

SOCIAL RIGHTS AND THE COST-OF-LIVING CRISIS



European Committee of Social Rights
A review of States Parties' ad hoc reports

2025



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SOCIAL RIGHTS AND THE COST-OF-LIVING CRISIS

A Review of the States
Parties' ad hoc reports

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Cover design and layout: Documents and Publications Production Department (SPDP), Council of Europe

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Printed at the Council of Europe.

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EXECUTIVE SUMMARY

In 2024, the European Committee of Social Rights (ECSR) carried out a review of measures taken by States Parties in response to the cost-of-living crisis. It did so on the basis of the ad hoc reports submitted by 41 States Parties to the European Social Charter and taking into account information provided by other stakeholders (notably social partners, civil society organisations and national human rights institutions).

In early 2022 Russia's war of aggression against Ukraine severely disrupted global markets, sending food and energy prices soaring as a result of speculation, contributing to inflationary pressures at a time when the cost of living was already rising rapidly for households. The cost-of-living crisis followed the one caused by the Covid-19 pandemic. Its impacts were further exacerbated by the legacies of the financial and economic crises of the late 2000s.

Although inflation subsided somewhat in 2024, living costs did not return to pre-crisis levels. The situation thus remains critical for millions of people, in particular the most vulnerable groups who are forced to spend a larger proportion of their income on essentials than others.

Unlike the ECSR's *decisions* in the collective complaints procedure and its *conclusions* in the reporting procedure, the review of ad hoc reports does not involve legal assessments of state conformity with Charter obligations. Rather, the review provides a general overview of the measures taken by States Parties in response to the cost-of-living crisis, identifying examples of good practice where possible. In it, the ECSR sets out a broad legal analysis of what the Charter requires in situations when the cost of essentials rises much faster than average household incomes and provides guidance and recommendations to be used as a framework by States Parties in ensuring that future cost-of-living crises are addressed in a Charter-consistent way.

The analytical structure of the ECSR's review is shaped by the specific questions that were addressed to States Parties when requesting the ad hoc reports. Accordingly, the review is divided into five thematic sections, each linking to specific rights guaranteed by the Charter, namely social protection, employment and wages, housing, energy and food and groups particularly affected by the cost-of-living crisis. The review closes with a Statement of interpretation defining in normative language the key obligations flowing from the Charter in a cost-of-living crisis.

SOCIAL PROTECTION

Social protection is engaged by a wide range of Charter rights, enshrined in particular in Articles 12, 13 and 14, and the ECSR focused its review on the adequacy of social security benefits and social assistance.

The Charter obliges States Parties to take all necessary actions needed to ensure that social security and assistance levels are adequate, including by continually adjusting them as necessary to keep pace with inflation.

The ECSR notes that during the cost-of-living crisis many States Parties allocated additional budgetary resources towards income-replacement benefits and other assistance and support measures for persons and families affected. In many instances, although positive in impact, the measures adopted were one-off or temporary. However, the cost-of-living crisis continued past the duration of those measures and continued to impact the groups most at risk of poverty.

The ECSR makes a number of recommendations, including that States Parties should: introduce social protection-related measures benefiting all members of society and compensating for the rise in living costs; ensure regular indexation of social security benefits and social assistance; provide for extraordinary adjustments when necessary to preserve the purchasing power of those most at risk of poverty; and ensure consultation with those most affected by the crisis in the decision-making processes regarding the allocation of social security benefits and social assistance. Simplifying benefit/support application processes is of crucial importance.

EMPLOYMENT AND WAGES

The ECSR focuses its analysis on the right of all workers to a fair remuneration (Article 4§1). The cost-of-living crisis with its mounting inflationary pressure reduced the real value of wages, representing a challenge for workers, in particular those on low wages.

The ECSR observes that during the crisis the States Parties with a statutory minimum wage applied either an automatic indexation mechanism for wages or a regular revision mechanism. In States Parties without a statutory minimum wage, adjustments that were made to compensate for inflation were often achieved through collective bargaining.

However, the ECSR also notes that there was a failure on the part of a number of States Parties to maintain the real value of the minimum wage during the initial period of the crisis. The ECSR's review highlights the vital importance of persistent and timely efforts on the part of national authorities aimed at maintaining the standard of living of households earning the minimum wage. Recommendations include that the net minimum wage be set and maintained at least at 60% of the net national average wage, as well that serious efforts should be made to promote social dialogue, including in particular collective bargaining, during cost-of-living crises.

HOUSING

The cost-of-living crisis exacerbated an already existing housing crisis in many States Parties. Aspects of the right to housing (guaranteed by Articles 31 and 16 of the Charter) that require particular attention in the context of a cost-of-living crisis include measures to address increased housing costs and to prevent homelessness.

The ECSR notes a range of measures taken by the States Parties to address housing affordability and the risk of homelessness during the crisis, including rent caps, increased housing benefits and initiatives to increase the supply of social housing.

However, the measures adopted by States Parties often failed to address the housing rights-related problems adequately. The ECSR therefore emphasises that, during a cost-of-living crisis and in its aftermath, States Parties should regularly intervene to ensure both the existence of a sufficient stock of affordable social housing and that measures are taken to prevent homelessness. The Committee stresses the importance that national authorities take measures to ensure housing benefits are commensurate with housing costs and such benefits are targeted to the groups most at risk of being unable to afford adequate housing. Measures must also be taken to prevent evictions due to housing arrears.

ENERGY AND FOOD

Stable, consistent and safe access to adequate energy is both a prerequisite for and a key element of the enjoyment of a wide range of Charter rights (for example, Articles 11, 15, 16, 23, 27, 30 and 31). The ECSR notes the significant surge in energy poverty across the States Parties. At the same time, being unable to access adequate, sustainable food also has a direct impact on several Charter rights. Notably individuals and families living in poverty often face barriers to accessing adequate food, which exacerbates their vulnerability. In 2023, the price of most foodstuffs was still rising up to seven times faster than wages.

Measures taken by States Parties during the crisis included price caps on energy, one-off payments, tax reductions and targeted allowances for low-income groups to cope with the increasing energy costs. As regards food, measures included price caps on staple food items, meal vouchers, and reduced VAT on specific items.

The measures concerning both energy and food had some positive impacts but in many instances, the measures were temporary or ad hoc, while the effects of the cost-of-living crisis continued to reverberate after their duration. A certain lack of targeting of the support for the most vulnerable, excessive reliance on last resort relief (e.g. soup kitchens, food banks) and overly complex application processes for some of the forms of support, including food and energy-related benefits, were also causes for concern.

The ECSR underlines the need for States Parties to adopt measures to assess the high number of households in energy poverty while also adopting suitable indicators in this respect. Furthermore, evaluations of the impact of energy costs on right-holders, with a particular focus on vulnerable groups and on low-income households, should be carried out. This must be done regularly and immediately upon there being evidence of particular challenges in terms of increasing energy costs. Other recommendations include the simplification of the application procedures for accessing support and the prohibition of disconnecting vulnerable/low-income groups from energy supply. The Committee also recommends the adoption of targeted policies and inclusive strategies to ensure an equitable transition to renewable energy systems, as well as the provision of support measures to improve the energy efficiency of the housing stock.

With regard to food, the ECSR stresses the importance of expanding free school meal programmes and ending reliance on last resort relief such as food banks to ensure access to food and address food insecurity.

GROUPS PARTICULARLY VULNERABLE TO OR MORE LIKELY TO BE AFFECTED BY THE EFFECTS OF THE COST-OF-LIVING CRISIS

Groups to which the Charter accords particular attention, and which were particularly affected by the cost-of-living crisis included low-income households (e.g. sole parent households, unemployed persons, homeless persons, persons at risk of poverty and social exclusion), children, youth, persons with disabilities, older persons, LGBTI, marginalised communities, ethnic minorities, Roma and migrant families. In the present review, the ECSR focuses on the situation regarding four groups: namely, low-income households, children, persons with disabilities and older persons.

The ECSR notes that a variety of measures were taken across most States Parties to mitigate the impact of the crisis on these groups, such as one-off payments, energy grants, price caps, tax relief, increases in benefits, introduction of new benefits/allowances, indexation of benefits and measures to assist with food costs. However, weaknesses in terms of state responses were also identified. These included the fact that in many cases adopted measures were too short-term in nature or were not sufficiently targeted. Furthermore, there were shortcomings with regard to the consultation and participation of the vulnerable groups in question as required in terms of the Charter.

The ECSR recommends that, amongst other things, States Parties should make more use of human rights impact assessments, collect comprehensive quantitative and qualitative data on the impact of the cost-of-living crisis on groups particularly vulnerable to or more likely to be affected, improve the targeting of measures, prioritise medium- and long-term measures and ensure timely, meaningful and inclusive consultation with and participation of persons belonging to the most affected groups.

STATEMENT OF INTERPRETATION ON SOCIAL RIGHTS AND THE COST-OF-LIVING CRISES

Drawing on its review of the ad hoc reports, the ECSR adopted a Statement of interpretation. Going forward this authoritative interpretation of the Charter will serve as a basis for legal assessments of what is required of States Parties to effectively secure Charter rights in a cost-of-living crisis context.

The ECSR has consistently held that the existence of particular crises does not lead to a diminution of State Parties obligations in terms of the Charter. Charter obligations must serve as a human rights road map for decision-making on law, policy and resource allocation related to cost-of-living crises. These decisions need to address not only the Charter rights impacts of cost-of-living crises, but also the social, political and economic conditions that preceded them and exacerbated their negative impact on social rights. Measures to be taken by States Parties cannot simply be limited to the immediate period of a crisis but must continue for as long as the direct and indirect effects of a crisis linger. States Parties must adopt a gender-sensitive approach when assessing the impacts of crises and in designing and implementing measures in response to them.

On a concluding note, the ECSR underlines that upholding Charter rights for the benefit of all supports economic recovery and social justice while promoting democratic stability as Europe moves forward.

INTRODUCTION

1. In order to assist States Parties in ensuring the respect of social rights in line with their commitments under the European Social Charter (“the Charter”), the Committee of Ministers of the Council of Europe adopted a [reform package](#) in 2022.¹ Reflecting the fact that the implementation of social rights requires adjustments to evolving realities and circumstances, one of the innovations introduced by this package is the possibility for the European Committee of Social Rights (ECSR or “the Committee”) to focus on new or critical issues which arise with a broad, transversal scope or a pan-European dimension by asking all States Parties to submit an ad hoc report with information about measures taken to address such issues.²
2. In 2023, following a joint consultation between the Committee and the Governmental Committee, the topic of “social rights and the cost-of-living crisis” was identified as appropriate for the first ad hoc reports process. At that point, the cost-of-living crisis (i.e. a period in which the cost of essentials rises much faster than average household incomes)³ had not yet been dealt with in specific detail by the Committee or any other human rights monitoring bodies with a social rights mandate. This remains the case to date. It was considered that uncertainty as to the scope and implications of Charter rights in the context of the cost-of-living crisis could potentially affect States Parties’ ability to give effect to their obligations under the Charter. It was therefore agreed that it was urgent that the Committee engage with this issue. Focusing on the cost-of-living crisis would allow the Committee to provide a general overview of the situation pertaining in States Parties and to set out how the Charter applies in such context. It would also enable the Committee to outline the criteria it would apply in future when seeking to establish whether the situation in a specific State Party satisfies the requirements of the Charter, whether in the context of the current or future cost-of-living crises.
3. In early 2022, Russia’s war of aggression against Ukraine severely disrupted global markets, resulting in a surge in food and energy prices due to speculation.⁴ This contributed to inflationary pressures at a time when the cost of living was already rising rapidly for households. The cost-of-living crisis followed the one caused by the Covid-19 pandemic. Its impacts were further exacerbated by the legacies of the financial and economic crises of the late 2000s. Thus, far from being a free-standing social and economic shock, the Committee considers the cost-of-living crisis to be part of a polycrisis, i.e. the simultaneous occurrence of multiple, overlapping crises which interact so that the whole of their impact on Charter rights is greater than the sum of their parts.
4. The Committee observes a slight improvement in the socio-economic situation described above as of 2023. According to the European Economic Forecast (Autumn 2023), inflation started stabilising, owing to a fading effect of the external shocks, while the gradual moderation in domestic inflationary factors is expected to bring inflation close to 2% in 2025.⁵
5. Despite the decline in inflation rates subsequent to their peak in 2022, the aggregate inflation rate has continued to have an impact on many households since 2021.⁶ Furthermore, despite a decline in inflation in many States Parties during the first half of 2024, prices of many essentials were still rising.⁷ The effects of the cost-of-living crisis thus continue to pose challenges to the enjoyment of Charter-related rights.

ADDRESSING THE COST-OF-LIVING CRISIS BY ENSURING THE EFFECTIVE EXERCISE OF SOCIAL RIGHTS

6. The Charter enshrines an extensive and comprehensive set of social rights which provide a clear framework for decision-making on law, policy and resource allocation necessary to ensure that rights holders lead dignified lives on the basis of social inclusion, active citizenship and equality for all. The Committee has made

1. The reform package is contained in document [CM\(2022\)114-final](#).
2. For information on the regular statutory reporting procedure and the collective complaints procedure, see [Reporting system of the European Social Charter – Social Rights and Collective complaints – Social Rights](#).
3. [The cost-of-living crisis – how does it impact the health and life of individuals? A survey exploring perceptions in Italy, Germany, Sweden and the United Kingdom](#), PMC 2024.
4. David Gaffen, [How the Russia-Ukraine war accelerated a global energy crisis](#), Reuters 2022.
5. [European Economic Forecast – Autumn 2023](#), Institutional Paper 258, European Commission, November 2023.
6. [Does the slowdown in inflation mean that consumers are better off?](#) OECD Statistics, November 2024.
7. [Eurosysteem staff macroeconomic projections for the euro area, December 2024](#), European Central Bank, 2024.

it clear in the past that the existence of particular crises should not result in a diminution of States Parties' obligations under the Charter.⁸

7. The cost-of-living crisis has threatened the principles of social justice⁹ and solidarity embodied by the Charter, exacerbating social inequalities and impeding individuals' ability to exercise their rights in areas including housing, healthcare, education, work and social protection. It has had a particularly negative impact on the rights enjoyment of already disadvantaged and marginalised groups within and across societies. These include low-income households (e.g. sole parent households, unemployed persons, homeless persons, persons at risk of poverty and social exclusion), children, youth, persons with disabilities, older persons, LGBTI, marginalised communities, ethnic minorities, Roma and migrant families. In the context of this review, the Committee has focused more particularly on the impact of cost-of-living crisis on low-income households, children, persons with disabilities and older persons.

8. Women have been disproportionately affected by the consequences of the cost-of-living crisis, as is reflected throughout this review. Indeed, women tend to have lower incomes and wealth as a result of the pay and pension gaps and are thus more likely to be at risk of poverty and social exclusion. They continue to bear the disproportionate burden of unpaid care work, leaving them with fewer resources to protect themselves from the negative impact of the cost-of-living crisis.¹⁰ States must adopt a gender-sensitive approach when assessing the impact of the cost-of-living crisis and in designing and implementing measures to address it.

9. Measures to address cost-of-living crises must therefore give special attention and appropriate priority to the most socially vulnerable groups and individuals. As the Committee made it clear in 2021 in the context of the Covid-19 crisis, States Parties must ensure that measures taken in response to crises, including economic and social policy measures, do not result in direct or indirect discrimination in the enjoyment of social rights (as provided for in Article E of the Charter).¹¹

10. The cost-of-living crisis has had a wide range of direct and indirect impacts, many of which are still ongoing, on the effective enjoyment and exercise of Charter rights. Specific guidance on how to ensure the effective implementation of Charter rights in the context of cost-of-living crises therefore remains crucial.

11. Drawing on the principles and provisions of the Charter referred to in this review, policymakers should develop strategies and interventions to mitigate the ongoing consequences of the cost-of-living crisis and ensure access for all to the goods and services needed to ensure the enjoyment of Charter rights. The guidance and recommendations outlined in this document should also serve as a framework for States Parties to ensure that future cost-of-living crises are addressed from the outset in a manner consistent with the Charter. By acceding to the Charter, States Parties have committed themselves to the pursuit, by all appropriate means, of conditions for the effective realisation, at all times, of the rights enshrined in the Charter.¹² Periods of crisis are times when beneficiaries are most in need of the protection of their human rights. The Committee considers that investment in social rights and in their delivery – consistent with the use of maximum available resources – will mitigate the adverse impact of crises and accelerate recovery.¹³

THE AD HOC REPORTING PROCESS

12. The Committee addressed [specific questions](#) to States Parties on the cost-of-living crisis with a view to gathering information that would enable it to adopt a general overview of the issue. These questions concerned the measures taken to adjust wages (Article 4 of the Charter), social security benefits (Article 12) and social assistance (Article 13) to the rising cost of living. The Committee also requested information on the steps taken to tackle the increased costs of energy, and food, as well as to protect vulnerable categories of persons who are more likely to be at risk of poverty (Articles 15, 16, 17, 23, 30 and 31). In addition, the Committee asked whether, in the process of designing measures to respond to the cost-of-living crisis, steps had been taken to consult those most affected by it, or organisations representing their interests, and to ensure their participation.

8. [General Introduction to Conclusions 2009](#) and [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

9. The concept of "social justice" is understood as defined in the Council of Europe's Committee of Ministers Recommendation [CM Rec\(2014\)1](#), i.e.: "Social justice (...) denotes a society based on equality and solidarity, while meeting fundamental human needs, striving through redistribution mechanisms to reduce inequalities and securing collectively the conditions conducive to the development of every individual and his or her skills".

10. European Parliament resolution of 18 January 2024 on the [gender aspects of the rising cost of living and the impact of the energy crisis](#) (2023/2115(INI)).

11. [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

12. [General Introduction to Conclusions 2009](#).

13. See, in the context of the pandemic, [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

States Parties were invited to reply to all questions, whether or not they had accepted the Charter provisions under consideration. The purpose of this was to give the Committee as clear an understanding as possible of the state of play across all States Parties with regard to the cost-of-living crisis.

13. The thematic sections of this review broadly correspond to the questions posed by the Committee to States Parties. However, the Committee also decided to include a specific thematic section on housing as many States Parties provided information in their ad hoc reports on housing-related measures taken to mitigate the effects of the cost-of-living crisis.

14. All but one of the States Parties to the Charter submitted an ad hoc report.¹⁴ In accordance with Rule 21A of the Committee's Rules, the Committee also received third-party comments on the ad hoc reports concerning specific States Parties from 30 social partners, non-governmental organisations, national human rights institutions and equality bodies.¹⁵ A summary of the information received, country by country, is provided in Appendix I. A link to the full ad hoc reports is included in each country summary. Appendix II contains a list with links to all comments received from third parties.

15. Having examined the ad hoc reports and given due consideration to the comments from third parties, the Committee adopted this review. The objective of the Committee is to provide a general overview of the measures taken by States Parties in response to the cost-of-living crisis, and, where possible, to identify examples of good practice. The review also sets out a broad legal analysis of what the Charter requires in situations where the cost of essentials rises much faster than average household incomes. Finally, the review includes guidance and recommendations to national authorities and other stakeholders on how to respond effectively to the challenges posed by these situations in a manner compliant with the Charter. A key element of the review is a Statement of interpretation on cost-of-living crises and social rights, which outlines what is required of States Parties to effectively secure Charter rights in the context of cost-of-living crises.¹⁶

16. It should be noted that this is not an exhaustive overview of the impacts of the cost-of-living crisis and the measures taken in all Council of Europe States Parties. The range and depth of the Committee's engagement have been limited by the extent and quality of the information provided in the ad hoc reports submitted by States Parties, as well as the necessarily constrained scope of the questions posed to States Parties as part of this process. In particular, the Committee recognises that there is evidence that the cost-of-living crisis has had a disproportionate impact on many different groups, such as youth and migrants, which has not been highlighted in this review.

17. In terms of structure, the review opens with an introduction, which is followed by five thematic sections (social protection, employment and wages, housing, energy and food, groups particularly negatively affected by the cost-of-living crisis). The review closes with a Statement of interpretation and some concluding remarks.

14. Albania is the only one out of the 42 States Parties to the European Social Charter (ESC) not having submitted an ad hoc report. Liechtenstein, Monaco, San Marino and Switzerland are the only four Member States of the Council of Europe that have not yet ratified the ESC and therefore, they did not submit an ad hoc report.

15. The European Trade Union Confederation (ETUC) and the European branch of the International Lesbian, Gay, Bisexual, Trans and Intersex Association (ILGA-Europe) submitted comments on a number of States Parties.

16. The ECSR Statements of interpretation are authoritative sources of interpretation that clarify the rights and obligations set out in the European Social Charter. They provide important guidance on the scope and nature of States' duties under the different Charter provisions and how they apply to specific issues or contexts.

SOCIAL PROTECTION

INTRODUCTION

18. Social protection is a fundamental element of the Charter. It seeks to ensure that everyone in society – including the most disadvantaged and socially excluded – can enjoy a decent standard of living such as to ensure their dignity, wellbeing and flourishing.

19. Social protection encompasses protection from poverty and social exclusion, with adequate social security, adequate social and medical assistance for all persons in need, access to effective social services of adequate quality; and measures to support families, such as access to adequate family and child benefits.¹⁷

20. In terms of Charter rights, social protection encompasses not only the rights set out in Article 12 (right to social security) and Article 13 (right to social and medical assistance), but also Article 11 (right to protection of health), Article 14 (right to benefit from social welfare services), elements of Article 15 (right of persons with disabilities to independence, social integration and participation in the life of the community), Article 16 (right of the family to social, legal and economic protection), Article 17 (right of children and young persons to social, legal and economic protection), Article 23 (right of older persons to social protection), Article 30 (right to protection against poverty and social exclusion) and Article 31 (right to housing).

21. In the light of the questions addressed to the States Parties in the context of the cost-of-living crisis, this section of the report will focus on the adequacy of social security benefits and social assistance.

22. Where heightened inflation significantly reduced the real value of social security benefits and social assistance (family, old-age, child and other social protection-related benefits), the decline in purchasing power led to a decreased ability on the part of recipients of such assistance and benefits to pay for essentials. This was observed with regard to both social security benefits (income-replacement and cost-compensating benefits) and social assistance. It has had a direct and negative impact on their enjoyment of social protection-related rights.

23. The cost-of-living crisis clearly showed that inflation in the prices of essentials in the absence of adequate corrective/compensatory measures will lead to a deterioration in the level of enjoyment of social protection-related rights, particularly for those most in need, resulting in their social exclusion.

24. Guaranteeing social protection-related Charter rights does not simply require States Parties to avoid proactive measures that undermine, reduce or interfere with rights enjoyment; it also obliges States Parties to take all necessary actions needed to ensure that social security and assistance levels are adequate. This includes taking steps to ensure that these levels reflect inflation levels. This is particularly important given that the real inflation rate experienced by those most in need (i.e. those with lower incomes) has frequently been higher than that experienced by the general population. State Party omissions with regard to taking the actions necessary to ensure social security and assistance levels are adequate may result in violations of the Charter. Actions to be taken by States Parties include the adoption of measures to offset the negative impact of rising food, housing, energy and other prices. This is vital in terms of securing rights enjoyment for persons at risk of poverty and/or social exclusion who spend a relatively higher proportion of their income on energy, housing and food.

25. Measures to be taken by States Parties cannot simply be limited to the immediate period of the crisis but must also encompass situations where price increases linger after inflation has fallen. Thus, while emergency ad hoc initiatives such as one-off cash payments or benefits/assistance increases will frequently have an important role to play in addressing the impacts of the crisis in the immediate or short term, it is vital that States Parties do not limit their responses to the cost of living to such short-term measures. Pre-existing shortcomings in the design and delivery of goods and services related to social rights, such as those resulting from fiscal austerity policies, which contribute to or exacerbate the negative effects of these crises, must also be addressed.¹⁸

17. [Digest of the case law of the European Committee of Social Rights](#), 2022, p. 10.

18. General Introduction to Conclusions 2009; [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

26. In the context of the right to social security, the Committee recalls that under Article 12§1, when benefits are income-replacement benefits, the level of benefits should be such as to stand in reasonable proportion to the previous income and should not fall below the poverty threshold defined as 50% of the median equivalised income.¹⁹ The Committee calculates this on the basis of the Eurostat at-risk-of-poverty threshold value.²⁰ However, where a particular income-replacement benefit stands between 40% and 50% of the median equivalised income, other benefits, where applicable, will also be taken into account.²¹ Where the minimum level of an income-replacement benefit falls below 40% of the median equivalised income (or the poverty threshold indicator), its aggregation with other benefits cannot bring the situation into conformity.²²

27. The Committee further recalls that, under Article 13, assistance must be “appropriate”, i.e. it must enable individuals to lead a decent life and adequately cover their basic needs.²³ In order to assess the level of assistance, the Committee considers basic benefits, additional benefits and the poverty threshold in the country. In the context of the Charter, the poverty threshold has been set at 50% of the median equivalised income, calculated on the basis of the Eurostat at-risk-of-poverty threshold value.²⁴

28. However, existing social security benefits and social assistance schemes are not always sufficient to ensure an adequate level of benefit for the purposes of Articles 12, 13 and 16. Nor do they always adequately reach the poorest and most vulnerable groups. Access requirements may be unnecessarily complex, and exclusionary (e.g. requiring formal links to the labour market, proof of fixed abode, setting age limits or excluding certain categories of workers). The impact of the cost-of-living crisis on recipients of social security and social assistance risks compounding the Committee’s previous findings, prior to the cost-of-living crisis, that numerous States Parties were not in conformity with Charter obligations in terms of Articles 12, 13 and 16.²⁵

29. The Committee has previously made it clear that levels of benefit for the purposes of Articles 12 and 16 should be adjusted, where necessary, to keep pace with inflation.²⁶ This applies equally to the benefits/assistance required in terms of Articles 13, 17, 23 and 30. Social security benefits and social assistance must be regularly indexed/adjusted to the real cost of living. In the context of price surges such as those seen during the cost-of-living crisis, timely indexing/adjustment is imperative. There is also a need to ensure that any such indexation/adjustment can be triggered in a responsive way to events such as inflation increases which have an impact on real household incomes.

30. The Committee notes that the effectiveness of social protection-related measures should be regularly assessed in consultation with all relevant stakeholders on the basis that this will assist in ensuring that measures taken are appropriate.

31. The Committee considers that the thresholds it has traditionally used to assess the adequacy of benefit and assistance levels may have to be revised in times of high inflation, particularly where such inflation encompasses increased prices/costs for essentials like energy, food, and housing. In a cost-of-living crisis, existing benefit and assistance levels might possibly meet the thresholds established for Articles 12 and 13 of the Charter under the Committee’s case law, but still prove inadequate to ensure that rights holders are able to live a decent life and meet their needs.

32. The Committee notes that during the cost-of-living crisis, many States Parties, in accordance with their obligations to provide adequate social security benefits (Article 12) and social and medical assistance to persons in need (Article 13), allocated additional budgetary resources towards income-replacement benefits and other assistance and support measures for persons and families affected (see below).

33. During a cost-of-living crisis, the Committee will take into consideration whether States Parties have taken supplementary measures, in addition to applying its standard thresholds related to social protection, when assessing the adequacy of benefits and assistance to ensure a decent standard of living and cover

19. [Finnish Society of Social Rights v. Finland](#), Complaint No. 88/2012, decision on the merits of 9 September 2014, §63; [Conclusions 2017, Andorra](#).

20. [Conclusions XXI-2 \(2017\), United Kingdom](#).

21. [Conclusions 2013, Hungary](#).

22. [Finnish Society of Social Rights v. Finland](#), Complaint No. 88/2012, decision on the merits of 9 September 2014, §64; [Conclusions 2021, Malta](#).

23. [Conclusions XIX-2 \(2009\), Latvia](#).

24. [Ibid.](#) and [Conclusions 2021, Latvia](#).

25. [Conclusions 2021](#); [Conclusions 2023](#).

26. In the context of Article 16, see e.g. [Conclusions XVII-1 \(2004\), the Netherlands \(Aruba\)](#).

the individual's needs.²⁷ Measures that should be taken include targeted or means-tested measures for the low-income households and socio-economically disadvantaged groups; regular increases in social security benefits and social assistance; measures taken to ensure that benefits and social assistance keep up with the cost-of-living crisis; the indexation/adjustment of social security benefits and social assistance.

QUESTIONS AND STATES PARTIES RESPONSES

34. The Committee posed two questions to States Parties regarding social security benefits and assistance. It requested information on changes to social security and social assistance systems since the end of 2021, including details on benefits and assistance levels, as well as information on whether social security benefits and assistance are indexed to the cost of living. The Committee also sought information on the indexation of income-replacement benefits such as pensions. It further inquired about the last time benefits and assistance had been adjusted/indexed. Moreover, the Committee asked for information on steps taken to consult with and ensure the participation of those most affected by the cost-of-living crisis and/or organisations representing their interests in the process of designing measures in response to the crisis.

35. In the light of the responses received, the Committee observes that States Parties adopted a range of measures to try to ensure that those in receipt of social security benefits or social assistance were able to meet their living expenses. Notably, one-off payments were made to specific groups, certain benefits were increased and new benefits were introduced.

36. One-off payments were mainly targeted towards pensioners, families with children and persons with disabilities with the aim of providing immediate relief to these groups. Permanent increases in benefits were also targeted towards older persons, families with children and children with disabilities.

37. The Committee notes that in times of high inflation, social security and social assistance systems should ensure that the purchasing power of those in receipt of social security benefits and/or social assistance is preserved. This can be achieved by timely increases of benefits, in combination with one-off payments targeted to specific groups. Thus, in general, one-off payments were positive measures, especially when combined with regular increases of benefits.

Examples of one-off payments to specific recipients of social security benefits and/or social assistance:

- ▶ Since the end of 2021, in **Austria**, three one-off payments have been disbursed from the unemployment insurance fund to cover special needs arising from the Covid-19 pandemic, and to compensate for the increase in the cost of living and energy prices.
- ▶ In **Bosnia and Herzegovina**, 187,247 unemployed persons received a one-off cash benefit of BAM 100 (€50.8) in December 2022.
- ▶ In **Croatia**, by the end of 2023, a one-off cash benefit of between €50 and €160 was distributed among pension beneficiaries depending on the amount of their pension. In 2022, one-off benefits of similar amounts were granted to pensioners in **Montenegro** and in **Serbia**. In **Greece**, vulnerable categories of pensioners received exceptional financial assistance in 2021 and at Easter and Christmas 2022, and all pensioners received one-off financial assistance in 2022. From 1 October 2022, the **Republic of Moldova** introduced one-off financial support of MDL 1,500 (€79) for beneficiaries of State pensions and social allowances with a monthly income of less than MDL 5,000 (€263). In the **United Kingdom**, during the winter of 2023/2024, £300 (€350) was provided to pensioners.
- ▶ In **Czechia**, children under the age of 18 who are part of families with a maximum annual income of CZK 1 million (€39,690) received a one-off allowance of CZK 5,000 (€198). In **Ireland**, recipients of "Increase for a Qualified Child" (subsequently renamed "Child Support Payment") received a lump sum of €100 for each child in November 2023. Moreover, recipients of child benefit received a lump sum of €100 for each child in June 2023 and a double payment of child benefit in December 2023.
- ▶ In September 2022, in **France**, an exceptional back-to-school bonus of €100 per household was provided to persons receiving minimum benefits and/or housing benefit, and to scholarship students.
- ▶ In **Portugal**, the most vulnerable families received two extraordinary payments of €60 in 2022, plus a new extraordinary payment of €240 per family.

27. *Finnish Society of Social Rights v. Finland*, Complaint No. 88/2012, decision on the merits of 9 September 2014, §§59-64; Conclusions XIX-2 (2009), Latvia; Conclusions 2013, Hungary; Conclusions 2017, Andorra; Conclusions XXI-2 (2017), United Kingdom; Conclusions 2021, Malta.

- ▶ Between 2022 and 2023, persons with disabilities in **Cyprus, Norway** and the **United Kingdom** who were in receipt of various benefits also received one-off allowances ranging from €100 to €257.

Examples of increases in benefits:

- ▶ In **Bulgaria**, the minimum amount of the old-age pension almost doubled between 2021 and 2023. In **Poland**, the lowest pensions rose from PLN 1,250.88 (€288) in 2021 to PLN 1,588.44 (€366) in 2023. In the **Republic of Moldova**, the minimum old-age pension more than doubled. In **Türkiye**, minimum old-age pensions more than doubled between 2022 and 2023.
- ▶ In **Azerbaijan**, the old-age allowance almost doubled between 2021 and 2023, and a lump sum for childbirth more than doubled during the same period. In **Denmark**, the Agreement on Inflation Assistance of 2023 included additional financial assistance of DKK 1.12 billion (150 million euros) for pensioners with low assets, and a further DKK 300 million (40 million euros) was allocated to financially vulnerable families in the social assistance system.
- ▶ In **Estonia**, the subsistence benefit for a person living alone or for the first family member, or for each child under the age of 14 rose from €180 to €240 per month, and from €120 to €160 per month for the second and subsequent family members.
- ▶ In **Ireland**, the maternity, paternity, adoption and parent's benefit increased by 4.8% in January 2023, and from January 2024, there was an additional increase of 4.6%. The 'One-Parent Family Payment' increased by 5.8% from January 2023.
- ▶ In **Bulgaria**, between 2021 and 2023, the benefit for raising a child under the age of two more than doubled. In **Romania**, between 2021 and 2023, child benefit for certain children increased from RON 214 (€43) to RON 256 (€51). For children under the age of two, or up to the age of 18 for those with disabilities, it increased from RON 427 (€86) to RON 631 (€127). The minimum child-raising benefit rose from RON 1,250 (€251) to RON 1,496 (€300). The monthly amount of guaranteed minimum income increased from RON 142 (€29) to RON 170 (€34). In **Lithuania**, between 2021 and 2024, child benefit increased from €60.06 to €85.75. In the **Slovak Republic**, child benefit increased from €25.88 in 2021 to €60 in 2023. In **Ukraine**, support for children suffering from serious diseases increased significantly from January 2022.

Examples of the introduction of new benefits and allowances:

- ▶ In 2022, Republika Srpska in **Bosnia and Herzegovina** introduced an allowance for unemployed parents of four or more children with at least one child under the age of 18.
- ▶ In **Poland**, from January 2024, persons with disabilities have been receiving a support allowance to help those who find it most difficult to lead an independent life. The amount of this allowance varied between PLN 636 (€146) and PLN 3,495 (€805) per month.

Indexation of benefits

38. The Committee recalls that, under Article 12 of the Charter, States Parties have an obligation to regularly adjust the rates of social security benefits in order to compensate for any rise in the cost of living (indexation).²⁸ As stated above, under Article 16 of the Charter, the level of benefits should be adjusted as necessary to keep pace with inflation.²⁹ The general obligation to review/adjust social security benefits is also required by other instruments, such as the European Code of Social Security,³⁰ ILO Social Security Convention (Minimum Standards) No. 102,³¹ the International Covenant on Economic, Social and Cultural Rights.³²

39. The Committee considers that, although it has so far only examined the obligation to regularly adjust benefit rates under Articles 12 and 16 of the Charter, this obligation applies equally to social assistance under Articles 13, 17, 23 and 30 of the Charter.

40. On the basis of the responses received from States Parties, with regard to indexation/adjustment of benefits, States Parties largely reported on the indexation of pensions, as opposed to other social security benefits or assistance. As the majority of States Parties reported on indexation of pensions, in most instances it has been difficult for the Committee to determine whether other benefits and assistance are indexed too.

28. *Finnish Society of Social Rights v. Finland*, Complaint No. 172/2018, decision on the merits of 14 September 2022, §71; *Sindacato autonomo Pensionati Or.S.A. v. Italy*, Complaint No. 187/2019, decision on the merits of 17 October 2023, §113.

29. *Conclusions XVII-1 (2004), the Netherlands (Aruba)*.

30. Part XI of the *European Code of Social Security*.

31. Article 71 of the Convention, and Principles identified by the ILO Committee of Experts on the Application of Conventions and Recommendations (2011, §§180-199).

32. Article 9 of the Covenant and *UN CESCR General Comment No. 19 on the right of social security*.

41. The most common forms of indexation, at least in the context of pensions, are indexation based on consumer prices, indexation based on wages, or a combination of both, or other specific systems:

- ▶ Indexation can be based on different principles. For instance, some States Parties have reported that their indexation is based on wages (**Azerbaijan**³³, **Denmark**³⁴, **Lithuania**³⁵, the **Netherlands**³⁶), while other States Parties base indexation on consumer prices/inflation (**Austria**³⁷, **Andorra**³⁸, **Belgium**³⁹, **Georgia**⁴⁰, **France**⁴¹, **Hungary**⁴², the **Republic of Moldova**⁴³, **Spain**⁴⁴, **Türkiye**⁴⁵) or on a mix of consumer prices and wages (**Bulgaria**⁴⁶, **Croatia**⁴⁷, **Czechia**⁴⁸, **Finland**⁴⁹, **Iceland**⁵⁰, **Latvia**⁵¹, **Luxembourg**⁵², **Malta**⁵³, **Montenegro**⁵⁴, **North Macedonia**⁵⁵, **Norway**⁵⁶, **Poland**⁵⁷, the **Slovak Republic**⁵⁸, **Slovenia**⁵⁹).
- ▶ Specific national systems of indexation that are not strictly based on wages, consumer prices/inflation or both, can be found in **Bosnia and Herzegovina**⁶⁰, **Estonia**⁶¹, **Germany**⁶², **Greece**⁶³, **Portugal**⁶⁴, **Serbia**⁶⁵, **Sweden**⁶⁶, the **United Kingdom**⁶⁷, **Ukraine**⁶⁸.
- ▶ In the vast majority of States Parties, pensions are indexed on an annual basis (**Andorra**, **Austria**, **Azerbaijan**, **Bulgaria**, **Cyprus**, **Czechia**, **Denmark**, **Estonia**, **Finland**, **France**, **Germany**, **Greece**, **Hungary**, **Iceland**, **Italy**, **Latvia**, **Lithuania**, **Luxembourg**, **Malta**, the **Republic of Moldova**, **Norway**, **Poland**, **Portugal**, **Serbia**, the **Slovak Republic**, **Slovenia**, **Spain**, **Sweden**, the **United Kingdom**, **Ukraine**) or even on a bi-annual basis (**Croatia**, the **Netherlands**, **North Macedonia**, **Türkiye**). In several States Parties, indexation is not done on a regular basis (**Georgia** has not provided indexation for several types of social security benefits and pensions for a long time, despite the high level of inflation and the cost-of-living crisis; indexation is not a regular practice in **Ireland** and **Romania**).
- ▶ In some States Parties, indexation is automatic. For instance, in **Belgium**, pensions and some other benefits automatically increase when the index exceeds a certain level, while **France** has implemented automatic indexation mechanisms for social security benefits, including income-replacement benefits.

33. Indexation based on the average monthly salary growth rate.

34. Indexation based on wage development two years earlier.

35. Indexation based on growth of the wage fund in the economy – averaged over the past three years, the current year and the next three years as per projection.

36. Indexation linked to statutory minimum wage.

37. Indexation based on consumer price index.

38. Indexation based on consumer price index.

39. Indexation based on consumer price index.

40. Indexation by not less than the inflation rate.

41. Indexation based on consumer price index.

42. Indexation based on inflation.

43. Indexation based on consumer price index.

44. Indexation based on consumer price index.

45. Indexation based on inflation.

46. Formula that comprises 50% of the increase in the consumer price index and 50% of the insurance income growth during the previous calendar year.

47. Indexation based on consumer price index and wages.

48. Indexation to inflation and real wage growth.

49. Indexation based on changes in earnings-related pension index and the wage coefficient.

50. Indexation based on wage trends, but not less than the price level pursuant to the cost-of-living index.

51. Indexation based on consumer price index and wages.

52. Periodic indexation based on wages and non-periodic indexation based on prices.

53. Indexation based on 70% of the increase in the national average wage and 30% of the inflation rate.

54. Indexation based on the change of the consumer price index and average wage over the previous quarter.

55. Indexation based on consumer price index and wages.

56. Indexation based on equal shares of cost-of-living and wages.

57. Indexation based on average annual consumer price index from the previous calendar year and adding at least 20% of the real increase in the average wage from the previous calendar year.

58. Indexation based on consumer price index and wages.

59. Indexation based on both the evolution of wages (60%) and inflation (40%).

60. Indexation based on prices and GDP growth.

61. Indexation based on the change in the consumer price index of the previous year (20%) and change in receipt of the pension insurance part of social tax in the previous year (80%).

62. Indexation based on wages and other factors (changes in old-age pension expenditure and in the ratio of pensioners to contributors).

63. Indexation based on a mix of GDP growth and consumer price index.

64. Indexation based on consumer price index (housing excluded), GDP and pension level.

65. Triple lock mechanism.

66. Indexation based on average income development reduced by 1.6%, and guaranteed pension indexed to prices.

67. Triple lock mechanism.

68. Indexation based on the consumer price index, average wage from which insurance contributions are paid, and which is taken into account for pension calculation and other criteria.

42. In that connection, the Committee considers that the States Parties should strive to index/adjust all social security benefits and social assistance, in particular income-replacement benefits under Article 12 of the Charter, social assistance under Article 13 of the Charter, as well as family benefits under Article 16 of the Charter. By indexing all benefits that form part of social protection, the States Parties will establish a system of indexation/adjustment of benefits which will respond, at least to some extent, to substantial changes in the general level of income and earnings during a cost-of-living crisis.

43. The Committee recalls that, during a cost-of-living crisis, participation of and consultation with those most affected by the crisis in the decision-making process concerning their social protection-related rights is essential.

STRENGTHS AND WEAKNESSES OF THE MEASURES ADOPTED

44. Overall measures related to social protection taken by the States Parties during the cost-of-living crisis sought to ensure increased purchasing power with regard to essentials for those in receipt of social security benefits and social assistance (and hence their enjoyment of a decent standard of living). These can generally be perceived as positive.

45. The measures adopted demonstrated a number of strengths such as the increase in regular benefits, for example the Scottish Child Payment (the **United Kingdom**), the revision of income thresholds (**Latvia**), or the introduction of new targeted benefits like the minimum living income (**Spain**). The Committee also considers that the introduction of indexation of certain benefits in line with inflation is particularly positive in terms of advancing the enjoyment of Charter rights. This was done in **Austria**, **Georgia** (where the pension indexation rule was introduced and indexation was tied to the inflation rate), **Luxembourg** (where indexation of family allowances was reintroduced and tied to the changes in the cost of living from January 2022), **Romania** (where, since 2023, child allowance has been indexed annually to the average annual inflation rate). With particular regard to indexation, several States Parties decided to introduce additional or extraordinary indexation in the event of significant levels of inflation. For example, in **Bosnia and Herzegovina**, an additional adjustment of 5.15% was made to pensions in April 2023 and a further 3.9% in May 2023. **Lithuania** introduced an additional 5% indexation due to extremely high inflation from 1 June 2022, in addition to the annual indexation of social insurance pensions. In 2023, **Montenegro** made an extraordinary adjustment to pensions, increasing them by 2.55%. In **Serbia**, an extraordinary indexation of pensions was implemented in 2022 and 2023, with increases of 9% and 5.5% respectively. In the **Slovak Republic**, an extraordinary indexation formula was applied in 2023 in response to rapid price increases.

46. Other examples of positive measures adopted include the removal of the income threshold applicable to payment advances on child support, which was introduced in **Hungary** in 2022 and allowed more persons to receive child support. The decision not to calculate universal child benefit for the purposes of financial social assistance in **Norway** since 2022 can also be viewed as a positive example. Expanding the coverage of persons eligible for certain benefits, such as childcare allowance in **Bosnia and Herzegovina**, is another positive example.

47. With regard to consultations with those most affected by the cost-of-living crisis, the Committee notes that in **Czechia**, those most affected by the cost-of-living crisis were involved in the Commission for Social Inclusion. In **Denmark**, for instance, the bill regarding inflation assistance for financially vulnerable families was subject to external consultation among relevant stakeholders. In **Greece**, five working groups have met regularly since June 2022, with wide participation of stakeholders, to collect information, plan and redesign actions and elaborate proposals and policy measures targeted towards the following target groups: persons with disabilities, children, older persons, homeless persons and persons and families living in homelessness, and Roma. In **Norway**, regular meetings were held with NGOs representing children and families, during which they put forward their views and recommendations on how to overcome the cost-of-living crisis. In **Poland**, the dialogue focused on supporting those most affected by the cost-of-living crisis.

48. However, the Committee notes that in many instances, although positive in impact, the measures adopted were one-off or temporary, while the consequences of the cost-of-living crisis continued past the duration of those measures and continued to affect the groups most at risk of poverty. This was highlighted in several comments from third parties.

49. For instance, the Social Justice Centre of **Georgia** criticises one-off cash payments to certain vulnerable groups, stating that these groups should rather receive long-term support. According to The Wheel (**Ireland**), the package of additional payments was not adequate to sufficiently support people in the long term. Only

benchmarking social welfare payments can protect against the deprivation currently being experienced by people across Ireland by truly reflecting the cost of living.

50. The Committee notes that while one-off payments can provide immediate help to those most at risk of poverty, they should not be seen as the only solution. Rather, they should be combined with regular increases in other benefits and/or levels of assistance.

51. The Committee further notes that the cuts in social security benefits, and the freezing of benefit indexation from 2024 to 2027 on the grounds of fiscal sustainability are particularly worrying as they do not ensure that benefits keep pace with the cost of living. This was highlighted by the Central Union for Child Welfare, the Finnish League for Human Rights, the Finnish Society for Social Rights, the Mannerheim League for Child Welfare, SOSTE Finnish Federation for Social Affairs and Health, the Finnish Human Rights Centre (**Finland**). These organisations stated that a freeze on the level of benefits linked to the National Pension Index at the 2023 level will have a severe impact on individuals and groups who find themselves in a vulnerable socio-economic position; that the number of persons having recourse to social assistance will increase by approximately 65,000 in 2024; and that, while temporary index freezes are set to come to an end in 2027, the resulting cuts may remain permanent as there are no plans to compensate for the freezes after 2027. The freeze of minimum pensions in 2021-2022 in the **Slovak Republic** is also considered an example of negative State practice in the context of the cost-of-living crisis for the same reasons.

52. The Committee further notes that criticism has been expressed by third parties in connection with the indexation/adjustment of social security benefits and social assistance. For example, the Ombudsman of the Republic of **Latvia** points out that the only social transfer indexed to changes in the consumer price index is pensions. The People's Advocate Office of **Moldova** submits that, given the considerable increase in consumer prices in recent years, indexation should be higher than it is at present, because the current indexation of pensions in particular does not compensate for the rising prices. The Equality Council (the Republic of Moldova) states that indexation of the pension in the year when the pension is determined does not result in a pension equivalent to the calculated pension because of the potential loss of its purchasing power during the course of the year. The Galician Unions' Confederation (**Spain**) submits that, in eight of the last 15 years, the annual increase in retirement pensions has been lower than the average increase in the consumer price index, which has resulted in a loss of purchasing power for pensioners. Human Rights Watch states that the nominal increase in statutory benefit payments in the **United Kingdom** in 2023 does not make up for the four prior cumulative years of frozen benefit rates. The University of Essex Human Rights Centre states that inadequate adjustments of social security benefits compromise family protection and healthcare access, thereby threatening social security rights in the United Kingdom. According to the Centre, Universal Credit reached its lowest real-term level in 2023 since its inception, leaving the basic needs of 66% of the public unmet. The Social Justice Centre of **Georgia** submits that the social protection system in Georgia provides monthly financial assistance to families living in poverty. However, the assistance allocated to persons over the age of 16 has not increased since 2015, despite the rise in inflation levels. The Committee notes that the cancellation of the adjustment mechanism for child benefits in the **Slovak Republic** in 2022 is also a weakness in terms of the measures taken in response to the cost-of-living crisis. Similarly, indexation that is limited to pensions in **Latvia** is a weakness since the other social security benefits and social assistance might not keep pace with the changes in the cost of living.

