



EUROPEAN ANTI POVERTY NETWORK

NAPS & LAPS: Social Innovation, the Key Enabler for Eradicating Poverty

Poverty Watch Vol. 1

Deliverable 3A

ACKNOWLEDGEMENTS

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Funded by
the European Union



Robert Bosch
Stiftung



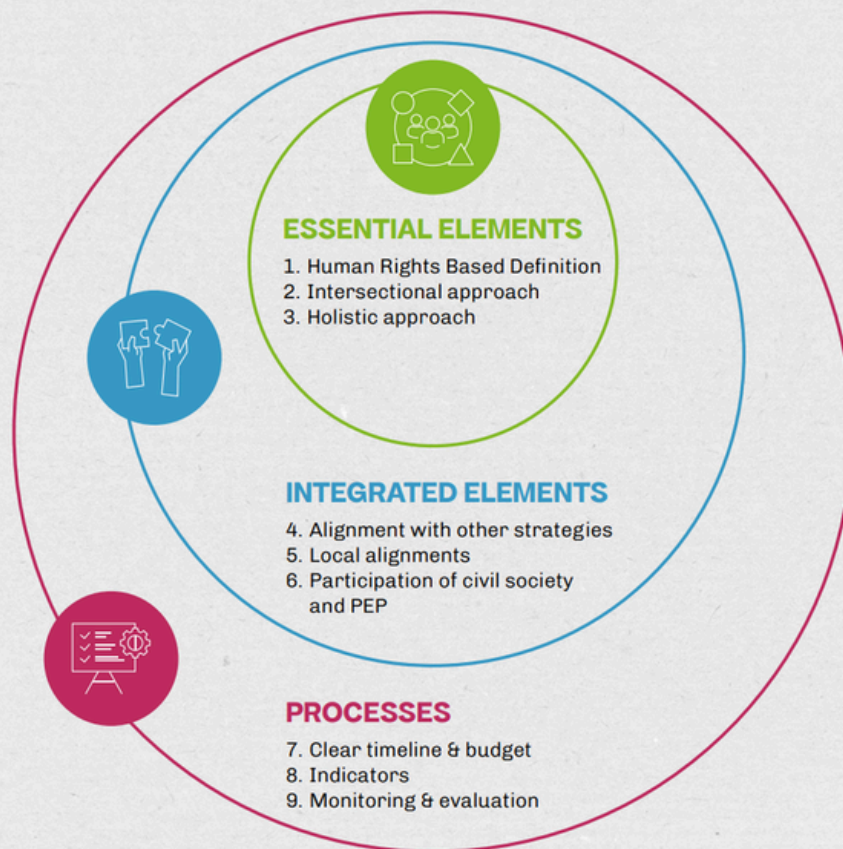
Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Commission. Neither the European Union nor the granting authority can be held responsible for them. This publication has received financial support awarded under the Employment and Social Innovation (EaSI 2026-2029) strand of the European Social Fund Plus (ESF+). For further information please consult: <http://ec.europa.eu/social/easi>

This report is an outcome of a financial contribution of the Ministerio de Inclusión, Seguridad, Migraciones between 2025 and 2026 for a wider research on National and Local Anti-Poverty Strategy Plans, with the support of EAPN Spain.

TABLE OF CONTENT

Introduction	4
Recommendations for Effective NAPS & LAPS	6
Social Innovation: the Necessary condition for NAPS and LAPS	6
Social Justice and Definition of Poverty	7
Specific Focus on Group Disproportionately at Risk of Poverty	7
Statistics, Indicators, and Targets	10
Active Inclusion Approach	11
Digitalisation and Data Driven Welfare System	18
Climate	19
NAPS, LAPS, and Governance	21
Participation	22
Criminalisation of Poverty and Solidarity	23
Funding, Taxation, and Economic Resilience	24
Definition & Scope of Social Innovation	26
Case study: Inclusion Policy Lab, Spain	28
Conclusion	30
Bibliography	31

Introduction



Source: Leveraging Anti-Poverty Strategies for Poverty Eradication, 2025, EPAN

In 2025-2026, EAPN has conducted a deep and comprehensive review of the existing NAPS and LAPS across Europe. It has enabled EAPN to develop a framework for antipoverty strategies that include essential, integrated and process elements, with the mission to eradicating structural injustices. In this context, any anti-poverty measures must be developed with the understanding that the root causes of poverty are multidimensional and not only income-centered.

Additionally, a theory of change¹ is a crucial part of the essential elements of NAPS/LAPS as it articulates the links between complex policy inputs, institutional processes, and behavioural or structural change and the desired outcome. It enables reflective policy development and evaluation, as well as social innovation, particularly in addressing persistent and structural social inequalities. A theory of change for NAPS and LAPS includes a narrative and ideology foundation on the eradication of poverty alongside social policy interventions rooted in political, institutional, and social contexts.

¹A theory of change is a methodology for planning and implementation considering power relations, context, and unintended effects.

1. The essential elements represent the foundation of an effective anti-poverty strategy. They determine how we dismantle the power structures and root causes of poverty, and who will be targeted by the measures.
2. The integrated elements ensure that the strategy is informed by its context. At international level with plans and initiatives, such as European Pillar of Social Rights or the Sustainable Development Goals, among others.
3. Clear and defined processes ensure accountability and transparency regarding the implementation of the goals set by the national anti-poverty strategy. Through such processes countries ensure that they can track progress and setbacks, allowing the strategies to be adaptive and tailored to ever changing contexts.

