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Delegations will find attached document SWD(2024) 79 final - PART 7/23.

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EUROPEAN
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Brussels, 27.3.2024
SWD(2024) 79 final

PART 7/23

COMMISSION STAFF WORKING DOCUMENT
Accompanying the document

**Communication from the Commission to the European Parliament, the Council, the
European Economic and Social Committee and the Committee of the Regions**

on the 9th Cohesion Report

{COM(2024) 149 final}

Equally, the rate was relatively high for people with disabilities (28.8 %), though 2 pp lower than in 2016; and for people born outside the EU, it was more that double than for native-born people. The rate was also higher for children (24.7 %) than for adults, and higher for young people aged 18– 24 (26.5 %) than for older age groups.

While the AROPE rate has not risen in the recent past despite surging energy and food prices and declining real wages, the lack of progress since 2019 is a cause for concern. Achieving the 2030 goal of reducing poverty by at least 15 million people may face difficulties if effective measures are not taken to safeguard standards of living, particularly of the most vulnerable households.

1.1 The risk of poverty and social exclusion in the EU is lower than a decade ago in all regions, but continues to be higher in eastern and southern rural areas

Progress in reducing the AROPE rate was evident across most types of regions in the EU between 2016 and 2019 but remained unchanged from then until 2022³¹. The difference in the rate between more developed and less developed regions narrowed, from 14 pp in 2016 to 9 pp in 2022,

because of a significant reduction in the latter, the rate remaining unchanged in the former. There was a marked reduction in eastern countries, particularly after 2020, while in southern countries, the rate was much the same in 2022 as in 2019 (Figure 2.8 and Table 2.4).

The reduction in the AROPE rate between 2016 and 2022 occurred mostly in eastern countries and rural areas in the south (by 5 pp to 7 pp) (Table 2.4). Nevertheless, the highest rates persist in rural eastern and southern regions. Marked differences are evident between parts of the EU, with a large share of the population being at risk (above 30 %) in many regions of Italy, Spain, Greece, Romania and Bulgaria. There are also marked regional variations within those five countries, notably between northern and southern regions in Spain and Italy, between parts of Belgium and between the outermost regions and mainland regions in Portugal (Map 2.11).

There are equally regional differences in satisfaction with government efforts to combat poverty (Map 2.12). According to the Gallup world poll in 2022, the proportion reporting being satisfied ranged from over 70 % of respondents in Luxembourg, Malta and some regions in Denmark to less than 10 % in some regions of Bulgaria and Greece.

Table 2.5 Food poverty by geographical area and by level of development, 2019 and 2022

	Inability to afford a meal with meat, chicken, fish (or vegetarian equivalent) every second day					
	2019		2022		2019–2022	
	%		pp			
EU-	<div><div></div></div>	6.7	<div><div></div></div>	8.3	<div><div></div></div>	+1.5
North-western EU	<div><div></div></div>	5.2	<div><div></div></div>	8.2	<div><div></div></div>	+3.0
Southern EU	<div><div></div></div>	7.1	<div><div></div></div>	6.5	<div><div></div></div>	-0.6
Highly developed countries	<div><div></div></div>	9.5	<div><div></div></div>	10.6	<div><div></div></div>	+1.2
Moderately developed countries	<div><div></div></div>	5.9	<div><div></div></div>	7.7	<div><div></div></div>	+1.8
Less developed countries	<div><div></div></div>	5.2	<div><div></div></div>	5.9	<div><div></div></div>	+0.7
	<div><div></div></div>	10.3	<div><div></div></div>	11.2	<div><div></div></div>	+1.0

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- 10 The result must be interpreted with caution. First, there are no regional data available for BE, AT and DE before 2021 and for FR before 2022. Second, there was a break in series in DE, DK, FR, IE, LU, north-western EU and EU-27.

The regions with the highest AROPE rates have high rates for the different elements as well (Map 2.13).

- Most people included in the AROPE rate are AROP, 16.5 % of the total population in the EU in 2022. There are high AROP rates (of over 30 %) in numerous regions in Italy and Spain, the outermost regions of France as well as in parts of Romania and Bulgaria.
- Some 6.7 % of people in the EU experienced severe material and social deprivation in 2022, but as many as 30 % in many regions in Romania, Greece and Bulgaria.
- A slightly larger share, 8.3 %, lived in households with very low work intensity, this rising to over 18 % in a number of regions in Spain and Italy and in Brussels in Belgium.

1.2 Reducing material and social deprivation is jeopardised by recent events

This section focuses on the different aspects of material and social deprivation (Box 2.4). These failed to show any improvement in the EU over the period 2019 to 2022 and in some cases showed a worsening, with the lack of reduction in the AROP rate resulting in no reduction in the overall AROPE rate.

