Bocconi

FROM DATA TO ACTION: AN EVIDENCE-BASED APPROACH TO ANTI-POVERTY POLICIES IN THE EU

IEP@BU – LEAP Policy Brief

BY **PIETRO GALEONE** (IEP@BU), **LUCA PRIVINZANO** (LEAP)

Università Bocconi
MILANO

Contents

Introduction

Poverty is a multi-dimensional and evolving issue, much more complex than the mainstream discourse would paint it to be. It isn't just about mere income distribution, which many typically associate with the concept. Poverty is at play wherever inequalities put someone at a systemic disadvantage: as inequalities discriminate among employees, in-work poverty can affect full-time employees; as inequalities are reflected in school participation and learning outcomes, educational poverty often accompanies children from fragile socio-economic backgrounds. Investing in effective tools and policies that can identify those at the margins and provide effective solutions to their needs is more crucial than ever, as inequalities are rising on several dimensions. This affects the European Union as well, particularly given the impacts of COVID-19, wars, and economic crises on everyday life of its citizens.

The fight against poverty is not a new one. It has been a feature of national policies and academic research for many decades. However, the ways in which a State fights against poverty have changed over time, continuously evolving to approach new challenges through the adoption of new tools and policies. For instance, a notable turning point came with the 2019 Nobel Prize in Economics, awarded for pioneering research in understanding and fighting poverty through rigorous, data-driven innovative approaches. Despite this progress, governments and institutions often need to catch up and enhance their understanding of this increasingly complex and intertwined social issue, fully leveraging the power of data to formulate effective policies having a sizeable and measurable impact.

In this policy brief, we focus on the European context, discussing how institutions have tackled poverty and inequalities in such unprecedented times. We will review some of the ways in which the previous European Commission has shaped anti-poverty policies, emphasizing the need for a rigorous approach rooted in data, impact evaluation and evidence-based policymaking. Although such principles are neither innovative nor unprecedented in the EU's fight against poverty, we show that for most policies thus far, they have either not been correctly implemented or attempted at all. We suggest that the new Commission will have to plan specific investments for collecting reliable data on key poverty dimensions and for gathering rigorous impact evaluations. At the same time, it will have to work with national governments to plan data-driven policymaking and to ensure monitoring along the implementation.

For the purpose of this policy brief, we will examine two case studies to show the crucial role of data in effective policymaking against poverty: homelessness and education. The former, illustrating how data can reveal hidden social phenomena that would otherwise remain invisible; the latter showing how data can measure the impact of policies, identify the most effective and efficient solutions, and establish a replicable policy framework for various key dimensions. We will show that homelessness still lacks the policy investments to construct a coherent EU-wide data framework, making it difficult to understand the extent of the phenomenon in a uniform and consistent manner; on the other hand, education has been a field at the forefront of policy for a long time – yet for too long the focus has been on quantity rather than quality. A more rigorous approach founded on impact evaluation can shape policies ensuring better – not just more – educational and learning outcomes and thus opportunities for younger Europeans.

The rest of the paper is structured as follows: in the next section we introduce the context of homelessness and educational poverty in the EU, both within member states and across them. In the following section, we briefly review the EU's previous efforts in tackling these two issues and show their shortcomings. Then we focus on how to establish evidence based and data-driven approaches to policymaking, also offering some best practices as concrete examples of how such a structured approach could greatly improve the way EU institutions tackle poverty. Finally, the last section concludes and summarizes our prescription for a more effective fight against poverty.

Poverty, a Multi-Dimensional Issue

An overview

Poverty and socio-economic inequalities are on the rise all across Europe. This trend has been exacerbated by the COVID-19 pandemic, which significantly increased inequalities across the continent. According to Eurostat estimates, in 2022, 95.3 million people in the European Union were at risk of poverty or social exclusion, equivalent to 21.6% of the EU population. The impact of poverty is particularly pronounced among households with children, with 22.4% of such households at risk of poverty or social exclusion in 2022.