The following recommendations are intended to ensure that NAPS and LAPS present a strong, rights-based vision that addresses the structural and systemic drivers of poverty. Because poverty and social exclusion are multidimensional, they require targeted actions, sufficient resources, and responses that match the scale and depth of inequality. A key priority and measure underpinning this vision is the provision of adequate, accessible, and enabling income for all, including through effective Minimum Income Schemes (MIS), measures to address in-work poverty, the importance of access to essential services, and legal recognition of socioeconomic discrimination. Access to quality employment, affordable energy, and climate justice are also essential conditions for eradicating poverty.

These recommendations are grounded in an analysis of national reports and are particularly relevant in the context of the upcoming EU Anti-Poverty Strategy. As noted above, a clear theory of change is crucial for defining the policy framework, implementation pathways, and expected outcomes. Many current NAPS and LAPS lack such a coherent framework linking objectives, actions, and measurable impacts on poverty reduction, which ultimately undermines both accountability and effectiveness.

Recommendations for Effective NAPS & LAPS

The upcoming EU APS, together with National and Local Anti-Poverty Strategies (NAPS/LAPS) must address the multilayer root causes of poverty and social exclusion and have an overarching and comprehensive approach to eradicating poverty. It requires a clear commitment to a theory of change, anti-poverty measures, and mainstreaming this approach with other policy frameworks, budgets and legislation. EAPN have described NAPS as comprehensive, government-led policy frameworks aimed at preventing, reducing, and ultimately eradicating poverty at the national level¹.

The recommendations are based on an analysis of national reports and are particularly relevant in light of the forthcoming **EU Anti-Poverty Strategy**. A clear **theory of change** is essential to clarify the policy framework, implementation pathways, and expected outcomes. Many existing NAPS and LAPS lack a coherent theory of change linking objectives, outcomes, and measurable impacts on poverty eradication, weakening both accountability and effectiveness.

SOCIAL INNOVATION: THE NECESSARY CONDITION FOR NAPS AND LAPS

In the context of National and Local Anti-Poverty Strategies (NAPS and LAPS), where all needs to be explored and created, social innovation refers to new or significantly improved approaches, practices, governance models, or forms of cooperation that respond more effectively to social needs, reduce poverty and social exclusion and strengthen social rights. Social innovation is not an end in itself, nor is it limited to pilot projects or technological solutions. From an anti-poverty perspective, it is defined by its purpose, its process, and its impact.

- Social innovation must address unmet or inadequately met social needs, particularly those arising from structural and systemic inequalities. In a systemic lens, it should also challenge existing power relations and institutional silos or inconsistencies which can reproduce inequality.
- Under this analysis, social innovation needs to lead to scalable and sustainable change, rather than temporary and project-based responses.

This second part of the report invites authorities to reflect on the importance of Social Innovation in concrete ways, its potential and implications.

As such, social innovation is the foundation of NAPS and LAPS as it lays the ground for new approach for anti-poverty Measures. It allows authorities to elaborate new policy with pionnering proposal, both in terms of anti-poverty measures, governance, funding, participation. It invites stakeholders to work together to clarify diagnosis and create new solution and pathways to poverty eradication.

SOCIAL JUSTICE AND DEFINITION OF POVERTY

DEFINITION AND SCOPE

In alignment with EU principles, national governments must adopt a clear, comprehensive, and rights-based definition of poverty that is applied consistently across all policy areas. This means adopting an intersectional approach that recognises how poverty intersects with historical injustice and imbalance with other forms of disadvantage, including residence status, gender, disability, ethnicity, migration status and homelessness. Socio-economic status must also be recognised as a protected ground of discrimination in law, enabling public authorities to more effectively address unequal treatment and structural exclusion towards people living in poverty.

SPECIFIC FOCUS ON GROUP DISPROPORTIONATELY AT RISK OF POVERTY

An effective EU Anti-Poverty Strategy must prioritise those most exposed to poverty and social exclusion. Marginalised groups face compounded risks resulting from systemic and structural barriers. A one-size-fits-all approach to poverty eradication would therefore fail to break cycles of intergenerational and intersectional poverty.

Child

- Introduce a dedicated and measurable objective on child poverty, in line with the European Child Guarantee and relevant EU commitments, including the Barcelona targets.

Gender

- Support the economic independence of women, in all their diversity, support lifelong learning, reskilling, and training opportunities for women to increase their social mobility and economic security,
- End in-work poverty for all, ensuring adequate minimum income above the poverty threshold and strengthening collective bargaining and maintain closing the gender pension gap as a central priority,
- Invest sustainably in childcare and long-term care services to reduce the disproportionate unpaid care burden on women and enable their full participation in decent, stable, and well-paid employment,
- Offer women individualised social benefits (in particular, disability benefits which are often calculated based on the spouse's income), as well as adequate financial support to single parents' households,
- Target specific vulnerable groups of women with dedicated anti-poverty measures, such as trafficking victims, refugees, and ethnic minorities,
- Ensure effective implementation of Directive 2024/1385 on combating violence against women and domestic violence, guaranteeing that women experiencing poverty have adequate and unconditional access to shelters, survivor support services, legal aid, and social welfare, regardless of their residence or migration status,
- Provide sustainable funding and support to civil society organizations and grassroots women's organisations, which play a critical role in preventing GBV, supporting survivors, and promoting socio-economic empowerment.

Roma

- Implement targeted measures to combat antigypsism and systemic discrimination,
- Commit to closing gaps in social and economic inclusion and achieving the anti-poverty targets set out in the Roma Strategic Framework.

