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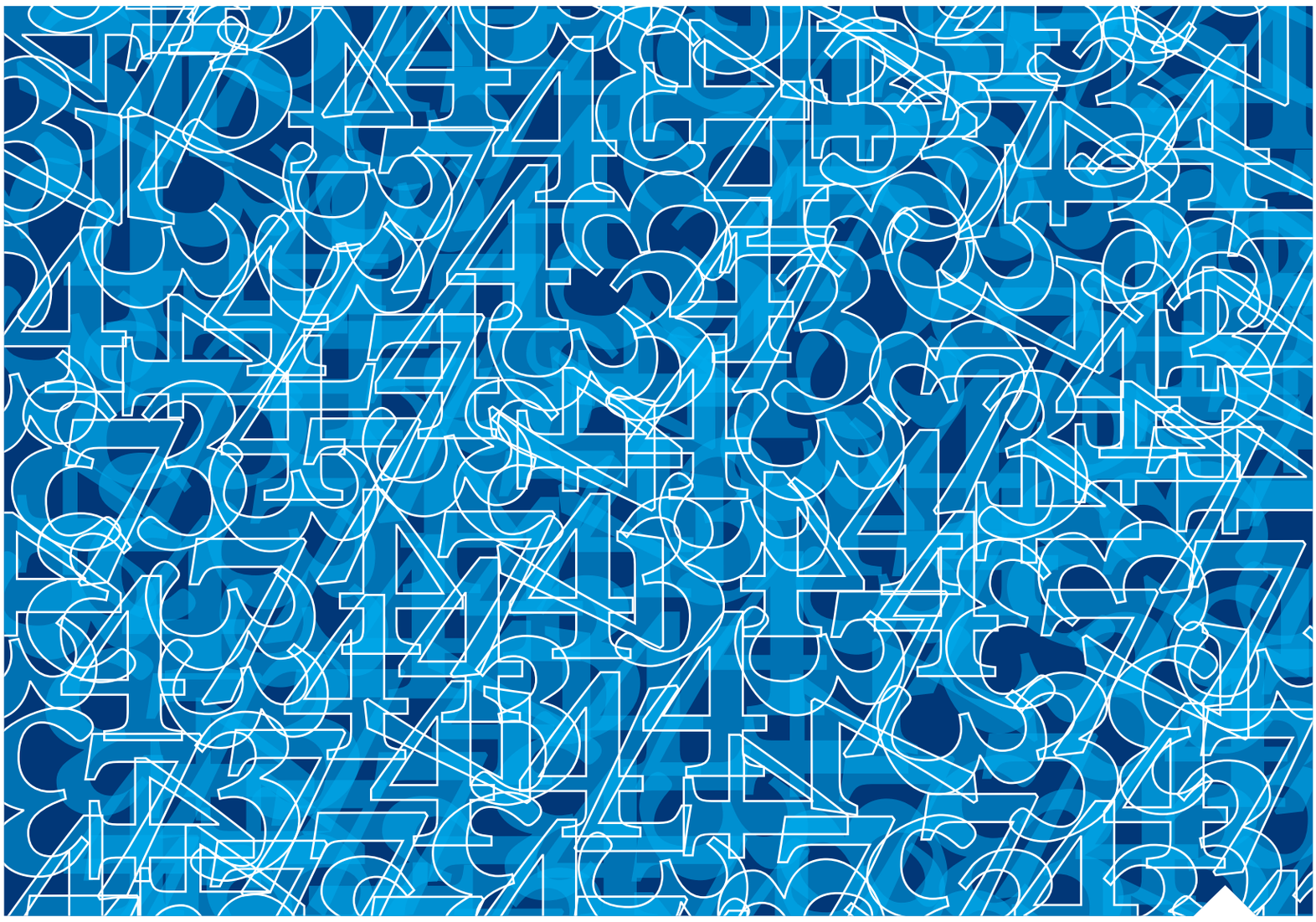
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The Effectiveness of Poverty Policies in the European Union

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The Effectiveness of Poverty Policies in the European Union*

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Abstract

Reducing poverty has long been a core objective of European integration, reaffirmed in policy agendas from the Lisbon Strategy to the European Pillar of Social Rights. This paper assesses the EU's poverty-reduction performance over 2005–2024, focusing on income poverty alleviation through social transfers and income taxation. Using a budget-incidence approach with EU-SILC data, we compare at-risk-of-poverty rates before and after transfers across Member States and relate outcomes to gross public social expenditure. Although the tax–benefit system has a sizeable effect - by 2024, social transfers and taxes lift on average about 27 percentage points of low-income individuals above the poverty threshold - the EU27 at-risk-of-poverty rate changed little between 2005 and 2024. Trend results indicate a significant rise in the share lifted out of poverty in 2005–2014, followed by broad stability in 2014–2024, leaving redistribution in 2024 roughly comparable to 2005. A decomposition shows that pensions consistently supported poverty reduction, while other transfers contributed negatively overall.

Keywords: relative poverty, poverty decomposition, effectiveness policies, European Union

JEL codes: H53, H55, and I32

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* An earlier version of this paper was presented at the 32nd Conference of the Foundation for International Studies on Social Security (2026), Sigtuna, Sweden. The authors thank participants, Egbert Jongen and an anonymous referee for useful suggestions and comments. This study is based on data from Eurostat, EU-SILC, and the Social Expenditure Database from OECD. The results and conclusions are ours.

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1 Introduction

Combating poverty has been an objective of European integration since many years. An important step was taken with the Lisbon Agenda in 2000. The strategic goal was set that the EU was to become the most competitive and dynamic knowledge-based economy with sustainable economic growth and greater social cohesion before 2010. Reducing poverty was regarded as crucial to achieving greater social cohesion. In 2010, the Lisbon Agenda was succeeded by the Europe 2020 strategy (European Commission, 2010), This was a strategy for smart, sustainable and inclusive growth. Inclusive growth means empowering people through high levels of employment, fighting poverty, modernizing labor markets, training and social protection systems. Again, reducing poverty was an important element with a specific target: by 2020, there should be at least 20 million fewer people in the EU who are at risk of poverty or social exclusion. A broader poverty concept was introduced: the new poverty indicator combines the at risk of poverty rate, the severe material deprivation rate, and the proportion of people living in households with very low work intensity. Severely materially deprived persons have living conditions severely constrained by a lack of resources.[1] People with very low work intensity are those aged 0-59 years living in households where the adults work 20% or less of their total work potential during the past year. In this chapter, we only focus on at risk of poverty rates (or income poverty).

In 2021 the Action Plan on the European Pillar of Social Rights was introduced (European Commission, 2021). This Action Plan sets the objective of reducing the number of people at risk of poverty or social exclusion by at least 15 million by 2030. Child poverty is to be reduced by 5 million by 2030. Member States are, in principle, autonomous in designing their social security systems and, consequently, in determining their approaches to poverty reduction. Nevertheless, there has been an increasing commitment to common objectives and policy coordination. Since 2010, the European Semester has been in place: an annual cycle of economic, budgetary, and structural policy coordination of which social policy forms an integral part. Since then, social policy has been incorporated into the coordination of fiscal and economic policy within the framework of the European Semester. Member States agreed to implement economic and labor market reforms to support inclusive growth. Through country-specific recommendations, the EU enables Member States to draw on the experiences of other Member States. This process of so-called policy learning may also apply to poverty reduction.

In this contribution, we examine the effectiveness of poverty reduction in the EU. Because poverty is a multidimensional problem (Kakwani and Silber, 2007), multiple policy strategies may be pursued to tackle it, including income policy, improving education, enhancing employment opportunities, and reducing health inequalities. Income policy can be regarded as the most direct method of poverty alleviation. A vast literature claims that high social effort goes along with low poverty levels across countries. Several quantitative studies indicate that there is strong negative correlation between poverty levels and social expenditures across European countries over the last 25 years. For example, Noland and Marx (2009) state that there is a strong relationship at country level between the level of social spending and the incidence of poverty … arguably one of the most robust findings in comparative poverty research.

We examine how social transfers and income taxation reduced income poverty in EU Member States over 2005–2024, using the budget-incidence methodology of Caminada et al. (2021) and Caminada and Goudswaard (2020). This paper makes two contributions. First, it goes beyond documenting the overall anti-poverty effect of the tax–benefit system by decomposing poverty reduction into the roles of (i) pensions and (ii) other social transfers, which helps identify which components drive changes in poverty alleviation over time and across countries. Second, it provides a long, consistent, and cross-nationally comparable time series (2005–2024) for EU Member States, using a single harmonized data source and a

[1] They experience at least 4 out of 9 following deprivations items: cannot afford (i) to pay rent or utility bills, (ii) keep home adequately warm, (iii) face unexpected expenses, (iv) eat meat, fish or a protein equivalent every second day, (v) a week holiday away from home, (vi) a car, (vii) a washing machine, (viii) a colour TV, or (ix) a telephone. *See* Eurostat, *People at Risk of Poverty or Social Exclusion,* Statistics Explained, 2019 (ec.europa.eu).

uniform measurement framework, enabling robust trend analyses and cross-country comparisons without methodological breaks.

Based on EU-SILC, we find a strong immediate effect: in 2024 the EU27 AROP rate drops from about 43 percent before transfers to about 16 percent after transfers and taxes, meaning roughly 27 percentage points are lifted above the poverty threshold. However, the overall EU27 AROP rate changed only slightly between 2005 and 2024 (16.5 percent to 16.2 percent). Trend results show a significant increase in poverty reduction in 2005–2014, followed by broad stability in 2014–2024, leaving redistribution in 2024 close to its 2005 level. Decomposition indicates that pensions contribute positively to poverty reduction over the full period, while other transfers are negative overall.