As a result of inflation and the failure of earnings to keep up with price increases, many people in eastern Member States, in particular, experienced an increase in material and social deprivation, especially among disadvantaged and/or vulnerable groups³². In 2022, around 30 % of people in the EU were unable to afford an annual holiday away from home, much the same as in 2019, though for the other social deprivation items³³ there was some reduction in the number of people affected.

There was, however, an increase in the proportion of people experiencing several aspects of material deprivation. The proportion affected by food poverty (the inability to afford a meal with meat, chicken, fish or the vegetarian equivalent every second day), increased from 6.7 % in 2019 to 8.3 % in 2022 (Table 2.5), including an increase from 17.5 % to

19.7 % for people AROP. The increase was especially large in Romania (8 pp), whereas there was a significant reduction in Bulgaria (by 6 pp). Nevertheless, over 20 % of the population in all regions in Bulgaria, as well as northern regions in Romania, reported experiencing food poverty in 2021, while the proportions were also large (16 % or more) in Slovakia, most of Hungary, southern Italy and parts of Germany (Map 2.14).

1.3 Energy poverty is an increasing challenge

Taking the necessary measures to ensure the green transition is fair and inclusive and leaves no one behind is at the core of the European Green Deal³⁴. As part of this, it is important to prevent and address energy poverty, the risk of which has risen because of the higher prices of energy, resulting from increased demand in the recovery from the COVID-19 pandemic and restrictions on supply following the Russian war of aggression against Ukraine.

Energy poverty is a multi-dimensional phenomenon that results from a mix of low levels of income, expenditure on energy and other factors related to energy efficiency, such as poor building efficiency-standards (see Chapter 4). To determine accurately the incidence and extent of energy poverty is challenging, and the population identified as being affected differs according to whether subjective assessment or expenditure-based methods are used³⁵.

11 Menyhert (2022).

12 For instance: having regular leisure activities, spending a small amount of money each week on oneself, getting together with friends or family for a drink or meal at least once a month.

13 On 16 June 2022 Member States unanimously adopted the Council Recommendation on ensuring a fair transition towards climate neutrality (2022/C 243/04). The Recommendation invites Member States to adopt measures that address the employment and social aspects of climate, energy and environmental policies. The Commission proposal was accompanied by

a Staff Working Document (<https://ec.europa.eu/social/BlobServlet?docId=25029&langId=en>) that provides an overview and discussion of the available analytical evidence underpinning the recommended policy interventions, building on the analysis presented in relevant impact assessment reports accompanying the 2030 climate target plan and the various initiatives of the 'Fit for 55' package.

14 Menyhert (2023).

Chapter 2: Social

Table 2.6 Energy poverty by geographical area and by level of development, 2021 and 2022

	Inability to keep home adequately warm			Arrears on utility bills		
	2021	2022	2021–2022	2019	2022	2019–2022
	%		pp	%		pp
EU-	6.8	9.3	+2.4	6.1	6.9	+0.8
North-western	3.9	7.3	+3.4	3.7	4.9	+1.3
EU	11.9	13.4	+1.6	7.6	8.9	+1.3
Southern	6.8	8.3	+1.6	9.5	8.6	-0.9
Highly developed countries	6.2	9.0	+2.8	4.2	5.6	+1.3
Moderately developed	8.1	9.0	+1.0	5.0	4.2	-0.8
countries Less developed	8.7	10.4	+1.7	13.1	12.6	-0.5

Source: Eurostat ilc_mdcs01, ilc_mdcs07], DG REGIO calculations.

The proportion of people unable to afford to keep the home adequately warm (one of the main indicators of energy poverty) increased from 6.8 % in 2021 to 9.3 % in 2022 (and to 20 % for those AROPE), reversing the reduction over the preceding six years (Table 2.6). The biggest increases were in Romania, France, Ireland, Germany and Spain (over 3 pp). In 2021³⁶, over 20 % of people in Cyprus, Lithuania, Bulgaria and southern regions of Greece reported being unable to keep their homes warm, while the proportions were almost as large (over 16 %) in southern Spain and parts of Portugal (Map 2.14)³⁷.

Although there was also an increase in the proportion of people in arrears on utility bills (covering heating, electricity, gas, water, etc.) in the EU, it was smaller (up from 6.2 % in 2019 to 6.8 % in 2022) than the increase in the share of people unable to afford to keep the home adequately warm. However, there were wide regional differences, over 20 % of people in 2021 reporting being in arrears in Greece and northern Bulgaria (Map 2.14).

The proportion of people being overburdened by housing costs (those for whom these represent over 40 % of household disposable income) has also increased since 2020, though with marked differences between cities and rural areas. In 2022, 11.3 % of people in the EU population living in cit-

ies had housing costs of over 40 % of income as opposed to 6.7 % in rural areas.

