

2023 Spring Package of the European Semester

Child poverty is overshadowed by economic, fiscal, energy,
digital and green challenges.

Policy Paper



Eurochild
Putting children at
the heart of Europe

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The European Semester should become a main guidance when it comes to implementation of the European Child Guarantee.

Are children included in the 2023 Spring Package of the European Semester? What gaps could be identified and what recommendations have been addressed to the Member States?

Eurochild analysed the 27 Country Reports as well as the Country Specific Recommendations of the Spring Package of the European Semester released in May 2023. A **Lack of prioritisation of children agenda is of concern.**

Approximately 20 million children, 24,7% in 2022 compared to 24,4% in 2021, are at risk of poverty and social exclusion in the EU. There is a growing trend since 2020. Vulnerable families and children still deal with the long-term impact of the COVID-19 pandemic. Moreover, after the break-out of the war in Ukraine, Europe has been struggling with energy crisis leaving many at risk of energy poverty. High inflation leading to living costs crisis mostly affects vulnerable families that have already been struggling to make their ends meet.

The European Semester, its Spring Package composed of Country Reports and Country Specific Recommendations (CSR), plays a crucial role in shaping priorities of Member States. It is the European Commission's main guidance for implementation of EU policies and use of EU funding including **the European Child Guarantee (ECG)** and the European **Social Fund plus (ESF+)**. Given that the ECG is an overarching EU policy to tackle child poverty we were disappointed to see that only **three Country Reports** (BG, RO and ES) with highest child poverty rate refer to it. However, the ECG must be implemented by all MS since poverty is a multi-dimensional phenomenon that prevents children from fulfilment of their rights for early childhood education, education, health-care, quality nutrition and adequate housing.

On a more positive note, we welcome that **Country Specific Recommendations for Hungary** specifically feature **child poverty** by reasoning that the severe material and social deprivation rate is one of the highest in the EU, with significant disparities between regions. It is especially high among children and Roma.

All in all, the 2023 Spring Package prioritises almost all of EU targets to consolidate the economies and diversify energy supply by also proceeding with green transition. Most of the countries have received the recommendation linked to digitalisation, regrettably none includes specific aspects on children, accessibility and safety. When it comes to social rights, and in particular children's rights, they still do not receive the necessary attention. Therefore, **we call on the European Commission to make the European Semester, as declared, a main guidance instrument when it comes to implementation of the European Child Guarantee.** Currently, the Social Scoreboard only partially indicates the situation of child poverty, access to early childhood education and school drop-outs. Given that the European Semester is an annual process, it will play a crucial role in delivering this important policy aiming at reducing child poverty by at least 5 million by 2030. It will provide an important impetus to prioritise child poverty by all Member States in order to adequately implement the Child Guarantee National Action Plans.

The European Semester, is the European Union's economic governance framework that already includes a range of relevant policies. Including the Child Guarantee in this annual process, allows the Member States to identify overlaps, gaps and **synergies** between policy instruments. To make the

European Semester more social and inclusive we support the proposal for a [Social Convergence Framework](#) (SCF) suggested by Spain and Belgium, which would strengthen the existing social monitoring to detect and address risks to social convergences in the EU. The SCF would further balance the economic and social dimensions of the EU's socio-economic governance and allow for a clearer focus on **children in need** as well as other vulnerable groups in the European Semester.

2023 Country Specific Recommendations

The 2023 Country Specific Recommendations aim at economic, fiscal, and social consolidation as well as pushing for digital and green transitions. Mostly the first recommendation focuses on vulnerable families in context of *renewed energy price increases necessitate support measures, ensure that these are targeted at protecting vulnerable households...* Furthermore, several have featured the need to tackle energy poverty. For example, Bulgarian CSRs say *“Additional effort is needed to structurally address energy poverty, in particular through dedicated schemes and technical and administrative assistance to reflect the needs of vulnerable groups”*.

All countries are also advised to progress towards *high-quality education and training systems that respond to changing labour market needs and targeted upskilling and reskilling measures are key to reducing skills shortages and promoting labour inclusion and reallocation*. Further on education, *digitalisation at all educational levels would be key to improving digital skills* in Germany. Slovenian CSR also mentions improve teaching of mathematics that should help to address labour market shortages. Child benefit or specific one-time child allowance were mentioned in context of expenditure-increasing measures. Worrying trend was revealed in Estonia where on the expenditure side, the government is planning to cut certain child benefits.