On average, the at-risk-of-poverty rate in the EU Member States has slightly increased since 2005. Child poverty has declined marginally, while a modest increase is observed among older persons. At first glance, these figures do not point to a successful strategy. However, there are clear differences between Member States. This also applies to the effectiveness of poverty reduction, as we will demonstrate. Finally, we discuss a possible explanation for the declining effectiveness of poverty reduction that has received considerable attention in the international literature: a potential counterproductive effect of the European policy agenda itself.

The outline of the paper is as follows. Section 2 presents the main poverty figures and defines the income-poverty concept used in the analysis. Section 3 sets out the research framework, data (EU-SILC), and the budget-incidence methodology. Section 4 reports the cross-country results on poverty before and after transfers and examines developments over 2005–2024. Section 5 relates poverty-reduction outcomes to social expenditure and discusses cross-national differences in effectiveness. Section 6 discusses possible explanations for the declining effectiveness of poverty reduction in EU Member States. Section 7 concludes.

2 Poverty figures in the EU

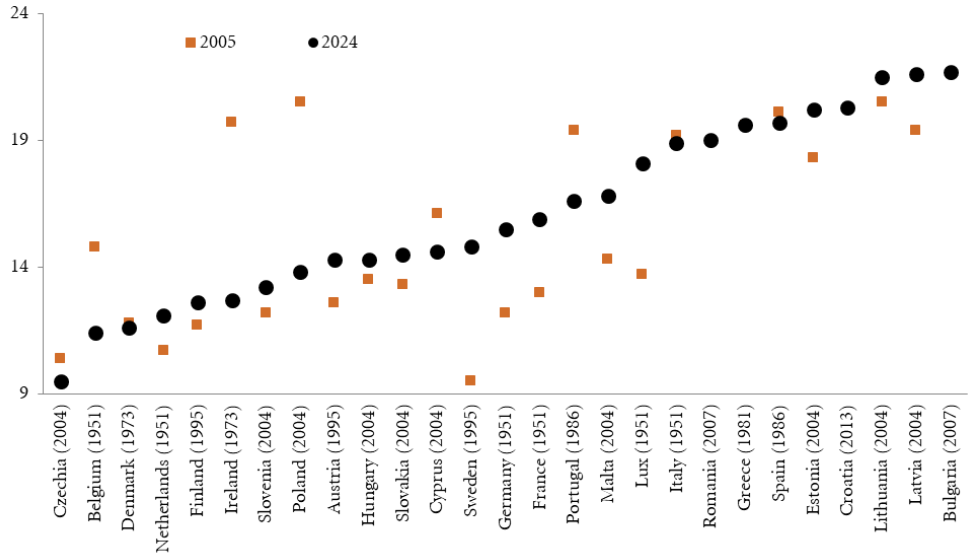
Although the EU has adopted a broader concept of poverty since the Europe 2020 strategy, we confine ourselves to income poverty based on the earlier EU definition: less than 60 per cent of equivalized median disposable household income. This choice is necessary because we seek to analyze poverty reduction since shortly after the Lisbon Agenda, and only this indicator has been measured consistently over such a period of time. Moreover, income poverty has remained the core measure within the European poverty strategies.

Figure 1 presents the poverty rates in the 27 Member States for the years 2005 and 2024.[2] Countries are ranked according to their poverty rate in 2024, from lowest to highest. The year of accession to the Union (or its predecessors) is indicated in parentheses. The at-risk-of-poverty rate in the European Union decreased slightly, from an average of 16.5 per cent in 2005 to 16.2 per cent in 2024. This overall development reflects opposing trends across age groups. The at-risk-of-poverty rate among persons aged 65 and over decreased by 2.5 percentage points (from 18.8 to 16.6 per cent) and among children under 18 by 0.8 percentage points (from 20.1 to 19.3 per cent), whereas the rate among the working-age population increased by 0.7 percentage points (from 14.7 to 15.4 per cent).

In 14 of the 27 Member States, income poverty was higher in 2024 than in 2005, particularly in Sweden (+5.3), Luxembourg (+4.4), and Germany (+3.3). Only ten Member States achieved a reduction in income poverty over this period, most notably Ireland (–7.7), Poland (–7.2), Belgium (–3.3), and Portugal (–2.8). The small decline in poverty in EU27 since 2005 is disappointing, given that poverty reduction has been an explicit objective of the EU.

[2] The period 2005–2024 has been selected because of a structural break in the time series of poverty indicators. Until 2001, data were provided by the European Community Household Panel (ECHP). Since 2005, all EU Member States have supplied data through the new European Union Statistics on Income and Living Conditions (EU-SILC).

Figure 1 People at risk of poverty % of total population (year of entry EU), 2005 and 2024



Source: Eurostat EU-SILC (2026) and own calculations

3 Research framework

3.1 Measuring poverty reduction through social transfers

The impact of social policy on poverty is commonly assessed using a budget incidence analysis (Musgrave et al., 1974), in which poverty before and after income transfers is compared. We follow this approach and apply the EU poverty threshold, defining the at-risk-of-poverty rate as the proportion of the population with equivalized disposable income below 60 per cent of the median equivalized disposable income in each country.

For this indicator, data from Eurostat (ECHP / EU-SILC) are available for the period 2005–2024, though not for all Member States (excluding Bulgaria, Croatia, Cyprus, Malta, and Romania). We compare poverty based on market income (wages, self-employment income, and capital income) with poverty based on disposable income. Table 1 specifies the income components and transfers included. In calculating poverty rates (for both market and disposable income), households are ranked according to their disposable income. This ensures that any re-ranking effects in the income distribution caused by transfers do not influence the analysis.

Table 1 Framework of income poverty and redistribution

Income components	Income poverty and redistribution
Market income = Gross wages + profits from self-employment + capital income + mandatory occupational pensions + private transfers + other primary income	Income poverty before social transfers and taxes/contributions
+ Social transfers	-/- Redistribution via social transfers
- *Pensions*	- *Pensions*
- *Other social transfers*	- *Other social transfers*
= Gross income	= Income poverty before taxes and social security contributions
-/- Wage tax and social security contributions	-/- Redistribution through taxes and social security contributions
-/- Income tax	
= Disposable income	= Income poverty after social transfers and taxes/contributions

It should be noted that the effects of income transfers on poverty calculated in this manner must be interpreted with caution, as potential behavioral responses—such as labor supply effects (Danziger et al., 1981)—are not taken into account. The budget incidence approach therefore may somewhat overestimate the effectiveness of poverty reduction through income transfers.

3.2 How to treat pensions?

An important methodological choice concerns the treatment of pensions. In many studies, old-age and survivors' pensions are classified as market income rather than as social transfers. We argue, however, that the largest social security program—pensions—cannot be excluded from the analysis. Public pensions are generally regarded as a core component of the social safety net and generate substantial anti-poverty effects.

Occupational and supplementary private pensions are more closely associated with life-cycle income redistribution, yet they also have significant poverty-reducing effects among older persons (Van Vliet et al., 2012).[3] Moreover, in many countries the distinction between public and supplementary private pensions is somewhat artificial and difficult to draw. We address this issue pragmatically by presenting poverty reduction through social transfers both including and excluding pensions. Data from Eurostat allow for this approach.

3.3 Measuring social expenditure

The next step is to relate poverty reduction through income transfers to the level of social expenditure, thereby developing an indicator of the effectiveness of poverty reduction. Numerous studies demonstrate a strong negative relationship between relative poverty and social expenditure in European countries (OECD, 2008; Nolan and Marx, 2009). However, most studies rely on an indicator—gross public social expenditure on social transfers—that presents several problems.

First, expenditure levels are partly determined by unemployment rates and demographic structures, and therefore do not fully reflect levels of social protection. Second, most analyses focus exclusively on public schemes. Yet income transfers are not confined to the public domain; various forms of private

[3] However, see Been et al. (2017) for a qualification of earlier findings based on newly available data.

arrangements may substitute for public programs (Caminada and Goudswaard, 2005). In addition, cross-national comparisons of social security systems are complicated by differences in the tax treatment of social expenditure. Nevertheless, in this study we use the most recent data from the OECD on public social expenditure.

Furthermore, certain categories of social expenditure do not directly affect the gap between market income and disposable income. This is particularly true of healthcare expenditure, which accounts for a substantial share of total social spending. We therefore use gross social expenditure excluding healthcare expenditure in our analysis.

