

*Statement by the United Nations Special Rapporteur on extreme poverty and human rights on the announcement that the EU would adopt its first-ever EU Anti-Poverty Strategy*

*Mr. Olivier De Schutter*

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### **Analysis of the draft EU Anti-Poverty Strategy**

Based on the [conclusions](#) from his mission to the EU and on his thematic work on the eradication of poverty, the United Nations Special Rapporteur on extreme poverty and human rights, Olivier De Schutter, has submitted his views concerning the first-ever EU Anti-Poverty Strategy that was announced in the 2024-2029 Political Guidelines of the European Commission. He issued the following statement:

“I applaud the initiative to launch an EU Anti-Poverty Strategy. It is unacceptable that, in the European Union, 23.9 million people still [live in extreme poverty](#) (suffering from severe material and social deprivation), and that 94.6 million people (21.4 % of the total population) are at risk of poverty of social exclusion. In fact, the EU has been moving backwards in some areas in recent years: the indicators of the rate of children at risk of poverty and the effectiveness of social protection in reducing poverty, in particular, show signs of weakness: child poverty [went from 23.6% in 2019 to 24.8% in 2023](#), and the impacts of social protection of poverty reduction [decreased](#) in the period 2021-2023.

The persistence of child poverty is particularly alarming. Children facing disadvantage as a result of being raised in households in poverty serve a life sentence for a crime they have not committed. And this comes at a huge cost to societies: based on a Europe-wide survey data from 27 countries, which took into account how childhood socio-economic disadvantage translates in later adult labour market and health outcomes, the OECD [evaluated](#) in 2022 that due to lost employment, lost earnings, and lost health, as well as the costs of lost government revenue and benefit spending, childhood socio-economic disadvantage costs on average the equivalent of 3.4% of GDP annually. Not making this a priority for Europe would be both morally unjustifiable and economically irresponsible.

Moreover, one in ten workers in the EU (approximately 20 million people) are still at risk of poverty, a situation of [particular concern](#). Social assistance programs are sometimes blamed for discouraging people from seeking employment because they are perceived as being too generous. The reality,

however, is that precarious work and poverty wages have become common across the EU, and it is this casualization of work, rather than minimum income schemes providing too much support, that discourages people from seeking work.

The Action Plan for the Implementation of the European Pillar of Social Rights adopted at the 2021 Porto Social Summit includes a modest commitment to reduce the population at risk of poverty or social exclusion by at least 15 million persons (including at least 5 million children) by 2030. Yet, the EU still lacks a cross-sectoral strategy to achieve this: the EU Anti-Poverty Strategy could fill this gap.

Under the 2019-2024 legislature, significant measures were adopted to address certain of the factors explaining that too little progress is achieved in the fight against poverty. The Minimum Wages Directive (Directive (EU) 2022/2041 of 19 October 2022 on adequate minimum wages in the European Union) goes some way towards addressing the problem of the working poor in Europe. The European Child Guarantee encourages Member States to provide children with effective and free access to high-quality early childhood education and care, education and school-based activities, at least one healthy meal each school day, healthcare, and effective access to healthy nutrition and adequate housing (Council Recommendation (EU) 2021/1004 of 14 June 2021 establishing a European Child Guarantee). This initiative could serve as a powerful tool in breaking the cycle of poverty across generations. And the Council Recommendation of 30 January 2023 on adequate minimum income ensuring active inclusion (2023/C 41/01) provides important guidance to Member States as to how to design minimum income schemes. The Recommendation places a particular emphasis on the need to reduce the rates of non-take-up: this, I believe, is [an essential condition](#) for the effectiveness of social protection in reducing poverty and inequalities.

Moreover, since the adoption of the European Pillar of Social Rights at the 2017 Göteborg Social Summit, progress was made to "socialize" the European Semester. The headline indicators agreed at EU level to monitor the implementation of the European Pillar of Social Rights through the Social Scoreboard allow to track the performance of Member States in 12 areas covering the three chapters of the Pillar ("Equal opportunities and access to the labour market", "Dynamic labour markets and fair working conditions" and "Public support / Social protection and inclusion"). I particularly welcome the fact that the Social Scoreboard includes a measure of income inequalities, taking as indicator the ratio of total income received by the 20% of the population with the highest income (top quintile) to that received by the 20% of the population with the lowest income (lowest quintile).

