

## Interview with Elsa Fuente, UNICEF representative

### 1.- Globally and also locally, in the Basque Country, what is the evolution of inequality and its consequences for children?

We live in a world where 385 million children struggle to get by on less than €1.68 a day and where, even in the richest countries, child poverty rates are considerable. As a result, many children and their families face financial and other barriers, sometimes preventing them from accessing quality services. Social vulnerability - resulting from the interaction between social dynamics and individual and family characteristics such as disability, gender, ethnicity or religion - exacerbates the effects of income deprivation.

As a result, hundreds of millions of children are living in multidimensional poverty that will make it difficult for them to reach their full potential, with devastating effects on the children themselves and ripple effects on the societies and economies in which they live. Moreover, increasingly important and interrelated global trends, such as climate change and forced migration, threaten to exacerbate child poverty and vulnerability and further exacerbate hardship.

Failure to reverse the trend of capital inequality will mean that the poorest children are twice as likely as the richest to die before the age of five and to suffer from chronic malnutrition. Capital inequality means that a girl growing up in poverty is two and a half times more likely to become a wife before the age of 18 than a girl growing up in a richer household. Inequality today means that two equal girls live in a very different world.

In Spain, anomalous levels of child poverty began to be reported in the middle of the first decade of the 21st century. The first warning signs appear in the European Commission's Joint Report on Social Security and Social Inclusion, where Spain not only appears as one of the countries with the highest incidence of child poverty, but also as one of the most ineffective EU Member States in reducing this poverty through public transfers.

In the 2010 report of the Committee on the Rights of the Child to the Spanish State, monitoring the implementation of the Convention on the Rights of the Child (1989), Spain was asked to address the problem of child poverty. And in the 2018 report, the Committee expressed serious concern that the level of investment in children by the State had not been high enough to compensate for the negative impact of the severe economic and social crisis that began in 2008 and has led to increased poverty and social inequality, and expressly urged the State to define budget lines for children in situations of disadvantage or exclusion, with concrete social measures that would also be protected even in situations of economic crisis, natural disasters or other emergencies (Committee on the Rights of the Child 2018: 3, observation 9c).

The situation generated by COVID-19 has called into question the current social and economic model and has demonstrated our vulnerability, highlighting the profound challenges we must face. It has revealed many of the consequences of the way the world is configured politically and economically, with an unfair and unsustainable distribution of resources and power that generates important social and ecological fractures.

Although it is undeniable that, in times of crisis, children suffer the most, the crisis caused by the pandemic has not affected all children and their families uniformly, because the probability of suffering severe poverty or being at risk of social exclusion is determined by the socio-economic, employment or geographical context in which each of them find themselves.

The lack of access to certain rights or services by vulnerable groups is often not due to the unavailability of that service or right, but to barriers to access, or to the poor adaptation of public policy to the reality and characteristics of a specific group. This is why it is necessary to strengthen and adapt services to make them more inclusive and accessible.

For households are the main economic barriers. If we add to this the existence of inequitable public policies, long, complex and progressively digitalised bureaucratic procedures, and the limited dissemination of information or information provided in inadequate formats (including language), access to services for the most disadvantaged groups is limited.

In the Basque Country, according to the Living Conditions Survey (LCS 2020), 15.9% (around 56,000 people) according to the national threshold and 25.9% (around 94,300 people) according to the regional threshold, are under 18 years of age and at risk of poverty or social exclusion (AROPE rate). This is 15.2 points below the national average (31.1%).

In terms of severe material deprivation, the rate has increased by 2.3 points compared to 2019, with 7.2%, some 26,200 people under 18 years of age in this situation, which indicates that the inequality gap is growing.

The persistence of these indicators and the existing barriers expose children and adolescents to intergenerational poverty and its associated problems.

## **2.- What are you doing and what are you calling for?**

With the development and worsening of the COVID-19 crisis and the subsequent economic and social crisis, in 2020 UNICEF has promoted two studies aimed at diagnosing the situation of children: "Impact of the COVID-19 crisis on children", which analyses how the crisis has affected the most vulnerable children; and the study "How to reduce child poverty in Spain", which analyses the weaknesses of the social protection system and offers different solutions to help alleviate child poverty through reforms in the social protection system. We believe that public administrations must provide a safety net of fiscal protection and transfers that is capable of reducing the proportion of children growing up in poverty. And that this can be addressed in a coherent way with a mix of targeted severe poverty benefits and child tax credits that would be refundable and therefore universal.

The pandemic made it urgent to establish monetary support for family reconciliation in households with low labour income and high risk of unemployment, such as single-parent families and large families. These emergency measures can prevent a repeat of some of the effects of the 2008 crisis on households with children. But a major problem is the delay in payments and the adoption of transitional measures in the face of structural problems.

In 2015, the European Parliament called on the European Commission and EU Member States to "introduce a Child Guarantee so that all children in poverty can have access to free health care, free education, free childcare, decent housing and adequate nutrition, as part of an

integrated European Plan to combat child poverty". The European Commission took up the baton and launched a pilot programme, with UNICEF support, to tackle child poverty in seven Member States, including Spain, which has recently been finalised and which forms the basis of the future National Action Plan for the implementation of the European Child Guarantee, and will be an opportunity to reduce child poverty and eliminate social exclusion in Spain.

And in this sense, the Autonomous Regions are precisely going to be key actors in the implementation in the coming years of the European Child Guarantee, the Structural Funds (especially the European Social Fund +) and the funds of the Recovery, Transformation and Resilience Plan with regard to children (mainly education, education 0-3 years, digitalisation and protection system). That is why the design and implementation of these policies with a positive impact on the most vulnerable children and on poverty reduction is key at this moment.

### **3.- What is Unicef's assessment of the Popular Legislative Initiative for an Unconditional Basic Income in the Basque Country - <https://rentabasica.eus/es/> -?**

The conceptual basis of UNICEF's approach to social protection continues to be a rights-based approach oriented towards universality, as established in the Universal Declaration of Human Rights and the Convention on the Rights of the Child (CRC).

UNICEF advocates universal (or quasi-universal) benefits as one of the most useful tools for reducing poverty in households with children. In UNICEF's experience, the conditionality of benefits often makes it more difficult (or not at all) to reach those children and their families who need them most, raises sometimes insurmountable administrative and other obstacles, creates less social consensus, and stigmatises the population that receives them.

And in line with our work to support the progressive achievement of universal coverage, we prioritise the poorest and most vulnerable children and their families, with the aim of breaking the cycle of disadvantage that extends across generations and ultimately transforming their lives.

We have just put forward a proposal at national level for universal parenting support through refundable tax deductions in personal income tax (IRPF), compatible with improved targeted support for lower income households. <https://www.unicef.es/publicacion/por-una-prestacion-para-la-crianza>

The net cost of the proposed reform is between 3,717.6 and 11,686.2 million euros per year, depending on the amount and form of the deduction. These amounts would represent 1.3% and 4.2% respectively of the current total expenditure on social protection benefits (Eurostat).

We also echo the words of the United Nations Under-Secretary General and Regional Director of the United Nations Development Programme in Asia and the Pacific, Kanni Wignaraja, who in July 2020, highlighted the need to implement a universal basic income system and warned that the alternative to not implementing it will result in increased inequality that will increase social tensions, costing governments more and exposing countries to a greater risk of civil conflict.