4 Poverty reduction via social transfers and income taxes

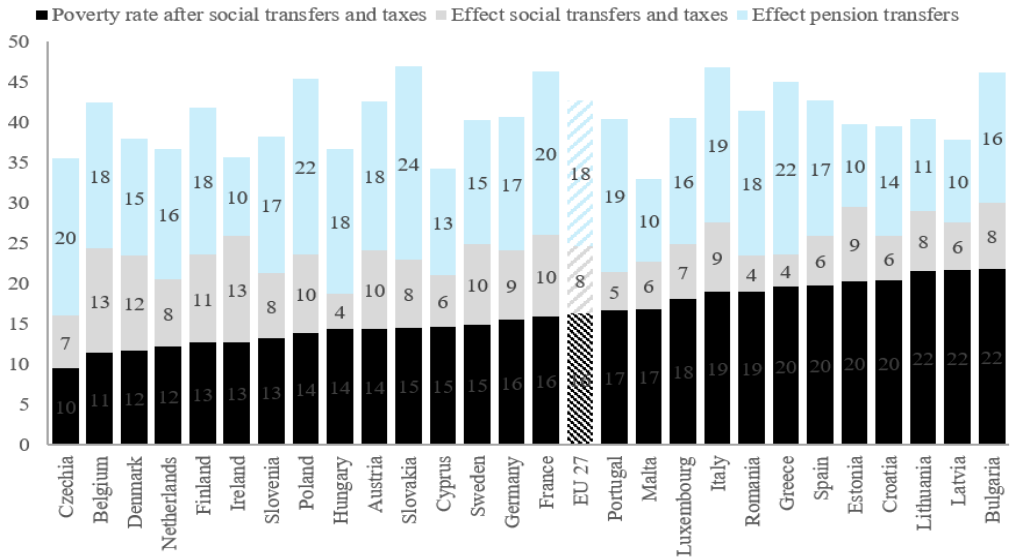
4.1 Poverty before and after income transfers in the EU27

In every country, government social transfers reduce relative income poverty. This is illustrated in Figure 2 for the EU27. In each country, poverty rates are calculated using the same income threshold: the nationally defined threshold of 60 per cent of median equivalised household income. In 2024, the average poverty rate in the EU27 countries was 43 per cent before income transfers and 16 per cent after all social transfers and income taxes. Social income transfers thus succeeded in lifting 27 per cent of low-income individuals above the poverty threshold.

Social transfers reduce the share of people at risk of poverty in all countries, but to widely varying degrees. The reduction is smallest (less than 20 percentage points) in Latvia, Malta, Croatia, Cyprus, and Estonia. The reduction is largest (30 percentage points or more) in Belgium, France, and Poland.

Figure 2 also shows the partial effect of pension benefits and other social benefits. The partial effect of pensions in total poverty reduction is large and contributes 62 percent to total redistribution within EU27. Again, considerable variation between countries can be seen: the anti-poverty effect of pension benefits ranges from 10 percentage points in Ireland to 23 percentage points in Poland. The Netherlands, at 16 percentage points, corresponds exactly to the European average.

Figure 2 Antipoverty effect of social transfers and taxes, EU, total population, 2024



Source: Eurostat EU-SILC (2026); own calculations

4.2 Developments 2005-2024

Figure 3 shows that poverty reduction through the tax–benefit system in the EU27 changed only modestly over the period 2005–2024; Annex A presents a simple Ordinary Least Squares (OLS) trend analysis. Our analysis reveals pronounced cross-country differences across EU Member States and clear differences for subperiods 2005-2014 and 2014-2024.[4] In 2005–2014, the share of people lifted out of poverty increased (and this trend is statistically significant). In 2014–2024, by contrast, the poverty-reducing impact of social transfers remained broadly stable. Overall, the magnitude of redistribution in 2024 was roughly comparable to that in 2005.

The impact of pensions on poverty reduction is substantial. We examined the partial effects of pensions and other social transfers across two subperiods. The partial effect of pensions on reducing income poverty was positive in 2005–2014, but turned negative in 2014–2024 (both effects are statistically significant). Nevertheless, over the full period 2005–2024, pensions made a positive net contribution to poverty reduction in the EU27. By contrast, other social transfers consistently made a negative contribution to lifting people out of poverty, especially in 2005–2014. While several factors could explain these patterns, investigating them falls outside the scope of this paper. One noteworthy exception is 2021, when the tax–benefit system was most effective at reducing poverty, particularly through other social transfers. This likely reflects the extensive support measures introduced to cushion the impact of the Covid-19 crisis, some of which were explicitly targeted at the lowest-income groups.

Again, there are substantial differences across countries, which is shown in Figure 4. Less people were lifted out of poverty through the tax benefit system in 13 out of 24 countries, especially Hungary, Sweden, Germany, Slovenia and Luxemburg. In Hungary, Sweden and Slovenia mainly other transfers than pensions caused the decline in poverty reduction, while in Latvia and Lithuania pensions caused less poverty reduction. Especially in Cyprus, Greece, Slovakia, Belgium, Spain, Italy, Ireland and Portugal more people were lifted out of poverty between 2005 and 2024. In these countries (except for Italy) pensions caused the increase in poverty reduction.

[4] Unfortunately, three countries have to be excluded due to data limitations (Bulgaria, Croatia and Romania).

Figure 3a Poverty and poverty alleviation, total population EU27

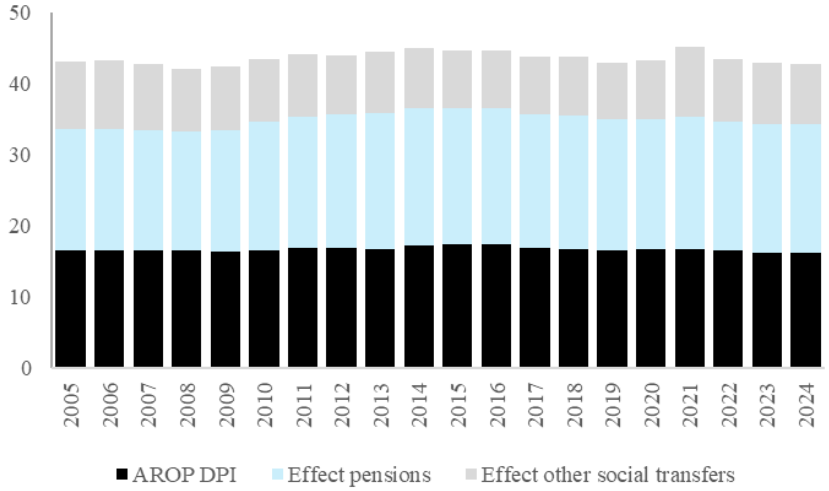


Figure 3b Share of people lifted out of poverty EU27 (AROP 60)

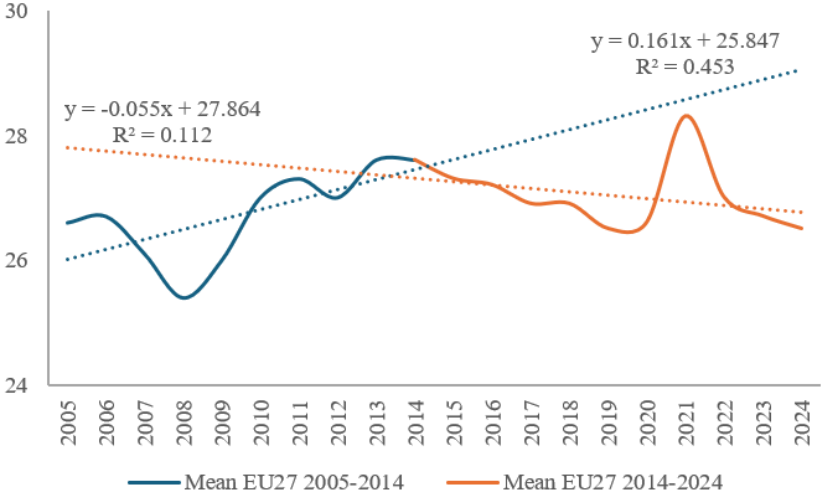


Figure 3c Share of people lifted out of poverty EU27 (AROP 60)

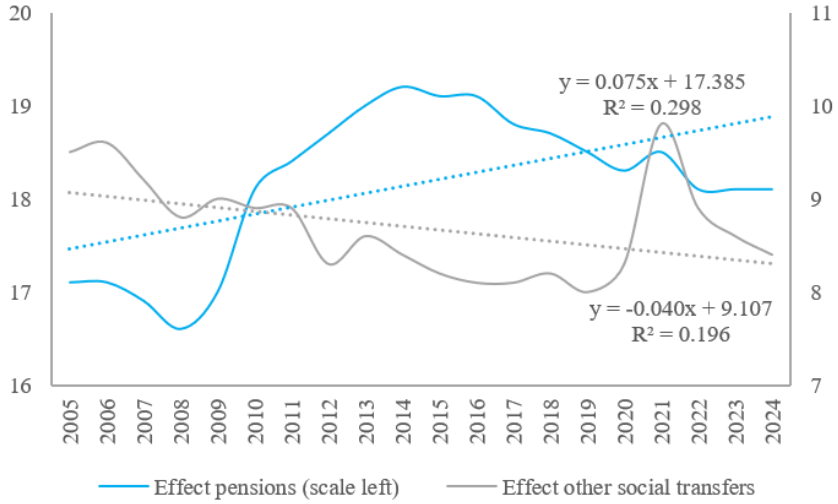
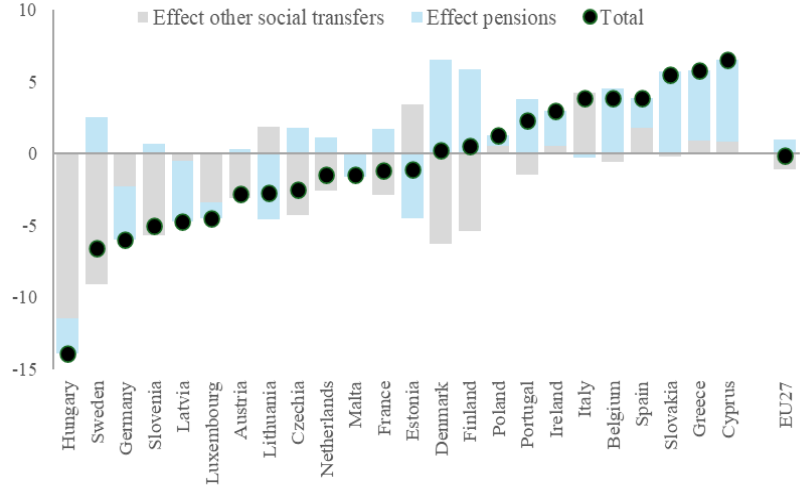