These measures are significant, and I applaud them as important steps towards achieving the objectives set in the Action Plan adopted at the Porto Summit. The EU Anti-Poverty Strategy provides an opportunity to address the remaining insufficiencies, and to make swifter progress towards the laudable objectives set at the Porto Social Summit. I submit the following recommendations:

## 1. Effective participation of people in poverty

In the design of the EU Anti-Poverty Strategy, ensuring effective participation of people in poverty will be essential. This strategy will be neither credible nor effective if it is not based on the lived experience of people in poverty and designed with their active involvement. The [UN Guiding Principles on extreme poverty and human rights](#), adopted by the UN Human Rights Council in 2012, acknowledge the need to ensure the participation of persons in poverty in public life:

“States must ensure the active, free, informed and meaningful participation of persons living in poverty at all stages of the design, implementation, monitoring and evaluation of decisions and policies affecting them.”

As we have [emphasized](#) repeatedly, the participation of people experiencing poverty should go beyond merely *informing* people in poverty of policy decisions, and it should go beyond *consulting* them, using methodologies such as focus groups or online consultations allowing people to provide feedback. It requires that the people affected are *involved* in the process, ensuring that such involvement leads to a change in how the policy is drafted or enacted. Participation is about sharing power, and it is about co-constructing solutions: it is not solely about better informing decision-making. In order to be effective, such participation should be institutionalized, based on the recognition that people in poverty have a right to participate in the policy processes that affect them. Building on the "merging of knowledge" approach pioneered by ATD Fourth World, which served in particular to uncover the so-called "hidden dimensions" of poverty (beyond lack of income, lack of decent work and material deprivation), we [proposed](#) a methodology for the effective participation of people in poverty in policy design, and I express the hope that this methodology can guide the European Commission in preparing the EU's Anti-Poverty Strategy.

Such participation provides multiple benefits. First, it can uncover potential effects – blind spots – that may be overlooked by policymakers, thus improving the design of the intervention. Indeed, the indicators relied upon to assess socio-economic impacts (including indicators used in econometric studies) or even human rights impact assessments may neglect certain dimensions of the lived experience of people in poverty that can only be highlighted and taken into account by involving people in poverty in decision-making. Second, participation – when conducted as co-construction rather than mere consultation – is empowering: by involving persons experiencing poverty in processes of co-designing solutions that go beyond tokenistic participation, their agency is enhanced. Third, participation allows solutions put forward by people in poverty to be taken into account in the range of policy options, thus enriching the toolbox of policymakers: they lead to a broader panoply of answers to policy questions, thus helping to escape path dependency and to overcome bureaucratic routines.

Participation of people in poverty should be proactively pursued: they otherwise will be excluded from decision-making, and such exclusion in fact [worsens as inequalities increase](#). For such participation to be effective and meaningful, however, a number of conditions must be put in place. It must result from well-informed and well-planned organization, which includes active

facilitation, mutual trust between participants and policymakers, sufficient time, and an environment attentive to differentials in power and capacity. Without these prerequisites, involving persons in poverty leads to ineffective participation at best, or instrumentalisation at worst.

## **2. Access to social services**

In 2010, the Social Protection Committee issued a voluntary European Quality Framework for Social Services ([SPC/2010/10 final](#)) to guide Member States' action in areas such as healthcare, childcare or care for the elderly, assistance to disabled persons or social housing. The aim of this Framework is not only to improve legal certainty (as regards the conditions under which services of general economic interest can be publicly funded), but also to ensure effective access to such social services, and to set out minimum quality standards. It includes a reference to principles of availability, accessibility, affordability, participation and empowerment, as well as a focus on users' rights, and it recommends that Member States set up regulatory frameworks and control mechanisms to avoid physical, psychological or financial abuse.

I welcome the fact that human rights to healthcare, to social security and to housing were a source of inspiration of these elements, and that the European Commission has sought to build upon them (Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, A Quality Framework for Services of General Interest in Europe ([COM/2011/0900 final](#))).

This Framework must be further improved, however. While the Framework makes it explicit that "appropriate services should be provided without discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation" (para. 3.2., p. 6), it does not refer to the prohibition of discrimination on grounds of social origin, property or socio-economic disadvantage. Yet, these are grounds of prohibited discrimination stipulated in international human rights law (as set out in [a report I dedicated to this issue](#)). It is on this basis, for instance, that the European Committee of Social Rights found that the [non-discrimination requirement of the European Social Charter](#) was violated in [a case concerning Finland](#) where legislation limited access to early childhood education and care to 20 hours per week when one of the parents is unemployed or caring for another child, or is on maternity, paternity or parental leave. It is precisely these households, made vulnerable by unemployment or where a parent provides care - particularly single parent households headed by women- that are most at risk and in need of support.

