

Proposal for a Recommendation on Adequate Minimum
Income Schemes in the EU:
an investment in nurturing care in early childhood

First Years, First Priority position statement

March 2022

We welcome the European Commission proposal for a Council Recommendation on adequate minimum income schemes in the EU. This initiative is an important cornerstone for countering poverty and social exclusion in the EU. In 2020, [1 in 4 children](#) (24.2%) were at risk of poverty and exclusion in the EU, compared with 21.7% of adults (aged 18–64) and 20.4% of older people (over 65). [Single person households](#) with dependent children were among those at the highest risk of poverty or social exclusion. Covid-19 has both exposed and deepened poverty and inequality, with a disproportionate burden on the most disadvantaged families and communities, including very young children. Some children are at particular risk of poverty and social exclusion, including Roma and Traveller children, migrant and refugee children (including those who are undocumented), children with disabilities and those at risk of entering, or in, alternative care.

A Council Recommendation on minimum income schemes would support the improvement and strengthening of existing schemes in EU Member States, develop common standards and upwards convergence, while respecting different national models and the principle of subsidiarity. It would provide additional policy tools and support for states' national efforts to ensure *all* children can have nurturing care and an adequate standard of living, from the very start.

Key messages and recommendations:

- ❖ **Ensure an adequate and universal level of support.** Minimum income schemes must be sufficient to ensure an adequate standard of living for *all* young children and their families and caregivers, with a level of support that meets their needs for nurturing care, from pregnancy and infancy and into early childhood. In some countries, the

level of minimum income schemes does not correspond to national poverty levels, with amounts set below the poverty threshold.¹

An approach based on universal benefits and services is needed. Universal access to child benefits is less bureaucratic, has more effective take-up and helps avoid any stigma associated with some means-tested benefits, and it is less costly to administer. Additional support should be available to provide for families with specific needs, such as children with disabilities or with long-term care needs.

Family incomes need to be protected, ensuring that work pays, that essentials such as housing and childcare are affordable, and that minimum income schemes provide an adequate safety net for *all* young children and their caregivers. Where necessary, minimum income schemes must take account of housing costs and energy/utility costs, which can be prohibitively expensive for low-income families and which lead to homelessness and poor housing conditions for children. Spain, for example, introduced a minimum vital income in July 2020, available to parents with young children, which can be increased, depending on need.²

Minimum income schemes would not only contribute to the improvement of housing conditions and affordable energy/utility costs, but can also be instruments to level-up access to education facilities and to counteract the burdening hidden costs of access to education (such as transport, school materials) faced by many children and families.

- ❖ **Ensure inclusion and address barriers to access.** A minimum income scheme should ensure social protection for *all* children, families and their caregivers, especially those facing exclusion and discrimination, such as children living in extreme poverty, refugees, asylum seekers and migrants (including undocumented migrants), homeless households and Roma and Traveller children. Inclusive policies and specific outreach measure are needed to support those who face particular barriers to accessing minimum income provision, such as stigma, lack of literacy, physical and digital barriers and exclusion from entitlement. Financial support and incentives must avoid any form of stigmatisation, segregation, or discrimination.
- ❖ **Ensure complementarity and coordination** with other social policies and social security systems, including access to quality early childhood education and care, access to healthcare, disability support, access to parental support schemes, access to adequate housing, to decent work and to quality social services. National minimum income schemes should be part of rights-based and comprehensive social protection systems, which enable families and caregivers to provide nurturing care

¹ *Roma Access to Adequate Minimum Income Schemes in Bulgaria, the Czech Republic, Hungary, Romania and Slovakia. A contribution to reducing Roma poverty and social exclusion.* ERGO Network, November 2021

² However, the initiative is not reaching all the potential beneficiaries due to administrative and bureaucratic requirements, and some autonomous regions are eliminating existing financial support

for very young children. They should be complemented by adequate social protection systems that prevent family poverty and unnecessary separation of young children from their family.

This requires an integrated approach to tackle child poverty, as outlined in the EC Recommendation on *Investing in Children: breaking the cycle of disadvantage*.

Background and context:

Children's early years are fundamental for their lifelong healthy development and wellbeing, and poverty affects them in a number of ways. It can result in children going hungry, stunting their physical growth and development³ and also puts enormous pressure on parents making them less available to respond to young children's physical and emotional needs. The period between pregnancy and the first three years of life is a unique period of opportunity when the foundations of optimum health, growth, and neuro-development across the lifespan are established.⁴ There is evidence⁵ of positive impacts on infant brain activity of poverty reduction interventions (unconditional cash transfers) given to mothers.

Eligibility of family benefits should be based first and foremost on the needs and best interest of children, and should not be used as a means to penalise parents whose children do not attend school or to incentivise parental labour market participation. While employment can be a long-term safeguard against poverty, parents should be supported back into the labour market through training and re-integration schemes that respect their right to care for their children.⁶

It is essential that EU governments address child poverty from early childhood, and pay special attention to children in vulnerable situations and who face discrimination and exclusion,⁷ such as Roma and Traveller children, children with disabilities, migrant and refugee children (including those who are undocumented) and children at risk of entering, or in, alternative care.

Alongside the European Child Guarantee, the proposal for an adequate minimum income scheme in the EU is therefore a very significant initiative, given the importance of tackling child poverty and providing financial support for the healthy development and wellbeing of children in their earliest years.

³ *Children, Food and Nutrition. Growing well in a changing world*, The State of the World's Children, UNICEF, 2019

⁴ *Early childhood development. For every child, early moments matter*, UNICEF <https://www.unicef.org/early-childhood-development>

⁵ Troller-Renfree S V, Costanzo M A, Duncan J G et al (2022) *The impact of a poverty reduction intervention on infant brain activity*, Proceedings of the National Academy of Sciences (PNAS) <https://www.pnas.org/doi/10.1073/pnas.2115649119#change-history>

⁶ *Conditional cash transfers and their impact on children (Hungary, 8-9 October 2015). Ensuring adequate resources throughout the life cycle from a children's perspective*, Comment paper, Dr Agata D'Addato, Eurochild, 2015

⁷ *EAPN Position Paper on Adequate Minimum Income*, European Anti-Poverty Network, May 2020

An EU-wide effort to strengthen and expand existing minimum income schemes is an important way to give effect to the EU Charter of Fundamental Rights, the Action Plan on the European Pillar of Social Rights and the EU Strategy on the Rights of the Child. The Strategy aims to protect and promote the rights of every child in the EU, and explicitly recognises that every child has the right to an adequate standard of living, and to equal opportunities, from the earliest stages of life. It also acknowledges that families and communities need to be provided with the support necessary for them to ensure children’s wellbeing and development.

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