Figure 4 Change lifted out of poverty EU27 (AROP), 2005-2024



Source: Eurostat EU-SILC (2026); own calculations

Table 2 Poverty rate and poverty reduction by social transfers and taxes for total population (PL 60), 2005, 2014 and 2024

	Poverty rate before income transfers, pension excluded (1)				Poverty rate before income transfers, pension included (2)				AROP (3)				Lifted out of poverty via T/B-system 4 = (1-3)				Lifted out of poverty via T/B-system 5 = (2-3)			
	2005	2014	2024	Δ	2005	2014	2024	Δ	2005	2014	2024	Δ	2005	2014	2024	Δ	2005	2014	2024	Δ
Austria	43.6	43.8	42.5	-1.1	25.5	25.4	24.1	-1.4	12.6	14.1	14.3	1.7	31.0	29.7	28.2	-2.8	12.9	11.3	9.8	-3.1
Belgium	41.9	43.1	42.4	0.5	28.3	27.5	24.3	-4.0	14.8	15.5	11.4	-3.4	27.1	27.6	31.0	3.9	13.5	12.0	12.9	-0.6
Cyprus	29.2	36.5	34.2	5.0	21.7	24.6	21.0	-0.7	16.1	14.4	14.6	-1.5	13.1	22.1	19.6	6.5	5.6	10.2	6.4	0.8
Czechia	38.9	37.1	35.5	-3.4	21.2	17.2	16.0	-5.2	10.4	9.7	9.5	-0.9	28.5	27.4	26.0	-2.5	10.8	7.5	6.5	-4.3
Denmark	37.9	41.5	37.9	0.0	29.9	26.9	23.4	-6.5	11.8	12.1	11.6	-0.2	26.1	29.4	26.3	0.2	18.1	14.8	11.8	-6.3
Estonia	38.9	40.9	39.7	0.8	24.2	28.4	29.5	5.3	18.3	21.8	20.2	1.9	20.6	19.1	19.5	-1.1	5.9	6.6	9.3	3.4
Finland	40.4	43.3	41.8	1.4	28.0	27.6	23.5	-4.5	11.7	12.8	12.6	0.9	28.7	30.5	29.2	0.5	16.3	14.8	10.9	-5.4
France	44.6	44.4	46.3	1.7	26.0	24.0	26.0	0.0	13.0	13.3	15.9	2.9	31.6	31.1	30.4	-1.2	13.0	10.7	10.1	-2.9
Germany	43.3	44.0	40.6	-2.7	23.1	25.0	24.1	1.0	12.2	16.7	15.5	3.3	31.1	27.3	25.1	-6.0	10.9	8.3	8.6	-2.3
Greece	39.2	52.2	45.0	5.8	22.6	26.0	23.5	0.9	19.6	22.1	19.6	0.0	19.6	30.1	25.4	5.8	3.0	3.9	3.9	0.9
Hungary	49.7	50.1	36.6	-13.1	29.4	26.6	18.7	-10.7	13.5	15.0	14.3	0.8	36.2	35.1	22.3	-13.9	15.9	11.6	4.4	-11.5
Ireland	39.6	48.2	35.6	-4.0	32.3	37.0	25.8	-6.5	19.7	16.8	12.7	-7.0	19.9	31.4	22.9	3.0	12.6	20.2	13.1	0.5
Italy	43.2	45.8	46.8	3.6	23.6	24.7	27.5	3.9	19.2	19.4	18.9	-0.3	24.0	26.4	27.9	3.9	4.4	5.3	8.6	4.2
Latvia	40.3	41.7	37.8	-2.5	25.8	27.0	27.5	1.7	19.4	21.2	21.6	2.2	20.9	20.5	16.2	-4.7	6.4	5.8	5.9	-0.5
Lithuania	42.0	43.5	40.3	-1.7	26.1	27.5	29.0	2.9	20.5	19.1	21.5	1.0	21.5	24.4	18.8	-2.7	5.6	8.4	7.5	1.9
Luxembourg	40.6	44.8	40.5	-0.1	23.8	27.6	24.8	1.0	13.7	16.4	18.1	4.4	26.9	28.4	22.4	-4.5	10.1	11.2	6.7	-3.4
Malta	31.9	37.7	32.9	1.0	20.1	23.7	22.7	2.6	14.3	15.8	16.8	2.5	17.6	21.9	16.1	-1.5	5.8	7.9	5.9	0.1
Netherlands	36.7	37.8	36.6	-0.1	21.7	21.3	20.5	-1.2	10.7	11.6	12.1	1.4	26.0	26.2	24.5	-1.5	11.0	9.7	8.4	-2.6
Poland	50.8	43.7	45.4	-5.4	29.8	23.1	23.6	-6.2	20.5	17.0	13.8	-6.7	30.3	26.7	31.6	1.3	9.3	6.1	9.8	0.5
Portugal	40.8	47.8	40.3	-0.5	25.7	26.7	21.4	-4.3	19.4	19.5	16.6	-2.8	21.4	28.3	23.7	2.3	6.3	7.2	4.8	-1.5
Slovakia	40.2	38.0	46.9	6.7	21.9	19.6	22.9	1.0	13.3	12.6	14.5	1.2	26.9	25.4	32.4	5.5	8.6	7.0	8.4	-0.2
Slovenia	42.2	42.5	38.2	-4.0	25.9	25.1	21.2	-4.7	12.2	14.5	13.2	1.0	30.0	28.0	25.0	-5.0	13.7	10.6	8.0	-5.7
Spain	39.1	47.5	42.6	3.5	24.5	31.1	25.9	1.4	20.1	22.2	19.7	-0.4	19.0	25.3	22.9	3.9	4.4	8.9	6.2	1.8
Sweden	41.5	45.4	40.2	-1.3	28.7	30.0	24.9	-3.8	9.5	15.6	14.8	5.3	32.0	29.8	25.4	-6.6	19.2	14.4	10.1	-9.1
Mean EU-24	40.7	43.4	40.3	-0.4	25.4	26.0	23.8	-1.6	15.3	16.2	15.6	0.3	25.4	27.2	24.7	-0.7	10.1	9.8	8.3	-1.9
EU27 (statistic)	43.1	44.9	42.7	-0.4	26.0	25.7	24.6	-1.4	16.5	17.3	16.2	-0.3	26.6	27.6	26.5	-0.1	9.5	8.4	8.4	-1.1
< 18 year	36.4	36.0	35.4	-1.0	34.1	33.5	33.2	-0.9	20.1	21.4	19.3	-0.8	16.3	14.6	16.1	-0.2	14.0	12.1	13.9	-0.1
18-64 year	33.5	34.3	29.8	-3.7	24.2	26.1	23.6	-0.6	14.7	17.3	15.4	0.7	18.8	17.0	14.4	-4.4	9.5	8.8	8.2	-1.3
> 65 year	88.9	88.2	85.9	-3.0	23.2	16.0	20.0	-3.2	18.8	13.2	16.6	-2.2	70.1	75.0	69.3	-0.8	4.4	2.8	3.4	-1.0

Note: Mean EU-24: excluding Bulgaria, Croatia, and Romania.

Source: Eurostat EU-SILC (2026); own calculations

5 Poverty reduction and social expenditure

5.1 Targeting

Table 3 presents the relationship between poverty reduction and social expenditure ratios for EU Member States. Poverty reduction through income transfers (2024) is divided by gross social expenditure ratios excluding healthcare expenditure (2021), in order to assess which country performs best per percentage point of GDP spent on social expenditure. In this way, we construct an indicator of the effectiveness of poverty reduction across countries around 2024 (Caminada and Goudswaard, 2009). This "targeting/effectiveness" indicator is informative as a descriptive measure, but should be interpreted cautiously. Cross-country differences may also reflect differences in demographic composition, labor market inequality, household structures, and pre-transfer poverty risks rather than policy design alone. Furthermore, the relationship between social expenditure and poverty reduction may partly reflect reverse causality, since higher poverty levels can themselves induce higher social spending.

Our analysis reveals several striking cross-country differences among 22 EU Member States.[5] When countries are ranked according to their "effectiveness" of poverty reduction (column 5), each percentage point of GDP spent on gross social expenditure reduces poverty most strongly in Ireland and Slovakia, by approximately 2 to 3 percentage points. These countries may thus be regarded as most effective. Hungary, Poland, Czechia, and Estonia also display above-average effectiveness in reducing poverty through social expenditure.

The lowest scores are observed in Finland, Denmark, Italy, Austria, Spain, and Latvia (below 1.2). Overall, the newer Member States appear to be more effective in reducing poverty through social expenditure. In these countries, social spending seems to be more strongly targeted at poverty reduction. The Netherlands performs around the EU average in terms of poverty reduction effectiveness according to this indicator. We can conclude that there may be scope for policy learning from Member States that achieve greater poverty reduction per unit of social expenditure.

[5] Unfortunately, five countries have to be excluded due to data limitations.

