

Investing in Europe's Children: A Renewed Call for Action

Policy Paper



Eurochild
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the heart of Europe

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Eurochild's recommendations for the new Multiannual Financial Framework (MFF): the National and Regional Partnership Plans (NRP Plans) and the European Social Fund (ESF)

The next EU budget cycle (2028–2034) represents a critical opportunity to secure Europe's social future. Without clear commitments and sufficient investment in children, the EU risks reversing progress made under the European Child Guarantee and undermining its commitment to eradicate poverty by 2050 and to lift 5 million children out of poverty by 2030.

According to [Eurostat](#), in 2024, 24.2% of children in the EU — approximately 19.5 million — were at risk of poverty or social exclusion. This alarming figure shows that even in one of the most prosperous regions in the world, the European Union is failing to provide adequately for its children.

Children growing up in poverty face limited access to healthcare, education, housing, and other essential services, undermining their development, well-being, and future opportunities. The economic cost of inaction is estimated at 3.4% of Europe's GDP each year.

[The 2025 Joint Employment Report](#) highlights that nearly 1 in 4 children in the EU remain at risk, an increase of 0.6 million since 2019, moving the EU further away from its 2030 target of reducing child poverty by at least 5 million. Children under 18 continue to face a higher risk (24.2%) than adults (21 %).

[The 2024 Employment and Social Developments in Europe \(ESDE\) Report](#) highlights the need for an additional €11 billion per year to meet the EU's early childhood education and care (ECEC) targets.

The European Commission has proposed **strengthening the European Child Guarantee**, introducing the EU's first-ever **Anti-Poverty Strategy**, and renewing the Action Plan on the European Pillar of Social Rights.

Tackling child poverty and social exclusion directly supports several rights under the **United Nations Convention on the Rights of the Child (UNCRC)**, including the right to **social**

security (Article 26). **the right to education** (Article 28&29) and the **right to play and recreation** (Article 31) t **health** (Article 24), and **adequate standard of living** (Article 27).

By targeting vulnerable groups, such as **children with disabilities** (Article 23), those in **alternative care** (Article 20), and **migrant or refugee children** (Article 22), it is possible to ensure **equal access to rights for all**, in line with the UNCRC **principle of non-discrimination** (Article 2). Child poverty often intersects with factors such as disability, gender, ethnic origin, and migrant background. For example, children with a parent born outside the EU are up to twice as likely to grow up in poverty. Children with disabilities face barriers to education, health and support services. Eurochild calls for a rights-based, intersectional approach that tackles structural discrimination and ensures equity in all aspects of childhood development.

A. The European Child Guarantee: A Framework for Action

Adopted in 2021, the Council Recommendation establishing a European Child Guarantee (ECG) aims to prevent and combat child poverty and social exclusion by ensuring that all children — especially the most vulnerable — have access to essential services such as early childhood education and care, education, healthcare, nutritious food, and adequate housing. Already delivering tangible results – from expanded school meal programmes to inclusive pilot projects and policy reforms – it must be strengthened and remain sharply focused on the children most at risk.

Unlike many EU initiatives that face implementation challenges due to limited resources, the European Social Fund Plus (ESF+) has provided crucial financial backing, significantly strengthening the effectiveness of the Child Guarantee. Its robust design — National Action Plans until 2030, biannual reporting, and alignment with the European Semester — has reinforced monitoring, accountability, data collection, coordination and coherence across Member States.

Supported by the ESF+, four years into its implementation, ECG has delivered tangible results from expanded schools meals to inclusive pilot projects and national policy reforms. Member States now prioritise child poverty, while the initiative has helped streamline national measures and foster an intersectional and integrated approach to tackling poverty and social exclusion.

Sustained funding to combat child poverty and strengthen the European Child Guarantee must remain at the heart of the EU's priorities.

B. Concerns over the Future EU Budget

[The new EU budget proposal](#), (July 2025), replaces the standalone European Social Fund Plus with a National and Regional Partnership Plans framework (NRP Plans). Eurochild is concerned that without strong references and earmarking, investment in children could be reduced or deprioritised.

To avoid this, the forthcoming regulations should explicitly include:

- tackling child poverty and social exclusion through a strong safety net for all children,
- providing access to essential services, including quality healthcare, including mental health,
- prevention of family separation and investment in family and community based care,
- equal access to quality early childhood education and care and inclusive education,
- affordable housing and targeted financial support,
- strengthened child protection services, social work capacity, and
- bridging the digital divide.

