

Securing Europe's Future: Eurochild's Vision for Investing in Children in the 2028-2034 EU Multiannual Financial Framework

Policy Paper



Eurochild
Putting children at
the heart of Europe

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Situation of child poverty in Europe

The COVID-19 **pandemic, lockdowns**, war at the EU borders, geopolitical instability, and **the ongoing cost-of-living crisis have deepened inequalities**, pushing many children and families, **deeper into poverty** and social exclusion. In 2023, 24.8% of children in the EU - approximately 20 million children were at risk of poverty or social exclusion. If this trend continues, the EU will fail to meet its 2030 target of reducing child poverty by at **least 5 million**.

Romania has the highest child poverty rate in the EU (39%), followed by **Spain** (34.5%), and **Bulgaria** (33.9%). In contrast, Slovenia (10.7 %), Finland (13.8 %) and the Netherlands (14.3 %) report the lowest rates. Hungary recorded the sharpest increase with child poverty rising by 6%. Outside the EU poverty remains severe: Albania 50.1% of children are at risk of poverty, while Serbia has a lower rate of 27.1%. According to UNICEF, child poverty in 2022 reached 65.2% in Ukraine. Child poverty also affects high-income countries, with 26.6% of children in France and 26.1% in Luxembourg living in poverty. The highest increases in child poverty since 2022 have been in Hungary and Spain, recording increases of 6.3% and 2.3%, respectively.

Regardless of a country's economic situation, a recurring pattern can be observed: **vulnerable groups** face increased risks of poverty and social exclusion. Children from single parent households, large families with three or more children, rural communities, or with a migrant or ethnic background are up to **three times more likely to experience poverty**. For Roma children, this figure rises to 83%¹ , with 85% of Roma children in Czechia at risk². Other vulnerable groups include children with disabilities, those in rural areas and children in alternative care.

Children at risk of social exclusion due to poverty or other forms of disadvantages are likely to **face barriers in accessing essential services**, such as health and education that are essential for their wellbeing and the development of their social, cognitive and emotional skills. Indeed, there is a **correlation** between poor health, early school leaving and lack of qualification, which can lead to poor outcomes in adulthood such as unemployment.

While the primary reason for promoting children's rights is a moral obligation grounded in human rights, the case for protecting these rights and investing in children is also a financially wise decision for the EU and national authorities. Children's well-being is central to our

¹ Joint Employment Report 2025

² European Semester 2024 Czechia Country Report

economic development and long-term prosperity, leading to intergenerational benefits and more democratic societies.

Therefore, children growing up in poverty or social exclusion **start their lives at a disadvantage**, which can have long-term implications for their development and future prospects. As a result, social exclusion can be **transmitted through generations**, threatening social cohesion over generations and generates higher costs to our welfare states, hindering economic and social resilience. It is estimated that not reducing child poverty and its effects **costs an average of 3.4% of GDP in European countries each year**.³

Key areas for investment to reverse this trend include:

Members representing 31 countries across Europe including 21 EU Member States identified key areas for investment in the **Eurochild 2024 flagship report on children in need across Europe:**

- **A comprehensive safety net** to end child poverty and ensure equal access to essential services.
- **Education:** Expanding early childhood education, improving quality, and removing barriers for disadvantaged children.
- **Healthcare:** Ensuring timely, quality healthcare, including mental health support, for all children.
- **Social protection:** Strengthening policies, increasing child benefits, and supporting vulnerable families.
- **Housing:** Expanding affordable housing and financial support to tackle the housing crisis.
- **Nutrition:** Providing free school meals, especially for low-income children.
- **Child protection:** Strengthening support services, preventing family separation, and improving alternative care.

Eurochild network recommendations

1. Strengthening the European Child Guarantee

Adopted in 2021, **the Council Recommendation on a European Child Guarantee** aims to prevent and combat poverty and social exclusion by ensuring that all children—especially those in need—have access to essential services, including early childhood education and care, education, healthcare, nutritious food, and adequate housing. Unlike many EU policies that struggle with implementation due to insufficient funding, **the European Social Fund Plus**

³ Estimated total monetary value of loss of employment, income and health for people aged 25-59 due to socio-economic disadvantage during childhood in 2019.

has provided crucial financial support, enhancing the Child Guarantee’s effectiveness. Praised by EU and national decision-makers, as well as civil society organisations, as a groundbreaking initiative, this policy stands out for its tangible impact⁴. To safeguard its long-term success, **strengthening the European Child Guarantee must remain a key priority for EU funding**.

