged 15 years or below receiving basic material assistance (cumulative value for 2014-2016)	Total monetary value of goods for children, EUR	% of total monetary value of goods distributed	Monetary value of goods distributed per child, EUR
AT	64,458	4,940,924.99	100.00%	76.65
CZ	19,320	225,526.60	41.97%	11.67
GR	108,155	554,002.48	16.27%	5.12
LV	32,189	797,661.38	100.00%	24.78
SK	66,512	247,506.00	93.00%	3.72
Total	296,971	6,765,621.45	66.62%	22.78

Source: compiled by PPMI based SFC data.

Analysis of interventions under in selected Member States reveals that a number of the measures implemented address disadvantaged children directly. One example is in Portugal, where the domains of child poverty and social inclusion are integrated into the Social Inclusion and Employment Operational Programme (PO ISE). Under thematic objective 9 (TO9), Priority Axis 3 – **“To Strengthen the Integration of People at Risk of Poverty and to Combat Social Exclusion”** aims to promote active social inclusion among potentially vulnerable groups. One of its specific objectives is to contribute to the reinforcement of social cohesion, particularly through the **social inclusion of children and young people from vulnerable socio-economic contexts**. The [Escolhas \('Choices'\) programme](#) is one of the measures implemented under this scheme.

Box 8: 'Escolhas' programme targeted at inclusive education in Portugal

Created in 2001, the 'Programa Escolhas', as it functions today, is a national governmental programme integrated within the High Commission for Migration (ACM). For every generation of the Programa Escolhas, the ACM assesses the main risk areas and territorial distribution of the risk of social exclusion among children and young people on the basis of the **Youth and Child Exclusion Risk Index (IREIJ)** to determine the thematic and geographical scope of interventions. Currently in its 6th generation (2016-2018), the Programa Escolhas prioritises **six areas of intervention**: education and training; employment and employability; participation and citizenship; digital inclusion; and entrepreneurship and empowerment.

Source: PPMI.

4.2.4. Social housing

Although **ERDF and ESF investments in social housing can have only an indirect effect on child poverty**, interventions implemented in Member States aimed at the construction or modernising of social housing can benefit children at risk of poverty and social exclusion and materially deprived children. Links between such interventions and policies targeting children depend on the national rules governing eligibility for social funding. Investments under these EU funds can benefit poor children only in cases where families with children are given priority during the assessment of a household's eligibility to receive social housing.

Box 9: Pilot project on social housing in Brno, Czech Republic

Under this project, co-financed by ESF, the Municipality of Brno allocated 50 flats to test the use of the 'Housing first' method, with the eventual goal of designing an action plan to end family homelessness in Brno. The Municipality of Brno works closely together with IQ Roma Servis, a pro-Roma social service provider, the University of Ostrava and other local authorities. Fifty homeless families were provided with housing and intensive Housing First case management. Because Roma families make up two-thirds of all families experiencing long-term homelessness in Brno, the expertise provided by IQ Roma Servis is essential. So far, the project has demonstrated positive impacts on family well-being, children's behaviour, educational attainment, security and employment. The project is expected to have positive effects in the future on family reunification, school attendance, physical and psychological health, family budgets, and overall quality of life. After one year, evaluation shows that the household retention rate was 96% (48 families out of 50) one year after settling, compared to 80% at the start of the project.

Source: PPMI.

4.2.5. Accessible and high-quality health services

Investment in the accessibility and quality of health services is rarely linked to a specific target group such as poor children. However, interventions by MSs in the area of health infrastructure and the improvement of services to those at risk of poverty and social exclusion may benefit poor children, if they:

- co-finance health care services to children at risk of poverty and social exclusion (ESF);
- invest in the training of, and ensure access to, medical personnel – in particular those in psychology/psychiatry – who work with disadvantaged groups (ESF);
- co-finance the construction and modernisation of premises for healthcare service provision, including medical equipment, in clearly identified/selected geographical locations (ERDF, see example in Box 10 below).

Box 10: Paediatric hospital in Coimbra, Portugal

Built from scratch, the new paediatric hospital in Coimbra replaced the old hospital and took the regional health network into a new era to meet the needs of the younger population and provide world-class services. The age group of 0–18-year-olds benefited from state-of-the-art facilities covering child development, research, rehabilitation, psychiatry, surgeries, radiology, orthopaedics, a pharmacy, a sterilisation centre, and much more. The project yielded figures which provide a better understanding of the potential impact of the new hospital: 65,918 external consultations per year; 58,743 emergency service visits per year; 4,110 surgery operations per year; 107 wards; and 188 diagnosis and therapy rooms. However, the evidence available on this intervention does not refer specifically to children at risk of poverty or social exclusion, or to activities to ensure greater accessibility to health services in the urbanised area of Coimbra.

Source: DG REGIO, http://ec.europa.eu/regional_policy/en/projects/portugal/new-hospital-brings-state-of-the-art-care-to-younger-generation

4.2.6. De-institutionalisation

In 2014–2020, children covered by the process of de-institutionalisation are one of the most frequently-occurring target groups in OPs under ESF (and also ERDF). Supporting the process of de-institutionalisation necessitates a wide spectrum of interventions, including but not limited to:

- Prevention, e.g. promoting positive parenting skills, investing in the capacities of social workers (ESF).
- The assessment of children’s needs and preparatory works (ESF).
- The engagement and training of foster parents (ESF).
- Modernisation and customisation buildings that could be used to provide family-type care (ERDF), and the training of specialists who can provide services in a community environment (ESF).
- Specialised health and social services, according to the needs of children (ESF).
- Various other types of support (e.g. protected housing) to young adults leaving institutional care (ESF/ERDF).

Box 11: De-institutionalisation project in Bulgaria

The Bulgarian project **‘Leave No Child Behind’** was one of the first projects launched in the field of de-institutionalisation. Bulgarian authorities chose children with disabilities as the initial beneficiary group of the project, as they are the most vulnerable and at highest risk of social exclusion. Over the course of the project’s activities, authorities have extended the target group to include all children living in institutions within the participating municipalities. The project has involved a variety of activities that illustrate a holistic approach to de-institutionalisation: experts performed **children’s need assessments**; municipalities developed **necessary infrastructure for service provision** during parallel projects; personnel participated in **trainings**; the readiness of **foster parents** to take in children was explored; municipalities developed and provided sustainable services in a community environment, etc. This project is also a good example of combining multiple funding sources: development of the necessary infrastructure was funded via operational programmes under ERDF and EAFRD, respectively; whereas services provided in infrastructure created have been financed using ESF funds. (Source: PPMI)

4.2.7. Integrated service provision

Another cross-cutting issue in the area of EU-funded intervention targeting poor children concerns a holistic approach to service provision. This includes:

- Prenatal care
- Childcare services
- Healthcare provision
- Access to education
- Assistance to family/parents
- Access to employment for family members (ESF, FEAD)

Integrated service provision arrangements are available, based on the final beneficiary and/or targeting selected geographical areas. These interventions may also include training for personnel at integrated service centres (ESF), and the construction/modernisation of premises (ERDF).

Box 12: “Municipal Prevention Chains” in North Rhine-Westphalia

Because no integrated strategy against child poverty has been developed in Germany, policies and programmes to address the issue have been developed and implemented at various levels and by different groups of actors.

One exemplary programme is that of Municipal Prevention Chains, known until 2016 as ‘Leave No Child Behind!’ (‘Kein Kind zuru cklassen!’). This is a joint initiative by the State Government of North Rhine-Westphalia (NRW; the most populous German state) and the Bertersmann Foundation, which supports and promotes its municipalities¹ in the development and implementation of integrated local strategies/action plans to combat child disadvantage and to promote equal opportunities. In essence, it is a **comprehensive, integrated programme in NRW’s towns and cities** which combines support services (such as education, healthcare, welfare) to children and families across sectoral lines, functional departments and administration levels. The logic of the intervention follows an area-based approach: local stakeholders and programmes are the links in a chain that join up in order to provide guidance and support to children and families (together these forms a network of council-run prevention chains in NRW). As indicated by its title, the programme’s focus is on prevention, with the central idea being that “**prevention is better than cure**”.

5. IMPACT OF EU FUNDING ON CHILD POVERTY AND SOCIAL EXCLUSION

KEY FINDINGS

Although only limited data is available on the effects of EU-funded interventions targeting children at risk of poverty and social exclusion, and in particular those living in material deprivation, our analysis reveals that improved nutrition and affordable childcare services were among the main areas in which EU funding was effective. Examples include:

- Ex-post evaluation of **2007-2013 Cohesion policy** in the **field of education in Poland** reveals that support aimed at making **pre-school education more widespread and accessible** had a huge impact on the availability of kindergarten places and responded to an important social need, particularly **in rural areas** characterized by **high child poverty rates**.
- Mid-term evaluation revealed that **FEAD** had positive effects on the **alleviation of food deprivation**, especially **among women and children**, and on material deprivation among children, through the targeted financing of specific materials for school children, and personal hygiene items for babies.

5.1. Impact of policies targeting poor children directly

Analysis of the academic literature and available research on the issue of child poverty provides a mix of evidence as to whether policy interventions targeting child poverty appear to be effective, and why.

A comprehensive review of the international research on the **impact of early childhood education and care provision on children's development outcomes** conducted by researchers at Oxford University stresses that evidence on **early childcare (birth to three years) is equivocal, while evidence** on preschool education (aged three and above) is fairly consistent. Disadvantaged children in particular benefit from high-quality preschool provision, while likewise, high-quality childcare appears to have the strongest effects on children from disadvantaged groups (Melhuis et al., 2015). According to the scholars, a potential explanation for inconclusive research on the early childcare (meaning negative effects can also occur) could be explained by the **different contexts** and **ECEC systems in place** in different countries. It may relate to the **age of starting** and differences in **quality of childcare** (Melhuis et al., 2015). The available research essentially tells us that the focus should be on **quality and continuity**, as poor school experiences for disadvantaged children overcome earlier benefits accrued from high-quality ECEC. Furthermore, the **integration of different policies** is a determining factor when it comes to optimising potential positive outcomes related to ECEC attendance (e.g. bridging the gap between the age of guaranteed access to ECEC and sufficient paid parental leave) (Van Belle, 2016).

Box 13: Impact of EU funding on the provision of childcare education in Poland

In the period 2007-2015, there was a substantial increase in the percentage of children aged 3-5 enrolled in early childcare in Poland. While in 2007 this figure stood at just 47.3%, in 2015 it reached the level of 84.2%. Importantly, progress was visible both in cities and in rural areas. In cities, almost all children aged 3-5 were covered by childcare services; in the case of rural areas, the percentage is above 65%. Ex-post evaluation of 2007-2013 Cohesion policy in the field of education in Poland reveals that support aimed at making pre-school education more widespread had a huge impact on the availability of kindergarten places, and responded to an important social need, especially in rural areas characterised by high child poverty rates.

Source: compiled by PPMI based on 'Ewaluacja ex-post Wpływ polityki spójności 2007-2013 na edukację i kształcenie', January 2017.

Research confirms that investments in **comprehensive, high-quality early childhood education** and care can not only contribute to **counteracting the negative impacts of growing up in poverty**, but also help in addressing the **intergenerational transfer of poverty** (Hayes, 2008).

Box 14: Evidence on the positive effects of ECEC on children

A comprehensive report on the causes and costs of, and solutions to, poverty in the UK, carried out by the Joseph Rowntree Foundation, presents evidence that good-quality childcare and early education can have positive effects on children not only now but in the future, by contributing to better educational and employment outcomes (in terms of levels and quality) as adults (JRF in Treanor, 2017). Research evidence from the US points to the effectiveness of income support (focused on increasing family income) and early childhood education programmes (which target children with the aim of improving their developmental outcomes) in mitigating the negative influence of poverty on children (Magnuson, 2013). The high economic returns of well-designed early childhood intervention programmes are also well documented (Magnuson, 2013; Hayes, 2008).

The emerging evidence on the impact of integrated service provision is mixed. Interestingly, those studies which report the failure of integrated services programmes to demonstrate an impact point out that the outcomes for service users depended on the quality of individual services, not upon their integration ([Superu](#), 2015). From the literature review, it appears to be the case that **integration in itself does not guarantee better outcomes**, but **what really matters is the quality of the services being delivered**, and the design and resourcefulness of the programme. Authors caution against the assumption that integration is a preferred option in itself for the delivery of effective services, and highlight the need for more robust evidence (local evaluations and cost-effectiveness analysis) (Stewart, A., Petch, A., and Curtice, L., 2003 and Sloper, 2004 in Brown and White, 2006).

Box 15: Impact of Municipal Prevention Chains in Germany

At the state level in North Rhine-Westphalia, the Bertelsmann Foundation evaluates programme achievements and progress across the participating municipalities. The monitoring reports¹ highlight the positive developments observed: an increased level of care for 3-year-olds in day care centres; increased transition rates in upper secondary schools at the lower secondary level (Secondary Level I); and a drop in the proportion of school leavers without any degree. [← ‘qualification’ might be more appropriate – or do German schools issue degrees?]

Source: compiled by PPMI, based on Gehne, D. H. et al. (2017), ‘Strohmeier, Sozial- und Bildungsmonitoring für kommunale Prävention’; Strohmeier K.P et al. (2016), ‘Forschung: Die Wirkungsweise kommunaler Prävention: Zusammenfassender Ergebnisbericht der wissenschaftlichen Begleitforschung’.