53. In their comments, third parties express concern about the access to benefits or about their allocation. The Committee notes that while the introduction of new benefits during a cost-of-living crisis is generally considered positive, unnecessarily rigid access conditions to those new benefits might be considered as a weakness of the measures adopted. In that connection, the Trade Union Confederations of Workers' Commissions and the General Union of Workers (**Spain**) state that although the establishment of the minimum living income has been a step forward in the comprehensive system of social security benefits, both the deficiency of the regulation itself and its actual implementation have resulted in the denial of benefits to those most in need. The Central Union for Child Welfare, the Finnish League for Human Rights, the Finnish Society for Social Rights, the Mannerheim League for Child Welfare, SOSTE Finnish Federation for Social Affairs and Health (**Finland**) highlighted several major policy reforms that weaken the protection against unemployment, such as tightening the conditions for receipt of benefits and increasing waiting periods. 17 May Association (**Türkiye**) reports that there are structural obstacles to access of LGBTI to the social assistance provided by the State because, unlike married couples, one of the partners cannot benefit from the other's social security and social assistance. The Open Space Association/Deep Poverty Network (**Türkiye**) states that the criteria for the allocation of benefits do not specifically address the needs of disadvantaged groups, as the unique situation of certain disadvantaged groups is not taken into account and everyone is assessed on the same criteria.

54. In addition, third parties highlighted the insufficient level of allowances. For instance, the Equality Council (the **Republic of Moldova**) points out that disability allowances are lower than the amount of the subsistence minimum. According to the *Service de lutte contre la pauvreté, la précarité et l'exclusion sociale*, the planned increase in the social integration income in **Belgium** has not been fully implemented with the result that it remains below the European at-risk-of-poverty threshold. The Committee notes that, particularly in the context of the cost-of-living crisis, the failure to increase the social integration income as planned has reduced the effectiveness of the measure as those most affected by the crisis and in receipt of the social integration income have not been able to pay for essentials.

55. The Committee also takes note of the critical comments expressed by third parties on the process of consultation and participation of the relevant stakeholders in relation to mitigating the effects of the cost-of-living crisis. For instance, the Central Union for Child Welfare, the Finnish League for Human Rights, the Finnish Society for Social Rights, the Mannerheim League for Child Welfare, SOSTE Finnish Federation for Social Affairs and Health (**Finland**) pointed out that legal reforms reducing social security benefits were carried out without the participation of the individuals and groups most affected by the cost-of-living crisis. Furthermore, it was stated that the participation of the organisations representing them was severely restricted. Moreover, several organisations representing the groups affected by the cuts in social security benefits were not informed about the consultation process. The Finnish Human Rights Centre also highlighted that stakeholders were given exceptionally short time periods to express their views on the Government bills concerning budgetary cuts and other austerity measures, with the time period being as short as five days at the very most. The People's Advocate Office of **Moldova** submits that the extent to which those most impacted by the cost-of-living crisis have been involved in the development of crisis response measures remains unclear.

CONCLUSIONS AND RECOMMENDATIONS

56. The Committee considers that during a cost-of-living crisis and in its aftermath, States Parties should regularly intervene to ensure that the minimum levels of social security benefits and social assistance retain their real value and purchasing power. This may require going beyond the existing thresholds established by the Committee (see above). Therefore, States Parties should undertake the following measures:

- ▶ introduce social protection-related measures benefiting all members of society to compensate for the rise in the cost of living;
- ▶ introduce temporary increases in social security benefits and social assistance with the aim of providing immediate relief to those most at risk of poverty in the context of a cost-of-living crisis;
- ▶ introduce supplementary benefits and assistance to ensure that low-income persons and groups are not left without necessary protection;
- ▶ ensure regular indexation of social security benefits and social assistance to the cost of living and extraordinary adjustments when necessary to preserve the purchasing power of those most at risk of poverty in the context of a cost-of-living crisis;
- ▶ ensure that the conditions regarding access to social security benefits and social assistance are easier for groups most at risk of poverty in the context of a cost-of-living crisis, in order to reduce the rate of non-take-up of benefits and assistance;
- ▶ ensure participation/consultation with those most affected by the cost-of-living crisis in the decision-making process regarding the allocation of social security benefits and social assistance.

EMPLOYMENT AND WAGES

INTRODUCTION

57. Article 4§1 recognises the right of all workers to a fair remuneration such as will give them and their families a decent standard of living. This right applies to all workers, including civil servants and contractual staff in the state, regional and local public sectors, as well as those in branches or jobs not covered by collective agreements.⁶⁹ The concept of a “decent standard of living” encompasses more than material basic necessities such as food, clothing and housing. It also includes participation in cultural, educational and social activities.⁷⁰

58. To be considered fair within the meaning of Article 4§1, the minimum wage paid in a State Party must not fall below 60% of the net average national wage. The Committee’s assessment of the fairness of the minimum wage is based on net amounts, i.e. after deduction of taxes and social security contributions.⁷¹ Where the net minimum wage is between 50% and 60% of the net average wage, it is for the State Party to establish that this wage permits a decent standard of living. A net minimum wage that falls below 50% of the net average wage is manifestly unfair.

59. The cost-of-living crisis had a considerable impact on the enjoyment of the right to a fair remuneration. Where mounting inflationary pressure results in the reduction of the real value of wages, coping with the rising prices of essentials like energy, food and housing-related costs is challenging for workers, particularly low-paid ones. In light of the significant fall in the real value of minimum wages, which has been characteristic of the cost-of-living crisis, it is vital that states should bring national situations into conformity with Article 4§1 of the Charter by setting the levels of the net minimum wage to at least 60% of the net national average wage. This is the only way to ensure that the minimum wage is fair during such crises. In so doing, States Parties should bear in mind that women are over-represented in precarious jobs, in atypical and flexible contracts (part-time work, temporary work, informal jobs) and are over-represented among minimum wage workers.⁷²

60. The Committee observes from the ILO Global Wage Report 2022-2023 that rising inflation caused real wage growth to dip into negative figures in many States Parties.⁷³ The report indicates that the increasing cost of living has the greatest impact on lower-income earners and their households. This is because they spend a greater proportion of their disposable income on essential goods and services, which generally experience greater price increases than non-essential items. Inflation has bitten heavily into the purchasing power of minimum wages. Despite adjustments made by national authorities, the real value of minimum wages has eroded in many countries.⁷⁴

61. According to Eurostat data for 2022, the annual inflation rate in the EU-27 stood at 10.4%, with some States experiencing significantly higher rates, notably **Hungary** (25%), **Latvia** (20.7%) and **Poland** (15%). According to the European Trade Union Confederation (ETUC), real statutory minimum wages have fallen dramatically in many countries.⁷⁵ ETUC indicates that, according to Eurostat data, the lowest-paid workers in Europe saw the value of their wages dive by up to 19% in 2022, representing the sharpest fall in real minimum wages this century.⁷⁶ These developments have had a severe negative impact on the conditions of minimum wage workers across Europe, who were too often already unable to make ends meet prior to the crisis. Reduced purchasing power has led to a decreased capacity on the part of those in receipt of minimum wages to pay for essentials, with the result that many of those earning minimum wages were not guaranteed a decent standard of living, as required by Article 4§1 of the Charter.

69. [Conclusions XX-3 \(2014\), Greece.](#)

70. [Conclusions 2010, Statement of interpretation on Article 4§1.](#)

71. [Conclusions XIV-2 \(1999\), Statement of interpretation on Article 4§1.](#)

72. [European Parliament resolution of 18 January 2024 on the \[gender aspects of the rising cost of living and the impact of the energy crisis\]\(#\) \(2023/2115\(INI\)\).](#)

73. [ILO Global Wage Report 2022-23 – The impact of inflation and COVID-19 on wages and purchasing power.](#)

74. [Ibid.](#)

75. [Record fall in value of statutory minimum wages, ETUC, 2022.](#)

76. [Ibid.](#)

62. In its report Labour Market and Wage Developments in Europe – Annual review 2023, the European Commission indicates that the decline in real wages has slowed as a result of stronger wage growth and moderate inflation.⁷⁷ However, the report also points out that the outlook is uncertain and there is a risk that a sharper economic slowdown leading to a decline in labour demand will exert more pressure on wage levels, while higher inflation rates will increase nominal wages but reduce real wages. Furthermore, the report highlights the social effects of the cost-of-living crisis, noting that the rate of financial distress among workers has risen significantly and the material and social deprivation rate⁷⁸ among workers in the EU has increased substantially as well.

63. According to Eurostat, the annual inflation rate in the EU-27 stood at 3.4% in December 2023 and continued to further decline to 2.4% in August 2024. In this context, with minimum wages rising and inflation decreasing, the overall situation with the cost of living seems to have somewhat improved in 2024.

64. The Committee observes that, despite the downward trend in inflation since 2023, the cost-of-living crisis has persisted, and the real value of the minimum wage has significantly declined. In this context, guaranteeing the existence of a fair minimum wage, as required by the Charter, remains crucial.

QUESTIONS AND STATES PARTIES RESPONSES

65. The Committee posed specific questions to States Parties requesting information on whether the statutory minimum wage had been regularly adjusted/indexed to the cost of living and whether any supplementary measures had been taken to preserve the purchasing power of the minimum wage since the end of 2021.

66. On the basis of the responses received, the Committee observes that States Parties with a statutory minimum wage apply two policy measures, namely an automatic indexation mechanism or a regular revision mechanism.

67. The first policy measure involves the automatic indexation of the minimum wage to the cost of living (inflation). In **Belgium**, for instance, the guaranteed minimum wage is automatically linked to the consumer price index (“the smoothed health index”). In **France**, an automatic adjustment is mandatory when the consumer price index (CPI), excluding tobacco, reaches at least 2% compared to the index observed during the previous revision. This automatic mechanism was applied in 2021, 2022 and 2023. In addition, the Government can raise the minimum wage to a higher level at any time. This is called a “boost” increase.

68. As regards the second policy measure, which is applied by the majority of the States Parties, the minimum wage is revised annually or bi-annually by Government decree, in consultation with the social partners and taking into account the cost of living/consumer price index and the overall economic situation. Discussions and negotiations on the minimum wage adjustments take place in tripartite meetings between the social partners. In **Germany**, the Minimum Wage Commission makes recommendations on the increase of the minimum wage by analysing what level of minimum wage would contribute to an appropriate minimum level of protection for employees, enable fair competition and not jeopardise employment. Inflation is a relevant factor when examining appropriate employee protection. In Germany, the real growth of the minimum wage was around 0% in 2022. In **Hungary**, public sector wages increased significantly (by 19.4% in 2022) in response to high inflation. Hungary had positive real growth in the minimum wage in 2022.

69. As regards the States Parties without a statutory minimum wage, in **Denmark**, in response to the inflation crisis, the social partners agreed on a wage increase of 4.50 DKK (€0.60) per hour per year during the agreement period from 2023 to 2025. In **Finland**, there were two rounds of collective bargaining in 2021-2022 and 2022-2023. For 2022, the negotiated pay increases ranged from 1.8% to 2.0% depending on the sector. For 2023-2024, the negotiated pay increases were around 6.1%.

77. European Commission, Directorate-General for Employment, Social Affairs and Inclusion, [Labour Market and Wage Developments in Europe 2023](#), Publications Office of the European Union, 2023.

78. Eurostat, [Living conditions in Europe - material deprivation and economic strain](#).

STRENGTHS AND WEAKNESSES OF THE MEASURES ADOPTED

70. In the light of the responses provided by States Parties to its questions, the Committee observes that all States Parties have taken measures to alleviate inflationary pressure and preserve the purchasing power of households. However, the success of these measures has varied, especially in 2022.

71. In 2022, **Belgium**, **France** and **Germany** can be regarded as positive examples, as these States Parties managed to maintain the real value of the minimum wage and thus consistent purchasing power, notwithstanding considerable inflationary pressure.

72. However, alongside the measures that can be considered as positive inasmuch as they have avoided a significant deterioration in the purchasing power of workers, there are examples of responses by States Parties that have been less effective in terms of ensuring a fair remuneration enabling workers and their families to enjoy a decent standard of living in the context of the cost-of-living crisis. A number of these relate to State Party failure to take adequate measures to ensure the real value of the minimum wage during the initial period of the crisis. In **Czechia**, where before passing a decree to raise the minimum wage, the Government consults and negotiates in tripartite meetings and prepares proposals to increase the minimum wage, consideration is given not only to the development of wages and consumer prices, but also to the performance of the economy and the situation of the labour market. In 2022, the minimum wage had a negative 10% real growth due to a considerably high inflation rate of 16.6%. In **Estonia**, the level of the minimum wage for the following year is agreed upon by the social partners every autumn. There is no automatic indexation. In 2022, the nominal growth rate of the minimum wage amounted to 11.98%. However, Estonia experienced a particularly high inflation rate of 22%. Therefore, there was a significant negative real growth of the minimum wage of -10%. In the **Netherlands**, the level of the minimum wage is adjusted twice a year in line with the average increase in wages in collective bargaining agreements. In 2022, the nominal minimum wage was increased by 3.3% while the inflation rate stood at 9.9%. Therefore, the real growth of the minimum wage amounted to -6.6%. In **Malta**, the nominal minimum wage increased by 1% while the inflation rate stood at 6.1%. Therefore, the real growth of the minimum wage amounted to -5.1%. In **Spain**, the nominal growth of the minimum wage stood at 5.3% while the inflation rate was 10%. Therefore, the real growth of the minimum wage amounted to -4.7%. Similar trends were observed, for example, in **Lithuania** (-6.7%), **Poland** (-6.7%) and **Slovenia** (-5.8%). This slow response to rising inflation resulted in a considerable deterioration in the real value of minimum wages, thereby encroaching on the right of workers to remuneration that ensures them and their families a decent standard of living, as required by Article 4§1 of the Charter.

73. The Committee has observed that in the wake of the significant rise in the cost of living in 2022, the Governments became more responsive to the crisis in 2023 and 2024.

74. With a view to offsetting the sharp decline in the purchasing power of the households experienced in 2022, extraordinary measures were taken to increase the statutory minimum wages. The measures taken by many States Parties are examples of positive State practice. In **Latvia**, the Government raised the minimum wage by 24% in January 2023 and by a further 13% in 2024. In **Germany**, the minimum wage was increased by 15% in January 2023, in **Lithuania** by 15%, in **Poland** by 16% and in **Slovenia** by 12%. In **Malta**, the minimum wage rose by 11% in 2024. In the **Netherlands**, the statutory minimum wage was increased by an additional 8.05% on 1 January 2023. In **Poland**, in January 2024, the annual nominal growth of the minimum wage stood at 31%. In **Romania**, the Government raised the minimum wage by 17.6% in 2023. In **Serbia**, the minimum wage was raised by 18% in 2024. In **Spain**, the minimum wage was set at €1,323 in the first half of 2024, an increase of 13.4% from the amount in the first half of 2023.

75. The examples of the responses provided by the States Parties to the cost-of-living crisis in 2022 and thereafter demonstrate the vital importance of persistent and timely efforts on the part of the authorities aiming at maintaining the standard of living of households earning the minimum wage. In this connection, the Committee also observes that, in their comments on the ad hoc report of **Spain**, the Trade Union Confederations of Workers' Commissions and the General Union of Workers point to the critical elements that may compromise the effectiveness of maintaining the decent standard of living of workers earning minimum wages during cost-of-living crises. They argue that, in order to maintain a decent standard of living, the minimum wage must be set each year, in both retrospective and prospective terms, since the salary is generated in each monthly payment, based on the amount set each year, but the evolution of the cost of living is dynamic throughout the year, and it is only known whether workers have preserved their economic capacity once the actual data on the evolution of the cost-of-living index are known.

76. The Committee refers to the sections below on housing as well as on energy and food for examples of additional measures taken to preserve the purchasing power with regard to essentials.

CONCLUSIONS AND RECOMMENDATIONS

77. The Committee recalls that, in the context of the Covid-19 pandemic, it stated that States Parties must ensure that minimum rates of pay are regularly adjusted.⁷⁹ Having observed the situation in States Parties as regards the evolution of minimum wages in the course of the cost-of-living crisis, the Committee considers that adjustments of the minimum wage are the principal way to protect the purchasing power of workers on low pay. These should be done through automatic indexation or other means, such as regular revisions, so as to ensure that wages keep pace with the actual and aggregate inflation dynamics and therefore, can guarantee a decent standard of living for the purposes of Article 4§1.⁸⁰ Stronger minimum wages are likely to have a spill-over effect on other wages in the labour market and thus, on the purchasing power of households in general.⁸¹ Moreover, the Committee refers again to the standard of fairness of the minimum wage, protected under Article 4§1 of the Charter, which imposes an obligation on States Parties to ensure that the minimum wage does not fall too far below the average wage in the economy.

78. The Committee further recalls that under Article 6 of the Charter, the exercise of the right to bargain collectively is an essential basis for the fulfilment of labour rights, such as the right to a fair remuneration. Therefore, the Committee considers that strong social dialogue, including collective bargaining, is an important tool to overcome cost-of-living crises, especially where there is no statutory minimum wage or only a sectoral one. Constructive, meaningful, and informed wage negotiations between the social partners with a view to adjusting levels of remuneration are an important tool to alleviate the inflationary pressure on wages and to maintain the purchasing power.

79. The Committee therefore considers that States Parties should undertake the following measures to ensure compliance with the Charter in the context of a cost-of-living crisis context:

- ▶ the adjustment of the minimum wage to the cost of living must be regular and continuous, in order to more accurately reflect the dynamics of the actual fluctuations in the cost of living and minimise losses in the real value of the minimum wage;
- ▶ the level of the net minimum wage must be set at not less than 60% of the national net average wage;
- ▶ States Parties, whether or not they have a statutory minimum wage, must make serious efforts to promote social dialogue, including collective bargaining in particular, during cost-of-living crises.

79. [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

80. While there may be fears that this could lead to wage-price spiralling, both country-specific and comparative studies have shown that such fears are ill-founded, e.g. [Wage-Price Spirals: What is the Historical Evidence?](#) IMF Research Department, Working Paper No. 2022/221, IMF, Washington DC.

81. See United Nations General Assembly, [Extreme Poverty and Human Rights, Note by the Secretary-General, A/77/157](#), 13 July 2022.

HOUSING

INTRODUCTION

80. Housing costs represent the largest single item of expenditure in household budgets across all income groups.⁸² A key feature of the cost-of-living crisis was that the rising prices of essentials had a knock-on effect on the ability of households to manage housing costs. As housing costs have been on an upwards trend for decades, outpacing income growth in most OECD countries,⁸³ the cost-of-living crisis exacerbated an already existent housing crisis, impacting more severely low-income private tenants and vulnerable persons with ongoing mortgage repayments.

81. The right to adequate and affordable housing is guaranteed by Article 31 of the Charter, which also establishes that States Parties should take measures to prevent homelessness and reduce the risk of eviction. To this end, States Parties should take measures to promote access to housing for various groups of vulnerable persons, such as low-income persons, unemployed persons, sole parent families, young persons, persons with disabilities, including those with mental health problems.⁸⁴ The right to housing is also guaranteed by Article 16 of the Charter in the context of securing the right of families to social, legal and economic protection.

82. In 2023, housing costs as a proportion of households' disposable income was 19.7% on average across the EU, having increased for the third year in a row since 2020, when the corresponding figure was 18.5%.⁸⁵ For households living below the poverty threshold, this figure reached 38.2% in 2023, compared to 36.9% in 2020. The proportion of income spent on housing by poor households in 2023 was particularly high in **Greece** (62.4%), **Denmark** (57.0%), **Luxembourg** (48.9%), **Sweden** (48.1%), **Czechia** (46.7%), **Germany** (45.8%), the **Netherlands** (45.3%), **Hungary** (42.1%), **Austria** (41.6%) and **Finland** (40.5%).

83. The average rental price index for the EU as a whole increased by 14.8% between 2010 and 2021. Rents continued to increase from 2021 to 2023 in the EU region (+5.3%), with some countries experiencing particularly steep rises. For instance, **Slovenia** saw a 40.39% increase, **Lithuania** 36.47%, **Poland** 34.1% and **Estonia** 29.16%. Among the non-EU States Parties to the Charter covered by the same survey, the sharpest rent increases were recorded in **Montenegro** (37.34%), **Serbia** (43.5%) and **Türkiye** (232.87%).⁸⁶

84. Mortgage, rent or utility bills arrears are another indicator that housing costs were already too high before the crisis. The proportion of people living in households with mortgage, rent or utility bills arrears in the EU fell from 12.4% in 2010 to 8.2% in 2019, despite a steady rise in house prices and rents during the same period.⁸⁷ The proportion of households with arrears started growing again in 2019, reaching 9.3% in 2023. In the same year, the highest figures were observed in **Greece** (47.3%), **Bulgaria** (18.8%), **Romania** (14.4%) and **Cyprus** (14.3%), and the lowest in the **Netherlands** (2.6%), **Czechia** (2.9%), **Belgium** (4.6%) and **Italy** (5%). Among the non-EU States Parties to the Charter covered by the survey, **Türkiye** had the highest share of households in arrears in 2023, at 26.3%.

85. Eurofound indicates that the cost-of-living crisis has had an impact on people's financial situation, including with regard to housing.⁸⁸ According to its Living, working and Covid-19 2022 e-survey, 53% of the respondents reported that their household was struggling to make ends meet in spring 2022 – a considerable increase from the 45% reported in 2021 and 47% at the start of the Covid-19 pandemic. In 2023, homelessness increased in **Ireland**, the **United Kingdom** (England) and the **Netherlands**, but decreased in **Finland**.⁸⁹ In England, official

82. [Confronting the cost-of-living and housing crisis in cities](#), OECD Regional Development Papers, 2023.

83. Ibid.

84. [Conclusions 2003, Italy](#).

85. Eurostat (2024). Share of housing costs in disposable household income, by type of household and income group [Data set], https://doi.org/10.2908/ILC_MDED01.

86. Eurostat (2024). Harmonised Index of Consumer Prices (HICP) - annual data (average index and rate of change) [Data set], https://doi.org/10.2908/PRC_HICP_AIND.

87. Eurostat (2024). Arrears (mortgage or rent, utility bills or hire purchase) from 2003 onwards [Data set], https://doi.org/10.2908/ILC_MDES05.

88. Eurofound, [Fifth round of the Living, working and COVID-19 e-survey: Living in a new era of uncertainty](#), 2022.

89. OECD Affordable Housing Database. HC3.1, Population experiencing homelessness [Data set], <http://oe.cd/ahd>.

statistics for 2022 showed that the number of people estimated to be sleeping rough on a single night had increased for the second consecutive year.⁹⁰

86. In the context of the Charter, housing is deemed affordable when a household can pay the initial costs associated with housing (mortgage, deposit, advance rent) as well as ongoing mortgage repayments or rent and/or other costs (utility, maintenance, and management charges) on a long-term basis. In addition they must still be able to maintain a minimum standard of living, as defined by the society in which the household is located.⁹¹ In order to establish that measures are being taken to make the price of housing accessible to those without adequate resources, States Parties must show that the affordability ratio of the poorest applicants for social housing is compatible with their level of income.⁹² More specifically, under Article 31§3 of the Charter, States Parties are required to adopt comprehensive housing benefit systems to protect low-income and disadvantaged sections of the population and must ensure an adequate supply of affordable housing.⁹³ This is applicable during times of cost-of-living crisis. The Committee has previously identified the decline in social housing provision across Europe and inadequate legal safeguards for tenants facing the threat of eviction due to excessive housing costs as two of the drivers of the housing crisis, particularly as regards housing affordability.⁹⁴

87. The Committee has defined homeless persons as those persons who legally do not have at their disposal a dwelling or other form of adequate housing in the terms of Article 31§1 of the Charter.⁹⁵ The Charter requires States Parties to gradually reduce homelessness with a view to its elimination and take measures to prevent a return to homelessness.⁹⁶ In addition, procedures must be put in place to limit the risk of evictions and to ensure that when these do take place, they are carried out under conditions which respect the dignity of the persons concerned.⁹⁷ Legal protection for persons threatened by eviction must include, among others, an obligation to consult the affected parties in order to find alternative solutions to eviction. The Committee has found violations of Article 31§2 on grounds including the high number of evictions, loose inter-agency coordination with regard to preventing evictions, inadequate financial measures taken by the national authorities to prevent evictions,⁹⁸ and the excessive reliance on makeshift or transitional forms of accommodation which do not offer a definite prospect of access to normal housing.⁹⁹

INFORMATION SUBMITTED BY STATES PARTIES

88. As indicated in the introduction to this report, States Parties submitted information in response to a [set of targeted questions](#) on measures taken to address the cost-of-living crisis. One of these targeted questions referred to the measures taken to ensure a coordinated approach to combatting poverty as required by Article 30 of the Charter, by facilitating access to housing, among other social and economic rights. States Parties also included information and analysis on housing and the cost-of-living crisis in reply to other questions, notably those concerning changes in assistance benefits and measures taken to ensure that basic needs are met. On this basis, the Committee has identified certain aspects of the right to housing which require particular attention in the context of a cost-of-living crisis, namely the measures to address increased housing costs and to prevent homelessness.

89. In their ad hoc reports, States Parties have mentioned a range of measures taken to address housing affordability and the risk of homelessness.¹⁰⁰ These included temporary measures to alleviate the impact of escalating housing costs on household budgets, such as one-off payments, mortgage support or rent assistance. In 2022, **Estonia** subsidised mortgage payments, while **Portugal** introduced a series of temporary measures to support mortgage holders, including an interest subsidy for vulnerable families (March 2023) and

90. Department for Levelling Up, Housing and Communities, [Rough sleeping snapshot in England: autumn 2022](#), 28 February 2023.

91. [Conclusions 2003, Sweden](#).

92. [European Federation of National Organisations working with the Homeless \(FEANTSA\) v. Slovenia](#), Complaint No. 53/2008, decision on the merits of 8 September 2009, §72.

93. [Conclusions 2003, Sweden](#); [Conclusions 2019, Greece](#).

94. [International Movement ATD Fourth World v. France](#), Complaint No. 33/2006, decision on the merits of 5 December 2007, §§83 and 100.

95. [Conclusions 2003, Italy](#) (Article 31§2, homelessness); [Conclusions 2003, Italy](#) (Article 31§1, adequate housing).

96. [Conclusions 2003, Italy](#) (Article 31§2, homelessness).

97. [Conclusions 2003, Sweden](#).

98. [International Movement ATD Fourth World v. France](#), op. cit., §§80-83.

99. [European Federation of National Organisations working with the Homeless \(FEANTSA\) v. France](#), Complaint No. 39/2006, decision on the merits of 5 December 2007, §107.

100. Measures to address the inadequacy of housing were primarily connected with support measures to address the rise in energy costs (see examples listed in the section above).

the reduction and subsequent freezing of mortgage payments for a period of two years (September 2023). In 2022, adult recipients in **Austria** (Styria) were granted an additional lump-sum payment to cover housing costs increases (+20% of the maximum rate applicable), subject to conditions. In 2023, **Denmark** allocated an additional DKK 350 million (€47 million) for supplementary temporary rent assistance for tenants at risk of being evicted due to rent or utility arrears.

90. Some States Parties introduced rent caps, generally on a temporary basis. **France** capped the increases to the rent reference index, which establishes an upper limit on rent increases, at 3.5% in the mainland and 2% in Corsica, in effect until 31 March 2024. In March 2022, **Spain** introduced a temporary 2% limit on rents to mitigate the effects of the Consumer Price Index rise. **Türkiye** amended, on a temporary basis, a provision in its Code of Obligations tying rent increases to the Consumer Price Index. Under this provisional article, any rent increases introduced during lease renewal periods between 11 June 2022 and 1 July 2023 were capped at a maximum of 25% of the rents charged in the previous lease year. In the **Netherlands**, it was decided that social rents could only be increased on an annual basis, with the limit set at the average wage increase defined in collective bargaining agreements. The rents for low-income tenants of properties owned by housing associations were capped at €575 per month for 12 months.

91. Some States Parties increased housing benefits. In **Czechia**, in 2022, an annual increase in the housing allowance was agreed upon in conjunction with an increase in the normative housing costs used to calculate the amount of the housing allowance. In **Iceland**, housing benefits were increased by 10% from 1 June 2022 and the amount of employment income for the calculation of housing benefits was increased by 3%, in line with the increase in social security benefits. The **Netherlands** included increases in housing benefits in a package of purchasing power measures to support families and lower-middle income households, adopted in 2024. Notably, housing allowance rates in **Norway** have been indexed to the cost of living since 2017. This measure was important in terms of responding to the cost-of-living crisis.

92. Another set of measures was aimed at better targeting the most vulnerable households. In **Austria**, low-income households received support in the form of a benefit to cover housing costs (rental payments or repayment of a mortgage or refurbishment loan). Single-parent households and households with three or more dependent children were additionally granted a single-parent supplement or given favourable treatment in net income calculations. Furthermore, amendments were adopted to exclude specific housing arrangements, such as therapeutic residential units or women's shelters, from the definition of the "same household". As a result, the residents of such facilities became eligible for benefits in full instead of only a maximum of 70% per person as previously. On 1 July 2023, **Latvia** reviewed the minimum income thresholds used for calculating the housing benefit with a view to providing higher material support to households with persons of retirement age and persons with disabilities. **Cyprus** introduced a means-tested housing subsidy for young couples or young people.

93. Some States Parties provided information about existing or novel initiatives to increase the supply of social housing by building from scratch or by refurbishing or converting existing housing units. For instance, **Cyprus** described a range of initiatives in its report, including the "Renovate – Rent" project, which aims to integrate unoccupied properties into the rental market; the extension of existing urban planning incentives; a new special housing incentive concerning the design, construction and rental of a number of residential units ("Built to Rent scheme"); social housing through the construction of residential units on appropriate plots of land within the refugee settlements; reinstatement of "Plan of Plots for Low-Income Families". **Hungary** provided information on a set of measures to promote the social inclusion of disadvantaged people living in segregated housing by building new social rented housing, renovating existing social rented housing, and supporting housing mobility.

STRENGTHS AND WEAKNESSES OF THE MEASURES ADOPTED

94. In accordance with Article 31§3 of the Charter, access to affordable housing can be achieved through a combination of measures targeting both the supply and demand of housing. As discussed above, some State reports detail a range of measures aimed at increasing their affordable housing stock, through the construction and renovation of additional homes. Conversely, the Committee notes that, according to comments submitted by the Slovak National Centre for Human Rights, the implementation by the **Slovak Republic** of an existing plan to increase the number of rental dwellings and build additional social housing has stalled.

95. While increasing the supply of social housing may take time to implement, the cost-of-living crisis requires immediate measures to alleviate the stress placed on low-income households in particular. The Committee notes that measures such as increasing housing allowances, introducing supplementary payments, fine-tuning

the targeting of the most vulnerable households, seeking to improve the uptake of existing benefits, or introducing rent caps, as shown in the examples provided above, contribute to the achievement of that goal. Conversely, regressive measures such as freezing or reducing housing allowances during a cost-of-living crisis are likely to aggravate the housing situation of the most vulnerable households, as they increase the probability that they will not be able to meet their housing costs. In this regard, the Committee notes from multiple third-party comments that, since 2023, **Finland** has implemented an austerity programme involving, among others, significant housing allowance cuts.¹⁰¹ For its part, the Scottish Human Rights Commissioner informed the Committee that housing budget cuts implemented in **Scotland** undermined existing efforts to address poverty and ensure adequate housing.

96. The Committee also notes that the cost-of-living crisis has placed an increasing number of vulnerable households at risk of being evicted from their home and becoming homeless. The Committee considers that States Parties should focus their efforts on preventing evictions from taking place, particularly where these are caused by housing costs arrears. All available alternatives to an eviction must be explored, including through the establishment and employment of existing mechanisms to enable the settlement of outstanding debt. To achieve that goal, some States Parties have put in place various debt counselling and settlement procedures. Eviction moratoria may provide the households concerned with the necessary breathing space required for seeking solutions in this context.¹⁰² Where evictions become unavoidable, the Committee considers that adequate alternative accommodation must be provided in all cases, such that the families and individuals concerned do not become homeless. The Committee refers to the measures taken by **Spain**, where eviction and repossession procedures in the case of tenants at risk of being evicted without alternative accommodation were suspended until 30 June 2023 – an example of positive state practice. This scheme enabled lessors affected by the measure to claim compensation comprising the average rent for similar dwellings and current expenses, for the period between the suspension and the moment it was lifted, by submitting a reasoned and justified statement.

CONCLUSIONS AND RECOMMENDATIONS

97. The Committee considers that, during a cost-of-living crisis and in its aftermath, States Parties should regularly intervene to ensure the existence of a sufficient stock of affordable social housing and that measures are taken to prevent homelessness. Therefore, States Parties should:

- ▶ adopt measures to ensure that rents are affordable, including, as appropriate, housing benefits and rent regulation, on a permanent or temporary basis;
- ▶ ensure that housing benefits are commensurate with housing costs and that they are targeted to the groups most at risk of being unable to afford adequate housing;
- ▶ develop a sufficient supply of social housing, by retaining and upgrading existing housing stock, as well as constructing additional social housing; ensure that the most vulnerable households have priority in the allocation of social housing;
- ▶ adopt measures to prevent evictions due to housing arrears, such as eviction moratoria and debt settlement procedures; provide that evictions only take place as a last resort; and ensure that the households affected are provided with adequate alternative accommodation in the event of evictions.

101. Comments on the cost-of-living crisis submitted by the Central Union for Child Welfare, the Finnish League for Human Rights, the Finnish Society for Social Rights, the Mannerheim League for Child Welfare, and SOSTE Finnish Federation for Social Affairs and Health; the Finnish Human Rights Centre; and the European Trade Union Confederation (ETUC).

102. Eurofound (2023), [Unaffordable and inadequate housing in Europe](#), Publications Office of the European Union, Luxembourg, pp. 32-35, presents examples of debt counselling and settlement procedures from several States Parties.

ENERGY AND FOOD

INTRODUCTION

98. Spikes in energy prices and food costs, in the context of a cost-of-living crisis, particularly affect vulnerable groups such as low-income households, families with children, older persons, and persons with disabilities. These groups were often forced to choose between heating their home and other essential expenses, such as food or healthcare,¹⁰³ which amounts to a violation of their Charter rights.

Energy

99. Very sharp increases in energy prices, such as those associated with cost-of-living crises, result in higher rates of energy poverty. The Committee notes that energy poverty can be understood as a situation where a household is unable to meet its domestic energy needs.¹⁰⁴ The Committee further notes that, as the EU Energy Poverty Advisory Hub (EPAH, previously the Energy Poverty Observatory) points out, “adequate warmth, cooling, lighting, and energy to power appliances are essential services needed to guarantee energy-efficient homes and a decent standard of living, thermal comfort, and citizens’ health”. Households in a situation of energy poverty are deprived of these essential energy services. “As such, households with higher energy needs, which include families with children, persons with disabilities and older persons, are also more susceptible to energy poverty and to its effects”.¹⁰⁵

100. According to Eurofound data, in July 2022, energy costs in EU Member States were up nearly 42%, 35 million people had difficulty paying their energy bills or had limited access to high quality energy due to low incomes. 16% of people reported being in arrears with their utility bills (Eurostat figure, 7% in 2022).

101. In 2022, the average annual energy bill was more than a month’s wages for low-paid workers in the majority of EU Member States, according to an analysis of September 2022 by the European Trade Union Institute (ETUI). Some 9.5 million people in employment were already experiencing difficulties in meeting their energy bills prior to the onset of the cost-of-living crisis.¹⁰⁶ By July 2022, the cost of gas and electricity had risen by 38% across Europe compared to the previous year. It left workers earning the minimum wage in 16 EU Member States in the position of needing to set aside the equivalent of a month’s wages or more in order to keep the lights and heating on at home.¹⁰⁷

102. According to Eurostat data, over 41 million people in the EU (9.3% of the population) were unable to keep their home adequately warm in 2022, compared to 6.9% in 2021. The situation varied across the EU countries. The highest percentages of people unable to keep their home adequately warm were registered in **Bulgaria** (22.5%), **Cyprus** (19.2%), **Greece** (18.7%), **Lithuania** and **Portugal** (both 17.5%), **Spain** (17.1%) and **Romania** (15.2%). Conversely, **Finland** (1.4%), **Luxembourg** (2.1%), **Slovenia** (2.6%), **Austria** (2.7%), **Czechia** (2.9%), **Sweden** (3.3%) and **Estonia** (3.4%) reported the lowest percentages.

103. Electricity and natural gas rates decreased in 2023, although they remained high, above pre-pandemic levels.¹⁰⁸ According to Eurostat, energy costs declined in 2023 but rose again slightly in 2024.¹⁰⁹

104. Data show that, due to their lower average income, women are at a greater risk of energy poverty than men. Throughout the pandemic, Eurofound survey findings reflected that a higher share of women were in arrears on their energy bills, with a surge in spring 2022, following the spike in the cost of energy after the Russian invasion of Ukraine.¹¹⁰ Moreover, the energy crisis and the higher share of energy costs in women’s

103. European Union Agency for Fundamental Rights, [Fundamental Rights Report 2024](#) (Impact of the cost-of-living crisis and rising poverty in the EU, pp. 28-44).

104. EU Energy Poverty Advisory Hub (EPOV) [Towards an inclusive energy transition in the European Union](#), 2020.

105. [Commission Recommendation \(EU\) 2023/2407 of 20 October 2023 on energy poverty](#).

106. Comments submitted by ETUC concerning the cost-of-living crisis, p. 26.

107. Ibid.

108. Average monthly electricity wholesale prices in selected countries in the European Union (EU) from January 2020 to October 2024 and Monthly natural gas price index worldwide from November 2022 to November 2024, www.statista.com.

109. Eurostat, [Electricity price statistics, Development of electricity prices for household consumers, EU 2008-2024](#).

110. Eurofound (2022), [The cost-of-living crisis and energy poverty in the EU: Social impact and policy responses – Background paper](#), Eurofound, Dublin.

total income reduce their financial capacity to build an autonomous existence, making it more difficult for women without an income or with a low income to escape domestic violence and abuse from a partner to whom they are financially tied.¹¹¹

105. In the longer term, energy challenges will outlast the current cost-of-living crisis due to factors including the persistent volatility of energy prices, the necessary phasing out of fossil fuels and the ongoing transition to a green economy.¹¹² In order to diversify energy supplies and produce clean energy, it is essential to place emphasis on reducing dependence on fossil fuels and accelerating the transition to clean energy, which is key to enhancing energy security.¹¹³ Shifting to renewable energy systems requires significant investment in new infrastructure and technologies, as the rapid phase-out of fossil fuels may lead to energy shortages, particularly in countries reliant on imported gas or coal.¹¹⁴

106. The Committee considers that stable, consistent and safe access to adequate energy is both a prerequisite and a key element for the enjoyment of Charter rights including the right to housing (Article 31 and Article 16), the right to protection of health (Article 11), the right of the family to social, legal and economic protection (Article 16), the rights of older persons (Article 23), the rights of persons with disabilities (Article 15), and the right of children and young people to social, legal and economic protection, including education (Article 17). The Committee considers that the Charter imposes positive and negative obligations on States Parties to ensure stable, consistent and safe access to adequate energy.

107. Energy for heating and cooking has primarily been addressed by the Committee under the right to adequate housing (Article 31 and Article 16) which encompasses housing of an adequate standard and access to essential services.¹¹⁵ Ensuring stable, consistent and safe access to adequate energy in relation to shelter and housing is a key element of the obligations imposed by Article 31 and Article 16.¹¹⁶

108. Access to energy may also have implications for Article 11 (the right to protection of health). The absence of facilities such as water, electricity and heating has a serious knock-on effect on hygiene, sanitation and physical and mental health care and treatment, including clinical or preventive care.¹¹⁷ The Committee therefore considers that adequate energy is essential for the satisfaction of health-related needs.

109. The Committee also underlines the strong link between energy rights and environmental and climate justice. Cost-of-living crises exacerbate the disproportionate impact of climate change on marginalised communities as rising energy costs limit their access to clean, sustainable energy sources. An equitable transition to renewable energy systems is therefore necessary in order both to mitigate climate impacts and reduce the financial burden on disadvantaged groups, thus ensuring that energy is affordable and reliable for all.¹¹⁸

Food

110. With regard to food costs, Eurostat data show that global food prices started to rise in mid-2020 as the impact of the Covid-19 pandemic led to pressure on supply chains. The rising cost of energy also put pressure on food prices.¹¹⁹ Across the EU, the price of food and non-alcoholic beverages increased by 1.6% in 2021 and by 11.9% in 2022 (Eurostat, Key Figures on the European Food Chain, 2022 edition and 2023 edition).

111. European Parliament resolution of 18 January 2024 on the [gender aspects of the rising cost of living and the impact of the energy crisis](#) (2023/2115(INI)).

112. European Parliament, [Four challenges of the energy crisis for the EU's strategic autonomy](#), European Parliamentary Research Service, Briefing, 2023.

113. European Commission, Commission Staff Working Document: Implementing the Repower EU Action Plan, [SWD\(2022\) 230 final](#), accompanying the Communication REPowerEU Plan.

114. See the Social Climate Fund established by regulation (EU) 2023/955 of the European Parliament and of the Council of 10 May 2023 to provide financial support to help vulnerable households, micro-enterprises and transport users cope with the price impacts of the green transition.

115. Adequate housing encompasses, *inter alia*, sustainable access to natural and common resources, safe drinking water, energy for cooking, heating and lighting, sanitation and washing facilities, and means of food storage ([International Federation for Human Rights \(FIDH\) v. Ireland](#), Complaint No. 110/2014, decision on the merits of 12 May 2017, §118).

116. *Ibid.*, §118 and [UN CESCR, General Comment No. 4: The right to adequate housing](#), §8(b).

117. [International Commission of Jurists \(ICJ\) and European Council for Refugees and Exiles \(ECRE\) v. Greece](#), Complaint No. 173/2018, decision on admissibility and on immediate measures of 23 May 2019, §14.

118. Report of the UN Intergovernmental Panel on Climate Change: IPCC, 2022: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

119. European Commission, [Economic and distributional effects of higher energy prices on households in the EU](#), Fair transitions working paper series, May 2023, p. 30.

According to Eurostat, in 2022, 8.3% of the EU population were unable to afford a meal with meat, fish or a vegetarian equivalent every second day, 1% higher than in 2021 (7.3%).¹²⁰

111. In 2022, the difference between the total population and the population at risk of poverty in terms of their capacity to afford a proper meal was also visible across EU countries: the highest percentage of people at risk of poverty unable to afford a proper meal was recorded in **Bulgaria** (44.6%), followed by **Romania** (43.0%) and the **Slovak Republic** (40.5%). The lowest proportion was recorded in **Ireland** (5.0%), followed by **Luxembourg** (5.1%) and **Cyprus** (5.6%).¹²¹ According to ETUC citing Eurostat data from 2023, the price of most foodstuffs was still rising up to seven times faster than wages in November 2023.¹²²

112. The lack of access to adequate, sustainable food has a direct impact on a number of Charter rights, in particular the right to protection of health (Article 11), the right to education (Article 17), the right to protection against poverty and social exclusion (Article 30). A 'decent standard' of living as envisaged in terms of fair remuneration and social protection cannot be achieved where adequate, sustainable food is not guaranteed to everyone.¹²³

113. Access to adequate food is linked to health, as nutrition plays an essential role in maintaining both physical and mental well-being. Malnutrition can cause major health problems, such as developmental disorders and chronic diseases. Therefore, the realisation of the right to protection of health, as guaranteed by Article 11, requires the achievement of food and nutrition security for rights holders. Furthermore, States Parties have a duty to remove as far as possible the causes of ill health including through the implementation of policies that ensure that all individuals have access to sufficient and healthy food.¹²⁴

114. The Committee notes that individuals and families living in poverty often encounter obstacles in accessing adequate food, thereby increasing their vulnerability. The Committee has made it clear that living in a situation of poverty and social exclusion violates the dignity of human beings, and that Article 30 of the Charter requires States Parties to give effect to the right to protection against poverty and social exclusion by adopting measures aimed at preventing and removing obstacles to access to social rights, in particular to employment, housing, training, education, culture and social and medical assistance.¹²⁵ This requirement also extends to food.

115. Article 17 of the Charter imposes a positive obligation on States to adopt the measures necessary to ensure that children can effectively exercise their right to grow up in an environment conducive to the development of their personality and their physical and mental capacities.¹²⁶ The Committee considers that food insecurity deprives children of the enjoyment of this right. In addition, their right to education may be impacted as food insecurity has resulted in more children attending school hungry, which has had a direct effect on children's educational outcomes. The existence and expansion of school meals programmes is therefore of particular importance in this regard.

QUESTIONS AND STATES PARTIES RESPONSES

116. The Committee requested that all States Parties provide information on whether any special measures have been adopted since late 2021 to ensure that persons can meet their energy and food costs such as price subsidies for energy, fuel and food items. It also requested information on measures being taken to ensure a coordinated approach to combatting poverty as required by Article 30 of the Charter, and to diminish reliance on last-resort relief such as food banks and soup kitchens.

117. States Parties adopted a variety of measures to limit the impact of an increase in energy and food costs on households. The Committee notes the following non-exhaustive list of examples:

120. Eurostat, [Inability to afford a meal with meat, chicken, fish \(or vegetarian equivalent\) every second day](#) [Data set] October 2024.

121. Ibid.

122. Eurostat, Price evolution for eggs, butter, olive oil and potatoes in the EU, November 2023.

123. See in particular paragraphs 27, 31 and 33 as regards "a decent standard of living" as understood in relation to social protection and paragraphs 57, 58 and 77 in the context of minimum wage.

124. The Committee notes that the right to food is enshrined in Article 11 of the International Covenant on Economic, Social and Cultural Rights, which all Council of Europe Member States have ratified and are bound to respect, protect and implement.

125. [Conclusions 2013, Statement of interpretation on Article 30](#) (citing Conclusions 2003, Statement of interpretation on Article 30).

126. See, for instance, [European Roma Rights Centre \(ERRC\) and Mental Disability Advocacy Centre \(MDAC\) v. Czech Republic](#), Complaint No. 157/2017, decision on the merits of 17 June 2020, §134.

Energy

Price caps

- ▶ In **Czechia**, the Energy Act was amended in 2023 in order to empower the Government to set electricity or gas prices, with all households having their electricity and gas consumption protected by the price cap between January 2023 and December 2023.
- ▶ In **Hungary**, the maximum prices applicable to the retail sale of fuels were set at HUF 480 (€1.20) per litre.
- ▶ In **France**, a price shield was announced in September 2021, freezing the gas tariffs at their October 2021 level between November 2021 and 31 December 2022. In January 2023, they were frozen again until 30 June 2023. The electricity shield was in force between 1 February 2022 and 31 January 2024.
- ▶ In **Serbia**, the Regulation on the temporary measure of limiting the price of gas and compensating for the difference in the price of natural gas was adopted in April 2023.