The Child Guarantee biennial reports, submitted by Member States since March 2024, provide important insight into the progress achieved so far. Eurochild network has been analysing these reports to publish their overviews. Member States have identified the target groups of the most vulnerable children and their needs, focusing on understanding their unique circumstances and specific needs. They have started implementing **comprehensive reforms and programmes**: reforms, action plans, quality frameworks and targeted programs to address child poverty and social exclusion effectively. **Cross-sectoral cooperation** and collaboration across ministries and authorities, coupled with an integrated approach, is recognised as essential to tackling this multifaceted issue. **New data collection methods and indicator frameworks** have been introduced to enhance progress monitoring. These include, for instance, an indicator of children’s mental health in Estonia. **Stakeholder engagement** has been an integral part of Child Guarantee implementation. It was robust during the preparation of the National Action Plan (NAP) but has significantly declined during its implementation phase.

Indeed, the **ESF+ plays a crucial role in implementing the European Child Guarantee**. In most countries, **ESF+ funds—often complemented by national funding and/or the Recovery and Resilience Facility**—have been allocated to support the implementation of Child Guarantee National Action Plans. Tackling child poverty can be programmed under several ESF+ specific objectives. This includes support for early childhood education and care, promoting work-life balance, addressing material deprivation through food assistance, etc. The fund tracks money allocated to fight child poverty using the ESF+ category “Secondary Theme code 06: addressing child poverty” (ST6). Other programmes’ categories can also be used. For example, the Netherlands has not allocated money to fight child poverty via this category. However, it does spend €2.5 million combatting material deprivation among children.

The **European Semester** has an important role to play to monitor and guide the Member States to deliver the reforms focusing on social protection, poverty reduction, education including ECEC (early childhood education and care). Since the overarching goal of the Child Guarantee is to combat child poverty and social exclusion by ensuring access to essential services, we call for a stronger role for the **European Semester** in monitoring progress and issuing **Country-Specific Recommendations** to urge Member States **to implement the Child Guarantee and its associated funding programs**.

⁴ Eurochild has also published the good practices of the Child Guarantee implementation.

2. The European Social Fund+ (ESF+) must remain a standalone and well-resourced fund that effectively supports social inclusion. Earmarking of 5% with and the budget of 20 billion combating child poverty.

The **ESF+** serves as the primary instrument of the European Union for supporting the implementation of the **European Pillar of Social Rights**. With a **budget of €95.8 billion for the period 2021–2027**, the ESF+ plays a pivotal role in advancing the EU's employment, education, social inclusion, and skills policies, including facilitating structural reforms in these areas. More specifically, Eurochild members are aware of ESF+ funding programmes that focus on child poverty and European Child Guarantee, early childhood education and care, child and youth welfare, inclusion, workforce qualification, child protection system and deinstitutionalisation, social innovation, employment of population at risk, access to basic rights and services, Roma children and children with migrant background, children with disabilities and social housing.

The successor of the European Social Fund Plus (ESF+) should remain **a standalone instrument** with **sufficient amount of funding** to implement further the European Pillar of Social Rights Action Plan from 2021 as well as the updated Action Plan anticipated in 2025. **The EU is currently not on track to meet its 2030 target of reducing the number of children at risk of poverty by 5 million children. Child poverty** has actually increased since 2021 with 20 million children at risk of poverty and social exclusion.

It is crucial that the ESF+ maintains its role in triggering **long-term structural reforms** that progress towards the eradication of poverty and social exclusion, with an earmarking of minimum expenditures higher than the current **25% to social inclusion** in every Member State under the ESF+. To effectively address child poverty, the ESF+ post-2027 should dedicate at **least 5% of their ESF+ funds to the Child Guarantee in all Member States** — and **more** where child poverty exceeds the EU average.