Mid-term evaluation of FEAD reveals that in term of effectiveness and impact, **FEAD** also had **positive effects** on:

- The alleviation of **food deprivation**, especially among women and **children**. Food packages are more effective for addressing **the needs of families with children; warm meals** in social canteens for the homeless and **people in extreme poverty**.
- FEAD was also highly effective in tackling children’s material deprivation, through the targeted financing of individual school materials for school children, and personal hygiene items for babies.

Indications also exist that FEAD **accompanying measures can be effective** in helping target groups towards their social inclusion, especially if these measures retain their ‘accompanying’ character, i.e. they are offered together with food support.

5.2. Challenges and drivers of success behind EU-funded measures

Our insights on the main challenges, success factors and potential obstacles to effective implementation of EU-funded policy measures directly targeting poor children are based on the experience of national/regional authorities as well as the beneficiaries in the six Member States selected for case studies, and our conclusions from this study.

The major factors contributing to the **overall success of EU funded** measures targeting children at risk of poverty and social exclusion were:

- **At national/operational programme level:**
 - **political consensus on required policy changes**, and support from high-level policy makers for the process of implementation (e.g. de-institutionalisation in BG and prevention chains in DE)
 - the strategic and regulatory framework, clear targets (development of ECEC in Poland)
 - the scale of investments and resource concentration
 - sound responsibilities and coordination of efforts and communication
- **At the project/group of project level:**
 - focus on a clearly defined target group
 - innovative/pilot actions
 - active involvement and co-ordination of stakeholders
 - leading partnerships

Country studies revealed that Member States with a **comprehensive national strategic framework** for tackling child poverty (IE), or which invest in services that directly benefit children, can potentially achieve more sustainable results.

Box 16: Comprehensive strategic framework targeting children and youth in Ireland

In light of the Commission's Recommendation, Ireland has made a commitment to address the high rates of children at risk of poverty or social exclusion by introducing the National Policy Framework for Children and Young People 2014-2020 "Better Outcomes, Better Futures", which sets a specific target of lifting 70,000 children out of consistent poverty by 2020 through improvements in parental employment and a reduction in the number of jobless households, while increasing investment in ECEC services. The framework embraces a whole-of-government approach, building on the lifecycle approach set out in the National Action Plan for Social Inclusion 2007-2016, and establishing a shared set of outcomes for children and young people.

Source: compiled by PPMI.

Also, the **implementation of long-term programmes** which **create structures and partnerships** that **address children's needs** produce more visible and sustainable effects.

Box 17: Long-term programme to promote inclusive education: 'Escolhas'

Created in 2001, the 'Programa Escolhas' is a national governmental programme integrated within the High Commission for Migration (ACM). The measure relies on proficiency in a coordinated series of actions undertaken to plan, manage and deliver the action. For every generation of the Programa Escolhas, the ACM assesses the main risk areas and territorial distribution of the risk of social exclusion among children and young people on the basis of the **Youth and Child Exclusion Risk Index** (IREIJ), to determine the thematic and geographical scope of intervention.

Projects are implemented in **consortia of at least four local entities**. Applicants are required to conduct an in-depth diagnosis of the situation in their locality, upon which they set their objectives and expected results (including measurable and verifiable indicators), as well as the activities. Another important component of projects under the Programa Escolhas is the **involvement of children and young people in the design, implementation and evaluation of the project**. For example, young people from the community become '**community engagers**' for the projects. Their role is to integrate project teams and become role models by providing an example of positive leadership. Through their close relationship with the community, these community engagers also contribute to the mobilisation of children, young people and the rest of the local community.

Source: compiled by PPMI.

On the other hand, **targeted, small-scale or pilot projects** such as the social housing project in Brno (CZ) can be more effective due to their innovative actions and the changes promoted, as well as visible and easily-assessed outcomes and results.

The main obstacles or challenges to more active use of EU funds to reduce child poverty and social exclusion include:

- **The absence** of clear **EU level objectives** and **Member States' commitments** to achieve EU level targets in the area of child poverty.
- The **low priority given to objectives addressing child poverty** at national level.
- Fragmented funding rules and cross-financing restrictions.
- **Lengthy programming** and **project planning processes**, and limited opportunities to quickly address changes in socio-economic conditions.
- The administrative **burden** and **lack of capacities** faced by potential beneficiaries (e.g. NGOs).
- The high **costs of maintenance of EU funded infrastructure**, and requirements to keep the status of constructed or modernised infrastructure unchanged.

The fact that the **strategic and monitoring framework for EU funds does not address child poverty** directly, and **EU level priorities on investing in children are not linked to any specific indicators** on children's well-being, are the **most important factors affecting EU funding across Member States**. In the current situation, decisions on the allocation of EU funds depend on national priorities and administrative capacities. Other **obstacles are more relevant to programme or project-level activities**, and could be resolved by strengthening the administrative capacities of policy-implementing agencies and final beneficiaries to plan, implement and monitor projects targeting such vulnerable groups as children at risk of poverty and social exclusion.

6. LESSONS LEARNED/CONCLUSIONS AND POLICY RECOMMENDATIONS

On 2 May 2018, the Commission adopted a proposal for the next multi-annual financial framework for the period 2021-2027. It was accompanied by the proposal for a **Common Provisions Regulation (CPR)** which sets out common provisions for seven shared management funds – among them, all the funds covered by this study: ESF+ (which has merged ESF and FEAD), ERDF and EARD; as well as proposed Regulations for each of these funds, the most relevant being the proposed **Regulation on European Social Fund Plus (ESF+)** as the EU's main instrument to invest in people and implement the European Pillar of Social Rights.

To build on the key insights developed in this study and to suggest relevant policy recommendations, we first analysed the recently published Commission proposal on the future EU budget and the proposals therein (e.g. merging ESF and FEAD into a broader ESF+). Based on this analysis, we suggest a number of insights that may help to improve the focus of the relevant EU funds in fighting child poverty during the 2021-2027 programming period.

6.1. Further strengthening the strategic orientation of EU funds towards child poverty

There are two key channels to ensuring an improved strategic orientation of the relevant EU funds towards fighting child poverty: **a) the formulation of scope and strategic (specific) objectives in the relevant EU Regulations;** and **b) a strategic orientation originating from an improved link with the European Semester (NRPs and CSRs).**

Strategic objectives in the relevant EU Regulations (CPR, ESF+)

The CPR features a clear focus on actions implementing the European Pillar of Social Rights: one of the five key policy objectives in which the EU funds will invest. The ESF+ Regulation then expands this policy objective into 11 specific objectives, at least five of which directly relate to promoting social inclusion and combating poverty (see Table 16 below).

Importantly, children receive greater attention as a target group in the proposed ESF+ regulation. As explained in this study, in the two preceding programming periods there was almost no verbalised focus on children at the level of strategic objectives for the relevant EU funds; children were mentioned only sporadically as a target group. The proposed ESF+ Regulation emphasises children *per se*, while formulating specific objectives twice: by highlighting the importance of ensuring access to early childhood education and care, and by taking children into account when promoting the social integration of people at risk of poverty or social exclusion.

Table 16: Specific objectives related to promoting social inclusion under the ESF+ regulation

- (v) promoting equal access to and completion of, quality and inclusive education and training, in particular for disadvantaged groups, **from early childhood education and care** through general and vocational education and training, and to tertiary level, as well as adult education and learning, including facilitating learning mobility for all;
- (viii) promoting socio-economic integration of third country nationals and of marginalised communities such as the Roma;
- (ix) enhancing the equal and timely access to quality, sustainable and affordable services; modernising social protection systems, including promoting access to social protection; improving accessibility, effectiveness and resilience of healthcare systems and long-term care services;
- (x) promoting social integration of people at risk of poverty or social exclusion, including the most deprived and **children**;
- (xi) addressing material deprivation through food and/or basic material assistance to the most deprived, including accompanying measures.

Source: Proposal for a Regulation of the ESF+.

It would be important to ensure that the reference to children mentioned above remains in the final version of Regulation. Although seemingly just a wording in the formulation, each such instance has a trickle-down effect during the preparation and negotiations for EU funding programmes, setting the scene for all other effects explained below.

Utilising an improved link with the European Semester

The EU Regulations view the forging of a closer link with the European Semester process as one of the prerequisites for the effective investment of the relevant EU funds. For example, relevant country-specific recommendations (CSRs) are foreseen as playing a key role, both in the programming of funds for the initial five years, as well as during the in-depth mid-term review that will lead to corresponding reprogramming for the final two years.

Our study reveals how the scope and effectiveness of investments in children, and especially the most disadvantaged children, is driven primarily by the national policy agendas and priorities of separate Member States. The presence of a comprehensive elaborate national strategy to invest in children and combat child poverty enables the better coordinated and more effective use of the relevant EU funds.

Hence, an improved link with the European Semester opens up an opportunity to better target EU funds aimed at investing in children and fighting child poverty. Still, this link would work only to the extent that the NRPs and CSRs themselves target those issues. The Eurochild Report on the European Semester 2017 notes that the number of CSRs addressing child poverty specifically has declined to zero in 2017, when in 2014 there were still seven. Our own analysis of the European Semester 2018 indicates that this year there was a bounce back in terms of the number of such CSRs: there were direct recommendations for five MSs (IE, IT, PL, RO, SK), and another, more indirect one (addressing the issue of Roma inclusion in HU). At the same time, it must be noted that the texts including in the CSRs that precedes the recommendations themselves and provides an overview of the context and key challenges faced by a given MS, mention child poverty much more frequently: such references are present in CSRs for at least 15 MSs in 2018.

The same is true of NRPs: the majority of these analyse socio-economic situations and policy issues relating to child poverty, yet few examples exist of NRPs setting concrete targets for addressing child poverty (instead, the broader Europe 2020 targets for reducing the number of people in poverty are used).

Also, we note that the Commission replied to the Parliament's call on the Commission to consider introducing specific indicators on the number of children AROPE in the social dimension of the EMU, and to request that all MSs introduce specific national (sub)targets on reducing child poverty and social exclusion (to contribute to the Europe 2020 target of poverty reduction). In its reply, the Commission states that specific national targets for CP are not desirable, as they might lead to a proliferation of targets and become counterproductive in the context of closer EMU (SWD(2017) 258 final).

To summarise, it is important to ensure that relevant CSRs are taken on board directly in preparation and negotiations for the relevant 2021-2027 EU funds programmes. More important, however, remains the broader goal of encouraging policy discussion and the setting of targets at national level, especially among those MSs in which the material deprivation aspect of child poverty remains most acute (for the clusters of MSs, please refer to Chapter 1).

Utilising enabling conditions to encourage policy discussion and target setting at national level

In the case of programming EU funds for 2021-2027, one important mechanism to encourage policy discussion and target setting at national level is the so-called 'enabling conditions'. These replace the 'ex-ante conditionalities' used in the 2014-2020 period, and concern additional requirements (usually the presence of a policy strategy/document/map, administrative capacity and similar) which must be met by a Member State if EU funds are to be released for a specific objective. During the 2012-2027 period, fewer, more focused goals will be set for the fund concerned and – in contrast to the 2014-2020 period – these will be monitored and applied throughout the period. This principle will be strengthened: Member States will not be able to declare expenditure related to specific objectives until the enabling condition is met. This will ensure that all co-financed operations are in line with the EU policy framework.

One specific thematic enabling condition which is relevant for this study is the requirement to have a national strategic policy framework for social inclusion and poverty reduction before investing ESF+ or ERDF in the selected areas. A similar ex-ante conditionality existed in the 2014-2020 period, but the description provided in the enabling condition that succeeds it is much more precise and (unlike previously) explicitly requires the policy framework to include "evidence-based diagnosis of poverty and social exclusion including **child poverty**, homelessness, spatial and educational segregation, **limited access to essential services and infrastructure**, and the specific needs of vulnerable people". As explained previously in this study, the presence of ex-ante conditionalities in the 2014-2020 period had a catalytic effect on promoting relevant policy analysis and formulation.

In this particular case it would be important to ensure that the reference to child poverty in this enabling condition is preserved, while the application of the condition itself is expanded to include the ESF+-specific objective "(x) promoting social integration of people at risk of poverty or social exclusion, including the most deprived and children" (in addition to the presently indicated specific objective "fostering active inclusion with a view to promoting equal opportunities and active participation, and improving employability").

Promoting the geographical concentration of ESF+ resources to territories with the highest rates of child poverty

In light of the need to ensure access to and the provision of relevant services to materially deprived children (thereby also continuing the opportunity provided by the 2014-2020 FEAD framework), a relevant policy approach may concern the geographic concentration of relevant ESF+ resources. Research conducted in the course of this study reveals that this territorial approach can be successfully applied to address the specific problems of children at risk of poverty and social exclusion, and in particular those living in severe material deprivation.

Integrated service provision in Germany and Ireland, as well as inclusive education programmes in Portugal, were targeted to – and successfully implemented in – specifically-designated economically and socially disadvantaged territories, or localities marked by the poverty and social exclusion of a particular group (e.g. migrants). Based on this evidence, additional investments in services and social assistance targeted directly at children have the potential to improve the situation of materially deprived children living in the territories characterised by high rates of child poverty.

Importantly, the implementation of the aforementioned enabling condition for investing ESF+ funds, which requires a MS to have a national strategic policy framework based on an evidence-based diagnosis of poverty and social exclusion including child poverty, will make it possible to identify those geographical territories with the highest rates of child poverty as well as limitations in their access to essential services.

At least for those MSs which have the largest shares of children living in severe material deprivation, it would be important to include a requirement to allocate a specific share ESF+ (and possibly ERDF) resources for service provisions targeted directly at children within the designated territories characterised by the highest rates of child poverty and social exclusion, and in particular child material deprivation. This allocated amount would be on top of – and, ideally, – in close synergy with – the 2% of ESF+ funds allocated to material deprivation.