Undocumented migrants

- Ensure unconditional access to essential services, in particular healthcare, justice, and education, regardless of residence status. Undocumented migrants are systematically excluded from formal employment and social protection and may avoid public services due to fear of detection or deportation.

Youth

- Prohibit sub-minimum wages for young adults and guarantee equal pay for equal work. Age-based wage discrimination entrenches early-life poverty and reinforces labour market inequality,
- Strengthen labour protections and working conditions for young workers, including those in temporary, platform-based, or part-time employment, to prevent precarious entry into the labour market from translating into long-term economic insecurity.

Elderly

- Provide an adequate and accessible minimum pension scheme that guarantees a life in dignity. Pension systems must account for career interruptions and unpaid care work, which disproportionately affect women and contribute to persistent gender pension gaps,
- Provide adequate protection and support to informal carers, including financial compensation, social protection coverage, and pension credits.

People who experience homelessness

- Develop national homelessness strategies in line with the objectives set out in the Lisbon Declaration adopted by all Member States, EU institution, and stakeholders in 2021, and following the guidance from OECD Toolkit to Combat Homelessness from 2024.
- Secure access to shelter for all homeless people as an emergency and humanitarian measure, and offer housing-led solutions, including Housing First for homeless people with the most complex needs, as soon as possible.
- Make sure that no child is evicted into homelessness in line with the Council Recommendation on the Child Guarantee and the UN Covenant on the Rights of the Child.
- Stop the criminalisation of street homelessness as a prima facie violation of human rights.

STATISTICS, INDICATORS, AND TARGETS

Adequate, disaggregated, and intersectional data are essential for effective policies for aimed to eradicate poverty. What is measured shapes political priorities, resource allocation, and policy design. Incomplete indicators, binary data systems, and insufficient disaggregation risk rendering entire groups invisible in poverty monitoring frameworks.

- Undertake a rigorous review of existing poverty indicators to ensure they are meaningful, rights-based, and policy-relevant, and that they capture structural drivers of poverty rather than only income-based deprivation.
- Revise poverty monitoring databases to reflect the reality of the “missing poor”, including groups currently underrepresented or invisible in datasets (in particular LGBTQI+ persons, religious minorities, ethnic and racial minorities, people in homelessness and people deprived of liberty).
- Invest in research on the lived experience of poverty through an intersectional lens, capturing how gender intersects with race, disability, migration status, age, sexual orientation, and other grounds of discrimination.
- Ensure long-term, comparable, and disaggregated data collection to enable effective monitoring of poverty trends and the impact of policies over time, including intra-household inequalities and non-standard forms of employment.
- Provide transparency on how indicators are combined and weighted, and how they contribute to achieving concrete poverty reduction targets, in order to strengthen democratic accountability.
- Avoid replacing substantive poverty reduction targets with an overreliance on indicators alone (“indicatorisation”), ensuring that monitoring frameworks remain anchored in measurable social outcomes and rights-based commitments.

ACTIVE INCLUSION APPROACH

Active Inclusion is a strategy developed by the European Commission in 2008 and is designed to support people of working age who are experiencing social exclusion to live a life in dignity and help them move towards a decent job or to get more confidence and skills to participate more actively in their communities. The Active Inclusion Strategy has three elements which are to be implemented in an integrated manner.

ACTIVE INCLUSION

ADEQUATE INCOME SUPPORT

Adequate levels of minimum income and other social benefits.

INCLUSIVE LABOUR MARKETS

Personalized pathway support to quality employment.

ACCESS TO QUALITY SERVICES

Access to decent housing, education, health as well as social services.

PILLAR 1: ACCESS TO MINIMUM INCOME

Adequate, accessible, and rights-based minimum income schemes (MIS) are essential to prevent and reduce poverty, particularly for marginalized groups who are disproportionately exposed to precarious employment, unpaid care responsibilities, and interrupted careers. Minimum income must function as a genuine safety net that guarantees a life in dignity. This requires ensuring adequacy, accessibility, and enabling support mechanisms, in line with the Council Recommendation on adequate minimum income ensuring active inclusion. As EAPN has claimed for decades, a Directive for Minimum Income it is a stepstone towards the harmonisation of social rights in the EU.

Adequacy

- Provide MIS levels at least at the 60% at-risk-of poverty (AROP) threshold in order to take people out of poverty, coupled with national reference budgets to reflect the cost of living,
- Contextualise the AROP benchmark with reference budgets, ensuring that minimum income levels correspond to the actual cost of a basket of essential goods and services in each Member State,
- Ensure that MIS reach adequacy by 2030, as set out in the Council Recommendation on adequate minimum income ensuring active inclusion.
- Support the development of a common EU-wide framework and methodology for reference budgets, while allowing for national specificities in cost-of-living calculations.

Accessibility

- Refrain from restricting the eligibility criteria of MIS, i.e. their coverage, and/or reducing the duration of minimum income benefits,
- Simplify administrative and implementation procedures, reducing bureaucratic burdens that disproportionately affect people with limited resources, digital access, or language proficiency,
- Address non-take-up of minimum income benefits, including through proactive outreach, accessible information, and systematic review of restrictive eligibility conditions,
- Ensure explicit non-discrimination provisions, guaranteeing equal access to minimum income for all actual and potential beneficiaries, regardless of gender identity, migration status, disability, family situation, or other grounds.