1.4 Access to healthcare and long-term care varies widely across EU regions

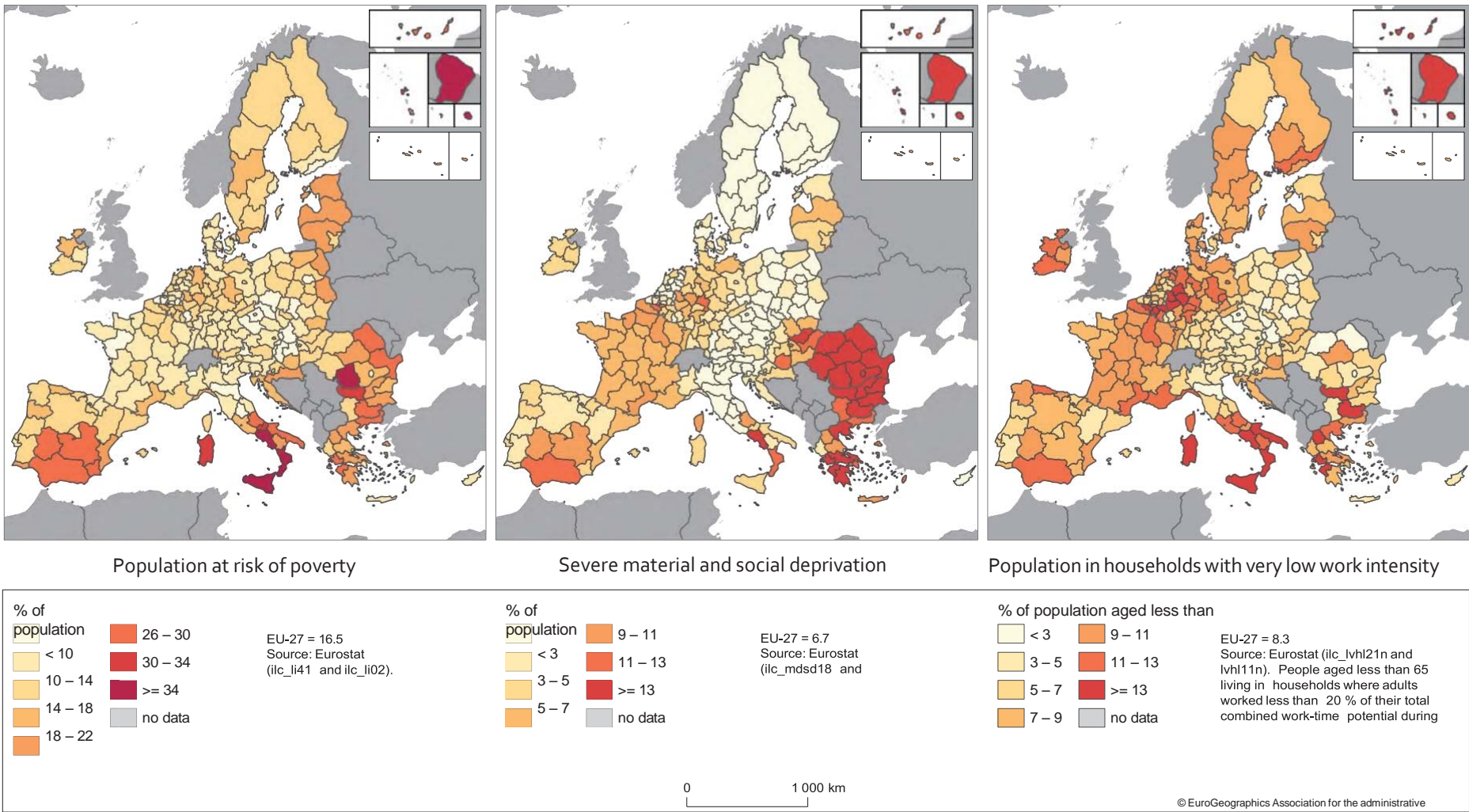
Access to healthcare in the EU, which improved between 2013 and 2019, worsened slightly between 2019 and 2022, while health inequalities grew³⁸. The proportion of people in the EU reporting an unmet need for medical examination, whether because of the costs involved, transport difficulties or being on a waiting list, was 2.2 % in 2022, up 0.5 pp from 2019. The figure was above 6 % in all regions of Finland and Greece as well as in Estonia and the east of Romania, though for different reasons. By contrast, the proportion was below 0.5 % in the Flemish part of Belgium, Yugoiztochen and Yugozapaden in Bulgaria, and Nyugat-Dunántúl in Hungary. It was also very small in Germany, the Netherlands, Czechia, Malta and Cyprus, where no regional breakdown is available. Significant differences are evident in Italy, where only 0.5 % of people reported unmet needs in the North-East, but 2.5 % in Isole (the islands) and 2.8 % in Sud (other parts of the south).