Nine Country Specific Recommendations provide the concrete recommendations and analyses of **child-care, education system** and **child poverty**. There are **only five Country Specific Recommendations** that directly recommend countries to implement measures for children (AT, BE, FR, LU, and SE):

- **Austria** enhance quality child-care services.
- **Belgium** improve the performance and equity of the education system.
- **France** should adapt resources and methods to the needs of disadvantaged students and schools in order to make the education and training system more equitable and inclusive.
- **Luxembourg** – improve the performance of the school education system and promote equal opportunities for all students, notably by adapting teaching to the needs of disadvantaged students and those from various linguistic backgrounds.
- **Sweden** - improve educational outcomes for pupils with disadvantaged socio-economic and migrant backgrounds by ensuring equal access opportunities in the schooling system and addressing the shortages of qualified teachers.

The CSR for the Netherlands stress out the importance of accessibility to high-quality and affordable childcare again through the lenses of women employability not admitting positive impact on children's development. Only Latvia's CSR include the transition from institutional care to home care and community-based services when it comes to long-term care. The adequacy and availability of social housing was addressed by several CSRs (CZ, DK, SL, and SK) what we welcome as a key measure to protect families at risk.

In addition to these already identified recommendations, we urge the countries to implement the following recommendations:

- Submit and proceed with the implementation of the Child Guarantee National Action Plans and other fiscal and in-kind measures to reduce **child poverty**.
- Concrete investments into **childcare facilities and infrastructures**, which includes programs to increase staff numbers to offer more childcare places for all children in need.
- Further support the **integration of Ukrainian children and children in migration** into the national education systems and offer them necessary language courses and other available means.
- Increase the focus on **children's mental health and well-being**, particularly considering the significant impact of the Covid-19 pandemic, which has exacerbated the mental well-being of children.
- Make **deinstitutionalisation of children** in alternative care a national priority and present concrete plans to enable children leaving institutional care facilities.
- Install measures to have a working system of the **children's right to be heard**, as active child participation in political processes is of key importance to a functioning democracy.

2023 Country Reports

In regard to tackling **child poverty**, many countries acknowledged the problem and intend to use funding from the RRF and the ESF+ to improve the situation (BE, BG, FI, EL, LU, PT, RO, ES, SW). For this, support is mostly directed at tackling the high unemployment rates among young people and social inclusion of children. Hereby, particularly Slovakia is to highlight which increased child allowances and re-introduced free lunches at school for children. Especially the energy crisis and the rising inflation have affected vulnerable households at a significantly higher rate than others, which is why several Member States introduced energy support measures to financially support these families in need (CY, EL, HU, LI, RO, SL). Nonetheless, according to the Country Reports, children often had to live in severe housing deprivation as it is the case in Ireland and Spain.

Hence, **child poverty and its implications are a severe issue in many of the Member States**, and while some measures to tackle this are planned, **governments need to uphold the investments into improving the situation**.

Many Member States have initiated and identified measures on accommodating **child refugees** that were displaced due to the **conflict in Ukraine** (BG, CZ, DK, EE, LT, LI, PL, SK). However, many Ukrainian children still face significant challenges concerning **social inclusion and education**, as is the case in Czechia where the influx of Ukrainian children has exacerbated existing capacity challenges. Moreover, there are difficulties of **integrating Ukrainian children into national education** systems despite support systems like language training (BG, SK, PL).

The Covid-19 pandemic has further highlighted the need for children's **mental health and well-being**. Nonetheless, only Poland has emphasised the need to better address children's mental health and well-being by initiating reforms, particularly on making psychiatric healthcare more accessible for children. Apart from that, just two countries have mentioned children's health in the European Semester (AT, MT). While Austria aims to nationally roll-out "early aid" for socially disadvantaged pregnant women and their children as well as developing an electronic child passport platform, Malta aims to tackle obesity among children.

In regard to children in **alternative care and deinstitutionalisation**, only Spain has mentioned measures that should fall under the ESF+ funding to improve the situation on the ground. Hereby,

Spain intends to support housing for children and deinstitutionalisation processes. The only other country drawing attention to deinstitutionalisation is Greece, whereas it is acknowledged that little process has happened so far. Unfortunately, no other country has identified the particular situation of children in alternative care in their European Semester report.