Enabling characteristics

- Refrain from imposing punitive conditionality, including mandatory participation in labour market activation schemes, forced public work, enforced volunteering, or the obligation to accept any job or training offer regardless of quality, under threat of benefit reduction,
- Adopt a supportive, rights-based activation approach, focused on individualised case management that addresses social, health, and structural barriers to labour market participation,
- Combine supportive activation measures with guaranteed access to essential services, including housing, healthcare, childcare, social protection, and adequate income support, ensuring that labour market integration does not come at the expense of dignity or rights.

PILLAR 2: ACCESS TO INCLUSIVE LABOUR MARKET

Inclusive labour markets are central to poverty reduction, yet employment alone no longer guarantees protection from poverty. Marginalised groups are disproportionately represented in low-paid, precarious, and undervalued sectors, while non-standard employment and fragmented careers undermine income security and social protection. Labour market policies must therefore move beyond activation-centred approaches and address the quality, stability, and fairness of work, as well as equal access to labour rights and social protection.

Fair Working Conditions

- Guarantee fair working conditions for all workers, including equal pay and pay transparency, full transposition of work-life balance measures, and enforcement of health and safety standards,
- Move beyond an activation-centred approach to poverty reduction. While access to decent work remains essential, national strategies must acknowledge that employment alone no longer guarantees protection from poverty,
- Integrate quality of employment, wage adequacy, and social protection coverage as core indicators of labour market inclusion,
- Rebalance labour market integration policies, moving away from subsidies that incentivise low-hour, low-quality work, and instead investing in sustainable integration measures such as training, workplace adaptation, and quality job creation.

Wage Adequacy

- Fully transpose and effectively implement the Minimum Wages Directive, to ensure statutory minimum wages reach at least 60% of median equivalised income and/or are set according to a living wage approach based on real cost-of-living benchmarks.
- Ensure minimum wages are regularly updated, inflation-adjusted, monitored, and enforced, including through price indices reflecting the consumption patterns of low-paid households and independent living wage commissions where appropriate.
- Strengthen collective bargaining systems, aiming for high collective agreement coverage, institutionalised sectoral bargaining, and effective support for social dialogue, including in sectors dominated by small enterprises.

Inclusive Social Protection for All Workers

- Strengthen social protection for non-standard and atypical workers, including temporary, part-time, solo self-employed, platform, and on-call workers, by adapting eligibility rules (longer reference periods, hours aggregation) to ensure effective access to benefits.
- Reform unemployment and income-replacement systems to ensure minimum threshold replacement rates and prevent income from falling below 60% of median equivalised income, with benefit uprating linked to wage growth and adequacy benchmarks.
- Remove discriminatory waiting periods and access barriers to benefits, including distinctions between employment statuses, benefit types, and insurance-based versus assistance-based schemes.
- Ensure equal access to labour rights and social protection for third-country nationals, preventing exclusion that increases exploitation, undeclared work, and unfair labour market competition.

Preventing Regulatory Avoidance and Market Segmentation

- Reassess and regulate outsourcing and subcontracting practices, preventing their use as regulatory avoidance mechanisms and ensuring equal treatment between directly employed and subcontracted workers.
- Prevent misclassification of subordinate workers as self-employed, by aligning legal definitions with material working conditions and removing tax and contribution incentives that encourage reclassification.

PILLAR 3: ACCESS TO QUALITY SERVICES

Access to comprehensive, high-quality services is a central pillar of poverty reduction and social inclusion. Services must be rights-based, person-centred, and adequately funded, addressing structural and territorial inequalities. Beyond mere provision, quality services require engagement with users, integrated delivery across sectors, decent working conditions for service providers, and strong monitoring mechanisms to ensure accessibility, effectiveness, and social outcomes. Adequate minimum income and social protection are preconditions for meaningful access, enabling individuals to exercise their rights fully.

Integrated Social Services

- Support “one-stop-shop” service models that integrate social, employment, health, and housing support, reducing bureaucratic burdens and improving outcomes for people experiencing poverty. Engage service users in design, delivery, and monitoring to ensure unmet needs are addressed.
- Promote universal, non-discriminatory access to affordable, high-quality essential services, prioritising a rights-based and person-centred approach over market-driven models.
- Recognise social services as essential services within transformational social protection systems, ensuring preventive support, adequate funding, and decent working conditions for social workers, including fair wages, social protection, training, and social dialogue.
- Adopt clear minimum service provision standards, aligned with the 2010 European Framework for Quality in Social Services, extending quality criteria to all essential services, including respect for users’ rights, service proximity, integration, and active participation of users.
- Ensure digitalisation is optional, accessible, and complementary to face-to-face support, preventing exclusion due to digital divides or rapid technological changes.
- Integrate social considerations in public procurement, including minimum working conditions for providers, social integration of disadvantaged people, and measurement of social outcomes beyond price-quality ratios.

Public Employment Services

- Provide comprehensive coverage and seamless transitions to other benefits at all stages.
- Support person-centred, integrated support as part of an “active inclusion approach” which is based on case-management approaches and personalised planning.
- Ensure access to other key social rights for minimum income beneficiaries, e.g. decent housing, education, affordable healthcare, and not just as a “condition” or an “instrument” to get them into work.
- Promote transparent and accessible pathways for recognition of skills, certifications, and diplomas, particularly for migrants and third-country nationals, to enable labour market inclusion and personal development.

