



EUROPEAN ANTI POVERTY NETWORK

Advancing poverty eradication through the European Pillar of Social Rights

December 2025

TABLE OF CONTENTS

Glossary	4
Introduction	5
I. THE EPSR ACTION PLAN IN THE BROADER EU ARCHITECTURE TOWARDS THE ERADICATION OF POVERTY	7
1. Shifting the European Commission's focus on competitiveness, security and defence towards social rights and poverty eradication	9
2. Upholding the 2030 Porto Target on poverty reduction	10
3. A coherent policy framework supporting the implementation of the EPSR	12
4. Continuing to reach legal milestones towards the implementation of the EPSR	16
5. Ensuring adequate budget for social rights: putting the EPSR at the centre of the European Semester and of the Multiannual Financial Framework (MFF)	19
II. A RENEWED EPSR ACTION PLAN WORKING TOWARDS THE ERADICATION OF POVERTY	23
1. Learning from the gaps of the first EPSR Action Plan	24
2. Reinforcing the Active Inclusion Approach at the core of the renewed EPSR Action Plan	27
3. The renewed EPSR Action Plan and the EU Anti-Poverty Strategy: two frameworks mutually reinforcing each other	29
Conclusion	35

ACKNOWLEDGMENTS

This position paper was drafted by Jessica Machacova (Senior Policy & Advocacy Officer) and edited by Kahina Rabahi (Policy & Advocacy Coordinator) and Marie-Amah Kouadio (Senior Policy & Advocacy Officer). It was designed by Susana Anastácio (Senior Communications Officer).

It draws on contributions from EAPN members in Belgium, Croatia, Czechia, Ireland, Italy, Greece, Lithuania, Poland, Portugal, Slovakia, and Sweden, based on a questionnaire circulated in Spring 2025. It also incorporates contributions from EAPN members in Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Greece, Ireland, Lithuania, Norway, Poland, Portugal, and Spain, based on a questionnaire circulated in Spring 2024, as well as desk research and EAPN reports and position papers referenced throughout this report.

The draft report underwent one round of review with the EU Inclusion Strategies Group (EUISG) in December 2025. Feedback was received from EAPN Portugal.

This document was created by EAPN Europe. All text and illustrations are the exclusive property of EAPN Europe and are protected by law. Permission is granted to view, photocopy, and print the contents of this document for personal, non-commercial use only. Any form of alteration, manipulation, or modification of the content is prohibited without prior authorisation from EAPN Europe.



**Funded by
the European Union**

Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Commission. Neither the European Union nor the granting authority can be held responsible for them. This publication has received financial support from the European Union Programme for Employment and Social Innovation “EaSI” (2020-2025). For further information please consult: <http://ec.europa.eu/social/easi>



Robert Bosch
Stiftung

ABOUT EAPN

The European Anti-Poverty Network (EAPN) is the largest European network of national, regional, and local networks, bringing together anti-poverty NGOs and grassroots groups as well as European organisations active in the fight against poverty and social exclusion. Together, we defend the rights of people experiencing poverty and ensure their active participation in the EU decision-making process.

GLOSSARY

2030 PORTO TARGETS

The 2030 Porto Targets are a set of social and economic goals adopted by EU partners at the 2021 Porto Social Summit, focusing on employment, training, and poverty reduction. The three main headline targets are: at least 78% of people aged 20 to 64 in employment, at least 60% of adults participating in training annually, and a reduction of at least 15 million people at risk of poverty or social exclusion, including 5 million children.

AROPE

The at-risk-of-poverty or social exclusion indicator, abbreviated as AROPE, corresponds to the sum of persons who are either at risk of poverty, severely materially and socially deprived, or living in a household with very low work intensity.

EUROPEAN PILLAR OF SOCIAL RIGHTS

The European Pillar of Social Rights (EPSR) is a framework of 20 key principles and rights aimed at creating a fairer Europe in the areas of labour markets and welfare systems. Initiated by the European Commission and formally proclaimed in November 2017 in Gothenburg by the European Parliament, the Commission, and the Council, the EPSR is structured around three main categories: equal opportunities and access to the labour market, fair working conditions, and social protection and inclusion.

DIGITAL POVERTY

EAPN defines digital poverty as the inability to interact adequately with digital devices and spaces due to a lack of skills, resources (such as electricity, smartphones, and laptops), or internet access.

IN-WORK POVERTY

In-work poverty occurs when people are in employment but still live in poverty, meaning that having a job is not sufficient to ensure a decent standard of living.

MISSING POOR

The term “missing poor” refers to those who are invisible in traditional poverty statistics. From EAPN’s perspective, this includes the following groups: racialised people, Roma people, people in informal or undeclared work, homeless people experiencing multiple grounds of discrimination, undocumented migrants, refugees and asylum seekers, institutionalised individuals, and people deprived of liberty.

MULTIANNUAL FINANCIAL FRAMEWORK

The Multiannual Financial Framework (MFF) is the European Union’s long-term budget plan, setting expenditure ceilings for the EU over multiple years. The current MFF runs from 2021 to 2027.

Stability & Growth Pact (SGP)

The Stability and Growth Pact (SGP) is a set of rules of the EU designed to ensure fiscal discipline among its Member States and maintain the stability of the Economic and Monetary Union (EMU), particularly the euro. Its main purpose is to prevent excessive government deficits and debt levels that could threaten economic stability in the EU. According to the SGP, Member States should keep their annual government budget deficit below 3% of GDP, and public debt should not exceed 60% of GDP, or, if it does, it should be decreasing at a satisfactory pace towards that level.

INTRODUCTION

The proclamation of the European Pillar of Social Rights (EPSR) on 17 November 2017 marked a renewed commitment to building a stronger Social Europe, paving the way towards a Union free from poverty and social exclusion¹.

In 2021, the first EPSR Action Plan was adopted², supported by the three Porto Targets in the areas of employment, skills, and poverty to be achieved by 2030³. One of the key targets is to **reduce the number of people at risk of poverty or social exclusion** by at least 15 million, including 5 million children.

Eight years on, as the first EPSR Action Plan comes to an end, progression poverty reduction remains **limited**, with little tangible improvement for people experiencing poverty.

Although the first implementation cycle of the EPSR **led to promising outputs**, such as the Directive on adequate minimum wages⁴, the EU Platform Work Directive⁵, the European Child Guarantee⁶, the Council Recommendation on adequate minimum income ensuring active inclusion⁷ and the European Care Strategy⁸, **poverty remains widespread in the EU, undermining the dignity and well-being of millions of people.**

Indeed, in 2024, **at least 93.3 million people in the EU were still at risk of poverty or social exclusion, equivalent to 21% of the total population**⁹.

From 2019 to 2024, according to the 2026 Joint Employment Report (JER) of the European Commission¹⁰, **poverty only decreased by 2.9 million people**. Despite some progress, these figures remain well below the trajectory set by the 2023 Porto Targets. The 2026 JER report states that *“efforts would need to accelerate significantly in the remainder of the decade. This is essential in view of the ambition to eradicate poverty in the Union by 2050.”*

The lack of progress in statistics is just one result of the **shortcomings identified by EAPN members**. These weaknesses are elaborated throughout this report. In this context, it will be crucial for the EPSR Action Plan to contribute to the development of measures that **effectively respond to the worsening state of poverty in the EU**. Beyond the official statistics, EAPN national members and people experiencing poverty (PeP) depict an increasingly dire picture of poverty and social exclusion across Europe.

Since the adoption of the EPSR, the hardship caused by poverty has not only increased, but its underlying drivers have also become far more complex.

- [1] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Establishing a European Pillar of Social Rights (COM/2017/0250 final)
- [2] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Establishing a European Pillar of Social Rights Action Plan (COM/2021/102 final)
- [3] See glossary
- [4] Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union
- [5] Directive (EU) 2024/2831 of the European Parliament and of the Council of 23 October 2024 on improving working conditions in platform work
- [6] Council Recommendation (EU) 2021/1004 of 14 June 2021 establishing a European Child Guarantee
- [7] Council Recommendation of 30 January 2023 on adequate minimum income ensuring active inclusion
- [8] Communication from the Commission (COM(2022) 440 final) of 7 September 2022 on the European Care Strategy
- [9] Eurostat - Living conditions in Europe - poverty and social exclusion (2024)
- [10] Proposal for a Joint Employment Report 2026 (COM(2024) 701 final) from the Commission and the Council

Structural shocks, such as the COVID-19 pandemic and Russia's invasion of Ukraine, have further weakened segments of the population, particularly the most marginalised. This has driven sharp inflation, placing a heavy burden on those already at risk. Similarly, the digitalisation¹¹ of the welfare system and climate change¹² have had a disproportionately negative impact on people experiencing poverty.

