Resolution on adequate minimum income ensuring active inclusion

2022/2840(RSP) - 16/02/2023 - Text adopted by Parliament, single reading

The European Parliament adopted by 336 votes to 174, with 121 abstentions, a resolution on adequate minimum income ensuring active inclusion.

The resolution noted that in 2021, 95.4 million people in the EU were at risk of poverty or social exclusion (AROPE), representing 21.7 % of the EU population. The AROPE rate is the share of people with an equivalised disposable income below the threshold of 60 % of the national median equivalised disposable income after social transfers. The current crisis, consisting of interlinked factors including the COVID-19 pandemic and its consequences, the Russian war of aggression against Ukraine and climate change, has left people facing a higher cost of living and increased the AROPE rate.

The resolution underlined that the EU target on poverty reduction is unlikely to be reached in the coming years unless the Member States **modernise and strengthen their social protection systems** in a manner that fosters social inclusion and supports people who are able to work by providing pathways to high-quality employment.

Parliament stressed that more efforts are necessary to fight poverty and social exclusion. It called on the Member States to gradually **increase their minimum income support** for people lacking sufficient resources to a level that is at least equivalent to the national AROPE threshold or the monetary value of necessary goods and services according to the national definitions, or to other comparable levels established by national law and practice, and to urgently address issues relating to adequacy, coverage and take-up.

Parliament acknowledged the Council Recommendation of 30 January 2023 on adequate minimum income ensuring active inclusion and called on the Member States to swiftly adopt and implement it. It called on the Commission to support the Member States in implementing the Council Recommendation, including by enabling them to share best practice. As a follow-up to the Commission proposal for a Council recommendation on adequate minimum income ensuring active inclusion, an EU directive on adequate minimum income could contribute to the goal of reducing poverty by at least half in all Member States by 2030. Members stressed that such a directive could help to further enhance the accessibility, adequacy and effectiveness of minimum income schemes (MISs).

The resolution stressed that:

- minimum income support should be granted after **individual means testing**, in order to ensure the protection and financial independence of each individual lacking sufficient resources and fulfilling the eligibility criteria;

- Member States should **raise awareness** of minimum income schemes, the eligibility criteria and the related rights and obligations and to fight against stigmatisation. They should design simplified and comprehensible application procedures to access MISs, remove unnecessary administrative barriers and provide online and offline solutions;

- **in-work poverty** needs to be urgently tackled through decent wages in order to ensure that work pays and prevent the need to rely on MISs;

- sustainable, **high-quality employment** is key to reducing poverty;

- effective monitoring and evaluation systems should be developed for MISs in the Member States, based on precise quantitative objectives and data as well as qualitative information;

- more flexible resources should be made available to help reduce the unemployment rate of young people living in the EU, disadvantaged groups such as Roma, people with disabilities and other excluded communities.