One-off payments/energy grants

- ▶ In **Austria**, the “Housing Umbrella” programme made two types of lump-sum payment available: a one-off payment to cover unsettled energy bills and an annual one-off payment for future energy costs.
- ▶ In **Belgium**, various energy grants have been available since the end of 2021: a €300 bonus for households heating with bulk diesel or propane, an €80 energy bonus for the most vulnerable households, and a €100 heating bonus for all holders of an electricity contract for their home.
- ▶ In **France**, energy grants have been allocated to households since August 2021, depending on their income.
- ▶ In **Germany**, in March 2023, lump sums of €300 were paid to all employees and pensioners to cover energy costs, and €200 to students and vocational students. Additionally, the “Emergency assistance in December” measure was implemented in December 2022, which constituted a one-off waiver of the 2022 payments for gas and heating.
- ▶ In **Ireland**, a series of lump-sum payments was implemented for all fuel allowance recipients, in March, May and November 2022 and November 2023.
- ▶ In the **Republic of Moldova**, the Government implemented a subsidy system at the end of 2021 in order to support domestic consumers by compensating for the difference in prices for natural gas/thermal energy used during the cold periods of the year (November-December 2021; January-March 2022).
- ▶ In the **Slovak Republic**, two one-off allowances of €100 each were paid to households receiving assistance in material need in June and November 2022.

Tax reductions

- ▶ In **Belgium**, a temporary reduction in VAT on electricity and gas to 6% was implemented from Spring 2022 until March 2023.
- ▶ In **Cyprus**, VAT rates on electricity consumption were reduced from 19% to 5% for consumers belonging to vulnerable groups.
- ▶ In **Finland**, the VAT rate on electricity was reduced from 24% to 10% between December 2022 and April 2023.
- ▶ In **Germany**, the VAT rate on gas was reduced to 7% from October 2022 to December 2023.
- ▶ In **Italy**, the tax reduction on excise duties applied to petrol and fuel was extended until 31 December 2023.
- ▶ **Lithuania** provided compensation for VAT on energy for heating, electricity, gas, and hot water supplied to residential premises. Energy-intensive companies were eligible for tax aid measures.
- ▶ In the **Netherlands**, in 2022, the Government reduced VAT on energy (from 21% to 9%) and excise duties on fuel and diesel.
- ▶ In **Poland**, from February 2022 to December 2022, as part of the anti-inflation shield, VAT rates were reduced on natural gas (up to 0%), electricity (up to 5%) and thermal energy (up to 5%).
- ▶ In **Türkiye**, VAT on food products was reduced from 8% to 1%, and electricity and fuel taxes were lowered.

Concerning allowances targeted at low-income households

- ▶ In **Austria**, vulnerable groups received two lump-sum payments of €300 each to meet their energy costs.

- ▶ In **Bulgaria**, the “Support for Vulnerable Households” operation provided supplements for vulnerable families who receive monthly benefits under the Family Allowance Act.
- ▶ In **Denmark**, older persons with limited assets and relatively modest supplementary incomes were granted a special benefit which was paid in 2023 in two instalments.
- ▶ In **Estonia**, the State provided compensation for up to 80% of the electricity and heating bills of households with a net income below a specified threshold. In addition, the State partially covered the energy costs of care homes.
- ▶ In **France**, in January 2023, a fuel allowance was granted to workers from low-income households if they used their vehicle to go to work.
- ▶ In **Georgia**, families registered on the “Unified Data Base of Socially Vulnerable Families” whose monthly electricity consumption does not exceed 200 kWh were subsidised for their consumption.
- ▶ In **Luxembourg**, the “energy bonus for low-income households” measure was implemented in 2023. Households benefiting from the cost-of-living allowance received a single bonus of minimum €200.
- ▶ In the **Republic of Moldova**, since 2022, vulnerable groups have received an allowance during the cold period of the year to assist with their energy costs (this compensation consists of an amount of MDL 500, approximately €26).

Food

118. States Parties indicated a range of measures that have been adopted, combining both permanent and temporary measures to assist persons with their food costs. The Committee observes that States Parties provided far less information concerning measures taken to ensure that vulnerable groups were able to afford adequate food than those taken to assist with energy costs:

- ▶ In October 2022, **France** introduced measures to support the purchasing power of consumers faced with increasing food prices, namely: a temporary extension of the list of products eligible for purchase with meal vouchers; the renewal of the “one Euro meal” scheme for students and other target groups; the establishment of an “anti-inflation” department in supermarkets. This last measure made it possible to offer a range of everyday products at preferential prices to alleviate inflationary pressure for basic necessities throughout the country.
- ▶ **Hungary** implemented price caps on some staple food items between February 2022 and June 2023.
- ▶ In **Greece**, legislation was introduced to protect a set of supermarket products from inflation, the “household basket”. The measure was intended to be temporary.
- ▶ In **Germany**, a reduced VAT rate of 7% was applied to staple products.
- ▶ In **Croatia**, a decision on direct measures to control the prices of certain food products was adopted, limiting the prices of nine food items.
- ▶ In **Malta**, the Government launched a price-stability assurance scheme in January 2024, which provides for a reduction of at least 15% in the Recommended Retail Price for 15 categories of imported basic food items.
- ▶ **Serbia** adopted a regulation limiting the price of basic foodstuffs at the end of 2021, which remained in force until September 2022.
- ▶ In **Poland**, certain products benefitted from a 0% VAT rate, including meat, fish, milk and dairy products, eggs, etc. This rate was extended for the period from 1 January to 31 March 2024.
- ▶ In **Portugal**, a reduction of the VAT rate to 0% on a basket of 46 essential food items was introduced. The aim of this measure was to reduce and stabilise prices and to reduce food costs. This measure remained in force until the end of 2023.
- ▶ In **Spain**, a reduction of VAT on fresh or staple foods was implemented during the first half of 2023.

STRENGTHS AND WEAKNESSES OF THE MEASURES ADOPTED

119. The Committee observes that the measures adopted in States Parties have had an overall positive impact, enabling persons and families to meet their energy costs and to enjoy their rights guaranteed under the Charter. For instance, in **Lithuania**, the average number of recipients of financial assistance for heating costs increased by more than 45% in 2022 compared to 2021, and the average financial assistance for heating costs per month per citizen increased by 71%. In **Latvia**, annual surveys of recipients of social assistance indicated a high level of support for food assistance, which had a significant impact on reducing food insecurity.

120. Measures taken to promote energy efficiency upgrades through the provision of grants, tax credits, discounts and loans, as well as support for home insulation and efficient heating systems, have also reduced energy consumption and dependence on volatile energy prices. In **Serbia**, for instance, the Government passed a regulation that provides that citizens who reduce electricity consumption by more than 5% compared to the previous year would receive a discount on their electricity bills from 20 to 40%. In 2022, approximately one million households per month received discounts on their electricity bills. In **Germany**, the Ministry of Economy awarded grants to micro, small and medium-sized enterprises, entrepreneurs and cooperatives for the purchase of production equipment/construction equipment for the improvement of energy efficiency and ecological aspects of production.

121. In some countries, access to benefits has not required any action on the part of citizens, nor any administrative formalities, which would have made access to these benefits more cumbersome. For instance, in **Czechia**, the one-off electricity allowance was paid automatically by the supplier, thus eliminating the need for citizens to apply. In **Austria**, under the premium Steiermark-Bonus, an amount was automatically paid, in a non-bureaucratic manner, to households which had received a heating allowance. In **Luxembourg**, the beneficiaries of the cost-of-living allowance (AVC) automatically received a one-off allowance of between €200 and €400 without being required to apply for the benefit. In **Serbia**, all recipients of increased social assistance, as well as pensioners with pensions below a certain amount, automatically received a discount on their electricity bills.

122. With regard to measures taken to assist with the food costs, ensure access to food and address food insecurity, the Committee notes that all these measures will have had a positive effect (see above for examples). In addition, it notes some particular examples of positive State practice. For instance, the “Cash-First Plan”, adopted in June 2023, aims to end reliance on food banks in **Scotland**. This initiative sets out the collaborative measures planned for the next three years to improve the response to the crisis, with the objective of reducing the need for emergency food parcels. These planned measures include the establishment of a new £1.8 million Cash-First Programme to enhance urgent access to cash in times of crisis, continued investment in the Scottish Welfare Fund, and the ongoing investment in dignified community-led responses to food insecurity.

123. In 2022, the Scottish Government passed legislation that included measures to address food insecurity. In addition, Scotland expanded its free school meal programme, which, as the Committee has previously pointed out, is associated with better health and educational outcomes. Likewise, the Hot School Meals Programme in **Ireland** was expanded in September 2023, benefiting more than 60,000 children in primary schools; in December 2023, a further 900 primary schools were invited to participate in the Programme from April 2024.

124. However, in many instances, the measures were temporary or ad hoc (see above), while the effects of the cost-of-living crisis continued to reverberate after their duration. This was highlighted by several submissions from third parties. For example, in respect of Belgium comments from the *Service de la lutte contre la pauvreté et la précarité*, in respect of Finland comments from the Finnish Human Rights Centre and in respect of Scotland the Scottish Human Rights Commission. According to the ETUC submission, temporary measures are based on the expectation that inflationary pressures and energy prices will eventually stabilise. However, when a crisis persists, the temporary nature of adopted measures might become a weakness, and the situation might call for more systemic measures. ETUC contends that the energy crisis in Europe is a structural problem that necessitates structural solutions for demand and supply of energy.

125. Furthermore, many of the measures were universal, rather than being targeted towards the most vulnerable in society. Several sources highlighted the lack of research into the impact on the most vulnerable groups.¹²⁷

126. The Committee is concerned about the complexity of the application process that exists for some forms of support, including food and energy-related benefits. In many instances, digital skills were a prerequisite for applying and this may have affected take-up. Stringent eligibility requirements for support measures may discourage people from applying as they may not understand the criteria (and where they satisfy them) or find the process in question too complicated. An example of such stringent requirements, highlighted in third-party comments, is the situation in the **Republic of Moldova**, where applicants are required to provide information on their income for the previous six months and, where the applicant owns a property purchased

127. European Union Agency for Fundamental Rights, [Fundamental Rights Report 2024](#), p. 34.

with a mortgage loan, the cadastral number of the property.¹²⁸ Obstacles to accessibility related to procedural or other requirements will hamper the efficiency of the support measures required in terms of the Charter. The Committee recalls that according to its case-law with regard to Article 14, which guarantees the right to benefit from social welfare services, it reviews rules governing the eligibility conditions for such benefits to assess their efficiency and accessibility.¹²⁹ It also recalls that persons applying for welfare services should receive any necessary advice and counselling enabling them to benefit from the available services in accordance with their needs.¹³⁰

127. The Committee notes from a number of third-party comments that several States Parties in fact provided increased funding for last-resort relief (such as food banks) instead of diminishing reliance on such relief. The **United Kingdom** report makes reference to a package of funding for organisations that provide at least one or more forms of emergency relief such as food. As Human Rights Watch observed, while such measures are important to address emergency needs, they do not diminish reliance on last-resort relief. Similarly, the Finnish Human Rights Centre (**Finland**) expressed concern about the Finnish Government's plans to establish a system of permanent funding for food aid organisations as a means of combatting poverty, in lieu of ensuring a decent social protection system.

128. The Committee considers that the provision of long-term funding for last-resort relief and the institutionalisation of such forms of relief, as opposed to the prioritisation and implementation of measures to ensure that such last-resort relief is not required, represent a regressive measure in terms of the achievement of Charter rights. It recalls that the Charter marked a move away from the traditional concept of assistance, which was bound up with the moral duty of charity, towards a rights-based approach to those in need ensuring appropriate assistance.¹³¹

CONCLUSIONS AND RECOMMENDATIONS

129. The Committee considers that the Charter imposes positive and negative obligations on States Parties to ensure sustainable, stable, consistent and safe access to adequate energy and to ensure sufficient access to adequate food.

130. In the context of rising energy prices which significantly increase household expenses and the costs of essential goods and services, greater financial strain is placed on vulnerable people in particular. The following measures should therefore be undertaken not only during a cost-of-living crisis, but also as long as the consequences of the crisis are being experienced:

- ▶ evaluation of the impact of energy costs on consumers, notably on vulnerable groups and low-income households. This evaluation must be carried out regularly and immediately where there is evidence of particular challenges in terms of increasing costs;
- ▶ assessment of the number of households in energy poverty, while adopting suitable indicators in this respect. This is crucial for the preparation and implementation of targeted policies and support mechanisms to alleviate the financial burden on vulnerable households, especially during times of economic hardship;
- ▶ prohibition of the disconnection of vulnerable/low-income groups from energy services/supply where such access is necessary to ensure their enjoyment of stable, consistent and safe access to energy for the purposes of Charter rights enjoyment;
- ▶ adoption of sustainable measures targeting vulnerable/low-income groups (targeted financial assistance, social energy tariffs, national guarantee systems, ensuring the affordability of food essentials, etc.) in order to enable them to meet their energy and food needs at all times, including in particular times of economic hardship;
- ▶ simplification of conditions and provision of support in the context of application procedures to access targeted assistance with a view to reducing the non-take-up rate of such assistance;
- ▶ adoption of targeted policies and inclusive strategies to ensure an equitable transition to renewable energy systems, prioritising affordability and accessibility for vulnerable/low-income groups. This should include providing subsidies, facilitating access to renewable energy, and transitioning from short-term

128. Comments of the People's Advocate Office of the Republic of Moldova.

129. [Conclusions 2009, Statement of interpretation on Article 14§1.](#)

130. *Ibid.*

131. [Conclusions I \(1969\), Statement of interpretation on Article 13:](#) "The [...] Parties are no longer merely empowered to grant assistance as they think fit; they are under an obligation, which they may be called on in court to honour"; see also e.g. [Conclusions 2021, Montenegro, Article 13§1.](#)

crisis responses to sustainable and long-term support mechanisms. Support measures to improve the energy efficiency of housing stock and of enterprises should also be provided;

- ▶ regular assessment of the impact of the aforementioned measures in consultation with civil society, notably with individuals and groups most affected by the crisis, and the organisations representing them;
- ▶ expansion of free school meals programmes;
- ▶ ending long-term or institutionalised reliance on forms of last-resort relief, such as food banks, by ensuring that social protection measures are adequate.

GROUPS PARTICULARLY AFFECTED BY THE COST-OF-LIVING CRISIS

INTRODUCTION

131. The Committee is mindful that certain groups of people within States Parties to the Charter are particularly vulnerable to or more likely to be affected by the effects of the cost-of-living crisis. These include low-income households (e.g. sole parent households, unemployed persons, homeless persons, persons at risk of poverty and social exclusion), children, youth, persons with disabilities, older persons, LGBTI, marginalised communities, ethnic minorities, Roma and migrant families. Within these groups, women have been disproportionately affected by the consequences of the cost-of-living crisis, as is reflected throughout this review.

132. The Charter accords particular attention to the protection of marginalised and vulnerable groups, requiring States Parties to ensure that no one is disproportionately disadvantaged, in accordance with the principle of equality enshrined in Article E of the Charter. In addition, the Charter provides comprehensive specific protection for children and families (Articles 7, 16 and 17), persons with disabilities (Article 15), older persons (Article 23), and sets out corresponding State obligations, including in times of crisis such as the cost-of-living crisis. The Charter also expressly includes a right to protection against poverty and social exclusion (Article 30), which is key to protecting marginalised and vulnerable groups in the context of a cost-of-living crisis.

133. Reflecting the information received in response to the questions addressed to States Parties in the context of this review, the Committee focuses in particular on the impact of the cost-of-living crisis on low-income households, children, persons with disabilities and older persons.¹³²

134. The information provided in the States Parties reports and statistics on the at-risk-of-poverty rates indicate that low-income families, children, persons with disabilities and older persons have been particularly hard hit by the cost-of-living crisis.¹³³ However, according to a 2022 study by Eurofound, about two thirds of the measures introduced by EU Member States to mitigate rising inflation are not targeted at specific groups.¹³⁴ This is despite the fact that some groups face particular vulnerabilities that increase their risk of poverty or social exclusion and require targeted action for their effective protection during a crisis.¹³⁵

135. As mentioned in the introduction, crises should not have as a consequence the reduction of the protection of the rights recognised by the Charter.¹³⁶ The Committee considers that States Parties are bound to take all necessary steps to ensure that the rights of the Charter are effectively guaranteed at a period of time when beneficiaries need the protection most; this applies especially to the groups particularly vulnerable to or more likely to be affected by the effects of the cost-of-living crisis.

QUESTIONS AND STATES PARTIES RESPONSES

136. As outlined in previous sections of this review (social protection, employment and wages, housing, energy and food), States Parties provided information on measures intended to support the enjoyment of Charter rights by both the general population and certain groups particularly affected by the cost-of-living crisis in meeting their living expenses. These measures included one-off payments or permanent increases in benefits for pensioners, families with children, or persons with disabilities.

137. For this specific section, the Committee requested the latest available figures on at-risk-of-poverty (AROP) rates for the population as a whole, as well as for children, families identified as being at risk of poverty,

132. As noted in the introduction to this section, the Committee recognises that the cost-of-living crisis has had a disproportionate impact on other groups beyond those addressed here.

133. See the relevant sections concerning these groups below.

134. Eurofound (2022), *The cost-of-living crisis and energy poverty in the EU: Social impact and policy responses – Background paper*, Eurofound, Dublin, p. 8.

135. European Union Agency for Fundamental Rights, *Fundamental Rights Report 2024*, pp. 28-44.

136. *General Introduction to Conclusions 2009*.

persons with disabilities and older persons.¹³⁷ In addition, it sought information on the AROP trend over the last 5 years, as well as forecasts for upcoming years.¹³⁸ Concerning the statistical data provided in this respect, the Committee notes that the majority of EU countries use the EU statistics on income and living conditions (SILC), while other countries use other sources, mainly calculations according to their national method. Some States Parties highlighted that the EU SILC data on AROP saw a break in 2019 due to a change in the way data were collected, making it impossible to compare the situation before and after that date.

138. With regard to the population as a whole, not all States Parties provided information on the AROP rate. On the basis of the information received, the Committee notes that the AROP rate is stable, albeit high, in most countries, with the exception of the **Republic of Moldova**, where it significantly increased. The data provided by States Parties in response to question 8 for the period 2018/2019 to 2021/2022 indicate that in some countries, the AROP rate was high (e.g. the **Republic of Moldova** 23% in 2018 – 31.1% in 2022; **Latvia** 22.9% in 2018 – 22.5% in 2021; **Serbia** 24.3% in 2018 – 21.2% in 2021).

139. The majority of States indicated that it was not possible to provide a forecast for the AROP trend(s) in upcoming years. However, a few countries predict a decrease in the AROP rates. Examples of this include **Estonia**, based on expected pension increases for persons aged 65 and above; **Hungary**, based on economic growth and real wage; **Lithuania**, based on pension increases and other measures recently taken. According to the report submitted by **Bulgaria**, poverty levels are expected to grow due to economic stagnation, high inflation, low incomes and the rising cost of living.

LOW-INCOME HOUSEHOLDS

140. The rising costs of energy, food, housing and childcare have especially impacted low-income households. These households spend a larger share of their income on food, housing and utilities, which makes them more vulnerable to inflation.¹³⁹

141. As previously mentioned, the immediate impact of increased energy costs during the cost-of-living crisis meant that many households experienced energy poverty. Despite the decline in inflation and energy costs, the effects of the crisis still have serious implications for many groups, especially low-income households.¹⁴⁰ Individuals and families living in poverty often face barriers to accessing adequate food, especially during a cost-of-living crisis.¹⁴¹ Moreover the cost-of-living crisis has placed an increasing number of low-income households at a risk of being evicted from their home and becoming homeless.¹⁴²

142. In response to the Committee's request for the latest figures on AROP rates for the period 2018/2019 – 2021/2022, States Parties submitted data indicating a significant increase in AROP rates for sole parent families in several countries. However, not all States Parties have provided information on the AROP rate for sole parent households. Among those that have provided information, the largest increase in AROP rates for single-parent households was registered in **Montenegro** (35.4% in 2019 – 47.9% in 2022) and the **Slovak Republic** (36.7% in 2018 – 45.9% in 2022). The highest AROP rates were reported in **Spain** (49.2% in 2022), **Montenegro** (47.9% in 2022) and the **Slovak Republic** (45.9% in 2022). The increases, along with the sustained high rates of AROP, raise concerns regarding the implementation of Charter rights for sole parent families because they show that the cost of living exacerbates pre-existing challenges sole parent families face in enjoying their rights, such as the right of the family to protection (Article 16), the right to housing (Articles 16 and 31), the right to social security and social assistance (Articles 12 and 13), the right to health (Article 11) or the right to education (Article 17).

143. According to a Eurofound survey, single mothers and single women are more likely to encounter difficulties in paying their utility bills than any other group, with almost half of single mothers (44%) and 31% of single women anticipating such challenges in the next three months. This compares to 26% of single men (ETUC, 15 November 2022).¹⁴³ Women tend to be among the poorest segment of the population, representing 70% of the 1.3 billion people living in conditions of poverty.¹⁴⁴

137. See question No. 8 of the [questions](#) addressed to States Parties in the context of this review.

138. Ibid.

139. European Union Agency for Fundamental Rights, [Fundamental Rights Report 2024](#), pp. 28 *et seq.*

140. See the section on energy in this review.

141. See the section on food in this review.

142. See the section on housing in this review.

143. Comments submitted by ETUC concerning the cost-of-living crisis, p. 23; and ETUC, [Unequal pay means women hit hardest by energy prices](#), 15 November 2022.

144. The gender security project, Can 70% of the World's Poor Celebrate International Women's Day? March 2022.

Examples of measures taken by States Parties

144. As mentioned in previous sections of this report, States Parties adopted a variety of measures to limit the impact of the cost-of-living crisis on households. The Committee notes the following non-exhaustive list of examples of measures relating to low-income households, such as sole parent households.¹⁴⁵

145. In **Austria**, vulnerable groups received two lump-sum payments of €300 each to cover their energy costs. In **Bulgaria**, “the Support for Vulnerable Households” operation provided additional payments to vulnerable families receiving monthly benefits under the Family Allowance Act. In **Estonia**, the State compensated up to 80% of the electricity and heating bills of households whose net income was below a specified threshold. The State also partially covered the energy costs of care homes. In **France**, from January 2023, a fuel allowance was granted to workers from low-income households if they use their vehicle to go to work. In **Luxembourg**, the “energy bonus for low-income households” measure was implemented in 2023, which means that households benefiting from the cost-of-living allowance received a one-off bonus of at least €200.

146. In **Georgia**, families registered in the “Unified Data Base of Socially Vulnerable Families” are subsidised for monthly electricity consumption not exceeding 200 kWh. In **Portugal**, the most vulnerable families received financial support of €60 twice in 2022, and a new subsidy amounting to €240 per family. In **Czechia**, children below the age of 18 from families with a maximum annual income of CZK 1 million (€39,690) received a one-off allowance of CZK 5,000 (€198). In **Ireland**, recipients of an “Increase for a Qualified Child” received a lump sum of €100 in respect of each child in November 2023. Moreover, recipients of child benefit received a lump sum of €100 in respect of each child in June 2023 and a double payment of child benefit in December 2023. In **Greece**, legislation introduced the “household basket”, which is a set of supermarket products protected from inflation.

147. In 2022, Republika Srpska in **Bosnia and Herzegovina** introduced a law on support for unemployed parents with four or more children, at least one of whom being under the age of 18. In **Croatia**, legal amendments were implemented to increase certain benefits, including child allowance, guaranteed minimum compensation, compensation for housing costs, parental compensation, etc. In **Luxembourg**, indexation of family allowances was reintroduced, and was tied to changes in the cost of living. Other examples include the introduction of a minimum living income in **Spain** and the revision of income thresholds in **Latvia**. In **Estonia**, the subsistence benefit for a person living alone or for the first family member, or for each child under the age of 14, increased from €180 to €240 per month, and from €120 to €160 per month for the second and subsequent family members. In January 2023, **Ireland** implemented a 4.8% increase in maternity, paternity, adoptive and parent’s benefits, with an additional increase of 4.6% from January 2024. The one-parent family payment was increased by 5.8% from January 2023.

Strengths and weaknesses of the measures adopted

148. The Committee notes that States Parties have adopted a variety of measures to support and assist households, including low-income households, in dealing with the effects of the cost-of-living crisis. These measures include one-off payments, energy grants, price caps, tax reductions, increases in benefits, introduction of new benefits/allowances, indexation of benefits and measures to assist with food costs.¹⁴⁶

149. The Committee has pointed out that some of the measures adopted by States Parties, such as the increase of regular benefits, the introduction of new benefits, the indexation of specific benefits to inflation, the revision of eligibility criteria to provide easier access to existing benefits or expand their coverage, have the potential to be particularly beneficial in terms of advancing the enjoyment of Charter rights.¹⁴⁷

150. It is observed that many of the measures to assist low-income households have consisted of one-off payments, energy grants, temporary tax cuts, price caps, temporary increases in benefits to alleviate housing costs, etc., which are temporary in nature and have the aim of addressing the impact of the crisis in the immediate or short term. While these measures have the potential to be positive in assisting low-income families during a cost-of-living crisis, the Committee is of the view that States Parties should not limit their responses to the cost-of-living crisis to such short-term measures. Rather, a combination of measures should be designed, which would include longer-term rights-based measures and immediate, temporary measures to assist low-income families in the context of a cost-of-living crisis.

¹⁴⁵. For further examples, see the previous sections of this review.

¹⁴⁶. For a detailed description of measures, refer to the previous sections of this review.

¹⁴⁷. See the section on social protection in this review.

151. This weakness was also stressed in several submissions from third parties such as the Social Justice Center of Georgia, The Wheel (Ireland) and the Scottish Human Rights Commission. The latter states that one-off payments for low-income households are not adequate to mitigate cuts elsewhere in the system, leaving people reliant on crisis funds or taking on more debt.

CHILDREN

152. Cost-of-living crises carry the risk of causing or exacerbating children's poverty and social exclusion, with resultant negative implications for their enjoyment of a wide range of Charter rights. The effectiveness of measures taken by States Parties in response to cost-of-living crises will have implications for children's enjoyment of their rights in terms of Articles 7, 16, 17 (right to social, legal and economic protection of children, young persons and families), 11 (right to protection of health), 30 (right to protection against poverty and social exclusion) and 31 (right to housing).

153. Child poverty is a multidimensional phenomenon stemming from household poverty, meaning that low-income families, sole parent families (mostly made up of women and their children), large disadvantaged families, families living in disadvantaged regions, families from different ethnic minorities and families with children or parents with disabilities are at greater risk of poverty and social exclusion and have a higher probability of intergenerational transmission of poverty.¹⁴⁸ This is of particular relevance in the context of cost-of-living crises.

154. According to EU figures, the number of children living in poverty has increased for the third consecutive year. Eurostat data show that the proportion of children under the age of 18 living at risk of poverty in 2022 was 24.7% compared to 24.4% in 2021, 24% in 2020 and 22.8% in 2019. This indicates that 19.9 million children were living at risk of poverty in the EU in 2022 – over 1.5 million more than pre-pandemic levels in 2019.¹⁴⁹

155. The cost-of-living crisis has an impact on the capacity of households to cover the costs of their children's education and childcare. Education costs, especially school materials and transport, are essentially borne by households in most countries and are one of the main reasons for dropping out of school.¹⁵⁰ ETUC has reported that the cost of the most basic school supplies was rising twice as fast as wages across Europe, and the price of textbooks, children's clothes and footwear, and calculators was also rising more quickly than pay in many Member States, piling further pressure on working people already struggling with the cost-of-living crisis.¹⁵¹ With regard to childcare, submissions from third parties have stressed the increasingly high costs. For example, a survey conducted in 2024 showed that 4 in 5 mothers in Scotland (83.7%) reported that the cost of childcare was the same or more than their income.¹⁵²

156. Article 17 of the Charter imposes a positive obligation on States Parties to adopt the measures necessary to ensure that children can effectively exercise their right to grow up in an environment favourable to the development of their personality and their physical and mental capacities.¹⁵³ States Parties having accepted Article 17§1 must take all appropriate and necessary measures to ensure that children and young persons, taking account of the rights and duties of their parents, have the care, the assistance, the education and the training they need.¹⁵⁴ The obligation of States Parties to take all appropriate and necessary measures to ensure that children and young persons have the assistance they need in terms of Article 17§1 is strongly linked to measures directed towards addressing and eradicating child poverty and social exclusion. These Charter standards and State Party obligations apply equally where child poverty and social exclusion are caused or exacerbated by the cost-of-living crisis.

157. The prevalence of child poverty in a State Party, whether defined or measured in either monetary or multidimensional terms, is an important indicator of the effectiveness of state efforts to ensure the right of children and young persons to social, legal and economic protection under Article 17 of the Charter. Consistent with

148. European Parliament resolution of 21 November 2023 on [reducing inequalities and promoting social inclusion in times of crisis for children and their families](#) (2023/2066(INI)).

149. Comments submitted by ETUC concerning the cost-of-living crisis, p. 23; ETUC, [Child poverty rises for third year running](#), 28 September 2023; and European Union Agency for Fundamental Rights, [Fundamental Rights Report 2024](#), p. 27.

150. European Parliament resolution of 21 November 2023 on [reducing inequalities and promoting social inclusion in times of crisis for children and their families](#) (2023/2066(INI)).

151. Comments submitted by ETUC concerning the cost-of-living crisis; and ETUC, [Pay failing to keep up with school costs](#), September 2023.

152. Submission by the Scottish Human Rights Commission concerning the cost-of-living crisis.

153. [European Roma Rights Centre \(ERRC\) and Mental Disability Advocacy Centre \(MDAC\) v. Czech Republic](#), Complaint No. 157/2017, decision on the merits of 17 June 2020, §134.

154. *Ibid.*, §134.

the approach in relation to the conceptualisation and measurement of poverty adopted by the Committee in terms of Article 30, the Committee's consideration of child poverty for the purposes of Article 17 reflects an understanding of both income and multidimensional understandings of poverty (Conclusions 2013, Statement of interpretation on Article 30). This understanding is reflected in the indicators and elements the Committee takes into account when assessing States Parties compliance with Article 17. For the States Parties that have not accepted Article 17, child poverty will be addressed under Article 30 (Conclusions 2019 on Article 17).

158. The Committee emphasises that a child rights-compliant approach to child poverty and social exclusion, which is of particular importance in the context of cost-of-living crises, requires not only the adoption of measures necessary to address such crises, but also the ability to demonstrate the efficacy (or lack thereof) of these measures in practice.¹⁵⁵ It also obliges States Parties to ensure child participation in initiatives aimed at combatting child poverty and social exclusion. It is crucial to note that the simple taking of child poverty-related measures, and the allocation of resourcing towards them, will not be sufficient in terms of Articles 30 and 17 if the impact of the measures is limited and/or inadequate.¹⁵⁶ This obligation must be ensured during cost-of-living crises.

159. Data provided by States Parties in response to the Committee's request for up-to-date information on AROP rates for the period 2018/2019 – 2021/2022 indicate that the AROP rates in respect of children increased in several countries, such as **Bulgaria, Greece, Hungary, the Slovak Republic and Spain**. A number of States Parties provided information indicating a decrease in AROP rates for children. Examples include **Lithuania** 23.9% in 2018 – 17.8% in 2022; **Romania** 32% in 2018 – 27% in 2022; **Montenegro** 32.4% in 2018 – 28.4% in 2022; **Croatia** 19.7% in 2018 – 16% in 2022.

160. The Committee notes that while the AROP rates have decreased in some States Parties, this occurred against a backdrop of very high levels of child poverty in many instances, which raises concerns about the implementation of Article 17.¹⁵⁷

Examples of measures taken by States Parties

161. Some States Parties introduced new targeted benefits, such as the Scottish Child Payment in the **United Kingdom** in 2022 or a child-raising allowance in **Czechia** in 2021. Other States Parties increased child benefits (e.g. **Lithuania** as from 2023), or child benefits were indexed annually to the average inflation rate (e.g. **Romania** as from 2023). In **Bulgaria**, the benefit for raising a child under the age of two more than doubled between 2021 and 2023.

162. In **Hungary**, the income threshold for child support advances was nullified in 2022, allowing more persons to receive child support. Other measures consisted in no longer calculating universal child benefit for the purposes of financial social assistance in **Norway** from 2022 onwards, or in expanding the coverage of persons eligible for certain benefits, such as the childcare allowance in **Bosnia and Herzegovina** as from 2022.

163. **Spain** provided information on a set of measures to reduce child poverty, including the creation of a Ministry of Children and Youth in 2023 and, in 2022, the adoption of the "National Action plan to implement the European Child Guarantee (2022-2030)". This plan includes targets for reducing poverty and social exclusion of children and adolescents until 2030.

164. Other States Parties provided one-off allowances/payments in order to help families with children meet their needs. The Committee takes note of such examples of one-off allowances in **Bosnia and Herzegovina, Czechia, France, Ireland or Portugal**.¹⁵⁸ In **France**, an exceptional back-to-school bonus of €100 per household was paid in September 2022 to recipients of the minimum benefit, housing benefit and to scholarship holders.

Strengths and weaknesses of the measures adopted

165. The Committee notes that some of the measures such as new targeted benefits, the increases in child benefits or changes in eligibility requirements that have allowed more persons to receive certain benefits, have the potential to be particularly positive in terms of advancing the enjoyment of children's rights under the Charter.

155. Aoife Nolan, *Protecting the Child from Poverty: The Role of Rights in the Council of Europe*, November 2019, p. 11.

156. Ibid.

157. The ECSR in its Conclusions 2023 found that the situation in several countries was not in conformity with Article 17 of the Charter on the ground that the rate of children at risk of poverty was too high.

158. For further examples of such allowances and more detailed information, see the section on social protection of this review.

166. Recalling that child poverty for the purposes of Articles 17 and 30 of the Charter reflects an understanding of both income and multidimensional understandings of poverty, the Committee is of the view that, under Articles 17 and 30, States Parties have positive obligations to adopt the measures necessary to ensure that children can effectively exercise their right to be protected against poverty and social exclusion in the context of cost-of-living crises. This can be done through a variety of measures that ensure families with children and children themselves have the resources necessary to ensure their access to education and childcare, healthcare, food and adequate housing. The effectiveness of the measures taken in response of cost-of-living crises by States Parties will have implications on the enjoyment by children of their rights set out in Articles 7, 11, 16, 17, 30 and 31 of the Charter.

167. The Committee recalls that under Article 12 of the Charter, States Parties have the obligation to regularly adjust social security benefit rates in order to compensate for any rise in the cost of living (indexation).¹⁵⁹ This applies to child benefits as well. The Committee notes that in their comments, third parties have raised the issue of insufficiency/inadequacy of child benefits which points to weaknesses of the measures adopted in response to the cost-of-living crisis.

168. In **Finland**, for example, several civil society organisations, namely the Central Union for Child Welfare, the Finnish League for Human Rights, the Finnish Society for Social Rights, the Mannerheim League for Child Welfare, SOSTE Finnish Federation for Social Affairs and Health, state that the increases in benefits planned by the government (through an amendment to the Child Benefit Act) are insufficient to compensate for the negative effects of the cuts and index freezes in social security for families with children in 2023. According to the Finnish Institute for Health and Welfare, the cuts clearly weaken basic security and considerably increase income inequality and the risk of poverty. By 2027, they will result in an increase in the number of people at risk of poverty by 94,000 (+1.7%), including 12,000 children (+1.1%). According to the calculations by SOSTE Finnish Federation for Social Affairs and Health, the cumulative impacts of the legal reforms will lead to an increase in the number of low-income people by 68,000 in 2024, including around 17,000 children.

PERSONS WITH DISABILITIES

169. Persons with disabilities and their families are disproportionately affected by cost-of-living crises.¹⁶⁰ Research findings show that persons with disabilities experience many different types of additional costs due to their disability, which can place a significant financial burden on them and their families, reducing their purchasing power and leading to an increased risk of living in poverty. These additional costs can be direct (e.g. assistive devices, home adaptations), indirect and opportunity costs, and can relate to general items, such as food or health care, or to disability-specific goods and services.¹⁶¹ The additional costs incurred by persons with disabilities have a clear impact on their economic well-being, quality of life and social participation.¹⁶² Findings further reveal that persons with disabilities have higher energy needs than other households, and that they use a higher share of energy for basic consumption such as food, gas and electricity, which are the main items driving the inflation.¹⁶³ Consequently, persons with disabilities are often forced to reduce their expenses on necessary goods and services, resulting in unmet needs.¹⁶⁴

170. Article 15 of the Charter has as its underlying vision the equal citizenship for persons with disabilities and, fittingly, the primary rights are those of “independence, social integration and participation in the life of the community” on the basis of non-discrimination. It applies to all persons with disabilities regardless of the nature and origin of their disability and irrespective of their age.¹⁶⁵ The Committee considers that under Article 15 of the Charter, States Parties have an obligation to take targeted measures addressing the specific needs of persons with disabilities to ensure the effective exercise of the right to independence, social integration and participation in the life of the community during the cost-of-living crisis in relation to their education (Article 15§1), employment and work opportunities (Article 15§2), housing, mobility, transport,

159. *Finnish Society of Social Rights v. Finland*, Complaint No. 172/2018, decision on the merits of 14 September 2022, §71; *Sindacato autonomo Pensionati Or.S.A. v. Italy*, Complaint No. 187/2019, decision on the merits of 17 October 2023, §113.

160. Eurostat, *Disability statistics – Poverty and income inequalities*, 2023.

161. Birta M., Zólyomi E., Wohlgemuth F. and Gjylsheni S., *Targeted measures for persons with disabilities to cope with the cost-of-living crisis*, European Parliament, Directorate-General for Internal Policies of the Union, 2023.

162. *Ibid.*

163. *Ibid.*

164. *Ibid.*

165. *Statement on Covid-19 and social rights* adopted on 24 March 2021; see also *Autism-Europe v. France*, Complaint No. 13/2002, decision on the merits of 4 November 2003, §48.

communication (Article 15§3). Article 15, and the vision of equal, active citizenship that underpins it, are of key importance when it comes to shaping State Party responses to cost-of-living crises.

171. The Committee recalls that the prevalence of poverty amongst persons with disabilities in a State Party, whether defined or measured in either monetary or multidimensional terms, is an important indicator of the effectiveness of State efforts to ensure the right of people with disabilities to enjoy independence, social integration and participation in the life of the community.¹⁶⁶ The obligation of States to take measures to promote persons with disabilities' full social integration and participation in the life of the community is strongly linked to measures directed towards the reduction and eradication of poverty amongst people with disabilities.¹⁶⁷ Therefore, the Committee takes poverty levels experienced by persons with disabilities into account when considering the States Parties obligations under Article 15§3 of the Charter.¹⁶⁸ These Charter standards and States Parties obligations under Article 15 apply when poverty and social exclusion of persons with disabilities are caused or exacerbated by the cost-of-living crisis.

172. At EU level, Eurostat data (2023) show that people with disabilities face a higher risk of poverty or social exclusion (28.8%) than people with no limitations (18.0%).¹⁶⁹ According to a study commissioned by the European Parliament, people with disabilities are considered to belong to the general category of vulnerable groups/households, which means that the specific risks they face and their particular needs are not covered by relevant policy initiatives.¹⁷⁰

173. Data provided by States Parties in response to the Committee's request for up-to-date information on AROP rates concerning persons with disabilities for the period 2018/2019 – 2021/2022 indicate that there has been a significant increase in AROP in several countries, such as the **Republic of Moldova** (25.8% in 2018 – 41.2% in 2022), **Austria** (31% in 2018 – 40% in 2022) and **Malta** (23.6% in 2018 – 29% in 2022). This raises concerns about the implementation of Article 15 of the Charter in terms of the effectiveness of State efforts to ensure the right of persons with disabilities to enjoy independence, social integration and participation in the life of the community. In contrast, some countries like **Czechia**, **Germany** and the **United Kingdom** show a decrease. In several countries, AROP rates for persons with disabilities remain at a stable, albeit high, level. In **Spain**, for example, 30% of persons with disabilities were at risk of poverty and/or exclusion in 2022, compared to 22.7% for persons without disabilities. According to the report, the average gross annual salary of workers with disabilities was €21,544.2 in 2021, which was 17.2% lower than that of persons without disabilities (€26,030).

Examples of measures taken by States Parties

174. The Committee notes that only a small number of States Parties provided information on measures taken in respect of persons with disabilities during the cost-of-living crisis. It notes the following non-exhaustive examples of measures:¹⁷¹

- ▶ In **Cyprus**, **Norway** and the **United Kingdom**, persons with disabilities entitled to different benefits received one-off allowances ranging from €100 to €257 between 2022 and 2023.
- ▶ In **Poland**, from January 2024, persons with disabilities have been receiving a support allowance to help those who find it most difficult to live independently, ranging from PLN 636 (€146) to PLN 3,495 (€805) per month.
- ▶ On 1 July 2023, **Latvia** reviewed the minimum income thresholds used for the calculation of housing benefit with the aim of providing more material support to households with persons of retirement age and persons with disabilities.

175. The Committee notes from another source some other measures taken by States Parties.¹⁷² For example, the **German** tax allowance supporting persons with disabilities (they can claim a tax allowance of up to €7,400) was doubled in 2021. **France** increased disability pensions by 4% from July 2022 onwards and introduced special assistance programmes for workers with disabilities and employers, including a special initiative providing financial support for the recruitment of workers with disabilities. In **Slovenia**, recipients of a disability supplement received an energy voucher worth €150 twice in 2022.

166. [Conclusions 2020, Andorra](#).

167. *Ibid.*

168. *Ibid.*

169. Eurostat, [Disability statistics – Poverty and income inequalities](#), 2023.

170. BIRTHA M., ZÓLYOMI E., WOHLGEMUTH F. and GJYLSHENI S., [Targeted measures for persons with disabilities to cope with the cost-of-living crisis](#), European Parliament, Directorate-General for Internal Policies of the Union, 2023.

171. For more detailed information, see the previous sections of this review.

172. BIRTHA M., ZÓLYOMI E., WOHLGEMUTH F. and GJYLSHENI S., [Targeted measures for persons with disabilities to cope with the cost-of-living crisis](#), European Parliament, Directorate-General for Internal Policies of the Union, 2023, pp. 61-63.

Strengths and weaknesses of the measures adopted

176. The Committee notes that different types of measures were adopted by States Parties in respect of persons with disabilities. Countries with existing targeted benefits for persons with disabilities sought to respond to the crisis by increasing or restructuring these benefits to offset the additional costs incurred by persons with disabilities and their families (**France, Germany**). Changes in eligibility criteria in order to provide easier access to existing benefits were adopted in other States Parties. In the Committee's view, flexibility or assistance should be offered to those who may face difficulties. Simplifying the application process or providing support during the application phase could help ensure that more individuals can access the assistance they need.

177. Other examples of measures concern ad hoc measures such as one-off allowances granted to persons with disabilities (**Cyprus, Norway, the United Kingdom**), the carer's grant for parents of children with disabilities (**Malta**) or other support allowances, or an "energy voucher" (**Slovenia**).

178. The Committee further notes that other States Parties implemented general ad hoc measures to support persons with disabilities, independently of their status, as part of the general population or as vulnerable groups/households.¹⁷³ For instance, in **Austria**, several federal and regional cost-of-living crisis measures targeted social assistance recipients and persons with disabilities who are likely to have lower incomes, thus eligible for social assistance.¹⁷⁴ The Committee notes that such measures have provided support to vulnerable groups. However, the Committee is of the view that there is a risk that the specific needs of persons with disabilities are not taken into consideration when they are included in the larger category of vulnerable groups/households in the context of a cost-of-living crisis.

179. Moreover, third parties have raised the issue of insufficient levels of such financial allowances, which points to weaknesses in the measures adopted. For instance, the Equality Council of the **Republic of Moldova** expressed concern with regard to the fact that the disability allowance falls short of meeting the minimum subsistence and disability-related expenses. The Scottish Human Rights Commission (the **United Kingdom**) expressed concern that fuel poverty poses a particular risk for persons with disabilities or older persons who have specific energy needs, such as equipment. In their submission, the Scottish Human Rights Commission referred to a survey in November 2022 which found that 41% of persons with disabilities could not afford to keep their home warm.¹⁷⁵

180. The Committee recalls that Article 15§3 requires that persons with disabilities and the organisations representing them should be consulted in the design and ongoing review of positive action measures, and that an appropriate forum should exist to enable this to happen.¹⁷⁶ Persons with disabilities and their organisations must be consulted and involved in the design, implementation and review of disability policies in the context of the cost-of-living crisis.

181. The Committee notes that third parties point to shortcomings in ensuring the consultation and participation of persons belonging to the most affected groups and/or their representatives when adopting measures in response to the cost-of-living crisis. For instance, with respect to **Finland**, several civil society organisations, namely the Central Union for Child Welfare, the Finnish League for Human Rights, the Finnish Society for Social Rights, the Mannerheim League for Child Welfare, SOSTE Finnish Federation for Social Affairs and Health, claim that the 2023 legal reforms reducing social security benefits were brought into effect without the participation of the individuals and groups most affected by the crisis. It is reported that the participation of the organisations representing them was also severely restricted and that several organisations representing the groups targeted by the cuts, including organisations representing persons with disabilities, were not informed about the consultation process. This clearly reduced their ability to be heard.

OLDER PERSONS

182. An ETUC analysis published in September 2022 found that millions of older persons in the EU have fallen into deeper energy poverty due to a collapse in the real value of pensions as a result of the cost-of-living crisis.¹⁷⁷

173. See the section on social protection in this review.

174. Birtha M., Zólyomi E., Wohlgemuth F. and Gjylsheni S., [Targeted measures for persons with disabilities to cope with the cost-of-living crisis](#), European Parliament, Directorate-General for Internal Policies of the Union, 2023.

175. The Cross Party Group on Poverty in the Scottish Parliament, [Report: Inquiry into poverty in rural Scotland](#), 2024, p. 24.

176. [Conclusions 2020, Serbia](#); [Conclusions 2005, Norway](#).

177. Comments submitted by ETUC concerning the cost-of-living crisis, p. 24, citing Eurostat and ETUC, [Pension value cut by up to 19% - lives at risk this winter](#), 30 September 2022.

Older persons were already among those most likely to struggle to pay their energy bills, with almost one in ten unable to keep their home adequately warm in 2019.¹⁷⁸ The rise in energy bills was already hitting older people as they spend more time at home. Data show that some 17.7 million older persons (over 65s) – a fifth of all older people in the EU – were at risk of poverty in 2021, and that the real value of pensions fell by 19% in 2022 as pensions failed to keep up with inflation.¹⁷⁹

183. Article 23 of the Charter requires that States Parties should ensure that older persons have adequate resources such as will allow them to lead a decent life and to participate actively in public, social and cultural life. This applies equally in a cost-of-living crisis context.

184. Data provided by States Parties in response to the Committee's request for up-to-date information on AROP rates for the period 2018/2019 – 2021/2022¹⁸⁰ indicate high levels of AROP in respect of older persons in several States Parties such as: **Estonia** (43.7% in 2019 – 46.8% in 2023), the **Republic of Moldova** (25.4% in 2018 – 43.9% in 2022), **Latvia** (47.9% in 2018 – 40.5% in 2021). In the light of the information received from States Parties, the Committee notes that the largest increases in AROP rates concerned the **Republic of Moldova** (25.4% in 2018 – 43.9% in 2022), **Ireland** (11.4% in 2018 – 19% in 2022), **Malta** (25.4% in 2018 – 30% in 2022). These increases and the sustained high rates of AROP give rise to concerns regarding the implementation of Article 23 of the Charter on the adequacy of resources that would enable older persons to lead a decent life and play an active part in public, social and cultural life.