In response, the political choices made by the European Commission increasingly conflict with social inclusion, making the goal of reducing poverty **unattainable without a radical political and policy shift**.

Indeed, the **return of austerity** is preventing Member States from further investing in green and social priorities, with dramatic consequences for social cohesion and collective well-being¹³.

In the same way, the overfocus on competitiveness, security, and defence by the European Commission and EU Member States is overshadowing the urgent need to strengthen welfare systems and social protection¹⁴. This is particularly striking in the proposal of the Multiannual Financial Framework (MFF) 2028-2034. In a first analysis of the proposal published in July 2025¹⁵, EAPN expressed strong concerns about the lack of focus on the most vulnerable groups, as well as the lack of incentives for green and social investments.

This is the context in which the new EPSR Action Plan will be adopted and implemented.

The coming years represent a key moment to shift the EU's approach from poverty alleviation to poverty eradication. Alongside the renewed EPSR Action Plan, the EU is set to adopt the first-ever EU Anti-Poverty Strategy (EU APS), a long-awaited and crucial framework advocated by EAPN and its members.

In parallel, on 10 September 2025, Ursula von der Leyen, the President of the European Commission, **committed the EU to eradicating poverty by 2050**¹⁶.

Therefore, this report addresses the following question:

How should the renewed EPSR Action Plan contribute to the objective of eradicating poverty by 2050?

This report sets out the vision of EAPN and its national members on the role of the EPSR within the EU's broader anti-poverty architecture, as well as its operationalisation through the renewed EPSR Action Plan, to be published in July 2026. It provides a foundation for monitoring and supporting its implementation in the coming years. In addition, it aims to further develop our perspective on the future EU Anti-Poverty Strategy **and the legal, policy, and budgetary frameworks needed to work towards poverty eradication at the EU level**.

The first part of the report situates the EPSR and its renewed Action Plan within the broader EU policy architecture for poverty eradication. **The second part** examines how the renewed EPSR Action Plan and the EU Anti-Poverty Strategy can reinforce each other, identifying dedicated and complementary actions within each framework to contribute more effectively to the eradication of poverty.

[11] European Anti-Poverty Network (EAPN), *An Exploratory Study on the Use of Digital Tools by People Experiencing Poverty (2024)*

[12] European Anti-Poverty Network (EAPN), *Social and Labour Aspects of the Just Transition towards Climate Neutrality (2022)*

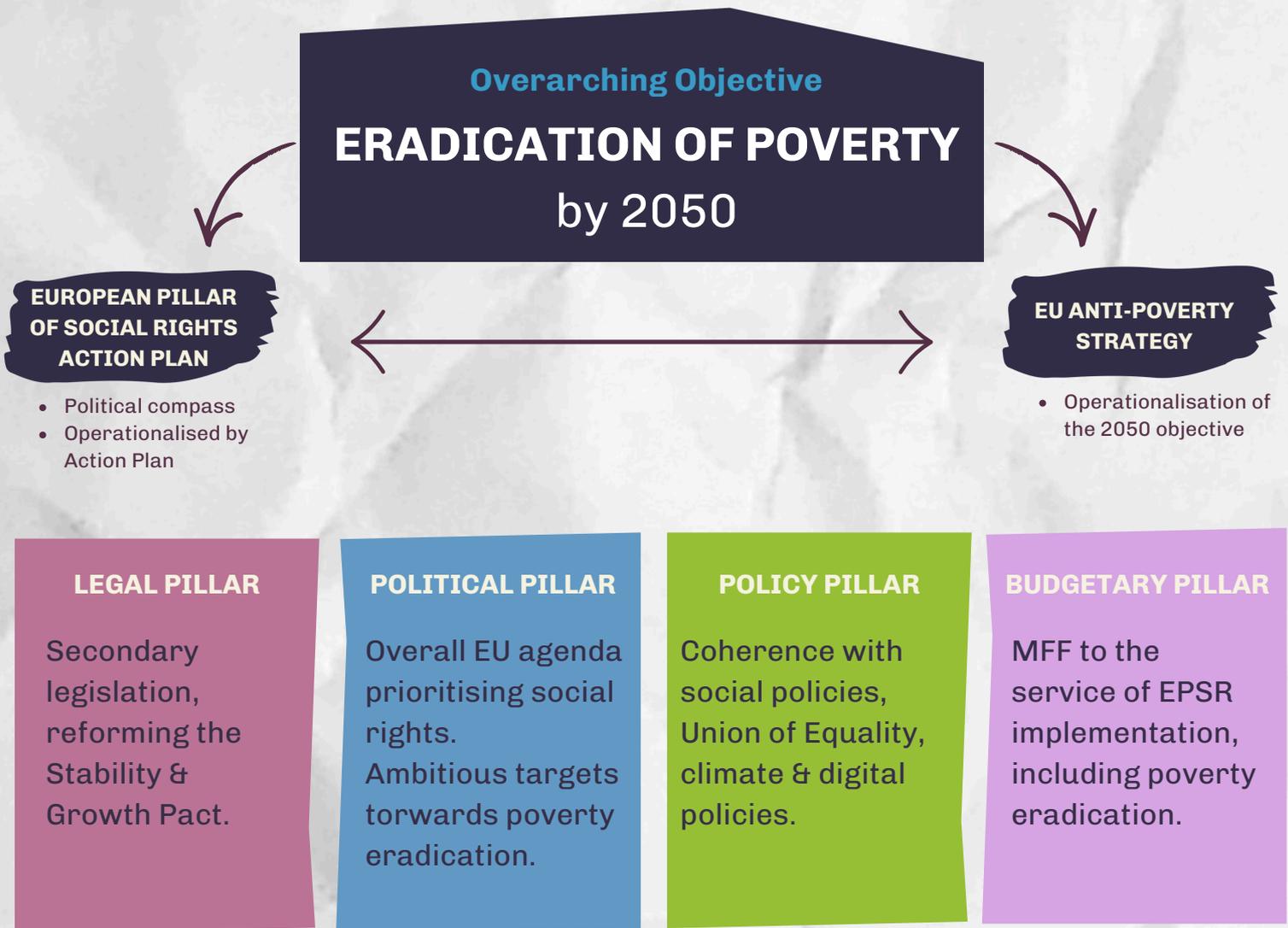
[13] European Anti-Poverty Network (EAPN), *Competitiveness or Social Justice: A Choice to Make — Towards a Social, Green, and Democratic European Semester (2025)*

[14] *Idem*

[15] European Anti-Poverty Network (EAPN), *EU budget 2028-2034: Defence, security and competitiveness at the expenses of the most vulnerable (July 2025)*

[16] State of the European Union 2025 - Speech by the President of the European Commission, Strasbourg, 10 September 2025 (European Commission/Directorate-General for Communication, EU Publications Office)

**I. THE EPSR ACTION PLAN
IN THE BROADER EU
ARCHITECTURE TOWARDS
THE ERADICATION
OF POVERTY**



As illustrated in the diagram above, EAPN advocates for **an EU architecture that is explicitly dedicated to prioritising the crucial objective of eradicating poverty by 2050**. Without coherence between the various pillars outlined above, and without a strong political commitment to use the EPSR as a guiding compass, **this goal will remain unattainable**.

In particular, **the EPSR must continue to serve as the EU's political cornerstone for the eradication of poverty, the full realisation of social rights, and the promotion of well-being for all**. Its proclamation by EU Member States, together with its clear and comprehensive focus on social rights across the life course, gives the EPSR strong political legitimacy and provides a shared direction for EU and national policies. As such, it serves as a crucial compass for poverty eradication, guiding legislative initiatives, policy coordination, and investment priorities towards inclusive growth, social protection, and equal opportunities.

1. SHIFTING THE EUROPEAN COMMISSION'S FOCUS ON COMPETITIVENESS, SECURITY, AND DEFENCE TOWARDS SOCIAL RIGHTS AND POVERTY ERADICATION

From the very start of the 2024-2029 European Commission mandate, three priorities have consistently overshadowed the urgent objective of eradicating poverty: **competitiveness, security, and defence**. Although the previous College of Commissioners had already begun to tilt in this direction, the new European Commission has **amplified and entrenched this overemphasis, which now impacts all policy areas**.

From EAPN's perspective, this disproportionate focus raises serious concerns:

Competitiveness is depicted by the European Commission as a prerequisite, a driver, and an objective in the pursuit of poverty eradication. Yet, policies aimed at increasing competitiveness often conflict with efforts to eradicate poverty, as they prioritise cost-cutting, labour market flexibility, and reduced social spending, undermining wages, job security, and access to essential social protections for vulnerable groups.