Housing

- EAPN calls for a housing-led approach to homelessness and for the promotion of Housing First as an effective intervention for homeless people with the most complex needs. Housing First is a specific intervention which, depending on the country context.
- Increase the supply of quality, affordable, and non-segregated housing by scaling up public and social housing construction, particularly in high-demand areas with rapidly rising prices, while avoiding spatial segregation that reproduces poverty and exclusion. The provision of social housing should go beyond new construction to also include the better use of vacant housing and building, and existing occupied stock.
- Regulate private rental markets including through rent control mechanisms benchmarked to real costs of living and indexed to inflation, to prevent excessive rent increases and ensure long-term affordability for low-income households,
- Strengthen housing-related social protection systems, ensuring income support and housing benefits adequately cover real housing and energy costs for low-income households and other groups at risk of poverty.
- Provide direct, upfront financial support for housing renovation and energy efficiency, prioritising households experiencing energy poverty and ensuring that renovation costs do not result in unfair rent increases, higher bills, or displacement,
- Guarantee the right to energy as an integral part of the right to housing, including by banning energy disconnections for vulnerable households, maintaining regulated energy prices for domestic users, and expanding social tariffs.

- Adopt and scale up Housing First programmes as the primary response to homelessness, recognising housing as a fundamental human right and guaranteeing immediate, unconditional access to permanent housing with appropriate support services.
- End forced evictions, Roma expulsions, and housing demolitions without adequate rehousing, ensuring that no displacement occurs without safe, dignified, and appropriate alternative accommodation.

Healthcare

- Invest in accessible, affordable, and quality healthcare, including mental health and dental care, for people living in poverty and vulnerable populations.
- Increase availability of affordable medicines, public health centres, and trained health professionals, ensuring decent working conditions for providers and adequate resources for service delivery.

Long Term Care

- Establish comprehensive national long-term care frameworks grounded in quality principles, including continuity and integration of services, prevention, person-centredness, and an outcomes-based approach that prioritises quality of life, autonomy, and independent living alongside clinical outcomes,
- Develop and adequately resource quality assurance systems covering all forms of care, including residential, home-based, community-based, and informal care, ensuring regular monitoring, transparent reporting, and accountability mechanisms.
- Guarantee equal access to quality long-term care services, including by mainstreaming mental health within public health and care systems, adopting comprehensive quality standards for both formal and informal care, and using outcome-based indicators such as unmet care needs.
- Strengthen the link between public procurement and quality in long-term care provision, ensuring that contracting prioritises universal accessibility, continuity, integration between health and social services, affordability, and measurable social outcomes over cost-efficiency alone.
- Ensure the availability of a diversified range of long-term care options, including home care, community-based care, residential services, and personal assistance, based on identified unmet needs and safeguarding the right of care recipients to freely choose their care arrangements,

- Protect and advance the right of persons with disabilities to independent living, ensuring access to personal assistance and community-based services in line with the UN Convention on the Rights of Persons with Disabilities, and preventing institutionalisation.
- Close territorial gaps in long-term care provision, particularly in rural, remote, and depopulating areas.
- Create pathways to regularisation for undeclared long-term care workers, alongside safe and non-discriminatory legal migration pathways, while addressing racial and gender inequalities embedded in the care workforce.
- Ensure digitalisation in long-term care complements, rather than replaces, human care, and does not undermine the rights of vulnerable people to receive personalised, rights-based assistance.

DIGITALISATION AND DATA DRIVEN WELFARE SYSTEM

Digitalisation and data-driven technologies have the potential to improve efficiency and accessibility in social protection systems. However, if poorly designed, they can exacerbate inequality, entrench discrimination, and create new barriers for people experiencing poverty. A rights-based approach requires transparency, accessibility, user participation, and safeguards against automated discrimination, ensuring that technology supports inclusion rather than replacing essential human-centered services.

AUTOMATED DISCRIMINATION

- Conduct thorough assessments of AI and data-driven welfare policies, evaluating potential risks of surveillance, control, and discrimination against people experiencing poverty and other vulnerable groups.
- Prioritise internally managed, secure, and interoperable digital solutions under state sovereignty to protect privacy and reduce reliance on private actors that may misuse data.
- Ensure transparency in AI deployment and data collection, including clear communication to users and workers about the purpose, functioning, and potential impact of digital tools.

DIGITALLY INDUCED POVERTY

- Keep digital services optional, providing physical, accessible, affordable, and high-quality alternatives. Telephone and in-person services must remain adequately resourced and of equivalent quality,
- Avoid preferential treatment for digital users that disadvantages those who rely on non-digital channels, preventing further marginalisation.

ACCESSIBILITY AND INCLUSION

- Guarantee accessibility of digital tools for all, including persons with disabilities, older adults, and low-income households experiencing digital poverty. This includes provision of devices, internet access, and inclusion in social tariffs or income support measures.
- Expand internet coverage in rural, remote, and underserved areas to ensure equitable access to digital services.
- Provide robust digital literacy and skills programs across all age groups, including training on AI advantages, risks, and safe use in social protection contexts.
- Design online application processes in cooperation with civil society and beneficiaries, ensuring user-friendly interfaces, reducing errors, and supporting effective access to benefits.

MONITORING AND IMPACT ASSESSMENT

- Conduct comprehensive impact assessments of digitalisation and AI on social protection, evaluating effects on societal inclusion, equity, well-being, and the work conditions of social service staff.
- Ensure that digitalisation complements rather than replaces human-centered support, preserving personalised, rights-based interactions and the professional mission of social workers.

CLIMATE

Climate and environmental policies have direct social and economic impacts, particularly on people experiencing poverty and other marginalised groups. A socially just transition requires that climate action, energy policies, and decarbonisation measures actively reduce inequalities rather than exacerbate them. National strategies must integrate poverty and social inclusion objectives, ensure equitable access to clean energy and sustainable mobility, and link climate action with strengthened social protection and support for affected communities.