6.2. Encouraging the setting of relevant targets in EU funding programmes

The aforementioned aspects (i.e. formulating within the Regulations objectives for the EU funds in a way that acknowledges children; ensuring a strong link with European Semester and encouraging certain MSs to dedicate more specific attention to children and their poverty; promoting the formulation of policy choices through national policy frameworks required as enabling conditions) may help to ensure relevant strategic guidance, i.e. that the programme features interventions aimed directly at children, and especially at children in the greatest need. Yet at the more operational level of implementing EU funds and spending their resources, the key impetus directing them comes from certain implementation provisions defined in the Partnership Agreement (a strategic document guiding negotiations between the Commission and the Member State on the design of programmes) and subsequently agreed programmes. These include the performance framework (namely, the requirement to set relevant targets and milestones for each specific objective); monitoring indicators (as they are used to set those targets); and the fields/types of intervention (previously ‘categories of intervention’ in 2014-2020).

Performance frameworks featuring child poverty

The new draft Regulation suggests that Member States should establish a performance framework for each programme covering all indicators, milestones and targets to monitor, report on and evaluate programme performance.

It also points to the key aim of keeping the framework as streamlined and simple as possible, i.e. to keep the number of targets per specific objective to a minimum.

It would be important to ensure that the reduction of targets is not approached too mechanistically, and that each situation is assessed on an *ad hoc* basis. In those MSs in which the child poverty situation is most challenging (e.g. in terms of material deprivation), as also acknowledged in NRPs and CSRs, for each specific objective mentioning children (see the Table 16 above) at least one result-level target should be aimed at children, especially the most disadvantaged children.

Indicators monitoring investment in children

The performance framework shall consist of output and result indicators, linked to specific objectives set out in the fund-specific Regulations. However, when it comes to monitoring, ESF+ regulation proposes no significant changes that would ensure a major focus on children. As in the previous period, the number of children will be counted only in those interventions which target material deprivation, i.e. food support and material assistance. The difference is that the indicator proposed by ESF+ will be larger in scope. Going forward, children below 18 years of age will be taken into account, where previously only individuals aged 15 years or below were counted as children. This indicator is not expected to apply to other interventions. In addition, the previous indicators used to count ESF participants living in jobless or single-adult households with dependent children are no longer in the list of common output indicators. In a sense, the suggested common output indicators will provide even less insight into how EU funds invest in children, and the most disadvantaged children in particular.

Table 17: Comparison of common output indicators between two programming periods

	2014–2020	2021–2027
FEAD / ESF+ strand of material deprivation	Number of children aged 15 years or below	Number of children below 18 years of age
ESF	Participants who live in jobless households with dependent children; participants who live in a single-adult household with dependent children	<i>Withdrawn</i>

Source: Annexes to the ESF+, Regulation No 1304/2013; Regulation No 223/2014

The most recent ESF Transnational Platform Recommendations for the next Multiannual Financial Framework¹³ propose the strengthening of the the common indicators included in the ESF Regulation, on which all countries have to report. This will be achieved by including child-specific indicators of material deprivation for participants aged under 18. Introducing an additional common indicator would not significantly increase the administrative burden in comparison to current monitoring framework, as beneficiaries implementing projects targeted at children would anyway have to report

¹³ ESF Transnational Platform Recommendations for the next Multiannual Financial Framework (2018). Available at: https://ec.europa.eu/esf/transnationality/system/files/filedepot/1/aeidl_recommendations_on_next_mff_-_final.pdf.

on the number of participants under 25 years of age. For interventions targeted at other age groups, there will be no need to report on the specific age group of children under 18 years.

We would suggest considering the expansion of the application of the common output indicator “Number of children below 18 years of age” to the whole ESF+ shared management (i.e. not just ex-FEAD interventions accounting for some 2% of total ESF+ funding).

Fields of intervention earmarking resources for children

Standardised fields of intervention (Annex I to draft CPR) are used to set an indicative breakdown of EU funds’ programmed resources within a specific objective. During implementation, data on expenditure by different types of intervention is collected and electronically transmitted to the Commission, so that an understanding can be formed at EU level as to what areas EU funds are typically invested in. In this respect, we note that in comparison with the previous programming periods, the fields of intervention suggested for 2021-2027 provide a much better coverage of children. This is due both to the introduction of a wider range of fields, and the inclusion of children into the formulation of previously existing fields. For example, during the 2014-2020 period, ESF expenditure in child care and primary education were merged under a single heading (code: 115). In 2021-2027, it is suggested that they be separated into “111 Support for early childhood education and care (excluding infrastructure)” and “112 Support for primary to secondary education (excluding infrastructure)”. A newly formulated field, “126 Promoting social integration of people at risk of poverty or social exclusion, including the most deprived and children”, has also been added.

Retaining a more detailed categorisation of fields of intervention, as suggested by draft 2021-2027 CPR, would allow a better insight in future as to where and how MSs are investing relevant EU funds into interventions directly targeting children and child poverty.

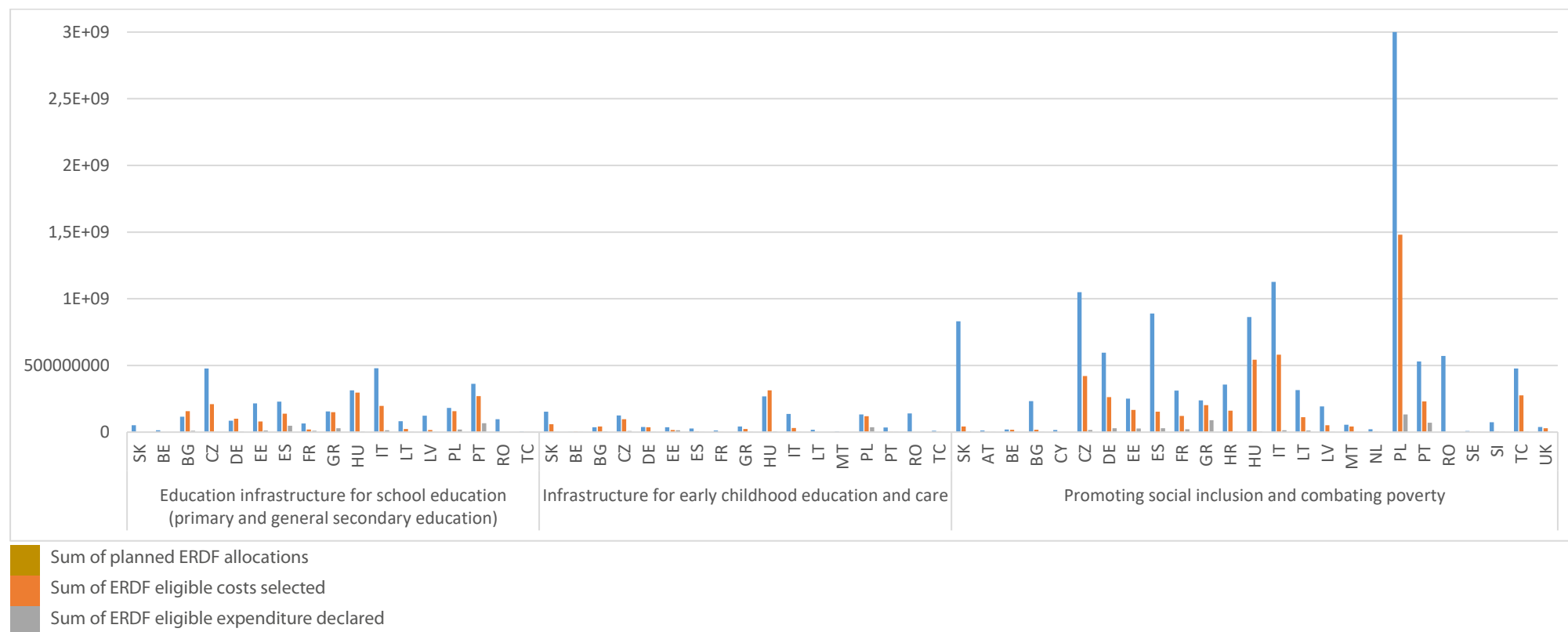
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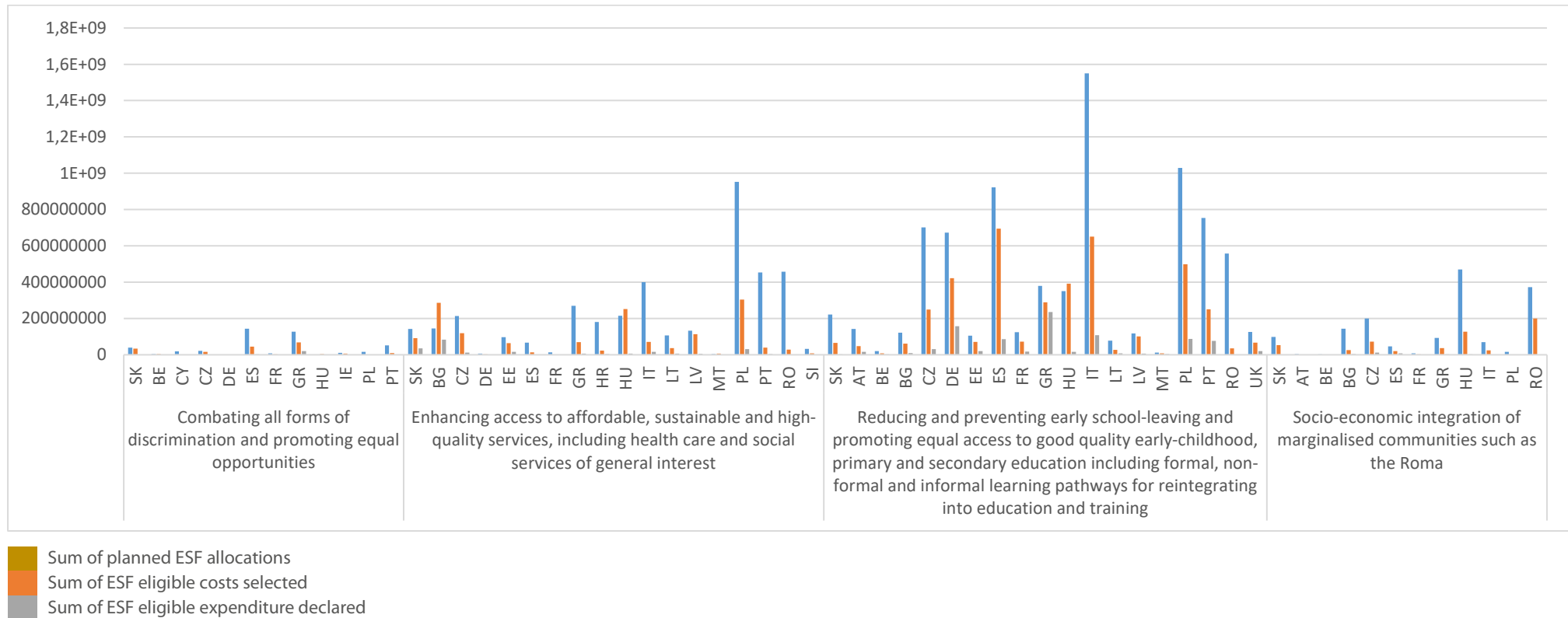
ANNEX 1. EU FUNDING ALLOCATIONS BY RELEVANT CATEGORIES

Figure 8. ERDF allocations in Member States under categories most closely related to children (2017)



Source: PPMI based on Cohesion Open Data website: <https://cohesiondata.ec.europa.eu/EU-Level/ESIF-2014-2020-categorisation-ERDF-ESF-CF-planned-/3kx-ekfq>

Figure 9. ESF allocations in Member States under categories most closely related to children (2017)



Source: PPMI based on Cohesion Open Data website: <https://cohesiondata.ec.europa.eu/EU-Level/ESIF-2014-2020-categorisation-ERDF-ESF-CF-planned-/3kxk-ekfq>

ANNEX 2. COUNTRY STUDIES

CASE STUDY 1. DE-INSTITUTIONALISATION PROJECT IN BULGARIA



General information about Member State

At the end of 2015, the population of Bulgaria was 7,153,784 of which **1,189,900** were children. Around **527,000** or 44.2% Bulgarian children were at risk of poverty and social exclusion. Whereas **449,000** or 37.7% children experienced severe material deprivation (ESPN Bulgaria report, 2017, p. 7-8). According to ESPN report, children in situations of particular vulnerability are those who are: living in poor households; in families with more than three children or with a single parent; from Roma and Turkish ethnic groups; from migrant and refugee families; out of school; disabled; in detention; and in residential care (ESPN Bulgaria report, 2017, p. 7-8).

In order to address child poverty, Bulgaria aims to apply an integrated approach and implement inter sectorial measures. This approach is embedded in the **National Strategy for Reducing Poverty and Promoting Social Inclusion 2020** and Action Plan for its implementation, which was adopted by Council of Ministers in 2017 (EPIC, Bulgaria country profile). Throughout 2007–2013 Bulgaria focused on reducing early school leaving, promoting access to non-formal and informal learning activities, enhancing access to services for children with disabilities and their families (Survey and interviews with Managing Authorities). During the current programming period, Bulgarian authorities invest into capacity building of social workers, educational integration of disadvantaged children, improving capacity of pedagogical specialists to work in multicultural environment, healthcare services for children with disabilities, overall access to early childhood education and care (Survey, interviews, EPIC, Bulgaria country profile).