15 The EU-SILC microdata were not available for 2022.

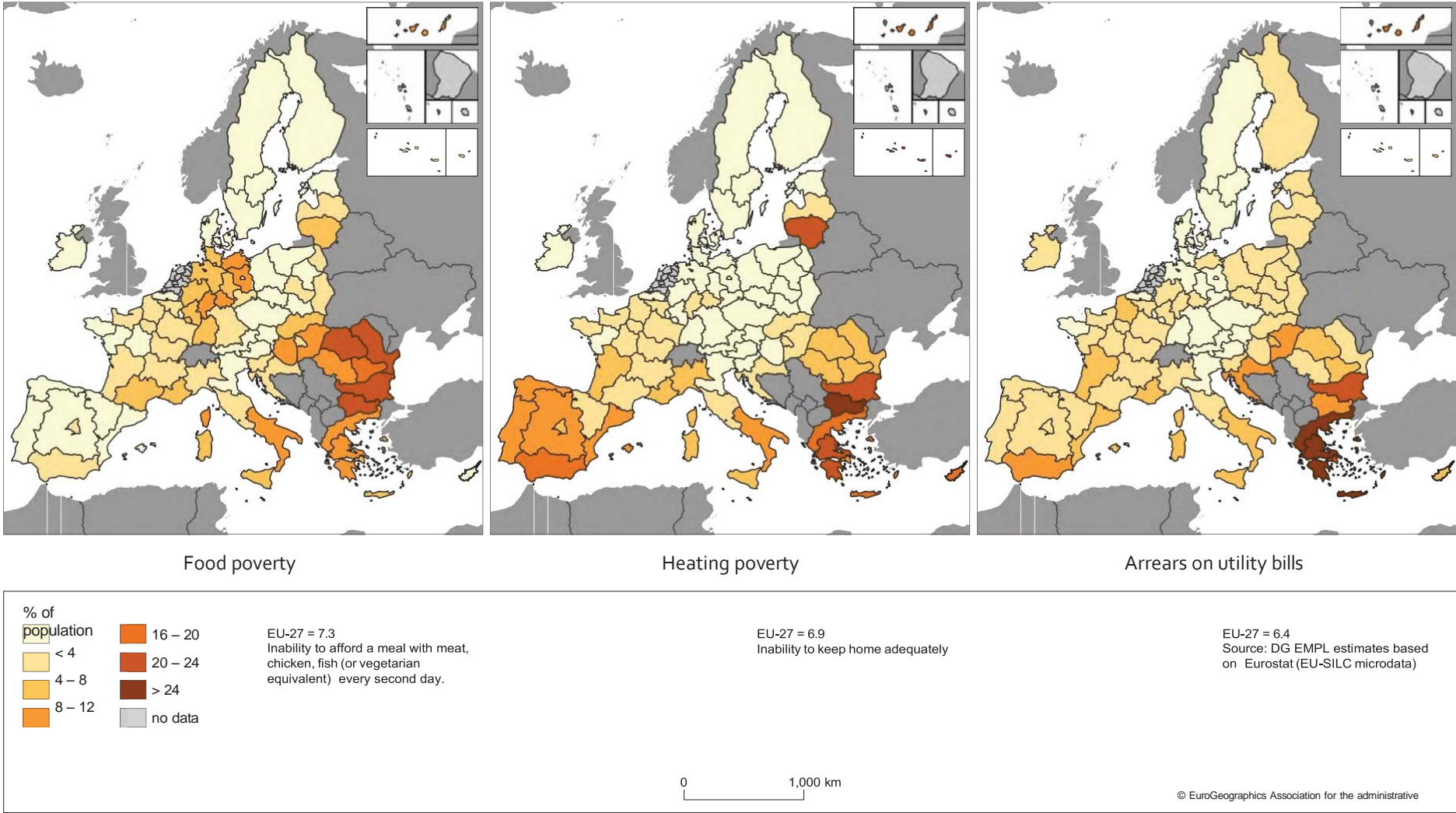
16 It should be noted that the EU-SILC does not include a question on inability to keep houses adequately cool in the summer, which www.parlament.gv.at

would be another element of energy poverty.
17 European Commission (2023f).

Map 2.13 Regional indicators of poverty and social exclusion, 2022



Map 2.14 Food, heating and utilities poverty, 2021



In 2021, the number of hospital beds per 100 000 people declined slightly in the EU to 524.8, continuing the trend of previous years³⁹. The highest concentration of hospital beds per inhabitant was in Bulgaria, Germany, Romania and Austria. Significant differences within Member States are evident between small regions with the capital and surrounding regions, as in Hungary (992 beds per 100 000 inhabitants in the Budapest region and 220 in the Pest region), Belgium (702 in the Région de Bruxelles-Capitale and 228 in Brabant Wallon), Czechia (845 in Praha and 487 in Strední Čechy) and Romania (1 048 in Bucuresti and 535 in Sud-Muntenia). In comparison with 2019, before the outbreak of the COVID-19 pandemic, the number of hospital beds per inhabitant increased in 77 of the 181 NUTS 2 regions for which data are available, and declined in the remaining 104 regions.