NATIONAL SOCIAL CLIMATE PLANS AND PARTICIPATION

- Ensure National Social Climate Plans explicitly address poverty and social exclusion, including mandatory poverty impact assessments for all climate policies.
- Meaningfully involve people experiencing poverty and civil society organisations in the design, implementation, and monitoring of climate and energy policies.

ENERGY ACCESS AND AFFORDABILITY

- Guarantee access to clean, affordable, and reliable energy for all, prioritising low-income households, renters, and marginalised communities in energy transition measures and subsidies.
- Introduce a ban on energy disconnections, ensuring that no household is cut off from electricity, heating, or cooling due to inability to pay, particularly during extreme weather events.
- Allocate dedicated funds to address energy poverty and support households affected by just transition measures, including financial assistance for renovations and energy efficiency improvements.

HOUSING AND RENOVATION

- Fully implement and enforce the Energy Performance of Buildings Directive (EPBD) and Energy Efficiency Directive (EED), with social safeguards prioritising households experiencing poverty through targeted renovation schemes, tenant protections, and safeguards against rent increases or displacement.
- Ensure climate policies do not deepen inequalities, avoiding regressive pricing mechanisms and ensuring that compensation measures effectively reach low-income and marginalised populations.

SUSTAINABILITY MOBILITY AND TRANSPORT

- Invest in clean, affordable, and accessible public transport, particularly in underserved, rural, and disadvantaged areas, powered by renewable energy.
- Ensure universal affordability and accessibility of sustainable mobility, including reduced or free fares for low-income users and accessible infrastructure for people with disabilities.

SOCIAL PROTECTION AND JUST TRANSITION

- Adapt social protection frameworks to the challenges posed by decarbonisation and the green transition, including support for workers and communities affected by industrial restructuring or job displacement.
- Integrate climate action with poverty reduction, ensuring that environmental policies strengthen social resilience, protect vulnerable groups, and contribute to inclusive economic opportunities.

NAPS, LAPS, AND GOVERNANCE

Member States should establish appropriate governance frameworks to support strong, coherent LAPS aligned with NAPS, while complementing action taken at EU level under the EU Anti-Poverty Strategy:

VERTICAL GOVERNANCE

- Set clear indicators, targets, and objectives for LAPS, ensuring coherence and complementarity with NAPS and the EU APS,
- Reinforce coordination across policy sectors at local level and between national, regional, and municipal authorities, ensuring that national guidance on LAPS is consistently applied while allowing flexibility to respond to local needs,
- Provide targeted technical assistance, training, and adequate staffing to small and under-resourced municipalities to enable the design and implementation of effective, needs-based Local Anti-Poverty Strategies,
- Ensure effective coordination between LAPS, NAPS, and EU-level action, including clear coordination mechanisms and designated coordinators at each level,
- Embed poverty eradication objectives across relevant policy areas, ensuring they are systematically integrated into local planning and decision-making,
- Ensure the meaningful participation of people experiencing poverty (PeP) in decision-making processes at local, national, and EU levels, and coordination among them.

HORIZONTAL GOVERNANCE

- Ensure LAPS are planned independently of political cycles, based on long-term objectives and ensuring their continuity beyond election results,
- Carry out ex-ante and mid-term impact assessments to monitor progress and adjust policies as needed,
- Establish strong coordination mechanisms, with a designated coordinator holding a clear, defined mandate, sufficient authority, and an appropriate set of powers to ensure cross-sectoral coherence,
- Ensure the meaningful participation of PEP in the design, implementation, monitoring, and evaluation of policies.

PARTICIPATION

People experiencing poverty should be involved from the outset in designing the National and Local Action Plans against Poverty. The participation process, including its modalities and objectives, should be transparent from the beginning and accessible to all contributors. Their lived experience and participation should be also considerate as deserving labour contribution with financial support. Consultative meetings, at national and local levels, with people experiencing poverty should be held in all EU Member States, not just in capital cities. For EAPN, participation is not an add-on or a procedural requirement. It is a political principle grounded in the recognition of people experiencing poverty as rights-holders and experts of their own lives. Participation, in this sense, is about power: the power to influence agendas, shape policies, and hold institutions accountable.

- Provide dedicated funding to support meaningful participatory processes, ensuring the systematic involvement of people experiencing poverty in the design, implementation, and evaluation of economic and social policies,
- Strengthen mechanisms for civil society participation in decision-making and ensure independent evaluation of anti-poverty measures with the involvement of social partners and people experiencing poverty,
- Evaluation outcomes should be communicated transparently, including progress towards poverty targets and the identified positive or negative impacts of specific measures,
- PEP in all stage of governance, co-creation, monitoring, evaluation and impact assessment,
- Accessible safe spaces for all people experiencing poverty, regardless with their limitations to digital literacy, handicap, family context, language support amongst others,
- Access to essential services is a human rights obligation, not a discretionary policy choice. Denial of access to healthcare, mental health and addiction services, dentistry, childcare, or food support constitutes a violation of fundamental rights,
- Multi-level governance must be strengthened, funded and clarified, with clear responsibilities across EU, national, regional, and local levels, and with particular support to municipalities as key access points for services. Funding should ensure that some services can be accessible for free,
- Lived experience and peer-led initiatives must be sustainably funded and recognised as key actors and service providers, rather than being treated solely as short-term, crisis-response or gap-filling actors when public systems fail,

- Digitalisation must complement, not replace, human support, and safeguards must be put in place to prevent increased non-take-up and exclusion,
- Clear rights-based legal frameworks, accompanied by mandatory professional training and operational guidance for front-line workers, to avoid arbitrary interpretation of rules and ensure that people are not “lost in the system”.