Table 3 Targeting effect of social expenditure on poverty reduction, EU22, around 2024

	AROP Market Income 2024 (1)	AROP Disposable income 2024 (2)	Lifted out of poverty (3) = (1) - (2)	Gross social expenditure except Health, % GDP, 2021 (4)	Targeting effect (5) = (3) : (4)
Ireland	35.6	12.7	22.9	8.6	2.65
Slovakia	46.9	14.5	32.4	13.0	2.49
Poland	45.4	13.8	31.6	17.5	1.80
Czechia	35.5	9.5	26.0	14.7	1.77
Hungary	36.6	14.3	22.3	13.1	1.70
Estonia	39.7	20.2	19.5	13.3	1.46
Belgium	42.4	11.4	31.0	21.5	1.44
Netherlands	36.6	12.1	24.5	17.0	1.44
Slovenia	38.2	13.2	25.0	17.5	1.43
France	46.3	15.9	30.4	23.1	1.32
Lithuania	40.3	21.5	18.8	14.3	1.32
Luxembourg	40.5	18.1	22.4	17.6	1.27
Sweden	40.2	14.8	25.4	20.0	1.27
Portugal	40.3	16.6	23.7	18.7	1.27
Germany	40.6	15.5	25.1	20.4	1.23
Greece	45.0	19.6	25.4	21.2	1.20
Finland	41.8	12.6	29.2	24.6	1.19
Austria	42.5	14.3	28.2	23.9	1.18
Denmark	37.9	11.6	26.3	22.5	1.17
Italy	46.8	18.9	27.9	24.0	1.16
Spain	42.6	19.7	22.9	20.9	1.10
Latvia	37.8	21.6	16.2	15.2	1.07
Mean EU-22	40.9	15.6	25.3	18.3	1.38
EU27 (statistic)	*42.7*	*16.2*	26.5		
< 18 year	*35.4*	*19.3*	16.1	2.4	6.7
18-64 year	*29.8*	*15.1*	14.7	5.3	2.8
> 65 year	*85.9*	*16.6*	69.3	10.6	6.5

Note: At-risk-of-poverty (AROP) figures refer to 2024. Pensions are included in social transfers. Gross social expenditure (including the category of mandatory private expenditure), excluding healthcare expenditure, refers to 2021. EU-22: excluding Bulgaria, Croatia, Cyprus, Malta, and Romania.

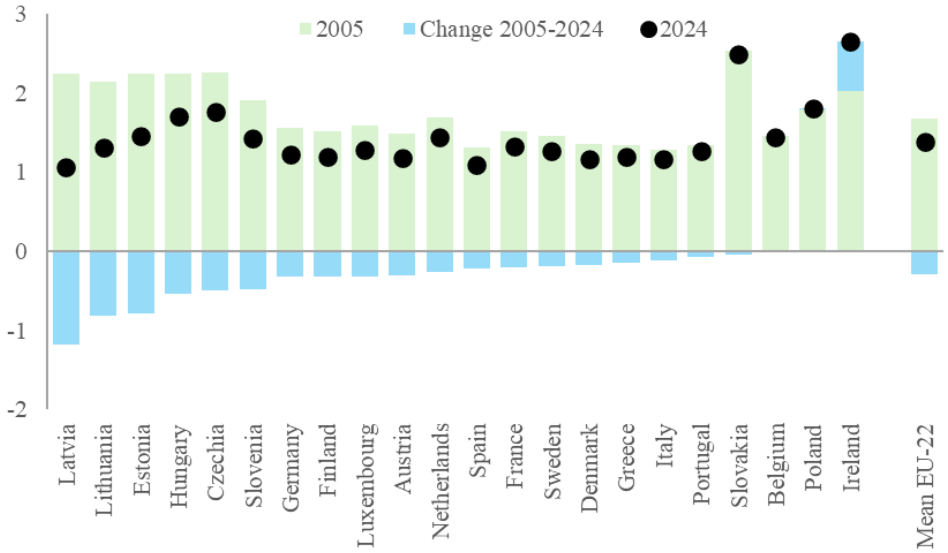
Source: Eurostat: ECHP/EU-SILC (2026), OECD SOCX (2026), and own calculations

Furthermore, our research shows that the poverty rate among older persons in EU countries declines from 86 per cent to 17 per cent as a result of pension benefits (cf. Caminada et al., 2019: 30; Van Vliet et al., 2020). Social expenditure targeted at children through so-called family benefits is also relatively effective in reducing poverty. For every percentage point of GDP spent on gross social expenditure directed at families, 6.7 per cent of children can be lifted above the poverty threshold.

5.2 Comparison 2005 with 2024

The figures on the "effectiveness" of poverty reduction may be influenced by economic performance in specific years. Poverty reduction may appear more effective, for example, in years when unemployment declines, and less effective in periods of high inflation. Moreover, given the objectives set by the EU in this area, one might expect greater emphasis to have been placed on poverty reduction over time. For these reasons, we compare the years 2005 and 2024. Figure 5 presents the results.

Figure 5 Targeting effect of social expenditure on poverty reduction in EU22, 2005 and 2024



Note: Pensions are included in social transfers. Gross social expenditure (including the category of mandatory private expenditure), excluding healthcare expenditure. EU-22: excluding Bulgaria, Croatia, Cyprus, Malta, and Romania.

Source: Eurostat: ECHP/EU-SILC (2026), OECD SOCX (2026), and own calculations

On average, the effectiveness of social expenditure declined over the period 2005–2024. There are substantial cross-country differences. Effectiveness improved in only in Ireland and decreased in twenty Member States, including the Netherlands. Social expenditure became more broadly distributed—less targeted towards the poor—particularly in Latvia, Lithuania, Estonia, Hungary, Czechia, and Slovenia, whereas spending became more strongly targeted at low-income groups in Ireland.

6 Discussion: possible explanations

6.1 Labor market policies

The number of possible explanations for the declining effectiveness of poverty reduction in EU Member States is likely to be a function of the number of countries involved and the range of underlying policy domains. Nevertheless, the literature has sought to distil more general explanations that may account for broader European trends. One such explanation concerns potential counterproductive effects of the European policy agenda itself.

Part of the European policy agenda aims to reduce poverty by increasing labor market participation. Active labor market policy (ALMP) plays a central role in this strategy. Various types of ALMP can be distinguished, including job placement services aimed at improving job search, training and education programs, measures to stimulate job search efforts (such as benefit sanctions), wage subsidies to encourage employers to hire jobseekers, and the creation of subsidized jobs (CPB Netherlands Bureau for Economic Policy Analysis, 2016). By contrast, passive policies consist primarily of unemployment and social assistance benefits.

A fundamental dilemma arises with respect to income redistribution and poverty reduction (Cantillon, 2022). On the one hand, combating poverty logically calls for targeted, income-tested schemes such as social assistance and allowances. On the other hand, these income-dependent arrangements generate high marginal effective tax rates—commonly referred to as the poverty trap. High marginal rates imply that additional work and higher gross earnings result in only a limited increase in disposable income. This can

reduce labour supply and distort labour market functioning. The poverty trap is driven by the relatively small difference between minimum-level wages and benefits, by income-dependent schemes, and by rising tax and contribution rates. We can illustrate this with recent data for the Netherlands. For example, the marginal effective tax rate for a single renter with an income at or slightly above the social minimum ranges between 80 and 90 per cent. For the lower earner in a couple, the marginal rate is much lower, between 10 and 50 per cent. For the higher earner, it can again rise to around 90 per cent. These rates vary depending on individual circumstances and the extent to which income-dependent schemes are used. Nevertheless, it is clear that the poverty trap is a significant problem among low-income groups. This may be a reason why governments are hesitant to raise targeted income benefits. Or, to put it differently, governments may have chosen for an increased focus on making work pay, which may have resulted in less generous unemployment and social assistance benefits.

6.2 The Social Investment Agenda

In addition to active labor market policy, the European policy agenda includes other forms of "social investment," such as investment in human capital and facilitating the reconciliation of work and care responsibilities by expanding the provision of childcare. Cantillon (2011) advanced the hypothesis that the social investment agenda itself may have contributed to disappointing poverty outcomes (see also Cantillon and Van Lancker, 2013). A first mechanism relates to the fact that jobless households benefit less from employment growth than households in which at least one person is in paid work. This implies that a large share of households living in poverty may benefit relatively little from policies aimed at increasing labor market participation.

A second mechanism assumes that the EU's social investment strategy is accompanied by a shift in public social expenditure from traditional passive transfers towards new activating policies that are less redistributive in nature.

These hypotheses have given rise to a lively academic debate in the international literature, in which empirical research seeks to assess the extent to which, and under what conditions, these mechanisms operate. This has generated growing insight into the various links between policy and outcomes. For example, Bakker and Van Vliet (2022), analyzing 26 OECD countries, find a positive relationship between expenditure on active labor market policy and labor market participation. However, for four other types of social investment policy—childcare, long-term care for the elderly, education, and maternity and parental leave—the results are less conclusive.

With respect to the first mechanism, the key question is not only whether activation policies increase employment, but also which households benefit. Empirical research by Corluy and Vandenbroucke (2014) suggests that the mechanism whereby jobless households benefit less from employment growth does not provide a complete explanation for disappointing poverty trends.

6.3 Shifts in social expenditure

Considerable research has also examined the second mechanism, namely the distributional consequences of shifts in social expenditure. A study of family policies in Flanders by Ghysels and Van Lancker (2011) shows that public expenditure on childcare and parental leave disproportionately benefits higher-income households. This can be explained by the fact that primarily working households make use of such facilities. In the literature, this distributional pattern is often referred to as the "Matthew effect."