The COVID-19 pandemic highlighted healthcare workforce shortages, an ongoing challenge in the EU. In 2021, the EU averaged 4.1 doctors and 7.8 nurses per 1 000 people, with significant variation between countries. For example, doctor numbers range from 2.9 (Luxembourg) to 5.4 (Austria) per 1 000, and nurse numbers from 0.9 (Romania) to 18.9 (Finland) per 1 000. Disparities persist at the NUTS 2 level, particularly in regions facing rapid ageing and depopulation, resulting in areas of limited healthcare access, known as medical deserts.

As regards older people, in 2019, 46.6 % of those aged 65 or older, with difficulties in respect of personal care or in carrying out household tasks, reported an unmet need for assistance. Residential care infrastructure varies widely across the EU. In 2019, the number of long-term care beds per 100 000 residents ranged from 27.4 in Bulgaria to 1 378.4 in the Netherlands, highlighting significant differences among Member States.

2. Gender equality

Gender equality is a fundamental principle of the EU. It features prominently in the European Pillar of Social Rights – in line with the UN sustainable development goals (SDGs) of achieving gender equality by 2030. SDG5 – and the EU gender equality strategy for 2020–2025⁴¹ – strive to ensure that all EU policy areas contribute to advancing equality (Box 2.5). The European Pillar of Social Rights action plan also includes the target of at least halving the gender employment gap by 2030. While progress towards achieving gender equality in the EU is visible, women still face barriers, as reflected in the gender pay gap, the many fewer women than men in leadership positions and the many more women than men who carry the burden of unpaid care work.

Gender inequality also hampers economic and social development. Increasing the number of women in employment tends to raise productivity as well as further innovation and diversity in the workplace. Increasing the participation of women is crucial to tackling skill shortages in the context of a shrinking population of working age (see Chapter 6).

While women's participation in the labour market has continued to expand over recent years, in 2022, 69 % of women aged 20 to 64 in the EU were employed, 11 pp less than for men, meaning that the gender employment gap has remained virtually unchanged for a decade. Regional differences have also widened.

2.1 Regional labour markets for women

The employment rate of women increased relative to that of men in more developed and transition regions between 2013 and 2022, as well as in north-western Member States. Conversely, it declined in less developed regions and in southern countries where employment rates are lower and high-quality and affordable childcare is lacking (Figure 2.9).

18 Eurostat, Healthcare statistics [hlth_rs_bdsrg2 and hlth_rs_bds1].

19

20 European Commission (2020b).

In less developed regions, the gender employment gap in 2022 (16 pp) was around double that in more developed (8 pp) and transition regions (9 pp). The gap was also much wider in southern Member States (15 pp) than in north-western (7 pp) and eastern ones (12 pp). It was over 20 pp in all regions in Greece, southern Italy and the eastern regions in Romania (Map 2.15).

Many factors play a role in shaping women's participation in the work-force and in affecting the size of the gender gap⁴². Among these, working conditions and a lack of high-quality and affordable childcare and long-term care have a direct impact on their work-life balance.

2.2 More women than men have tertiary education in almost all regions

Women tend to have higher education attainment than men. In 2022, 37 % of women aged 25 to 64 in the EU had a tertiary degree as against 31 % of men. More women than men had this level of education in all regions except several in Germany, Austria and Noord-Brabant in the Netherlands (Map 2.16). Tertiary-educated women, like men, tend to be concentrated in large cities, though the recent spread of teleworking in office-based jobs may create more prospects for women throughout the EU, in all regions⁴³.

Box 2.5 Gender equality

The gender equality strategy 2020–2025 sets out a comprehensive framework for promoting gender equality. It includes goals such as reducing gender-based violence; challenging gender stereotypes; closing gender gaps in the labour market; achieving equal participation across different sectors of the economy; addressing the gender pay and pension gaps; closing the gender care gap; and achieving gender balance in decision-making and in politics. The implementation of the strategy is based on a dual approach of targeting measures to achieving gender equality and strengthening gender mainstreaming at all stages of policy design in all EU policy areas, internal and external.

The EU has taken initiatives covering a wide range of policy areas to promote gender equality. In particular, the Pay Transparency Directive¹ requires Member States to ensure that men and women are paid equally for equal work; the Gender Balance on Boards Directive² sets targets for large listed companies in the EU to accelerate progress towards gender balance in their boards; and the Work-Life

Balance Directive³ promotes work-life balance for both male and female workers with care responsibilities through rights to paternity and parental carer's leave, as well as the right to request flexible working time arrangements for care reasons, thus fostering gender equality in meeting care responsibilities. The EU Directive on Preventing and Combating Violence Against Women and Domestic Violence⁴ requires EU Member States to take measures to prevent and combat violence against women and domestic violence and provide support to victims.