Examples of measures taken by States Parties

185. As noted in previous sections of this review, States Parties have adopted diverse measures to limit the impact of the cost-of-living crisis on older persons. The Committee notes the following non-exhaustive examples of measures, most of which relate to pensions or other financial support/assistance provided to older persons.¹⁸¹

186. In **Croatia**, a one-off cash payment of between €50 and €160 was allocated to pensioners by the end of 2023, depending on the amount of their pension. One-off benefits of similar amounts were granted to pensioners in **Montenegro** and in **Serbia** in 2022. In **Greece**, vulnerable categories of pensioners received financial assistance in 2021 and at Easter and Christmas 2022, and all pensioners received one-off financial assistance in 2022. In the **Republic of Moldova**, from October 2022, beneficiaries of state pensions and social allowances with a monthly income lower than MDL 5,000 (€263) benefited from one-off financial support of MDL 1,500 (€79). In the **United Kingdom**, a payment of GBP 300 (€350) was made to pensioners during the winter of 2023/2024. In **Denmark**, pensioners with low assets received a tax-free lump sum of DKK 2,500 in 2022 and 2023 (DKK 5,000 in total), and a tax-free lump sum of DKK 2,000 was granted to recipients of early retirement benefits.

Strengths and weaknesses of the measures adopted

187. Data provided by States Parties in response to the Committee's request for up-to-date information on AROP rates for the period 2018/2019 – 2021/2022 indicate that older persons are one of the groups most affected by the cost-of-living crisis.

188. The Committee notes that, according to the information received from States Parties, most of the measures adopted appear to be of a temporary nature. While one-off payments may provide support to older persons in the immediate term, the Committee considers that more rights-based, long-term, systemic solutions are required in respect to older persons, especially in the context of the ongoing effects of the cost-of-living crisis.

189. The Committee notes that several civil society organisations have stressed the inadequacy of pensions and shortcomings in pension policy. For instance, ETUC highlights the disproportionate impact of the increased cost of living (primarily energy prices but also public and private (social) housing costs) on older persons. **Finnish** NGOs indicate that the freeze of the level of benefits linked to the National Pension Index at the level of 2023 is expected to have a dramatic impact on individuals and groups that find themselves in a vulnerable socio-economic position. They also assert that this will result in an increase of approximately 65,000 persons seeking social assistance in 2024. The Open Space Association/Deep Poverty Network (**Türkiye**) states that the criteria used to allocate benefits do not specifically address the needs of disadvantaged groups. It further states that the indexation system results in a pronounced decline in the purchasing power of pensions. The People's Advocate Office of the **Republic of Moldova** submits that indexation of pensions should be higher

178. Ibid.

179. Ibid.

180. See question No. 8 of the [questions](#) addressed to States Parties in the context of this review.

181. For more examples, see the previous sections of this review.

than it currently is, given the considerable increase in consumer prices in recent years, since the current indexation of pensions in particular does not compensate for the rising prices. By contrast, the Ombudsman of the Republic of **Latvia** points out that pensions are the only social transfer indexed to changes in the consumer price index.

190. In **Serbia**, with regard to the method of indexation/adjustment of pensions, the Confederation of Autonomous Trade Unions of Serbia states that the so-called modified 'Swiss formula', which was introduced in 2023 and takes into consideration the percentage of pension costs in the GDP, no longer ensures the adequacy of pensions, as the average pension is far below 50% of the average wage in Serbia, not including taxes and contributions.¹⁸²

191. The Galician Unions' Confederation submits that indexation in **Spain** does not guarantee the purchasing power of pensions. The Trade Union Confederations of Workers' Commissions and the General Union of Workers state that, although the establishment of the minimum subsistence income has been a step forward in the comprehensive system of social benefits, both the deficient configuration of the regulation itself and its actual implementation have generated a chaotic application.

192. The Committee recalls that pensions and other state benefits must be sufficient to enable older persons to lead a decent life and play an active part in public, social and cultural life.¹⁸³ When assessing the adequacy of resources of older persons under Article 23, all social protection measures guaranteed to older persons and aimed at maintaining an income level allowing them to lead a decent life and participate actively in public, social and cultural life are taken into account.¹⁸⁴ In particular, pensions, whether contributory or non-contributory, and other complementary cash benefits available to older persons are examined.¹⁸⁵

193. The Committee is mindful of the specific vulnerabilities and needs of older persons who face particular challenges related to the cost of living. It considers that, under Article 23 of the Charter, States Parties have an obligation to take targeted measures to address the specific needs of older persons in order to enable them to lead a decent life and play an active part in public, social and cultural life during the cost-of-living crisis and in its aftermath. The design, adoption, implementation and evaluation of such measures should be carried out in consultation and with the participation of the older persons concerned and the organisations representing them.

CONCLUSIONS AND RECOMMENDATIONS

194. States Parties should undertake the following measures to ensure compliance with Charter rights with regard to the situation of groups particularly affected by cost-of-living crises:

- ▶ identify, define and monitor the groups that are particularly vulnerable to or more likely to be affected by the effects of cost-of-living crises;
- ▶ conduct equality and human rights impact assessments in response to cost-of-living crises;
- ▶ collect comprehensive quantitative and qualitative data on the impact of cost-of-living crises on these groups, including disaggregated data based on gender, race, disability, age, family status and income, to be used in developing and implementing effective measures addressing a cost-of-living crisis;
- ▶ design and implement targeted measures for the groups most affected taking into consideration their needs and having a Charter's rights-based approach;
- ▶ adopt rights-based medium- and long-term measures in order to address the long-term effects of cost-of-living crises, not just temporary measures (such as ad hoc or one-off cash allowances or temporary benefit increases);¹⁸⁶
- ▶ ensure simplification of conditions and provision of support in the context of application procedures to access targeted assistance with a view to reducing the rate of non-take-up of such assistance;
- ▶ elaborate gender-sensitive solutions in response to a cost-of-living crisis;
- ▶ ensure the timely, meaningful and inclusive consultation with and participation of persons belonging to the most affected groups and/or their representatives in the design, implementation and evaluation of measures taken in response to cost-of-living crises.

182. Comments submitted by ETUC concerning the cost-of-living crisis, pp. 58-59.

183. [Conclusions 2013, Statement of interpretation on Article 23 – adequate resources for older persons.](#)

184. Ibid.

185. Ibid.

186. See the sections on social protection and energy of this review.

STATEMENT OF INTERPRETATION ON SOCIAL RIGHTS AND COST-OF-LIVING CRISES

The European Social Charter (“the Charter”) enshrines an extensive and complete set of rights that provide a clear framework for the laws, policies and resource allocations necessary to ensure that rights holders lead dignified lives on the basis of social inclusion, active citizenship and equality for all. Achieving social justice¹⁸⁷ is crucial to ensuring democratic stability and security.¹⁸⁸ The effective enforcement of social rights not only protects rights holders from structural imbalances and socio-economic inequalities, thereby contributing to the reduction of poverty and social exclusion and positively affecting people’s living conditions. It also helps to reduce and mitigate the social consequences of crises, in particular by counteracting the disproportionate negative effects of crises on already disadvantaged groups.

The cost-of-living crisis, i.e. a period in which the cost of essentials rises much faster than average household incomes, has had a wide range of direct and indirect impacts on the effective enjoyment and exercise of Charter rights – many of which persist even though inflation levels have fallen.

The cost-of-living crisis has also threatened the principles of social justice and solidarity embodied by the Charter, exacerbating social inequalities and impeding individuals’ ability to exercise their rights in areas including work, social protection, housing, education and health. It has impacted particularly negatively on the rights enjoyment of already disadvantaged and marginalised groups, including low-income households (e.g. sole parent households, unemployed persons, homeless persons, persons at risk of poverty and social exclusion), children, youth, persons with disabilities, older persons, LGBTI, marginalised communities, ethnic minorities, Roma and migrant families. The effects of the cost-of-living crisis have included situations of discrimination on the basis of socio-economic status, as well as situations of multiple discrimination and intersectionality where socio-economically disadvantaged people simultaneously experienced a disproportionate impact on the basis of other prohibited grounds (race, colour, sex, health or other grounds, such as disability or old-age) in violation of Article E of the Charter.

Women have been disproportionately affected by the consequences of the cost-of-living crisis as they still tend to have lower incomes and wealth as a result of the gender pay gap and the resulting pension gap. Women are over-represented in precarious jobs, in atypical and flexible contracts (part-time work, temporary work, informal jobs) and among those earning the minimum wage. They are thus more likely to be at risk of poverty and social exclusion. They continue to shoulder a disproportionate burden of unpaid care work, leaving them with fewer resources to shield themselves from the negative impact of the cost-of-living crisis.¹⁸⁹ A gender-sensitive approach is fundamental when assessing the impact of cost-of-living crises and in designing and implementing the measures taken in response to them.

By acceding to the Charter, States Parties have undertaken to pursue by all appropriate means the attainment of conditions in which the rights enshrined in it may be effectively realised at all times.¹⁹⁰ The Committee has previously made clear that the existence of economic, health or other societal crises does not lead to a diminution of States Parties obligations in terms of the Charter.¹⁹¹ Hence, governments are bound to take all necessary steps to ensure that the rights of the Charter are effectively guaranteed at a period of time when beneficiaries need the protection most.¹⁹² In particular, measures must accord special attention and appropriate priority to the most socially vulnerable groups and individuals. Measures should also be tailored to address gender

187. The notion of “social justice” is understood as defined in the Council of Europe’s Committee of Ministers Recommendation [CM Rec\(2014\)1](#), i.e.: “Social justice (...) denotes a society based on equality and solidarity, while meeting fundamental human needs, striving through redistribution mechanisms to reduce inequalities and securing collectively the conditions conducive to the development of every individual and his or her skills”.

188. Council of Europe Heads of State and Government [Reykjavík Declaration “United around our values”](#).

189. European Parliament resolution of 18 January 2024 on the [gender aspects of the rising cost of living and the impact of the energy crisis](#) (2023/2115(INI)).

190. [General Introduction to Conclusions 2009](#).

191. *Ibid.* and [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

192. *Ibid.*

inequalities. Investment in social rights mitigates the adverse impact of crises and accelerates recovery.¹⁹³ This is equally true in the context of cost-of-living crises.

SOCIAL PROTECTION

Social protection is a fundamental element of the Charter. It seeks to ensure that everyone in society – including the most disadvantaged and socially excluded – can enjoy a decent standard of living such as to ensure their dignity, wellbeing, and flourishing.

Social protection encompasses protection from poverty and social exclusion; adequate social security; adequate social and medical assistance for all those in need; access to effective social services of adequate quality; and measures in favour of families, such as adequate family and child benefits.¹⁹⁴

In terms of Charter rights, social protection covers not only the rights set out in Articles 12 (right to social security) and 13 (right to social and medical assistance), but also Articles 11 (right to protection of health), 14 (right to benefit from social welfare services), 15 (right of persons with disabilities to independence, social integration and participation in the life of the community), 16 (right of the family to social, legal and economic protection), 17 (right of children and young persons to social, legal and economic protection), 23 (right of older persons to social protection), 30 (right to protection against poverty and social exclusion) and 31 (right to housing).

In cases in which heightened inflation significantly reduces the real value of social security benefits and social assistance benefits (family, old-age, child and other social protection-related benefits), a decline in purchasing power leads to a decreased ability on the part of those in receipt of such assistance and benefits to pay for essentials. This is true irrespective of whether these are social security benefits (income-replacement and cost compensating) or social assistance.

The cost-of-living crisis made clear that inflation in the prices of essentials, without adequate corrective/compensatory measures, will result in a deterioration in the level of enjoyment of social protection-related rights, particularly for those who need them most, resulting in those right-holders' social exclusion.

Guaranteeing social protection-related Charter rights does not simply require States Parties to avoid proactive measures that undermine, reduce or interfere with rights enjoyment; it also obliges States to take all necessary actions needed to ensure that social security and assistance levels are adequate. This includes taking steps to ensure that these levels reflect inflation levels. This is particularly important given that the real inflation rate experienced by those most in need (i.e. those with lower incomes) is frequently higher than that experienced by the general population. State omissions with regard to taking the actions necessary to ensure social security and assistance levels are adequate may result in violations of the Charter.

Actions to be taken by States Parties to address particular challenges faced in the social protection-related Charter rights during cost-of-living crises include the adoption of measures to offset the negative impact of rising food, housing, energy and other prices. Such measures cannot simply be limited to the immediate period of the crisis but must also encompass situations in which price increases linger after inflation has fallen. They are vital in terms of securing rights enjoyment for persons at risk of poverty and/or social exclusion who spend a relatively higher fraction of their income on housing, energy and food. Pre-existing shortcomings in the design and delivery of social rights related goods and services, such as those resulting from fiscal austerity policies, that contribute to or exacerbate the negative effects of such crises must also be addressed.¹⁹⁵

The Committee has previously made it clear that levels of benefit for the purposes of Articles 12 and 16 should be adjusted as necessary to keep pace with inflation.¹⁹⁶ This applies equally to the benefits/assistance required in terms of Articles 13, 17, 23 and 30. Social security benefits and assistance must be regularly indexed/adjusted to the real cost of living. In the context of price surges such as those witnessed during cost-of-living crises, timely indexing/adjustment is imperative. It is also necessary to ensure that any such indexation/adjustment can be triggered in a responsive manner to events, such as inflation increases, that have an impact on real household incomes.

In addition, the decision-making processes on the allocation and amounts of social security and social assistance benefits should include meaningful participation and consultation of those most affected by crises. All

193. [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

194. [Digest of the case law of the European Committee of Social Rights](#), 2022, p. 10.

195. General Introduction to Conclusions 2009; [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

196. In the context of Article 16, see e.g. [Conclusions XVII-1 \(2004\)](#), [the Netherlands \(Aruba\)](#).

relevant stakeholders should also be consulted in the context of regular assessments of the effectiveness of the adopted social protection-related measures.

With regard to the thresholds¹⁹⁷ traditionally used to assess the adequacy of benefit and assistance levels in the light of Articles 12 and 13 of the Charter, the Committee considers that they may need to be revised in times of high inflation, particularly when such inflation involves increased prices/costs for essentials like food, energy and housing. In a cost-of-living crisis, such thresholds may prove inadequate to ensure that rights holders are able to enjoy a decent life and cover their needs. States should therefore regularly intervene to ensure that, in times of high inflation, the minimum levels of social security benefits and social assistance retain their real value and purchasing power.

To this end, the Committee will consider whether States Parties have taken supplementary measures to ensure the enjoyment of social protection-related rights. Measures that should be taken include: targeting low-income households and socio-economically disadvantaged groups; regular increases in social security benefits and social assistance; measures to ensure that benefits and social assistance keep pace with the cost-of-living crisis; and the indexation/adjustment of social security benefits and social assistance. In addition, measures should be taken to simplify the conditions of access to social security benefits and social assistance for groups most at risk of poverty in the context of cost-of-living crises.

EMPLOYMENT AND WAGES

Article 4§1 recognises the right of all workers to a fair remuneration such as will give them and their families a decent standard of living. It applies to all workers, including civil servants and contractual staff in the state, regional and local public sectors, as well as those in sectors or occupations not covered by collective agreements.¹⁹⁸ The concept of a “decent standard of living” goes beyond basic material necessities such as food, clothing and housing, and includes resources necessary to participate in cultural, educational and social activities.¹⁹⁹

Cost-of-living crises have a considerable impact on the enjoyment of the right to a fair remuneration. Where mounting inflationary pressure results in the reduction of the real value of wages, coping with the costs of essentials like energy, food and housing related costs will frequently be challenging for workers, particularly for those on low wages. To ensure that Article 4§1 of the Charter is satisfied, the level of wages should take account of the cost of living.

To be considered fair within the meaning of Article 4§1, the minimum wage paid must not fall below 60% of the net average national wage. The Committee’s assessment of fairness of the minimum wage is based on net amounts, i.e. after deduction of taxes and social security contributions.²⁰⁰ Where the net minimum wage is between 50% and 60% of the net average wage, it is for the State Party to establish that this wage permits a decent standard of living. A net minimum wage that falls below 50% of the net average wage is manifestly unfair.

Given the significant fall in the real value of minimum wages, which has characterised the post-2022 cost-of-living crisis, it is of vital importance to bring the national situations into line with Article 4§1 of the Charter by setting the level of the net minimum wage at no less than 60% of the national net average wage. This is the only way to ensure the fairness of the minimum wage in times of crises. In doing so, States Parties should bear in mind that women are over-represented in precarious jobs, in atypical and flexible contracts (part-time work, temporary work, informal jobs) and among minimum wage earners.²⁰¹

197. Under Article 12§1, when benefits are income-replacement benefits, the level of benefits should be such as to stand in reasonable proportion to the previous income and should not fall below the poverty threshold defined as 50% of the median equivalised income (*Finnish Society of Social Rights v. Finland*, Complaint No. 88/2012, decision on the merits of 9 September 2014, §63). Where an income-replacement benefit stands between 40% and 50% of the median equivalised income, other benefits, where applicable, will be taken into account (*Conclusions 2013, Hungary*). Where the minimum level of an income-replacement benefit falls below 40% of the median equivalised income (or the poverty threshold indicator), its aggregation with other benefits cannot bring the situation into conformity (*Finnish Society of Social Rights v. Finland*, op. cit., §64). Under Article 13§1, in order to assess the level of assistance, basic benefits, additional benefits and poverty threshold are taken into account (the poverty threshold is set at 50% of the median equivalised disposable income and calculated on the basis of the Eurostat at-risk-of-poverty threshold) (*Conclusions XIX-2 (2009), Latvia*).

198. *Conclusions XX-3 (2014), Greece*.

199. *Conclusions 2010, Statement of interpretation on Article 4§1*.

200. *Conclusions XIV-2 (1999), Statement of interpretation on Article 4§1*.

201. European Parliament resolution of 18 January 2024 on the [gender aspects of the rising cost of living and the impact of the energy crisis](#) (2023/2115(INI)).

The Committee recalls that, in the context of the Covid-19 pandemic, it stated that States Parties must ensure the regular adjustment of minimum rates of pay.²⁰² The Committee considers that adjustments of the minimum wage are the principal way of protecting the purchasing power of low-paid workers and thus, their enjoyment of a decent standard of living, including during cost-of-living crises. These should be done through automatic indexation or other means, such as regular revisions, so as to ensure that wages keep pace with the inflation dynamics and therefore, can guarantee a decent standard of living for the purposes of Article 4§1. Higher minimum wages are likely to have a spill-over effect on other wages in the labour market and thus on the purchasing power of households in general.²⁰³ The adjustment of the minimum wage to the cost of living must have a regular and continuous character in order to accurately reflect the dynamics of the actual fluctuations in the cost of living.

The Committee further recalls that, under Article 6 of the Charter, the exercise of the right to bargain collectively is an essential basis for the fulfilment of labour rights, such as the right to a fair remuneration. Therefore, the Committee considers that strong social dialogue, including collective bargaining, is an important tool to overcome cost-of-living crises, especially where there is no statutory minimum wage or only a sectoral one. Constructive, meaningful, and informed wage negotiations between the social partners with a view to adjusting levels of remuneration are an important tool to alleviate the inflationary pressure on wages and maintain their purchasing power.

HOUSING

Housing costs represent the single largest item of expenditure in household budgets across all income groups.²⁰⁴ A key aspect of the cost-of-living crisis was that the increased costs of essentials had a knock-on effect on households' ability to manage housing costs. Ensuring affordable housing and preventing homelessness are both mandated by the Charter and require particular attention in the context of a cost-of-living crisis.

Articles 31§3 and 16 of the Charter guarantee the right to affordable housing. The Committee has clarified that housing is deemed affordable when a household can pay not only the initial costs associated with housing (mortgage, deposit, advance rent) as well as ongoing mortgage repayments or rent and/or other costs (utility, maintenance, and management charges) on a long-term basis. In addition the household must still be able to maintain a minimum standard of living, as defined by the society in which it is located.²⁰⁵ To this end, States Parties must show that the affordability ratio of the poorest applicants for social housing is compatible with their level of income.²⁰⁶ More specifically, under Article 31§3 of the Charter, States Parties are required to adopt comprehensive housing benefit systems to protect low-income and disadvantaged sections of the population and must ensure an adequate supply of affordable housing.²⁰⁷ This is also required during cost-of-living crises, when States Parties are required to take a combination of measures targeting both the supply and demand of housing.

The Committee has previously identified the decline in social housing provision across Europe and inadequate legal safeguards for tenants facing eviction due to excessive housing costs as two of the drivers of the housing crisis, particularly as regards housing affordability.²⁰⁸ They directly undermine the enjoyment of a range of Charter protections, including those under Articles 16 and 31. This applies equally in a cost-of-living crisis.

Cost-of-living crises necessitate immediate measures to alleviate the stress placed on low-income households' ability to manage housing costs. In this regard, States Parties should adopt measures to make the price of housing accessible to those without adequate resources. These encompass measures to ensure rents are affordable, including, as appropriate, housing benefits and rent regulation, on a permanent or temporary basis. States Parties should also take measures to adjust housing allowances to ensure that they are commensurate with housing costs and target the most vulnerable groups. Conversely, regressive measures such as freezing or reducing housing allowances during cost-of-living crises (which are likely to aggravate the housing situation

202. [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

203. See United Nations General Assembly, [Extreme Poverty and Human Rights, Note by the Secretary-General, A/77/157](#), 13 July 2022.

204. [Confronting the cost-of-living and housing crisis in cities](#), OECD Regional Development Papers, 2023.

205. [Conclusions 2003, Sweden](#).

206. [European Federation of National Organisations working with the Homeless \(FEANTSA\) v. Slovenia](#), Complaint No. 53/2008, decision on the merits of 8 September 2009, §72.

207. [Conclusions 2003, Sweden](#); [Conclusions 2019, Greece](#).

208. [International Movement ATD Fourth World v. France](#), Complaint No. 33/2006, decision on the merits of 5 December 2007, §§83 and 100.

of the most vulnerable households as they increase the probability that they will be unable to meet their housing costs) should be avoided.

Cost-of-living crises create the risk of an increasing number of vulnerable households being evicted from their home, resulting in homelessness. Under Articles 31§2 and 16 of the Charter, States Parties are required to gradually reduce homelessness with a view to its elimination and take measures to prevent a return to homelessness.²⁰⁹ The Committee has clarified that “homeless persons” are those persons who legally do not have at their disposal a dwelling or other form of adequate housing in the terms of Article 31§1 of the Charter.²¹⁰

During cost-of-living crises States Parties should adopt measures to prevent evictions due to housing arrears, such as eviction moratoria and debt settlement procedures. Measures should be taken to ensure evictions only take place as a last resort and legal protection for persons threatened by eviction must include, among others, an obligation to consult the affected parties in order to find alternative solutions to eviction, including by resolving any outstanding debt. Where evictions become unavoidable, adequate alternative accommodation must be provided in all cases, so that the families and individuals concerned do not become homeless. This is also required at times of cost-of-living crisis.

ENERGY AND FOOD

Spikes in energy prices and in the cost of food in the context of cost-of-living crises particularly affect certain groups such as low-income households, families with children, older persons, and persons with disabilities. They often are forced to choose between heating their home and other essential expenses such as food or healthcare – a situation that amounts to a violation of their Charter rights.

Energy

Very sharp increases in energy prices, such as those associated with cost-of-living crises, result in higher rates of energy poverty. Energy poverty can be understood as a situation where a household cannot meet its domestic energy needs.²¹¹

The Committee considers that stable, consistent and safe access to adequate energy is both a prerequisite for and a key element of the enjoyment of Charter rights including the right to housing (Articles 31 and 16), the right to protection of health (Article 11), the right of the family to social, legal and economic protection (Article 16), the rights of older persons (Article 23) and persons with disabilities (Article 15), and the rights of children and young people to social, legal and economic protection, including education (Article 17).

Energy for heating and cooking has primarily been addressed by the Committee under the right to adequate housing (Article 31 and Article 16), which encompasses housing of an adequate standard and access to essential services.²¹² Ensuring stable, consistent and safe access to adequate energy in relation to shelter and housing is a key element of the obligations imposed by Article 31 and Article 16.²¹³

Access to energy may also have implications for Article 11 (the right to protection of health). The absence of facilities such as water, electricity and heating has a serious knock-on effect on hygiene, sanitation and physical and mental health care and treatment, including clinical or preventative care.²¹⁴ The Committee therefore considers that adequate energy is essential for the satisfaction of basic needs related to health.

The Charter imposes positive and negative obligations on States Parties to ensure stable, consistent and safe access to adequate energy. During cost-of-living crises States Parties should adopt measures to ensure that the number of households in energy poverty is assessed while also adopting suitable indicators in this respect.

209. [Conclusions 2003, Italy](#).

210. *Ibid.*

211. The EU Energy Poverty Advisory Hub points out that ‘adequate warmth, cooling, lighting and energy to power appliances are essential services needed to guarantee energy-efficient homes and a decent standard of living, thermal comfort, and citizens’ health’. Energy poor households are lacking in these essential energy services. As such, households with higher energy needs, which include families with children, persons with disabilities and older persons, are also more susceptible to energy poverty and to its effects ([Commission Recommendation \(EU\) 2023/2407 of 20 October 2023 on energy poverty](#)).

212. Adequate housing encompasses, *inter alia*, sustainable access to natural and common resources, safe drinking water, energy for cooking, heating and lighting, sanitation and washing facilities, and means of food storage ([International Federation for Human Rights \(FIDH\) v. Ireland](#), Complaint No. 110/2014, decision on the merits of 12 May 2017, §118).

213. *Ibid.*, §118, and [UN CESCR, General Comment No. 4: The right to adequate housing](#), §8(b).

214. [International Commission of Jurists \(ICJ\) and European Council for Refugees and Exiles \(ECRE\) v. Greece](#), Complaint No. 173/2018, decision on admissibility and on immediate measures of 23 May 2019, §14.

This is crucial for the preparation and implementation of targeted policies and support mechanisms that are necessary to alleviate the financial burden on vulnerable households during times of economic hardship in line with the Charter. Furthermore, evaluations of the impact of energy costs on right-holders, with a particular focus on vulnerable groups and on low-income households, should be carried out. This must be done regularly and immediately upon there being evidence of particular challenges in terms of increasing energy costs.

During cost-of-living crises it is particularly crucial that States Parties should adopt measures to prohibit the disconnection of vulnerable/low-income groups from energy services/supply where such access is necessary to ensure their enjoyment of a stable, consistent and safe access to energy for the purposes of Charter rights enjoyment. States Parties should also take measures to promote energy efficiency upgrades (such as through grants, tax credits, discounts and loans) supporting home insulation and efficient heating systems as these reduce energy consumption and dependence on volatile energy prices.

The Committee also underlines the strong link between energy rights and environmental and climate justice. Cost-of-living crises exacerbate the disproportionate impact of climate change on marginalised communities, as rising energy costs limit their access to clean, sustainable energy sources. An equitable transition to renewable energy systems is therefore necessary in order to both mitigate climate impacts and reduce the financial burden on disadvantaged groups, ensuring affordable and reliable energy for all.²¹⁵ As such, it is imperative that States Parties adopt targeted policies and inclusive strategies to ensure an equitable transition to renewable energy systems, prioritising affordability and accessibility for disadvantaged and low-income groups. This should include providing subsidies facilitating access to renewable energy and transitioning from short-term crisis responses to sustainable and long-term support mechanisms.

Food

A central element of the cost-of-living crisis was the sharp increase in food prices, which made it difficult for people to meet their food and nutrition security-related needs. Being unable to access adequate sustainable food also has a direct impact on a number of Charter rights, in particular the right to protection of health (Article 11), the right to education (Article 17) and the right to protection against poverty and social exclusion (Article 30). A 'decent standard of living' as envisaged in terms of fair remuneration and social protection cannot be achieved unless access to adequate, sustainable food is guaranteed for everyone.

Access to adequate, sustainable food is linked to health, as nutrition plays an essential role in maintaining both physical and mental well-being. Malnutrition can cause major health problems such as developmental disorders and chronic diseases. Therefore, the realisation of the right to protection of health as guaranteed by Article 11 requires the achievement of food security for rights holders. Furthermore, States Parties have a duty to remove as far as possible the causes of ill health, including through the implementation of policies ensuring that all individuals have access to sufficient and healthy food.²¹⁶

The Committee recognises that individuals and families living in poverty frequently encounter obstacles in accessing adequate food. The Committee has made it clear that living in a situation of poverty and social exclusion violates the dignity of human beings. Article 30 of the Charter requires that States Parties should give effect to the right to protection against poverty and social exclusion by adopting measures aimed at preventing and removing obstacles in terms of access to social rights, in particular to employment, housing, training, education, culture and social and medical assistance.²¹⁷ This requirement also extends to food.

The Committee considers that food and nutrition insecurity²¹⁸ undermines children's enjoyment of their right to grow-up in a living environment conducive to the full development of their personality and of their physical and mental capacities, as required in terms of Article 17. In addition, their right to education may be impacted as food insecurity results in more children attending school hungry, which directly affects their educational outcomes. The existence and expansion of free school meals programmes is particularly important in this regard.

The Committee considers that the provision of long-term funding for last-resort relief and the institutionalisation of such forms of relief, as opposed to the prioritisation and implementation of measures to ensure that such last resort is not required, represents a regressive measure in terms of the achievement of Charter rights. It is

215. See Report of the United Nations' Intergovernmental Panel on Climate Change: IPCC, 2022: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

216. The ECSR notes that the right to food is enshrined in Article 11 of the International Covenant on Economic, Social and Cultural Rights, which all Council of Europe Member States have ratified and are bound to give effect to.

217. [Conclusions 2013, Statement of interpretation on Article 30](#) (citing Conclusions 2003, Statement of interpretation on Article 30).

218. See Conclusions 2023, Article 17§1.

recalled that the Charter marked a move away from the traditional concept of assistance, which was bound up with the moral duty of charity, embracing a rights-based approach to those in need.²¹⁹

GROUPS PARTICULARLY NEGATIVELY AFFECTED BY COST-OF-LIVING CRISES

The Committee is mindful that certain groups within States Parties to the Charter are particularly vulnerable to or more likely to be affected by the effects of cost-of-living crises. These groups include low-income households (e.g. sole parent households, unemployed persons, homeless persons, persons at risk of poverty and social exclusion), children, youth, persons with disabilities, older persons, LGBTI, marginalised communities, ethnic minorities, Roma and migrant families. Within these groups, women are particularly affected.²²⁰

The Charter accords particular attention to the protection of marginalised and vulnerable groups, requiring States Parties to ensure that no group is disadvantaged disproportionately, in accordance with the principle of equality of treatment enshrined in Article E of the Charter. In addition, the Charter provides comprehensive, specific protection for children and families (Articles 7, 16 and 17), persons with disabilities (Article 15), older persons (Article 23), establishing corresponding State obligations, including during cost-of-living crises. The Charter also expressly includes a right to protection against poverty and social exclusion (Article 30), which is pivotal in protecting marginalised and vulnerable groups in the context of a cost-of-living crisis.

In accordance with the principle of equality enshrined in Article E of the Charter and consistent with the Committee's approach in the context of the economic and Covid-19 crises, States Parties are required to ensure enhanced protection to all disadvantaged groups, also in a situation of cost-of-living crises and for as long as the effects of such crises persist.²²¹

States Parties are required to identify, define and monitor the groups that are particularly vulnerable to or negatively impacted by the effects of cost-of-living crises. States Parties should collect comprehensive quantitative and qualitative data on the impact of the cost-of-living crisis on these groups, including disaggregated data based on gender, race, disability, age, family status and income. This data should be used to develop and implement measures addressing the cost-of-living crisis. They should also conduct *ex ante* and *ex post facto* equality and human rights assessments to ensure that such measures are effective in terms of ensuring Charter rights.

In times of high inflation and rising prices of essentials, measures to assist groups particularly vulnerable to or affected by cost-of-living crises consisting of one-off payments, energy grants, temporary tax reduction, price caps, temporary increases in benefits to alleviate housing costs often are limited to the immediate or short term. While these measures may well have a positive impact in terms of ensuring Charter rights enjoyment of such groups, more rights-based long-term measures should also be designed to assist them in the aftermath of the crises and ensure they are not left behind. In this context, it is also vital to reduce the complexity of the application process for benefits. The requirement of digital skills for making an application should not hamper the effectiveness of the support measures in safeguarding the living standards of the population. To this end, the Committee recalls that persons applying for welfare services should receive any necessary advice and counselling enabling them to benefit from the available services in accordance with their needs.²²²

Low-income households

Rising costs of energy, food, housing and childcare have especially impacted low-income households (e.g. sole parent households (the majority of which are headed by women), unemployed persons, homeless persons, persons at risk of poverty and social exclusion). They spend a greater share of their income on food, housing and utilities, which consequently makes them more vulnerable to inflation.²²³ The immediate impact of increased energy costs during the cost-of-living crisis resulted in many households experiencing energy poverty. Despite the decline in inflation and energy costs, the crisis continues to have serious implications for

219. [Conclusions I \(1969\)](#), [Statement of interpretation on Article 13](#). With regard to level of benefits in the context of Article 13§1 of the Charter, the Committee considered that Article 13 breaks with the traditional concept of assistance, which was bound up with the moral duty of charity. The "Parties are no longer merely empowered to grant assistance as they think fit; they are under an obligation, which they may be called on in court to honour". See also [Conclusions 2021](#).

220. In the context of this review, the Committee has focused more particularly on the impact of cost-of-living crises on low-income households, children, persons with disabilities and older persons.

221. [Conclusions 2019](#), Bosnia and Herzegovina.

222. [Ibid.](#)

223. European Union Agency for Fundamental Rights, [Fundamental Rights Report 2024](#), pp. 28 *et seq.*

many groups. Moreover, the cost-of-living crisis has placed an increasing number of low-income households at a risk of being evicted from their home and becoming homeless.²²⁴

Children

Cost-of-living crises risk causing or exacerbating children's poverty and social exclusion, with resultant negative implications for their enjoyment of a wide range of Charter rights. The effectiveness of measures taken by States Parties in response to cost-of-living crises will have implications for children's enjoyment of their rights in terms of Articles 7, 17 and 16 (right to social, legal and economic protection of children, young persons and families), 11 (right to protection of health), 30 (right to protection against poverty and social exclusion) and 31 (right to housing).

The prevalence of child poverty in a State Party, whether defined or measured in either monetary or multidimensional terms, is an important indicator of the effectiveness of state efforts to ensure the rights of children under the Charter.²²⁵ This is also true in a cost-of-living crisis context. The Committee has previously clarified that child poverty is a multidimensional phenomenon stemming from household poverty, meaning that low-income families, sole parent families (the majority of which are headed by women), large disadvantaged families, families living in disadvantaged regions, families from different ethnicity and families with children or parents with disabilities are at greater risk of poverty and social exclusion and have a higher probability of intergenerational transmission of poverty.²²⁶

The obligation of States Parties to take all appropriate and necessary measures to ensure that children and young persons have the assistance they need in terms of Article 17§1 is strongly linked to measures directed towards addressing and eradicating child poverty and social exclusion.

The Committee emphasises that a child rights-compliant approach to child poverty and social exclusion, which is of particular importance in the context of cost-of-living crises, requires not just the *taking* of measures necessary to address such crises but also the ability to demonstrate the efficacy (or not) of those measures in practice.²²⁷ It also obliges States Parties to ensure child participation in work directed towards combating child poverty and social exclusion.

Persons with disabilities

Persons with disabilities and their families are disproportionately affected by cost-of-living crises.²²⁸ Persons with disabilities experience additional costs which can place a significant financial burden on them and their families, reducing their purchasing power and leading to increased risk of living in poverty. Consequently, persons with disabilities are often forced to reduce expenses on necessary goods and services resulting in unmet needs.²²⁹

Under Article 15 of the Charter, States Parties' obligation to take measures to promote persons with disabilities' full social integration and participation in the life of the community includes taking measures directed towards the eradication of poverty amongst persons with disabilities.²³⁰ These obligations apply when the poverty and social exclusion of persons with disabilities are caused or exacerbated by the cost-of-living crises. The Committee notes that general measures adopted to support groups particularly affected by the cost-of-living crises may fail to take account of the specific additional needs of persons with disabilities. It is thus crucial that persons with disabilities and organisations representing them must be consulted and participate in the design, implementation and review of disability policies in the context of cost-of-living crises.

Older persons

There is an overall emphasis in the Charter on using social rights to underpin personal autonomy and respect the dignity of older persons and their right to flourish in the community. Article 23 of the Charter requires

224. See section on housing in this report.

225. [Conclusions 2013, Statement of interpretation on Article 30.](#)

226. European Parliament resolution of 21 November 2023 on [reducing inequalities and promoting social inclusion in times of crisis for children and their families](#) (2023/2066(INI)).

227. Aoife Nolan, [Protecting the Child from Poverty: The Role of Rights in the Council of Europe](#), November 2019, p. 11.

228. Eurostat, [Disability statistics – Poverty and income inequalities](#), 2023.

229. Birtha M., Zólyomi E., Wohlgemuth F. and Gjylsheni S., [Targeted measures for persons with disabilities to cope with the cost-of-living crisis](#), European Parliament, Directorate-General for Internal Policies of the Union, Brussels, 2023.

230. [Conclusions 2020, Andorra.](#)

States Parties to ensure that older persons have adequate resources such as will allow them to lead a decent life and participate actively in public, social and cultural life.

Older persons are especially at risk of being affected by cost-of-living crises due to a decrease in the real value of pensions caused by an increase in the cost of essentials. In this context, one-off payments during cost-of-living crises may provide some support for older persons in the immediate term. However, more long-term, systemic and rights-based solutions are required especially when the effects of a crisis persist. In accordance with Article 23, older persons and the organisations representing them should be consulted on policies and measures that concern them directly, including on ad hoc measures taken with regard to cost-of-living crises and post-crises consequences.

CONCLUSION

The Committee has made clear in the past that the existence of particular crises does not lead to a diminution of States Parties obligations in terms of the Charter. In 2009, the Committee affirmed that “the economic crisis should not have as a consequence the reduction of the protection of the rights recognised by the Charter. Hence, the governments are bound to take all necessary steps to ensure that the rights of the Charter are effectively guaranteed at a period of time when beneficiaries need the protection most.”²³¹ In 2021, with reference to the Covid-19 pandemic, the Committee specified that “every State Party must assess whether its existing legal and policy frameworks are adequate to ensure a Charter-compliant response to the challenges presented by Covid-19. Where those frameworks are not adequate, the State must amend them, including through the adoption of any additional measures that are required to ensure that the State is able to comply with its Charter obligations in the face of the social rights risks posed by the Covid-19 crisis.”²³² This case-law equally applies in the context of cost-of-living crises.

Charter obligations must serve as a human rights road map for the decision making on law, policy and resource allocation related to cost-of-living crises. These decisions need to address not only the Charter rights impacts of cost-of-living crises, but also the social, political and economic conditions that preceded them and exacerbated their negative impact on social rights.²³³

Measures to be taken by States Parties cannot simply be limited to the immediate period of a crisis but must continue for as long as the direct and indirect effects of a cost-of-living crisis linger on, including after the inflation rate has begun to decline. It is crucial that States Parties do not limit their responses to cost-of-living crises to short-term measures.

The Committee further considers that during a cost-of-living crisis, it is crucial to guarantee the meaningful participation of and consultation with those most affected by the crisis in the decision-making processes concerning their Charter rights. The Committee acknowledges the necessity for regular evaluation of the effectiveness of measures taken to address the crisis, in consultation with all relevant stakeholders, as this contributes to ensuring the appropriateness of the measures taken.

The effective realisation of social rights contributes directly to the reduction of poverty and social exclusion, the improvement of living conditions, and the promotion of greater opportunities for all with a view to leaving no one behind, as envisaged by the UN Sustainable Development Goals.²³⁴ The Reykjavík Declaration emphasised that social justice is crucial for democratic stability and security.²³⁵ In this regard, Council of Europe Member States reaffirmed their full commitment to the protection and implementation of social rights as guaranteed by the European Social Charter system.²³⁶ The Vilnius Declaration highlighted the importance of responding to new or emerging challenges and avoid the risks of further erosion of social rights protection and increasing inequalities, in order to maintain social cohesion.²³⁷ Upholding Charter rights for the benefit of all supports economic recovery and social justice while promoting democratic stability.

231. [General Introduction to Conclusions 2009](#).

232. [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

233. *Ibid.*

234. [UN General Assembly document A/70/L.1](#) “Transforming our world: the 2030 Agenda for Sustainable Development”.

235. Council of Europe Heads of State and Government [Reykjavík Declaration “United around our values”](#).

236. *Ibid.*

237. [Vilnius Declaration](#).

CONCLUSION

This review marks the first time the Committee has undertaken an examination of ad hoc reports from States Parties. As noted in the introduction, the possibility of reviewing ad hoc reports was one of the major innovations introduced following the reform package adopted by the Committee of Ministers of the Council of Europe in 2022.

As noted in the introduction, this review is not exhaustive. It provides examples of measures taken by States Parties to mitigate the effects of the cost-of-living crisis. It highlights instances of positive State practice while also pointing to shortcomings in the measures taken and seeks to provide guidance to States Parties. It does so through recommendations as well as in the Statement of interpretation that has emerged from the review exercise.

The Committee has made clear in the past that the existence of particular crises does not lead to a diminution of States Parties obligations in terms of the Charter. In 2009, the Committee affirmed that “the economic crisis should not have as a consequence the reduction of the protection of the rights recognised by the Charter. Hence, the governments are bound to take all necessary steps to ensure that the rights of the Charter are effectively guaranteed at a period of time when beneficiaries need the protection most”.²³⁸ In 2021, with reference to the Covid-19 pandemic, the Committee specified that “every State Party must assess whether its existing legal and policy frameworks are adequate to ensure a Charter-compliant response to the challenges presented by Covid-19. Where those frameworks are not adequate, the State must amend them, including through the adoption of any additional measures that are required to ensure that the State is able to comply with its Charter obligations in the face of the social rights risks posed by the Covid-19 crisis”.²³⁹ This review makes it clear that this case-law equally applies to cost-of-living crises context.

Charter obligations must serve as a human rights road map for the decision making on law, policy and resource allocation related to cost-of-living crises. These decisions will need to address not only the Charter rights impacts of cost-of-living crises, but also the social, political and economic conditions that preceded them and exacerbated their negative impact on social rights.²⁴⁰

Measures to be taken by States Parties cannot simply be limited to the immediate period of a crisis but must continue for as long as the direct and indirect effects of a cost-of-living crisis linger on, including after the inflation rate has begun to decline. It is crucial that States Parties do not limit their responses to cost-of-living crises to short-term measures.

In addition to the concerns highlighted in the thematic sections above, the Committee is concerned about the obstacles to accessibility of cost-of-living support, which have a direct impact on the enjoyment of Charter rights. Obstacles include the complexity of the application processes for some of the benefits or assistance made available during the cost-of-living crisis. Another challenge is the frequent requirement for computer literacy in order to fill in an application, which necessarily disadvantages those who do not have such skills or access to the Internet. Stringent requirements or criteria for receipt of assistance may discourage people from applying, as some individuals might feel they do not meet the criteria or that the process is too complicated. Such issues hamper the effectiveness of the support measures in safeguarding the living standards of the population. States Parties must ensure that the eligibility criteria for support measures are clear and reasonable. Flexibility or assistance should be offered to those who may face difficulties. Simplifying application processes or providing ongoing support during the application phase could help ensure that more individuals can access the assistance they need.

The Committee further considers that during a cost-of-living crisis, it is crucial to guarantee the meaningful participation of and consultation with those most affected by the crisis in the decision-making processes concerning their Charter rights. The Committee notes that the effectiveness of measures to address the crisis should be regularly assessed in consultation with all relevant stakeholders on the basis that this assists in ensuring that measures taken are appropriate.

²³⁸. [General Introduction to Conclusions 2009](#).

²³⁹. [Statement on Covid-19 and social rights](#) adopted on 24 March 2021.

²⁴⁰. *Ibid*.

Lastly the Committee underlines that the effective realisation of social rights contributes directly to the reduction of poverty and social exclusion, the improvement of living conditions, and the promotion of greater opportunities for all with a view to leaving no one behind, as envisaged by the UN Sustainable Development Goals.²⁴¹ The Reykjavík Declaration emphasised that social justice is crucial for democratic stability and security.²⁴² In this regard, Council of Europe Member States reaffirmed their full commitment to the protection and implementation of social rights as guaranteed by the European Social Charter system.²⁴³ The Vilnius Declaration highlighted the importance of responding to new or emerging challenges and avoid the risks of further erosion of social rights protection and increasing inequalities, in order to maintain social cohesion.²⁴⁴ Upholding Charter rights for the benefit of all supports economic recovery and social justice while promoting democratic stability as Europe moves forward from the current cost-of-living crisis.

241. [UN General Assembly document A/70/L.1](#) "Transforming our world: the 2030 Agenda for Sustainable Development".

242. Council of Europe Heads of State and Government [Reykjavík Declaration "United around our values"](#).

243. Ibid.

244. [Vilnius Declaration](#).

Appendix I

SUMMARIES OF STATES PARTIES AD HOC REPORTS ON THE COST-OF-LIVING CRISIS

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ANDORRA

Minimum wage policy and wage adjustments [Q1]

Andorra has in place a statutory minimum wage, which is pegged to the consumption price reference value, calculated annually, by taking into account inflation levels. The statutory minimum wage was adjusted in 2021, 2022, 2023 and 2024 in excess of the consumption price reference value for the respective year, in order to compensate for higher cost-of-living increases.

Measures to protect purchasing power of workers [Q2-Q4]

No relevant information provided.

Changes to social security and social assistance systems [Q5]

The report provides information about a range of measures taken during the reference period to compensate for the increase in housing costs, including housing allowances, a rent deposit payment scheme for young people or a sheltered housing scheme for vulnerable persons. Social security pensions, the amount of which was lower than the minimum wage, were increased by 3.5% on 1 January 2022, by 3.2% on 1 January 2022, by 3.67% on 1 June 2022, and by 7.1% on 1 January 2023. The report further mentions measures such as free public transport for Andorran residents, school grants, and reduced tax on female sanitary products and items designed for small children.

Indexation/adjustment of social security benefits and social assistance [Q6]

Non-contributory social assistance benefits, such as the solidarity allowances for the older persons and the disabled, are pegged to the economic threshold for social cohesion, which, in turn, is pegged to the inter-professional minimum wage, and are adjusted annually. As regards contributory social security benefits, those eligible for a retirement pension, a widow's pension, a disability pension resulting from a non-occupational accident or a common illness, or a disability pension resulting from a work accident or an occupational illness, whose monthly pension was lower than the minimum inter-professional wage and who were able to show that they had paid contributions for at least 25 years received pension increases of 3.67% in 2022 and 7.1% in 2023.

Energy and food cost support [Q7]

Needy families received a one-off cash allowance to cover heating costs, the increase of the green tax on heating diesel scheduled for January 2023 was frozen, and protective measures are in place to prevent the most disadvantaged users from being disconnected from the energy grid. The Ministry of Social Welfare has a programme in place, which provides one-off allowances designed to prevent marginalisation and promote autonomy, by covering various urgent needs such as home maintenance, buying clothes, return tickets to the place of origin, complemented by health counselling.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides information about several projects launched in 2023, aimed at helping the unemployed get access to work. Decisions related to wage increases, employment and housing programmes, persons with disabilities, or older persons are taken in consultation with relevant civil society organisations, such as the Economic and Social Council (CES), or the National Council for Disability (CONADIS).

Consultation and participation [Q10]

No relevant information provided.