The risk of poverty or social exclusion, however, is not uniformly distributed across the EU. Significant disparities exist among member states, with the highest shares of people at risk recorded in Romania (34%), Bulgaria (32%), and Greece and Spain (both 28%). This variation is captured through the At Risk of Poverty or Social Exclusion (AROPE) indicator, which the European Union has developed to uniformly monitor these trends. The AROPE indicator includes individuals at risk of poverty, severely materially and socially deprived, or living in a household with very low work intensity. It serves as the primary measure for tracking the EU 2030 target on poverty and social exclusion, continuing its role from the EU 2020 Strategy poverty target.

Moreover, poverty is not uniformly distributed within countries. For instance, in Italy, the overall incidence of families living in absolute poverty (ISTAT, 2023) was 9.7%, in 2022. However, a closer look at the data reveals significant regional disparities, with the more advanced north-west registering a rate of 7.2%, while the south reaching 11.2%.

As shown by the AROPE indicator, poverty extends beyond income distribution; it is a multidimensional socio-economic phenomenon encompassing various aspects of human existence, including access to healthcare, education, housing, equal opportunities, and individual rights. Therefore, understanding these statistics, along with the underlying trends and causes of social deprivation, is an increasingly challenging task. This complexity arises because all dimensions of poverty are interconnected, making these trends often difficult to detect, interpret, and fully comprehend without clear and detailed data.

The following sections will concentrate on two fundamental dimensions of poverty, emphasizing the critical importance of data in comprehending these aspects due to their inherent complexity.

Educational poverty

Educational poverty is one of the most urgent dimensions of poverty, affecting societies all around the world. This complex phenomenon requires systemic and comprehensive approaches engaging all the actors involved – students, families, teachers and local communities.

Typically, we think of educational poverty as a problem of access to opportunities and infrastructures – notably looking at enrolment rates and educational attainment. However, we see a rising trajectory in enrolment rates throughout the world. In the EU, primary enrolment rates have reached 97% (UIS, UNESCO) with countries such Italy and France stabilizing at around 99%. Moreover, the participation rate in early childhood education is rising in the EU – intended as participation in education between the age of 3 and the starting age for mandatory education. It reached an average of 93% in the EU. This is not only related to the EU but it is a worldwide trend that reflects a complex but successful effort and investments in education facilities. For example, in India primary enrolment ratios jumped from 93% in 2017 to 98% in 2023 (UIS, UNPD) – but this rates are improving in low-income countries such as Sierra Leone, having reached the 97% and Mozambique, growing from 93% in 2017 to 98% in 2022 (UIS).

However, educational systems are facing an unprecedented challenge that will shape our society and that will affect entire generations of citizens if not addressed through systemic interventions. The World Bank and the academic community called this the '***learning crisis***': conditional on the same years of completed education, the learning levels and skills obtained have drastically reduced. For example, in India, more than 50% of Grade 5 students have not developed Grade 2 literacy skills. In Nigeria, only approximately 1 in 10 women who completed Grade 6 can read a single sentence in their native language (RISE Programme, 2023). This is not only a problem of the developing world, but a worldwide issue – through a review of the PISA Assessments, promoted by the OECD, allowing comparable cross-country results assessing the knowledge and skills of 15-year-old students in mathematics, reading and science. These tests show that performance in mathematics dropped sharply in 2022 on average across OECD countries - however, average trajectories across OECD countries had already turned negative well before the COVID-19 disruptions. This dynamic is present in Europe as well, both in literacy and math skills, all around the union – as emerges from the share of low-achieving 15-year-olds in mathematics that has increased over the recent years, reaching an average of approximately 30% in 2022 (EUROSTAT). A more alarming picture emerges if we look at differences across European countries, which vary from 25% of Belgium to more than 50% in Bulgaria.