European Child Guarantee will constitute a central pillar of the EU Anti-Poverty Strategy; therefore, the ESF+ framework post-2027 should allocate a dedicated budget of at least **€20 billion** to support its continued implementation.

3. Maintain horizontal and thematic enabling conditions, along with the partnership principle, in the Common Provisions Regulation to ensure EU funding aligns with children's needs and remains accountable.

The thematic enabling conditions in the Common Provisions Regulation, aligned with the principles of the European Pillar of Social Rights, ensure that ESF+-funded policy reforms are consistent with national or regional strategic policy frameworks. This alignment strengthens investments in key areas such as active labour market policies, gender equality, education and training, social inclusion and poverty reduction, Roma inclusion, and health.

For example, **the thematic enabling condition** requiring a national or regional strategic policy or legislative framework for social inclusion and poverty reduction⁵ can support Member States to align with the upcoming **EU Anti-Poverty Strategy**. This would be especially relevant if the strategy recommends that Member States implement **national anti-poverty strategies focused on children**. Within the anti-poverty strategic frameworks, they also envisage the measures for the **shift from institutional to family- and community-based care**. Both serve as a fundamental basis for strategically addressing child poverty and promoting deinstitutionalisation within child protection systems.

The horizontal enabling conditions ensure the application and implementation of **the EU Charter of Fundamental Rights, the United Nations Convention on the Rights of the Child, the UN Convention on the rights of persons with disabilities** in the implementation of all funds covered by the Common Provisions Regulation. These horizontal enabling conditions are potentially a strong safeguard to ensure that EU funds are not misused and do not breach fundamental rights and the other UN conventions by ensuring that Member States have in place functional monitoring systems for the implementation of EU funds.

In line with the **partnership principle** for EU funding, a greater emphasis should be placed on collaboration with relevant stakeholders. However, following our findings on the use of ESF+ 2021-27, the structural challenges include inadequate information channels, limited CSO involvement in design, monitoring, and evaluation, and difficulties accessing funding. To better align funding programs and initiatives with the real needs of their target audience—**children in need**—it is essential to provide **capacity building** that strengthens stakeholder participation. Meaningfully engaging relevant stakeholders in design, monitoring, implementation and evaluation will make initiatives like the European Child Guarantee more responsive and impactful in achieving their objectives.

4. Pre-Accession Assistance funding must prioritise child poverty and social inclusion.

The Instrument for Pre-Accession Assistance must align with **European Pillar of Social Rights** that promotes the social rights of vulnerable groups, including children. It should effectively address the high number of children at risk of poverty or social exclusion and work to strengthen social protection systems. Ensuring children have access to a stable economic environment, quality healthcare and education, and a safe upbringing is paramount. Therefore, we call for extending **the European Child Guarantee model** to accession countries, enhancing access to key services and improving the well-being of all children. Maintaining the current funding clause—which prohibits support for actions contributing to **segregation or social exclusion**—is essential while promoting the transition from institutional to family- and community-based care.

⁵ The other 5 enabling conditions under the EPSR require national strategies on active labour market policies; gender equality; education and training systems; Roma inclusion; health and long-term care.

Call to Action

To keep momentum and deliver for children, we call for:

- A **standalone, well-funded ESF+** to uphold social rights.
- **5% ESF+ earmarking** for child poverty in all Member States, with higher allocations for high-poverty countries.
- A **dedicated €20 billion** ESF+ budget for the European Child Guarantee.
- **Stronger European Semester monitoring** of Child Guarantee implementation including its funding.
- Retaining **enabling conditions** in the Common Provisions Regulation to protect children's rights.
- **Stronger partnership principles** to ensure meaningful civil society and child participation.
- **Prioritising child poverty in pre-accession funding** by expanding the Child Guarantee model.

Additional sources:

- [Eurochild 2025 Flagship Sub-Report on the European Child Guarantee: Eurochild members' perspectives;](#)
- [Eurochild 2025 Flagship Sub-Report on child protection systems in Europe;](#)
- [Eurochild 2025 Flagship Sub-Report - European Social Fund Plus Sub-report;](#)
- [FYFP-Lessons-Learned.pdf;](#)
- [2024 European Semester Spring Package An underutilised opportunity to strengthen the EU's future through the protection and advancement of children's rights](#)

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