ARMENIA

Minimum wage policy and wage adjustments [Q1]

Armenia has a statutory minimum wage in place. The minimum wage increased by 23.6% in January 2020 and by 10.3% in January 2023. Any adjustments are decided based on research carried out by the National Institute of Labour and Social Research of the Ministry of Labour and Social Affairs, focusing on criteria such as the minimum consumer basket, poverty rates, inflation and other macroeconomic indicators, upon consultation with social partners.

Measures to protect purchasing power of workers [Q2-Q4]

No relevant information provided.

Changes to social security and social assistance systems [Q5]

The report mentions several measures related to the cost-of-living crisis, such as increasing the family benefit, the social benefit and emergency aid, extending the eligibility for the child benefit to the third and every subsequent child, or enabling cashless payments.

Indexation/adjustment of social security benefits and social assistance [Q6]

Legislation introduced in 2021 pegged the guaranteed minimum income or benefit entitlement threshold to the value of the minimum food basket.

Energy and food cost support [Q7]

Legislation introduced in 2021 enabled lower natural gas, electricity, water, and sanitation tariffs to be applied in the case of vulnerable families.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The Government holds regular consultations with social partners on cost-of-living concerns.

Consultation and participation [Q10]

No relevant information provided.

AUSTRIA

Minimum wage policy and wage adjustments [Q1]

The report refers to data suggesting that agreed minimum wages increased by 3% in 2022 compared to 2021, and by 8% in 2023 compared to 2022. The increase was more marked for lower wage brackets.

Measures to protect purchasing power of workers [Q2-Q4]

No relevant information provided.

Changes to social security and social assistance systems [Q5]

The Social Assistance (Principles) Act, which entered into force on 1 June 2019, defined maximum amounts instead of minimum standards. Amendments to the Act introduced in 2022 broadened the eligibility requirements for certain benefits provided at the federal level and provided *Länder* with additional powers to legislate in this area. The report provides additional examples of measures taken at *Länder* level, such as indexing social security benefits, providing one-off cash allowances to cover various needs or to avoid exceptional hardship, health insurance contributions, introducing new subsistence benefits, some of which are directed at vulnerable individuals, such as single parent households or large families.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social benefits and pensions are subject to annual inflation adjustments. Moreover, social assistance and minimum income benefits are pegged to the reference rate for the net equalisation supplement, which has been increased by approximately 3% in 2022 and by 7.7% in 2023. Similar indexation mechanisms are in place at *Länder* level.

Energy and food cost support [Q7]

Three one-time payments were disbursed from the unemployment insurance fund since the end of 2021, to cover special needs arising from Covid-19 crisis and to compensate for the increase in costs of living and energy. A programme launched in 2023 aims to support tenants with rent arrears facing a risk of eviction through financial support covering energy costs and counselling. An electricity price brake scheme was introduced, which is designed to curb current electricity price hikes and offer incentives to reduce consumption. Individual *Länder* have taken additional measures, including by providing housing, heating, and/or electricity benefits to cover price increases or streamlining emergency benefit application procedures.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report explains that the federal government has the power to legislate around anti-poverty measures and that enforcement rests with the *Länder*. The report also provides examples of measures taken at *Länder* level to combat poverty, such as social and housing assistance, as well as debt management advice and support, measures for persons at risk of homelessness, care and support for homeless people, measures to foster social participation of persons at risk of poverty.

The Federal Government established a broad-based Inflation Monitoring and Analysis Expert Group, which includes representatives of civil society organisations, to carry out research and provide advice on measures to combat inflation. Further examples of policy coordination at *Länder* level are provided.

Consultation and participation [Q10]

No relevant information provided.

AZERBAIJAN

Minimum wage policy and wage adjustments [Q1]

The minimum monthly wage in Azerbaijan increased by 30% on 1 January 2022 and by 15% on 15 January 2023, thus exceeding the subsistence minimum by 40.2%.

Measures to protect purchasing power of workers [Q2-Q4]

No relevant information provided.

Changes to social security and social assistance systems [Q5]

The report refers to measures to improve take-up, such as digitalisation of social services and the proactive determination of social benefits and allowances by the state.

Indexation/adjustment of social security benefits and social assistance [Q6]

The basic social assistance benefit in Azerbaijan is calculated as the difference between the average monthly income of the family and the total amount of the need criterion for each family member. The need criterion is a reference value set annually, based on macroeconomic indicators and minimum living needs. The need criterion was increased successively by 17.65% in 2022 and by 23% in 2023.

The minimum old-age pension increased by 20% in 2022 and by 16% in 2023.

The report notes that four social reform packages adopted between 2018 and 2023, and worth 6.8 billion AZN (3.86 billion euros), were used to fund increases in the minimum wage, minimum pension, wage fund, average monthly occupational pension and social benefits, and provides information illustrating these increases during the reference period.

Energy and food cost support [Q7]

No special measures have been taken.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report refers to two planning documents, namely the National Priorities for Azerbaijan 2030: Socio-Economic Development and the Strategy for Socio-economic development of the Republic of Azerbaijan 2022-2026, which serve to coordinate efforts around combating poverty and inequality. The report also provides information on meetings aimed at coordinating anti-poverty efforts across different Government agencies, as well as on general poverty rates among the general population, namely 4.8% in 2019, 6.2% in 2020, 5.9% in 2021 and 5.5% in 2022.

Consultation and participation [Q10]

No relevant information provided.

BELGIUM

Minimum wage policy and wage adjustments [Q1]

Minimum wages in force are usually set by collective labour agreements (CCT) concluded within the joint committees (CP). The guaranteed average monthly minimum income (RMMMG) is linked to the consumer price index and is indexed. RMMMG was increased on 1 April 2024 and will be increased on 1 April 2026 by €35, the amount of which will each time be indexed.

According to the Service to combat poverty, precariousness and social exclusion, wage indexation is not applied in the same way in all CCTs.

Measures to protect purchasing power of workers [Q2-Q4]

No specific measures have been taken to accelerate the increase in minimum wages in the context of the cost-of-living crisis. However, in the course of 2021-2023 following the link to the (smoothed) health index, seven indexations of 2% have been applied to the RMMMG. On 1 April 2022, the RMMMG was increased by €80.95 (in addition to indexations).

A special temporary unemployment scheme due to the energy crisis has been planned for the period from 1 October 2022 to 31 March 2023 for companies that are large consumers of energy. The worker placed on temporary unemployment received an unemployment benefit of 70% of their capped average remuneration. In addition, for each day temporary unemployment, €6.47 was paid.

For the 3rd and 4th quarters of 2021 and for 2022, 1 July 2023-30 June 2025, 120 additional voluntary overtime hours exempt from social security contributions, could be performed independently of the sector, but subject to specific conditions.

According to the Service to combat poverty, precariousness and social exclusion, persons excluded from the social security system are not entitled to temporary unemployment scheme.

Changes to social security and social assistance systems [Q5]

Families in Brussels receive a supplement to their basic child benefit if their household income, including cadastral income, does not exceed certain ceilings. Under the Brussels family benefits scheme, families with a child suffering from an illness are granted a supplement depending on the seriousness of the consequences of the child's illness. The maternity benefit for self-employed workers increased (the first four weeks of leave up to €737.61 for full time rest and €368.8 for half-time rest, from week five up to €674.64 for full-time rest and €337.32 for part-time rest).

Recovery bonus for salaried workers has been increased by €80 in 2023 for workers with family responsibilities and by €40 over two years for workers with no family responsibilities.

The amounts of the integration income were increased on 1 January 2022 and on 1 January 2023 (each time by 2.6875% compared to the base amount in 2020), besides an adjustment on 1 July 2023 (+2%).

According to the Service to combat poverty, precariousness and social exclusion, the planned increase of the integration income was not fully implemented. Also, unemployment replacement benefits are structurally insufficient.

Information provided to ETUC by FGTB-CSC-CGSLB shows that many social benefits are too low to provide for a decent standard of living.

Indexation/adjustment of social security benefits and social assistance [Q6]

Benefits (pensions, family benefits, unemployment benefits, housing benefits) automatically increase when the index exceeds a certain level. Pensions are effectively adjusted to the cost of living through indexation. The last indexation of pensions was in December 2022.

According to the Service to combat poverty, precariousness and social exclusion, family, housing benefits are not necessarily indexed to the same degree as wages and other benefits.

Energy and food cost support [Q7]

At the federal level, since the end of 2021, different checks or bonuses were granted to ensure that people can meet their energy expenses: bonus of €300 for households heating with bulk diesel or propane; energy check of €80 to most vulnerable households; heating bonus of €100 to all holders of an electricity contract for their home. Various price reduction measures such as the temporary reduction in VAT on electricity (from March 2022) and gas (from April 2022) to 6% until 31 March 2023 have been implemented. A definitive reduction in VAT on electricity and gas to 6% has been in effect since 1 April 2023.

The Government of Flanders has taken several measures in response to high energy bills, including a temporary premium for do-it-yourself insulation of a roof or attic floor for purchase invoices.

In the Brussels-Capital Region, in 2023, social tenants whose housing displays poor energy performance benefited from an energy bonus of €120 on an annual basis.

According to ETUC, in 2022, 24 days working at average net earnings were needed to pay annual energy bill. Also, food prices increased 2.1 times faster than wages.

According to the Service to combat poverty, precariousness and social exclusion, families have been particularly well supported by social tariffs, but VAT reduction and the energy voucher have not been very effective.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The current federal plan to combat poverty and social inequalities, adopted in 2022, is structured around three themes - early detection and prevention of poverty, leveraging the fight against poverty and inequality by encouraging active participation in the labour market, and guaranteeing access to rights and to inclusion for all by addressing non-take-up of rights.

The Flemish Poverty Reduction Action Plan 2020-2024 was revised and updated in 2022, by adding measures as regards inflation and rising energy costs. Child poverty is a specific focus.

The Walloon Plan for Exiting Poverty 2020-2024 was adopted in 2021.

The Plan on Combating Poverty of the Brussels Region outlines the measures on combating poverty and on reducing social and healthcare inequality from 2022 to 2025.

The report refers to EU SILC data, which indicate that the risk of poverty for the total population was 14.1% in 2020 and 13.2% in 2022. The risk of poverty for children dropped slightly from 15.6% in 2020 to 14.1% in 2022. This is also the case for people aged 65 and above, with a decline from 18.7% in 2020 to 17.9% in 2022. The risk of poverty for single households with children increased from 29.3% in 2020 to 30.5% in 2022. The Federal Planning Bureau (BFP) estimates that the risk of poverty will continue to decline until 2030 by which time it will start to rise again.

According to the Service to combat poverty, precariousness and social exclusion, the more recent figures from 2023 based on EU SILC are as follows: AROPE – 18.6%, AROP – 12.3%. However, poverty figures based on EU SILC data underestimate actual poverty.

Consultation and participation [Q10]

The federal plan to combat poverty and social inequalities was the result of a participative process with poverty organisations and people in poverty. A coordinated input process was set up by the open Belgian Platform on the fight against poverty and social exclusion (managed by the Federal public planning service for Social Integration). The Belgian Anti-Poverty Network, where people in poverty express their opinions, the Service to combat poverty, precariousness and social exclusion, as well as the federations of public social welfare centres (CPAS), were included in every stage of the creation of this plan as privileged partners.

At regional level, the Flemish poverty decree provides for the recognition and subsidisation of associations combating poverty. The Network Against Poverty (*Netwerk Tegen Armoede*) supports exchanges between associations and organises dialogue between (Flemish) policymakers and people in poverty.

BOSNIA AND HERZEGOVINA

Minimum wage policy and wage adjustments [Q1]

There is no law on minimum wages currently in place in the Federation of Bosnia and Herzegovina. However, the current Labour Law provides for a minimum wage defined according to the lowest labour cost as determined under collective agreement and labour bylaws. Minimum wage adjustments are carried out at least once annually, based on the consumer price index.

In Republika Srpska, its Government directly determines the minimum wage, considering current economic indicators and inflation. Between 2021 and 2023, the minimum wage increased from BAM 520 (€265) to BAM 630 (€322).

Measures to protect purchasing power of workers [Q2-Q4]

In Republika Srpska, wage increases across various sectors were introduced and subsidies to businesses were offered to encourage salary hikes.

Changes to social security and social assistance systems [Q5]

In the Federation of Bosnia and Herzegovina, in December 2022, 187,247 unemployed received a one-time cash benefit of BAM 100 (€51).

In the Republika Srpska, the coverage of persons eligible to childcare allowance was expanded, and child benefits increased. Allowance for assistance to parent-carer or carer was increased from 25% to 100% of the basis, and the number of beneficiaries of this benefit increased by 44.67% in 2022 when compared to 2020. In 2022, a benefit for unemployed parents of four or more children with at least one child under 18 was introduced. The amount of financial assistance is determined according to the number of family members; the amount of allowance for assistance and care of another person is calculated as a percentage of the average net salary for the previous year and is between 11% and 22% of the basis depending on the dependence level; personal disability allowance amounts were adjusted.

Indexation/adjustment of social security benefits and social assistance [Q6]

In the Federation of Bosnia and Herzegovina, pensions are adjusted on 15 April every year. The adjustment amounts to a sum of 50% of the consumer price increase percentage and 50% of the gross domestic product growth percentage in the preceding year. Pensions were adjusted by 11.1% in January 2023, and additionally by 5.15% in April 2023. In May 2023, an extraordinary adjustment of pensions of 3.9% was made.

Energy and food cost support [Q7]

In 2021, the Republika Srpska Government enacted a Decree on determining pricing margin for derivatives of oil. The Government accepted the 2023 Energy Support Package for Western Balkans. The Republika Srpska Ministry of Health and Social Welfare announced an open call in accordance with the Plan for provision of financial support to energy poor households to be granted funds. Power Utility Company of Republika Srpska took initial steps in 2022 toward utilising renewable energy sources so that the citizens of Republika Srpska are able to take part in the energy sustainability programme.

In February 2022 and December 2022, Republika Srpska provided funding for nine soup kitchens.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

No information provided.

Consultation and participation [Q10]

Minimum wage in Republika Srpska is determined by the Government based on a proposal from the Economic and Social Council. In addition, when preparing any policy, legal solution, or strategy, competent ministries regularly consult both the representatives of stakeholders and civil associations, and the representatives of the unions. All civil society organisations and representatives of the business or academic communities and

the unions have the right to attend consultations. Public consultation is carried out in accordance with the Law on Strategic Planning and Development Management (Official Gazette of RS, 63/21) and Decree on the implementing documents (Official Gazette of RS, 8/22) through posting relevant documents as preliminary drafts on the competent institutions' official websites.

BULGARIA

Minimum wage policy and wage adjustments [Q1]

The minimum monthly wage was set at BGN 710 (€363) in April 2022, at BGN 780 (€398) in January 2023 and at BGN 933 (€477) in January 2024.

Measures to protect purchasing power of workers [Q2-Q4]

No information provided.

Changes to social security and social assistance systems [Q5]

Between 2021 and 2023, the minimum amount of the old-age pension increased from BGN 300 (€153) to BGN 523 (€267); maternity and paternity leave benefits, benefit for raising a child under the age of two increased (from BGN 380 (€194) in 2021 to BGN 780 (€399) in 2023); unemployment benefits were expanded. Law amending the Social Assistance Act of 2022 tied social benefits to the poverty line.

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions are updated annually with a percentage equal to the sum of 50% of the increase in the insurance income and 50% of the consumer price index in the previous calendar year. All pensions were increased on 1 July 2023 by 12%.

Energy and food cost support [Q7]

These measures include subsidies for electricity, gas, and heating, as well as direct financial assistance for the purchase of essential food items. The Government has also implemented programmes to support the production and distribution of affordable food, ensuring that basic nutritional needs are met despite the rising costs. In 2022, one-time financial support for heating was paid in the amount of BGN 400 (€204) for individuals and families from vulnerable groups who did not receive targeted assistance for heating; one-time support for heating of BGN 300 (€153) was those vulnerable persons who did not receive assistance under previous measures. Also, supplements for vulnerable families who received monthly benefits under the Family Allowances Act were paid to compensate for electricity and heat as a result of the war in Ukraine.

According to ETUC, in July 2022, 21 days working at net average wage were needed to pay annual energy bills. Between October 2021 and October 2022, food prices increased 1.8 times faster than wages.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The National Strategy for Poverty Reduction and Promotion and Social Inclusion 2030 coordinates action to fight poverty and social exclusion in multiple policy areas, such as education, healthcare, social protection, economy, financial, housing or tax.

The report refers to EU SILC data, which show that the share of people living in poverty in the period 2018-2022 was as follows: 22% in 2018, 22.6% in 2019, 23.8% in 2020, 22.1% in 2021, and 22.9% in 2022.

Children under 18 living in poverty - 25.9% in 2022 compared to 24.2% in 2021; people aged 65 and over – 35.6% in 2022 compared to 34.6% in 2021; the population aged 18-64 (working age population) – 17.5% in 2022 compared to 17.1% in 2021.

There has been an increase in the share of the poor who are unemployed (39.5% in 2022, compared to 37.2% in 2021) and pensioners (36.8% in 2022, compared to 34.7% in 2021). Conversely, the share of the poor among the unemployed increased from 50.2% in 2021 to 56.9% in 2022.

The poverty share is highest among single-member households with a person aged 65 and above (61.3% in 2022, compared to 65% in 2021). There have also been increases in the share of poverty among households formed of two adults with three or more children (48.5% in 2022, compared to 47.7% in 2021) and of single parents with children (34.9% in 2022, compared to 34.1% in 2021).

The share of population at risk of poverty or social exclusion (AROPE) was 33.2% in 2018, 33.2% in 2019, 33.6% in 2020, 31.7% in 2021 and 32.2% in 2022. The share of children at risk of poverty or social exclusion (AROPE) was 34.4% in 2018, 36.1% in 2019, 36.2% in 2020, 33% in 2021, 33.9% in 2022.

Consultation and participation [Q10]

Public consultations are held with citizens and legal entities within the process of developing the drafts of normative acts and strategic documents. Social dialogue is one of the main principles laid down in the Social Security Code. Changes in the regulations concerning labour relations, insurance relations, as well as the issues of the standard of living, are the subject of discussion in the National Council for Tripartite Cooperation.

CROATIA

Minimum wage policy and wage adjustments [Q1]

Minimum wage is regulated every year by the Government's decree. As of 2024, the gross minimum wage was set at €840, in 2023 it was €700 and in 2022 – €622. Over the past five years, the minimum wage has increased by 68.8%.

Measures to protect purchasing power of workers [Q2-Q4]

No information provided.

Changes to social security and social assistance systems [Q5]

From 1 January 2021, the national allowance for older persons was introduced, and it is monetary aid that contributes to the reduction of poverty and social exclusion of persons who did not secure income for old age during their working life. As of 1 January 2023, all family pensions were increased by 10% and the lowest pensions were increased by 3%. On 28 December 2023, the Government decided to pay a one-time cash benefit to pension beneficiaries to mitigate the consequences of the cost-of-living crisis, and it was paid by the end of 2023. Since 2021, the Government adopted six decisions on the payment of one-time financial aid aimed at pensioners with lower pensions to mitigate the effects of the crisis caused by Covid-19, rising energy prices, inflation, cost of living.

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions are adjusted to the cost of living twice a year (on 1 January and 1 July) with a formula that prevents pension incomes from being cut, and increases pensions by 70% of the increase in prices and 30% of the increase in wages if consumer prices grow faster than wages; or vice versa if wages grow faster than prices. It increases pensions paid from the mandatory pension accounts by the consumer price inflation rate. As of 1 July 2023, the rate of increase in the current value of pension is 8.42%.

Energy and food cost support [Q7]

As part of the autumn package of measures to protect against price increases, on 8 September 2022, measures were introduced to stabilise energy prices, including reductions in VAT on certain energy sources and subsidies for households and small businesses.

According to ETUC, in July 2022, 27 days working at net average wage were needed to pay annual energy bills. Between October 2021 and October 2022, food prices increased 2.6 times faster than wages.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides information on legal amendments implemented recently, designed to increase certain benefits and/or to expand eligibility criteria, and expected to have a positive impact on poverty rates, namely as regards the inclusive supplement, the child allowance, the guaranteed minimum compensation, the compensation for housing costs, the compensation for the personal needs of users of the right to accommodation or organised housing, caregiver status, parental compensation, and the foster carers indemnity.

The "Zaželi - Women's Employment Program", funded by the European Social Fund, has provided home care services to nearly 150,000 older persons, simultaneously improving employment rates. The introduction of the Inclusive Allowance Act in 2023 further underscores the Government's commitment to supporting people with disabilities by consolidating existing benefits and increasing financial support by up to 100%.

AROP rates were as follows:

- ▶ general population: 19.3% in 2018, 18.3% in 2019, 18.3% in 2020, 19.2% in 2021, 18 in 2022;
- ▶ children under 18: 19.7% in 2018, 17.1% in 2019, 16.8% in 2020, 17.1% in 2021, 16% in 2022;
- ▶ people aged 65 and above: 28.1% in 2018, 30.1% in 2019, 31% in 2020, 32.4% in 2021, 32.4% in 2022;
- ▶ one-member households: 44.4% in 2018, 44.7% in 2019, 45.1% in 2020, 47.4% in 2021, 47.8% in 2022;
- ▶ households composed of two adults, at least one of whom is aged 65 or above: 23.5% in 2018, 26.9% in 2019, 28.2% in 2020, 29% in 2021, 28,2% in 2022;

- ▶ households composed of one parent with one or more dependent children: 36.7% in 2018, 33.8% in 2019, 30.5% in 2020, 37.5% in 2021, 24.9% in 2022.

Consultation and participation [Q10]

Regular consultations have been crucial in shaping policies that are responsive to the needs of various population groups. The National Council for Pensioners and Older Persons is an advisory body of the Government and consists of representatives of the Government and representatives of pensioners and older persons.

Minimum wage policy and wage adjustments [Q1]

The Government agreed with the social partners to establish national minimum wage. As of January 2023, the national minimum wage is set at the amount of €885 for the first six months of employment and then it rises to €940. Minimum wage will be adjusted every two years.

Measures to protect purchasing power of workers [Q2-Q4]

Minimum Wage Decree for the Hotel industry as from June 2023 covers for the 66.7% of the increase in the consumer price index since 1 January 2020.

Changes to social security and social assistance systems [Q5]

Law No. 214(I)/2022 introduced paid parental leave benefit, as well as insurance credits for seven days of absence from work due to force majeure and five days of insurance credits for carers leave. The law also extended the coverage of paternity benefit to all fathers irrespective of marital status. In the event of the mother's death before or during childbirth or maternity leave, the right to paternity benefit is increased by as many weeks as the remaining weeks of maternity benefit that the mother would have received. Since 2021, a significant structural change has been carried out, under which children of up to four years of age are entitled to a subsidy for their attendance of nurseries and kindergartens. The maximum allowance is €350. In 2022, the Government decided to support vulnerable groups to adjust to inflation, and persons with disabilities who were recipients of financial disability benefits received a one-time allowance of €100.

Indexation/adjustment of social security benefits and social assistance [Q6]

Child allowance and single parent family allowance are adjusted annually to the consumer price index.

The low pensioner's allowance increased in 2023 by 5% to compensate for the increase in inflation.

Monthly disability allowance is indexed to the cost of living. In particular, recipients of the monthly severe motor disability allowance and monthly blind allowance received an increase of 2.5% in their monthly allowances as of 1 January 2022 and a further increase of 8.7% as of 1 January 2023 as a result of the increase in the index of the cost of living.

Minimum guaranteed income is not adjusted automatically but it was last adjusted in August 2019 when the housing benefit was increased by approximately 50%.

Basic insurable earnings are increased annually in line with an annual survey of wages and salaries.

Energy and food cost support [Q7]

From the end of 2021, the Government has proceeded with targeted and horizontal measures to cushion the impact of the rising energy prices, including the reduction of the VAT rates on electricity consumption, the reduction of excise duties on fuels (from March 2022 with an extension until end of June 2023), support to low income pensioners, to residents of mountainous areas, childcare support to families with low income, support to sectors of agriculture and a new Scheme for subsidising the care of children up to 4 years old for tuition in childcare centres. In 2022 it was decided to cover from 50% to 85% of the increase in electricity tariffs, with the coverage reaching 100% for vulnerable households. From early May 2023 until the end of April 2024, a zero VAT rate is applied on basic goods.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Guaranteed Minimum Income and the Low Pensioners Allowance are designed as measures for combating poverty and material deprivation, by ensuring a minimum standard of living above the threshold of material deprivation and extreme poverty.

The share of the population at risk of poverty or social exclusion (AROPE) was 19.1% in 2018, 18.6% in 2019, 17.6% in 2020, 17.3% in 2021 and 16.7% in 2022.

The share of the population at risk of poverty (AROP) was 15.4% in 2018, 14.7% in 2019, 14.3% in 2020, 13.8% in 2021 and 13.9% in 2022, the last figure corresponding to 125,000 persons.

The AROP share for children under 18 was 16.7% in 2019, 16.1% in 2020, 15.8% in 2021 and 14.9% in 2022.

The AROP share for people aged 65 and above was 24.6% in 2019, 21.9% in 2020, 19.5% in 2021 and 20.8% in 2022.

Consultation and participation [Q10]

Persons with disabilities are strongly represented in Cyprus by many organisations for persons with disabilities under the umbrella of the Cypriot Confederation of Organisations of Persons with Disabilities. Older persons are represented through the Advisory Body on Third Age which has a consulting role to the Deputy Minister of Social Welfare.

Minimum wage policy and wage adjustments [Q1]

The minimum wage is regulated by law. It is possible to agree on a minimum wage higher than that set by law in the private sector where wages are collectively bargained. A higher minimum wage thus agreed in a collective agreement becomes binding on the parties to the agreement.

Minimum wage increases are not automatic based on an index; it is the government who decides the minimum wage for the following year. Before it does so, discussions and negotiations take place in tripartite meetings (meetings between representatives of the government, employees and employers). Since 2015, the minimum wage has been regularly increased from 1 January.

Measures to protect purchasing power of workers [Q2-Q4]

Apart from the standard minimum wage increase, which partly took into account the rising inflation rate, no special measures have been taken to maintain the purchasing power of the minimum wage since the end of 2021.

There are no special in-work benefits to support people with low incomes. The authorities target on tax discount per taxpayer connected to the family support (tax deductions, tax credits for dependent children). These tax discounts have not been increased in the context of the cost-of-living crisis.

Changes to social security and social assistance systems [Q5]

As of 1 January 2022, the duration of paternity benefit was extended from one to two weeks. It is also granted to insured fathers in case of a stillbirth or death of a child within the first six weeks after birth as of 1 December 2022. Act No. 203/2022 Coll. increased the maximum monthly amount of parental allowance from CZK 10,000 (€397) to CZK 15,000 (€595).

In 2021, the law on pension insurance was amended to introduce a child-raising allowance.

With the adoption of Act No. 196/2022 Coll., one-time child allowance of CZK 5,000 (€198) was introduced into the system of non-insurance social and family benefits. Those entitled were children below the age of 18 who lived in a family with an annual income of maximum CZK 1 million (€39,690).

As a result of the amendments to the Act on State Social Assistance in 2022, more people became eligible for State assistance with housing costs.

Under Decree No. 277/2022 Coll., the subsistence amounts of a person whose health condition requires increased costs for dietary meals have increased by approximately 10%.

Act No. 252/2021 Coll. expanded the range of medical conditions entitling to a special assistance allowance. Act No. 358/2022 Coll. increased the amount of the mobility allowance provided to persons with severe mobility issues. Act No. 328/2021 Coll. abolished the differentiation in the amounts of the care allowance for persons in dependence levels III and IV.

Indexation/adjustment of social security benefits and social assistance [Q6]

Old-age pensions are increased in line with inflation and real wage growth. In June 2023 old-age pensions were indexed because of the high inflation rate by 11.5%.

The system of non-insurance social benefits does not explicitly include rules for increasing benefits when certain conditions are met. Periodically, on 1 January of each year, the normative housing costs are adjusted for the purposes of the housing allowance.

Benefits that depend on the amounts of living or subsistence minimum are increased in line with the increase in the living or subsistence minimum. They were increased on 1 January 2023.

Other non-insurance social benefits are increased on an ad hoc basis. The maximum monthly parental allowance for uninsured parents was increased on 1 July 2022 and the amount of child benefit increased in January 2023.

Energy and food cost support [Q7]

The Government has taken measures in the energy sector to mitigate the impact of rising energy prices on citizens and businesses such as: (a) energy costs allowance (September-December 2022) in the amount of

CZK 3,500 (€139) or CZK 2,000 (€80); (b) waiver of the renewable energy levy (4th quarter of 2022 + 2023) in the amount of CZK 495/MWh excluding VAT; (c) electricity and gas price caps (2023) from 1 January 2023 to 31 December 2023; (d) vulnerable customer (effective from 1 January 2024) adjustment applies in particular to disabled citizens who rely on medical equipment requiring electricity to operate.

Vulnerable persons who are unable to meet their own energy bills and overall housing costs are mainly supported under the housing benefit scheme through two recurrent benefits: the housing allowance and the housing supplement, or through the one-off benefit of exceptional immediate assistance.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides information on at-risk-of-poverty rate (cut-off point: 60% of the median equivalised income after social transfers) since 2018 for different groups (children under 18, persons with disabilities, older persons etc.), from the Czech Statistical Office. For example, ROP rates for the population as a whole stood at 9.6% in 2018, 10.1% in 2019, 9.5% in 2020, 8.6% in 2021 and 10.2% in 2022.

The Commission for Social Inclusion, an advisory body to the Minister Labour and Social Affairs established in 2003, which includes representatives of different governmental agencies with a role in combating poverty and social exclusion, has a policy coordination remit. The Commission produced, among other documents, a Social Inclusion Strategy and Action Plan for a period of four years.

Consultation and participation [Q10]

The Commission for Social Inclusion includes civil society organisations representing persons affected by the measures taken in the context of the cost-of-living crisis such as: Caritas Czechia, Salvation Army or People in Need.

DENMARK

Minimum wage policy and wage adjustments [Q1]

Wage conditions are primarily regulated by the collective agreements, which are negotiated separately for the private and public sectors. Denmark does not have a statutory minimum wage, nor are there universally applicable collective agreements (*erga omnes*). The collective agreements are binding for the parties that have entered into them or have joined them, and they also have a spill-over effect on the part of the labour market not covered by collective agreements.

Since the collective agreements are renegotiated each time they expire, wage levels are adjusted to match the ongoing price developments in society, thus ensuring the purchasing power of wage earners. Typically, the agreements are renegotiated every two to four years. The duration of the agreements is determined by the parties involved as part of the negotiation process.

Measures to protect purchasing power of workers [Q2-Q4]

Benefits such as child allowance, housing benefit or similar supplements meant to support low-income workers, have not been subject to any changes due to the cost-of-living crisis. All initiatives related to the cost-of-living crisis have been aimed towards helping low-income families and older persons, ensuring that they can meet their energy costs and minimising the impact of inflation. These initiatives are described under questions 5 and 7 below.

Changes to social security and social assistance systems [Q5]

The Danish Government has continued to adjust the amount that a person received from various benefits in accordance with a set of percentages in the relevant period. This adjustment happens annually and ensures that the value of the regulated benefits follows the normal annual increase in employment wages. The adjustment of benefits has no direct connection to the cost-of-living crisis.

Indexation/adjustment of social security benefits and social assistance [Q6]

Generally, social security benefits are adjusted annually based on the wage development two years earlier. More specifically, social security benefits and assistance are adjusted every year based on three separate rates determined for each fiscal year: the adaptation percentage, the rate adjustment percentage and the rate adaptation percentage. In 2022, the rate adjustment percentage was 1.2% due to a relatively low wage increase in 2020, 2.7% in 2023 and 3.2% in 2024.

Energy and food cost support [Q7]

The measures taken by the Danish government to mitigate consequences of the high inflation have aimed at providing economic support to financially disadvantaged citizens who have been disproportionately affected by the higher prices. Three agreements are highlighted: (i) the Agreement on Compensation for Citizens for Rising Energy Prices of June 2022 allocated DKK 3.1 billion (415 million euros) to implement temporary measures compensating citizens for increasing energy prices; (ii) the Agreement on Winter Assistance of September 2022 implemented mitigation measures totalling DKK 5 billion (670 million euros) in 2022 and 2023 in respect of supply and the increase of prices as a result of the war in Ukraine; and (iii) the Agreement on Inflation Assistance of February 2023 compensated consumers and businesses for the high price levels.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The welfare system includes universal or targeted measures in a broad range of policy areas, such as health, employment, or social assistance. Most welfare services are a municipal responsibility. Social welfare policies are developed in close consultation with all relevant stakeholders, in a lengthy and elaborate process.

While indicating that Denmark does not have an official definition of poverty, the report provides EU SILC data on relative at-risk-of-poverty (AROP) rates during the reference period for the population as a whole (relatively stable, namely 12.7% in 2018 and 12.4% in 2022), persons aged 60 and above (increasing from 8.4% in 2018 to 11.7% in 2022) and children (decreasing from 11% in 2018 to 10.1% in 2022). The report notes that ROP does not measure wealth or poverty, but low income in comparison to other residents in the country concerned,

which does not necessarily imply a low standard of living. In the case of Denmark, a large part of this group consists of students and self-employed workers, with temporarily low disposable income.

Consultation and participation [Q10]

All legislative proposals, including those related to measures in response to the cost-of-living crisis, undergo an external consultation among relevant stakeholders before they are presented to the Parliament. Organisations concerned have the opportunity to submit written comments, expressing their opinions on the bills or suggesting changes. Examples of such consultation provided in the report include the bill regarding inflation assistance for financially vulnerable families (which implements parts of the Agreement on Inflation Assistance) or the bill on additional financial support (part of the Agreement of Compensation to Citizens for Rising Energy Prices). The consultation process did not lead to changes for any of the bills mentioned above.

ESTONIA

Minimum wage policy and wage adjustments [Q1]

Estonia has a statutory minimum wage. The minimum wage is agreed between social partners – Estonian Trade Union Confederation and The Estonian Employers Confederation - and approved by the Government. The amount of the minimum wage for the year to follow is agreed upon every autumn. There is no automatic indexation.

Measures to protect purchasing power of workers [Q2-Q4]

In May 2023, the Estonian Trade Union Confederation, The Estonian Employers' Confederation and the Minister of Economic Affairs and Communication concluded a goodwill agreement agreeing on the growth rate of the minimum wage until 2027.

Estonia does not have in-work benefits as such but has subsistence benefit for persons with low income or no income. The amount of the benefit is calculated based on the amount of income or the lack thereof. A person living alone or a family whose monthly net income after the deduction of housing expenses is below the subsistence level, has the right to receive a subsistence benefit.

Changes to social security and social assistance systems [Q5]

The report provides detailed information on the changes brought in respect of the care reform, dental care benefit, pensions, subsistence benefit and the unemployment insurance benefit.

On 1 July 2023, the care reform came into force, with a purpose to reduce out-of-pocket payments on 24-hour care service in care homes by increasing public funding, to improve the quality of 24-hour care in care homes and to encourage municipalities to improve home-based care and postpone the need for institutional care.

On 1 June 2022, subsistence benefit for a person living alone or for the first family member of the family increased from €150 to €200 per month, for each child under the age of 18 it increased from €180 to €240 per month, for the second and following family member it increased from €120 to €160 per month. Unemployment insurance benefit in 2023 is €10.9 per day, unemployment allowance - €10.55 per day, work ability allowance - €18.60 per day.

In 2022, Estonia expanded the eligibility criteria for the increased dental care benefit to those who receive a subsistence allowance or are registered as unemployed.

Indexation/adjustment of social security benefits and social assistance [Q6]

Benefits for persons with disabilities are not indexed to the cost of living and were last increased in 2020.

The last increase in the old-age pension was on 1 January 2023 by 13.9% and it was the highest increase in the last decade. The average old-age pension was €700. The benefit for a pensioner living alone increased in 2022 from €115 to €200 and it was paid to 90,000 pensioners.

Energy and food cost support [Q7]

The report provides information on the measures taken by Estonia to mitigate the effects of rising energy prices. For example, from October 2021 to March 2022, the State compensated in particular for up to 80% in electricity, gas and central heating bills for families whose net income in 2021 was less than €1,126 per month for the first household member. Other temporary subsidies were paid to households from October 2022 to March 2023, and the State supported partial coverage of costs due to the increase in energy prices for general care homes.

In November 2022, the state paid a one-time price reduction subsidy of €50 to pensioners of old-age pensionable age (whose age is at least 64 years and 3 months), people with a lack of working capacity and child benefit recipients.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides information about the Welfare Development Plan 2023-2030, adopted in 2023, which defines the overall approach to labour and social policy. The plan has detailed implementation and monitoring

provisions, involving a steering committee, and based on programmes of work adopted on a yearly basis, with provision as regards measures, indicators, activities and funding sources. In 2023, the Ministry of Social Affairs was tasked with developing a comprehensive cross-government and agency-wide concept and action plan on reducing poverty and inequality. The report provides further information about a series of measures taken during 2023 to address the situation, namely by increasing old-age pensions and work capacity allowances, subsidising nursing homes, and increasing child allowances.

The report provides detailed at-risk-of-poverty rates for the population as a whole, as well as for children, families identified as being at risk of poverty, persons with disabilities and older persons, from the Estonian Social Survey 2019-2023. For instance, ROP rates as regards the population as a whole stood at: 21.7% in 2019 and 22.5% in 2023.

Consultation and participation [Q10]

Within the process of drawing up the new Welfare Development Plan for 2023-2030, which started in 2021, ministries, partners, experts and interest groups were included, and several discussions were held. The minimum wage in Estonia is agreed between social partners and approved by the Government.

FINLAND

Minimum wage policy and wage adjustments [Q1]

Finland does not have a statutory minimum wage. Wage levels, including minimum wages, are set through collective agreements in different sectors. For sectors not covered by collective agreements, wages are negotiated individually between employers and employees. During 2021-2023, Finland saw a range of wage increases from 1.8% to 6.1%, depending on the sector, as part of these collective agreements. Wages were also adjusted through collective bargaining processes.

Measures to protect purchasing power of workers [Q2-Q4]

An increase in the basic amount of social assistance for children under 18, as a temporary measure, was introduced in 2023.

Changes to social security and social assistance systems [Q5]

In December 2022, Finland provided a one-time doubling of the child benefit to all families receiving this support. In addition, other benefits, such as study grants and unemployment benefits, were temporarily increased to provide extra financial support during the crisis. In August 2023, monthly benefits were as follows: guarantee pension €922; labour market subsidy €800; basic unemployment allowance €800; minimum sickness allowance €799; minimum parental allowance €799; minimum rehabilitation allowance €799; and basic amount of basic social assistance for persons living alone €555.

The annual maximum limit on out-of-pocket medicine costs was frozen in 2023 and benefited people with high medicine costs. The conditions for partial sickness allowance were modified and the maximum duration of partial sickness allowance was extended from 120 to 150 working days at the beginning of 2023.

As of January 2024, cuts were introduced to a number of social benefits, including unemployment benefits, housing benefits and social assistance.

The third-party submissions detail several legislative changes that have weakened the social security system, such as stricter eligibility criteria, longer waiting periods and reduced benefit levels. Cuts to social security benefits for 2024 disproportionately affected low-income workers, the unemployed and other vulnerable groups amidst ongoing high inflation rates.

Indexation/adjustment of social security benefits and social assistance [Q6]

Regular index adjustments are made, beginning of each year, in order to ensure the purchasing power of social security benefits. Social security benefits linked to the national pension index were increased by 1% in 2020, 0.4% in 2021, 2.1% in 2022 and 4.2% in 2023. An additional increase was made in August 2022 to social security benefits linked to the national pension index to compensate for the rise in prices. Individual benefits rose by approximately 3.5%.

Index adjustments on most of the benefits are frozen for the entire Government term and the effect of the freeze on the real level of benefits will not exceed 10.2% over a four-year period.

In the pensioners' housing allowance, the maximum amount of housing expenses was increased by approximately 8%. Between 1 August 2020 and 1 August 2023, study grants increased by a total of 11.6% on the basis of the national pension index.

Civil society organisations noted that the waiver of index adjustments will have a significant impact on the income of low-income families with small children. Third party comments expressed concern about the freezes of the level of several social security benefits to the level of 2023, until the end of 2027. They claim that the impact of the index freezes is particularly severe because of its exceptionally long duration, and the real value of each benefit will decrease by over 10%.

Energy and food cost support [Q7]

The VAT rate on electricity was reduced from 24% to 10% for a period from December 2022 to April 2023.

The temporary credit for electricity was a temporary measure for households introduced for the 2023 fiscal year. In 2023, a deduction may be claimed for the costs of electricity consumed at the taxpayer's permanent home

between 1 January 2023 and 30 April 2023 to the extent that these costs are higher than €2,000 but no more than €6,000. The taxpayer is entitled to claim 60% of the costs of electricity between these lower and upper limits as tax credit for household expenses. Within these limits, the maximum credit for electricity is €2,400.

The VAT rate for domestic passenger transport services was temporarily reduced from 10% to 0% for the period from January 2023 to April 2023. The amount of deductions based on commuting expenses is temporarily raised for 2022 and 2023. The maximum amount of the deduction was raised from €7,000 to €8,400 while the deductible of €750 remained the same.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

As to at-risk-of-poverty rates since 2017, for the population as a whole: 6% in 2017 and 6.2% in 2021; for children under 18: 11.1% in 2017, 9.5% in 2021; for persons in single parent households: 11.2% in 2017 and 11.2% in 2021; for persons with disabilities: 5.8% in 2017 and 7.5% in 2021; for persons aged 65 and over: 3.8% in 2017 and 3.9% in 2021.

Consultation and participation [Q10]

When preparing legislation, the Ministry of Social Affairs and Health aims to consult the various parties, stakeholders and interest organisations in law-drafting procedures in accordance with the normal legislative process. Consultation rounds among a wide array of stakeholders were successfully organised on the finance and expenditure law proposals to Parliament.

Third party submissions have pointed out that the consultation periods for the recent draft government proposals concerning cuts to social security have been exceptionally short. The legal reforms decreasing social security benefits were adopted without participation of the individuals and groups most affected by the crisis. These submissions also criticise the government's lack of comprehensive impact assessments regarding fundamental and human rights when drafting these legislative changes.

FRANCE

Minimum wage policy and wage adjustments [Q1]

The minimum wage (SMIC) adjustment typically occurs on January 1st each year. The SMIC is indexed to inflation: if inflation exceeds 2% over a previous rate, the minimum wage is automatically increased. This automatic mechanism operated in 2021, 2022 and 2023. In May 2023, the minimum wage was mechanically increased by 2.22% (to reach €1,383.08 net) and in January 2024, by 1.13% (to reach €1,398.69).

Measures to protect purchasing power of workers [Q2-Q4]

The finance law implemented an exceptional aid of €100 for employees whose monthly salary is less than €2000 net. A financial aid of €28 per household was allocated to households receiving the activity bonus. Employees earning up to 3 times the minimum wage benefit from a bonus exempt from all social security contributions and from income tax (Value sharing bonus). The activity bonus, created in 2016, is an activity supplement intended for workers with modest incomes which can be paid from the age of 18. In 2022, the amounts paid for this benefit amounted to €10.03 billion. As of 31 March 2023, 4.7 million households were beneficiaries of the activity bonus.

Regarding the civil service, the Government has decided to increase the index point by 3.5% in July 2022 and then again by 1.5% from July 2023. An exceptional purchasing power bonus (between €300 and €800 gross) has also been implemented in the second half of 2023.

Changes to social security and social assistance systems [Q5]

As of 1 July 2021, paternity leave increased to 28 days. Workers receive a daily allowance based on their previous daily income up to €95.22 (social security ceiling). Workers retiring with a full career and earning minimum wage will receive 85% of the minimum wage (Retirement Age and Pension Reform). The pension flexibility for healthcare workers allows combining retirement pensions with income from healthcare jobs during specific periods in 2022. Retired doctors returning to work are exempt from old-age insurance contributions for 2023 (up to €80,000).

Starting from 1 January 2026, non-salaried agricultural workers' pensions will be calculated based on their 25 best years of insurance. Concerning Disabled Adults' Allowance, from 1 October 2023, Decree No. 2023-360 removes spousal income consideration for the calculation of the allowance, increasing benefits for around 120,000 people by €350/month. From November 2022, family support for single parents increased by 50%, rising to €184.41 per child per month. For children in care, the amount increased to €245.8 per child per month. Law No. 2022-1616 extends childcare benefits to children up to 12 years old, effective by 1 December 2025. In September 2022, a €100 bonus was paid to households receiving minimum social benefits, housing benefits, and scholarship students.

Indexation/adjustment of social security benefits and social assistance [Q6]

France has implemented automatic indexation mechanisms for social security benefits and other income replacement benefits like pensions. Benefits are adjusted every year in April to reflect the inflation rate over the previous 12 months. Retirement and disability pensions were revalued at the start of each year, with the last increase being 5.3% in January 2024. Minimum social benefits are adjusted every April; the latest adjustment was 1.6% in April 2023, with another anticipated for April 2024.

Energy and food cost support [Q7]

The government has resorted to one-off and targeted measures, such as exceptional energy checks, fuel allowance which is granted to workers from low-income households using their vehicle to go to work (January 2023), an information compensation, paid to any person with low income (between December 2021 and February 2022). The tariff shield, introduced to cap gas and electricity prices made it possible to block the regulated prices for the sale of natural gas at their inclusive tax level of October 2021. The total cost of these gas price freezes is estimated at €9.4 billion between 2021 and 2023.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9].

The at-risk-of-poverty rate increased from 6.8% in 2004 to 8.3% in 2021. 35.15% of all unemployed people, 32.3% of all single-parent families, 20,6% of all children aged below 18, and 16.4% of young people aged 18 to 30 suffered from material deprivation. In 2018, there were approximately two million people suffering from severe material deprivation. The Solidarity Pact, adopted on 1 January 2024 and which replaces the National Strategy for Combating Poverty 2024-2027, and which was the subject of an interministerial construction with all the administrations concerned and of joint exchanges with representatives of local authorities is structured around four priorities, namely child poverty, access to employment for all, tackling non-take up of rights, and building a solidary green transition.

Consultation and participation [Q10]

The Government promoted the use of value sharing schemes and consulted worker and employer representatives on the measures to be implemented. The social partners signed a national inter-professional agreement on 10 February 2023 which was transcribed into law (Law No. 2023-1107 of 29 November 2023 transposing the national inter-professional agreement relating to value sharing). On 16 October 2023, the Prime Minister brought together all the trade unions and employer organisations as part of a social conference which focused on the dynamics of career paths and remuneration.

GEORGIA

Minimum wage policy and wage adjustments [Q1]

The statutory minimum wage of GEL 20 (€6.6) in Georgia was introduced in 1999. However, the legally set minimum wage is not applicable in practice. As to the sectorial minimum wage, as of January 1, 2023, the Ministry of IDPs from the Occupied Territories, Labour, Health and Social Affairs of Georgia introduced a sectorial minimum hourly wage for doctors and nurses.

According to the Office of the Public Defender, regulations introduced in 2023-2024 to determine minimum wage limits for persons employed in the medical sector do not apply universally.

According to the Social Justice Charter, in certain sectors of employment there are specific minimum wages set, however, these are only individual cases of a relatively improved standard of minimum wage. In January 2023, the wage of 57,014 employed persons was less than GEL 200 (€66.6). There is a huge disparity between the wages of men and women, the latter being 36.2% lower.