This sharp decrease in the competences of students has potential long lasting consequences on entire generations to come. For example, looking at the Italian data, INVALSI test scores highlight how 9.5% of students graduate from high school without acquiring the essential skills (2021). This has the potential to exacerbate inequalities for many generations to come, limiting possibilities for social mobility, preventing access to skilled jobs, widening social and income inequalities. Students who are not able to interpret information through skills and knowledge acquired at school will encounter significant difficulties in elaborating opinions, contribute to social and civil life, limiting their possibilities of being aware citizens and potentially, their freedom. In other words, this learning crisis is shaping a worldwide cohort of young adults lacking the necessary skills to navigate the complexities of a new world, particularly given the digital transformations and the innovations provided by artificial intelligence. In a digital age where many jobs will be transformed, being skilled is even more important. People need to adapt to these changes, and those without the necessary skills will struggle to find their place in the workforce.

This is the reason why educational poverty, mostly through this *learning crisis*, is one of the major threats of our modern society, all around the world, in both high- and low-income economies. This is a call for action: policymakers are urged to consider this as one of the top priorities in the political agenda and act to prevent this crisis to generate inequalities limiting the possibilities of the younger generations, until it is too late. European and world institutions have the mandate to invest in long-term reforms and immediate tangible actions, driven by solid evidence of what works and what doesn't and the common vision that an equitable world should be the one where every child is offered the same opportunities and chance to succeed in life.

Homelessness/Housing poverty

Housing is a fundamental and basic human need, and ensuring adequate living conditions should be at the top of policymakers' priorities all around the world, particularly in the EU. The concept of housing and house security as a basic human right has taken shape back in the first part of the 20th century, eventually leading in 1948 to its inclusion in the Universal Declaration of Human Rights. Article 48 is clear in this regard *"Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services"*. This concept was then re-iterated in the International Covenant on Economic, Social and Cultural Rights of 1966, which Article 11 ensures *"[...] the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions."*.

Despite these efforts being clear in international law, housing deprivation and poverty remain persistent problems all around the world – leading to extreme consequences when talking about homelessness. Favelas in Brazil and slums in Kenya are common images that come to mind when thinking of the extreme consequences of the issue of house deprivation. However, this issue is present not only in low-income economies, but the rising social and economic inequalities in industrialized countries have exacerbated a real housing crisis, affecting cities all around the world. Tangible and visible signs of this social crisis are the endless queues at the food banks and shelters, or the increasing number of homeless people living in streets of major urban areas.

Homelessness represents a clear-cut expression of social exclusion. People living on the streets do not have access to essential services, struggling to access food, sanitation facilities and basic healthcare. Such an extreme level of marginalization excludes the homeless population from the job market, but also from any kind of social life and opportunity. This radical form of exclusion creates even more complicated challenges, due to their associated mental and psychological distress of not having a home, to the complete lack of social relationships and family support, hence overall lack of empowerment, motivation and aspirations. The complete segregation of this population from society perpetuates one of the most extreme forms of poverty of industrialized countries, with their exclusion from any form of civil life surely representing a missed opportunity for society as a whole.

The close interaction of physical and mental barriers makes this issue complex to handle by policymakers, but also difficult to understand.

A first challenge in understanding the phenomenon is its own definition. That is, **who can be defined as homeless?** In 2009, the United States Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act defined four specific criteria according to which a person can be identified as homeless. These include "(i) Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual who resided in an emergency shelter or a place not meant for human habitation and who is exiting an institution where he or she temporarily resided; (2) individuals and families who will imminently lose their primary nighttime residence; (3) unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition; and (4) individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member".

But what about in the European Union? Unfortunately, there is no consensus in this regard, with the 27 Member States being independent in identifying who can be considered as homeless – and considering specific context-related specificities. According to a cross-country report conducted by the European Federation of National Organisations Working with the Homeless (FEANTSA) in 2023, for example, in Italy only people living rough or in hostels are considered officially homeless, while in Romania the national definition also includes people staying in hospitals and prisons due to a lack of housing, those at risk of eviction and those living temporarily with friends or family. This simple comparison exemplifies the lack of uniform EU legislation in this regard, showing heterogeneity in the definition of who can be a homeless person.