Since 2024, several so-called **Omnibus proposals** have been introduced by the European Commission¹⁷. While these initiatives are framed as measures to simplify EU legislation and boost competitiveness, in practice they risk deregulating and **undermining critical health, environmental, and privacy standards, thereby disproportionately affecting people experiencing poverty**.

Likewise, through its **security and defence-driven agenda**, the Commission and Member States redirect political attention and financial resources towards military capabilities, border control, and surveillance infrastructure.

This has been institutionalised through expanded defence funding and incentives for Member States to do so¹⁸, leading to security and defence considerations dominating the policy agenda to the detriment of social rights and related priorities.

Recommendation

- **EAPN urges the European Commission to make a radical shift in the EU's approach and priorities and to place the implementation of the EPSR at the top the agenda.** Social inclusion and poverty eradication must become the driving force behind all EU actions, across economic governance, fiscal rules, social inclusion policies, as well as green and digital transitions. The EU must work for the people and not expect them to adjust to a competitiveness, security and defence paradigm that impedes their social rights and dignity.

[17] For instance: Proposal for a Directive of the European Parliament and of the Council amending Directives (EU) 2022/2464 and (EU) 2024/1760 as regards the dates from which Member States are to apply certain corporate sustainability reporting and due diligence requirements (Omnibus I)

[18] European Parliament Members' Research Service – EU Defence Funding (8 October 2025) [consulted on 30 January 2026]

2. UPHOLDING THE 2030 PORTO TARGET ON POVERTY REDUCTION

The first EPSR Action Plan introduced the **2030 Porto Targets**, including the objective of reducing the number of people at risk of poverty or social exclusion by at least 15 million by 2030, of whom 5 million are children. As mentioned in the introduction of this report, the Commission is far from reaching this target.

The targets set within the EPSR Action Plan reflect political choices, which in turn determine the resources, tools, and mechanisms deployed to achieve the stated level of ambition. From EAPN's perspective, the choices made regarding the Porto Target on poverty reduction represent two major concerns.

- **First, the level of ambition set by the target is insufficient to achieve a transformative impact.** In 2021, at least 95.4 million people, representing 21.6% of the EU population, were at risk of poverty or social exclusion¹⁹. Even if the 15 million reduction target were fully met, around 80 million people would remain affected by poverty or social exclusion in 2030. Ultimately, **even one person living in poverty represents an unacceptable status quo.**

- **Second, the target represents a step back in ambition** compared to previous EU commitments. In March 2000, EU Heads of State and Government pledged to “make a decisive impact on the eradication of poverty by setting adequate targets.” A decade later, the Europe 2020 Strategy aimed to lift **at least 20 million people** out of poverty by 2020, a goal that was ultimately not achieved.

Today, it is clear that the first EPSR Action Plan has not managed to address the scale of the challenge. This is illustrated by the latest figures from 2019 to 2024, as **poverty has decreased by only 2.9 million people**²⁰. EAPN members echo these disappointing statistics²¹.

EAPN Poland noted that, despite a gradual decrease in the AROPE rate for children, meeting the 2030 Porto Target will require significantly stronger public policy intervention.

EAPN Greece noted that the lack of action by the Greek government makes it impossible to reach the 2030 target. Key shortcomings include the failure to implement the 2023 Council Recommendation on Minimum Income and the absence of measures to regulate rapidly rising energy and gas prices.

This shortcoming underscores the urgent need for the **renewed Action Plan to be guided by clear, measurable targets and concrete actions.** This is even more crucial in light of the Commission's announcement of the objective to eradicate poverty by 2050.

[19] Eurostat - Living conditions in Europe – Poverty & social exclusion(2025) [consulted on 30 January 2026]

[20] Proposal for a Joint Employment Report 2026, European Commission and the Council of the European Union, 28 November 2025

[21] European Anti-Poverty Network (EAPN) - Members' Consultation on the European Pillar of Social Rights (2024 & 2025)

Recommendations

- **Embed the 2050 objective to eradicate poverty in the renewed EPSR Action Plan.** This requires translating long-term ambition into concrete short- and medium-term measures, ensuring that all policy initiatives, funding programmes, and monitoring mechanisms are aligned with the overarching objective. This will strengthen the EPSR's role as a political compass for social policies and guarantee that poverty eradication remains a central priority across the EU.
- **Make the 2030 poverty target a milestone,** ensuring continuity beyond 2030 towards the 2050 objective of poverty eradication, and **review and align the 2030 Porto Target with the UN Sustainable Development Goals (SDGs).** Specifically, the target should aim for a 50% reduction **in poverty by 2030**, reflecting both the urgency of the issue and the EU's commitment to global standards²².
- **Adopt two new Porto Targets** to step up the implementation of the EPSR and the future EU Anti-Poverty Strategy (see part 2):
 - By 2030, ensure that all Member States have adequate, accessible, and effective minimum income schemes,
 - By 2030, reduce the in-work poverty rate in all Member States by at least 50%, with a specific focus on EU minimum wage standards, strengthening collective bargaining coverage, and ensuring access to adequate social protection for all workers, including those in non-standard forms of employment.

[22] European Anti-Poverty Network (EAPN), *Towards the Eradication of Poverty – EAPN Vision and Recommendations for the EU Anti-Poverty Strategy (2025)*

3. A COHERENT POLICY FRAMEWORK SUPPORTING THE IMPLEMENTATION OF THE EPSR

The implementation of the EPSR **cannot be confined to the renewed Action Plan alone**. It must be underpinned by a **coherent and mutually reinforcing set of policy frameworks** that address the structural drivers of inequality, poverty, and social exclusion. This is illustrated by the following four examples.

EXAMPLE 1: THE QUALITY JOB ROADMAP

EAPN welcomes the Commission's **publication of the Quality Job Roadmap²³ on 4 December 2025**, which places the **emphasis on quality rather than solely on employment rates**.

Indeed, **employment does not always provide a sustainable route out of poverty**. According to the Social Scoreboard, 8.3% of workers in the EU live in households at risk of poverty, meaning their annual disposable income falls below 60% of the national median household income. While this proportion has declined since 2016, in-work poverty continues to affect millions of people across the EU.

In-work poverty must be addressed by **promoting quality employment** that ensures adequate wages, job security, access to social protection, and decent working conditions, instead of relying on an "employment-first" approach that prioritises quantity over quality.

In this context, the Commission's Communication of 3 December 2025 represents a promising step. Nevertheless, EAPN has **several concerns** that should be addressed during the shaping of the Quality Jobs Act and embedded in the renewed EPSR Action Plan and the EU Anti-Poverty Strategy.

Recommendations

- **Anchor the Quality Jobs Act in the renewed EPSR Action Plan and the EU Anti-Poverty Strategy**, to ensure a strong focus on social rights and progress toward eradicating in-work poverty.
- **Improve the assessment of in-work poverty:** introducing targeted, intersectional measures for marginalised groups most affected by in-work poverty²⁴. An intersectional approach reflects the compounded disadvantages linked to discrimination, poverty, and precarious employment, ensuring that quality job policies are inclusive and leave no one behind.
- Ensure access to **social protection for all workers**, including the self-employed, flexibly employed, and casual and platform workers²⁵.
- Measure progress through the **adoption of a new Porto Target** requiring Member States to reduce the in-work poverty rate by at least 50%, with a specific focus on EU minimum wage standards, strengthening collective bargaining coverage, and ensuring access to adequate social protection for all workers, including those in non-standard forms of employment.

[24] See Glossary

[25] European Anti-Poverty Network (EAPN) - Working Yet Poor (WorkYP) project – Main findings and policy proposals (2023)

EXAMPLE 2: THE UNION OF EQUALITY

As set out in EAPN's position paper on the EU Anti-Poverty Strategy²⁶, the intersectional nature of poverty is rooted in multiple, overlapping systems of oppression, including patriarchy, capitalism, racism, colonialism, ableism, and heteronormativity.

Despite this, the EU and its Member States have made **limited progress over recent decades in effectively addressing discrimination**²⁷ on grounds such as gender, race, ethnicity, disability, sexual orientation, age, and religion, through secondary legislation, policy frameworks, and budgetary instruments.

Similarly, policy strategies developed under the Union of Equality have so far largely **failed to integrate an anti-poverty perspective**²⁸. These persistent policy silos undermine the EU's capacity to fully recognise and address the intersectional drivers of poverty and help explain the limited progress achieved in poverty reduction in recent years.

By encompassing key principles such as Principle 2 on gender equality and Principle 3 on equal opportunities, the EPSR has a **clear basis for integrating this perspective** and ensuring that the anti-poverty dimension is systematically embedded across all policies, rather than being sidelined by competing policy priorities.