International comparative research on the distributional effects of social investment yields less clear-cut conclusions. Vaalavuo (2013), analyzing six European countries, finds that low-income groups benefit more from collective social investment expenditure than higher-income groups. Similarly, research by Van Vliet and Wang (2015), based on data for fifteen European countries, does not find that disappointing

European poverty outcomes are attributable to a stronger focus on social investment. At the same time, this study does not identify a clear poverty-reducing effect of social investment either.

Much of the debate on whether social investment affects the effectiveness of poverty reduction—and whether this effect is positive or negative—depends on the level of analytical detail at which policy effects are examined. In this context, see, for example, the exchange between Parolin and Van Lancker (2021) and Plavgo and Hemerijck (2021). It makes a substantial difference whether one studies the effectiveness of a policy agenda as a whole or the effectiveness of specific programs; and whether one analyses effects for society as a whole or for particular social groups.

Another important dimension in the discussion of social investment and poverty reduction concerns timing. Some effects of social investment will only become measurable in the long term. For instance, the impact of initial education on labor market participation and poverty is likely to materialize only over time. Owing to the increasing availability of longitudinal data, recent studies are better able to investigate such long-term effects (see, for example, Hemerijck et al., 2024).

7 Conclusion

Poverty reduction has long been a central priority of EU policy. At several junctures, quantitative targets have been agreed upon to reduce the number of households living in poverty, including in the current Action Plan on the European Pillar of Social Rights. Nevertheless, over the period 2005–2024 examined in this study, the at-risk-of-poverty rate fell only marginally from 16.5 to 16.2 percent of the population of EU27. This raises questions regarding the effectiveness of poverty reduction efforts in the Member States.

Various instruments can be deployed to combat poverty, among which the social security system is arguably the most important. In this contribution, we have analyzed the extent to which social transfers and income taxation reduce poverty, using a budget incidence approach. All Member States succeed in reducing poverty through social income transfers. On average, 27 per cent of low-income households are lifted above the European poverty threshold. However, the effectiveness of poverty reduction through social transfers differs substantially between Member States. Social expenditure reduces poverty most strongly in Ireland and Slovakia—by 2 to 3 percentage points per percentage point of GDP spent. Hungary, Poland, Czechia, and Estonia also perform above average. The lowest scores are observed in Finland, Denmark, Italy, Austria, Spain, and Latvia (below 1.2). These differences indicate that countries can learn from one another regarding effective poverty reduction strategies.

A longitudinal analysis further shows that, on average, the targeting of social expenditure to the poor declined over the period 2005–2024. This is striking, given the high political priority accorded to poverty reduction. Again, substantial cross-country differences are observed. Effectiveness improved in only two Member States (Ireland and Poland) and declined in twenty.

Different patterns can be seen for subperiods. During the period 2005-2014 the poverty reducing effect of social transfers – and in particular pensions – increased (statistically significant), while during the period 2014-2024 the poverty reducing effect remained stable. Remarkably, the impact of pensions was negative during this subperiod. Still, the impact of pensions is substantial, but it weakened since 2014.The impact of other social transfers on poverty reduction was negative during the entire period 2005-2024.

Finally, we examined whether the European policy agenda itself may help explain the disappointing outcomes in poverty reduction. The literature has suggested that the stronger emphasis on labor market participation and social investment may have come at the expense of direct poverty alleviation. However, empirical research does not indicate that the increased focus on social investment has had a negative effect on poverty reduction. It is also important to recognize that the benefits of social investment often materialize only in the long term. For example, a stronger emphasis on education may, over time, contribute to the prevention of poverty.

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Annex A: Simple Ordinary Least Squares - Trend Analysis AROP EU27, 2005-2024

	Time series 2005-2024				2005-2014				2014-2024			
	Constant	Coefficient	Adj R^2	F Significance	Constant	Coefficient	Adj R^2	F Significance	Constant	Coefficient	Adj R^2	F Significance
AROP at MI (1)	43.3*** (0.000)	0.03 (0.369)	-0.008	0.369	42.2*** (0.000)	0.23** (0.011)	0.523	0.011**	44.9*** (0.000)	-0.18** (0.021)	0.406	0.021**
AROP at MI (2)	25.9*** (0.000)	-0.04** (0.026)	0.203	0.026**	25.9*** (0.000)	-0.06* (0.083)	0.244	0.083*	25.6*** (0.000)	-0.06 (0.364)	-0.009	0.364
AROP at DPI	16.8*** (0.000)	0.00 (0.799)	-0.052	0.799	16.3*** (0.000)	0.07*** (0.007)	0.573	0.007***	17.5*** (0.000)	-0.12*** (0.000)	0.814	0.000***
Lifted out of poverty	26.5*** (0.000)	0.04 (0.159)	0.057	0.159	25.8*** (0.000)	0.16** (0.033)	0.384	0.033**	27.4*** (0.000)	-0.05 (0.315)	0.013	0.315
Effect pensions	17.4*** (0.000)	0.07** (0.013)	0.259	0.013**	16.2*** (0.000)	0.29*** (0.000)	0.784	0.000***	19.3*** (0.000)	-0.12*** (0.000)	0.929	0.000***
Effect other social transfers	9.1*** (0.000)	-0.04* (0.051)	0.151	0.051*	9.6*** (0.000)	-0.13*** (0.000)	0.800	0.000***	8.0*** (0.000)	0.07 (0.176)	0.104	0.176

*Note: OLS-regression; p-value in parentheses. *** Significant at the 0.01 level; ** at 0.05 level; * at 0.10 level. Adj R^2 = Adjusted Correlation coefficient.*

Source: Eurostat (2026); own calculations

Data

Source: Eurostat (2026), ECHP/EU-SILC, European Union Statistics on income and living conditions, data extracted 20/2/2026 (link)

At-Risk-Of-Poverty indicators	
(1) = AROP before social transfers (pensions included in social transfers), 1995-2024	https://doi.org/10.2908/ILC_LI09
(2) = AROP before social transfers (pensions excluded in social transfers), 1995-2024	https://doi.org/10.2908/ILC_LI10B
(3) = AROP after social transfers, 2005-2024	https://doi.org/10.2908/ILC_LI02
(4) = (3-1) Lifted out of poverty, 2005-2024	own calculations
Effect pensions, 2005-2024	own calculations
Effect other social transfers, 2005-2024	own calculations

EU27 Countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, EU27

Source: OECD SOCX (2026), Social Expenditure Database, data extracted 20/2/2026 (link).

Gross Public and Mandatory Private social expenditure as % GDP, 2005, 2014 and 2021	https://www.oecd.org/en/data/datasets/social-expenditure-database-socx.html
Total	
Program: Old age and survivors	
Program: Health	
Program: Family	
EU27 Countries, excluding Bulgaria, Croatia, Cyprus, Malta, Romania.	

Data At-Risk-Of-Poverty indicators (PL60) Eurostat

At-risk-of-poverty rate before social transfers *(pensions included in social transfers)*