Measures to protect purchasing power of workers [Q2-Q4]

The Government has adjusted wages, including bonuses for medical professionals and teachers working in high mountainous regions.

Changes to social security and social assistance systems [Q5]

In 2021, 78,511 beneficiaries received pension supplement and in 2023 this number increased to 81,619 beneficiaries. Child benefit increased from GEL 150 (€50) in 2022 to GEL 200 (€67) in 2023. In 2022, the medium and highly adapted paediatric wheelchairs and paediatric hearing aids have been introduced in the assistive aids sub-programme, which will improve the condition of children with disabilities. From 2023, a GEL 200 (€67) food voucher for children with phenylketonuria and celiac disease was added to the sub-programme of assistance to families with children in crisis situations. In 2023, social assistance to persons employed in underground mining works was approved.

According to the Office of the Public Defender, the number of day-care centres and shelters for homeless children was reduced in 2023.

The Social Justice Charter criticises one-off cash payments to certain vulnerable groups and states that they should rather be provided with long-term support.

Indexation/adjustment of social security benefits and social assistance [Q6]

From 2021, pension indexation rule was introduced and pensions for all pensioners will be gradually increased by not less than the inflation rate. For pensioners over 70, 80% of the actual economic growth will be added to the inflation rate. Persons permanently living in mountainous regions and having State pension/social package will get a supplement of 20% of the amount of the State pension.

From 2022, the increased amount of the social package for persons with profound disabilities will be the sum of 80% of the arithmetic average of the real growth rates of the gross domestic product in the last six quarters and the average rate of inflation in the last 12 months, not less than GEL 25 (€8.5) annually. The social package for all other categories of persons with disabilities will be increased by the average rate of inflation of the last 12 months but not less than GEL 20 (€6.8).

Energy and food cost support [Q7]

Families registered in the "Unified Data Base of Socially Vulnerable Families", depending on their socio-economic score, are subsidised for electricity, drinking water, electricity in the mountainous settlements. Parents with four or more children under 18 receive a monthly allowance for electricity. "Sub-programme of assistance to families in crisis situations" includes provision of food products.

According to the Office of the Public Defender, there is no uniform standard for the management or delivery of free meal service in the country.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Local authorities have an important role to play in the efforts to combat poverty and social exclusion. In this context, the report describes several support services for people with disabilities that are due to be developed at the local level, such as personal assistance or independent living centres.

The share of the population under the absolute poverty line is as follows:

- ▶ general population: 20.1% in 2018, 19.5% in 2019, 21.3% in 2020, 17.5% in 2021 and 15.6% in 2022;
- ▶ rural population: 23.1% in 2018, 23.7% in 2019, 27.5% in 2020, 21.3% in 2021 and 20.6% in 2022;
- ▶ children under 18: 25.5% in 2018, 24.4% in 2019, 26.4% in 2020, 22.7% in 2021 and 20.4% in 2022;
- ▶ people aged 65 and above: 14.4% in 2018, 13.8% in 2019, 15.4% in 2020, 11.9% in 2021 and 10.5% in 2022.

According to the Social Justice Charter, the support for families living in poverty falls below the subsistence minimum and is insufficient to meet even the basic needs. One of the major drawbacks of the system is its exclusion of certain groups and households who might need assistance the most. As of May 2024, 35,700 persons with disabilities were considered to be living in extreme poverty. Only 3.5% of the total population of persons with disabilities receive the social package, which is extremely low (GEL 195 (€64.9)) for persons with significant disabilities). There is a critical lack of data on homelessness and the definition of a “homeless person” is restrictive. Children and families with children are among the most vulnerable groups.

Consultation and participation [Q10]

Special Disability Country Coordination Council with its six committees ensures inclusive and participatory policy making. Tripartite dialogue on labour, economic and social issues, including minimum wage, are among the explicit functions of the Tripartite Social Partnership Commission.

According to the Office of the Public Defender, National Statistics Office of Georgia and the Personal Data Protection Service adopted their plans in 2023 without involving persons with disabilities. Selection process of the CRPD Committee member was carried out without adequate involvement of the community of persons with disabilities.

According to the Social Justice Charter, many decisions are made without genuine consultation with independent organisations, groups or individuals who possess expertise and firsthand experience related to the issues at hand. The recent “Law on Transparency of Foreign Influence” risks marginalising critical voices and diminishing the Government’s ability to address the genuine needs of those most impacted by the ongoing cost-of-living crisis.

GERMANY

Minimum wage policy and wage adjustments [Q1]

The statutory minimum wage in Germany is reviewed and adjusted every two years based on the recommendations of an independent Minimum Wage Commission. The minimum wage was last raised to €12 per hour on 1 October 2022, to preserve purchasing power amid rising inflation. Another increase occurred on 1 January 2024, and the next is planned for January 2025.

DGB (*Deutscher Gewerkschaftsbund*) points out that the decision to increase the minimum wage by only 41 cents was made despite the opposition of trade union representatives on the Minimum Wage Commission, who were outvoted. DGB argues that this increase is inadequate given the rising costs of living and falls short of ensuring a living wage that can maintain purchasing power and social participation.

Measures to protect purchasing power of workers [Q2-Q4]

An unscheduled increase in the minimum wage to €12 per hour was approved by the German Bundestag on 1 October 2022.

Changes to social security and social assistance systems [Q5]

Supplementary income limits for recipients of early retirement pension were abolished on 1 January 2023 so that they can earn additional income without reducing their pensions. For people receiving disability pensions, the additional earnings limit was raised.

In July 2022, recipients of minimum social security benefits also received a one-time payment of €200. Citizen's Benefit Act introduced with regard to basic income support for jobseekers a bonus of €150 on 1 July 2023 as a continuous education and training benefit. Housing benefit was raised in 2023 from €180 to €370 monthly. Child benefit, in January 2023, was increased to €250 per month for each child.

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions are adjusted annually in line with gross wages and salaries. Nominal reductions in pension values are excluded by a protective clause. In July 2023, pensions were increased by 4.39% in the former West German *Länder* and by 5.86% in the former East German *Länder*. Lump sums granted as part of the minimum income to cover need as defined by official standard rates are updated on 1 January of each year according to a composite index. In 2023, the level of need as defined by official standard rates for a person living alone was increased by 12%. Child benefit is not indexed.

According to DGB, while social security benefits have been indexed to inflation, the actual increase in benefits may not fully compensate for the rising costs of essential goods and services.

Energy and food cost support [Q7]

The reduced VAT rate of 7% applies to staple food products in Germany. In the catering industry, VAT (except for drinks) was reduced from 19% to 7% until December 2023. The reduction was introduced during the Covid-19 pandemic in July 2020.

Concerning energy costs, one-off payments of an amount of €300 per person (taxable) for all employees (September 2022) and pensioners (December 2022) and of an amount of €200 for students and vocational students (on application from March 2023) were granted. In December 2022, there was a one-off waiver of the 2022 instalment payment for gas and heating customers as a "bridge" until energy price relief come into force (Emergency assistance in December). Consumers of natural gas and district heating customers received a discount from the utility companies from March 2023 to the end of December 2023 (retroactively from January 2023).

Consumers received a discount from utility companies from January 2023 until the end of December 2023 (the first credits were issued in March).

The heating cost subsidy I for recipients of housing benefit, students, trainees and pupils was €230 - €560, depending on the makeup of the household. The heating cost subsidy II was €415 (1 person), €540 (2 persons) and 100 for each additional person (applicable to all persons who were entitled to housing benefit in the 3rd/4th quarter of 2022).

VAT on gas was reduced to the rate of 7% from October 2022 to December 2023. Moreover, the State covered the levy under the Renewable Energy Sources Act starting July 2022 (still applies). From June to August 2022, a monthly ticket for €9 was offered for local public transport throughout Germany. From May 2023, the so-called *Deutschland-Ticket* was introduced for €49 per month for local public transport. From June to August 2022, the energy tax on diesel and petrol was temporarily reduced by 14 cents per litre for diesel and 30 cents per litre for petrol.

According to DGB, while the Government has implemented various energy price relief measures and housing benefits, these measures are often temporary and may not provide long-term stability for those most affected by the crisis.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

At-risk-of-poverty rates are as follows: for the whole population: 16% in 2018 and 14.7% in 2022; for children under 18: 14.5% in 2018 and 14.8% in 2022; for those aged 65 and over: 18.2% in 2018 and 18.2% in 2022; for households with dependent children: 12.9% in 2018 and 10.6% in 2019 and 13.4% in 2022.

Consultation and participation [Q10]

In accordance with the requirements of the Joint Rules of Procedure of the Federal Ministries, the *Länder*, local authority umbrella organisations, affected groups and associations are regularly involved in the legislative process in Germany, being consulted for assessment and comment if their interests are affected.

Minimum wage policy and wage adjustments [Q1]

There is no automatic indexation of the minimum wage in Greece. The procedure followed for the determination of the minimum wage and daily wage is described in detail in Article 103 of Law 4172/2013 as in force, which provides that the amount of the statutory minimum wage and statutory daily wage should be determined taking into account the state of the economy and its prospects for growth in terms of productivity, prices, competitiveness, employment, the unemployment rate, incomes and salaries.

The Committee notes from the ETUC study that in 2022 the inflation rate stood at 11.6%, while the increase in the nominal statutory wage amounted to 9.7%. In December 2023 the inflation rate (annual rate of change in HICP) amounted to 3.7% and the minimum wage was increased by 9.5% in 2023.

In order to alleviate the cost-of-living crisis and improve the economic well-being of workers the Greek General Confederation of Labour recommended in particular:

- ▶ strengthening collective bargaining, i.e. restoration and strengthening of collective bargaining rights to allow workers to negotiate fair wages and better working conditions;
- ▶ increasing minimum wage, i.e. substantial increase in the minimum wage to reflect the rising cost of living and to ensure a decent standard of living for all workers.

Measures to protect purchasing power of workers [Q2-Q4]

Household Basket Measure: this initiative aims to stabilise prices of essential goods by creating a “household basket” of protected products in supermarkets. Prices for these goods must not exceed inflation rates, ensuring affordability for consumers. The measures are intended to be temporary.

Unfair Profiteering Legislation: Article 58 of Law 4818/2021 caps gross profit margins on essential goods and services, limiting them to pre-September 2021 levels (until end of December 2023). This measure was initially introduced during the Covid-19 pandemic and extended due to the economic impact of the Ukraine war.

Price Reduction Initiatives: the government has implemented a “Permanent Price Reduction” program requiring companies to reduce prices by at least 5% for six months on selected products. This is intended to curb inflationary pressures and lower consumer costs.

Support for Low-Income Groups: financial assistance has been extended to vulnerable groups, particularly pensioners, to offset rising living costs. These payments, provided during specific periods like Easter and Christmas, are designed to alleviate the financial burden caused by inflation.

The Greek National Commission for Human Rights (GNCHR) emphasises that the cost-of-living crisis has disproportionately affected vulnerable groups, and stresses that the measures taken are temporary and insufficient to address the long-term impacts on citizens’ livelihoods. The GNCHR notes that while some financial assistance has been provided, these efforts are not enough to combat the deeper issues of poverty and inequality exacerbated by the crisis.

Changes to social security and social assistance systems [Q5]

The report states that in accordance with the Law No. 4865/2021, an exceptional financial assistance was granted to vulnerable categories of pensioners for 2021 and in accordance with the Law No. 4917/2022, an exceptional financial assistance was granted to vulnerable pensioners during Easter and Christmas of 2022. In accordance with the Law No. 5036/2023, a one-time financial assistance was granted to pensioners to protect pensions from inflation in 2022.

The Greek General Confederation of Labour (GSEE) urges the government to increase social spending and expand the coverage of welfare programs to ensure that all citizens have access to basic necessities and are protected against the economic downturn.

Indexation/adjustment of social security benefits and social assistance [Q6]

The total pension amount shall increase annually, based on a coefficient resulting from the sum of the annual percentage change in the gross domestic product plus the percentage change in the average annual general consumer price index of the previous year, divided by two, and it does not exceed the percentage change

in the average annual general consumer price index. On 1 January 2023 the total amount of main pensions (old-age, disability, survivors), the payment of which started until 31 December 2022, increased by 7.75%.

As of 1 May 2023, benefits to persons with disabilities increased by 8% to offset the effects of inflation and cost of living. There are no indexation rules to the guaranteed minimum income but the Government has announced an 8% increase of the cash benefit from 2024. There are no indexation rules to the housing benefit and it remained the same since 2019.

Energy and food cost support [Q7]

Article 115 of Law 5007/2022 aims at providing financial relief to low and middle-income households: each household is granted financial assistance from February 2023 until July 2023 to cover part of the increase in the cost of purchasing goods of all kinds. The monthly assistance amounts to 10% of the monthly number of purchases, which varies according to the number of household members (from €220 for a single person and €100 for each additional member and up to €1000).

Article 67 of Law 4950/2022 seeks to further support the beneficiaries of the subsidy by covering a percentage of the increase in the price of motor fuel. The increase in the limits of the declared family income by €3,000 for each household member (spouse/civil partner/dependent children) widens the number of beneficiaries.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The poverty threshold increased from €4,560 in 2017 to €5,712 in 2022 per person, and from €9,576 in 2017 to €11,995 in 2022 for households with two adults and two dependent children aged under 14. The share of households at risk of poverty decreased slightly from 20.2% (or 789,585 households and 2,153,691 individuals) in 2017 to 18.8% (or 742,235 households and 1,945,199 individuals) in 2022.

The report provides data on at risk of poverty or social exclusion (AROPE), at risk of poverty (AROP) and material deprivation rates for the total population.

The rates indicate a decreasing trend, as follows:

- ▶ AROPE: 34.8% in 2017 and 26.3% in 2022;
- ▶ AROP: 20.2% in 2017, and 18.8% in 2022;
- ▶ material deprivation: 21.1% in 2017, and 13.9% in 2022.

The AROP for children decreased from 22.7% (2018) to 22.4% (2022), and for older persons it increased from 11.6% (2018) to 15.8% (2022).

According to the report, the Guaranteed Minimum Income (GMI) is a tax financed welfare programme that is addressed to households living in extreme poverty and complements the policies to tackle poverty and social exclusion. The housing benefit is a separate social assistance scheme aimed at helping low-income households who live in rented primary residences to meet their housing costs. The programme is centrally financed and organised by the Ministry of Labour and Social Affairs and entitlement is based on subjective right.

The Housing and work for the homeless program is a Housing-First-type program for persons and families experiencing homelessness, which has been implemented since 2015. The program, which benefits from guaranteed funding renewed every two years, covers at least 600 households and 800 beneficiaries.

Consultation and participation [Q10]

The General Secretary for Social Solidarity and Fight Against Poverty set up 5 working groups for each of the following target groups: persons with disabilities, children, older persons, homeless persons and homeless persons and families and Roma. The groups have met regularly since June 2022, with wide participation of stakeholders such as the Organisation of Welfare Benefits and Social Solidarity (OPEKA), Social Welfare Centres, Ministry of Health, the Ombudsman, the Association of Social Workers of Greece, the National Committee for Human Rights, the Central Union of Municipalities of Greece, representatives of organisations for the defence of the rights of children, people with disabilities, the Roma, the homeless).

The GNCHR emphasises the need for greater cooperation between governmental bodies and non-governmental organisations to effectively address the economic crisis and calls for systemic changes to address underlying social and economic inequalities and more comprehensive, long-term policies that protect the rights of all citizens, particularly the most vulnerable.

HUNGARY

Minimum wage policy and wage adjustments [Q1]

According to the Labour Code, the statutory minimum wage and guaranteed minimum wage shall be determined by the Government, and these two wages might be different for different groups of workers. There is no automatic indexation of the statutory gross minimum wage but it is reviewed annually. The setting of the minimum wage is primarily a matter of negotiation and agreement between the social partners, which the Government takes into account; changes in the cost of living are also assessed. The amount of the minimum wage in 2023 has increased by 16% in comparison compared to 2022.

Measures to protect purchasing power of workers [Q2-Q4]

Measures include the programmes under the public work scheme to allow disadvantaged families and jobseekers living in rural areas to secure their livelihoods. Between July 2019 and January 2022, wages of healthcare workers increased by 72%.

Changes to social security and social assistance systems [Q5]

In 2020, the Government decided to reintroduce the 13th pension. 25% of this monthly pension was paid in 2021, and the full monthly pension was paid in 2022 and 2023.

From January 2023, child home care allowance increased to the amount of the minimum wage (HUF 232,000 (€568)). As of 1 January 2022, the income threshold previously applicable to payment advances on child support was abolished. The income threshold for entitlement to the regular child protection benefit increased by 20% from September 2022.

Indexation/adjustment of social security benefits and social assistance [Q6]

Since 2012, pensions have been adjusted every year in accordance with the inflation rate. Pension increase in January 2022 was 5%, followed by an additional increase of 3.9% in July and 4.5% in November, retroactive to January. This brought the total increase of pensions to 14% in 2022. In January 2023, pensions and pension-like benefits were increased by 15% and by a further 3.5% in November, retroactive to January. The increase for January 2024 was 6%.

The amount of the nursing allowance (by 5.2%), child home care allowance and old-age allowance, as well as disability allowance, benefits for persons with reduced working capacity (by 15%) also increased from January 2023.

Energy and food cost support [Q7]

There was a fuel price cap. For electricity, the cost increase of the so-called system charges (RHD) will necessitate central budget support from 2023 onwards. In addition, the Government has been providing an additional electricity consumption allowance for daily users of certain medical devices since 1 August 2023. Residential users are entitled to the discounted official price up to consumption of 2,523 kWh/year/measuring point (place of use). With regard to heating, the social firewood programme is provided exclusively through the municipalities to those most in need. The State Forestry Services provide firewood to each claimant up to a set quantity.

There was a food price cap for certain products.

According to ETUC, 19 days working at net average wage were needed in 2022 to pay annual energy bill. Food prices increased 3.1 times faster than wages.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Various initiatives are mentioned: Economic Development and Innovation Operational Program "Training of low-skilled and public workers" pursued the goal of improving the participation in education and training of the adult population. Several programmes were aimed at alleviating material deprivation by providing basic food packages and distributing basic consumer goods on a regular basis or educational kits for poor families with children. There were programmes providing children in nurseries, kindergartens, primary and secondary schools, as well as children of individuals displaced by the war in Ukraine, with free or subsidised meals

and/or free institutional and holiday child catering. There were various active labour market programmes, a job-creation scheme which involves providing support for social cooperatives. There was a programme of measures designed to help social inclusion and integration of disadvantaged people living in segregated housing and in extreme poverty by building new social rented housing, renovating existing social rented housing, and supporting housing mobility.

Multidimensional poverty rates, referred to as a risk indicator of poverty or social exclusion, were:

- ▶ for the whole population: 20.6% in 2017, 20% in 2018, 19.4% in 2019, 19.4% in 2020, 18.4% in 2021 and 19.6% in 2022;
- ▶ for children below 18: 26.4% in 2017, 24.1% in 2018, 21.7% in 2019, 23.2% in 2020, 18.1% in 2021 and 24.4% in 2022;
- ▶ families with children: 22.2% in 2017, 20.7% in 2018, 18.7% in 2019, 19.8% in 2020, 16.4% in 2021 and 20.4% in 2022;
- ▶ single-parent families: 43.1% in 2017, 34.7% in 2018, 42.7% in 2019, 40.7% in 2020, 39.8% in 2021 and 36.9% in 2022;
- ▶ families of two adults with three or more children: 31.4% in 2017, 28.6% in 2018, 24% in 2019, 27.9% in 2020, 21.6% in 2021 and 30.4% in 2022;
- ▶ people aged 65 and above: 9.1% in 2017, 9.8% in 2018, 11.1% in 2019, 15% in 2020, 15.4% in 2021 and 13.4% in 2022.

Consultation and participation [Q10]

The Roma Coordination Council (ROK-T), which has been in operation since 2011, provides a forum for dialogue and cooperation on measures to promote the effective inclusion of the Roma population. The ROK-T meets when necessary, but at least twice a year.

ICELAND

Minimum wage policy and wage adjustments [Q1]

There is no statutory minimum wage in Iceland.

Measures to protect purchasing power of workers [Q2-Q4]

No information provided.

Changes to social security and social assistance systems [Q5]

To protect the purchasing power of old-age and disability pensioners, social security benefits were increased mid-year in 2023 by 2.5%. In order not to affect eligibility for housing benefits, the income limit before it starts to affect housing benefits was also increased by 2.5% retroactively as of 1 January 2023.

A special child benefit supplement was paid to those receiving income-related child benefits.

Social security benefits increased by almost 9% in 2022 and 7.4% in January 2023. At the beginning of 2023, yearly income from employment may be ISK 2,400,000 (€16,449) without affecting invalidity and rehabilitation pension (before it half that). Housing benefits were raised by 25% since mid-2022.

Indexation/adjustment of social security benefits and social assistance [Q6]

Generally, social security benefits are adjusted annually in accordance with the general budget. The same applies to other kinds of benefits and income-replacing benefits.

Energy and food cost support [Q7]

No special measures have been adopted with regard to meeting energy and food costs. Approximately 90% of the population lives in houses heated with hot water and therefore energy is not imported for home heating.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report refers to a publication on poverty in Iceland issued by the Icelandic Prime Minister in May 2023, which defined poverty as a term of deprivation, usually financial, or lack of necessities of life or other resources such as water or food. The publication shows that the low-income ratio was 15.3% in 2000 as compared to 13.5% in 2021, and singled out child poverty as a special concern, with 19.6% of the population below the low-income threshold. At the same time, the share of low-income people aged 67 and above decreased from 16.5% in 2000 to 6% in 2020.

According to Statistics Iceland, the share of population at risk of poverty (AROP) among those aged 18 and above was of 9.9% in 2017, 8.4% in 2018, 8.8% in 2019, 7.2% in 2020 and 7.6% in 2021. The AROP rate among those aged 0 to 5 was of 16% in 2017, 16.2% in 2018, 15.4% in 2019, 14.2% in 2020 and 12.1% in 2021; among those aged 6 to 11, it was 11% in 2017, 9.3% in 2018, 14.1% in 2019, 12% in 2020 and 17.2% in 2021; among those aged 12 to 17, it was 8.1% in 2017, 6.7% in 2018, 10.2% in 2019, 7.8% in 2020 and 11.2% in 2021.

The report also refers to a Statistics Iceland publication from June 2021, providing data on household finances. In 2019, 37.5% of single parents were at risk of poverty, compared with 13.7% of households of one childless adult, 8.4% of households of two adults with children and 6.5% of households of two or more childless adults. In 2019, the material deprivation rate was 9.5% among single-parent households, 8.6% among households where one childless adult lived, 3.1% among households of two adults with children and 3.2% among households of two or more childless adults.

Consultation and participation [Q10]

Relevant stakeholders are consulted on legislative proposals, including those regarding measures in response to the cost-of-living crisis. The legislative proposals are published on the Consultation portal (*Samráðsgátt*) where stakeholders are notified that a draft legislative proposal has been published. They can then send in their written comments. Any person from the public can also submit their written comments within the same time-frame. These comments are then reviewed and amendments made if needed. Once a bill has been presented to Parliament (*Althingi*), stakeholders and individuals again have the opportunity to send written comments.

IRELAND

Minimum wage policy and wage adjustments [Q1]

The National Minimum Wage in Ireland is not currently indexed. A Government decision was made in November 2022 that the minimum wage will be set at 60% of hourly median wages by January 2026. The National Minimum Wage increased by €1.40 to €12.70 per hour from 1 January 2024. This increase of 12.4%, is the largest single increase in the minimum wage since a minimum wage was introduced in Ireland in 2000. Taking into account the 2024 increase, the minimum wage has increased by €2.50 or 24.5% since 2021.

Measures to protect purchasing power of workers [Q2-Q4]

The Working Family Payment, which is an in-work support that provides an income top-up for employees on low earnings who have children, increased by €54 per week from January 2024. The Back to Work Family Dividend scheme, which aims to help families move from social welfare into employment, increased from January 2024. Social Insurance Benefits to the Self-Employed were expanded.

Changes to social security and social assistance systems [Q5]

With particular regard to State pension payments, in January 2023, the rate increased by €12 per week in order to compensate for the increased cost of living, and by further €12 per week from January 2024.

In January 2023, the Increase for a Qualified Child benefit increased by €2 for all children and a further increase of €4 was provided for in the Budget 2024. Recipients of it received a lump sum of €100 in respect of each child in November 2023. Recipients of child benefit received a lump sum of €100 in respect of each child in June 2023 and a double payment of child benefit in December 2023. The Budget for 2024 also provided for child benefit to be extended to 18-year-olds in full-time education from September 2024.

In January 2023, there was a 4.8% increase in maternity, paternity, adoptive and parent's benefit and from January 2024 there was an additional increase of 4.6%. In January 2023, one-parent family payment increased by 5.8%. Recipients also received a lump sum of €200 in April 2023 to assist with the cost of living. There was an additional increase by 5.5% in January 2024. Recipients also received a Christmas bonus (double week payment) in December 2023 and a double week payment in January 2024. Similar changes were made to the jobseeker's transitional payment.

For persons with disabilities, Budget 2024 included: a €400 lump sum for cost of living paid to persons getting a disability allowance, invalidity pension and blind pension, Christmas bonus double payment to those receiving a long-term disability payment, €200 cost of living lump sum to people getting a living alone allowance, an increase in weekly disability payments by €12, an increase in the carer's allowance income disregard to €450 for a single person and €900 for a couple, an increase by €10 per month of the domiciliary care allowance and others.

According to the NGO The Wheel, the package of additional payments is not enough to sufficiently support people in the long term. Only benchmarking of social welfare payments can protect against the deprivation currently being experienced by people across Ireland by truly reflecting cost of living.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social protection payments are not indexed to the cost of living, inflation or wages.

Since 2022, a smoothed earnings method to calculating a benchmarked/indexed rate of State Pension payments as a part of the Budget process has been introduced.

Due to the increase cost of living, the rate of payment of State Pension was increased by €12 per week with proportionate increases in the rates for those not on maximum rate and for dependent adults. Those in receipt of State Pensions also received a one-week double payment in December 2022 and in December 2023. The rates planned to be increased further in 2024.

Energy and food cost support [Q7]

Three energy credits of €150 were paid out in December 2023, January and February 2024. The Sustainable Energy Authority of Ireland provides free home energy upgrades to households in, or at risk of, energy poverty who are in receipt of certain social welfare payments.

A number of significant expansions to the Fuel Allowance scheme were implemented since late 2021 to ensure more people qualify for the payment. From 11 October 2021 the Fuel Allowance weekly rate was increased from €28 to €33 per week. Additional one-time payments were made to all Fuel Allowance recipients in March, May, November 2022 and November 2023 ranging from €100 to €400.

Household Benefits Package (HBP) helps with the cost of an electricity or gas bill. Since 2021, the spend on HBP has increased from 274.2 million euros to an estimated 285 million euros for 2023 with the number households benefiting from the package increasing from 484,338 to over 511,000 for the same period.

From April 2024 a total of 450,000 children will have access to the Schools Meal Programme which includes the Hot Meal Programme.

The Budget 2023 saw over 340 Meals on Wheels organisations benefiting from 1.75 million euros additional funding.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Ireland notes in its report that the EU SILC data relate to income in 2021 and do not include the measures implemented and announced by the Government in budgets 2022, 2023 and 2024, as well as cost of living packages, which have prioritised the introduction of measures that have had and will continue to have a direct and positive impact on poverty. A mid-term review published in June 2023 found that 44 out of the original 66 commitments in the original Roadmap were either fully achieved or achieved with ongoing delivery, with the rest of the commitments in various implementation stages.

The report Food Poverty - Government, Programmes, Supports and Schemes, published in July 2022, outlined the range of Government programmes, schemes and services relating to food poverty.

Child Poverty and Well-being Programme Office in the Department of the Taoiseach published recently its first Programme Plan - From Poverty to Potential: A programme Plan for Child Poverty and Well-being 2023-2025.

Other policy plans to improve the lives of children:

- ▶ Young Ireland: the National Policy Framework for Children and Young People 2023-2028, which focuses on child poverty, mental health and wellbeing, and disability services;
- ▶ First 5: a ten-year plan to tackle early childhood poverty;
- ▶ Breaking the Cycle: new measures in budget 2024 to reduce child poverty and promote well-being, which describes the enhanced steps that the Government is taking to support children to realise their potential and escape inter-generational cycles of poverty.

The report notes that the EU SILC at-risk-of-poverty data sets contain a break in 2019, due to a change in how data was collected, making it impossible to compare the situation before and after that date.

AROP rates:

- ▶ for the general population: 17.5% in 2017, 14% in 2018, 12.8% in 2019, 13.2% in 2020, 11.6% in 2021 and 13.1% in 2022;
- ▶ for children below 18: 18.4% in 2017, 15.9% in 2018, 15.3% in 2019, 16.4% in 2020, 13.6% in 2021 and 15.2% in 2022;
- ▶ for older persons: 8.6% in 2017, 11.4% in 2018, 10.5% in 2019, 9.8% in 2020, 11.9% in 2021 and 19% in 2022;
- ▶ for single parents: 39.9% in 2017, 33.5% in 2018, 29.7% in 2019, 31% in 2020, 22.8% in 2021 and 23.8% in 2022;
- ▶ for people unable to work due to long standing health conditions: 33.4% in 2020, 39.1% in 2021 and 35.2% in 2022.

According to The Wheel, Ireland is experiencing a significant housing and homelessness crisis. More than 560,000 people are at risk of poverty and more than 900,000 are living in enforced deprivation. One in 12 charities has the specific charitable purpose of the relief of poverty or economic hardship.

Consultation and participation [Q10]

The Roadmap for Social Inclusion 2020-2025 committed that “an independent mid-term review of the Roadmap” would be undertaken. An independent contractor was appointed to undertake the stakeholder engagement, including a full public consultation which received 42 submissions from a variety of individuals

and organisations. In addition, the Department of Social Protection regularly holds formal meetings with stakeholders, such as bi-lateral meetings with the Community and Voluntary Pillar, as well as the Pre-Budget Forum to discuss a broad range of issues.

The annual Social Inclusion Forum brings together policy makers, service providers and service users including, NGOs, community and voluntary sector groups and representatives of people experiencing poverty and/or social exclusion, to discuss and debate national policy on poverty reduction.

An annual pre-Budget forum is held where stakeholders feed in what they wish to see in the forthcoming Budget. On the day of the Budget, a post-Budget forum is held. This is an opportunity for stakeholders to get more information on the impact of Budget measures on groups that they represent.

According to The Wheel, it is vital that the civil society organisations are protected and meaningful partnership working should be improved in order to address increasing need across communities.

Minimum wage policy and wage adjustments [Q1]

Italy does not have a statutory minimum wage system. However, over 90% of workers are covered by national collective agreements aimed at determining fair wages based on the economic sector and worker classification. These agreements may include provisions to adjust wages in line with inflation.

If a collective agreement is considered not to ensure a fair wage, it may be referred to a judge to ascertain the breach of Article 36 of the Constitution, to safeguard the workers right to a remuneration commensurate to the quantity and quality of their work.

Measures to protect purchasing power of workers [Q2-Q4]

The fiscal and economic policy adopted in Italy starting from the end of 2021 and the beginning of 2022, was characterised by a series of specific actions aimed mainly at tackling the energy crisis and its impact on the general index of inflation. Some of the main measures implemented include measures to contain electricity and gas bills, tax credits to offset the higher costs sustained for the purchase of electricity and gas, exemptions from social security contributions, etc.

Measures implemented in response to inflation and rising costs included the introduction of VAT reductions on certain products, increases in social bonuses for electricity and gas, and fuel vouchers. The *Dedicata a Te 2023* shopping card provided direct financial support to low-income families for purchasing essential goods.

Changes to social security and social assistance systems [Q5]

In the period from 1 January to 31 December 2022, a 0.8% exemption was provided for the quota of social security contributions for *invalidity, old age and survivors* paid by employees on low-medium income. Further changes included early retirement options under the “Quota 102” and “Quota 103” schemes, providing more flexible retirement based on age and contribution years. In 2022 a *Single Universal Allowance* (AUU) was introduced for each dependent child up to the age of 21 (subject to specific conditions) and without limit of age for children with disabilities. Finally, there was a restructuring of benefits for entertainment and sports industry workers, introducing a “discontinuity allowance” to support those in irregular employment.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social security benefits, including pensions, are indexed to the cost of living. Adjustments are made annually based on inflation rates determined by the Italian National Institute of Statistics (ISTAT). For example, pensions were adjusted in November 2022 to reflect a 1.9% increase for 2021, and provisional adjustments for 2022 were set at 7.3%. These adjustments are aimed at aligning with changes in the cost of living to ensure pensioners maintain their purchasing power. Adjustments were continued in 2023 and are planned for 2024.

Energy and food cost support [Q7]

Measures to support citizens with rising energy and food costs included reducing VAT on methane gas, extending social bonuses for energy bills, and implementing a price reduction scheme for essential goods, named the “anti-inflation pact”, to help mitigate the cost impact on households. The pact, effective from October to December 2023, involved discounts on various essential items such as pasta, milk, and meat.

The so-called *Ukraine Crisis Decree* of 21 March 2022 containing “Urgent measures to combat the economic and humanitarian effects of the Ukraine crisis” provided that in 2022 private companies could offer a gratuity to their employees in the form of petrol vouchers or an equivalent, up to a maximum non-taxable amount of €200.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The “Citizenship Income” (*Reddito di Cittadinanza*, “RDC”) was introduced to provide financial support and to support social inclusion initiatives for low-income individuals and families. The RDC is a monthly payment based on family size and financial needs, and it includes additional support for housing costs. This measure aims to reduce poverty and social exclusion and was expanded to cover a broader demographic.

As of 2024, the RDC was replaced by an “Inclusion allowance” which may be accompanied by a new support for training and employment program.

Long-term strategies focus on enhancing social inclusion and economic stability through comprehensive social policy reforms. This includes fiscal reforms to reduce taxes on workers and pensioners, initiatives to boost employment, and policies to support homebuyers and families. Furthermore, Italy has implemented reforms aimed at improving social services for non-self-sufficient individuals, enhancing disability support, and preventing institutionalisation by promoting community and home-based care.

Consultation and participation [Q10]

Municipalities guarantee inclusive participation and on-going dialogue with citizens and their organisations when it comes to determining measures and actions to be taken for the benefit of the community. Consultation processes include public meetings and assemblies, surveys and questionnaires, as well as the set-up of consultation systems and the use of more structured forms of horizontal subsidiarity and participatory governance. This is conducted through shared planning tools, such as, joint programming and joint planning, as regulated in the Third Sector Code.

Minimum wage policy and wage adjustments [Q1]

The Ministry of Welfare, together with the Ministry of Finance and the Ministry of Economy, evaluates the economic situation in the country every year and develops proposals to the Cabinet of Ministers for the minimum monthly wage for the following year. In 2022, the Labour Law was amended so that the minimum monthly wage cannot be lower than €620 in 2023 and €700 in 2024. As a result, the minimum monthly wage within normal working hours starting from 1 January 2023 increased from €500 to €620, while from 1 January 2024 the minimum monthly wage will increase up to €700.

In their third-party submissions, the Ombudsman provides that review of the monthly minimum wage is irregular and despite the increases made, the minimum monthly wage does not meet the standard laid down in the Charter that wages should not be lower than 60% of the national average.

Measures to protect purchasing power of workers [Q2-Q4]

The report states that in Latvia, social assistance is provided in case of cost-of-living crisis. The report does not mention any in-work benefits which are being applied in Latvia.

Changes to social security and social assistance systems [Q5]

In 2021, Latvia increased the level of guaranteed minimum income from €64 to €109 for the first single person in the household and €76 to the other persons in the household. The amount of the crisis benefits paid by local governments to households was co-financed by the Government in the amount of 50% per family (or person).

The minimum old-age pension is set at €136 (previously €80). For people with disabilities since childhood, the pension is set at €163 (previously €122.69). Minimum disability pension was also increased. From 1 January 2022, the support for families with children was increased for families with two or more children (for one child the allowance is €25, for two - €100, for three - €225 and for four or more - €100 per month for each child). As of 1 April 2022, the employer pays the sickness allowance from their own funds until the ninth day of the employee's incapacity to work. From the 10th day, the employee receives a sickness benefit from the State.

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions are the only social transfer indexed in Latvia to the cost of living. In 2022, the indexation took place on 1 August instead of 1 October. In 2022, all granted old-age, disability, retirement, and survivors' pensions and remunerations up to €534 were indexed. For pensions above €534, only part of €534 was indexed. For disability, retirement and survivors' pensions, as well as for insurance benefits up to €534, an index of 1.2287 was applied, regardless of the insurance period. Supplements granted for the length of service up to 31 December 1995 were also increased by index of 1.2287.

The Ombudsman highlights that neither the revision of social assistance benefits nor State social benefits directly considers the inflation rate which could result in loss of purchasing power of its recipients.

Energy and food cost support [Q7]

Latvia introduced temporary increases in the housing benefit and State benefit targeted to the low-income population and other groups at higher risk of social exclusion to compensate for energy cost increases in the 2021-2022 and 2022-2023 heating seasons. Price thresholds for electricity, natural gas, centralised and decentralised heating were set based on average consumption in the previous year. Compensation to households/consumers was provided if the factual prices exceeded these thresholds. From 1 January 2022 to 30 April 2022, temporary benefits were provided to seniors and persons with disabilities (€20 per month), and families with 3 or more children (€50 per month). From November 2022 to May 2023, pensioners, families with children with disabilities, refugees and people with alternative status received monthly support in addition to their pension or benefit. Under the Operational Programme for the 2014-2020 and the European Social Fund Plus Programme for Material Deprivation for 2021-2027, each person in the household within three a month period receives food packages; package of hygiene and household items; additional baby food packages for families with small children aged 6 to 24 months.

The Ombudsman provides that some protected customers (namely sub-users that are residents of multi-apartment buildings, tenants of social apartments and who are not direct contractors to an electricity service) do not receive the protected customer support due to qualifications not met by their energy provider.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides the following data on at-risk-of-poverty rate: the general population: 23.3% in 2017 and 22.5% in 2021; children under 18: 17.5% in 2017 and 16.2% in 2021; people aged 65 and above: 45.7% in 2017 and 40.5% in 2021; single-person households: 52.6% in 2017 and 47.1% in 2021; single-person households (65+): 74% in 2017 and 68.4% in 2021; households composed of two adults (at least one 65+) without dependent children: 33.5% in 2017 and 27.7% in 2021; households composed of a single parent with dependent children: 32.6% in 2017 and 29.4% in 2021; persons with disabilities: 37.3% in 2017 and 36% in 2021.

Consultation and participation [Q10]

The report states that, in the period of crisis, there is little time for extensive and qualitative discussions. However, consultations and expression of views usually take place during the official process of coordination of legal acts where everyone, including non-governmental organisations and other stakeholders, have the opportunity to express their view.

LITHUANIA

Minimum wage policy and wage adjustments [Q1]

The adjustment of minimum wage rate typically occurs on January 1st of each year. The Labour Code provides that the minimum hourly wage and minimum monthly wage be approved by the Government after receiving recommendation of the Tripartite Council (representing the government, employers, and trade unions). Since the end of 2021, the statutory minimum wage has been adjusted/indexed thrice. For the last adjustment in May 2023 the Tripartite Council increased the minimum monthly wage by 10% from 1 January 2024. Increase to minimum wage in recent years is as follows: 13.7% increase in 2022, 15.1% in 2023 and the 10% increase as of January 2024.

Measures to protect purchasing power of workers [Q2-Q4]

The non-taxable income amount increased 17.4% in 2022, 15.7% in 2023, and is expected to increase 19.5% in 2024. The growth rate of non-taxable income has exceeded the growth rate of the minimum monthly wage. Although Lithuania does not have "in-work" benefits, a social benefit recipient can be granted additional social benefit in case they start new employment. From 1 June 2020, the amount of the in-work social benefit after employment has been increased and differentiated depending on the duration of payment: for 4-6 months of payment – 80% of the average amount of the social benefit paid during the last 6 months prior to employment; for 7-12 months of payment – 50% of the average amount of the social benefit paid during the last 6 months prior to employment.

Changes to social security and social assistance systems [Q5]

Consistent increases in child benefits have been made and in 2023, universal child benefit was increased from €80.5 to €85.65, additional child benefit from €47.38 to €50.47. As of 1 January 2023, each parent can take a two-month non-transferable period of paid parental leave. During non-transferable leave, 78% of the amount of compensatory earnings of the recipient is paid. As of 1 July 2024, the minimum limit of maternity, paternity and childcare benefits was increased to €392. From 1 January 2024, the general payment terms of sickness benefits were extended. Since 1 July 2021, the recipients of social insurance pensions and compensations for loss of working capacity due to a work accident and welfare benefits have the right to receive full unemployment social insurance benefits.

Indexation/adjustment of social security benefits and social assistance [Q6]

A new reference indicator for social security benefits was implemented in 2021 and the amount of minimum consumption needs (AMCN) was approved. Between 2021 and 2023, the AMCN increased from €260 to €354. Basic social benefits (BSB) may not be less than 16%, the social assistance pension may not be less than 54%, the target compensation base may not be less than 47%, and the State Supported Income (SSI) may not be less than 50% of the previous year's AMCN. The AMCN is calculated on an annual basis and the social security benefits increase depending on the growing annual inflation and prices of food and non-food products and services. Indexation of basic pension and pension point value is done each year according to the growth of the age fund in the economy.

Energy and food cost support [Q7]

Lithuania introduced temporary increases Amendments to the Value Added Tax Law have been introduced so that VAT calculated for heat energy and hot water supply for residential premises temporarily covered from the State budget. Tax aid measures have been provided for energy-intensive companies whose energy consumption is at least 10% of total costs. For more than half a year, the actions of forced recovery of tax arrears are not applied and no late interest are calculated. In 2022, compared to 2021, the average number of beneficiaries of compensation for heating cost increased by 45.7%. The size of an average compensation for centralised heating costs per month for one citizen increased by 71% (from €24.46 to €41.83), for other fuel types increased by 3.1 times (from €48.66 to €152.09).

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Lithuania has been taking comprehensive policy action to reduce poverty and measures have been implemented to strengthen working-age benefits. The changes include increase in State-supported income, indexation to

the amount of minimum consumption needs from 2019, revisions in unemployment benefits that increased coverage and made payment rates more generous, and changes in the family benefits notably through the introduction of a universal-child-benefit.

The at-risk-poverty rate in the population has stabilised at around 20-21% in 2022 and reached about 19.9% in 2023. This rate among those below 18 was 17.8% in 2022 and 17% in 2023; among those aged 65 and above, it was 39.5% in 2022 and 36.5% in 2023; among single-person households, it was 43% in 2022; among single-parent households, the rate was 35.6 in 2022.

Consultation and participation [Q10]

Lithuania has regular consultations between national and local governments through the Association “National Network of Poverty Reduction Organisations” which unites 61 non-governmental organisations. These organisations represent social groups including families facing difficulties, people with disabilities, persons suffering from addiction disease, etc. These non-governmental organisations come together to discuss and participate in reducing poverty and income inequality in Lithuania.

LUXEMBOURG

Minimum wage policy and wage adjustments [Q1]

Luxembourg has a system of automatic adjustment of wages, salaries and social benefits as soon as cumulative inflation reaches 2.5% of the cost-of-living index (consumer prices). STATEC (National Institute of Statistics and Economic Studies) establishes each month the level of the consumer price index and calculates a six-monthly average.

Measures to protect purchasing power of workers [Q2-Q4]

Among the measures adopted within the framework of *Solidarit  itspak*, the adaptation of the personal income tax rate to inflation was decided by the Government in cooperation with social partners (tripartite agreement of September 2022), with compensation of two and a half index brackets from 2024. The report refers in addition to the information provided in relation to automatic adjustment of wages and social benefits.

Changes to social security and social assistance systems [Q5]

An equivalent tax credit has been introduced, with the aim of offsetting the loss of purchasing power due to the modulation of the indexation of wages and pensions. It is paid to each recipient of the basic flat-rate amount under the amended law of 28 July 2018 on the social inclusion income until 31 December 2024. From 1 October 2021, the indexation of family allowances was reintroduced and from January 2022 they are indexed to the changes in the cost of living.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social security benefits in Luxembourg are indexed to the cost-of-living. Benefits were last adjusted on 1 September 2023. Pensions are also adjusted annually in line with wage trends, depending on the financial situation of the pension system. The amounts of the social inclusion income and the income for the severely disabled have been adjusted by 3.2% on 1 January 2023.

Energy and food cost support [Q7]

In February 2023, households benefiting from the cost-of-living allowance received a single bonus of minimum €200 and maximum €400 depending on the composition of the household (Energy bonus).

The price of electricity is stabilised, or slightly reduced, for residential customers by increasing the State's contribution used to finance the development of renewable energies, in the composition of the price of electricity. The price of natural gas for residential customers is substantially reduced by the payment by the State of network costs which represent a significant part of the final price of natural gas.

The Government is strengthening financial aid measures for energy renovation, the promotion of heating systems based on renewable energies, sustainable mobility and the installation of renewable energies in order to continue to help households in the energy transition. The law of 29 June 2022 introduced, until the end of March 2023, a socially targeted energy tax credit intended to compensate, or even overcompensate, for the loss of purchasing power of salary categories below €100,000 per year.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

During 2022, the 30 Social Welfare Centres in the country provided non-reimbursable grants amounting to €4,338,702.29 in total. They provide frontline assistance to households in difficulty, whether because of the social-economic impact of the pandemic, increased energy costs or increased housing costs.

A law adopted on 16 December 2022 authorised the State to cover the energy cost increases incurred by residential facilities for older persons (from 1 October 2022 to 31 December 2024). Several measures to combat homelessness and housing exclusion have been taken including the homeless persons censuses carried out in Luxembourg City in October 2022 and June 2023. Additionally, the opening in January 2024 of a State-funded new residential facility for ageing homeless persons, and the opening of a mobile night shelter at the end of 2023, followed by a fixed night shelter scheduled to open during 2024.

Consultation and participation [Q10]

An annual survey on household income and living conditions (EU SILC) is one of the key sources for measuring changes in the society and well-being of the residents. It is also used to assess the effectiveness of policies and the fight against poverty and social exclusion. STATEC also organises a survey to develop measures to combat poverty, inequality and social exclusion using the data collected.

Minimum wage policy and wage adjustments [Q1]

The cost-of-living adjustment is calculated based on the percentage increase in the Retail Price Index (RPI) applied to the social wage. Effective from 2023, the statutory minimum wage is adjusted to reflect and to guarantee its adequacy according to the criteria in the Legal Notice governing the Low Wage Commission. In 2023, an agreement has been concluded between the social partners and the Government, through the brokerage of the Low Wage Commission, so that the statutory minimum wage can increase gradually during the period 2024-2027. Starting from January 2024, the current national minimum wage of €192.73 a week will see an initial increase to €200.73 a week, with further raises planned in the coming years. By 2025, the minimum wage will reach €203.73, followed by an increase to €206.73 in 2026.

Measures to protect purchasing power of workers [Q2-Q4]

In 2023, the Government introduced a mechanism that targets specifically the pressures of the increases in prices on low-income families. This is geared towards households with an income that does not exceed the equivalised national median income. To calculate the rate of this benefit, the Government looks at how different the inflation rate for those on low income is compared to that of the average household.

In-work benefits, introduced in 2016, was also expanded to cater families wherein only one of the parents is engaged in work activity. The benefit rates and income ceilings were also increased over the years. In June 2020, an in-work benefit supplement was introduced which amounted to a one-time payment of €250 per family. The income ceiling has been widened in 2020, 2021 and 2022. The Government introduced a similar payment intended for workers who work on a shift-basis, on weekends, or after 6pm and whose basic salary does not exceed €20,000 per year. The scheme was renewed for 2023.