Nevertheless, deinstitutionalisation of childcare has been a major priority that addressed children at risk of poverty and social exclusion throughout both programming periods. To begin with, a relatively large amount of money has been allocated to this purpose: EUR 97 million during 2007–2013 and EUR 163 million for the period of 2014–2020 (Information provided by Ministry of Labour and Social Policy). In addition, wording of specific objectives and indicators in the operational programme confirms deinstitutionalisation the sole priority in Bulgaria that singles out children. The specific objective *reducing the number of **children** and youth, placed in institutions by providing community-based social and health services*, is monitored by indicators aiming to count *children and youth in institutional care, covered by the deinstitutionalization measures* as well as *children receiving community-based services after leaving the institutions* (Survey of Managing Authorities). Meanwhile, the comparison of survey data shows that this focus on children while formulating specific objectives and indicators is not widespread across Member States (MA survey data).

However, in spite of Bulgarian efforts to address child poverty, national experts claim Bulgaria lacks progress in the efforts for reducing child poverty. The National Network for Children evaluated 25? Bulgaria's commitments in 5 areas: general principals under the UN Convention on the Rights of the Child, family environment and alternative care, healthcare, education and justice. The network concluded that Bulgaria failed to reduce the number of children in poverty by 78,000; the share of

children living in poverty and at risk of poverty keeps increasing, even though there was some rise in social transfers. The network recommends implementing measures under the Strategy for combating poverty and social exclusion and using integrated approach to child poverty issues; developing a Child and Family Strategy that could serve as comprehensive family policy with clear objectives; redirecting policies and programmes to improve the welfare of all children in the country, not just focusing on children at risk; and evaluating the impact of the policy aimed at ensuring adequate and sustainable social transfers (National Network for Children, Report Card 2018, 15).

Selected project 'Leave No Child Behind'

In 2009, Bulgarian Council of Ministers approved national strategy and vision on deinstitutionalisation. The interventions that followed were synched with the Strategy, its Action Plan and the rest of strategic documents.¹⁴

The project **Leave No Child Behind** was one of the first projects launched in the field of deinstitutionalisation. In the beginning, Bulgarian authorities decided to choose children with disabilities as a first beneficiary group, since they are the most vulnerable and at the highest risk of social exclusion (Action Plan, 2010). Over the course of project activities, authorities extended the target group to include all children living in institutions in the participating municipalities. This decision was based on the aim to optimise new services that services could be provided at full capacity.

The project involved a variety of activities that illustrate the holistic approach of deinstitutionalisation: experts performed children need assessment, municipalities developed necessary infrastructure for the service provision during parallel projects; personnel participated in trainings; foster parent readiness to take of children was explored; municipalities developed and provided sustainable services in a community environment, etc.

This project also is a good example of combination of several funding sources: the development of necessary infrastructure was funded through ERDF and EAFRD respective operational programmes; whereas the following services that take place in created infrastructure have been financed with ESF funds.

Title	Leave No Child Behind
Programming period	2007-2013
Fund	ESF
Duration	2010-2015
Approximate EU funding amount in EUR	18 100 422 EUR
Responsible authority	Ministry of Labour and Social Policy

¹⁴ For example, National Strategy *Vision for deinstitutionalisation of children in the Republic of Bulgaria*; Action Plan for its implementation; the National Strategy for Reducing Poverty and Promoting Social Inclusion 2020; the National Strategy for Children 2008-2018; National Health Strategy 2014 - 2020.

Project manager / final beneficiary	<p>1) State Agency for Child Protection in partnership with Social Assistance Agency and Ministry of Health;</p> <p>2) 79 municipalities that received funding from ERDF and EAFRD for construction of infrastructure for provision of social services for target group children</p>
What services and policy levels were involved	<p>National level – assessment of children needs, map of necessary services</p> <p>Regional/Municipalities level – service provision</p>
Description of intervention, its objectives and activities	<p>The project consisted of two components.</p> <p>1) Planning measures for deinstitutionalisation (Childhood for All) During this stage, the State Agency for Child Protection together with partners assessed the needs of children living in institutions and prepared individual action/care plan. This step allowed deciding on the opportunities to reintegrate children into their families and provide recommendations for the appropriate services.</p> <p>2) Development of social services in the community During the second stage, municipalities developed and provided relevant services for target group children. The services took place in day care centres, family type accommodation centres, social rehabilitation and integration centres, and housing facilities that have been previously modernised and customised using ERDF and EAFRD funding. The project activities also included hiring and training of personnel that could provide services for children in the new facilities; trainings for foster families; preparation works necessary transferring children to a new environment, etc.</p>
Target group	<p>Children and young people with disabilities from the specialized institutions;</p> <p>Children with disabilities in the community;</p> <p>Children deprived of parental care living in institutions;</p> <p>Families of children;</p> <p>Personnel that provides services to children.</p>
Specific age groups of children	<p>3–18 years old</p>
How were the families informed about the services/program?	<p>All children that were living in institutions participated in the assessment</p>

Source: Bulgarian Ministry of Labour and Social Policy

Outcomes and results

The Managing Authority (Ministry of Labour and Social Policy) has approved 1 output and 3 result indicators to monitor the implementation of this project. The table below shows that outputs and results created during project activities have substantially exceeded their target values.

	Indicator	Target value	Achieved value
Output	Number of newly provided community-based social services	60	179
Result	Number of persons from specialized institutions re-integrated in the community	1100	1349
Result	Number of persons benefiting from social services delivered within the community	800	2046
Result	A minimum number of closed specialized institutions for children with disabilities	15	24

Source: Bulgarian Ministry of Labour and Social Policy

The main reason behind the significantly larger values of indicators was the decision to extend the target group. This resulted in deinstitutionalisation of not only children with disabilities but also of children deprived of parental care. Therefore, considerably higher number of facilities has been opened, much more children received services and larger number of institutions has been closed.

Success factors and obstacles

The major factor that contributed to the overall success of deinstitutionalisation in Bulgaria is a strong **political consensus** that this policy change should happen and **support from the highest-level policy makers** during the **implementation**. The fact that strategy and action plan was approved by the Council of Ministers ensured the involvement of high-level policy makers, which resulted in efficient inter-ministerial coordination and urgent solutions when certain problems has arose.

A major turbulence in the project implementation occurred in three areas described below. One of the units within the Council of Ministers has been appointed as the coordinating body of the overall deinstitutionalisation, and Bulgarian Prime Minister has chaired inter-ministerial working group. The institutionalised inter-ministerial coordination and support from high-level policy makers accelerated the solutions to the following 3 problems.

- 1) The children **need assessment activity** was **behind the schedule** due to prolonged discussions, uncertainty about the approach, lack of experience and managerial challenges. Partly the activity stalled due to the fact that Child Protection Agency hired external expert as a project manager, who had not enough capacity to make decisions. The situation was solved by appointing a high-level officer to a position of project manager, which had enough political authority and relevant human resources to speed up the project activities. However, due to the delays in the assessment, the placement of children and service provision also did not start on time. According to the ERDF rules, the municipalities had to start service provision in the facilities that were constructed through ERDF funding within 3 months after completion. The delay of primary activities created a risk to violate this rule and put whole project at risk.

- 2) Second challenge was related to the proposal to extend the target group. Ministry of Regional Development that is acting as Managing Authority of Regional Development operational programme **opposed to change the target group** in the middle of project implementation, as their OP approved a different target group and hesitated whether European Commission would not support this kind of change.

The situation also resolved through inter-institutional coordination after a number of meetings on the highest level, and the agreement has been reached to extend the target group of intervention.

- 3) The third factor that created challenges for project implementation was the decision **to apply simplified costs options too early** in the project. The Managing Authority calculated unit costs taking into account utility costs, food, transport, wages of personnel; and applied them based on a number of children that receives services in a day care centre or elsewhere. Due to the delayed placement of children some facilities were not functioning at full capacity, thus, municipalities had to cover the unexpected costs from their budgets, as the facilities were spending more than the amount that they have been reimbursed with unit costs. The situation was solved by switching back to real costs until the municipalities will provide services at maximum capacity.

Concluding remarks and recommendations

Stakeholders agree that deinstitutionalisation is a complex process that requires political will, a detailed strategy and an excellent coordination. The success of the project and overall policy change could be summarised as a **good balance between expertise and political will**. The gathered expertise and well developed action plan contributed to choosing the right approach, ensuring continuity between the projects and achieved results. Meanwhile, involvement of high-level policy makers into policy implementation ensured effective coordination between various stakeholders and timely solutions.

The obstacles that occurred were solved efficiently mostly due to the support of the Council of Ministers, which facilitated stakeholder discussions and speed up the solutions. European Commission could encourage Member States **not to overcomplicate national rules of project implementation** and apply them with common sense. Sometimes MS tend to avoid changes in the stage of project implementation arguing that European Commission would not approve. This kind of self-censorship may result in premature disqualification of possible intervention improvement. Therefore, Commission should encourage MS to treat national rules wisely and improve them the way that rules would help to improve the interventions and optimise the results.

References, interviews

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Interview with a representative from Bulgarian Managing Authority of Human Resources Development Operational Programme;

Interview with project coordinator from the Managing Authority;

Interview with project coordination from the municipality level;

National Strategy *Vision for deinstitutionalisation of children in the Republic of Bulgaria*;

National Network for Children, Report Card 2018. What is the average government score for Childcare?

CASE STUDY 2. USE OF EU FUNDS IN THE CZECH REPUBLIC

Child poverty in the Czech Republic

In 2017, almost 276,000 children (aged 0-17, 14.2%) were at risk of poverty or social exclusion (AROPE) in the Czech Republic. This is the lowest over past 12 years (from 25.6% in 2005 to 14.2% in 2017), throughout which the rate had rather fluctuated. Furthermore, the share of children living in severely materially deprived households (4.5%) has reached unprecedentedly low figures as of 2017.



In comparison with other EU countries, the AROPE rates in the Czech Republic have been among the lowest in the EU. However, scholars have asserted that in reality, the share of the poor, including children, can be much larger. For instance, it has been argued that many of the poor are not counted because the data is not collected in shelters, dormitories, social institutions, homes for the elderly or on the streets (Popelková, H. cited in Janičko and Švihlíková, 2016). Others have recently related poverty to the scope of households' indebtedness, which has grown considerably over the last decade in the Czech Republic. In 2017, as much as 9.7% of the population faced execution of a debt judgement, including 5,934 children and young people (between 15 and 18 years old) (Mapa exekucí, 2017). Since the obligatory fees charged for collecting debts from households' income are not considered in the Eurostat's poverty indicators, child poverty can be potentially a much larger phenomenon than the available data shows.

Moreover, poverty and social exclusion have a strong territorial dimension in the Czech Republic. It is estimated that between 95 000 and 115 000 people live in so-called socially excluded localities, defined as areas with more than 20 people living in unsatisfactory conditions (Čada et al., 2015). This is an increase by almost half in comparison with 2006, when the estimated number of people living in socially excluded localities ranged between 60,000 and 80,000. Among residents of socially excluded localities, are often members of the Roma community. Around 40% of all people living in social excluded localities are children less than 15 years old. These children are likely to grow up in localities deprived on many levels, such as in terms of lack of quality housing, health, education, family and children services. They may also face the most severe social inequalities in education, which are generally highly persistent in the Czech Republic, but particularly manifest in these socio-economically disadvantaged and peripheral regions.

While the attention to inclusive education has slightly improved in recent years, for many Roma children, schools still function as a place of social differentiation with life-long consequences (ESPN, 2017). Improvement in recognising the importance of children's well-being indicate also efforts to extend quality and coverage of early education and child care, access to housing and adopt complex, coordinated approach to social inclusion and reforms of the social and legislative system of child protection indicate improvement in recognising the importance of children's well-being. Nevertheless, relevant child-poverty policies are still spread across a number of public policy areas with generally weak interconnections, indicating a persistent need for an integrated multi-dimensional strategy of investing in children and breaking the cycle of disadvantage (ESPN, 2017).

Use of EU Funds

The use of funds for tackling children's poverty or social exclusion is not coordinated under a unified approach. The interventions are usually dispersed under a number of operational programmes, priority axes and specific objectives, making it difficult to assess the actual scope of the funds' use. However, the innovation of this programming period is the 'coordinated approach to social inclusion', promoted by the Government Agency for Social Inclusion at municipality level to foster a more systematic approach fight poverty and social exclusion as well as effective use of EU Funds. While the programme does not exclusively focus on children and young people, they are often one of the target groups of related interventions.

Some operational programmes include **specific objectives concerning explicitly and exclusively poor children**. For example, 'addressing deprivation of children and its reduction through **free school meals**' is one of the specific objectives of the OP managing FEAD. As a direct follow-up, in 2016 the government launched the School Lunches programme which aims to reduce food deprivation among children in need, by providing free meals in catering facilities of schools enrolled in the action (kindergartens, elementary and secondary schools) (EC, 2017).

Others, usually given their broad scope, include specific objectives that **explicitly involve vulnerable children or children living in socially excluded localities, but not exclusively**. The target groups under these objectives are usually defined broadly, including several groups of potential beneficiaries. However, activities implemented under these specific objectives can constitute interventions targeting directly children at risk of poverty or social exclusion. For instance, interventions concerning social housing for families at risk of poverty or deinstitutionalisation are among activities implemented towards the specific objective of 'enhancing the quality and sustainability of the social services, **family and children services** and other related services supporting social inclusion' (OP Employment's 'social inclusion and the fight against poverty' priority axis).