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Austria	43.6	42.7	43.4	42.8	43.0	44.1	44.8	44.2	44.1	43.8	44.4	44.8	43.4	43.3	44.9	42.4	44.9	43.6	42.3	42.5
Belgium	41.9	40.9	41.5	41.7	40.7	41.3	42.0	42.5	42.0	43.1	43.3	43.8	43.5	41.9	42.6	42.3	44.5	41.6	42.0	42.4
Bulgaria		44.9	41.4	40.0	38.8	40.8	41.7	41.8	41.8	46.2	42.9	45.5	44.8	45.2	42.2	41.7	44.3	44.2	45.3	46.1
Croatia						43.7	45.6	45.2	44.6	45.2	45.2	44.8	43.2	42.9	41.0	39.3	40.3	38.8	38.4	39.4
Cyprus	29.2	28.6	28.3	30.7	31.5	32.8	33.3	34.2	36.5	36.5	38.8	38.3	37.5	36.9	35.7	36.9	36.7	35.4	34.6	34.2
Czechia	38.9	39.1	38.1	37.6	36.0	37.2	37.8	38.1	36.9	37.1	37.0	36.5	35.2	34.0	34.5	34.1	35.6	34.6	34.2	35.5
Denmark	37.9	37.3	36.6	37.2	39.8	39.3	40.1	40.4	41.5	41.5	40.6	40.3	40.5	39.2	38.9	40.4	41.0	39.4	38.8	37.9
Estonia	38.9	38.0	37.4	36.3	37.5	40.8	41.1	40.1	39.6	40.9	39.4	39.7	39.2	38.7	39.3	39.7	39.6	39.4	38.8	39.7
Finland	40.4	40.6	41.1	39.5	38.6	40.7	41.3	41.3	41.7	43.3	43.4	43.7	43.7	43.2	42.8	42.8	43.9	43.3	41.7	41.8
France	44.6	44.1	45.8	42.7	43.2	44.5	44.2	43.7	44.3	44.4	44.3	45.0	45.2	45.7	44.7	48.2	48.6	47.4	46.9	46.3
Germany	43.3	46.2	43.2	43.5	43.5	43.9	44.6	43.3	43.7	44.0	43.9	43.4	42.1	42.0	41.1	41.4	43.7	42.1	41.0	40.6
Greece	39.2	40.5	41.9	41.5	42.0	42.8	44.9	49.8	53.4	52.2	52.9	52.9	50.8	50.0	48.4	48.3	48.2	46.1	45.1	45.0
Hungary	49.7	48.6	49.4	52.1	51.3	51.4	52.0	49.8	50.1	50.1	49.1	47.6	46.7	46.1	43.6	41.9	39.6	36.8	36.1	36.6
Ireland	39.6	40.1	40.1	41.8	46.2	50.1	50.5	50.1	49.2	48.2	46.3	44.5	42.6	41.0	41.0	40.2	42.4	40.8	38.0	35.6
Italy	43.2	43.3	43.0	43.0	42.9	44.0	45.3	45.1	45.5	45.8	46.0	46.5	45.4	45.8	45.0	44.9	48.5	46.4	46.6	46.8
Latvia	40.3	40.6	39.0	37.7	39.1	44.8	46.8	44.6	43.0	41.7	40.9	40.2	39.9	39.1	39.3	38.4	40.5	40.7	40.6	37.8
Lithuania	42.0	40.7	38.3	39.6	42.8	49.0	49.0	45.0	46.6	43.5	42.8	42.0	42.3	41.8	42.9	41.0	42.5	40.7	40.9	40.3
Luxembourg	40.6	39.8	39.2	40.2	44.0	45.0	43.8	45.8	45.3	44.8	44.7	44.4	44.9	47.4	46.1	47.4	42.9	40.9	40.9	40.5
Malta	31.9	32.6	34.1	34.7	35.3	36.7	37.7	38.3	38.6	37.7	37.4	37.7	37.5	37.0	36.8	35.1	36.2	35.1	33.6	32.9
Netherlands	36.7	35.9	35.4	35.1	35.9	36.9	36.9	36.7	37.2	37.8	39.1	38.4	37.9	37.9	37.3	37.2	37.9	36.9	37.0	36.6
Poland	50.8	49.1	47.1	44.1	42.6	43.3	43.4	42.7	43.0	43.7	43.6	43.1	43.6	44.4	43.9	43.9	43.7	43.4	42.7	45.4
Portugal	40.8	40.2	40.0	41.5	41.5	43.4	42.5	45.4	46.9	47.8	47.5	46.1	45.2	43.7	43.4	42.4	43.5	42.5	41.8	40.3
Romania			47.6	49.2	49.9	49.7	51.4	50.6	50.1	50.5	49.5	49.5	47.5	45.9	45.2	44.6	45.9	45.0	47.1	41.4
Slovakia	40.2	38.9	37.6	37.5	35.9	38.2	38.3	37.9	38.0	38.0	38.1	37.9	37.4	37.1	37.2	37.4	41.5	43.4	41.4	46.9
Slovenia	42.2	40.7	39.7	38.5	37.8	39.9	40.2	41.9	42.3	42.5	42.5	41.2	41.5	40.5	39.2	39.4	40.3	38.0	37.5	38.2
Spain	39.1	39.1	38.6	37.8	39.3	42.1	43.8	43.8	45.5	47.5	47.0	46.8	45.0	44.6	44.3	43.9	47.9	44.8	42.6	42.6
Sweden	41.5	41.4	41.5	44.4	42.9	43.9	44.3	43.6	44.0	45.4	44.7	45.0	44.3	44.3	44.0	43.7	44.6	41.4	40.8	40.2
EU27	43.1	43.2	42.7	42.0	42.4	43.6	44.1	43.9	44.5	44.7	44.7	44.4	43.7	43.6	43.0					
EU27						43.5	44.2	43.9	44.4	44.9	44.7	44.7	43.8	43.7	43.0	43.3	45.1	43.5	42.9	42.7

Note: break in time-series EU27 2010

At-risk-of-poverty rate before social transfers *(pensions excluded from social transfers)*

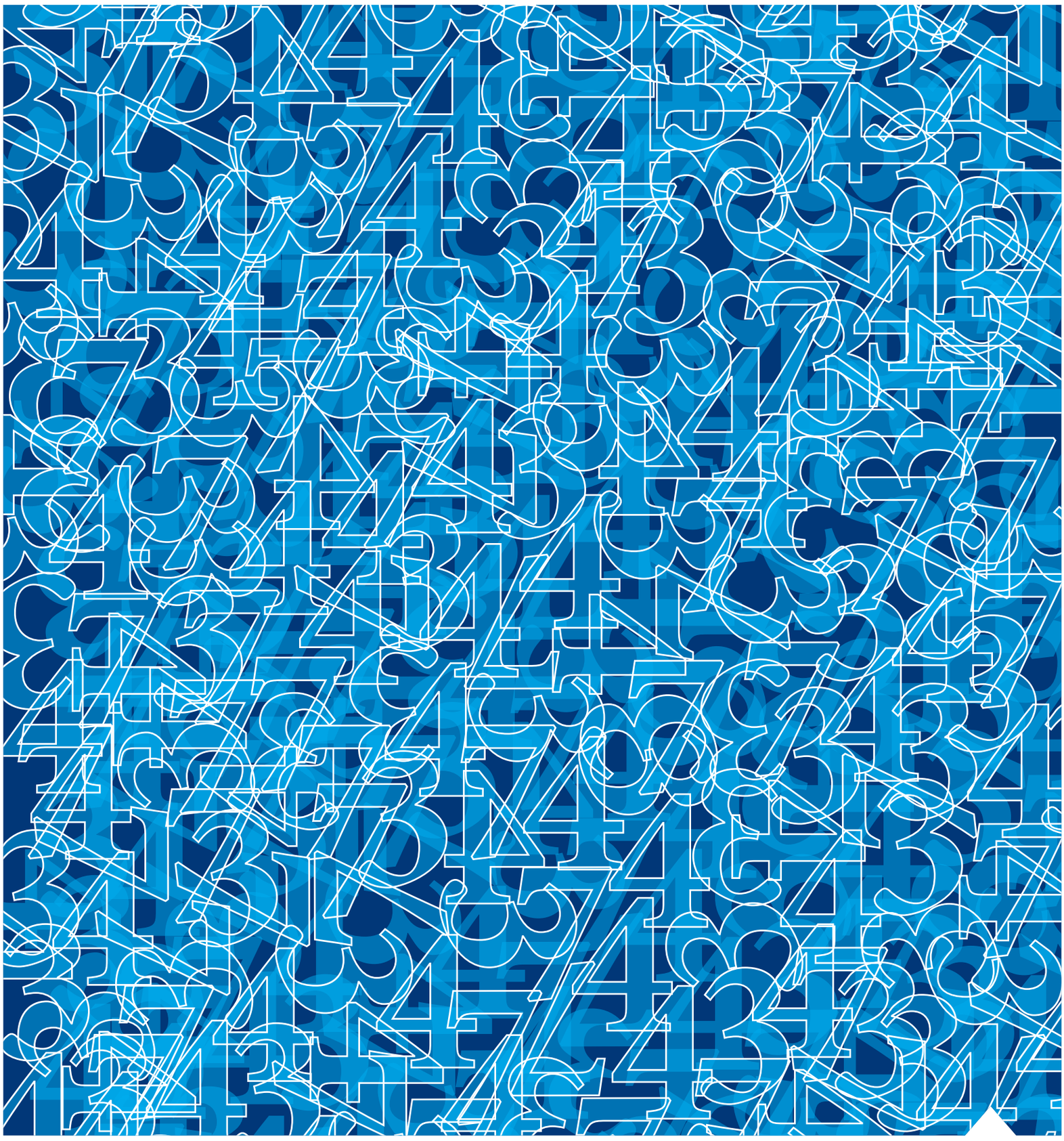
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Austria	25.5	25.1	24.7	25.9	25.3	26.0	27.1	25.8	25.9	25.4	25.6	26.3	24.9	25.2	26.2	23.6	26.3	25.5	24.5
Belgium	28.3	26.8	27.5	27.0	26.7	26.7	27.8	27.7	26.3	27.5	26.7	26.5	26.5	25.3	25.4	25.6	27.3	25.7	24.8
Bulgaria		24.7	25.5	27.1	26.4	27.1	27.4	25.9	26.7	27.3	28.4	27.9	29.2	29.5	29.6	29.9	31.5	30.3	28.5
Croatia						30.0	30.7	30.6	29.7	29.9	31.0	27.3	26.6	25.7	24.3	23.8	24.2	22.6	24.4
Cyprus	21.7	21.6	21.0	22.9	23.6	23.5	23.5	23.5	24.3	24.6	25.4	25.0	24.5	24.2	22.3	22.7	21.8	21.3	21.3
Czechia	21.2	21.6	20.1	20.0	17.9	18.1	18.0	17.6	16.6	17.2	16.8	16.3	15.8	15.6	16.6	16.0	16.1	17.0	16.2
Denmark	29.9	28.0	27.1	27.8	31.2	29.1	27.9	27.4	27.8	26.9	25.8	24.9	25.3	24.1	23.7	25.4	26.7	25.0	24.3
Estonia	24.2	24.6	25.2	24.7	25.9	24.9	24.9	24.8	25.4	28.4	27.8	28.9	28.9	29.9	30.2	30.3	29.7	31.7	31.1
Finland	28.0	28.6	28.9	27.3	26.2	27.0	27.4	26.9	26.4	27.6	26.8	27.0	26.7	25.9	25.2	25.1	25.5	25.3	23.8
France	26.0	24.9	26.4	23.5	24.0	24.9	24.7	23.8	24.4	24.0	23.9	23.6	24.0	24.1	23.5	26.4	26.7	26.9	26.5
Germany	23.1	25.7	24.8	24.2	24.1	24.2	25.1	24.3	24.4	25.0	25.1	25.3	24.1	24.0	23.2	24.6	26.8	25.6	24.7
Greece	22.6	23.4	23.7	23.3	22.7	23.8	24.8	26.8	28.0	26.0	25.5	25.2	24.0	23.2	23.2	23.5	24.7	23.6	23.1
Hungary	29.4	29.6	29.3	30.4	28.9	28.4	29.0	27.3	27.0	26.6	25.7	25.8	25.0	25.0	22.0	22.4	20.0	18.5	18.6
Ireland	32.3	32.8	33.1	34.0	37.5	39.9	39.6	39.4	38.3	37.0	36.4	34.6	32.9	30.9	32.2	28.8	32.2	31.3	28.4
Italy	23.6	23.7	23.7	23.5	23.3	23.7	24.6	24.5	24.6	24.7	25.4	26.2	25.2	25.9	25.2	25.3	28.5	27.1	27.2
Latvia	25.8	28.0	27.5	30.2	31.0	28.5	26.8	25.7	26.0	27.0	27.3	27.8	28.3	28.8	29.9	28.2	30.6	30.0	29.4
Lithuania	26.1	26.6	25.5	27.4	28.6	31.3	30.2	28.4	30.3	27.5	28.6	27.9	29.8	29.7	30.1	29.6	30.9	30.0	29.4
Luxembourg	23.8	23.6	23.4	23.6	27.0	29.1	27.2	29.0	29.4	27.6	27.2	26.1	26.6	28.0	26.5	28.7	27.5	26.1	25.9
Malta	20.1	21.3	21.5	22.9	22.9	23.5	23.2	24.0	23.4	23.7	23.8	23.8	23.9	24.2	23.2	21.4	22.9	22.7	22.3
Netherlands	21.7	21.0	20.6	19.9	20.5	21.1	20.9	20.6	20.8	21.3	22.3	22.1	21.9	21.8	21.4	21.2	22.7	21.9	21.1
Poland	29.8	28.6	26.5	25.1	23.6	24.4	24.1	22.9	23.0	23.1	22.9	22.9	24.0	24.8	24.4	23.4	23.0	22.3	21.9
Portugal	25.7	25.1	24.2	24.9	24.3	26.4	25.4	25.3	25.5	26.7	26.4	25.0	23.6	22.7	22.7	21.9	23.0	21.5	21.2
Romania			31.5	30.8	28.7	27.8	29.2	28.8	28.2	28.8	29.3	29.5	28.3	28.0	28.1	27.8	27.4	25.4	25.0
Slovakia	21.9	20.0	18.2	18.4	17.1	19.8	19.5	20.0	20.1	19.6	19.0	18.4	17.5	17.7	19.2	19.0	21.6	20.7	22.5
Slovenia	25.9	24.2	23.1	23.0	22.0	24.2	24.2	25.2	25.3	25.1	24.8	24.3	24.0	23.4	22.0	22.4	21.2	19.3	19.7
Spain	24.5	24.6	23.7	25.7	26.9	28.8	30.0	29.1	30.0	31.1	30.1	29.5	28.4	27.9	26.9	27.4	31.2	28.1	26.2
Sweden	28.7	29.0	27.5	30.0	28.8	29.0	29.8	29.0	28.9	30.0	29.8	29.9	29.3	28.9	28.9	28.1	28.3	26.6	25.5
EU 27	26.0	26.1	25.8	25.4	25.4	26.0	26.4	25.7	26.0	26.1	26.1	25.9	25.6	25.5	25.0				
EU27						25.4	25.8	25.2	25.4	25.7	25.6	25.6	25.0	25.0	24.5	25.0	26.6	25.4	24.8