An important step ahead was taken in 2005 when FEANTSA introduced ETHOS - a harmonized definition of homelessness for statistical purposes. ETHOS is a pragmatic tool for the development of data collection exercises targeted to the homeless population, helping define individuals that have the potential requirements to be included in counts. Despite being a helpful tool in shaping many counts conducted in the different European nations, this is not yet an official definition of the European Union, which instead still lacks a standard and consistent definition. This has several obvious consequences, leading to the second challenge – quantifying the phenomenon.

How large is the homeless population living on our streets? This seems quite a straightforward question, but public authorities and civil society organizations operating with this population do not have a firm answer.

First, because of a general lack of data purposely dedicated to the count of homeless. This is because collecting data among this population is a complex effort, requiring dedicated investments and ad-hoc strategies. Homeless are a highly mobile population not having a definite location where to live, meaning that they need to be found and the data collection protocols (i.e., when, where and how data is collected) can highly affect the data itself. Moreover, any counting exercise must avoid issues such as double-counting and consider the specific difficulties in approaching fragile individuals experiencing rough life experiences. Furthermore, such data collection efforts are costly, as these can be possible through counts that can mobilize a considerable amount of resources. Second, if any data is available, it is difficult to compare across different countries – as it has been previously highlighted, the criteria identifying the homeless can vary across different legislations. Hence, some people counted as 'homeless' in one country could be potentially excluded from another, making the resulting dataset incomparable and not suitable for informing transformative policies at the EU level.

Despite these challenges, some data is available around the world. Having adopted a common definition of homelessness, the US Department of Housing and Urban Development (HUD) of the United States has established a national count in parallel in different cities, following a standard uniform methodology. The most recent data, collected in 2023, indicates that **653,104** people have been identified as homeless in the US. This number has increased over the recent years, from 582,462 in 2022 and 567,715 in 2019. But what about the European Union? Unfortunately, the EU lacks any centralized and coordinated counting initiative at the institutional level. Hence, it is difficult to obtain aggregate data that can be used to understand the extent of the phenomenon thoroughly. However, data from FEANTSA estimates approximately **895,000** people counted as homeless in the European Union in 2023. Due to the lack of harmonized legislation identifying homeless in a standard and uniform way across the different Member States, we can't have comparable data as in the US. Moreover, this is an aggregate figure which draws from national and independent data collection, carried out following specific protocols, at times producing incomparable outcomes (i.e., different data collection methods, over different time-spans over different periods of the year).

The European Policy Approach Against Poverty

With the new Commission about to take its first steps, many macroeconomic and geopolitical issues are at the forefront of the debate in Europe. The global context is fragile, to say the least, with war raging in the EU's backyard and relations with the United States are hanging by an uncertain thread until November 5th. Within the Union, industrial policy is flirting with protectionism, and the twin transitions – green and digital – promise to bring about consequences well beyond production, heavily affecting social outcomes.

Social outcomes must indeed be kept at the forefront of policy development, as any transition, policy action or macro-relevant issue impacts differently across the wealth distribution. In the past five years some notable examples have made this apparent: the Covid pandemic had a disproportionate impact on more precarious workers and on households with fewer savings; the Russian invasion of Ukraine with the consequent spike in gas prices raised concerns of energy poverty; high interest rates hurt lower incomes who have a higher share of wealth tied to debt – among other concerns of the distributional impacts of monetary policy (Schnabel, 2021).

The outgoing Von der Leyen Commission actively set out to address some pressing social issues and face these challenges, with a particular focus on poverty alleviation and social exclusion.

Previous initiatives

When the Commission was nominated in 2019, a key decade was dawning for the EU's work on poverty. A decade that had started with the aftermath of the Great recession and continued with Eurozone instability, raising the risk of poverty for many European individuals and families.