Finally, there is a group of interventions targeting children universally, such as **widening access to ECEC**. The Czech Republic has had one of the lowest rates of formal care provision to children below 3 years of age. In addition, the supply of formal childcare for children between 3 and 6 years old does not meet the demand. Recently, the government has been addressing the problem by expanding pre-school care. The increase of the capacity of preschool institutions as well as development of so-called children's groups and micro-nurseries as new types of childcare service on a non-commercial basis is significantly enhanced through funding from the ESF and ERDF. While under ESF (mainly OP Employment), extending or enhancing quality of childcare is mainly considered as a measure of improving work-life balance and reducing gender gaps in employment, it is constituted mainly as a stand-alone objective under ERDF regulations.

An exception of a more focused funding allocation relevant to child poverty or social exclusion provides a priority axis on the '**Equal access to quality pre-primary, primary and secondary education**' of the OP Research, Development and Education (implementing ESF). The interventions under this axis combine targeting and universal approach. It includes interventions that are specifically focused on socially excluded localities or target children and students with special educational needs, socio-economically disadvantaged groups and ethnic minorities. In addition, interventions with a broader impact are implemented aiming to generally diversify and individualise teaching. To monitor the effectiveness of interventions and the confirmation of explicit support, the main result indicators include a number of Roma children, pupils and students in supported organizations (261 by June 2018) and a number of Roma children and pupils enrolled in education (8 595 children and pupils by June 2018) (Ministry for Regional Development of the Czech Republic, 2018).

Table 18: ERDF allocated under the Integrated Regional OP for Interventions targeting children and children in poverty or social exclusion (as of 13 July 2018)

Allocated				
Supported activities	Allocations	Share of OP's allocations	Share invested in socially excluded localities	Share of OP's allocations
Community centres	37 761 548 €	0,8%	18 752 663 €	0,4%
Infrastructure for pre-school education	137 874 856 €	3,0%	66 839 516 €	1,4%
Infrastructure for primary schools	175 922 757 €	3,8%	123 145 930 €	2,7%
Infrastructure for secondary education	154 398 733 €	3,3%	131 144 063 €	2,8%
Infrastructure for non-formal education	19 383 870 €	0,4%	13 568 709 €	0,3%
Infrastructure for Education - Integrated Projects	142 398 496 €	3,1%	0 €	0,0%
Total	667 740 260 €	14,4%	353 450 881 €	7,6%

Source: Ministry for Regional Development of the Czech Republic, 2018

The investment in children and families has improved over the recent years much because of the support of EU funds. In spite of these rather positive developments, there are concerns about synergies between national and EU funding and long-term sustainability of these interventions. This is because EU resources have substantially replaced national investment in all these areas (ESPN, 2017). Even though more focus needs to be paid to sustained investment in children, it could be argued that the EU funds have fostered raising the profile of these areas from non-issues to policy problems. Whether, the government will continue acting upon them certainly remains a question for the next programming periods.

Selected intervention

With a view to better coordinate social inclusion interventions at local level and enhance effective use of ESIF funds in the current programming period, the Czech Agency for Social Inclusion has been promoting a use of the **coordinated approach to socially excluded localities** among municipalities (ASZ, 2016). Under this scheme, the Agency concludes a three-years-long co-operation with a municipality to support development and implementation of a comprehensive social inclusion strategy at local level. The aim is to achieve a systematic change through a set of complex, intertwined measures in a number of areas. Over the course of this close cooperation, the Agency assists a municipality with conducting an in-depth diagnosis, developing local partnerships and a strategic plan for social inclusion as well as the strategy's implementation, monitoring and evaluation, and planning for the next period.

The implementation of a strategic plan also includes a plan to draw on EU funds, which constitute a major funding support for the interventions at local level. The Agency supports the municipality not only in defining needs and appropriate measures, but also preparing project plans and applications for grants. At the same time, managing authorities of three operational programmes with relevant investment priorities to poverty and social inclusion (OP Employment; OP Research, Education and Development and Integrated Regional OP) coordinate with the Agency to issue special, coordinated calls for the localities enrolled in the Programme. At the same time, open calls become closed for any entity working with the target group in a municipality.

The creation of this specific funding mechanism is based on the experience of implementing the ESIF to promote social inclusion in 2007-2013 and consultations with managing authorities as well as the Agency's experience in socially excluded localities. Its primary aim is to better allocate funds to locally defined needs and foster synergies between different projects at local level to achieve more effective results. To achieve sustainability of the intervention in the future, the Agency puts a specific emphasis on developing favourable institutional environment, local partnerships and implementation of social inclusion mainstreaming in all municipality policies.

The city of Brno (with around 400,000 inhabitants) has been a forerunner in adopting the coordinated approach to its work with support of the Agency. The parties established cooperation in April 2015 with the aim to work towards systematic solution of social exclusion in Brno. One of its early outcomes was adoption of the Strategic Plan of Social Inclusion in the City of Brno 2016-2019, which sets out intervention strategy to combat social exclusion at municipality level. The plan formulates an explicit focus on a children and families at risk of poverty and children, pupils and young people at risk of school failure and their parents and people leaving institutional facilities, alternative family care or penitentiary facilities, next to other vulnerable groups such as members of ethnic groups (in particular Roma), national minorities and foreigners. Thematically, it focuses on seven policy areas:

- Conditions and environment of active social inclusion;
- Employment - Empowering Employment;
- Safety and prevention of risk behaviour;
- Health and family;
- Integration of foreigners and refugees;
- Education;
- Housing.

Under every policy area, the plan sets priorities, specific objectives, indicators as well as a budget plan considering the opportunity to draw funds from the three relevant OPs. While a number of impactful projects have been implemented across Brno coordinated under the Programme, a pilot project on **social housing** has been, in particular, considered as a successful innovation action.

Under the project, co-financed by ESF, the Municipality allocated 50 municipality-owned apartments to test the use of Housing first method, with the eventual goal to design an action plan to end family homelessness in Brno by 2020. In other words, the project contributes to finding the right policy tools to act upon systematic exclusion of people (in particular Roma families) from the access to housing. Within the implementation of this project, 50 families, who had previously lived in private hostels, shelters or experienced other forms of homelessness, were provided with housing and intensive Housing First case management.

While the Municipality of Brno is the lead of the project, it works closely together with the IQ Roma Servis – a local NGO, the University of Ostrava and different other local authorities. As Roma families make up for two thirds of all families experiencing long-term homelessness in Brno, the involvement and expertise of the IQ Roma Servis has been perceived from the municipality perspective as essential. The Municipality also aims to foster partnerships of relevant local authorities (such as Labour Office or Department of Social and Legal Protection of Children) with other local actors and community partners to create a sustainable network working towards ending homelessness and further social inclusion.

So far, the project has demonstrated positive impacts on family well-being, children's behaviour, educational attainment, security and employment. It is likely to have positive effects in the future on family reunification, school attendance, physical and psychological health, family budgets, and the overall quality of life.

After one year, the evaluation shows that households' retention rate was 96% (48 families out of 50) one year after settling. This is above the target set in the beginning of the project at 80%.

The success of this project has the potential to extensively contribute to solving the housing crisis of families in the whole city and set a model for other localities in the Czech Republic. In fact, many municipalities have already expressed interest in the intervention. The project team currently prepares a manual of social work, which would be transferable to other projects (Platform for Social Housing, 2018). Finally, the project on the Pilot testing of social housing in Brno under the coordinated approach to socially excluded localities has been complemented with another project (2016 – 2017) financed under ERDF, which made possible reconstruction of 8 municipal apartments.

Title	Pilot testing of social housing in Brno under the coordinated approach to socially excluded localities
Programming period	2014 - 2020
Total budget	Around EUR 551 667
ESF contribution	Around EUR 468 917 (Operational Programme Employment)
Duration	2017 - 2020
Responsible authority	Brno Municipality
Description	The aim of the project is to lay down foundations to a social housing system in Brno, in line with relevant national and municipality strategies. The project involved development of several analyses and supporting methodological documents related to the Housing First method. Following the analytical stage, this knowledge was used as the basis for piloting of the the intervention for both accessible and social housing.
Target group	Socially excluded families with children

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CASE STUDY 3. MUNICIPAL PREVENTION CHAINS IN GERMANY

Child poverty lacks political priority in Germany

Both AROPE and SMD rates for children in Germany were considerably below the EU average (AROPE: 26,4%; SMD: 8,5%¹⁵). Between 2008 and 2016 the share of children (aged 0-17) at risk of poverty or social exclusion in Germany has decreased from 20,1% to 19,3% with over 2,6 million children experiencing hardship. The share of children living in severely materially deprived households fell from 6,9% (955,000) in 2008 to 3,6% (491,000) in 2016. The highest SMD rate for children was within the age group 6-11: 4%. Interestingly, calculated on the basis of the national data, the number of children at risk of poverty was even higher: over 20%. In addition, there are large variations with respect to regions and migratory status: children from immigrant families are disproportionately affected by poverty. Although the poverty risk for children of foreign nationals improved considerably in 2016 (20.9 %, vs. 23.5 % in 2015), they are still at a much higher risk than the children of German parents (14.5 %, vs 13.7 % in 2015) (European Commission, 2018).



At the centre of Federal government's political agenda related to child well-being is a family policy, which seeks to improve labour market situation of parents and promote family and work reconciliation for parents (EPIC, 2018) through measures such as the "Success Factor Family programme¹⁶, Parental Allowance and Parental Allowance Plus with Partnerships Bonus¹⁷. Another key priority area/policy field since 2008 and where the greatest improvements have been made is the development and improvement of child care system, underpinned by the laws ('Tagesbetreuungsgesetz', 2005; 'Kinderförderungsgesetz', 2008) and investment programmes, which aim to reach equality from early age by investing in early childhood education and care (EPIC). Nonetheless, the availability and quality of ECEC remains an issue. Moreover, low-income families with low levels of education and families with migrant background, children of which are at a much higher risk of poverty than of German nationals, are less likely than other families to have access to day-care facilities and to benefit from non-formal education opportunities (Hanesch, 2017).

Since the German government's approach to combating child poverty is grounded in improving labour market situation of parents and promoting family and work reconciliation, no policy in line with the EC Recommendation has been introduced at national level, **no integrated strategy against child poverty has been adopted**. In fact, the ESPN thematic report indicates that the **issue of child poverty**

¹⁵ Eurostat data.

¹⁶ Is a programme run by the Federal Ministry for Family Affairs in cooperation with industry and unions to promote a family-friendly working environment by encouraging employers to offer flexible working hours (EPIC, 2018).

¹⁷ Programmes introduced by the Federal government to compensate parents for the loss of income when staying at home or working less to care for their children (EPIC, 2018).

has been downplayed by the coalition governments (source: ESPN). Despite the expansion of early childhood education and care services being on the political agenda well before the EC Recommendation came out in 2013, access to affordable, good quality services for children from disadvantaged backgrounds remains limited.

Use of ESIF funds

The primary target groups for ESF in Germany are¹⁸: disadvantaged young people, the long-term unemployed, low-skilled and low-paid individuals in employment, and people with migrant background. The funds are targeted through projects focusing on parents' reintegration into the labour market, coaching for parents, child school mentor training programmes, helping disadvantaged youth via urban development assistance programmes in disadvantaged areas, establishing training structures in the educator profession by extending life-long vocational learning for professions in the field of early childhood education and their up-skilling. Specific support is provided for families with migrant or unskilled background (e.g. during transition periods in education system). In the current ESF round, 128 integration projects for asylum-seekers and refugees focus on training and labour market integration.

When it comes to child poverty, the ERDF in Germany is used for the provision of family and youth services, especially for immigrant families to help them better integrate into the German society, e.g. through projects such as "The FaNN –Familienhaus Nord-Neukölln and Kindergarden Sternengarten", a family centre in the Neukölln area of Berlin (under the Berlin OP 2007-2013).

Under FEAD, Germany spends money on social inclusion assistance to fund programmes for recent arrivals from EU Member States and people with housing problems. Children of especially deprived newly arrived union citizens is one of the target groups.

In general, under the current use of ESIF funds in Germany, children benefit indirectly through initiatives aimed at improving labour market position of parents, supporting marginal communities and other groups at risk. It is not possible to assess how many children and adolescents participate in ESF projects or how effective the interventions are with regards to social inclusion of children because there is no data on the age structure of programme participants (Frazer and Marlier, 2017).

Selected project: "Municipal Prevention Chains" in North Rhine-Westphalia

Since no integrated strategy against child poverty has been developed in Germany, policies and programmes to address child poverty have been developed and implemented at different state levels and by different actor groups.

One exemplary programme is the "Municipal Prevention Chains", known as "Leave No Child Behind!" ('Kein Kind zuru cklassen!') until 2016. It is a joint initiative by the State Government of North Rhine-Westphalia (NRW; the most populous German state) and the Berterslmann Foundation, which supports

¹⁸ Based on Hanesch, 2017

and promotes its municipalities¹⁹ at developing and implementing integrated local strategies/action plans to combat child disadvantage and promote equal opportunities.

In essence, it is a **comprehensive, integrated programme in NRW's towns and cities** that combines support services (such as education, healthcare, welfare) to children and families across the sectoral lines, functional departments and administration levels. The logic of the intervention follows an area-based approach: local stakeholders and programmes are the links in a chain that join up in order to provide guidance and support to children and families (altogether this forms a network of council-run prevention chains in NRW). As indicated by the title, the focus is on prevention with the central idea that **“prevention is better than cure”**.