Recommendations

- **Strengthen disaggregated poverty data and accountability:** the European Commission should systematically collect and use disaggregated data on poverty and social exclusion to assess who is effectively lifted out of poverty and who is left behind. This information should capture intersecting inequalities, including gender, race, ethnicity, sexual orientation, disability, migration background, and socio-economic status, to better inform targeted and effective policy responses.
- **Ensure coherence between the EPSR, the EU Anti-Poverty Strategy, and the Union of Equality:** the European Commission should establish concrete mechanisms for coordination and joint implementation between the EPSR, the forthcoming EU Anti-Poverty Strategy, and the Union of Equality. This includes shared objectives, monitoring frameworks, and governance structures to ensure that social rights and anti-poverty goals are not pursued in isolation.
- **Uphold the EU anti-discrimination framework:** the EU should recognise poverty stigma and structural discrimination as systemic issues by formally introducing **socio-economic status** as a recognised and intersecting ground of discrimination under EU law. To give this recognition legal force, the European Commission should put forward a **new horizontal anti-discrimination** directive that extends protection beyond employment to key areas of daily life, including housing, education, healthcare, access to goods and services, and participation in the digital and green transitions.

[26] European Anti-Poverty Network (EAPN), *Towards the Eradication of Poverty – EAPN Vision and Recommendations for the EU Anti-Poverty Strategy (2025)*

[27] European Commission – EU Barometer – Discrimination in the European Union (2023) [consulted on 30 January 2026]

[28] European Anti-Poverty Network (EAPN) - *Contributions to the European Commission Anti-Discrimination Strategies (2025)*

EXAMPLE 3: EU CLIMATE POLICIES

The EU's climate policies will only be effective and socially just if they **fully consider the situation of people experiencing poverty and are firmly anchored in the EPSR's implementation.**

Indeed, climate change disproportionately impacts people experiencing poverty. With fewer economic and material resources to cope with environmental risks, rising energy costs, and greater exposure to hazards, they are more vulnerable to health issues, energy poverty, housing insecurity, and forced displacement²⁹.

The EU Green Deal marks a positive starting point in addressing the social dimension of the green transition. Initiatives such as the **Social Climate Fund** are a welcome recognition that climate policies can have regressive effects and that targeted support is needed to protect low-income households. However, these measures remain insufficient in scale and scope to effectively prevent energy poverty and social exclusion.

In this context, the **EPSR must play a stronger role in steering the green transition** by prioritising universal and affordable access to energy, adequate housing, and essential household services. This will help ensure that environmental ambition goes hand in hand with social justice and that no one is left behind.

However, current attempts by the European Commission to backtrack on already adopted environmental standards are extremely alarming. On 10 December 2025, the European Commission published the new Environmental Omnibus, aiming to “simplify” EU legislation in this area³⁰. As highlighted by environmental civil society organisations, the proposal, inter alia, to cut down protections against chemicals and pesticides and dismantle health standards **will disproportionately affect those already most impacted by pollution and pesticides: people experiencing poverty**, in the name of competitiveness³¹.

In addition, the constraints imposed by the Stability and Growth Pact **severely limit public investment in social and green infrastructure**, including affordable housing renovation, energy efficiency, access to clean and affordable energy, and accessible, affordable mobility.

This disconnection risks turning climate policy into a driver of inequality rather than a tool for social and environmental justice. If the EU fails to address these barriers, decarbonisation policies may deepen poverty and erode public support for climate action. **Embedding social rights within climate governance is therefore essential to ensure that the green transition leaves no one behind.**

Recommendations

- **Withdraw the Omnibus proposal of 10 December 2025** and replacing it with a framework that ensures regulatory coherence, strong social safeguards, and meaningful poverty-related impact assessments of all climate-related legislation.
- **Exclude social and green investments from the 3% deficit-to-GDP ratio and 60% debt-to-GDP threshold outlined in the Stability & Growth Pact and the Excessive Deficit Procedure**, with no exceptions, and enshrine this **Anti-Poverty Golden Rule** in the EU Treaties.
- **Undertake a comprehensive review of the National Social Climate Fund Plans** to assess the extent to which people experiencing poverty are explicitly considered. This review should evaluate whether the proposed actions prioritise support for low-income households and include targeted outreach and participatory mechanisms that allow affected communities to shape policy design.

[29] European Anti-Poverty Network (EAPN), *Social and Labour Aspects of the Just Transition towards Climate Neutrality (2022)*

[30] Communication from the Commission (COM(2025) 980 final) of 10 December 2025 on simplifying for sustainable competitiveness

[31] WWF, *Green protection gutted: European commission jeopardises nature and health safeguards* (10 December 2025)

EXAMPLE 4: EU DIGITAL TRANSITION POLICIES

EAPN's 2024 report on the use of digital tools by people experiencing poverty³² identifies a concerning trend of digitally induced poverty in the EU. It identifies three key aspects of the impact of the digitalisation of welfare: the **intensification of the challenges faced by those already at risk of poverty, the automation of discrimination and the growing use of online surveillance**, and the use of expanded digitalisation to justify austerity policies.

Current developments at the European Commission level are particularly concerning. The **Job Quality Roadmap** frames the use of Artificial Intelligence (AI) without adequately addressing its risks, especially the precarisation of workers and the exclusion of those with lower digital skills.

Similarly, the **Digital Omnibus** proposed on 19 November 2025 threatens to roll back key milestones in digital protection and privacy. Digital rights organisations have raised concerns about proposals to reshape the General Data Protection Regulation (GDPR) and broaden access to data for training automated decision-making systems, which could significantly undermine existing safeguards³³.

EAPN calls on the European Commission to address these issues through the renewed EPSR Action Plan and the EU Anti-Poverty Strategy.

Recommendations

- **Withdraw the Omnibus proposal of 19 November 2025.**
- **Ensure offline access to essential services.** As more services move online, the renewed EPSR Action Plan and the EU APS must ensure they are accompanied by accessible, affordable, high-quality in-person services, along with clear and easy-to-use support.
- **Assess EU Member States' compliance with the EU AI Act's requirements for high-risk AI systems**, including those used in social welfare.
- **Cooperate with civil society organisations on a memorandum on the use of AI and data-driven welfare policies** to fully assess their implications and the potential risks of surveillance, control, and discrimination against people experiencing poverty and other vulnerable groups.

[32] European Anti-Poverty Network (EAPN), *An Exploratory Study on the Use of Digital Tools by People Experiencing Poverty (2024)*

[33] EDRI, *Commission's Digital Omnibus is a major rollback of EU digital protections (19 November 2025)* [consulted on 30 January 2026]

4. CONTINUING REACHING LEGAL MILESTONES TOWARDS THE IMPLEMENTATION OF THE EPSR

The first EPSR Action Plan has delivered several important legislative milestones, notably the **Minimum Wage Directive**³⁴, the **Pay Transparency Directive**³⁵, and the **Platform Workers' Directive**³⁶. Once fully and effectively implemented by EU Member States, these instruments have the potential to significantly strengthen social rights and support the practical implementation of the EPSR.

Similarly, EAPN considers that the **EPSR provides a solid foundation, together with the necessary political commitments from Member States, for further progress on EU secondary legislation in the field of social rights**. EAPN has identified two key priorities that must be addressed in the coming years:

PRIORITY 1: PROPOSING A DIRECTIVE ON MINIMUM INCOME TO ENSURE ADEQUATE INCOME SUPPORT ACROSS THE EU

The first assessment report of the Council Recommendation on Minimum Income³⁷ confirms EAPN's initial position: **the Council Recommendation must be treated as a starting point towards a binding EU Framework Directive**, as a crucial element of a comprehensive, rights-based, and adequately funded EU Anti-Poverty Strategy.

Indeed, a binding tool, such as a framework directive, is crucial to **secure common minimum standards across Member States**, guaranteeing adequacy, take-up, and accessibility of minimum income schemes, while fully respecting national competences³⁸. As outlined in the first assessment report, the Council Recommendation has so far been insufficient to reach those standards.

Minimum Income Schemes (MIS) are a core component of an effective **active inclusion approach** and must be complemented by measures that ensure access to quality employment and essential services. The renewed EPSR Action Plan should fully embed these priorities. Doing so would not only provide meaningful support to people experiencing poverty, but also **strengthen social cohesion and enhance the collective well-being of all EU citizens**.