This aligns with **UNCRC General Comment No. 19**, which stresses that even during fiscal constraints, children's rights must not be rolled back. For instance, recent cuts to social security in Finland were followed by a 3.5 percentage point increase in the child poverty rate between 2023 and 2024.

Therefore, Eurochild calls for:

- Amend **Article 3 Specific objectives (c)** of NRP Plan to state explicitly: "fighting poverty and homelessness, with the specific objective of **eradicating child poverty and reducing social exclusion**." It is crucial to recognise poverty as a societal and political challenge, commit to its eradication, embed children's rights, strengthen the European Child Guarantee, and ensure an intersectional approach.
- Amend **Article 10 (Budget)** of NRP Plans to earmark at least **25% of allocations for social inclusion** and **5% and increased to 10%** for Member States with higher child poverty rates **specifically for tackling child poverty and implementing the European Child Guarantee**. Without such targeted earmarking, the **14% allocation for social priorities** risks being diluted across other areas such as employment, upskilling, and broader socio-economic needs.

C. Programme design to prevent institutionalisation and segregation

Already in 2014–2020, the EU introduced strong *ex ante conditionalities* to direct funding towards deinstitutionalisation. In the 2021–2027 period, these evolved into *horizontal enabling conditions* under the Common Provisions Regulation, requires Member States to develop a national strategic framework for poverty reduction and social inclusion, including "measures for the shift from institutional to community-based care".

While significant progress has been made in phasing out institutional care and expanding family- and community-based alternatives, major challenges remain. According to Eurofound, in 2024 around 466,000 children were still confined to residential care facilities care across the EU.

Deinstitutionalisation is not only about replacing institutions with alternative care but also about prevention: supporting families, ensuring early intervention, inclusive education and addressing systemic gaps. Yet **preventive measures** and **resources** still vary widely across

Member States, and every year thousands of children continue to be separated from their families. The lack of inclusive education is also a significant issue in the EU, as highlighted by findings from the European Semester, highlighting huge data gaps in drop out rate as well as school performance between children at risk of poverty and social exclusion and the rest of the population. The European Semester also shed light on the gaps in school outcomes between children with a migrant background and those who do not have a migrant background. Therefore, we ask to:

- **Strengthen the articles 6 and 7** of NRP Plans on **horizontal conditions**, establishing safeguards on compliance with the Charter of Fundamental Rights and the principles of the rule of law, to explicitly include UNCRPD and UNRCR as safeguards to exclude investments in institutionalisation or segregation of children in care or education, and to prioritise family- and community-based care and services, equitable and accessible ECEC, income support for vulnerable families, and preventive measures.
- **Require Member States** to set milestones and targets aligned with European Semester CSRs (e.g., accessible and equitable ECEC, school dropout prevention, reduction of children at risk of poverty or social exclusion, timely access to essential services, early childhood intervention and family- and community-based care for children in alternative care). Progress should be reported annually through *Annex-1 of the Budget expenditure and monitoring framework*.
- Introduce **thematic enabling conditions** aligned with the European Pillar of Social Rights to ensure that EU-funded reforms are consistent with national or regional policy frameworks. This alignment will strengthen investments in social inclusion, poverty reduction, gender equality, education and training, Roma inclusion, health, and deinstitutionalisation. The enabling condition requiring a strategic framework for social inclusion and poverty reduction can help Member States align with the upcoming EU Anti-Poverty Strategy, particularly if it calls for **national strategies focused on children**. These frameworks should also promote the transition from institutional to family- and community-based care, and include preventative measures to support families at risk — forming a solid basis to tackle child poverty and advance deinstitutionalisation.

D. Embed participation and accountability

It is well established that involving stakeholders from the outset improves programmes' outcomes and efficiency. The **partnership principle** foresees the participation of key actors such as social partners and civil society organisations. However, as mapped by Eurochild, challenges in current EU funded programmes including ESF+ persist: inadequate information channels, limited CSO involvement in programme design, monitoring and evaluation, and barriers to accessing funding. Support for capacity-building of partners, particularly civil society organisations, is currently limited or lacking altogether.