The programme started as 4-year pilot projects in 18 municipalities in early 2012. Since 2017, it has been rolled out at the state level and now 40 municipalities take part in the “Municipal Prevention Chains”.

Title	Municipal Prevention Chains (known as “Leave No Child Behind!” before 2016).
Programming period	2007-2013; 2014-2020 ²⁰ .
Fund	ESF.
Duration	In operation since 2012.
Approximate EU funding amount in EUR	The ESF contribution in the pilot stage (2012-2015) was €3,35 million (total programme cost was €8,38 million with €1,85 million raised from state funds and €3,18 million from the Bertelsmann Foundation) ²¹ . In the 2014-2020 programming period, ESF contributed 50% of the programme cost (amount in euros is being confirmed by the coordinating authority in NRW).
Responsible authority	Central coordinating authority is based in the Ministry of Family, Children, Youth, Culture and Sport of the NRW State.
Project manager / final beneficiary	At the NRW state level, project coordinator is Marco Becker at the Ministry of Family, Children, Youth, Culture and Sport of the NRW. Final beneficiary – children and families.
What services and policy levels were involved	Key policy tool: local council-run prevention chains (integrated services) Services: combination of support services across sectoral lines: support for children and families at different stages, especially during transition periods in the education system. Support services provided based on individual situations and needs.

¹⁹ Municipalities in Germany have the primary responsibility for shaping the living environments for children and families by coordinating and ensuring provision of services.

²⁰ To be clarified with the central coordinating authority.

²¹ <https://www.bertelsmann-stiftung.de/de/themen/aktuelle-meldungen/2016/juni/kein-kind-zuruecklassen-wirkt-und-lohnt-sich/>

	<p>Policy levels: state level (<i>Länder</i>), municipal level (councils). Public institutions: various departments of the city council (governing body). Public service providers in the areas of: education (schools, kindergartens), healthcare, welfare, police, youth office. Local community organisations/NGOs working in different areas such as integration, education, migration.</p>
<p>Description of intervention, its objectives and activities</p>	<p>The overarching objective is to provide equal opportunities for all children irrespective of their background, resulting in a long-term relief on public finances, meeting future demand for skilled labour and strengthening of society based on the solidarity principle. Specific aims are²²:</p> <ul style="list-style-type: none"> -To improve equal opportunities and development possibilities for every child -To observe and organise challenges and preventative approaches from the viewpoint of children -To develop modules with the aim of establishing municipal prevention chains -To optimise and network existing resources and programmes -To reduce public budget burdens over the long term by means of preventative measures <p>Every council develops its own bespoke model of prevention grounded in the local needs and pre-existing structures in the area. In the city of Hamm, implementation of the programme takes place in nine local areas (or "social spaces"). Each area has a leader, which is either a council official or a person from an NGO. Area leaders play a key role in engaging with the local area centres that work with different service providers. They are the key link between the city government and service providers at the local level and enable the top-bottom and bottom-up exchange that enables communication and synergies between the different chains in the structure. The local area leaders inform the city government about the local issues in their areas.</p> <p>The programme is run by the public institutions (different departments of the city government), public services providers (schools, kindergartens, childcare and healthcare centres, police, youth office) and local community organisations (various NGOs) with involvement of parents.</p> <p>A well-connected network structure pertaining levels of administration and sectoral lines allows to identify needs at the local level and early</p>

²² Information taken from the official website of „Municipal Prevention Chains“. Available at: <https://www.kommunale-praeventionsketten.de/?id=241>

	signs of problem facing families with children and allows for early intervention. Special focus is placed on transitional periods, e.g. from nursery to school, which ensures children do not fall through the gaps in the system.
Target group	All children and their parents
Specific age groups of children	Within the programme structure, the services are delivered from cradle to career : cover the period from pregnancy to the transition into working life.
Additional actions or strategies for specific groups of (vulnerable) families and children	The programme is an example of “ progressive universalism ”: it is a service for everyone with additional support provided to those in most need. They are identified during regular visits by council officials and through the network. Funding is steered towards areas with more disadvantaged families.
How were the families informed about the services/program?	Families are informed at different levels of the system (e.g. during family visits by the local council officials/local area leads or through the contact with public institutions/public service providers such as obstetric or healthcare centres, schools, day-care facilities, government offices).

Outcomes and results

Internal monitoring of the programme is carried out within the city council, which results in neighbourhood-based statistics focused on transitional periods for different age groups of children, accomplished family visits, situations within those families. This data allows to observe the progress of the programme and fine-tune interventions at the local by providing the necessary services, e.g. counselling support for parents or private tutoring for children who struggle to perform at school. The monitoring results in annual reports that are discussed within the network during the working group meetings. The city of Hamm has over 20 target indicators monitored over time such as the number of families visited (how many of them are migrants, asylum-seekers), how many women educate their children at home, number of children going to kindergartens and number of children attending schools. As the monitoring is done on an annual basis, it allows to track the children within the structure, especially with regards to transitional stages in the education system.

On the NRW state level, the Bertelsmann Foundation evaluates the programme achievements and progress across the participating municipalities. The monitoring reports²³ highlight the positive developments observed: increased care level of the 3-year-olds in day care centres, increased transition

²³ Gehne, D. H. et al. (2017), ‘Strohmeier, Sozial- und Bildungsmonitoring für kommunale Prävention’; Strohmeier K.P et al. (2016), ‘Forschung: Die Wirkungsweise kommunaler Prävention: Zusammenfassender Ergebnisbericht der wissenschaftlichen Begleitforschung’. Available at: <http://www.bertelsmann-stiftung.de/de/unsere-projekte/kein-kind-zuruecklassen-kommunen-schaffen-chancen/publikationen/>.

rates in upper secondary schools at the lower secondary level (Secondary Level I) and drop in the proportion of school leavers without any degree.

Basic conditions and critical success factors

The idea of prevention chains was initiated by the Minister of the state of North Rhine-Westphalia, Hannelore Kraft (in office 2010-2017). In the city of Hamm, the idea had a **strong political backing** as it was supported by the Lord mayor (Head of the city Council), chief executive of the administration. Support from the senior ranks of local government is one of key determining factors for successful cooperation between the various council services within a local area. The “Municipal Prevention Chains” are implemented through the networks of prevention that pertain various departments of the city government and actors at the local community level: public service providers and non-governmental organisations. The coordination among the different partners lies with the **coordinator of the programme** employed by the city government. The communication and coordination among the different actors is facilitated by the means of regular working group meetings, networking (network of different departments and public providers), reporting and monitoring. **Open dialogue and constant communication** within the network play a key role in successful implementation.

Participating cities receive a special allocation for the project from the state government of NRW. The city of Hamm was selected by the NRW state government to participate in the pilot programme following its experience with implementation a similar project on a smaller scale prior to 2012, which involved close collaboration between schools, youth and integration offices. Within the city council, the “Municipal Prevention Chains” is not seen as a project with a fixed deadline but rather as the **creation of enduring structure that places children and families at the centre of attention.**

Obstacles and challenges

The biggest challenge of the project implementation was **building trust** among the involved stakeholders: embedding the shared cooperative approach among the partners to enable them to work together. In addition to building the environment, giving time to learn as well as building on good results of collaborative work were also identified as important factors. One of the current challenges is **integrating the work of different departments**: embedding the new structure of the programme within the pre-existing departmental structures of the city council (as each department/office has specific thematic/topical responsibilities such as integration or education). During the pilot stage, testing was done by the Hamm city council on how the systems can work together to create better future for families and children. Over the last two years, integration of the programme within the existing city government structure has been addressed.

Concluding remarks

With the absence of a national strategy to address child poverty in Germany, this case study presents an example of how the ESF funds can be used to develop local strategies to address issues related to children poverty. The “Municipal Prevention Chains” programme is an inspiring example on how focusing on prevention with children and families at the centre of public policy intervention can positively impact not only child well-being but reduce social follow-up costs. The initiative was enabled by strong political backing and close cooperation among the involved stakeholders based on the development of “networks of prevention” cutting across sectoral lines and administration levels.

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CASE STUDY 4. SOCIAL INCLUSION AND COMMUNITY ACTIVATION PROGRAMME IN IRELAND

Child poverty in Ireland

Ireland was hard hit by the economic crisis: the share of children at risk of poverty or social exclusion and the share of children living in severely materially deprived households increased substantially, peaking in 2013 and while on a decline since then²⁴, the pre-crisis level has not been reached.



In 2016, some 346 thousand children aged 0-17 (27,3%) were at risk of poverty or social exclusion in Ireland, slightly more than the EU average of 26,4%. There were 116,000 children living in severely materially deprived households (9,2% of all children). The highest share of children experiencing severe material deprivation was within the age group 6-11 (10,5%). Moreover, in 2016 almost a fifth of children lived in low work intensity households, a rate highest in the EU.

Child poverty gained prominence in Irish political agenda

Child poverty is high on the political agenda in Ireland but as the ESPN Thematic report concludes – the policy developments are quite recent, which makes it difficult to assess them. In light of the Commission’s Recommendation, Ireland has made a commitment to address the high rates of children at risk of poverty or social exclusion by introducing the National Policy Framework for Children and Young People 2014-2020 “Better Outcomes, Better Futures” (published April 2014), which sets a specific target of lifting 70,000 children out of consistent poverty by 2020 through improving parental employment and reducing the number of jobless households while increasing investment in ECEC services (flagship programme Area-based Childhood Programme). However, given the current child poverty trends, the target is unlikely to be reached. The framework embraces a whole-of-government approach, building on a lifecycle approach set out in the National Action Plan for Social Inclusion (NAPinclusion) 2007-2016 and established a shared set of outcomes for children and young people. Ireland has a number of well-established state funded programmes targeting children in poverty such as the Back to School Clothing and Footwear Allowance, School Meals Programme, Free Pre-School Year programme to be replaced by the Single Affordable Childcare²⁵ (Government agreed additional €19m of childcare funding in Budget 2017).

²⁴ Except for the share of children in severely materially deprived households has increased between 2015 (112,000) and 2016 (116,000).

²⁵ Comprising of a targeted subsidy based on parental income, for children aged between 6 months and 15 years and a universal subsidy for all families with children aged between 6 months and 3 years. Information available at:

Use of ESIF funds to target children

Covering the programming periods 2007-2013 and 2014-2020, there were no specific EU funded interventions targeting children at risk of poverty or social exclusion in Ireland. Rather, the use of funds is characterised by the area-based approach, helping disadvantaged people across the life-cycle.

While a number of activities under the ESF are targeted at young people, including teenagers, none of the activities are intended to directly address child poverty per se. Rather, the aims of the projects co-funded by the ESF include diverting children from potentially criminal and anti-social behaviour, reducing early-school leaving and addressing youth unemployment. Based on the interview with the Irish Managing Authority, not using the ESF funds to target children in poverty seem to be due to path dependencies (the traditional strategic focus at national level of the ESF funding over the years has been on addressing the labour market issues (employability, education and training, especially given the deteriorating economic situation of the country following the crisis), an approach of addressing poverty indirectly – by improving employability of parents and targeting disadvantaged groups in general (community/area-based approach in responding to local needs). In addition, during consultation process on the design of the 2014-2020 OP in 2013-2014, the child poverty issue was not raised as an issue to be addressed by the relevant government department. However, the issue of child poverty will be given due consideration in the preparation during the next ESF programming round as it has been raised in the monitoring committees of the Managing Authority and in the mid-term review of the Europe 2020 targets as an area where little progress has been made.

As reported by the FEAD Managing Authority in Ireland, In the period 2007-2016 there were no specific EU funded interventions targeting children at risk of poverty or social exclusion – all interventions were state funded. In Ireland, FEAD supports activities that provide aid to the most deprived in society (including children at risk of poverty but they are not singled out as a target group) through the national Food and/or Basic Material Assistance Operational Programme including. The only FEAD funded intervention targeting children specifically was a pilot project ran in 2017 with 4,000 school starter kits delivered for various groups of children whose families received food assistance under FEAD.

Selected project

ESF in Ireland is delivered via the Programme for Employability, Inclusion and Learning (PEIL) 2014-2020 and has four priority areas comprising of over 20 schemes. The scheme most closely related to addressing child poverty - Social Inclusion and Community Activation Programme (SICAP) 2018-2022 falls under the priority 2 "Social Inclusion and Equal Opportunities". SICAP promotes an area-based approach to tackling poverty and social exclusion disadvantage through targeted, locally-led initiatives involving partnerships between disadvantaged individuals, community organisations and public-sector agencies²⁶. One of the target groups is disadvantaged children and families. Direct services to

http://www.citizensinformation.ie/en/education/pre_school_education_and_childcare/your_childcare_options.html

²⁶ <https://www.pobal.ie/fundingprogrammes/Pages/Current.aspx>

children and young people are provided under Goal 2 – educational and development support²⁷. Children benefit indirectly under Goal 1 (strengthening local communities). PIs target specific geographical areas with levels of poverty and social exclusion while also covering issue-based groups (such as disabled persons). The disadvantaged groups are identified using Pobal HP Deprivation Index²⁸.

The Department of Rural and Community Development is a responsible authority. The funding is directly challenged to Local Community Development Committees (LCDCs), which manage and administer SICAP at a local level as designated contracting authorities. LCDCs direct funding to the 45 Programme Implementers (PIs) at the local level in 50 geographic areas (known as Lots). Each LCDC agrees annual targets for their area based on local needs.