CRIMINALISATION OF POVERTY AND SOLIDARITY

People living in poverty are disproportionately affected by criminal law and policies, which contribute to maintaining them trapped in a social exclusion cycle. In the case of homeless people, this can take the form of legislation banning activities such as sleeping rough or begging. The criminalisation of poverty can also happen indirectly, for instance, through fines for minor offences such as fare evasion on public transport. Racialised people, Roma people, and other ethnic minorities are more frequently stopped, searched, arrested and subjected to police brutality, especially in disadvantaged areas. People from disadvantaged backgrounds who use drugs are also more likely to be criminalised than others. This leads to disproportionate targeting and criminal records for minor offences, further entrenching poverty and social exclusion. The criminalisation of solidarity also impacts migrants, asylum seekers, and undocumented people.

- Shift from punitive to harm-reduction approaches by adopting health, rights and rehabilitation-based drug policies, and ending criminal sanctions for drug use linked to poverty, homelessness, or social exclusion,
- End the criminalisation of minor survival-related offences, such as fare evasion, loitering, begging, or sleeping rough, by replacing fines and sanctions with social support and access to public services,
- Address discriminatory policing practices by introducing safeguards against racial profiling, strengthening independent oversight mechanisms, and ensuring accountability for disproportionate stops, searches, arrests, and police violence in disadvantaged areas,
- Prevent the disproportionate criminalisation of people who use drugs from disadvantaged backgrounds, including by limiting criminal records for minor offences and prioritising social, health, and community-based interventions,
- Decriminalise solidarity and humanitarian assistance, ensuring that individuals and organisations providing support to migrants, asylum seekers, and undocumented people are not penalised under criminal or administrative law,
- End the use of criminal and administrative detention as a migration deterrent, and restrict the use of surveillance technologies and digital enforcement tools in migration management in line with fundamental rights obligations,

- Repeal laws and local regulations that penalise homelessness, including bans on sleeping rough, begging, or using public space, and replace them with housing-led, rights-based homelessness strategies,
- Embed an anti-poverty and anti-discrimination lens across criminal justice, digitalisation, and migration policies, ensuring that poverty eradication, social inclusion, and equality are treated as core policy objectives rather than security concerns,
- Ban predictive and data-driven policing practices that disproportionately target people experiencing poverty, including algorithmic risk profiling based on location, socio-economic status, or proxy indicators of deprivation,
- Prohibit the use of AI systems in law enforcement that reinforce systemic discrimination, particularly against racialised communities, Roma people, migrants, homeless people, and people who use drugs,
- Prevent the use of welfare, housing, migration, or health data for policing and law-enforcement purposes and enforce clear firewalls between social services and law enforcement authorities,
- Strengthen democratic oversight of policing technologies, including parliamentary scrutiny, independent monitoring bodies, and meaningful involvement of civil society and affected communities.

FUNDING, TAXATION, AND ECONOMIC RESILIENCE

Social welfare policies aim to protect citizens against the risks - associated with old age, unemployment, sickness, etc. - that they might face in their lives and therefore enable the exercise of their basic rights. As a result, it is key for the social welfare state to have the necessary resources to fulfil its objectives and redistribute the resources between the richer and the poorer. In this scenario of economic contraction, the question is how to develop a sustainable welfare state. According to the EC - Annual report on taxation 2023, just and progressive tax systems can ensure the necessary resources and contribute to equality (including gender equality), thanks to the redistribution of resources between the richer and the poorer.

FUNDING

- Both the EU and Member States must commit to avoiding austerity that damages the social security systems and are paid by the poorest part of the population. Instead, we need a fair tax system that not only helps to reduce the states debts, but also reinforces social security systems and leads to an adequate and accessible minimum income for citizens by using the new money coming in,

- Ensure adequate, predictable, and long-term funding for social protection measures, preventing reliance on short-term or project-based financing,
- Public subsidies to private companies must be made conditional on investments that promote sustainable, socially just, and environmentally responsible modes of production,
- Ensure that the National and Regional Partnership Plans of the 2028–2034 MFF prioritise the implementation of NAPs and LAPs through adequate funding,
- The EU and its Member States should make sure that public spending on social protection never falls below 35% of the GDP of a country – following our ‘Golden Rule’ proposed in 2018.

TAXATION

- Implement progressive taxation of wealth, capital, and high incomes to secure sustainable funding for National and Local Anti-Poverty Strategies, including Minimum Income Schemes and broader social protection systems,
- Introduce a legal requirement for Poverty and Social Impact Assessments for all major draft legislation, particularly annual state budgets and significant tax reforms,
- Ensure tax justice by:
 - Increasing the level of taxation on wealth and capital,
 - Abolishing taxes that are regressive on low-income people, including value added and other consumer taxes as well as regressive charges for medicines, public transport and learning, culture and leisure services,
 - Reforming the inheritance tax which favours the richest and wealthiest,
 - Taxing the so-called Big Tech. Those companies who do not pay profit tax in the countries they make their profit. Both the European Parliament and the OECD have called for a tax of at least 4%,
 - Taxing the financial transactions on the markets.