[34] Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union

[35] Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms

[36] Directive (EU) 2024/2831 of the European Parliament and of the Council of 23 October 2024 on improving working conditions in platform work

[37] European Commission & Social Protection Committee – The 2025 Minimum Income Report – An overview of the implementation of the 2023 Council Recommendation on adequate minimum income ensuring active inclusion across EU Member States

[38] European Anti-Poverty Network (EAPN), *Working document on a Framework Directive on Minimum Income (2010)*

Recommendations

- Initiate the design of an **EU Directive on Minimum Income** with minimum standards for coverage, accessibility, adequacy, enabling characteristics, and automatic adjustments to reflect the cost of living.
- Ensure the subsidiarity principle does not automatically grant Member States unchecked competence over social policies. The European Commission must actively **monitor the national implementation** of EU social standards, including the EPSR and the Anti-Poverty Strategy, and take prompt corrective action when Member States fail to comply with or undermine agreed objectives.

PRIORITY 2: ENSURING THE FULL IMPLEMENTATION OF THE MINIMUM WAGE DIRECTIVE IN ALL MEMBER STATES

The adoption of the Minimum Wage Directive³⁹ marked an important step forward **in implementing the EPSR by addressing in-work poverty, strengthening collective bargaining, and ensuring workers' dignity and minimum living standards.**

According to the European Trade Union Institute (ETUI)⁴⁰, the so-called "double decency threshold" of 60% of the median wage and 50% of the average wage has already had some impact in many Member States.

This assessment is echoed by several EAPN members⁴¹. According to **EAPN Lithuania**, the Directive has enabled an increase in the historically low minimum wage, bringing it closer to EU standards for decent living conditions. A similar view is expressed by **EAPN Croatia**, where the minimum wage is set to rise from EUR 970 in 2025 to EUR 1,250 by 2028.

However, according to 2024 data from the European Trade Union Confederation (ETUC)⁴², **the implementation of the Directive by EU Member States has remained patchy and uneven**, limiting its potential to uphold social standards across the EU.

Following annulment actions by Sweden and Denmark, the Court of Justice of the European Union (CJEU), in its judgment of 11 November 2025, upheld the validity of most provisions of the Minimum Wage Directive⁴³.

However, the CJEU annulled two key provisions of the Directive, essential to ensuring adequate minimum wages and, therefore, central to tackling in-work poverty, on the grounds that they encroached upon national competences:

- **Article 5(2)**, which established criteria for assessing the adequacy of statutory minimum wages, including purchasing power and the cost of living;
- **Article 5(3)**, which prohibited reductions in minimum wages where automatic indexation mechanisms were in place.

[39] Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union

[40] European Trade Union Institute (ETUI) - Has the Minimum Wage Directive had an impact? (November 2024)

[41] European Anti-Poverty Network - *Members' Consultation on the European Pillar of Social Rights (2024 & 2025)*

[42] European Trade Union Confederation (ETUC), Member States failing to deliver minimum wage directive (November 2024)

[43] Judgment of the Court (Grand Chamber) of 11 November 2025 in Case C-19/23, Kingdom of Denmark v European Parliament and Council (Directive (EU) 2022/2041 on adequate minimum wages in the European Union)

While the CJEU judgment confirmed the validity of most provisions of the Minimum Wage Directive, it is now crucial that the European Commission ensures its swift and full implementation by Member States.

Concurrently, EAPN is deeply concerned about the annulment of these two provisions, as they were **central to guaranteeing wage adequacy**. Without sufficient minimum standards in this area, the Directive risks falling short in effectively addressing in-work poverty. If minimum wages are not aligned with real purchasing power, they may fail to ensure dignity and adequate living standards for workers.

For these reasons, EAPN calls on the Commission to put in place strong complementary and soft governance mechanisms to encourage Member States to ensure wage adequacy, including through the European Semester and strengthened monitoring and guidance at the EU level.

Recommendations

- **Set out clear actions for monitoring and enforcing the implementation of the Minimum Wage Directive:** the European Commission should establish robust mechanisms to monitor, assess, and promote the timely and effective implementation of the Minimum Wage Directive by all Member States, including through clear reporting requirements and the European Semester.
- **Take concrete action to safeguard the adequacy of minimum wages:** the Commission should put forward clear and measurable steps to secure adequate minimum wages across the EU, ensuring they are aligned with the cost of living and capable of guaranteeing a decent standard of living, including through guidance, benchmarks, and soft-law instruments.

5. ENSURING ADEQUATE BUDGET FOR SOCIAL RIGHTS: PUTTING THE EPSR AT THE CENTRE OF THE EUROPEAN SEMESTER AND OF THE MULTIANNUAL FINANCIAL FRAMEWORK (MFF)

Adequate financial resources are essential to **turn commitments into concrete actions** that bring meaningful improvements to the lives of people experiencing poverty. Likewise, a coherent and adequately resourced budgetary framework is essential for the full implementation of the EPSR. However, EAPN considers that the current economic governance framework and the EU multiannual budget do not sufficiently prioritise social inclusion and poverty eradication.

TRANSFORMING THE EUROPEAN SEMESTER INTO A SOCIAL SEMESTER BY PLACING SOCIAL RIGHTS AND POVERTY ERADICATION AT THE HEART OF THE EU ECONOMIC GOVERNANCE FRAMEWORK

Although Articles 2 and 3 of the Treaty on European Union (TEU), together with the Charter of Fundamental Rights, provide a strong primary-law foundation for the EU to work towards the eradication of poverty, the scope for effective action by Member States **remains constrained by contradictory provisions**.

EAPN has long argued that the fiscal rules embedded in the Stability and Growth Pact (SGP), particularly following its 2024 reform, directly undermine progress towards a Social Europe. The structural **contradiction between Article 9 TFEU**, which requires the EU to prioritise social inclusion, employment, and social protection, and Article 126 TFEU, which enshrines the SGP's deficit and debt constraints is alarming. This tension limits the ability of both the EU and Member States to deliver on their social obligations, including meaningful progress on poverty eradication⁴⁴.

By capping public deficits at 3% of GDP and public debt at 60% of GDP, the EU fiscal framework severely restricts the fiscal space needed for essential social and green investments. These constraints place significant pressure on Member States and risk pushing them towards renewed austerity at a time when hardship and inequality are rising sharply among people living in poverty.

The recent *ReArm Europe* plan, proposed by the European Commission in April 2025, which suggests exempting defence and military expenditure from SGP rules, clearly illustrates that such exemptions are a political choice. **The same logic must apply to social and green investment if the EU is serious about delivering its social and climate commitments.**

As a direct consequence of the Stability and Growth Pact, **EAPN advocates for a radical shift in the way the European Semester conditions public investments in EU Member States**. As the main framework implementing the Pact, **the European Semester considerably limits the ability of EU Member States to work towards poverty eradication and the full implementation of the EPSR.**

Despite the revision of the Social Scoreboard to better align with the EPSR, the European Semester largely functions as a tool **to enforce fiscal discipline, promote competitiveness, and prioritise military and defence investment, thereby normalising austerity to the detriment of social and green investment.**

[44] European Anti-Poverty Network (EAPN), *Towards the Eradication of Poverty – EAPN Vision and Recommendations for the EU Anti-Poverty Strategy (2025)*

[45] European Anti-Poverty Network (EAPN), *Competitiveness or Social Justice: a Choice to Make (2025)*

Recommendations

- Reform the European Semester to put social rights, the EPSR, and poverty eradication at its core, thus turning it into a Social Semester. This should be done by:
 - Introducing a **golden rule** to exempt green and social investment from the Stability & Growth Pact deficit calculation,
 - Embedding the **EPSR targets into the core of the European Semester** by making poverty eradication a binding objective of economic coordination, rather than a stepping stone for growth,
 - Putting **democracy, transparency, and accountability** at the centre of the Semester process,
 - Implementing the 2020 European Semester Communication that explicitly recognises the importance of **civil society participation** at every stage of the process,
 - Providing **EU-level guidance and funding for participatory processes**, ensuring the inclusion of people experiencing poverty in economic and social policy design.
 - Ensuring the European Semester pushes Member States to prioritise the sustainable financing of social welfare systems over fiscal consolidation⁴⁶:
 - Guaranteeing the implementation of progressive taxation and the “polluter pays” principle, while guaranteeing that it does not negatively impact low-income households,
 - Certifying that public subsidies to companies are targeted and conditional on investments that foster the most sustainable modes of production.

[46] European Anti-Poverty Network (EAPN) - 2023 Poverty Watch: Towards a sustainable social welfare for the people?

ENSURING THE EU LONG-TERM BUDGET CONTRIBUTES TO ERADICATING POVERTY BY 2050

Several concerns regarding the **current MFF 2021-2027 remain unaddressed in the proposal for the MFF 2028-2034**, as evidenced by the limited progress in poverty reduction across EU statistics. In particular:

- **Insufficient earmarking:** while the 25% earmark for social inclusion in the ESF+ represents an important step forward, it remains inadequate to address the scale, depth, and complexity of poverty across the EU.
- **Limited scope of action:** much of the funding for severe material deprivation focuses on short-term alleviation rather than long-term, transformative measures that could tackle structural poverty.
- **Weak participation:** civil society organisations and people experiencing poverty are not sufficiently involved in designing, implementing, or monitoring national programmes.