Gender equality is mainstreamed in the multiannual financial framework for 2021–2027 and is integrated in many EU funding programmes and budget guarantee instruments, including the ESF+, ERDF, Cohesion Fund, CERV (citizens, equality, rights and values), Creative Europe, the European Maritime and Fisheries Fund, Horizon Europe and Invest EU. These programmes all support goals set in the gender equality strategy, with a specific focus on support for female entrepreneurship.

- European Union (2023).
- European Union (2022c).
- European Union (2019).
- European Commission (2021d).

21 European Commission (2023g).

22 The share of women able to telework during the COVID-19 restrictions was larger than for men in the EU, the difference ranging from 3.0 pp in www.parlament.gv.at

Finland to 17.4 pp in Malta, and it was 10 pp or more in seven out of the 14 EU Member States for which data are available from the EU-SILC.

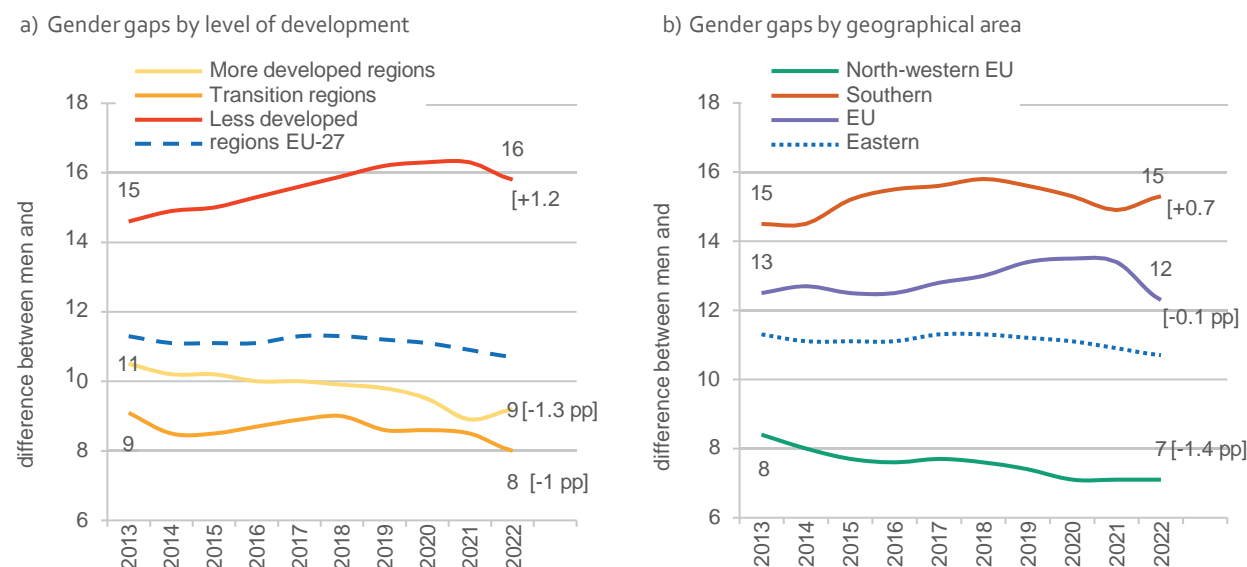
Chapter 2: Social

Table 2.7 Gender gap indicators by education level, level of development and geographical area, 2022

	Distribution of population 25–64		Tertiary rate 25–64		Gap in education level of population			Gap in employment rate			
	Women with tertiary	Men with tertiary	Women	Men	Tertiary education	Medium education	Low education	Tertiary education	Medium education	Low education	Total
EU-27			<div><div></div></div> 37.1	<div><div></div></div> 31.4	<div><div></div></div> 6	<div><div></div></div> -4	<div><div></div></div> -2	<div><div></div></div> -5	<div><div></div></div> -12	<div><div></div></div> -23	<div><div></div></div> -11
More developed regions	<div><div></div></div> 19	<div><div></div></div> 18	<div><div></div></div> 39.8	<div><div></div></div> 36.8	<div><div></div></div> 3	<div><div></div></div> -1	<div><div></div></div> -2	<div><div></div></div> -6	<div><div></div></div> -10	<div><div></div></div> -21	<div><div></div></div> -9
Transition regions	<div><div></div></div> 10	<div><div></div></div> 8	<div><div></div></div> 39.4	<div><div></div></div> 32.0	<div><div></div></div> 7	<div><div></div></div> -6	<div><div></div></div> -2	<div><div></div></div> -4	<div><div></div></div> -10	<div><div></div></div> -18	<div><div></div></div> -8
Less developed regions	<div><div></div></div> 8	<div><div></div></div> 6	<div><div></div></div> 30.0	<div><div></div></div> 21.4	<div><div></div></div> 9	<div><div></div></div> -7	<div><div></div></div> -2	<div><div></div></div> -6	<div><div></div></div> -18	<div><div></div></div> -29	<div><div></div></div> -16
North-western	<div><div></div></div> 19	<div><div></div></div> 18	<div><div></div></div> 40.0	<div><div></div></div> 37.3	<div><div></div></div> 3	<div><div></div></div> -2	<div><div></div></div> -1	<div><div></div></div> -5	<div><div></div></div> -7	<div><div></div></div> -17	<div><div></div></div> -8
EU Southern	<div><div></div></div> 10	<div><div></div></div> 8	<div><div></div></div> 33.9	<div><div></div></div> 27.0	<div><div></div></div> 7	<div><div></div></div> -1	<div><div></div></div> -6	<div><div></div></div> -6	<div><div></div></div> -19	<div><div></div></div> -27	<div><div></div></div> -16
EU	<div><div></div></div> 8	<div><div></div></div> 6	<div><div></div></div> 35.0	<div><div></div></div> 24.7	<div><div></div></div> 10	<div><div></div></div> -11	<div><div></div></div> 0	<div><div></div></div> -5	<div><div></div></div> -16	<div><div></div></div> -24	<div><div></div></div> -12
Eastern EU											