ECONOMIC RESILIENCE

- Social protection levels must reflect real cost-of-living changes, particularly the price of basic goods and essential services,
- Develop crisis-response mechanisms that prevent further marginalisation of people at risk of poverty or social exclusion (AROPE). When inflation reaches defined thresholds, automatic stabilisers should be triggered, including price ceilings for essential goods and heating.

Definition & Scope of Social Innovation

Within this framework, social innovation is understood as a public and collective responsibility, embedded in social rights and public policy, rather than as a substitute for state obligations or a means to compensate for welfare retrenchment.

Across national practices, the most effective social innovations are those rooted in a social rights vision, where innovation strengthens access to rights rather than shifting responsibility from individuals or communities. In the national practices, social innovation aligned with NAPS and LAPS should improve access to rights and service (housing, income support, healthcare, childcare, energy, education) while enhancing institutional coordination across all policy areas (beyond social rights) and different levels of governance. In this concept, actions and political commitments to prevent poverty, social exclusion, and discrimination are considered crucial. Nevertheless, practices framed as “progressive” or “new” but focused primarily on activation, conditionality, digitalization without safeguards, or cost-efficiency risk deepening exclusion, cannot be considered social innovation from an anti-poverty perspective.

While local-level innovation is widespread across countries and often responds creatively to concrete needs, the absence of national coordination frequently leads to fragmentation and uneven access between territories. Without a coherent national framework, successful local practices at risk remain isolated, with significant disparities emerging depending on geographical location, administrative capacity, or political priorities.

Hence, social innovation should also apply to governance mechanisms. The social innovation within National and Local Anti-Poverty Strategies, have the potential to lead to clear governance structures and mechanisms for scaling up and mutual learning, by defining mandate, roadmap and responsibilities among the different level of authorities and stakeholders.

Across national contexts, several cross-cutting lessons emerge regarding the conditions under which social innovation most effectively contributes to poverty reduction. Evidence shows that social innovation delivers sustainable impact when it is firmly embedded in a rights-based framework, ensuring that initiatives strengthen social protection and access to services rather than compensating for their absence. Its effectiveness is further reinforced when supported by long-term public funding, which allows initiatives to move beyond experimentation and short-term pilots and become able long-term components of social policy. Institutionalisation, meaning streamlining and mainstreaming, beyond project-based approaches is essential to prevent innovation from remaining marginal or dependent on individual stakeholders.

Additionally, co-creation with people experiencing poverty is consistently identified as a decisive factor in ensuring relevance, legitimacy, and empowerment. Therefore, linking social innovation to robust monitoring and evaluation frameworks focused on social outcomes and impact, rather than process alone, is crucial to demonstrate added value and inform policy learning.



Case study: Inclusion Policy Lab, Spain

Minimum Income Scheme: an Opportunity for to Strong Social Innovation

The Inclusion Policy Lab constitutes part of the public policy framework designed to promote social inclusion alongside the Minimum Income Scheme (MIS) since 2021². However, the MIS goes beyond direct financial support and must be coupled with strategies to foster holistic social inclusion, including access to the labour market and access to essential services. These strategies, beyond income support, include complementary measures offering essential support to help families overcome situations of vulnerability.

In Spain, in the context of the recovery post Covid, the Ministry of Inclusion, social security social and migration (MIIS) submitted, in its recovery and resilience Plan, the Inclusion Policy LAB. The inclusion strategies, aiming at reinforcing the MIS promoted in the Inclusion Policy Lab have been developed in collaboration with the Autonomous Communities and Cities, Local Entities and the civil society organisations.

The aforementioned stakeholders hence proposed and implemented projects, while the MIIS carried out the evaluation and monitoring tasks. The projects were evaluated according to:

- the degree of social innovation,
- the potential impact of the evaluation on the design of public policies,
- and their adequacy to the methodology of Randomized Control Trials.

[2] Law 19/2021 of December 20 established the MIS as a new financial benefit aimed primarily at preventing poverty and social exclusion among economically vulnerable individuals.

From social innovation to social investment: The Inclusion Policy Lab stands as an example where well-designed and rigorously evaluated social policies should be understood as investments rather than expenditures.

The history of the Inclusion Policy Lab is closely linked to the concept of social investment. The Lab operates within the framework of the RRF, Spain's strategy for channelling NextGeneration EU funds to support economic and social recovery following the COVID-19 pandemic. These funds finance reforms and investments aimed at building more sustainable and resilient economies in the EU. Within this plan, the Lab is explicitly framed as an investment, reflecting the idea that such programs can strengthen the economy by improving human capital and productivity. Spanish authorities involved in the Inclusion Policy Lab have continuously promoted the concept of social investment at the highest European level.

During the Spanish and Belgian Presidencies, from July 2023 to July 2024, an informal working group was established and co-led by the SGI and its Belgian counterpart. On 12 March 2024, the group's findings were presented at a joint meeting of ECOFIN and EPSCO. The session concluded with recognition of the social investment concept and a commitment to continue developing common recommendations for public policy evaluation.

Conclusion

In conclusion, national practices demonstrate that social innovation can significantly strengthen anti-poverty strategies when it is grounded in social rights, meaningful participation, and systemic change.

As the European Union advances the development of its Anti-Poverty Strategy, social innovation should be explicitly recognised as a core component of effective National and Local Anti-Poverty Strategies. This requires moving beyond a narrow understanding of innovation as experimentation or efficiency-driven reform and instead positioning it as a strategic tool to transform policies and systems. Ensuring that innovation contributes to long-term social objectives, rather than short-term solutions, is essential if policies are to be effective in tackling poverty.

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