One of the successful SICAP interventions is the My Futures My Business project carried out in the Louth county in 2016 (in total, 11 programmes carried out in Louth county under the current ESF OP). It is an innovative training programme comprising of three modules, targeted at students at risk of early school leaving. The need for the programme was identified by the Louth Leader Partnership, SICAP implementer at County Louth, together with the School Completion Coordinators. During the pre-launch consultations with School Completion Coordinators and a number of education providers about the support needed and who SICAP programme could benefit their work and add value, the programme was launched in September 2016. Key information about the programme is summarised in Table 199.

Table 19. Case study: My Futures My Business programme

Title	My Futures My Business – 8-week innovative programme to prevent early school leaving
Programming period	2014-2020
Fund	ESF
Duration	September-December 2016
Approximate EU funding amount in EUR	Total project funding was €10,000. Total ESF allocation to SICAP under PEIL 2014-2020 comprises €30 million, which is matched by national co-financing of €30 million, focused on Priority 2 “Social Inclusion and Equal Opportunities”.
Responsible authority	Louth Leader Partnership (LLP), a Local Development Company responsible for the SICAP implementation in the County Louth

²⁷ These include additional tuition, career seminars, education fairs, English language supports, homework club, supports to engage in FET/ career guidance/ counselling, youth work and developmental supports

²⁸ The Pobal is an intermediary for some programmes funded by the Irish Government and the ESF. It manages and oversees the delivery of SICAP nationally. The Pobal HP Deprivation Index is based on the data sourced from the census and a combination of three dimensions of relative deprivation and affluence: demographic profile, labour market situation and social class composition. Source: <https://www.pobal.ie/app/uploads/2018/06/SICAP-2016-End-of-Year-Report-Full-Version.pdf>

Project manager / final beneficiary	Mary Kelly, Social Inclusion Manager at the LLP
Description of intervention, its objectives and activities	<p>The overarching aim of the programme was to enable students at risk of early school leaving to see the importance of completing school and progressing to third level education further increasing their employment opportunities²⁹. The specific aims were³⁰:</p> <ul style="list-style-type: none"> • Complete an in-class programme on employability skills with a local volunteer • Enjoy a facilitated workplace visit to reinforce the connection/relevance of classroom-based learning to real world of work • Participate in employability workshops at Third Level <p>The LLP worked in partnership with the Junior Achievement Ireland (JAI) to design and deliver an 8-week training programme for students, linking their studies to the world of work and thereby allowing them to see the relevance of completing second level education. The process was informed by a consultation with education providers.</p> <p>The need for intervention was identified by the LLP and the School Completion Coordinators as part of their common work in a number of DEIS³¹ schools in Leith.</p> <p>The 8-week programme was designed and delivered by the Louth Leader Partnership in cooperation with Junior Achievement Ireland, education provider. It comprised of a 6 week in-class Success Skills programme, Dundalk Institute of Technology (DKIT) visit and a company visit. The Success Skills was a 6-week in-class programme focused on personal attributes, business communication and presentation skills. It was delivered over 6 x 1 hour sessions (1 session per week). It was designed to for students to develop their interpersonal skills. The DKIT visit involved not only visiting the campus of DKIT but activity-based careers and communications workshops, which allowed the students to acquaint themselves with the college life. During the third module, company visit, students gained insights into the world of work – organisational culture and working life.</p>
Target group	Students at risk of early school leaving from five second level schools across County Louth
Specific age groups of children	Students in second level education (up to age 16)

²⁹ <https://www.pobal.ie/app/uploads/2018/06/SICAP-2016-End-of-Year-Report-Full-Version.pdf>

³⁰ Based on the information provided by the Louth Leader Partnership

³¹ Delivering Equality of Opportunity in Schools (DEIS) is a programme by the Department of Education and Skills to address educational disadvantage. More information: <https://www.education.ie/en/Schools-Colleges/Services/DEIS-Delivering-Equality-of-Opportunity-in-Schools/>

Outcomes and results

Overall SICAP performance is measured against the two Key Performance Indicators (KPIs) and a range of other headline indicators. KPI1 reports on the total number of disadvantaged individuals (15 years upwards) engaged under SICAP on a one-to-one basis while KPI2 reports on the number of Local Community Groups assisted under SICAP. The headline indicator related to children (HI8) is “number of children in receipt of a Goal 2 educational or developmental support”. The annual target was exceeded in 2016 (cumulative target for the 50 SICAP Lots in operation in 2016) by 22% with 55,890 children benefiting. Annual SICAP monitoring reports are produced and the 2015-2017 SICAP evaluation has been carried out.

At the local level, reporting is produced on a basis of specific-programmes or thematic areas. The PI produces mid-term and annual reports to the LCDC, which is assessed by Pobal and monitored by the Department of Community and Rural Development. With respect to the My Future My Business project, the Louth Leader Partnership produced a report with summary results and impact evaluation, based on responses to the post-course questionnaires. The programme enabled 104 students to see the relevance of completing second level education and offered opportunities to consider post leaving certificate plans. Reportedly, 100% of students enjoyed the programme, 76% said they would like to complete their leaving certificate and progress to Third Level Education.

Basic conditions and critical success factors

With Louth Leader Partnership taking up a leader role, the programme involved several other partners. The JAI, an education provider, helped to design and develop the professional content of the programme. Several volunteers from the Louth Leader Partnership, Dunkalk Local Employment Service and Prometric were trained to deliver the programme, especially regarding the facilitation of the Success Skills Programme. The success of the programme rests on the pre-established working relationships between the partners that have been harnessed over the years, e.g. with the DKIT. Another success factor is the open communication between the partners. The programme had measures in place to facilitate the successful implementation such as the ongoing support for students, regular weekly meetings and regular check-ins with coordinators, which were used to identify additional needs and additional support needed.

Obstacles and challenges

Lack of continuity in communication between the three programme coordinators at various stages during the planning phase of the programme and lack of comprehensive update of the project during staff stage were identified as they key challenges in the implementation³².

³² <https://www.pobal.ie/app/uploads/2018/06/SICAP-2016-End-of-Year-Report-Full-Version.pdf>

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CASE STUDY 5. DEVELOPMENT OF ECEC IN POLAND

Child poverty in Poland

In 2017, almost 1,205,000 children (aged 0-17, 17.9%) were at risk of poverty or social exclusion (AROPE) in Poland. This is the lowest point over past nine years (from 32.9% in 2008 to 17.9% in 2017), throughout which, the rate had gradually decreased. Furthermore, the share of children living in severely materially deprived households (5.9 %) has reached unprecedentedly low figures as of 2017. The number of children at risk of poverty and social exclusion declined faster over the period (from 32.9% in 2008 to 17.9% in 2017), than the total population (from 30.5% to 19.5%).



Poverty and social exclusion have a strong territorial dimension. According to the last available data (2017), people living in rural areas more often suffer from poverty and social exclusion (24.2%) than those living in cities (14.6%) and towns and suburbs (18.2%), though there are slightly less people living in severely deprived households in rural areas than in urbanised territories: 5.8% in rural areas compared to 5.9% in towns and suburbs and 6 % in cities³³.

In recent years, child policies – called and implemented as ‘family policies’ in Poland – have apparently been strengthened. At the end of 2015, the new Law and Justice government renamed the Ministry of Labour and Social Policy as the **Ministry of Family, Labour and Social Policy**, showing a clear intention to strengthen and mainstream family policies. In 2015-16, the government programme ‘Family 500+’ – establishing a new child benefit – was drafted and implemented. With the implementation of Family 500+, a clear bias towards universal cash support is visible. However, there are still problems in providing adequate access to child benefits for some vulnerable groups. In the case of Family 500+, this relates first of all to children of single parents and migrants. Access to pre-school education is more difficult for children with disabilities³⁴, and the problem was exacerbated with the ordinance of the Minister of Education, of August 2017, limiting access by disabled children to integrated schooling (home teaching is prioritised)³⁵.

In Poland **care of children aged 0-3** is organised at the local/municipal level, pursuant to the Act of February 2011³⁶, which simplified the establishment of institutional care and made it possible to diversify its forms: not only traditional nurseries, but also children’s clubs, daycare centers and other forms of childcare were favoured.

³³ Eurostat, ilc_mddd23.

³⁴ GUS [Central Statistical Office] (2016a), *Oświata i wychowanie w roku szkolnym 2015/2016* [Education in the 2015/2016 school year]: <http://stat.gov.pl/obszary-tematyczne/edukacja/edukacja/oswiata-i-wychowanie-w-roku-szkolnym-20152016,1,11.html>

³⁵ <http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU20170001616/O/D20171616.pdf>

³⁶ <http://isap.sejm.gov.pl/DetailsServlet?id=WDU20110450235>

Financing of nurseries and clubs is shared between the local and central administration with a higher share by the centre from 2011. Still, parents pay a substantial share of current fees, with only small relief for working parents (tax exemption in some cases) in force from 2016. Since 2011, the establishment and maintenance of care facilities is supported by the government's 'Toddler' (*Maluch*) programme, which was expanded to 'Toddler+' in 2015 with the annual budget of EUR 36 million in 2016-2017 and EUR 60 million over the period 2018-2022. All this brought a considerable increase in the number of facilities and places. Nonetheless, the shortage of places is painful (around 29,000) and growing, and the number of municipalities lacking any care facilities is high (around 70%). Also, the use of formal care for children under 3 remains extremely low by EU standards.

Recent government decisions are aimed at increasing the number of places, supported by the programme 'Toddler+' funded from Labour Fund at the rate of EUR 60 million annually, over the period 2018-2022. As of September 2017, local governments responsible for running pre-school settings are required to guarantee places of care for all 3-year olds whose parents applied for such places.

Pre-school education is provided under the Education System Act of 1991, delegating responsibility for organisation and financing to the municipal level, with support from the central budget. In 2012-13, public financing improved (with a guarantee of five hours per day of free education, and limits on the fees for additional instruction hours), but the major changes involved the schooling age. For years, participation in ECEC was voluntary for children aged 3-5, with an obligation to attend preparatory programmes for those aged 6. An amendment to the Education Act of 2013 introduced a compulsory school age of 6 and obligatory participation of at age 5 in preparatory schooling. From 2016-17, pre-school education is no longer obligatory at age 5, following the increase in the statutory school age from 6 back to 7. Altogether, statistics on the number of kindergartens and on enrolment rates show a positive trend but they also give evidence of persisting inequalities. According to the official figures, in 2015-16 there were over 11,000 facilities/kindergartens and an 84% enrolment rate of children aged 3-5 – 98% in urban areas but only 65% in rural areas. Also, access by disabled children to pre-school education remains inadequate: 1%-1.3% of all enrolled children.

Use of EU Funds to improve access to childcare

In the programming period 2014-2020, Poland is the largest beneficiary of the EU structural funds: ESF funding alone is set at EUR 13.19 billion, and ERDF funding at EUR 40.21 billion. Absorption of these funds is organised by the Operational Programme Knowledge Education Development and a number of regional programmes. The total budget of national OP is EUR 4.69 billion and this shows that regional programmes are the most important.

Operational Programme Knowledge Education Development indicates clearly the area of intervention involving child policies. It is listed among the specific objectives of the investment priority 8iv 'Equality between men and women in all areas, including in access to employment, career progression, reconciliation of work and private life'. The focus is on ECEC, with the objective of: 'Increasing the competences of the representatives of entities establishing and operating care facilities for children aged up to 3'.

While there are also **regional programmes** with their own priorities, **ECEC development certainly dominates**. This may be seen in the list of beneficiaries/projects receiving financing from the EU funds, provided by the Ministry of Investments and Development (Co-ordinating Authority). This list shows a wide range of projects aimed at improving care for children under 3 (such as establishing nurseries, children clubs, training for carers and others) spread all over the country. There are also projects that assume the development of kindergartens or other forms of ECEC.

Most of them are implemented by the regional operational programmes, and they always consider the issues of equality between men and women in the labour market and of the reconciliation of work and family life. In contrast to ECEC development activities funded from governmental programme

'Toddler+', projects funded from regional OPs are focused on provision of ECEC for children in disadvantaged situations, i.e. materially and socially deprived, having special needs, etc.

Efforts on the regional level are also encouraged by **trainings** implemented by the **Ministry of Family, Labour and Social Policy** under the European Social Fund. These trainings related to the forms of care for children under the age of 3, addressed to representatives of entities creating and running childcare facilities for children under the age of 3. The target groups of the activities are municipalities: representatives of legislative and executive bodies of communes, employees of communes responsible for the organization and financing the infrastructure of childcare institutions for children under the age of 3, natural persons, legal persons and organizational units without legal personality that can create and run a nursery or a kids club or employ a childminder. More specific topics of the trainings are the following: a strategy for caring for children under the age of 3 in the commune; organization of care for children under the age of 3; financing child care institutions for children under the age of 3; public-private cooperation regarding the functioning of childcare institutions; investment management in relation to the creation of nursing places. These training also are aimed at behavioural change of stakeholders at regional level with the provisional effects on population, as one of the main challenges to further development of ECEC in Poland is traditional family-based home care model, when women (mothers and grandmothers) stay with children at home (and out of labour market).

In the programming period 2007-2013 under the European Social Fund Ministry of Family, Labour and Social Policy carried out activities aimed at promoting work-life balance directly by supporting the creation of care places for children in nurseries, kids clubs, kindergartens, pre-school and child care centres, and support for creating a day care institutions. However, an indicator of implementation of ESF funded activities was the number of parents who returned to the labour market after a break related to the birth and/ or raising a child. Creating the childcare institution was not the main purpose of the above-mentioned activities.