As outlined by **EAPN Portugal**, civil dialogue is systematically given secondary importance compared to social dialogue in consultation processes related to the European Pillar of Social Rights and the European Semester. Even where civil society organisations can participate, their contributions are often marginalised or disregarded in final policy decisions.

- **Poor alignment with EPSR:** the use of funds has not been consistently tied to the EPSR Action Plan, limiting their potential to contribute systematically to social rights and poverty eradication.
- **Lack of connections between issues covered by EU funds,** which limits the ability to address poverty-related issues in a comprehensive and multidimensional way. For instance, people receiving material support through the European Social Fund + (ESF+) also face difficulties accessing housing, energy and health services, which cannot be effectively addressed through ESF+ alone.

EAPN stresses that the future MFF must go beyond short-term relief, ensure stronger civil society engagement, and link investments directly to EPSR objectives to deliver meaningful progress on poverty and social inclusion.

The **MFF 2028-2034 proposal takes a worrying turn**, with a stronger focus on competitiveness, defence, and security over social and green investments and the eradication of poverty. EAPN is particularly concerned about the **continued securitisation of the EU, the growing emphasis on military spending** at the cost of both social cohesion and environmental sustainability, the absence of a structural and adequate budget dedicated to eradicating poverty and supporting the most marginalised communities, and the **weakness of the 14% allocation of National and Regional Partnership Plans (NRPP)**, whose wording is broader than the objective linked to poverty eradication and EPSR implementation, and which risks being diverted to employment purposes only⁴⁷.

[47] European Anti-Poverty Network (EAPN), *EU budget 2028-2034: Defence, security and competitiveness at the expenses of the most vulnerable (2025)*

Recommendations

The following preliminary recommendations for the MFF 2028–2034 will be further developed in a position paper to be published in spring 2026:

- **Increase the share of EU funds for social and green investments** that directly benefit the most marginalised groups across the Union.
- **Introduce social funding conditionality**, requiring Member States to prioritise social and green investments and to adopt comprehensive local and national anti-poverty strategies.
- Include in the **annex of the NRP Regulation**⁴⁸ measurable criteria, indicators, and targets for the implementation of the 20 EPSR principles, so that they are taken into account by Member States when drafting their NRPPs.
- **Enhance coordination across funding streams**, recognising that poverty is multidimensional and interlinked with urgent challenges such as housing deprivation, energy poverty, health (including mental health), and access to essential services. Support will only be effective if these intersecting issues are addressed together.

[48] Proposal for a Regulation to the European Parliament and the Council of the EU establishing the conditions for the implementation of the Union support to the Common Fisheries Policy, to the European Ocean Pact and of the Union's maritime and aquaculture policy as part of the National and Regional Partnership Fund set out in Regulation (EU) [NRP Fund] for the period from 2028 to 2034.

II. A RENEWED EPSR ACTION PLAN TOWARDS THE ERADICATION OF POVERTY

The start of the 2024–2029 European Commission mandate marked a pivotal moment in the fight against poverty: for the first time, in spring 2026, **the Commission will adopt a dedicated EU Anti-Poverty Strategy**, a stand-alone framework focused exclusively on the issue, **alongside the renewed EPSR Action Plan**.

With both the EPSR Action Plan and the EU Anti-Poverty Strategy in place, EAPN warns of the risk that poverty eradication becomes confined to the EU APS alone.

The following section outlines EAPN’s proposed priorities for the renewed EPSR Action Plan and its interaction with the EU Anti-Poverty Strategy.

1. LEARNING FROM THE GAPS IN THE FIRST EPSR ACTION PLAN

Based on assessments carried out by EAPN members, including evidence gathered through questionnaires, several key lessons can be drawn from the implementation of the first EPSR Action Plan. These should be reflected in the methodology of the renewed Action Plan.

- **Insufficient involvement of people experiencing poverty:** at a national level, all EAPN members who contributed to this consultation reached the same conclusion: people experiencing poverty **are largely excluded from all stages of policymaking** related to EPSR implementation. Where participation mechanisms do exist, they are often weak, poorly resourced, or purely consultative, limiting their real impact on decision-making.

For example, **EAPN Ireland** highlighted the role of autonomous community development organisations, which have proven effective in engaging communities and enabling the direct, collective participation of marginalised groups in decisions affecting their lives. However, these structures have been significantly under-resourced for over 15 years, undermining their capacity to support meaningful participation.

- **Lack of binding instruments and limited impact:** another major shortcoming is the **reliance on non-binding tools**, which has significantly constrained the concrete impact of the EPSR Action Plan. As illustrated previously, most notably through the example of the Council Recommendation on Minimum Income, non-binding instruments have failed to deliver consistent progress across Member States. In many cases, binding legislative tools are necessary to effectively advance social rights and ensure minimum standards across the EU.

For instance, **EAPN Lithuania** highlighted that the impact of Country Specific Recommendations (CSRs) is limited due to the binding nature of the European Semester. Lithuania receives the same social CSRs year after year, for instance on taxation, social protection, or housing, but with little impact due to a lack of political will.

EAPN Poland added that the lack of a binding mechanism to implement the EPSR has led to almost no visibility for social rights in a national context marked by the situation at the border with Ukraine and the surge in the cost of living.

- **Weak accountability mechanisms for Member States:** EAPN members also underlined the absence of strong accountability mechanisms to ensure effective implementation of EPSR principles at a national level. When commitments remain non-binding, it becomes extremely difficult to hold Member States accountable. Likewise, it gives room for new political majorities to reverse previous achievements. Not only was it impossible to assess the impact of the various EPSR Action Plan deliverables, but the **absence of clear targets, monitoring frameworks, and consequences for non-compliance** has also led to uneven and insufficient progress, as evidenced by the limited advances towards the 2030 Porto Target on poverty reduction. This situation is further aggravated by the lack of meaningful dialogue with civil society and with those directly affected by political decisions, particularly people experiencing poverty.

The case of Belgium clearly illustrates how shifts in political majorities can significantly affect the implementation of the European Pillar of Social Rights. As highlighted by **EAPN Belgium**, the new government that took office in January 2025 has introduced stringent austerity measures, resulting in a progressive erosion of the effective implementation of EPSR principles. These include reforms limiting the duration of unemployment benefits, stricter eligibility conditions for integration allowances for unemployed school-leavers, and restrictions on the individualisation of social rights, including the extension of cohabitation status as a criterion for accessing benefits.

EAPN Ireland highlighted that, apart from an annual consultation related to the European Semester, there is limited engagement with civil society organisations in the implementation process of the EPSR. Although there has been positive engagement with civil society on initiatives such as the National Action Plan Against Racism and the Traveller and Roma Inclusion Strategy, other processes, such as the implementation of the Council Recommendation on adequate minimum income, do not offer meaningful opportunities for engagement.

EAPN Italy advocates for civil dialogue to be fostered in the same way as social dialogue. In the Monitoring Committee of the National Plans, civil society organisations are also invited to contribute directly, so that the EPSR does not just remain a set of theoretical principles.

However, even if consultation mechanisms are in place, they must be organised in a meaningful and sustainable way. **EAPN Lithuania** is, for instance, a member of the EPSR implementation working group, which has not met for over eighteen months, making its involvement uneven.

Several good practices already exist and can serve as inspiration for the implementation of the European Pillar of Social Rights. As reported by **EAPN Portugal**, the Roma Civil Monitor (RCM) initiative, funded by the European Commission, constitutes an example of structured and meaningful civil society participation through capacity-building activities and civil society-led shadow reports. These reports, which assess national strategies for Roma communities, are considered by the Commission when shaping policy proposals, illustrating a model that could be adapted to other EU governance frameworks, including the European Pillar of Social Rights.

- **Insufficient linkage with national and local levels:** finally, EU-level action alone cannot guarantee successful implementation of the EPSR. The consultation revealed that the first EPSR Action Plan failed to adequately connect EU initiatives with national and local policy processes. Without an integrated, multi-level governance approach, implementation remains fragmented and siloed, reducing its overall effectiveness.

The lack of integration between the EU, national, and local levels also happens in the EU Member States. **EAPN Ireland**, for instance, noted that the Roadmap for Social Inclusion 2020-2025, published before the first EPSR Action Plan, makes little reference to the EU level.

Similarly, **EAPN Poland** underlined the low visibility of the EPSR at the national level. For instance, the Polish National Action Plan for the Child Guarantee, submitted in 2021, does not include any indicators for poverty or material deprivation. It does, however, include a very weak target for reducing child homelessness, without any substantial or structural ambition in this area.