Note: The gap is the value for women minus the value for men. 2021 break in LFS series. Source: Eurostat [lfst_r_lfe2edu, lfst_r_lfsd2pop], DG REGIO calculations.

Figure 2.9 Gender gaps in employment rate by level of development and by geographical area, 2013–2022



Note: Gap = value for men minus value for women. 2021 break in LFS series.
Source: Eurostat [lfst_r_lfsd2pwc], DG REGIO calculations.

Women with tertiary education represent a potentially valuable resource and an opportunity in less developed regions. In 2022, some 8 % of all women aged 25 to 64 in the EU had tertiary education and lived in less developed regions, while the figure for men was only 6 % (Table 2.7, part a). Indeed, the larger proportion of women than men in the EU with this level of education largely reflects the difference in less developed regions (9 pp) and transition ones (7 pp) compared with more developed ones (3 pp), as well as in eastern Member States (10 pp) and southern ones (7 pp) as compared with north-western ones (Table 2.7, part b).

A higher level of education is also associated with a narrower gender employment gap, this being only 5 pp for those with tertiary education in the EU, as against 12 pp for those with upper-secondary education and 23 pp for those with only basic education (Table 2.7, parts c and d).

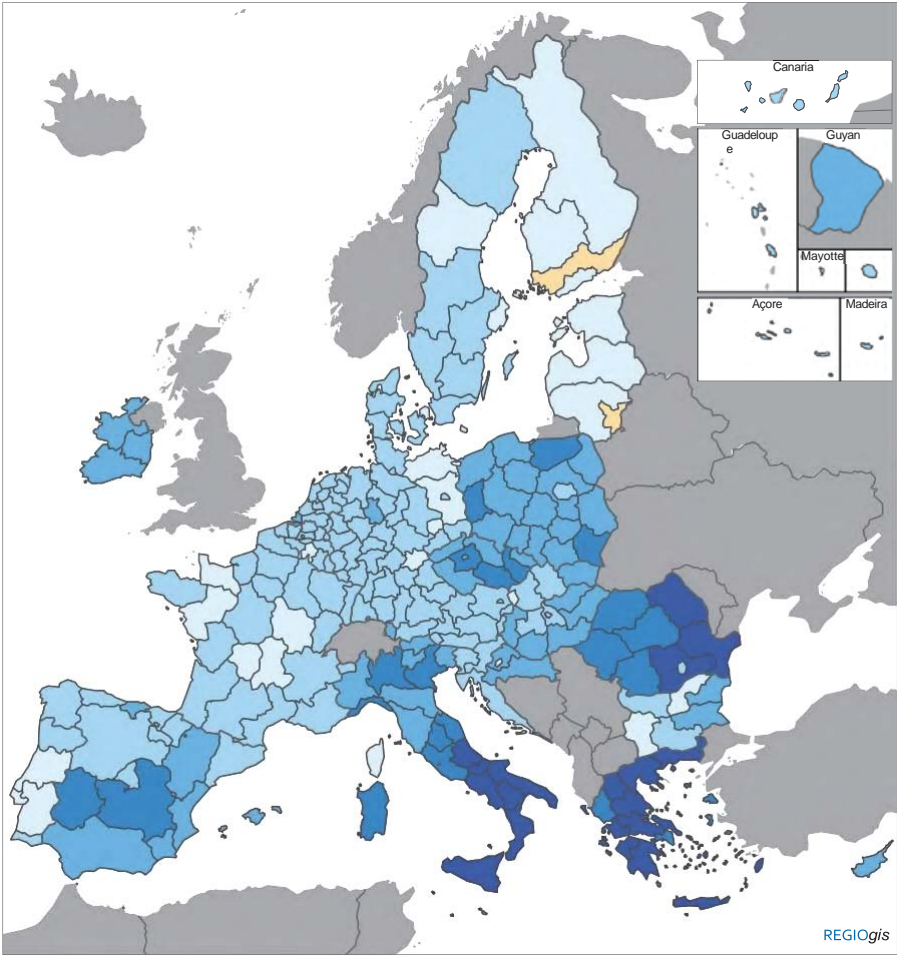
2.3 Women in political power

Women are also less represented than men in government and leadership positions. The 8th Cohesion Report concluded that balanced representation of