The Framework could also be much more precise on the need to provide access to remedies where a person is denied access to healthcare, childcare or care for the elderly, assistance to disabled persons or social housing. Such remedies, including judicial remedies, should be easily accessible, affordable, and effective, to ensure that any unjustified exclusion will be corrected. It is only if such redress avenues are provided to individuals that the relationship between service providers and beneficiaries will be transformed into one between duty-bearers and rights holders, empowering the latter to claim their rights.

Finally, the Framework is silent on the issue of digitalization. Yet, applications to social services and information about which social services are available increasingly require going through online platforms, which people living on low incomes experience as a barrier. Seeking information or claiming a benefit online requires internet access. It demands at least minimal digital literacy. And it often also entails that users not only are registered at an address (which may leave out people who are institutionalized, people who have no home of their own, or undocumented migrants), but also have an electronic version of administrative documents such as birth or residency certificates, or proof of income. These can be insurmountable obstacles to people in poverty. This is why, in the Council Recommendation of 30 January 2023 on adequate minimum income for active inclusion, reference is made (in the paragraph dedicated to non-take up of minimum income) to the need to establish *both online and in-person access* to such schemes: the same should apply to social services in general, as the Rapporteur made clear in a [report he dedicated to the issue of non-take up](#) and in the report the former Special Rapporteur on extreme poverty and human rights dedicated to the [digitalization of the welfare State](#).

### **3. Funding of social services**

The recent reform of the Stability and Growth Pact will make it more difficult for Member States to invest in public services and social protection. Indeed, the reform (embodied in Council Regulation (EU) 2024/1263 replacing Regulation (EC) No 1466/97, Council Regulation (EU) 2024/1264 amending Regulation (EC) No 1467/97, and the Council Directive on the requirements of the budgetary frameworks of the Member States (EU) 2024/1265 amending Directive 2011/85/EU) left unchanged the 3 % and 60 % of GDP reference values to assess the sustainability of annual public deficits or of the public debt, and the Medium-term fiscal-structural plans and progress reports submitted by the Member States will have to demonstrate how they comply with these requirements. The recent changes to the SGP also maintained the excessive deficit procedure for dealing with countries that exceed these thresholds. In July 2024, seven countries were found by the Ecofin Council to run excessive deficits, and these countries have already announced plans to cut down on public spending.

It is imperative that these requirements do not oblige the EU Member States to violate their human rights obligations, or to adopt retrogressive measures concerning economic and social rights.

Under Council Regulation (EU) 2024/1263 of 29 April 2024 on the effective coordination of economic policies and on multilateral budgetary surveillance and repealing Council Regulation (EC) No 1466/97, in their national medium-term fiscal-structural adjustment plans, Member States are expected to "explain how [they] will ensure the delivery of reforms and investments responding to the main challenges identified in the context of the European Semester, in particular in the country-specific recommendations, and how [they] will address[, in particular,] social and economic resilience, including the European Pillar of Social Rights", "including the related targets on employment, skills and poverty reduction by 2030" (article 13, (c), (ii) and Preamble, para. 10).



Given the insistence on fiscal sustainability in the SGP, it is crucial that Member States are reminded of this requirement. The European Commission could insist that:

- First, fiscal sustainability can be achieved not only by reducing public spending, but also by improving tax collection, combating tax evasion and aggressive tax optimization strategies, and increasing public revenue by introducing tax reforms with a view to making taxation more progressive;
- Second, social protection and social services are not to be treated as a cost, but rather as an investment, and a condition for long-term and inclusive prosperity;
- Third, the European Semester rules do not allow the EU Member States to circumvent their obligations under human rights treaties, nor should they be invoked in order to justify such circumvention.

I also noted in my [report to the EU](#) that the "socialization" of the European Semester will remain incomplete as long as the country-specific recommendations are not accompanied by proper human rights impact assessments to systematically take into account the impacts of such recommendations on the European Pillar of Social Rights.

#### **4. The future of the Child Guarantee**

The introduction of a European Child Guarantee through Council Recommendation (EU) 2021/1004 of 14 June 2021 is potentially one of the most significant instruments to combat poverty in the EU. Free and nutritious school meals, in particular, could have major impacts on the child's development and on his or her ability to learn. In general, all the evidence we have shows the enormous returns from investing in early childhood education and care. Some of this evidence is reviewed in the report I presented to the UN General Assembly on the [perpetuation of poverty across generations](#), a report which was informed by the perspectives of people in poverty.