Conversely, **EAPN Italy** reported that the Italian National Anti-Poverty Program 2021-2027 consistently refers to the EPSR in areas related to childcare, social protection, and minimum income. However, the programme only refers to the EPSR and does not provide for joint or complementary action at the EU level.

2. REINFORCING THE ACTIVE INCLUSION APPROACH AT THE CORE OF THE RENEWED EPSR ACTION PLAN

EAPN fully supports the European Commission's 2008 **Recommendation on the Active Inclusion of People Excluded from the Labour Market**⁴⁹, which defines active inclusion through three mutually reinforcing pillars: (1) adequate income support, (2) inclusive labour markets, and (3) access to essential services. EAPN welcomes that **this approach has been embedded in the first EPSR Action Plan.**

However, as highlighted by EAPN members, **significant challenges** remain in the practical implementation of the Active Inclusion Approach. Strengthening and upholding this approach in the next EPSR Action Plan is therefore essential, as it would directly support the EU's **objective of eradicating poverty by 2050.**

EAPN Lithuania underlined the example of the National Progress Plan (NPP) 2021–2030, which addresses objectives closely aligned with the EPSR, such as poverty reduction and social inclusion. Despite reforms including increases in minimum wage and social benefits, poverty levels remain among the highest in the EU and have shown little measurable improvement over time. Although Lithuania has committed to reducing the at-risk-of-poverty rate to 16% by 2030 in line with EU targets, persistent structural challenges, such as inadequate social benefits, high inequality, regional disparities, and low benefit take-up, continue to limit progress.

EAPN Ireland highlighted the case of the Minimum Wage Directive, noting that the Irish Government has postponed the target of rising the National Minimum Wage to 60% of the median wage from 2026 to 2029, citing "significant cost burdens" on employers amid an uncertain economic environment. In practice, this delay stresses the need for stronger measures under the renewed Action Plan to promote inclusive labour markets and ensure that workers' rights keep pace with policy commitments.

EAPN Portugal has identified several challenges in implementing an Active Inclusion Approach in line with the European Pillar of Social Rights. Weak minimum income schemes continue to restrict access to essential goods, services, and decent employment, while current EU approaches to in-work poverty overfocus on employment as the sole route out of poverty. EAPN Portugal also emphasises the importance of combating discrimination and hate speech, particularly against people experiencing poverty, as a critical dimension of effective social inclusion.

[49] Commission Recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market

The experience shared by EAPN members, together with the lack of progress in poverty reduction in recent years, confirms the urgent need for the renewed EPSR Action Plan to strengthen the implementation of the Active Inclusion Approach. In particular, the focus should be on the following priorities:

1. **Adequate income support:** strengthening pension and income systems, such as MIS, child benefits, and unemployment support.
2. **Inclusive labour market:** promoting quality employment that ensures adequate wages, job security, access to social protection, and decent working conditions.
3. **Access to essential services:** ensuring accessible, quality, and affordable essential services for all.

Recommendations

- **Make Active Inclusion a headline priority of the renewed EPSR Action Plan**, explicitly referencing the 2008 European Commission Recommendation and its three pillars to ensure poverty eradication and social inclusion are central to EU social governance.

- In that context, requiring Member States, under both the renewed EPSR Action Plan and the EU Anti-Poverty Strategy, to present a **national Active Inclusion Plan** and link indicators to poverty eradication objectives.

- **Expand the Social Scoreboard** to capture the multidimensional nature of poverty, including indicators such as housing exclusion, severe material deprivation, energy poverty, and in-work poverty. Both quantitative and qualitative measures are required to reflect well-being, working conditions, rights take-up, and civic participation. Effective monitoring of all 20 EPSR principles requires additional data sources to fully capture the complexity of poverty and guide targeted policy interventions at both the EU and national levels.

- Put forward an updated **proposal for a Council Directive** on implementing the principle of equal treatment between persons, regardless of religion or belief, disability, age, or sexual orientation, after the withdrawal of the 2008 proposal.

- **Link anti-discrimination indicators to poverty eradication objectives**, by ensuring that Active Inclusion indicators (income adequacy, access to services, quality employment) are explicitly tied to the Porto Targets and EU Anti-Poverty Strategy objectives. This implies monitoring the impact of policies on marginalised groups, including the missing poor.

- **Integrate monitoring Principles 2 and 3 of the EPSR into the Social Scoreboard, by tracking** outcomes by gender, race, ethnicity, disability, age, and other relevant characteristics. These indicators must be used to inform CSRs as part of the European Semester process by providing a robust evidence base for accountability.

3. THE RENEWED EPSR ACTION PLAN AND THE EU ANTI-POVERTY STRATEGY: TWO FRAMEWORKS REINFORCING EACH OTHER

As both frameworks will now coexist, the European Commission must ensure that the EU Anti-Poverty Strategy and the renewed EPSR Action Plan are strategically aligned and mutually reinforcing to achieve the objective of eradicating poverty by 2050.

Poverty eradication should remain a cross-cutting EU priority, with the Anti-Poverty Strategy as the main operational tool, supported by the Union's full legislative, policy, and budgetary framework, including the EPSR.

At the same time, the EPSR should go beyond poverty reduction to address the structural root causes of inequality and promote well-being for all. EAPN calls for the EPSR Action Plan to **evolve into a comprehensive strategic framework**, underpinned by a clear theory of change, measurable indicators, and placed on an equal footing with the EU Anti-Poverty Strategy to ensure coherence, accountability, and effectiveness.

EAPN's vision is summarised as follows.

FRAMEWORK ALIGNMENT OVERVIEW

	EU ANTI-POVERTY STRATEGY	RENEWED EPSR ACTION PLAN	RATIONALE
GOALS	A European Union free from poverty by 2050.	A fair, inclusive and socially robust welfare system and labour market in Europe.	<p>The EPSR overarching aim of building a fair, inclusive, and social Europe must serve as a clear political compass.</p> <p>Without a long-term vision aligned with the EU APS, the EPSR risks remaining a set of abstract principles rather than a tool for real social change.</p>
QUANTITATIVE TARGETS	<p><u>Revised Porto Targets:</u> By 2030, reducing poverty by half compared to 2017 levels⁵⁰</p>	<p><u>Additional Porto Targets:</u> By 2030, ensure that all Member States have adequate, accessible, and effective minimum income schemes.</p> <p>By 2030, reduce the in-work poverty rate in all Member States by at least 50%, with a specific focus on implementing EU minimum wage standards, strengthening collective bargaining coverage, and ensuring access to adequate social protection for all workers, including those in non-standard forms of employment.</p>	Revising the existing poverty target, while also introducing additional targets on minimum income schemes and in-work poverty, would significantly fortify progress towards the objective of eradicating poverty by 2050.
TARGET AUDIENCE	All people at risk of poverty including those counted via the AROPE indicator ⁵¹ as well as the missing poor ⁵² .	All people living in the EU, including those at risk of poverty.	Eradicating poverty benefits all of society. The EU Anti-Poverty Strategy and the renewed EPSR Action Plan should address complementary, yet distinct, objectives and audiences to uphold their impact.
SCOPE	Multidimensional approach to poverty: going beyond the EPSR scope ⁵³ , in addition to root causes ⁵⁴ .	Equal opportunity and access to labour markets, fair working conditions, and social protection systems.	<p>Focusing on the EPSR's scope will help reinforce the EU Anti-Poverty Strategy, for example by ensuring robust social protection systems.</p> <p>Likewise, the EU APS must go further by addressing issues not fully covered by the EPSR, such as climate change, the criminalisation of poverty, and other emerging drivers of social exclusion.</p>