In line with the [EU Strategy on the Rights of the Child](#) and the [EU Child Participation Platform](#), equivalent mechanisms must also be established and supported at national level. The partnership principle provides a crucial entry point to ensure meaningful stakeholder and child participation in shaping policies and investments.

- Amend **Article 3 (e)** of NRP Plans on enhancing the efficiency of public administration and the institutional capacity of public authorities and stakeholders at national, regional and local level; by inserting including civil society organisations
- Amend **Article 7 (Partnership)** of NRP Plans to include explicit child and youth participation, and mandate the involvement of **child-rights and anti-poverty organisations** in programming, implementation, and monitoring.
- Add representation of civil society organisations to the **ESF Committee (Article 8 of ESF regulation)** at Union level.

E. Link to the European Semester

We welcome The European Semester (ES) will guide the preparation and implementation of NRP Plans. According to Eurochild analysis, in 2025, now in the fourth year of the European Child Guarantee (ECG) implementation, the European Semester Country Reports for all Member States include, for the first time, updates on progress. Each Country Report summarises the state of ECG implementation alongside information from biennial reports and EU fund allocations. The Country-Specific Recommendations have become stronger and more focused on addressing social challenges, alongside priorities such as defence, economic and fiscal stability, and green policies. We welcome this positive development in the 2025 European Semester. Nevertheless, especially 2026 European Semester should:

- Ensure **the mainstreaming of children's rights within the European Semester** by systematically including child poverty, social exclusion, and other child-related issues such as (mental) health in the Country-Specific Recommendations (CSRs). This would oblige Member States to address these priorities in their National and Regional Partnership Plans (NRPs) through measurable reforms, dedicated funding, and clear milestones.

Call to Put Children at the Heart of the Next EU Budget

The Union has committed, through the **European Pillar of Social Rights** and the **2025 State of the Union Address (SOTEU)**, to **eradicate poverty by 2050** and to **lift 5 million children out of poverty by 2030**. Yet, the current draft of the new Multiannual Financial Framework (MFF) risks repeating old patterns: **while the recitals include some positive commitments, these are not matched by binding obligations or adequate financial allocations in the articles.**

To make a real difference in the lives of children, the new MFF must:

- **Prioritise child poverty and social inclusion in law and funding.**

Funding to address child poverty should amount to **at least €20 billion**, corresponding to **no less than the current 5% ESF+ allocation requirement**, and **increased to 10%** for Member States with higher child poverty rates as recommended in [EP Report on ESF Plus Post 2027](#). Sustain people-centred investment by reinstating **minimum allocations of 25% for social inclusion, 5 - 10% for the Child Guarantee, and 3% for material deprivation.**

- **Strengthen the implementation of the EU Charter of Fundamental Rights.**
Ensure that the **UN Convention on the Rights of the Child (UNCRC)** and the **UN Convention on the Rights of Persons with Disabilities (UNCRPD)** are applied with the same weight as **rule-of-law conditionality**. The **MFF Regulation** should include **horizontal and thematic enabling conditions** to safeguard children's rights and prevent social exclusion and discrimination.
- **Strengthen and enforce the partnership principle.**
Ensure meaningful participation of **civil society organisations (CSOs)** and **children themselves** in the design, implementation, monitoring, and evaluation of EU-funded programmes. Drawing lessons from the **limited stakeholder involvement in the Recovery and Resilience Facility**, the new framework should establish **robust and transparent participation mechanisms** from the outset.
- **Provide technical support and capacity-building** to Member States to strengthen the design, monitoring, and implementation of **child-focused investments**. This would ensure that resources effectively address social challenges and help prevent underspending. The merging of funds will also require substantial vertical and horizontal coordination, which should be supported through dedicated technical assistance and capacity-building measures, supported by adequate capacity building and financial resources for NGOs.
- **Anchor child-related priorities in the European Semester for accountability.**
Children's rights should be **mainstreamed throughout the Semester process**. To uphold the commitments of the European Pillar of Social Rights, each Member State should **receive targeted recommendations on children's rights**. In line with the **Council Recommendation on the European Child Guarantee (ECG)**, every **Country Report** should continue to include a **summary of national implementation**, highlighting **progress, challenges, and allocations from ESF+ and other relevant EU funds**.

Only through these concrete steps will the EU **move from aspiration to measurable impact in ending child poverty and social exclusion**.

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