The adoption of the European Child Guarantee provides a spectacular acknowledgment that we cannot combat child poverty without also providing support to the parents. Parenting during the early years plays a crucial role, and it should not be affected by socio-economic disadvantage: this is why support to parents should be treated as a priority. Language-rich interactions between parents and children in particular play a major role in the child's development and equip the child to learn better in the school environment. However, the stress associated with economic insecurity often reduces the availability of parents to such interactions in low-income households.

Moreover, in an increasingly tertiary economy that operates 24/7, precarious work and "just-in-time" production have become the norm. As workforce management algorithms dictate staffing based on demand, work schedules have become unstable and unpredictable. Workers face variable hours, short notice for weekly schedules, and frequent last-minute changes to shifts. This unpredictability creates new challenges, leading to more work-life conflicts, poorer sleep quality, and increased psychological distress.

My [latest report to the UN General Assembly](#) emphasizes that children should be better protected from the impacts of such stress imposed on their

parents. Work scheduling regulations should help to mitigate the mental health impacts of unpredictable working schedules. Such regulations could require advanced notice of work schedules, and in cases where shift timing is changed with less notice, employees could be entitled to compensation, just as they are compensated for overtime work. On-call shifts should be discouraged, for instance, by guaranteeing at least partial pay for workers who are on-call. Minimum rest periods between two shifts could be imposed. "Access to hours" rules could be introduced, ensuring that part-time workers working on call are guaranteed a minimum number of hours of work per week or per month, thus improving their economic security.

I therefore express the hope that the national coordinators tasked with recommending measures to implement the European Child Guarantee at domestic level will be attentive to these impacts on children of precarious work, particularly as regards unpredictable working schedules that have such a deep impact on family life. The future of the European Child Guarantee rests in ensuring it covers all the aspects of the family environment that can affect the child's development, including those related to work schedules that may have a bearing on the parent-child relationship.

## **5. Assessing impacts on poverty and inequalities across all EU policies**

Finally, the EU Anti-Poverty Strategy will have limited long-term impact unless it includes a horizontal requirement, across all EU policies, that the impacts on poverty and inequalities reduction be measured and addressed. It is surprising that, despite the prominence of social objectives in the Treaties (articles 2 and 3 of the TEU, and articles 9 and 151 of the TFEU) and the social rights listed in the Charter of Fundamental Rights (particularly articles 1 and 34), the Extended Impact Assessments accompanying legislative proposals of the European Commission still do not systematically assess such impacts, and that Member States supported by EU funds, whether under the Recovery and Resilience Facility -- the much-boasted centerpiece of the NextGenerationEU recovery initiative -- or through the European Stability Mechanism, are not under an obligation even to perform a minimal [distributional impact analysis](#). (Indeed, the recent reform of the Treaty establishing the European Stability Mechanism does not include a reference to social considerations, let alone to social rights, despite the recommendations included on this point in my end-of-mission statement presented following my visit to the European Union.)

To date, neither the European Stability Mechanism, nor the Commission itself, have adopted the tools that would allow them to effectively discharge the duties to ensure that reforms will further social rights, and not undermine them, and that such reforms will contribute to the reduction of inequalities. I deem it essential that such tools are developed to ensure that measures adopted by the European Union, or by the Member States with the support of the EU, be designed and implemented in order to ensure that they do not lead to worsen inequalities, or to violate economic, social and cultural rights as stipulated in international human rights law. [Equality and human rights impact assessments](#) (EQHRIAs) can be a useful tool in this regard. Various methodologies have been proposed in order to prepare such assessments, which are based on the normative components of human rights and rely on a set of indicators derived from such norms. EQHRIAs should ensure in particular that:

- the provision of the minimum services required to enable a dignified existence will not be affected by the policy;
- the most vulnerable groups will be prioritized and there will be no direct or indirect discrimination, including on grounds of poverty or socio-economic condition;
- any retrogression in the realization of economic and social rights will be carefully scrutinized, and only allowed if such retrogression is justified by the fulfilment of other human rights and is necessary achievement of an important public interest objective;
- the maximum available resources will continue to be dedicated to the progressive realization of rights.

Equality and human rights impact assessments should not be seen as a technocratic device to be performed by experts or policymakers alone. They are not a substitute for effective participation of those affected (especially people in poverty) in the design, implementation and assessment of policies that affect them. It is quite the opposite: EQHRIAs should be seen as supporting such effective participation, allowing for a deliberative process in which the concerns of people in poverty will be expressed and acted upon".

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On the issue of participation as well as on the other proposals made above, the Special Rapporteur on extreme poverty and human rights remains available to support the efforts of the European Union to design an EU Anti-Poverty Strategy that will meet the very high expectations that have been raised. The European Union can become the first world region to eradicate poverty, provided the political will is there to achieve this.

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