Also, whose earnings are subject to income tax deductions, are entitled to a tax refund every year. This refund ranges between €60 and €140, with the highest income being granted to low-income earners. This measure is estimated to cost around 26 million euros each year. Lastly, starting from year 2020, the taxation on overtime work was gradually lowered.

Indexation/adjustment of social security benefits and social assistance [Q5]

Since the end of 2021, survivors' pension has gradually increased. As of January 2024, survivors' pensions are no longer taxable. From January 2024, a family benefit from social security contribution benefits was extended also to parents who first built a family and then entered the labour market. For invalidity pensions, from January 2024, persons suffering from severe mental conditions may qualify for it if they have at least 50 weeks of social security contributions instead of the former 250 weeks.

The amounts of the contributory retirement grant were increased from €250 for those who contributed for one year in 2021 to €450 in 2023, and from €350 for those who contributed for more than one year in 2021 to €550 in 2023. Effective from 2022, around 7,700 recipients of non-contributory benefits were awarded the full cost of living increase.

Also, the disabled child allowance was increased from €25 to €30 weekly. The childbirth bonus was increased from €300 to €400. In 2021, a carer's grant was introduced to address the situation of parents of disabled children who are unable to work. Between 2021 and 2023, the grant was increased from €200 to €4,500 per year. Also, in 2021, a child supplement was introduced, which amounted to €70 per child per year for low-income families (in 2023 it amounted to €160) and to €50 per child per year for families whose income exceed the threshold (in 2023 it amounted to €140).

Indexation/adjustment of social security benefits and social assistance [Q6]

Benefits are adjusted annually and linked to the statutory minimum wage. They are increased annually by 2/3 of the full cost of living increase. As of 2022, persons in receipt of any form of social assistance are awarded the full cost of living increase. Pensions are indexed through a mechanism that corresponds to 70% of the increase in the national average wage and 30% of the inflation rate as published by the National Statistics Office.

Energy and food cost support [Q7]

Since 2021, the Government is absorbing the hike in energy and fuel prices with no impact for the consumer. The subsidies are estimated to cost approximately 350 million euros per year. An energy benefit is also payable to low-income earners amounting to 30% of the consumption of electricity prior to the eco reduction up to maximum assistance of €75 per year per person in the household. In January 2024, the Government launched a price-stability assurance scheme, which will see the price of 15 categories of imported basic food items reduce by a minimum of 15% below the Recommended Retail Price (RRP) as on 31 October 2023.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

At-risk-of-poverty rates for different groups are as follows: the general population: 16.8% in 2018, and 16.7% in 2022; persons aged 16 and below: 21.3% in 2018 and 20.8% in 2022; persons whose activities are slightly or severely limited because of health problems: 23.6% in 2018 and 29% in 2022; persons aged 65 and above: 25.4% in 2018 and 30% in 2022.

Consultation and participation [Q10]

The report does not provide any answer to question 10.

MONTENEGRO

Minimum wage policy and wage adjustments [Q1]

Until 1 January 2022, the net amount of the minimum wage in Montenegro was €250. The minimum wage was increased to €450 by amendments to the Labour Law that entered into force on 01 January 2022.

The amount of the minimum wage is determined by the Government at the proposal of the Social Council, on an annual basis, based on the criteria for determining the level of minimum wages, namely:

- ▶ the general level of wages in the country;
- ▶ living expenses and changes in them;
- ▶ economic factors, including the requirements of economic development, the level of productivity and the objective of achieving a high level of employment.

Measures to protect purchasing power of workers [Q2-Q4]

In response to the problem of rising prices of basic foodstuffs and high inflation rates, the Government of Montenegro agreed with the representatives of the largest retail chains in the country on a multi-month action called "STOP INFLATION", which entails the formation of the so-called "anti-inflationary baskets". The goal of this action and the introduction of the anti-inflationary basket is to reduce the pressure on the living standards of citizens and contribute to the stabilisation of the prices of basic foodstuffs.

The anti-inflationary basket was formed in such a way as to contain at least one item from each of the 25 types of agreed products. The selection of the specific item from the defined type of product is made by the trader himself and forms the price in accordance with the previously reached agreement with the Ministry of Economic Development and Tourism (the trade margin in retail should not exceed 5%, while the trade margin in wholesale is also limited to 5%).

As a result of the implementation of the "STOP INFLATION 100+" action, there was a significant reduction in the sales prices of a large number of products, and therefore the stimulation of competition on the retail and wholesale markets had multiple positive effects on consumers.

Changes to social security and social assistance systems [Q5]

In 2021, child allowance became available to children younger than 18, up to a maximum of five children in the family; the monthly amount is €30.

In 2023, the amount of one-time compensation for a newborn child increased to €900 and for the beneficiaries of basic social assistance – to €1,000.

One-time assistance was granted to certain categories of pensioners in November 2022 and, depending on the amount of the pension, it varied between €50 and €200.

Indexation/adjustment of social security benefits and social assistance [Q6]

Benefits are adjusted twice a year along with the movement of the cost of living and the average salary of employees in the territory of Montenegro based on statistical data from the previous half-year in a percentage that represents the sum of half of the growth in the cost of living and half of the growth in wages.

Pensions are adjusted on 1 January, 1 May and 1 September every year, based on statistical data, along with the movement of consumer prices and average earnings of employees in the territory of Montenegro in the previous four months in relation to the four months preceding them, namely: in a percentage that represents the sum of 75% of the growth or fall in consumer prices and 25% of the growth or fall in wages if the rate of change in the consumer price index is greater than the rate of change in the wage index, or equal to that rate; in a percentage that represents the sum of 25% of the growth, i.e. the fall in consumer prices 75% of the growth, i.e. fall in wages, if the rate of change in the consumer price index is lower than the rate of change in the wage index.

On 1 September 2023, pensions were adjusted by 2.45% plus by an extraordinary adjustment of 2.55%.

Energy and food cost support [Q7]

With regard to the payment of energy costs, the Government adopted back in 2007 the Program for subsidising monthly bills for the most vulnerable category of the population, which is continuously applied every year.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

At-risk-of-poverty rate for the general population stood at 23.6% in 2017, 23.8% in 2018, 24.5% in 2019, 22.6% in 2020, 21.9% in 2021 and 20.3% in 2022.

Child benefits are adjusted twice a year to match the increase in the cost of living and average wages.

The report also indicates that the Ministry of Labour and Social Welfare issued 22 licenses to providers of social services targeting children, older persons, and children and adults with disabilities.

Consultation and participation [Q10]

When preparing draft laws, policy and strategies in the field of social and child protection, relevant non-governmental organisations participate in working groups and provide comments and suggestions during the public debate.

NETHERLANDS

Minimum wage policy and wage adjustments [Q1]

The statutory minimum wage in the Netherlands is adjusted twice a year, on January 1st and July 1st, in line with the average increase in wages in collective bargaining agreements. Since the end of 2021, the minimum wage has been indexed four times with increases ranging from 1.41% to 3.13%. Additionally, in January 2023, the minimum wage was increased by an additional 8.05% due to the cost-of-living crisis, resulting in a total increase of 10.15% when combined with regular indexation.

In the Caribbean Netherlands, the minimum wage is indexed annually on January 1st based on the percentage increase in the consumer price index (CPI) from the third quarter of the previous year to the third quarter of the current year. Since 2019, the statutory minimum wage has been raised beyond the inflation adjustment in consultation with social partners to work towards a minimum income standard.

In the Netherlands Curaçao, the minimum wage still does not align with the poverty line.

Measures to protect purchasing power of workers [Q2-Q4]

Several measures were implemented in response to inflation and rising costs, including:

- ▶ Increasing the employed person's tax credit in 2023 and further in 2024 to lower the income tax for workers, particularly benefiting those earning around the minimum wage.
- ▶ Adjustments to tax brackets, tax credits, and supplementary child benefits indexed using a correction factor, aimed at providing relief to households in 2024.

The measures taken to protect purchasing power in the face of rising inflation, such as the energy allowance, were also available for workers in the Caribbean Netherlands. In addition, permanent subsidies were introduced for fixed-line internet connections and drinking water charges to reduce household costs.

In the Netherlands Curaçao the *Makuto Básiko* (Basic Food Basket) included a broader assortment of goods to make essential items more accessible despite rising costs.

According to ETUC, in 2022 the nominal minimum wage was increased by 3.3% while the inflation rate stood at 9.9%. Therefore, the real growth in the minimum wage amounted to -6.6%.

Changes to social security and social assistance systems [Q5]

Changes particularly to support vulnerable groups included:

- ▶ The "Broad Offensive" bill, adopted in 2023, was aimed at increasing employment opportunities for people with work-limiting disabilities. It also proposed amendments to rules around shared living costs under the Participation Act by authorising members of the household who are under the age of 27 to not qualify as 'cost sharers'.
- ▶ Social benefits like housing benefit, the employed person's tax credit, and supplementary child benefit were increased to support families and lower-middle-income households.

The report also provides a table on the increase of benefits in the Caribbean Netherlands. In 2023 the special allowance on the elderly pension in the Netherlands Curaçao was increased, as well as the welfare standard (by 30%) as of July 2023 and child benefits were also increased.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social security benefits, including old age pensions and social assistance, are linked to the statutory minimum wage and are indexed every six months in the Netherlands. The indexation rates were set at similar rates to those of the minimum wage increases

In the Caribbean Netherlands, social assistance and pensions are indexed annually to the consumer price index. Child benefit however is not linked to the policy-based increase in the minimum wage. Adjustments are based on specific needs.

As to the Netherlands Curaçao, the elderly pension provision was increased in May 2023 to provide greater financial support to older adults living alone, reflecting adjustments to inflation and cost-of-living changes.

Energy and food cost support [Q7]

Measures to respond to the energy crisis and inflation included:

- ▶ an energy allowance of €1,300 for low-income households in 2022 that was continued into 2023;
- ▶ the VAT on energy was temporarily reduced (in 2022 from 21% to 9%), and the excise duty on diesel and petrol was lowered to help households cope with high energy prices. At the end of 2022 all households received a supplementary payment of €190 in November and December, ahead of the introduction of an energy price cap.

In the Caribbean Netherlands, efforts were made to make energy more affordable through subsidies and direct reductions in energy costs.

In the Netherlands Curaçao measures included reducing gasoline and diesel prices, subsidising water and electricity costs, and ensuring the reconnection of low-income households to the water network without cost. See above for the Food Basket.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Measures adopted to combat poverty and inequality, aiming to halve child poverty by 2025 and reduce overall poverty and debt by 2030 include: increasing the minimum wage, improving social assistance, providing better access to healthcare and education, and improving debt counselling. For example, these measures are predicted to improve child poverty to 4.55% in 2025 compared to 9% in 2015.

As concerns the Caribbean Netherlands and the Netherlands Curaçao, the report notes that, although poverty is widespread, no recent statistics are available on the exact scale of the problem. In 2021, 28% of the population has an income below the benchmark, however, cost reductions were not factored into the benchmark so the actual number of households living in poverty will therefore be higher. In order to combat these issues, the multi-year plan aims to better safeguard economic security, prevent people getting into financial difficulties, provide easily accessible financial assistance, ensure better debt counselling and take measures to break the vicious cycle of poverty.

Consultation and participation [Q10]

Long-term strategies focus on economic stability and social equity, including:

- ▶ reviewing the minimum income standard and making necessary adjustments;
- ▶ launching a comprehensive package of measures to support economic recovery, including labour market investments and housing affordability initiatives;
- ▶ continued efforts to align education and labour market needs to ensure sustainable economic growth and employment.

NORTH MACEDONIA

Minimum wage policy and wage adjustments [Q1]

The amount of the minimum wage has been continuously increasing since 2017, from a net amount of MKD 12,000 (€194) in 2017 to MKD 20,175 (€327) in March 2023.

At the start of 2022, workers', employers' representatives and the Government led intensive negotiations and consultations on finding an adequate solution for determining the amount of the minimum wage for 2022. As a result of the social dialogue, a consensual position of the Economic and Social Council was reached on increasing the minimum wage as of March 2022, changing also, the criteria on adjusting the minimum wage, as well as providing employers with subsidies until the end of the year for mandatory social security contributions to cover the difference of the increased minimum net wage.

In line with the established methodology and criteria, after the adjustment, in March 2023, the minimum net wage amount was set to MKD 20,175 (€327). This represents an increase of 12.1% compared to 2022.

Measures to protect purchasing power of workers [Q2-Q4]

According to the report, four packages of anti-crisis measures were announced and adopted by the Government on 18 March 2020, 31 March 2020, 17 May 2020 and 27 September 2020. About 70 specifically targeted measures were defined and implemented within these anti-crisis packages, including:

- ▶ Exemption from payment of personal income tax and profit tax for entities with reduced income of 30% compared to the previous period;
- ▶ Subsidisation of 50% of social contributions per employee in companies strongly affected by the crisis;
- ▶ Support for employers to protect jobs and pay salaries for three months with the provision of assistance equal to the minimum wage per worker, for companies and self-employed that had a reduction in income of at least 30% (84 million euros were realised for this measure, and 120,000 employees were covered);
- ▶ Provision of cash allowance for citizens who lost their jobs amounting to 50% of the worker's average wage (budget expenditures of about €900,000);
- ▶ Financial support for athletes and artists (target groups strongly affected by the crisis) (budget of €508,000);
- ▶ Voucher for home tourism of MKD 6,000 (€97) for employees with a monthly net salary lower than MKD 15,000 (€243) (16 million euros implemented);
- ▶ Issuance of a payment card for subsidising 50% of the green fuel for farmers (4.6 million euros implemented);
- ▶ Financial support for youth by co-financing IT and digital skills training vouchers in the amount of MKD 3,000 (€48) (12 million euros implemented);
- ▶ Co-financing craftsmen's costs for procurement of tools and raw materials (€145,000 for 225 craftsmen).

Changes to social security and social assistance systems [Q5]

The report describes the reform in the entitlements to the child protection domain of 2019 that resulted in reduction in the poverty rate. Also, according to the Law Amending the Law on Protection of Children (No. 236/22), the amount of the right to a special allowance was increased by 15% for parents of a child with disability, for a single parent and for materially insecure parents who are beneficiaries of guaranteed minimum assistance, who have children with disabilities of up to 26 years.

Indexation/adjustment of social security benefits and social assistance [Q6]

Child allowances are adjusted for the increase in the cost-of-living index for the previous year, as published by the State Statistics Office in January of the current year. In 2023, it was adjusted by 14.2%.

No information is provided about the indexation of pensions.

No special measures have been adopted for the remaining cash benefits; however, the amounts of social security benefits continue to increase every year in accordance with the increase in the cost-of-living index for the previous year, as announced by the State Statistics Office in January of the current year.

Energy and food cost support [Q7]

The report provides extensive information on the two packages of energy and food crisis measures adopted in 2022 which were aimed at protecting the most vulnerable categories of society as well as supporting the economy. The first package was adopted in March 2022; it was focused on protecting the standard of living of citizens and maintaining the liquidity of companies. The second package of measures was adopted in October 2022, and provided support for investments in energy efficiency and renewable sources of energy.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

According to the report, in 2020, the at-risk-of-poverty rate was 21.8%. If social transfers and pensions were excluded from household incomes, the at-risk-of-poverty rate would increase to 42.1%. The at-risk-of-poverty rate is projected to return to its pre-pandemic downward trend and fall by about one percentage point to 20.3%, which would be close to the 2019 level.

The report provides information about several measures taken in 2022 to help tackle the cost-of-living crisis among vulnerable groups. Under amendments to the Law on Social Protection, guaranteed minimum assistance recipients received a monthly top-up of MKD 1,000 (€16) for March, April, and May 2022. Under the Law on Financial Support of Socially Vulnerable Categories of Citizens for Dealing with the Energy Crisis, social welfare recipients with children with disabilities received a monthly top-up of MKD 3,000 (€48) for a period of four months starting in December 2022. Over 177,000 citizens received financial support under these provisions.

Amendments to the Law on Pension and Disability Insurance introduced a new methodology for adjusting pensions based on the increase in the average salary and the cost-of-living index. Accordingly, the September 2022 adjustment resulted in an increase of 9.7%, while the March 2023 adjustment resulted in an additional 8.4% increase. A one-off cash benefit in the amount of MKD 1,000 (€16) was provided to all pensioners for three months, April, May, and June 2022, with the aim of maintaining living standards and mitigating the impact of inflation.

Consultation and participation [Q10]

The specific measures and policies that were adopted by the Government [in the context of cost-of-living crisis] had been the subject of extensive consultations and discussions, primarily with social partners, chambers of commerce, and other relevant entities. The measures had also been discussed at sessions of the Economic and Social Council, and even more widely.

NORWAY

Minimum wage policy and wage adjustments [Q1]

There is no statutory minimum wage in Norway. The social partners are responsible for setting the wages, including those receiving the lowest wages. The authorities have no formal role in this process.

Measures to protect purchasing power of workers [Q2-Q4]

There are no in-work benefits in Norway.

Changes to social security and social assistance systems [Q5]

In December 2022, recipients of financial social assistance received a lump sum of NOK 1,000 (€85) in response to the cost-of-living crisis. Also, persons receiving a minimum payment of disability benefit received a lump sum of NOK 3,000 (€255) in February 2023. With regard to housing allowance, the report indicates that since late 2021, payments for bigger households were increased, higher maximum housing expenses are allowed, and household contribution was temporarily reduced.

As of September 2022, the universal child benefit is kept out of the calculation of financial social assistance. Single parents are entitled to an extended child benefit, which on 1 March 2023 was increased by NOK 5,000 (€425) per year. In the revised budget for 2023, the child benefit for children above the age of six was increased by NOK 2,400 (€204) per year.

A holiday supplement of 9.5% of the previous year's paid unemployment benefit was introduced in 2022 for those who had received the benefit for more than eight weeks. Child supplement was increased by NOK 17 (€1,45) from 1 February 2023, and it is given to both parents when both receive unemployment benefits.

From January 2023, the minimum pension level for a single pensioner increased by NOK 4,000 (€340). From 1 January 2024, the pension for the surviving spouse is replaced by a time-limited adjustment allowance which corresponds to 2.25 times the basic amount. The pension for surviving children was also changed and simplified, while at the same time the rates at which the child's pension is granted have been increased.

The worker's social security contribution rates on wages, social benefits and self-employed income have been reduced. For example, the social security contribution rates on social benefits were reduced from 8.2% in 2021 to 7.9% in 2023. However, an extra rate of worker's social security contribution was introduced in 2023. The extra rate amounts to 5% on the part of income from wages that exceeds NOK 750,000 (€63,761) for each worker.

The report lists other measures that helped to reduce the cost of living: in 2022-2023, the maximum kinder-garten fee was reduced and in 2023 it was NOK 3,000 (€255) per month. Low-income families and families with several children benefit from a reduced fee.

Indexation/adjustment of social security benefits and social assistance [Q6]

Many benefits from the National Insurance Scheme are determined in relation to a basic amount, which is adjusted annually with the effect from 1 May, in accordance with the increase in wages. From 1 May 2023, the basic amount increased by 6.41%.

Old-age pensions, guaranteed pensions and minimum pensions are indexed from 1 May to the average of nominal wage growth and price growth. From 1 May 2023, pensions increased by 8.54%. Housing allowance scheme rates have been indexed to the cost of living since 2017. Child benefit rates are not adjusted annually, but in 2023 it was increased in line with expected price increases.

Energy and food cost support [Q7]

Since late 2021 the Norwegian Parliament has adopted several measures to provide extra support to help households meet the increased energy costs such as:

- *financial support to cover energy needs*: a temporary financial support to household to cover electricity costs, introduced in 2021. [When the price exceeds 70 øre per kilowatt per hour (KWh) excluding VAT, the government will cover 90% of the price above this threshold.] In addition, the government has introduced financial support to cover high electricity costs to private sector companies, students, farmers, volunteer organisations and churches;

- ▶ *changes to the housing allowance scheme to increase household support*: anyone who is granted housing allowance also receives additional payments to help meet higher electricity costs. The amount has been independent of the actual household's electricity expenses. The report provides information on the amounts of additional payments, from November 2021 (NOK 2,950 (€250) for 63,900 persons) to March 2023 (NOK 1,500 (€127) for 110,000 persons).

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides information on at-risk-of-poverty rates (cut-off point: 60% of the median equivalised income after social transfers) as follows:

- ▶ the general population: 9.6% in 2015/2017, 9.8% in 2016/2018, 10.1% in 2017/2019, 10.1% in 2018/2020 and 9.9% in 2019/2021;
- ▶ persons aged 67 and older: 9% in 2015/2017, 8.9% in 2016/2018, 8.9% in 2017/2019, 8.9% in 2018/2020 and 8.9% in 2019/2021;
- ▶ persons aged below 18: 10.7% in 2015/2017, 11.3% in 2016/2018, 11.7% in 2017/2019, 11.7% in 2018/2020 and 11.3% in 2019/2021.

No forecasts are available regarding at-risk-of-poverty rates in Norway.

The report stresses the importance of cross-sectorial approaches to addressing poverty and living conditions and indicates that several mechanisms are in place at municipal and State level to facilitate coordination and cooperation. Work is underway on several white papers and expert group reports to assist policy making on poverty and living conditions, such as: "White paper on social mobility and social equalisation", "White paper on integration", "White paper on labour market policy". A strategy on children and youth growing up in low-income families launched in 2020 is currently being implemented, with the participation of relevant ministries.

Consultation and participation [Q10]

The Ministry of Labour and Social Inclusion regularly organises meetings between the government and a collaborative forum against poverty in Norway, which consists of 10 national organisations for people affected by poor living conditions. The meetings normally take place 3 times a year. The Minister of Children and Families has also had regularly meetings with NGOs representing children and families.

Minimum wage policy and wage adjustments [Q1]

The Law on the minimum wage of 10 October 2002 guarantees an annual increase in the average amount of the minimum wage not lower than the expected increase in the prices of all consumer goods and services for a given year (inflation).

The report provides detailed information on the process of setting the minimum wage by the Council of Ministers in consultation with the Social Dialogue Council. It also provides information on the amount of minimum wage which stood at: PLN 2,800 (€664) in 2021; PLN 3,010 (€714) in 2022; PLN 3,490 (€828) on 1 January 2023 and PLN 3,600 (€854) on 1 July 2023; PLN 4,242 (€1,006) on 1 January 2024 and PLN 4,300 (€1,020) on 1 July 2024.

Measures to protect purchasing power of workers [Q2-Q4]

In 2022, a personal income tax reform was adopted, consisting, among others, of increasing the tax-exempt annual income amount by almost 10 (to PLN 30,000 (€7,102) per year) and reducing the tax rate from applicable to first income bracket from 17% to 12%. The reform had no impact on in-work benefits.

Changes to social security and social assistance systems [Q5]

Since 2019, 13th pension was paid for retirees and pensioners and since 2021, 14th pension was paid. An act of 26 May 2023 introduced annual 14th pension in law, which is PLN 2,650 (€629). Lowest pensions were increased from PLN 1,250.88 (€296) in 2021 to PLN 1,588.44 (€376) in 2023.

From 1 January 2022, sickness allowance during hospitalisation is covered up to 80%, when prior it was 70%. The right to be covered by health insurance was extended to certain categories of persons.

Childcare benefit increased to PLN 800 (€189) in comparison with the previous PLN 500 (€118).

Unemployment benefit for the first 90 days increased from PLN 1,240.80 (€294) in 2021 to PLN 1,491.9 (€353) in 2023 and for the remaining days from PLN 974.4 (€231) in 2021 to PLN 1,171.6 (€277) in 2023.

From 1 January 2024, disabled people receive a support allowance which corresponds to a percentage of a social pension and varies between PLN 636 (€150) to PLN 3,495 (€829) per month.

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions and disability benefits are indexed every year on 1 March, with a rate that corresponds to the annual average of the consumer price index for the previous calendar year, increased by at least 20% of the real increase in average pay for the previous calendar year. However, in 2022, pensions were increased in accordance with inflation and the share of the real increase in the average wage in the index was increased from 20% to 63.33%, which had an effect of increasing the rate of indexation of pensions from 105.7% to 107%. In 2023, retirement and disability pensions have been revalued.

Unemployment benefit is adjusted annually on 1 June in line with the average annual price index for consumer goods and services for the previous year.

Income criteria for social assistance are reviewed every three years, and the last review took place in 2021.

Energy and food cost support [Q7]

The following measures have been implemented in 2021 and 2022 by the Government:

- ▶ Solidarity Shield, which protects against sharp increases in electricity prices;
- ▶ Energy Shield: a set of solutions to help tackle high prices for energy and energy sources;
- ▶ Anti-Inflation Shield: the VAT rates have been reduced on certain goods such as basic food products, certain fuels (from 23% to 8%), fertilizers, plant protection products (from 8% to 0%), natural gas (the rate was reduced to 8%), electricity (up to 5%), thermal energy (from January 1 to 31, 2022, the rate was reduced to 8%). Products benefiting from a 0% rate VAT included: meat, fish, milk and dairy products, eggs etc. This rate has been extended for the period from January 1 to 31 March 2024.

The following forms of financial assistance to households have been introduced:

- ▶ a shield allowance compensating for the increase in the prices of energy, natural gas and foodstuffs and aimed at households whose average monthly net income does not exceed PLN 2,100 (€498) for a household of one person or PLN 1,500 (€356) per person for a household of several people;
- ▶ a coal allowance, in the amount of PLN 3,000 (€712) in 2022;
- ▶ an allowance for other heat sources provided for subsidies for the purchase of fuels in 2022 such as: wood pellets, wood chips; the amount of the supplement depended on the energy carrier used and varied from PLN 500 (€118) to PLN 3,000 (€712);
- ▶ an electricity supplement in 2023 to help consumers of electricity in households whose main source of heating is electricity (including heat pumps), the amount of the supplement depended on electricity consumption;
- ▶ the reimbursement of VAT for gaseous fuel supplied in 2023 was intended for the most vulnerable people on the basis of average monthly net income: the payment of reimbursement resumed in 2024, for the period from January 1 to June 30.

According to Law of 17 December 2021 on shield allowance, non-financial support mechanisms have been put in place for the benefit of vulnerable consumers of electricity and gaseous fuels. The Law established a ban on refusing to supply energy during the winter months to vulnerable electricity consumers, as well as to people suffering from chronic respiratory failure requiring mechanical ventilation. In order to protect vulnerable gas consumers in 2022 against increases in natural gas prices, natural gas prices for tariffed consumers were kept at the level of prices approved by the President of the Energy Regulatory Office at the end of 2022. In 2023, the maximum price of gaseous fuels was maintained at the level of PLN 200 (€47) per MWh for tariff consumers, mainly consumers in households. In addition, the distribution service fees for protected consumers in 2023 were kept at the same level as in 2022. This maximum price of gaseous fuels has been extended again, for the period from 1 January to June 30, 2024.

Concerning price increases in electricity in 2023, the Minister of Climate and Environment has taken measures guaranteeing electricity prices in 2023 lower than market prices such as:

- ▶ freezing of electricity prices at the 2022 level within the limit of the fixed consumption ceilings;
- ▶ the maximum price of PLN 693 per MWh (€160) introduced by the law of 27 October 2022 on emergency measures.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides information on at risk of poverty and social exclusion rates (AROPE) as follows:

- ▶ the general population: 18.2% in 2018, 17.9% in 2019, 17% in 2020, 16.8% in 2021 and 15.9% in 2022;
- ▶ those aged below 18: 16.9% in 2018, 16.2% in 2019, 16.1% in 2020, 16.5% in 2021 and 16.7% in 2022;
- ▶ those aged 65 and above: 17.8% in 2018, 18.8% in 2019, 19.2% in 2020, 18.6% in 2021 and 16.8% in 2022.

Extreme poverty rates were 4.2% in 2019, 5.2% in 2020, 4.72% in 2021, 4.7% in 2022. No forecasts are available regarding at-risk-of-poverty rates in Poland.

Several policy documents in the field of poverty reduction have been adopted recently including, notably, the "Strategy for the development of social services - public policy until 2030 (with a perspective until 2035)", launched in 2022, which focuses on persons in need of daily support by reason of the disability, advanced age, mental health problems or homelessness. The report provides further detail on several initiatives designed to promote social economy, regarded as an important element of social inclusion. The Law on Social Economy of 5 August 2022 contains detailed regulation of social economy. The measures to support social economy are designed to be complementary to other measures to combat poverty and are integrated in the main policy documents on poverty reduction.

Consultation and participation [Q10]

The Minister responsible for social security conducts a dialogue with representatives of the social economy sector within the framework of the National Committee for the Development of the Social Economy which is composed of representatives of the public administration and social economy entities, persons representing the scientific community, the bank *Gospodarstwa Krajowego*, trade unions and employers' organisations, the

National Council of Cooperatives, and cooperative unions. The dialogue covers a wide range of issues related to the social economy, including support for those most affected by the cost-of-living crisis.

In February 2021, the Minister of Climate and Environment established a group for the development of measures to support vulnerable consumers and to reduce energy poverty, which is a forum for exchange of knowledge and experience comprising representatives of the central administration, local governments, the scientific community, as well as non-governmental organisations, industry and consumer organisations. Following the work of this group, the Law of 17 December 2021 on the shield allowance was adopted.

PORTUGAL

Minimum wage policy and wage adjustments [Q1]

In Portugal, the national minimum wage (SMN) or guaranteed minimum monthly wage (RMMG) is adjusted annually by the government, following consultations and negotiations with social partners. The monthly value of RMMG is paid 14 times per year and its indexation is not automatic, but a product of cooperation between the government and the Permanent Commission for Social Dialogue. In 2022, a “Medium-Term Agreement for Improving Income, Wages and Competitiveness” set a goal to increase the minimum wage to at least €900 by 2026, alongside targets for wage and productivity growth. In 2022, the nominal minimum wage increased by 6.1%, but inflation of 9% led to a real wage decrease of 3%. In 2023 and 2024, the minimum wage rose by 7.8%.

Measures to protect purchasing power of workers [Q2-Q4]

Portugal has been impacted by external supply-side shocks, notably due to Covid-19 and the invasion of Ukraine by the Russian Federation, leading to inflation. The government implemented measures to support families, including the “Families First Plan” in 2022. This plan aimed to increase incomes and mitigate inflation effects. Key initiatives include a 1% interim salary update for public administration workers, VAT reductions (e.g. 0% VAT on essential food items), financial support for vulnerable families, maximum rent increase limited to 2%, support for beneficiaries of social electricity tariffs, 0% increase in transport prices, reduction of VAT on electricity from 13% to 6%, and other complementary, exceptional and temporary financial support due to loss of income for reasons related to the cost of living, or inflation.

To help workers, Portugal raised the minimum wage to €760 in 2023 and provided additional financial support, such as an interim salary update of the value of public sector remunerations by 1%, reinforcing the meal allowance for public administration workers. The “Families First Plan” also extended benefits to unemployed individuals and research fellows.

According to its comments, in October 2022, UGT-P (Portugal) signed the tripartite Medium-Term Agreement for the Improvement of Income, Salaries and Competitiveness, aimed at fostering fair wealth distribution and improving workers' living conditions. The agreement sets wage increases of not less than 20% by 2026, with nominal remuneration increases of 5.1% in 2023, 4.8% in 2024, 4.7% in 2025 and 4.6% in 2026. The national minimum wage (NMW) will rise by 6% in 2022 and 7.8% in 2023, reaching €900 by 2026, a cumulative increase of 27.6%. Additionally, annual IRS (personal income tax) scale updates are planned to ensure tax neutrality for wage adjustments, along with progressive IRS tax relief for greater fairness. The meal allowance, exempt from tax, will increase to €5.20 for cash payments and €8.32 on cards. Additionally, the agreement supports young workers by providing for progressive tax exemption over a ten-year period. In concrete terms, young workers will be fully exempt from this tax in their first year of employment. Thereafter, taxation will increase gradually: they will pay only 25% of the tax for the next four years, 50% between the fifth and ninth years, rising to 75% in the tenth year. Companies will be incentivised to hire qualified young workers with salaries of €1,320 or more.

Changes to social security and social assistance systems [Q5]

Portugal extended unemployment benefits and reinforced social protection measures (such as the subsidies for the informal caregivers and people cared for, family allowance, parental benefit). The value of the social support index (IAS) increased by 8.4% in 2023 setting at €480.43. Ordinance No. 301/2021 adjusted old-age, disability, survivors' and occupational illness pensions, as well as other social benefits: 1% for pensions up to two times social support index (IAS) (€886.4); 0.49% for pensions greater than two times IAS and lower or equal than six times IAS (€2,659.2); and 0.24% for pensions greater than six times IAS with a limit of 12 times IAS (€5,318.4).

Indexation/adjustment of social security benefits and social assistance [Q6]

The report highlights that the IAS (Social Support Index) is the key reference for calculating and updating social support. It is typically updated annually on 1 January, based on two indicators: the average 12-month variation in the consumer price index (excluding housing) and real GDP growth. However, pensions were most recently updated on 1 July 2023 due to a mid-term increase.

Energy and food cost support [Q7]

To combat inflation and rising energy costs, Portugal introduced several measures. These include: reduction of the tax burden on gasoline and road diesel, lowering retail prices, freeze on transport prices in 2023, preventing any increase in urban passes and rail travel costs, reduction of the VAT rate on electricity from 13% to 6% (from 1 October 2022 to 31 December 2023), extension of support for social electricity tariff beneficiaries to assist with purchasing bottled liquefied petroleum gas (“solidarity bottle”) until December 2023, application of a 0% VAT rate on a basket of 46 essential food items starting in April 2023, provision of exceptional, temporary financial support through a one-time subsidy.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Poverty rates in Portugal were slightly fluctuating from 2018 to 2022 (general population: lowest in 2020 (16.2%) and highest in 2018 (17.3%), retired persons: lowest in 2022 (14.9%) and highest in 2021 (18%), single persons: lowest in 2022 (22.5%) and highest in 2019 (26.2%), minors: lowest in 2022 (15.2%) and highest in 2019 (18.55%), persons aged 65 and over: lowest in 2022 (12.4%) and highest in 2019 (17.3%)). Social transfers in 2022 helped reduce poverty by 5.1 percentage points.

In 2021, Portugal approved a “National Strategy to Combat Poverty 2021-2030”, which aims to eradicate poverty through integrated actions across public policies, including child poverty reduction and promoting employment, in particular for young adults. The first implementation action plan for 2022-2025 was approved in 2023. Also, the Long-Term Strategy to Combat Energy Poverty was approved, which includes a set of measures that aim at promoting the energy and environmental sustainability of housing, universal access to essential energy services, an integrated territorial action, and knowledge and informed action.

Consultation and participation [Q10]

As part of the National Strategy to Combat Poverty, Portugal organised three “Living Lab” sessions in 2023 to involve social organisations and citizens in monitoring the strategy. These sessions helped co-create a roadmap for participatory evaluation of the strategy’s progress.

Minimum wage policy and wage adjustments [Q1]

The monthly minimum wage and hourly minimum wage, which are determined in accordance with Law No. 1432/2000 concerning the establishment and reassessment of the minimum wage, are established by Government Decision, in consultation with the National Confederation of Trade Unions of Moldova and the National Confederation of Employers of the Republic of Moldova. The minimum wages are assessed at least once a year. The minimum wage is established in accordance with economic circumstances, the national average wage level, and the projected rate of inflation.

In 2021 the minimum wage constituted 2950 MDL (€152). It was raised to 3,500 MDL (€182) in 2022 and to 4,000 MDL (€206) in 2023. In consultation with social partners, a new minimum wage of 5,000 MDL (€258) has been approved starting January 1, 2023, representing a 70% increase compared to the 2021.

Measures to protect purchasing power of workers [Q2-Q4]

In 2021, the Government approved the Government Decision No. 316/2021 on the approval of measures to support employers and employees during the Covid-19 pandemic, which involves support during the establishment of technical unemployment. Additionally, the National Employment Agency continues to provide subsidies to employers who hire unemployed people that require additional support on the labour market (people with disabilities, unemployed people for more than one year, victims of human trafficking, victims of domestic violence, etc.).

The report provides information about the Social Assistance Programme, which aims to ensure a guaranteed minimum monthly income for disadvantaged families by providing social assistance based on an assessment of the average monthly global income and support needs. The monthly amount of the social aid is established as the difference between the minimum guaranteed monthly income of the family and its overall income.

According to the People's Advocate Office of Moldova (Ombudsman) despite the positive trend of minimum wage increases, the rate remains insufficient to ensure a decent life for individuals. The Ombudsman recommends that the Government also consider the social and cultural needs of individuals when determining the minimum wage.

Changes to social security and social assistance systems [Q5]

In October 2021, a minimum monthly pension was increased to MDL 2,000 (€103). As of January 2022, it is possible to request early retirement. There is a legal entitlement to review disability pensions that were established prior to 1 January 2022. As a result of indexation, the minimum old-age pension increased from MDL 1,188.05 (€61) in 2021 to MDL 2,620.62 (€135) in 2023. As of 1 October 2022, beneficiaries of State pensions and social allowances with a monthly income of less than MDL 5,000 (€258), benefited from one-time financial support of MDL 1,500 (€77).

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions are indexed with a coefficient representing the inflation rate at the end of the previous year, expressed by the increase in consumer prices in December of the current year compared to the same month of the previous year. On 1 April 2022, all pensions were indexed by 13.94%. From 1 April 2023, all pensions were indexed by 15%. The indexation coefficient was exclusively applied to the portion of the pension that did not surpass the average monthly salary projection for 2022. On 1 April 2023, pensions and some social benefits were indexed by 15% for the part of the pension not exceeding MDL 11,700 (€604).

Guaranteed minimum monthly income is indexed every year on 1 April.

Energy and food cost support [Q7]

In 2022, the Government introduced a targeted energy poverty reduction mechanism. The Law provided a mechanism to compensate households for energy costs (natural gas, thermal energy and electricity) based on a targeted, needs-based approach. Each household was placed in one of 5 categories of energy vulnerability according to individual income, the ratio between income and expenditure on energy, the type of heating system, family composition, and other criteria. Over 895,000 households benefitted from subsidies for energy

in the 2022/23 cold season, based on their specific needs. Due to unfavourable conditions in the energy market, most registered households (around 80%) have been placed in the very high vulnerability rating. These households had up to 60% of their bills compensated.

In the 2023/24 cold season, the system was extended to include monetary payments for wood and other types of solid fuel. It expanded the number of energy vulnerability categories, adding the extreme and primary energy vulnerability categories.

Over 777,000 households have registered to receive energy compensation during the current cold season, of which almost 260,000 benefitted from the monetary payment – 30,000 more than during the previous cold season.

The Ombudsman notes that the social support measures implemented by the Government during the cold season have partially improved the economic situation of low-income households but have not fully safeguarded the living standards of the population.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The poverty rates of the general population amounted to 23% in 2018, 25.2% in 2019, 26.8% in 2020, 24.5% in 2021 and 31.1% in 2022. Extreme poverty rates increased from 9.5% in 2021 to 13.5% in 2022.

For persons with disabilities the AROP increased from 25.8% (2018) to 41.2% (2022), and for older persons the AROP increased from 25.4% (2018) to 43.9% (2022).

The increase in the poverty rate was largely caused by the increase of the energy prices and, respectively, of products and services, especially utilities. Thus, the average consumer prices in December 2022, increased by 30.2% compared to December 2021, including food products by 31.8%, non-food goods by 19.9% and services provided to the population with 44.0%.

Consultation and participation [Q10]

The report provides information on some of the measures targeting those most affected by the cost-of-living crisis. However, the report does not provide the requested information on steps taken to consult with, and ensure the participation of, the persons most affected by the cost-of-living crisis and/or organisations representing their interests in the process of designing of measures in response to the crisis.

ROMANIA

Minimum wage policy and wage adjustments [Q1]

The report states that there is no automatic indexing formula for the minimum wage to the cost of living. According to Law No. 53/2003 (Labour Code), the gross minimum wage is established by a Government decision, after consulting the social partners (trade unions and employers' organisations).

As of January 2022, the Government raised the minimum wage to RON 2,550 (€512) per month, compared to RON 2,300 (€461) in 2021, which represents an increase of 10,9%, compared to December 2021. On January 2023, the Government raised the minimum wage to RON 3,000 (€602) per month, compared to RON 2,550 (€512) in 2022, representing an increase of 17,6%. By Decree No. 900/28 of September 2023, the Government raised the minimum gross wage to RON 3,300 (€662) per month, effective from October 2023.

Within the construction field, starting from January 2023 until November 2023, the minimum wage was RON 4,000 (€803), compared to RON 3,000 (€602) in 2022. Starting with November 2023, the minimum wage is RON 4,582 (€920). As regards the agricultural and food industry sectors, starting with November 2023, the minimum wage is RON 3,436 (€690), compared to the previous value of RON 3,000 (€602). All increases cover the inflation rate for 2022.

Measures to protect purchasing power of workers [Q2-Q4]

Through the Government Emergency Ordinance 67/2023, the Government has instituted several temporary measures aimed at combating the excessive increase in prices for agricultural and food products. This Ordinance aims to limit the price increase of some agricultural and food products by capping the commercial markups applied by processors, distributors, and retailers. This legal act applies to 12 basic products, such as plain white bread, cow's milk, cow's cheese, plain yogurt, wheat flour, cornmeal, chicken eggs, sunflower oil, fresh chicken meat, fresh pork, fresh vegetables and fresh fruits.

Changes to social security and social assistance systems [Q5]

Child benefit for children between two and 18 and young people over 18 if they are in education or vocational training, as well as for young people for disabilities, increased from RON 214 (€43) in 2021 to RON 256 (€51) in 2023. For children under two or up to 18 for those with disabilities, it increased from RON 427 (€85) in 2021 to RON 631 (€126) in 2023. Minimum child raising benefit increased from RON 1,250 (€251) in 2021 to RON 1,496 (€300) in 2023.

Monthly benefits for persons raising children with disabilities increased between 2021 and 2023. Monthly benefits for persons with disabilities also increased. Moreover, a lump sum was granted for children and persons with disabilities in January 2022 and 2023.

Monthly amount of guaranteed minimum income increased, from RON 142 (€28) in 2021 to RON 170 (€34) in 2023.

Indexation/adjustment of social security benefits and social assistance [Q6]

There is no automatic indexation of old-age pensions but periodic increases are subject to a Government decision. Starting with 2024, the value of the pension point will increase with the average annual inflation rate, to which at most 50% of the real increase of the average gross earnings is added. The pensions were last increased on 1 January 2023 by 12.5%, the value of the pension point being RON 1,785 (€358).

As of January 2023, child allowance is indexed annually, with the average annual inflation rate.

Energy and food cost support [Q7]

The report provides information on the following measures:

- Financial aid was granted to pensioners of the public pension system and beneficiaries, as follows: (a) in January 2022 a financial aid of RON 1,200 (€241) was granted to pensioners whose income was less than RON 1,600 (€321); (b) in July 2022 a financial aid of RON 700 (€140) was granted to pensioners whose income was less than RON 2,000 (€401); (c) in January and October 2023, an aid paid in two equal instalments was granted in each of the two months to pensioners with incomes equal or below to RON 3,000 (€602).

- ▶ Law No. 226/2021 on the establishment of social protection measures for vulnerable energy consumer establishes the criteria for classifying families and single persons as vulnerable energy consumers and provides social protection measures for them in terms of access to energy resources to meet the essential needs of the household.
- ▶ Government Emergency Ordinance No. 118/2021 on the establishment of a compensation scheme for the consumption of electricity and natural gas covering the period 1 November 2021 – 31 March 2022.
- ▶ Government Emergency Ordinance No. 27/2022 on the measures applicable to final consumers on the electricity and natural gas market between 1 April 2022 and 31 March 2023, as well as for amending and supplementing certain regulations in the energy sector (GEO 27/2022).
- ▶ For the consumption period between 1 September 2022 and 31 December 2022, the final billed price of electricity was capped; and for the period 1 April 2022 – 31 March 2023, the final billed price of natural gas is capped. The report provides information on the conditions and data regarding maximum values.
- ▶ Energy card: according to Government Emergency Ordinance No. 166/2022, vulnerable categories of persons (pensioners and persons with disabilities whose monthly income was less than or equal to RON 2,000 (€401), families receiving family support allowance, families and single persons who had the right to social assistance) received cards for paying bills for electricity, natural gas, centralised heating system and wood. The support had a total value of RON 1,400 (€281) and it was granted in two instalments of RON 700 (€140) each (the first instalment in February 2023 and the second instalment in September 2023).
- ▶ Electronic social tickets: social vouchers on electronic support are granted to vulnerable groups for the purchase of food products and/or for the provision of hot meals. It has a nominal value of RON 250 (€50) and is granted once every two months.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report indicates, that according to Eurostat, Romania has the highest share of people at risk of poverty and social exclusion in the EU (34.4%, compared to 21.6% EU average).

The report refers to EU SILC at-risk-of-poverty data, as follows:

- ▶ general population: 23.5% in 2018, 23.8% in 2019, 23.4% in 2020, 22.5% in 2021 and 21.2% in 2022;
- ▶ people aged below 18: 32% in 2018, 30.8% in 2019, 30.1% in 2020, 29.8% in 2021 and 27% in 2022;
- ▶ people aged 65 and above: 22.8% in 2018, 25.1% in 2019, 24.5% in 2020, 21.9% in 2021 and 19.5% in 2022.

The report provides information on the National Strategy on Social Inclusion and Poverty Reduction for the period 2022-2027, which aims to reduce the number of people at risk of poverty or social exclusion by at least 7% by 2027, as compared to 2020. The Strategy has four strategic objectives, namely decent living for all, social investment to promote cohesion, social protection throughout a person's life, and improved administrative capacity for national policy coordination in line with European requirements.

The National Strategy on Social Inclusion and Poverty Reduction 2022-2027 and the Action Plan 2022-2027 have targeted measures to reduce poverty among particularly vulnerable categories, such as people in severe material deprivation, people in low labour intensity households, people belonging to vulnerable groups, persons who, due to unforeseen circumstances, face transitional situations of monetary poverty (mainly due to lack of income) or social exclusion.

Consultation and participation [Q10]

In the process of drafting the normative acts and designing the programs in the field of social assistance benefits, the Ministry of Labour and Social Solidarity (MoLSS) applies the provisions of Law No. 52/2003 on decision-making transparency in public administration, according to which the citizens are consulted on the legislative initiatives in the field.

The National Strategy on Social Inclusion and Poverty Reduction 2022-2027 and the Action Plan on Social Inclusion and Poverty Reduction 2022-2027 have been developed by MoLSS with the expertise of the National School of Political and Administrative Studies, benefiting from extensive public consultation. The report provides information on the process of consultation.

Minimum wage policy and wage adjustments [Q1]

The minimum wage is determined on the basis of the minimum price of labour, time spent at work and taxes and contributions paid from the wage. The Labour Law also stipulates that the minimum labour price cannot be set at a lower amount than the minimum labour price determined for the previous year.

The minimum labour price in 2022 was increased by 9.4% compared to 2021. In 2023, the minimum labour price was increased by 14% compared to that of 2022, and in 2024, the minimum wage has been increased by 17.8% (amounting to RSD 241 (€2.03) per working hour). The minimum wage for the average 174 working hours amounted to RSD 40,020 (€341) in 2023, RSD 35,012 (€298) in 2022 and RSD 32,003 (€273) in 2021.