In comparison to the other topics, **early childhood development and education** have been included relatively often in the Country Reports. Nonetheless, the concrete measures and ideas are still lacking behind and could be improved to further support the life of children in their early years. In many of the Member States it becomes obvious that there is a **limited supply of affordable, high-quality childcare** (AT, CY, DE), meaning that too few children have access to the necessary childcare infrastructure. Currently, the EU average of children participating in ECEC is at 93% while the Union aims at increasing this number to at least 96% until 2030. The reasons for the lack of childcare participation are multi-fold and also dependent on the specific situations in the country.

One of the most pressing issues seems to be the **significant shortages of educational staff** both in early childhood education as well as in higher levels of education (AT, BE, BG, DE, FR, HU, LT, LI, PL, SL). Hereby, it becomes apparent that particularly **support specialists and teachers in the STEM (Science, Technology, Engineering, Mathematics) subjects** are lacking everywhere (EE, SL). Similarly, children have low ratings in STEM subjects and in reading skills. Additionally, especially Poland is facing problems, as they have the lowest level of teaching salaries across the EU. The ways of overcoming these shortages, however, are different. While Hungary has amended the employment conditions, in a way that a **lower teacher-pupil ratio** is needed, Spain for example has introduced a **national professional programme** for education staff in Early Childhood Education and Care.

Another reoccurring aspect throughout the Country Reports has been **the impact of socio-economic inequalities** on education. Many Member States have expressed the differences among students from different backgrounds and that the educational outcomes, also in the long term are significantly dependent on the financial status of the family (BE, CY, DE, LV, LT, SL, SE). Also future losses in employment, earnings and health can be the cause of socio-economic inequalities in the education system.

Furthermore, **digital skills and digitalisation of education** has been a pressing subject in many of the countries. Low digital skills are omnipresent (BG, HU) whereas projects have been introduced in several states to strengthen the digital literacy and improve digital skills for children (CZ, HR, DK). Moreover, more investments in digital devices and the overall use of digital tools have been made (AT), particularly as an aftermath of the increased use of digital learning during the Covid-19 pandemic.

In countries with a high **Roma population**, it has been identified, that educational challenges particularly include Roma children, as they are **lacking inclusion** in mainstream education and are having lower chances of getting a quality education (EL, HU, RO, SK, SL). Slovakia's latest figures are of particular concern. It leads in the EU for segregation of Roma children in education, which has been deteriorating since 2016. Roma children aged 6-15 attending schools where 'all or most schoolmates are Roma' has increased to 65% (2020) from 60% in 2016.

Many of the Member States are facing **low participation numbers in Early Childhood Education and Care**, below the EU estimated aim of 96% participation rate. Despite often having a legal right to ECEC access, many countries are still lacking the sufficient infrastructure to offer places to everyone. Similarly, there is a trend of offering free-of-charge ECEC (SL) but it still is falling behind. From a labour market perspective, this negatively impacts **women employment**, as women are often forced to stay at home to take care of the children (DE, IE, SL).

Acknowledging the lack of childcare, many countries have committed to using significant resources under the **Recovery and Resilience Plan (RRP)** and the **European Social Fund +** to the improvement of the situation for children under the age of three. A majority of Member States intends to use these resources to improve the quality of education, whereas the concrete measures differ among them. Several Member States are intending to create **more public places** for Early Childhood Education and Care and **expanding the infrastructure capacities** therefor (ES, RO).

Additionally, the financial resources shall be used for addressing **skill shortages** among educational staff or investing in more job openings in general (LU, PL, SL). Some of the countries also want to use the funding on specific projects, such as the **data warehouse project** collecting concrete data of students (MT), the **Millenium School programme** directed at equal opportunities for all children (LI) or the **Maluch+ programme** which intends to increase the investments in childcare in Poland. Hence, there is overall agreement to improve the current situation for children by means of the European funding possibilities, but the concrete measures differ from country to country.

In summary, the countries have identified several areas of particular need for children, such as extensive information on early childhood development or measures to tackle (educational) inequalities among different groups of children. Nonetheless, the Country Reports are lacking a coherent approach to all children's rights and a clear direction on improving children's lives. We hope to see a more active inclusion of children and their rights in the next European Semester.

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