At the same time, European institutions had set ambitious goals. The Europe 2020 strategy was launched in 2010, aiming to raise employment levels and improve working conditions and youth education and participation, all the while reducing poverty and social exclusion. Specific numerical targets had been proposed, including reaching a 75% employment rate of the population aged 20-64, achieving a reduction in the share of early school leavers to 10%, increasing the share of young adults with tertiary education to 40%, and finally lifting 20 million people out of poverty. In order to achieve all these ambitious objectives by 2020, the European Commission in 2010 had launched several initiatives, including an "*Agenda for New Skills and Jobs*", the "*Youth on the Move*" program, and the "*European Platform against Poverty*".

The *Agenda for new skills and jobs* emphasized the need for labor markets more readily adaptable to transitions through flexicurity schemes and stressed the need for both more training of the workforce and a strengthened social dialogue. The *Youth on the Move* program highlighted the need for policies specifically tailored towards including young people in the labor market, starting from the education years and continuing as they enter the workforce; it focused on streamlining education systems and improving learning mobility; finally, it promoted the creation of a program to incentivize youth employment, what would later become the *Youth Guarantee.*

The *Platform against Poverty* focused on creating opportunities for member states to share their social inclusion policies, learn from best practices and bring together the various stakeholders involved in the fight against poverty. Particular focus was given to marginalized and vulnerable groups, such as migrants, refugees, and persons with disabilities. It aimed to remove barriers and provide equal access to essential services, at the same time promoting education and training to reduce the distance from the labor market.

The 2019-2020 Commission

As Von der Leyen swore in as President, most commentators had their eyes set on the 2020 targets. In particular, the most ambitious one of them seemed quite a long way out of reach: the number of individuals at risk of poverty and exclusion in the EU, had only moved from 114 million in 2009 to 106 million in 2019. Thus, not even half of the goal of lifting 20 million individuals out of poverty was met.

The need for a more comprehensive approach to poverty was clear, which is why the Commission had recently launched the *European Pillar of Social Rights*, a milestone reframing of social policies that set out 20 principles and rights to support fair and well-functioning welfare systems and labor markets. Anchored in the values of equal opportunities and social protection, the Pillar aims to ensure that every individual has access to decent work and social benefits.

In the Pillar, quality education features as the first of the key principles, stating that "everyone has the right to quality and inclusive education, training and life-long learning". Similarly, the initiative includes actions towards homelessness, with the objective of providing the homeless with "adequate shelter and services". A significant innovation of the Pillar is a much more multidimensional approach to poverty and to social inclusion policies, rather than just focusing on mere income indicators.

However, the Covid-19 pandemic showed that setting targets and principles was not enough. A much more hands-on approach was needed. Additionally, many healthcare services across the EU had come under a great deal of stress and it had become clear that the social infrastructure needed to support these policy aims had to be strengthened. As the continent – and the world – had been taken by storm by the health crisis, the value of a strong and resilient social safety net had gained new appreciation. For this reason, in the *Next Generation EU* funding, a large share of resources was set aside to enhance not only public healthcare, but also welfare systems and social services more broadly.

At the same time, it became clear that the road ventured by the European Pillar of Social Rights was the right one, but that more courageous action had to be taken. Thus, in March of 2021, the Commission contributed to the implementation of the Pillar through an Action Plan, which set – once again – numerical targets to be reached by 2030. Three key targets were set:

1. Reaching an employment rate of at least 78% of the population aged 20-64;
2. Having at least 60% of adults annually involved in training;
3. Lifting 15 million people out of poverty (or rather, risk of poverty and social exclusion).

Shortly after, in May 2021, the Portuguese presidency organized the Porto Social Summit, where both Member States and social partners renewed their commitment to the European Pillar of Social Rights, and accepted the Commission's proposed targets, pledging to contribute to their reach.

As these developments certainly mark a step forward in the right direction, still some issues linger. Common frameworks on measuring some key phenomena – such as homelessness – are often lacking, resulting in statistical measures of little comparability. Evidence-based and data-driven policy is often very limited in scope, relegated to pilot projects and niche fields. Finally, the approach to education is mainly focused on quantity of education rather than on its quality, and much of the efforts are aimed towards supplying labor markets with the demanded skills, thus pushing education systems closer to labor markets rather than strengthening core competencies. We will explore these shortcomings further in the next sections.