	EU ANTI-POVERTY STRATEGY	RENEWED EPSR ACTION PLAN	RATIONALE
FUNDING	<p>Social Conditionality Clause in the NRPP 2028-2034 requiring Member States to adopt and implement National and Local Anti-Poverty Strategies (NAPS & LAPS).</p> <p>European Semester Country-Specific Recommendations (CSRs) prioritising the achievement of the Porto Targets.</p>	<p>Annex I of the NRPP Regulation: including measurable criteria, indicators, and targets for the implementation of the 20 principles of the EPSR implementation for each Member State to define when designing their NRPP.</p>	<p>The MFF 2028–2034 should include dedicated mechanisms to ensure that poverty eradication and the implementation of the EPSR principles are adequately funded.</p>
MONITORING MECHANISM	<p>Revising the Social Scoreboard to include indicators on the missing poor and disaggregated data on discrimination beyond employment.</p> <p>European Semester Country-Specific Recommendations (CSRs) prioritising the implementation of EPSR principles and the 2050 poverty eradication objective.</p>		<p>Integrating the monitoring mechanisms of both tools would strengthen their coherence and effectiveness, helping to achieve their mutually reinforcing objectives more efficiently.</p>
GOVERNANCE STRUCTURE	<p>EU Anti-Poverty Coordinator at EC Level.</p> <p>Civil Society Organisation (CSO) Committee.</p> <p>Adequate funding of CSOs participating in the implementation of the poverty eradication objective.</p> <p>People Experiencing Poverty (PeP) Committee.</p>	<p>CSO & PeP Committees of the EU Anti-Poverty Strategy participating in the EPSR Action Plan governance for aspects related to poverty eradication.</p> <p>Adequate funding of CSOs participating in the EPSR implementation.</p>	<p>Given the complementarity of both frameworks, governance bodies of the EU Anti-Poverty Strategy, such as the CSO and PeP Committee, should also engage in aspects of the renewed EPSR Action Plan related to poverty eradication.</p> <p>Meaningful involvement of civil society organisations is essential for monitoring poverty and social exclusion on the ground.</p> <p>Equally, people experiencing poverty must be sustainably integrated into the governance of both frameworks, ensuring that policies respond to real-life needs.</p> <p>In both cases, their participation strengthens accountability and transparency, helping to hold Member States and EU institutions responsible for the effective implementation of EPSR principles.</p>

EU ANTI-POVERTY STRATEGY

RENEWED EPSR ACTION PLAN

RATIONALE

ACCOUNTABILITY MECHANISMS

Social Scoreboard: revise to include indicators reflecting priorities of both the EU Anti-Poverty Strategy and the renewed EPSR Action Plan.

European Semester CSRs: systematically integrate EPSR principles and EU APS objectives.

Legally binding mechanisms: prioritise legally binding tools to ensure swift harmonisation of EU social standards.

Social Conditionality Clause in the MFF 2028–2034: link the disbursement of EU funds to social and green investments, the adoption of National and Local Anti-Poverty Strategies, and measurable progress in EPSR implementation.

Robust accountability mechanisms, along with clear and measurable indicators for impact assessment, must be fully integrated into the design of both the EU Anti-Poverty Strategy and the renewed EPSR Action Plan.

These mechanisms should track progress on poverty eradication and EPSR principles implementation, and the effectiveness of specific measures, ensuring transparency and enabling timely corrective action.

NATIONAL TRANSPOSITION

Develop clear guidance for the design and implementation of NAPS & LAPS

Strengthen the work of **national anti-poverty coordinators** through guidance and coordination by the **EU Anti-Poverty Coordinator**.

LAPS and NAPS to be explicitly anchored in EPSR principles

Reinvigorate the political commitment to EPSR before 2030 to ensure post-2030 survival of the EPSR.

[50] European Anti-Poverty Network (EAPN), *Towards the Eradication of Poverty – EAPN Vision and Recommendations for the EU Anti-Poverty Strategy (2025)*

[51] *See glossary*

[52] *See glossary*

[53] European Anti-Poverty Network (EAPN) - *Towards the Eradication of Poverty – EAPN Vision and Recommendations for the EU Anti-Poverty Strategy (2025)*

[54] European Anti-Poverty Network (EAPN) - *Towards the Eradication of Poverty – EAPN Vision and Recommendations for the EU Anti-Poverty Strategy (2025)*

Recommendations

- **Ensure stronger, more explicit links between the EPSR and the EU Anti-Poverty Strategy** so that both frameworks mutually reinforce each other. This involves aligning objectives, targets, and monitoring mechanisms, integrating EPSR principles into National Anti-Poverty Strategies, and using the Social Scoreboard to track progress across both agendas.
- **Adopt two new Porto Targets** to step up the implementation of the EPSR and the future EU Anti-Poverty Strategy (see part 2):
 - By 2030, ensuring that all Member States have adequate, accessible, and effective minimum income schemes,
 - By 2030, reducing the in-work poverty rate in all Member States by at least 50%, with a specific focus on EU minimum wage standards, strengthening collective bargaining coverage, and ensuring access to adequate social protection for all workers, including those in non-standard forms of employment.
- Include in the **annex of the NRP Regulation**⁵⁵ measurable criteria, indicators, and targets for the implementation of the 20 EPSR principles, so that they are taken into account by Member States when drafting their NRPPs.
- **Introduce social funding conditionality**, requiring Member States to prioritise social and green investments and to adopt comprehensive Local and National Anti-Poverty Strategies.
- **Expand the Social Scoreboard** to capture the multidimensional nature of poverty, including indicators such as housing exclusion, severe material deprivation, energy poverty, and in-work poverty. Both quantitative and qualitative measures are needed to reflect well-being, working conditions, rights take-up, and civic participation. Effective monitoring of all 20 EPSR principles requires additional data sources to fully capture the complexity of poverty and guide targeted policy interventions at the EU and national levels.
- Establish a **People Experiencing Poverty (PeP) Committee** to contribute to the design, implementation, and evaluation of the EU Anti-Poverty Strategy.
 - Embedding the PeP Committee into the **governance framework of the renewed EPSR Action Plan** to ensure coherence, democratic legitimacy, and policies grounded in lived experience.

[55] Proposal for a Regulation to the European Parliament and the Council of the EU establishing the conditions for the implementation of the Union support to the Common Fisheries Policy, to the European Ocean Pact and of the Union's maritime and aquaculture policy as part of the National and Regional Partnership Fund set out in Regulation (EU) [NRP Fund] for the period from 2028 to 2034

Recommendations

- Ensuring the PeP Committee operates under a **robust, rights-based methodology**, developed in close cooperation with participants, including:
 - Clear mandates and transparent working methods,
 - Adequate **financial compensation** for participants' time and expertise,
 - Support for removing barriers to meaningful participation,
 - Meaningful and sustainable participation of Civil Society Organisations,
 - Establishing a **CSO Committee** to support the PeP Committee, involved at every stage of the EU Anti-Poverty Strategy and the renewed EPSR Action Plan,
 - Embedding the CSO Committee into the **governance framework of the renewed EPSR Action Plan** to ensure coherence, democratic legitimacy, and policies grounded in lived experience.

- Link Member States' progress on the EPSR implementation to **measurable indicators, benchmarks, and timelines**.
 - Systematically integrating EPSR priorities into the **European Semester Country-Specific Recommendations (CSRs)**,
 - Prioritising, when possible, **legally binding mechanisms** over soft-law coordination to ensure compliance and implementation,
 - Including a **social conditionality clause in the MFF 2028-2034**, linking EU funding to social and green investments, the adoption of National and Local Anti-Poverty Strategies (NAPS and LAPS), and measurable progress on EPSR implementation.

- **Create a position of an EU Anti-Poverty Coordinator** to oversee the implementation of the EU Anti-Poverty Strategy, ensure synergies with the EPSR and the renewed Action Plan, and support national anti-poverty coordinators.

- Promote the development of **NAPS and LAPS** to coordinate EU, national, and local action in implementing the EU Anti-Poverty Strategy and embedding indicators on the implementation of the EPSR principles in those NAPS and LAPS.

CONCLUSION

Since 2017, the EPSR has been the **political cornerstone** for advancing social rights across the EU. Its role must be preserved and strengthened as the EU builds an increasingly robust framework to achieve the eradication of poverty.

However, to translate these ambitions into tangible outcomes and to contribute to reaching poverty eradication by 2050, the renewed EPSR Action Plan must be firmly embedded within a **coherent EU architecture** that combines political commitment, legal instruments, policy frameworks, and budgetary resources.

A crucial element is **shifting the EU's current focus away from competitiveness, security, and defence, and more towards social inclusion and poverty eradication**. Without this reorientation, meaningful progress in eradicating poverty, particularly in light of the Commission's 2050 commitment, will remain unattainable.

Another key element of this renewed approach is ensuring that the EPSR Action Plan and the EU Anti-Poverty Strategy **work in a mutually reinforcing manner**. While the EU Anti-Poverty Strategy provides a targeted focus on people experiencing poverty, the EPSR Action Plan establishes a broader social rights framework that reaches all people, including those at risk of falling into poverty or those just above the official poverty thresholds.

The renewal of the EPSR Action Plan presents a unique opportunity to enhance both its content and methodology, addressing the lessons learned from the first Action Plan. This includes embedding robust governance, structured participation of people experiencing poverty and civil society organisations, clear accountability mechanisms, measurable targets, and strong links with national and local levels.

EAPN's vision is summarised as follows.

By doing so, the renewed EPSR Action Plan can deliver on its promise: a social, inclusive, and fair Europe where poverty is eradicated and collective well-being is upheld.