Selected project

Title	'I talk, though I don't speak'
Programming period	2007 - 2013
Total budget	Around EUR 70 600
ESF contribution	Around EUR 61 500
Duration	2008 - 2009
Organisation	School No 26 in Toruń and Toruń Municipality
Description	Children who suffer from mental disabilities can often lack the ability to talk and communicate well, or even at all. This affliction can lead to social isolation, even in their early years – resulting in them being pushed to the edges of everyday society. To help this group of children, teachers from a school and preschool in the city of Toruń in Poland used ESF support to create a systematic approach to their communication problems. Using special reading materials and computer-based speech generation, 69 children with speech and mental difficulties were helped to

	communicate through pictographic symbols of people, objects, actions and situations. Each pupil had his or her own 'communications book' adapted to their own circumstances and abilities. An important part of the project was training for 21 teachers and therapists who were able to broaden their teaching experience and gain professional qualifications.
Target group	Children with special educational needs
Outcomes and results	90 participants: <ul style="list-style-type: none"> - 69 children with speech and mental difficulties - 21 teachers and therapists Thanks to the project, these children were able to improve their communication and social skills and better make contact with people around them. It showed clearly that persistent effort with such children is worthwhile and can bring about significant and rewarding results.

Impact of EU funded interventions

In the period 2007-2015, there was a substantial increase in the percentage of children aged 3-5 enrolled in early childcare in Poland. While in 2007 this figure was only 47.3%, in 2015 it reached the level of 84.2%. Importantly, progress was visible both in cities and in rural areas. In cities, almost all children aged 3-5 were covered by childcare services, and in the case of rural areas the percentage is above 65%. Ex-post evaluation of 2007-2013 Cohesion policy in the field of education in Poland³⁷ revealed that support aimed at making pre-school education more widespread had a huge impact on the availability of kindergarten places and responded to an important social need, especially in rural areas, characterized by high child poverty rates.

Success factors and challenges to implementation

Interview respondents on the national and regional level emphasized several factors of successful development of early childhood education and care and increased participation of children in ECEC :

- Presence of national strategic, regulatory and financial framework for the development of ECEC services : clear objectives to increase enrollment of children in ECEC, variety of forms for ECEC provisions, substantial national and EU funding;
- Joint efforts of national and regional authorities to promote ECEC development.

The main obstacles and challenges related to implementation of EU funded interventions were :

- Restrictions on the amount of ERDF funding available for cross-financing of ESF-funded interventions ;
- High administrative burden experienced by final beneficiary compared to projects funded from national budget ;
- High costs of maintenance of ECEC infrastructure when enrollment of children in ECEC is low.

³⁷ Ewaluacja ex-post Wpływ polityki spójności 2007-2013 na edukację i kształcenie', January 2017.

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CASE STUDY 6. INCLUSIVE EDUCATION IN PORTUGAL

General information about Member State

Recent studies underscored that the increase of inequality and poverty in Portugal has been among the most severe consequences of the economic crisis. Stringent policy measures implemented during this period directly affected families' resources and children's well-being. As a result, children and young people have been disproportionately affected (OECD, 2017; Rodrigues et al., 2016).

While the figures finally - from 2014 onwards - show a positive downward trend towards their pre-crisis level, Portugal is still among the countries with the higher poverty levels among children in the EU. In 2016, as much as **27% of children** aged less than 18 years (25.7% of boys and **28.4% of girls**) were at risk of poverty or social exclusion. Furthermore, every tenth child (9.6%) is living in households that is severely materially deprived.

Since 2015, Portugal shows a **positive tendency** in prioritising the commitment to fight poverty, support to low-income families and enhancing access to services for children and families (ESPN, 2017). There have been also efforts to develop a **Strategy to Combat Poverty in Children and Young People**, which would introduce a more systematic approach to tackling child and poverty and plans for complementary measures in the areas, such as education and health.

Moreover, **enhancing quality and accessibility of preschool education** has been an important social policy component in Portugal (EPIC, 2018). As a result, access to full-time services for children under 3 years old has widened over the past years. In 2016, half of children less than 3 years old (49.9%) benefited from childcare services, compared to around 33% in 2006. Furthermore, the government has committed to achieve effective universalisation of access for children older than 3 years by 2019. Recognising, the role of pre-schooling in promotion of school success at later life stages, the **Curriculum Guidelines for Preschool Education** was revised to promote maximum development and full inclusion of children at this age.

Preventing early school drop-outs has been another long-term priority of Portuguese policy. Between 2010 and 2016, Portugal reduced its school dropout rate by 14.3 pp, from 28.3% (2010) to 14.0% (2016). To effectively combat the high rate of school failure, the Government adopted the **National Programme for the Promotion of School Success (2016)** promoting equal opportunities and action increasing efficiency and quality of public education institutions. This programme complements the **Educational Territories of Priority Intervention Programme (TEIP)**, which has been gradually implemented since 2006. TEIP specialises in interventions, prevention and reduction of absenteeism, early school leaving and situations of indiscipline. The programme is implemented mainly in schools located in economically and socially territories disadvantaged, marked by poverty and social exclusion.

In relation to the European Structural and Investment Funds, **Portugal 2020**, with its 16 operational programmes, defines the main investment priorities for the 2014-2020 programming period. The main policies in the domain of child poverty and social inclusion are integrated in **the Social Inclusion and Employment Operational Programme (PO ISE)**. The Priority Axis 3 of the thematic objective 9 focuses on **strengthening integration of people at risk of poverty and social exclusion**.



One of its specific objectives is to contribute to the reinforcement of social cohesion, particularly through **social inclusion of children and young people from vulnerable socio-economic contexts**. The **Escolhas** ('Choices') programme – a recognised nation-wide measure - is one of the measures implemented under this infrastructure.

PROGRAMMA ESCOLHAS

Created in 2001, the Escolhas programme, as it functions today, is a national governmental programme integrated within the High Commission for Migration (ACM), working under the remit of the Portuguese Presidency of the Ministers' Council. Its central mission is promoting social inclusion for children and young people (6 to 30 years old) from vulnerable socio-economic contexts, ensuring equal opportunities and reinforcing social cohesion. Fostering effective implementation and local impact of Escolhas programme is one of ACM's major activities towards this aim.

The measure relies on proficiency in **coordinated series of actions undertaken to plan, manage and deliver the action**. For every generation of the Escolhas programme, the ACM team assesses the main risk areas and territorial distribution of the risk of social exclusion among children and young people based on the **Youth and Child Exclusion Risk Index** (IREIJ) to determine the thematic and geographical scope of intervention. Currently in its 6th generation (2016–2018), the Programa Escolhas prioritises **five areas of intervention**: education and training, employment and employability, participation and citizenship, digital inclusion, and entrepreneurship and empowerment. The total budget of Programa Escolhas approved for this generation (March 2016 until December 2018) is 28.022,844 € and the respective ESF contribution is 16.720,065€.

To act upon these areas, Escolhas programme supports projects created by consortia of institutions in local communities (such as municipalities and parishes, NGOs, schools, child protection agencies, youth and local associations, private social welfare entities, or security forces). These consortia of at least four local entities submit competitively project application for funding. At this stage, applicants are required to conduct an in-depth diagnosis of the situation in their locality, upon which they set objectives, expected results (including measurable and verifiable indicators) and the planned activities. During the on-going 6th generation, a total of **112 projects** has been supported under the Programme. While the majority has been launched in the national territory (27 NUT North, 17 NUT Center, 47 NUT Lisbon; 10 NUT Alentejo, 6 NUT Algarve and 3 Autonomous Regions of Madeira and the Azores), two projects have been carried out in international territory, namely in the United Kingdom and Luxembourg.

Moreover, ACM maintains a close contact with the consortia throughout the project implementation. In addition to regular communication, the ACM conducts field visits to foster local impact of the programme. Finally, **consistent monitoring and evaluation** of approved projects as well as of the Programme as a whole is an essential element of the intervention. The project consortia present self-assessment reports, annual and interim reports and elaborate Monthly Activity Plans. The monitoring and evaluation documents are analysed by the Programme's central team and are crucial in monitoring the impact of the project and assessing whether the objects and goals defined are being reached. The Escolhas programme, in turn, undergoes regular external evaluation, while the progress towards its objectives is monitored with the use of 20 global indicators.

An important component of projects under the Escolhas programme is the involvement of children and young people in the design, implementation and evaluation of the project. For example, young people from the community - projects' **Community engagers** – are considered the leading force of individual projects as well as the programme as a whole.

At project level, their role is to integrate project teams and become role models by representing an example of positive leadership. By their close relationship with the community, they also contribute to mobilisation of children, young people and the rest of the local community.

When it comes to results, 42,461 individuals were involved in the total of 112 projects by the second year of this implementing period. Out of this, 9,416 (22.2%) were direct participants with a more regular and continuous follow-up and 33,045 (77, 8%) were indirect participants. Overall, the participants were overwhelmingly children and young people (78.4%). The rest of the participants were primarily family members of children and young people (ACM, 2017).

By age group, children and young people between the ages of 6 and 18 years were predominantly participating in the project activities, with a higher incidence of participation in the age group of 6 to 10 (24.3%), followed very closely by the age group from 14 to 18 years old (24.2%). A significant number of participants were aged between 11 and 13 (17.5%) and those aged over 30 (19%).

Title	PROGRAMMA ESCOLHAS ('The Choices programme')
Programming period	Both 2007-2013 and 2014 - 2020
Total budget	EUR 523 601 (2007 – 2012)
ESF contribution	EUR 366 730 (2007 – 2012)
Duration	2001 - ongoing
Responsible authority	Upheld by the Presidency of the Council of Ministers and integrated within the High Commission for Migration
Target group	<p>Direct participants are children and young people from 6 to 30 years old, from the most vulnerable socio-economic contexts, such as of migrant descent, Roma communities, Portuguese emigrants. Priority is given to those who are in one or more of the following situations: a) school absenteeism; b) low school attainment; c) early school leaving d) inactivity (including NEET youth); e) unemployment; f) displaying deviant behaviour; g) subject to educational tutelary measures; h) subject to promotion and protection measures; i) emigrants in vulnerable situations.</p> <p>Indirect participants are children and young people who do not fit the characteristics defined previously or with lower incidence of the above-mentioned characteristics. In a logic of co-responsibility in the process of personal and social development, families of all participants are considered also indirect participants. Other target audiences are considered as indirect participants, namely teachers, auxiliaries, technicians, companies, among others.</p>
Eligible institutions for project funding	a) Municipalities; b) commissions for the protection of children and young people; c) regional offices of the Portuguese Institute of Sport and Youth; (d) associations of immigrants and/or emigrants or representatives of Roma communities; (e) youth associations; (f) schools and school groups, (g) security forces and services; (h) social welfare entities; (i) private companies, in the context of realizing the social responsibility of organizations, provided that the partnership does not result in any profits or profits for the candidate companies; and other organisations with relevant competencies.

Source: (High Commission for Migration); (Presidência do Conselho de Ministros, 2015); (EC, 2016)

Example of 'Escolhas' project

Title	"INOVAR-3E – E6G" - Educação, Empregabilidade e Empreendedorismo
Programming period	2014 - 2020
Total budget	69.183,96 € per year
ESF contribution	Not aware of the ESF contribution. The application to ESF is made by the entity that manages the program.
Duration	2016 - 2019
Responsible authority	Junta Freguesia Casal de Cambra – promoter entity; Manager entity Associação CIAPA CENTRO AEROESPACIAL
Target group	Children and young people from vulnerable socio-economic contexts, particularly migrants, immigrant descendants and ethnic communities.
Outputs and results	<p>From April 2016 to June 30 2018:</p> <ul style="list-style-type: none"> - 433 Participants (350 children/young people, 66 families and 17 others / teachers); - 64.28% of young people were immigrants (out of a total of 350, 225 are immigrants, representing 64.28%); - 89% improvement of academic achievement/performance; - 83 young people, referred to professional training; - 67 young people, integrated in vocational training; - 80 young people, arrangements made to be placed in the labour market; - 49 young people, integrated into employment; - 2 young persons, who started their own business/self-employment in appliances repairs and organization of birthday parties; <p>There are other results and impacts, for example: at the beginning of the project, young people chose in their vocational training courses areas related to cooking, catering, waitressing, and gardening. Currently, the areas that the young people enrol in professional courses are related to electronics and automation, maintenance and management of computer equipment and some are already in programming/coding. These choices are result of basic knowledge and interest in these areas developed through technological activities of the project.</p> <p>Outputs: evaluation/progress tables for each participant in the project regarding their social and entrepreneurship and ICT skills.</p>

Obstacles and challenges

The main challenges during the project implementation related to **changing the teaching/learning paradox** from a passive approach based on memorisation to a more applicable, contextualized, experimental approach. In terms of administrative burden, the process of implementation is rather bureaucratic especially at the initial stage of implementation. In comparison to national funded programmes, it requires slightly more administrative efforts.

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The study focuses on the role of EU funding in fighting multidimensional child poverty in EU Member States. It analyses the use of EU funding (that is, ESF, ERDF, EAFRD and FEAD) to address the problems of children at risk of poverty and social exclusion, and in particular materially deprived children. It reveals that although investments addressing child poverty problems are less visible in the strategic and monitoring framework of EU funds, Member States do use the available EU funding to improve the target group's access to adequate nutrition, childcare and education services, housing and healthcare, as well as integrating service provision and promoting de-institutionalisation. Based on the identified gaps but also good practices across the Member States, the study provides a list of recommendations on how to better address child poverty as an issue of specific concern in the post-2020 EU funding period. Committee and Policy Department A should always be mentioned (e.g. This document was provided/prepared by Policy Department A at the request of the Employment and Social Affairs Committee).

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