women (i.e. holding at least 40 % of positions) in all decision-making bodies in political and public life, as recommended in 2003 by the Council of Europe, is not quickly reachable. Indeed, in 2023, women made up half or more of regional assemblies in only 16 out of 285 cases (Map 2.17), with no change from 2021. In some EU regions, not only was the share of women in regional assemblies low in 2023, it had also become smaller over the preceding decade (Map 2.18).

The gender equality index for 2023⁴⁴ confirms that gender inequalities in the EU are most pronounced in respect of positions of power (59.1 points out of 100 denoting full equality), despite advances since 2010 (by 17.2 points). The overall index in 2023 exceeded 70 points for the first time, driven by progress in respect of time (+3.6) and work (+2.1) from 2020. This increase in equality between women and men has been accompanied by a reduction in differences between Member States. The highest values of the index are in Sweden, the Netherlands and Denmark (78–82), while the lowest are in Czechia, Hungary and Romania (under 58).

44 EIGE (2023).



Map 2.15 Differences between female and male employment rates, 2022

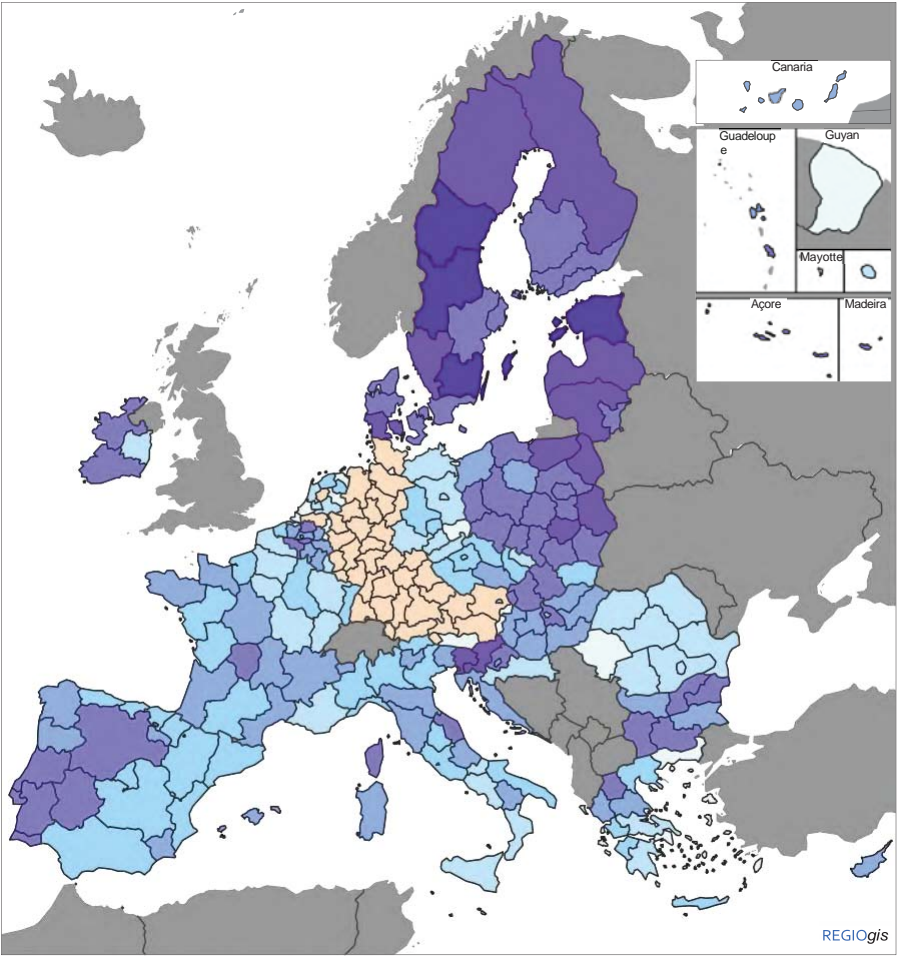
Percentage point difference

- < -20
- 20 to -15
- 15 to -10
- 10 to -5
- 5 to 0
- > 0
- no data

EU-27 = -10.7
Source: Eurostat

0 500 km

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Map 2.16 Differences between female and male tertiary education rates, 2022

Percentage point difference

- < 0
- 0 – 2.5
- 2.5 – 5
- 5 – 7.5
- 7.5 – 10
- 10 – 15
- 15 – 20
- > 20
- no data

EU-27 = 5.7
Source: DG REGIO based on Eurostat

0 500 km

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