Note: break in time-series EU27 2010

At-risk-of-poverty rate (AROP PL60)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Austria	12.6	12.6	12.0	15.2	14.5	14.7	14.5	14.4	14.4	14.1	13.9	14.1	14.4	14.3	13.3	13.9	14.7	14.8	14.9	14.3
Belgium	14.8	14.7	15.2	14.7	14.6	14.6	15.3	15.3	15.1	15.5	14.9	15.5	15.9	16.4	14.8	14.1	12.8	13.1	12.4	11.4
Bulgaria		18.4	22.0	21.4	21.8	20.7	22.2	21.2	21.0	21.8	22.0	22.9	23.4	22.0	22.6	23.8	22.1	22.9	20.6	21.7
Croatia						20.6	20.9	20.4	19.5	19.4	20.0	19.5	20.0	19.3	18.3	18.3	19.2	18.0	19.3	20.3
Cyprus	16.1	15.6	15.5	15.9	15.8	15.6	14.8	14.7	15.3	14.4	16.2	16.1	15.7	15.4	15.1	14.8	13.7	14.7	14.9	14.6
Czechia	10.4	9.9	9.6	9.0	8.6	9.0	9.8	9.6	8.6	9.7	9.7	9.7	9.1	9.6	10.1	9.5	8.6	10.2	9.8	9.5
Denmark	11.8	11.7	11.7	11.8	13.1	13.3	12.1	12.0	11.9	12.1	12.2	11.9	12.4	12.7	12.5	12.1	12.3	12.4	11.8	11.6
Estonia	18.3	18.3	19.4	19.5	19.7	15.8	17.5	17.5	18.6	21.8	21.6	21.7	21.0	21.9	21.7	20.7	20.6	22.8	22.5	20.2
Finland	11.7	12.6	13.0	13.6	13.8	13.1	13.7	13.2	11.8	12.8	12.4	11.6	11.5	12.0	11.6	12.2	10.8	12.7	12.2	12.6
France	13.0	13.2	13.1	12.5	12.9	13.3	14.0	14.1	13.7	13.3	13.6	13.6	13.2	13.4	13.6	14.2	14.3	15.6	15.4	15.9
Germany	12.2	12.5	15.2	15.2	15.5	15.6	15.8	16.1	16.1	16.7	16.7	16.5	16.1	16.0	14.8	16.1	16.0	14.8	14.4	15.5
Greece	19.6	20.5	20.3	20.1	19.7	20.1	21.4	23.1	23.1	22.1	21.4	21.2	20.2	18.5	17.9	17.7	19.6	18.8	18.9	19.6
Hungary	13.5	15.9	12.3	12.4	12.4	12.3	14.1	14.3	15.0	15.0	14.9	14.5	13.4	12.8	14.0	13.9	13.2	13.5	13.8	14.3
Ireland	19.7	18.5	17.2	15.5	15.0	15.2	15.2	16.3	15.7	16.8	16.2	16.8	15.6	14.9	13.4	12.8	12.8	13.4	12.0	12.7
Italy	19.2	19.3	19.5	18.9	18.4	18.7	19.8	19.5	19.3	19.4	19.9	20.6	20.3	20.3	20.1	20.0	20.1	20.1	18.9	18.9
Latvia	19.4	23.5	21.2	25.9	26.4	20.9	19.0	19.2	19.4	21.2	22.5	21.8	22.1	23.3	22.9	21.6	23.4	22.5	22.5	21.6
Lithuania	20.5	20.0	19.1	20.9	20.3	20.5	19.2	18.6	20.6	19.1	22.2	21.9	22.9	22.9	20.6	20.9	20.0	20.9	20.6	21.5
Luxembourg	13.7	14.1	13.5	13.4	14.9	14.5	13.6	15.1	15.9	16.4	15.3	15.8	16.4	16.7	17.5	17.4	18.1	17.3	18.8	18.1
Malta	14.3	14.2	15.1	15.3	14.9	15.5	15.6	15.1	15.8	15.8	16.6	16.5	16.7	16.8	17.1	16.9	16.9	16.7	16.6	16.8
Netherlands	10.7	9.7	10.2	10.5	11.1	10.3	11.0	10.1	10.4	11.6	11.6	12.7	13.2	13.3	13.2	13.4	14.4	14.5	13.0	12.1
Poland	20.5	19.1	17.3	16.9	17.1	17.6	17.7	17.1	17.3	17.0	17.6	17.3	15.0	14.8	15.4	14.8	14.8	13.7	14.0	13.8
Portugal	19.4	18.5	18.1	18.5	17.9	17.9	18.0	17.9	18.7	19.5	19.5	19.0	18.3	17.3	17.2	16.2	18.4	16.4	17.0	16.6
Romania			24.6	23.6	22.1	21.6	22.3	22.9	23.0	25.1	25.4	25.3	23.6	23.5	23.8	23.4	22.5	21.2	21.1	19.0
Slovakia	13.3	11.6	10.6	10.9	11.0	12.0	13.0	13.2	12.8	12.6	12.3	12.7	12.4	12.2	11.9	11.4	12.3	13.7	14.3	14.5
Slovenia	12.2	11.6	11.5	12.3	11.3	12.7	13.6	13.5	14.5	14.5	14.3	13.9	13.3	13.3	12.0	12.4	11.7	12.1	12.7	13.2
Spain	20.1	20.3	19.7	19.8	20.4	20.7	20.6	20.8	20.4	22.2	22.1	22.3	21.6	21.5	20.7	21.0	21.7	20.4	20.2	19.7
Sweden	9.5	12.3	10.5	13.5	14.4	14.8	15.4	15.2	16.0	15.6	16.3	16.2	15.8	16.4	17.1	16.1	15.7	16.0	16.1	14.8
EU27	16.5	16.5	16.6	16.6	16.4	16.5	16.8	16.8	16.7	17.2	17.3	17.3	16.9	17.0						
EU27						16.5	16.9	16.9	16.8	17.3	17.4	17.5	16.9	16.8	16.5	16.7	16.8	16.5	16.2	16.2

Note: break in time-series EU27 2010



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