Measures to protect purchasing power of workers [Q2-Q4]

The report provides information on measures taken to preserve the purchasing power including limiting the price of basic food products such as bread, sugar, milk, price caps on oil derivatives, a package of measures related to the safe supply of wood assortments and price control of firewood and pellets, etc.

The report provides information about the support granted to employees and others since 2021 such as: one-off RSD 10,000 (approximately €85) payment for employees in health institutions, employees in primary and secondary schools, higher education institutions and boarding houses for students, health workers employed in residential social protection institutions; and one-off assistance several times (in 2020 in the amount of €100, and twice in 2022, in the amount of €30) for all adults.

Changes to social security and social assistance systems [Q5]

The report states that the most important cash benefits aimed at reducing poverty are the financial social assistance (FSA) and child allowance (CA); they are provided on the basis of means test.

The report provides an extensive overview of the social security and social assistance systems, without specifically indicating the changes since the end of 2021.

The report provides information and figures regarding the amount of parental allowance. As of 1 July 2023, parental allowance for the first child was RSD 366,122 (€3,125) and was paid in one instalment; for the second child – RSD 324,772 (€2,772) and was paid in 24 monthly instalments; for the third child – RSD 1,948,632 (€16,635) and was paid in 120 monthly instalments; for the fourth child – RSD 2,922,948 (€24,953) and was paid in 120 monthly instalments. A mother who has exercised her right to parental allowance for the second or third child born on 1 January 2022 or later, is eligible to one-time assistance of RSD 100,000 (€853), which was increased to RSD 122,040.87 (€1,041) as of 1 July 2023.

As of 1 July 2023, child allowance is RSD 4,059.65 (€35).

One-time assistance to the beneficiaries of pensions was paid in September 2021 (RSD 5,900 (€50)) and February 2022 (RSD 20,000 (€170)).

Indexation/adjustment of social security benefits and social assistance [Q6]

Parental allowance and child allowance amounts are adjusted on 1 January and 1 July every year.

Regular indexation of pensions has been established every year for 1 January starting from 2020. The report describes the new formula applied for indexation of pensions as of January 2023. On 1 November 2022 and 1 October 2023, there was an extraordinary indexation of pensions by 9% and 5.5% respectively. On 1 January 2024, pensions were indexed by 14.8%.

Energy and food cost support [Q7]

The report provides information about the measures taken. The Regulation on vulnerable energy customers adopted in December 2022 changed the criteria for obtaining the status of a vulnerable energy customer in order to enable a greater number of households to exercise the right to reduce their bills for electricity, gas or district heating. Under this regulation, citizens who cannot afford a sufficient amount of energy for their daily needs with their incomes are able to reduce their bills by up to 50%, and so far, around 72,000 households have exercised this right. Another regulation adopted in October 2023 provides that citizens who reduce

electricity consumption by more than 5%, compared to last year or the year before, will receive discounts on their electricity bills from 20% to 40%.

All recipients of increased social assistance, as well as pensioners with pensions below RSD 21,766 (€185), will receive a reduction of RSD 1,000 (€8.5) on their electricity bills until the end of the heating season.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The at-risk-of-poverty (AROP) rate among the general population has been 25.7% in 2017, 24.3% in 2018, 23.2% in 2019, 21.7% in 2020 and 21.2% in 2021, and the at-risk-of-poverty or social exclusion (AROE) rate has been 36.7% in 2017, 34.3% in 2018, 31.7% in 2019, 29.8% in 2020 and 28.5% in 2021.

The report provides further information on AROP rates for different groups, as follows:

- ▶ households with children: 28% in 2017, 26.8% in 2018, 26.1% in 2019, 22.3% in 2020 and 21.4% in 2021;
- ▶ single-person households: 33% in 2017, 34.3% in 2018, 31.8% in 2019, 34% in 2020 and 36.5% in 2021;
- ▶ single-parent households: 30.6% in 2017, 36.5% in 2018, 41.6% in 2019, 31.9% in 2020 and 34.7% in 2021.

The report provides information about a project implemented by the Government in cooperation with UN agencies in 2022, named “Extending Social Protection to Families in Serbia with Enhanced Shock-Responsiveness”, which included a data collection element. According to data gathered under the project, the crisis had a disproportionate effect on families with small children, especially those of more than four members, older people, refugees, asylum seekers, persons at risk of becoming stateless and internally displaced persons, people living in rural or remote areas, or with minimal income. Among children, the most vulnerable are children living in large families, children in rural households and children from Roma settlements. A separate survey showed that older people living in rural and remote areas have the hardest time meeting their needs for food, hygiene products or medicine.

The Social Card Registry, established in 2022 pursuant to the Law on the Social Card, enables a fairer distribution of social welfare benefits for the most marginalised communities and improves take-up. Furthermore, all citizens received financial assistance on several occasions in 2020, 2021, 2022 and 2023, to mitigate the consequences of the crisis. The report provides further information about the system of scholarships facilitating access to education and the various facilities available to students through their student cards, such as discounted public transport and housing loans.

Consultation and participation [Q10]

Consultations are regularly held with trade unions and employers’ organisations at all levels.

During the adoption of all public policy documents, representatives of relevant citizens’ associations who represent the interests of certain vulnerable groups participate in working groups, so that their interests are considered and taken into account. In addition, every document, whether it is a draft law or a draft strategy, program, action plan, etc. passes through the stage of public debate in accordance with the Law on the Planning System, which makes it available to both experts and wider public and is subject to later amendments based on the results of the public debate.

Minimum wage policy and wage adjustments [Q1]

According to the law, the minimum wage for the following year is calculated using an indicative reference value of 57% of the average nominal monthly wages in the economy in the year preceding the year in which the minimum wage is set. Social partners can negotiate and agree a different minimum wage level. In 2022, the minimum wage was based on the above-mentioned formula, whereas in 2023 and 2024 it was based on negotiations between the social partners. According to ETUC, the real minimum wage fell by 8.9% between Q2 of 2021 and Q2 of 2022, one of the highest such values in the European Union.

Measures to protect purchasing power of workers [Q2-Q4]

As of 1 January 2023, certain wage premia, such as the premium for work during the weekend or night-time, became subject to an indexation mechanism, whereas previously their amount was fixed by decree.

Changes to social security and social assistance systems [Q5]

Pensioners received several one-off pension supplements during 2022 and 2023 to compensate for higher consumer prices. The report provides further information about the introduction of paternity leave as of 1 November 2022; of early retirement for insured persons having accrued at least 40 years of employment as of 1 January 2023; and of more generous eligibility conditions for the parental pension and the widow/er pension.

The child allowance, the supplementary child allowance, the parental allowance, the childcare allowance and the birth allowance were subject to several increases in 2022 and 2023. For example, the child allowance was increased from €25.80 in 2021 for each dependent child, to €30 in 2022 and €60 in 2023. Two new allowances to support substitute childcare were introduced as of 1 July 2022.

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions are indexed to the year-on-year growth in consumer prices for pensioner households for the first half of the previous year. During the reference period, this mechanism produced increases of 1.3% on 1 January 2022, 11.8% on 1 January 2023, and 10.6% on 1 July 2023. An extraordinary indexation formula introduced in response to rapid price increases resulted in a further 10.6% increase as of 1 July 2023. Selected accident benefits are also indexed to consumer prices and were increased during the reference period accordingly. Low pensions were adjusted on 1 July and 1 October 2023. Other social insurance benefits such as sickness or unemployment pensions are not regularly adjusted.

The basic social assistance benefit ('assistance in material need') was adjusted regularly during the reference period, i.e., by 7.5% as of 1 January 2023, and 14.7% as of 1 October 2023. The benefit also has a housing allowance element, which was also adjusted during this period, and eligibility conditions were amended to take into account the size of the household concerned.

Energy and food cost support [Q7]

Several benefits were supplemented with one-off payments to compensate for the increase in consumer prices, including the surrogate parent benefit, the child allowance, the substitute maintenance for orphans, the benefit for households in material need, the benefit for households in a difficult situation, the personal assistants' allowance, disability benefits, or the humanitarian aid for Ukrainian refugees.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report refers to EU SILC data for different population groups, showing that at-risk-of poverty (AROP) rates started increasing again in 2020 after a long period of decline. For example, AROP rates for the general population were 12.2% in 2018, 11.9% in 2019, 11.4% in 2020, 12.3% in 2021 and 13.7% in 2022. The rates for single-parent households were 36.7% in 2018, 32.1% in 2019, 33.9% in 2020, 33.7% in 2021 and 45.9% in 2022. The rates for those aged 65 and above were 6.4% in 2018, 8.7% in 2019, 9.5% in 2020, 10.3% in 2021 and 8.1% in 2022.

According to ETUC, the number of children living in poverty increased from 207,000 in 2019 to 252,000 in 2022. According to the Slovak National Centre for Human Rights (SNCHR), many households in need of housing

support, such as those living in informal dwellings or in dwellings that do not meet housing quality standards, are not eligible for the housing allowance, placing them at risk of losing their housing. The SNCHR also notes that the Government made minimal progress in meeting its commitments to build additional social housing, that those accommodated in social rental housing, a large number of which are Roma, lack security of tenure, and that Roma living in 'excluded communities' continue to experience inadequate living conditions.

Several policy documents adopted recently have poverty reduction components, such as the National Framework Strategy for the Support of Social Inclusion and the Fight against Poverty in 2020, the Concept for Preventing and Ending Homelessness in 2023, and the Strategy for Roma Equality, Inclusion and Participation in 2021.

Consultation and participation [Q10]

No relevant information provided.

SLOVENIA

Minimum wage policy and wage adjustments [Q1]

Slovenia has a statutory annual minimum wage which is adjusted annually by the Government, following consultation with the social partners. The minimum wage is primarily set as the sum of the minimum cost of living plus 20 to 40% and the amount of taxes and compulsory social security contributions for the worker in a given tax year, considering the growth of consumer prices, wage trends, economic conditions, or economic trends. At the beginning of 2023, the minimum wage was increased by 12% to €1203.36 gross. According to ETUC, the real minimum wage fell by 5.8% between Q2 of 2021 and Q2 of 2022, compared to a 4.8% average fall in the EU.

Measures to protect purchasing power of workers [Q2-Q4]

The tax-free personal allowance was increased in 2021, and a new employment incentive is paid out on top of the wage to recipients of unemployment benefit who enter employment.

Changes to social security and social assistance systems [Q5]

No legislative changes have been made to social security and social assistance systems (cash social assistance and income support) since the end of 2021, although take up during this period improved due to the renewed awareness raising efforts.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social benefits and other payments are adjusted annually based on the increase in consumer prices in the previous year, along with eligibility requirements where these benefits are means tested. Pensions are similarly adjusted annually based on the increase in the average gross monthly wage and the average increase in consumer prices. For instance, on 1 January 2023, the minimum pension, which used to be €310.11, the guaranteed pension (€687.75), and the minimum amount of the disability pension (€431), were adjusted by 5.2%.

Energy and food cost support [Q7]

A one-off 'solidarity bonus' was paid out to recipients of cash social assistance and income support, persons with disabilities and pensioners with low pensions between November 2022 and October 2023, to compensate for energy price increases. Child benefit recipients received an inflation allowance supplement during 2022 and 2023, while parents received a one-off solidarity bonus for each newborn child during the same period.

During 2022 and 2023, the Government introduced temporary caps on the price of electricity, oil and petroleum products and natural gas, as well as a subsidy for the purchase of fuel pellets. Furthermore, the Government capped the price of snacks, boarding and accommodation fees, to alleviate the hardship of pupils, students, and their families. In October 2022, the Government adopted a decree setting out detailed criteria for identifying and assessing the number of energy poor-households and tasking the minister responsible for energy to draw a three-year action plan on improving energy efficiency. In addition, the Government set up a website enabling consumers to compare prices for more than 17,000 food products sold by four major retailers.

According to a survey carried out by ETUC and published in December 2022, food prices increased the most in Slovenia among EU Member States, or by 7.6 times faster than wages.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The AROP rate declined gradually from 2015 to 2021, before increasing slightly in 2022. The groups most severely affected by poverty include older women and low-educated older persons, the unemployed, single-person households, persons with disabilities, children of low-educated parents, and tenants.

The report refers to the Acton Plan for the Child Guarantee 2022-2030 and the Resolution on the national social protection programme for the period 2022–2030 as examples of a coordinate approach to combating poverty in the sense of Article 30 of the Charter.

Consultation and participation [Q10]

No relevant information provided.

SPAIN

Minimum wage policy and wage adjustments [Q1]

The minimum interprofessional wage (SMI) is set annually by the Government after consultation with social partners, taking into consideration factors such as the consumer price index, the average national productivity the increase in the participation of labour in the national income and the general economic situation. The SMI increased most recently by 8%, to €1,080 gross, on 22 February 2022, and by 5%, to €1,134 in 2024.

According to ETUC, the real minimum wage fell by 4.7% between Q2 of 2021 and Q2 of 2022, compared to a 4.8% average fall in the EU. According to comments submitted by the Trade Union Confederations of Workers' Commissions (CCOO) and the General Union of Workers (UGT), Spain lacks a legal guarantee of indexation of the minimum wage linked to cost-of-living increases.

Measures to protect purchasing power of workers [Q2-Q4]

The report provides information about the introduction of an employment incentive targeting minimum living income (MLI) recipients returning to work, a one-off €200 payment for low-income workers, a one-off €600 payment for workers in the artistic sector, and a grant for gender violence victims who were forced to leave their job due to the circumstances of the abuse.

The Galician Unions' Confederation (CIG), in its comments, draws attention to the scale of working poverty, which is attributed to serious job instability, partiality or intermittency in work, and low salaries.

Changes to social security and social assistance systems [Q5]

The report notes that the minimum contributory retirement pension, widow/er pension and dependent spouse pension were increased during the reference period. The MLI was introduced in January 2022 as a non-contributory social security benefit aimed at enabling recipients to move from a situation of exclusion to a situation of participation.

The CCOO and the UGT note that the effectiveness of the MLI scheme is impaired by complex eligibility requirements and a burdensome application procedure. The CIG describes a substantial non-take up problem.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social security pensions, pensions, including the minimum pension, are indexed annually based on a formula which includes the increase in consumer prices. In 2023, pensions were adjusted by 8.5%, while non-contributory pensions and the MLI were adjusted by 15%.

Energy and food cost support [Q7]

The report provides information about several measures taken to deal with consumer price increases, included a fuel rebate, public aid for the transport sector, a one-off €200 payment for middle-class families, the reduction of VAT for certain foodstuffs, free or discounted public transport tickets, rent caps, extension of rental contracts or suspension of evictions.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report notes that having children is a significant poverty and/or social exclusion risk factor, and that single-parent households are particularly affected, with 49.2% being at risk of poverty and/or social exclusion (AROPE) in 2022 and 54.3% in 2021. One third of children and adolescents are at risk of poverty and/or social exclusion (32.2% AROPE rate), or almost 2.6 million children. More than one million children and adolescents are in severe poverty, or 13.5% of the total population aged under 18. The report notes several measures to reduce child poverty, including by creating a Ministry of Children and Youth in 2023 and adopting the National Action Plan to implement the European Child Guarantee 2022-2030, which includes targets for reducing poverty and social exclusion among children and adolescents and is backed up by substantial Government spending.

In 2019, the Government approved a Strategy to Prevent and Combat Poverty and Social Exclusion for the period 2019-2023. According to the report, efforts are being made to improve take-up for measures such as the MLI, by contacting potential beneficiaries through SMS, conducting surveys, the MLI bus or the *Acceso Vital* project implemented across the country.

Consultation and participation [Q10]

The report provides several examples of the way in which stakeholders, different State agencies, and the public, are involved in the elaboration of public policies in different fora or formats and concerning a range of issues. For example, the development of the Spanish Disability Strategy 2022-2030 involved a fully accessible citizen survey which received more than 8,000 responses and 13 focus groups on key issues such as education, health, employment, or independent living. The focus groups included 190 participants, of whom more than 60% were persons with disabilities.

SWEDEN

Minimum wage policy and wage adjustments [Q1]

N/A

Measures to protect purchasing power of workers [Q2-Q4]

Wages and employment conditions, including minimum wages, are regulated in collective agreements. Given the concerns related to high inflation levels, the 2023 bargaining rounds focused on the lowest wage levels. For example, the wage norm for the manufacturing industry included a specified increase of the lowest wages. According to ETUC, the real minimum wage fell by 4.7% between Q2 of 2021 and Q2 of 2022, compared to a 4.8% average fall in the EU.

Changes to social security and social assistance systems [Q5]

The report refers to several changes made during the reference period, such as introducing a temporary supplementary allowance for families with children in receipt of the housing allowance, increasing the maintenance support for single parents, introducing a new supplementary pension benefit, increasing the guaranteed pension, or broadening the eligibility of persons with disabilities for personal assistance.

Indexation/adjustment of social security benefits and social assistance [Q6]

The report states that several social security benefits and allowances are adjusted annually based on the increase in consumer prices. Income-replacing benefits, such as the parental benefit, the pregnancy benefit, the sickness benefit, and the temporary parental benefit are similarly adjusted annually according to changes in the price base amount. Social assistance benefits are not indexed but adjusted for the national norm, which was last increased on 1 January 2024 by 8.7%.

Energy and food cost support [Q7]

Several measures were introduced in 2022 and 2023, such as temporary electricity subsidies for all households, or fuel price caps. According to a survey carried out by ETUC and published in December 2022, Sweden was the second country with the highest food price increase as related to wages in the EU, after Slovenia (i.e., 6.4 times in Sweden and 7.6 times in Slovenia).

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report provides AROP rates from EU SILC (cut-off point: 60% of the median equivalised income after social transfers) for different population groups, showing mixed trends. For instance, while the AROP rates among the general population remained relatively stable (i.e. from 16.4% in 2018 to 16% in 2022), those for single-parent households decreased (i.e. 34.6% in 2018 to 23.6% in 2022), and those for people aged above 64 increased (i.e. 14.6% in 2018, 15.2% in 2019, 15.3% in 2020, 12.9% in 2021, and 15.7% in 2022).

Consultation and participation [Q10]

There are several established consultation procedures where the Government can consult stakeholder organisations, the social partners and civil society organisations in matters of their concern. Relevant stakeholders are often included in reference groups in the governmental inquiries system and are given the opportunity to present their views on inquiry proposals through the consultation process in their areas of interest. Occasionally, the Government also issues invitations to hearings around specific issues. For example, the Disability Delegation has been, since 2001, the national coordination body for deliberations and mutual information between the Government and disability organisations on issues of particular interest to persons with disabilities.

Minimum wage policy and wage adjustments [Q1]

Under Article 39 of Labour Law No. 4857 in conjunction with Article 522.1.f of the Presidential Decree No. 1 on the Organisational Structure of the Presidency, the minimum wage is regulated by the Commission for the Determination of Minimum Wage in line with rules established in the Regulation on the Determination of Minimum Wage. The minimum wage is set at least biennially, considering factors such as the country's economic conditions, cost of living, and actual wages. The Commission cooperates with relevant institutions and seeks input from workers' and employers' organisations. As of 20 June 2023, the minimum daily wage was set at 447 Turkish Liras (TRY) (€12) for the period between 1 July 2023 and 31 December 2023.

According to the Open Space Association/Deep Poverty Network (*Açık Alan Derneği/Derin Yoksulluk Ağı*), there are several problematic socio-economic issues in Türkiye, particularly around the process of adjusting the statutory minimum wage. The Commission responsible for these adjustments includes only TÜRK-İŞ, a union not representative of most minimum wage workers, and its decisions are not subject to appeal. Moreover, according to the association, the wage adjustments should be more frequent, which the government disregards and with its 2024 policies reduces wage increases as a measure of controlling inflation. The discrepancy between the official consumer price index (CPI) and the rising cost of living, due to continuous inflation, means that minimum wage earners are falling further behind. Combined with the government's focus on a "target inflation rate", it worsens the economic strain on low-income groups.

Measures to protect purchasing power of workers [Q2-Q4]

In 2022, Türkiye abolished income and stamp taxes on wages up to the minimum wage. For employees earning above the minimum wage, the portion up to the minimum wage is tax-exempt, increasing net wages. To mitigate the adverse effect on employers, a minimum wage support program provides since 2016 a monthly support to all workplaces irrespective of the number of employees and sector. The support amounted to 100 TRY (€2,6) per month per employee in 2022. Despite inflation, the minimum wage saw substantial nominal increases in 2022 and 2023 (up to 55%).

The Türkiye Family Support Program, initiated in 2022 and extended in 2023, provides monthly cash support to citizens below the poverty line. Supplementary payments for families with children are also included through the Child Support. Through employment incentives such as "Job Orientation Assistance" and "Job Start Assistance" the social security premium support was provided for a year, aiming to integrate beneficiaries into the workforce. In line with Civil Servants Law No. 657, the public sector is required to employ at least 3% of workers with disabilities, which is being achieved through centralised examinations and lotteries.

The Open Space Association/Deep Poverty Network states that in 2022 the share of employee compensation in gross national income dropped to a record low of 23.7%, and Türkiye ranked last among OECD countries in the Index of Commitments to Reducing Inequality. Despite these challenges, the government's program continued to focus on tightening monetary policy and public finances, projecting a reduction of 1.2 percentage points in fiscal policy by 2025-26, which many see as inadequate given the urgent needs of citizens.

Changes to social security and social assistance systems [Q5]

Several social security adjustments were introduced in 2023, including increases in the minimum old-age pensions (from TRY 3,500 (€93) to TRY 7,500 (€201)), average sickness benefits (from TRY 861 (€23) to TRY 1,709 (€45)), and average benefit for work accidents and occupational diseases (from TRY 1,120 (€30) to TRY 2,939 (€78)). The holiday bonus for pensioners was doubled to TRY 2,000 (€53), and other allowances such as breastfeeding and marriage assistance saw significant increases.

The Open Space Association/Deep Poverty Network criticises the government's social assistance programs. Childcare subsidies, inadequate pension indexing, and a tax policy that disproportionately affects lower-income groups further contribute to the widening economic gap. According to the association, Türkiye is experiencing the worst housing crisis in its history. Also, despite the existence of over 50 programs, they are inadequate in addressing basic needs of some groups. During the Covid-19 pandemic, informal workers, including Roma communities, were largely excluded from government aid. Allegations of discrimination in aid distribution, particularly following the February 2023 earthquake, highlighted the systemic marginalisation of vulnerable groups. The Turkish government's denial of extreme poverty, reflected in its macroeconomic policies, stifled discourse on poverty reduction. The cancellation of the school meals program, which supported 5 million

students, and the dismissal of lawsuits advocating for free meals, underscored the reluctance to address child poverty. The association states that the Social Assistance programs are not as impactful as presented by the government.

Indexation/adjustment of social security benefits and social assistance [Q6]

Social security benefits, including pensions and disability support, are adjusted twice annually to account for inflation. In July 2023, pensions were increased by 25%.

Energy and food cost support [Q7]

Türkiye introduced various measures to alleviate the rising cost of living. VAT on basic food products was reduced from 8% to 1%, and electricity and fuel taxes were lowered. The State also introduced support programs for electricity and natural gas consumption, providing financial assistance to low-income households. Rent increases were capped at 25% for 2022-2023, a measure extended for another year.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Poverty rates have remained stable in recent years, with the general population's poverty rate fluctuating around 21%, but at risk of poverty or social exclusion (AROPE) rates increased slightly from 2018 to 2022.

Social assistance take-up was enhanced through home visits and cooperation across 29 State agencies using the Integrated Social Assistance Information System. The Twelfth Development Plan (2024-2028) on Social Services, Social Assistance, and Fight against Poverty emphasises improving diverse social services and combatting poverty, with increased support for home care and improving the resilience of the population to disasters, financial, social and environmental problems, and the impact of climate change.

According to the May 17 Association (an LGBTI+ civil society organisation founded in 2019 in Ankara): LGBTI+ individuals in Türkiye face significant economic and social challenges, with high rates of poverty and unemployment. Türkiye's response to the cost-of-living crisis, as regards LGBTI+ individuals, has been inadequate. Their wages are often below the minimum wage, they work in low-paying and insecure jobs. Rising inflation, especially in food and rent costs, further worsened their living conditions. Social exclusion is enhanced by discrimination and lack entitlement to certain social security rights. Although minimum wages have risen, they remained insufficient to cover essential expenses due to the depreciation of the TRY. Social support programs, including the "Türkiye Family Support Program", failed to meet LGBTI+ persons' needs as their group is marginalised and their families are not legally recognised. The association claims that government's lack of targeted policies leaves this group vulnerable to poverty and social exclusion.

Consultation and Participation [Q10]

The Minimum Wage Determination Commission includes representatives from workers, employers, and the government. Civil society and other stakeholders were consulted during the development of national action plans on disability and older persons' rights. Municipalities also engaged citizens through hotlines, platforms, and local assemblies to address the cost-of-living crisis, with initiatives supported by international cooperation (such as the project Strengthening Civic Engagement for Enhancing Democratic Local Governance funded by the EU).

Minimum wage policy and wage adjustments [Q1]

Law “On Labour Remuneration” provides that the statutory minimum wage for monthly or hourly work must not be lower than the subsistence level since it is meant to ensure a decent standard of living. The State Budget Laws establish the following minimum wages: from 1 January 2022, UAH 6,000 (€138); from 1 December 2022, UAH 6,500 (€149); from 1 January 2024, UAH 7,100 (€163); and from 1 April 2024, UAH 8,000 (€184). The indexation of income is regulated by Law “On Indexation of Monetary Income of the Population” and Law “On Indexation of Personal Income” aiming at cost-of-living adjustments.

Measures to protect purchasing power of workers [Q2-Q4]

The existing instruments of social support for certain categories of the population are currently being reviewed to simplify and unify the mechanisms for providing social assistance to a large number of persons. The Ministry of Social Policy drafted Law “On amendments to certain Laws of Ukraine on the provision of basic social assistance and social scholarships”, aiming to consolidate social support programmes that support the most vulnerable and help families to overcome difficult life circumstances. The basic social assistance is planned to be higher than the subsistence level set in 2024 and planned for 2025.

Several measures have been adopted, including:

- ▶ Law No. 2622-IX/2022 caps unemployment benefits at UAH 8,000 (€184) starting April 2023, and employers hiring certain categories like youth or employees close to retirement receive compensation;
- ▶ unemployment benefits were raised in July 2023, with amounts increasing from UAH 1,000 (€23) to UAH 1,500 (€35) and UAH 1,800 (€41) to UAH 2,500 (€57) for different worker categories.

The government also launched an employment program for internally displaced persons (IDPs) in March 2022 and introduced one-off payments for employing long-term unemployed with family responsibilities.

Changes to social security and social assistance systems [Q5]

In 2022, reforms to the social security system helped fully repay arrears from 2018 for sick leave payments. The reforms reduced the time for insurance benefit payouts to as little as one or two business days and simplified benefit applications. By 2023, nearly 73% of industrial accident victims saw an increase in their compensation, paid by the Pension Fund. Assistance for children suffering from serious diseases increased in January 2022, with payments rising from UAH 1,934 (€44) to UAH 4,402 (€101) for children under six, and from UAH 3,927 (€90) to UAH 5,488 (€126) for those under 18. Temporary assistance for children whose parents evade alimony payments also saw significant increases, and by January 2023, unemployed individuals from low-income families could receive aid equivalent to 15 minimum wages to start their own businesses. Additionally, victims of the Kakhovka Hydroelectric Power Plant Dam destruction received a one-time payment of UAH 5,000 (€115).

Indexation/adjustment of social security benefits and social assistance [Q6]

Pensions and benefits tied to State social security are regularly indexed. For 2024, the subsistence level increased by 12.8%, which impacted pension calculations. Pensions are recalculated annually using a formula that factors in 50% of the previous year’s consumer price index and wage growth over three calendar years. In March 2022 pensions increased by 14%, in March 2023 by 19.7%, and in March 2024 by 7.96%. These regular adjustments are designed to preserve the purchasing power of pensioners and other beneficiaries.

Energy and food cost support [Q7]

The housing subsidy programme is the key mechanism for supporting vulnerable groups with housing and utility payments (including electricity and gas). The subsidy is granted when based on a household’s income, the utility costs exceed its capacity to pay them. In 2021, the eligibility criteria for housing subsidies were reviewed, simplifying the process with an experimental project that collects essential data from the Pension Fund. Starting from 1 April 2023, subsidies were adjusted for the duration of the heating season, while from 1 June they were recalculated due to rising electricity costs. Furthermore, adjustments were made from 1 August if household income decreased by more than 50%, while from 1 November, subsidies accounted for the entire heating month.

A draft resolution “On Approving the Procedure for Adopting Special Additional Measures to Protect the Categories of Vulnerable Electric Energy Consumers” proposes additional measures, including protection from disconnection for non-payment. To address rising fuel prices, additional support was provided for purchasing solid household fuel such as coal and wood, based on market prices. This 2023 experimental project aims to ensure that families can afford essential energy supplies, especially during the winter heating season.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

Compared to pre-Covid-19 levels, poverty rates decreased in 2021 and amounted to 39.1%. However, the war reversed this trend, significantly increasing poverty. While exact 2022 figures are unavailable, 2023 estimations suggest 57.6% of the general population and 62.6% of households with children are in poverty.

The report outlines social benefits available for IDPs, including interest-free loans, rehabilitation services, childcare allowances, and housing allowances. The Government has also taken steps to ensure the absorption of humanitarian aid from international donors and improve the integration of social assistance for the most vulnerable groups. These strategies are part of Ukraine’s ongoing response to the socio-economic impacts of the war, aiming to provide critical support to affected populations. However, the report does not directly address the question asked.

Consultation and participation [Q10]

New draft laws or regulations are being developed with the competent representatives of the Ukrainian associations of local self-government bodies, trade unions, employers’ organisations, the Government Commissioner for the Rights of Persons with Disabilities, and non-governmental organisations of persons with disabilities and other unions. Draft laws and regulations are also posted on the Ministry of Social Policy’s website for public discussion. Moreover, the Ministry of Social Policy actively engages representatives of non-governmental organisations in the drafting of laws and regulations.

UNITED KINGDOM

Minimum wage policy and wage adjustments [Q1]

The UK has two statutory minimum wage rates: the National Minimum Wage (NMW) and the National Living Wage (NLW). The NMW applies to almost all workers, while the NLW, higher than the NMW, applies to workers over 23 (recently lowered to 21). Both are adjusted annually on April 1, based on factors like inflation, productivity, and economic growth.

On April 1, 2024, the NLW for workers aged 21+ will increase by 9.8% to GBP 11 per hour (€13), raising gross annual earnings for full-time workers by over GBP 1,800 (€2,154). Since its introduction in 2015, NLW has increased earnings by over GBP 8,600 (€10,291).

The Low Pay Commission (LPC), an independent body representing academic, employer, and employee perspectives, is responsible for recommending wage adjustments. Their recommendations are based on research, consultation, and economic analysis. In recent years, the NLW was raised by 6.6% in 2022, 9.6% in 2023, and 9.8% in 2024.

Measures to protect purchasing power of workers [Q2-Q4]

To preserve the purchasing power of workers, the UK annually adjusts NMW and NLW rates. Since 2016, NLW has increased by 45%, while there was the 30% rise in the consumer price index (CPI) over the same period. The planned 9.8% increase to GBP 11 (€13) in 2024 will bring NLW in line with two-thirds of median earnings for workers aged 21+, effectively eliminating low hourly pay for this group.

Universal Credit (UC) is a social assistance measure, offering a basic income to individuals unable to work, or have a low income and incentivising work for those who can. It has replaced and combined six benefits and credits with a single monthly payment. Recent changes include lowering the taper rate from 63% to 55% and increasing annual work allowances by GBP 500 (€588), allowing many families to retain more earnings before benefits taper off.

In November 2023, the government announced a 6.7% increase in working-age benefits, aligning with inflation. This adjustment will benefit 5.5 million UC households, with an average gain of GBP 470 (€562) in 2024/25. UC work allowances for families with disabilities will also increase.

Childcare: The UC childcare element has been enhanced, allowing parents to take up work since they receive higher amounts to cover their childcare costs (GBP 300 (€359) more for one child or over GBP 500 (€598) for two or more children from their monthly childcare costs) and since free childcare hours for eligible working parents of young children were introduced and will be extended in 2025. This policy aims to remove childcare barriers to entering work.

While direct in-work benefits such as UC and Tax Credits are legislated by UK government, devolved administrations offer additional support. Northern Ireland, for example, provides discretionary support scheme, i.e. financial assistance to those facing crisis, while the Isle of Man introduced the Employed Person's Allowance and Income Support, i.e. support for low-income households and those struggling with fuel and food costs.

The Scottish Human Rights Commission states that policies like the Scottish Child Payment aim to reduce child poverty, but childcare remains expensive, limiting parents' ability to work, and the Child Payment alone is insufficient to significantly reduce poverty rates.

The University of Essex states that the introduction of Universal Credit, aimed at simplifying welfare through the Welfare Reform Act 2012, has been met with challenges. Its digital-by-default nature excludes many with limited access to technology. Legacy benefits remain a significant part of the system, with about 2.2 million people still reliant on them. Local welfare assistance continues to provide essential support during financial crises but remains inconsistently funded across regions, creating disparities in access to aid. While these programmes, including voluntary sector initiatives, are vital in filling gaps, they face uncertainties due to diminishing national funding.

It further states that the two-child limit, a key austerity measure, restricts welfare support to families with more than two children. Introduced in 2017, it imposes an annual financial loss of around GBP 3,200 (€3,829) for each child born after the limit. Larger families, already facing higher rates of material deprivation and food insecurity, are projected to see an increase in child poverty rates by 2028-29. NGOs argue that abolishing the two-child limit could lift half a million children out of poverty, a move that would align with the UK's

international human rights obligations. The Resolution Foundation suggests that removing the policy would cost 2.5 billion pounds (2,9 billion euros) annually, rising to 3.6 billion pounds (4,3 billion euros) by 2024/25.

Changes to social security and social assistance systems [Q5]

To address rising living costs, the UK government introduced cost-of-living payments for low-income groups. In 2023/2024, means-tested payments of GBP 900 (€1,077) were provided in three instalments: spring, autumn 2023, and spring 2024. Pensioners received an additional GBP 300 (€359) during winter 2023/2024, while those with disabilities received GBP 150 (€179) in summer 2023. These measures followed the 2022 package, which included a GBP 650 (€777) payment for means-tested benefit recipients, GBP 300 (€359) for pensioners, GBP 150 (€179) for people with disabilities, a GBP 150 (€179) Council tax rebate, and a GBP 400 (€478) energy bill discount from October through March 2023.

In Scotland, from November 2022, the Scottish child payment was increased to GBP 25 (€29) per child per week and extended to children aged 6-15. Changes to the best start grant allowed automatic payments for early learning and school age grants to those receiving the Scottish child payment. From July 2022, partners of eligible pregnant persons could use best start foods. Adult disability payments, introduced in March 2022, ranged from GBP 26 (€31) to GBP 172 (€205) per week in 2023/2024. In Northern Ireland, funding was increased to meet higher demand for emergency financial assistance, and welfare supplementary payments were extended in 2022. The Isle of Man increased social security payments in April 2023.

Indexation/adjustment of social security benefits and social assistance [Q6]

In the UK, social security and assistance benefits are adjusted annually to reflect living costs. State pensions follow the “triple lock” system, increasing by the highest of the average annual wage growth, inflation (consumer price index – CPI), or 2.5%. In 2021, due to pandemic-related data distortions, the earnings element was temporarily suspended, and pensions increased by CPI or 2.5%. In 2022, pensions and statutory payments rose by 3.1% (CPI for September 2021), and by 10.1% in 2023 (CPI for September 2022). In 2024, State pensions increased by 8.5%, while other benefits rose by 6.7%.

In Scotland, social security rates were last adjusted in April 2023. While not indexed to living costs, inflation considerations are made annually. In 2022, payments were updated by 6%, with child payments increasing 25% in November. Northern Ireland increased benefits by 3.1% in April 2022, and by 10.1% in April 2023, in line with inflation. The Isle of Man last increased benefits in April 2023, alongside legislative changes to aid vulnerable populations.

Human Rights Watch states that as a result of the benefit freeze from 2016-20 and despite the 2020-21 pandemic-linked “uplift”, its subsequent removal and the 10.1% increase, the real value of Universal Credit fell from 2015 to 2022.

Human Rights Watch comments that in November 2021, the UK government increased the Universal Credit work allowance by GBP 500 (€598) per year and reduced the taper rate from 63% to 55%, aiming to boost in-work benefits. However, this change followed a significant cut to Universal Credit in October 2021, when a GBP 1,040 (€1,244) annual uplift introduced during the pandemic was removed, resulting in an overall income reduction for many low-income households. Analysis by experts indicated that while the taper rate change benefitted higher earners within lower income brackets, it left 3.6 million Universal Credit recipients, particularly those with the lowest incomes, worse off.

Energy and food cost support [Q7]

The UK government has provided over 94 billion pounds (112 billion euros) (2022-2024) to assist with rising bills. Key schemes include the Household Support Fund, extended to March 2024 with an additional 1 billion pounds (1,1 billion euros) for essentials like energy, water bills and food. In England this will be delivered through the Household Support Fund backed by 842 million pounds (1 billion euros), from 1 April 2023 to 31 March 2024. The Energy Bills Support Scheme gave households a GBP 400 (€478) non-repayable discount in 2022. The Energy Price Guarantee (EPG) capped average energy bills at GBP 2,500 (€2,992) for winter 2022-23, increasing to GBP 3,000 (€3,590) from July 2023.

Taken together, support to households to help with higher bills is worth 94 billion pounds (112 billion euros), or GBP 3,300 (€3,949) per household on average, across 2022-23 and 2023-24 which is one of the largest household support packages in Europe.

Scotland launched a Winter Support Fund (41 million pounds (49 million euros) in 2021) and provided additional support through Home Energy Scotland and a Fuel Insecurity Fund (30 million pounds (35 million euros) in 2023-24). Rent caps and eviction protections were also introduced. In Wales, the Winter Fuel Support Scheme gave low-income households GBP 200 in 2021/22 and 2022/23. The Welsh Government has also supported warm hubs and a national Fuel Voucher and Heat Fund. This provided more than 380,000 households with either a GBP 200 (€239) payment towards their fuel costs, a GBP 200 (€239) cheque or voucher or a GBP 200 credit to a council tax account. Northern Ireland provided a one-off GBP 200 (€239) Energy Payment Support Scheme in 2021/22, and a GBP 600 (€717) payment in 2023 to help with rising fuel costs. The Isle of Man increased social security payments in April 2023 and made legislative changes to protect vulnerable groups.

The Scottish Human Rights Commission states that the cost-of-living crisis has exacerbated poverty in Scotland, with rising energy prices, fuel poverty, and food insecurity putting pressure on households, especially those with vulnerable members like the elderly and disabled. Emergency crisis funds are overwhelmed, while long-term solutions such as the Fuel Security Fund have been withdrawn. Housing affordability is another critical issue, with a shortage of affordable homes, particularly in rural areas. The Scottish Government's housing budget cuts have further complicated the situation, undermining efforts to address poverty and ensure adequate housing.

The University of Essex states that local welfare assistance programmes, though crucial, have faced funding challenges since the pandemic. While the Household Support Fund provided some relief, ongoing financial strain on households calls for more sustainable and long-term solutions. Without continued national funding, local authorities risk scaling back welfare schemes, leaving millions without support during crises. According to the University of Essex, the UK Government should extend the Household Support Fund until March 2025 and provide consistent funding for local welfare assistance to help families regain stability after financial shocks.

Coordinated efforts and strategies to combat poverty and inequality [Q8-Q9]

The report outlines data on poverty rates:

General Population: 19% (2017/18), 20% (2018/19), 18% (2019/20), 17% (2020/21), and 17% (2021/22) – representing 11.4 million people in 2021/22.

Children: 26% (2017/18), 26% (2018/19), 25% (2019/20), 23% (2020/21), and 23% (2021/22) – 3.3 million children in 2021/22.

Working-Age Individuals: 18% (2017/18), 19% (2018/19), 17% (2019/20), 16% (2020/21), and 16% (2021/22) – 6.6 million individuals in 2021/22.

Pensioners: 14% (2017/18), 13% (2018/19), 13% (2019/20), 11% (2020/21), and 12% (2021/22) – 1.4 million in 2021/22.

Disabled Families: 23% (2017/18), 23% (2018/19), 22% (2019/20), and 21% (2021/22) – 5.2 million individuals in 2021/22.

The report states that the UK Government announced a 101.5-million-pound package as part of the 2023 Spring Budget to support Voluntary, Community, and Social Enterprise (VCSE) organisations facing cost-of-living pressures. 76 million pounds of this funding is allocated to the Community Organisations Cost of Living Fund (CCLF) to assist charities and community organisations with increased demand and delivery costs, particularly in critical areas such as food, emergency supplies, and housing. Over 25 million pounds is set aside for energy efficiency and long-term sustainability projects for these organisations over the next two years. Additionally, the Government provided an 18 billion pounds (21 billion euros) energy support package for organisations and businesses, with charities receiving continued energy bill support through the Energy Bills Discount Scheme until March 2024, along with a VAT reduction from 20% to 5%.

In Scotland, tackling poverty is a key priority, as outlined in the Child Poverty (Scotland) Act 2017, aiming to significantly reduce child poverty by 2030-2031. The Scottish Government also published the "Tackling fuel poverty in Scotland: a strategic approach" document and a "Cash-First Plan" to reduce reliance on food banks. A 1.8 million pounds (2.1 billion euros) Cash-First Programme was launched in 2023 to improve access to cash in crises. Additionally, 12.3 million pounds (12.7 billion euros) was allocated in 2023-2024 for national free income maximisation support, welfare, and debt advice services.

In Wales, Supporting Advice Services (SAF) has been critical in reducing income poverty and preventing homelessness. Since January 2020, SAF services have helped 200,000 people manage over 920,000 social welfare issues, securing 116.6 million pounds (139.4 million euros) in additional income and writing off 30.8 million pounds (36.8 million euros) in debt. The Welsh Government also supported cross-sector food partnerships

across local authorities in 2022/23 and 2023/24 to combat food poverty, with a Child Poverty Strategy expected by the end of 2023.

In Northern Ireland, the “Make the Call Wraparound Service” assisted approximately 12,000 people access 55 million pounds (65 million euros) in additional annual benefits in 2022/23, with an average weekly increase of GBP 90 (€107) per customer. The “Social Supermarket Pilot Programme”, running since 2017, offers a holistic approach to food insecurity by providing food alongside support services such as debt advice and budgeting. A 2-million-pound (2.3 million euros) budget was allocated for the programme’s continuation in 2023/24.

The Isle of Man Government’s Island Plan, published in 2023, focuses on combating poverty by aligning the minimum wage with the living wage, improving access to free school meals, and increasing digital access to social security benefits.

Human Rights Watch observes that while grants such as 76 million pounds (90 million euros) allocated to the Community Organisations Cost of Living Fund (CCLF) are likely to be important to address emergency needs, the government’s response does not address diminishing reliance on last-resort relief and instead emphasises its funding of last-resort relief. By contrast, the devolved administration in Scotland’s response highlights support provided through Cash First programs, which aim to provide cash transfers in situations of urgent need in order to transition away from a reliance on foodbanks.

Consultation and participation [Q10]

The report highlights that the UK Government regularly engages with civil society to represent the views of those most affected by the cost-of-living crisis. The Department for Work and Pensions holds quarterly stakeholder forums with over 10 cost-of-living and poverty-related charitable organisations. For setting the National Minimum Wage and National Living Wage levels, the Government engages in social dialogue through the Low Pay Commission, an independent body with nine Commissioners representing employers, workers, and independent members.

In Scotland, the Government consulted with organisations like Poverty Alliance and Children’s Neighbourhood Scotland. In the context of tackling child poverty, it gathered information from children in low-income households. The Government also consulted with the Scottish Fuel Poverty Advisory Panel to involve people with direct experience in food insecurity and fuel poverty.

The Welsh Government established a Cabinet subcommittee to coordinate its response to the cost-of-living crisis, informed by expert evidence and service providers. This subcommittee alternates between Cabinet-only meetings and those involving wider partners. Additionally, over 3,358 people with lived experience of poverty, including 1,400 children and 1,300 parents and carers, were consulted for the draft Child Poverty Strategy.

In Northern Ireland, an Equality Impact Assessment on Changes to the Discretionary Support Scheme invited responses from individuals and organisations through emails and online surveys from July to September 2023. These responses will guide future reviews of Discretionary Support delivery.

The Isle of Man Government regularly advertises consultations via its ‘Consultation Hub’, offering public, business, and stakeholder participation opportunities, with offline versions available to ensure broad engagement.

Appendix II

COMMENTS FROM THIRD PARTIES

General comments on the cost-of-living crisis

- ▶ ILGA-Europe comments 2024
- ▶ ETUC comments 2024

Belgium

- ▶ Comments from the *Service de lutte contre la pauvreté, la précarité et l'exclusion sociale* (French only)

Cyprus

- ▶ Comments from the Cyprus Workers Confederation

Finland

- ▶ Comments from the Central Union for Child Welfare, Finnish League for Human Rights, Finnish Society for Social Rights, Mannerheim League for Child Welfare, and SOSTE Finnish Federation for Social Affairs and Health
- ▶ Comments from the Finnish Human Rights Centre (HRC, NHRI)

France

- ▶ Comments from Kimbé Rèd – French West Indies

Georgia

- ▶ Comments from the Office of the Public Defender
- ▶ Comments from the Social Justice Center

Germany

- ▶ Comments from the *Deutscher Gewerkschaftsbund – DGB*

Greece

- ▶ Comments from the Greek National Commission for Human Rights
- ▶ Comments from the Greek General Confederation of Labour

Ireland

- ▶ Comments from The Wheel

Latvia

- ▶ Comments from the Ombudsman Office

Republic of Moldova

- ▶ Comments from the People's Advocate Office of Moldova
- ▶ Comments from the Equality Council

Slovak Republic

- ▶ [Comments from the Slovak National Centre for Human Rights](#)

Spain

- ▶ [Comments from the Galician Unions' Confederation \(CIG\)](#)
- ▶ [Comments from CCOO and UGT \(2024, English\)](#)
- ▶ [Comments from CCOO and UGT \(2023, Spanish only\)](#)

Türkiye

- ▶ [Comments from the 17 May Association](#)
- ▶ [Comments from the Open Space Association/Deep Poverty Network](#)

United Kingdom

- ▶ [Comments from the University of Essex](#)
- ▶ [Comments from the Quaker Social Action](#)
- ▶ [Comments from Human Rights Watch](#)
- ▶ [Comments from the Scottish Human Rights Commission](#)



The European Social Charter, adopted in 1961 and revised in 1996, is the counterpart of the European Convention on Human Rights in the field of economic and social rights. It guarantees a broad range of human rights related to employment, housing, health, education, social protection and welfare.

The Charter is therefore seen as the Social Constitution of Europe and represents an essential component of the continent's human rights architecture.

The European Committee of Social Rights is the monitoring body of the Charter. It rules on the conformity of the situation in States with the Charter under two complementary mechanisms: through **collective complaints** lodged by the social partners and non-governmental organisations (collective complaints procedure), and through **national reports** drawn up by the States Parties (reporting procedure).

www.coe.int

The Council of Europe is the continent's leading human rights organisation. It comprises 46 member states, including all members of the European Union. All Council of Europe member states have signed up to the European Convention on Human Rights, a treaty designed to protect human rights, democracy and the rule of law. The European Court of Human Rights oversees the implementation of the Convention in the member states.



European
Social
Charter

Charte
sociale
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