Homelessness

Homelessness is a complex issue that requires a comprehensive approach at national, regional, and local levels. While the European Commission does not have direct competence in housing policies, the centralized EU level can greatly help coordinate national actions through comprehensive programs and provide a common framework to measure, track and compare the phenomenon.

Initiatives such as the *Fund for European Aid to the Most Deprived* (FEAD) have provided some guidelines: through the Fund, financed with over €3.8 billion in the 2014-2020 period, States could provide essential assistance, including food aid, clothing, and essential goods, to those experiencing severe material deprivation. The fund helped alleviate immediate needs and support the most vulnerable individuals and families across the EU.

EU Mutual Learning: Housing First

The *Housing First Europe Hub* exemplifies effective benchmarking and cooperation among EU Member States by showcasing a successful model that originated in Finland and has been adopted by other countries as a best practice. This initiative emphasizes providing stable, permanent housing as the initial step for homeless individuals, combined with tailored support services to address their specific needs.

By prioritizing housing as a fundamental right and basis for personal stability, the Hub has demonstrated significant success in reducing homelessness and improving quality of life, prompting other EU countries to replicate and adapt its principles. This cross-border collaboration and knowledge-sharing underscore the Hub's role in fostering innovation and cohesion within the EU's social policy landscape.

To scale up housing-first approaches across Member States, the Commission brought together civil society and other stakeholders to provide technical assistance, share best practices, and facilitate cross-border collaboration to address homelessness effectively.

Despite these efforts, in part due to the Covid-19 pandemic and its social consequences, the phenomenon of homelessness has grown in the decade 2010-2020 in the EU. This is recognized by Member States and EU institutions themselves, in the Lisbon Declaration of 2021, which sets the extremely ambitious goal of ending homelessness by 2030. To do so, the Declaration brings together EU institutions, including the Council with the Member States, and civil society to launch the *European Platform on Combatting Homelessness*. The Platform will bring together stakeholders to exchange knowledge and promote innovative solutions to prevent and address homelessness. By focusing on prevention, access to housing, and support services, it aims to strengthen coordination among member states and share best practices.

At first glance these goals might seem not much different from the projects that preceded it. However, some elements represent an innovation. For instance, in the Platform, the Commission pledges to "strengthen analytical work and data collection in order to promote evidence-based policies and initiatives addressing homelessness". As already mentioned previously, this is a crucial necessity, as a common framework on defining the homelessness phenomenon and measuring it is yet to this day missing. Another important focus is on monitoring and policy evaluation, as the Declaration stresses "the evaluation of the use of relevant EU funding to address the problem and root causes of homelessness in the Union". It will be crucial to ensure that these innovations to the fight against homelessness are effectively implemented by the next Commission.

Educational poverty

As already mentioned, the key initiatives on education have typically focused on access to education rather than its quality. From the establishment of the Barcelona targets (i.e., childcare for 33% of children under 3 years of age and for 90% of children aged 3-6) to the completion of tertiary education, the goal has mainly been on providing education to more people rather than ensuring better learning outcomes and skills. However, some steps to improve education have been taken. The Commission launched initiatives to promote inclusive education systems that accommodate all learners' diverse needs, including those from disadvantaged backgrounds and marginalized communities. This included support for inclusive teaching practices, early childhood education, and vocational training programs.

In 2021 the EU also launched the *Child Guarantee*, which focuses on providing quality education and improving students' learning outcomes. It emphasizes the role of quality education in breaking the cycle of disadvantage and promoting social inclusion among children. By ensuring access to inclusive, equitable, and high-quality education, the initiative aims to address disparities that affect children from vulnerable backgrounds, such as those living in poverty, with disabilities, or from minority communities. Quality education under the Child Guarantee is a foundational pillar for improving children's overall well-being, fostering equal opportunities, and enabling them to develop their full potential, thereby contributing to the long-term socio-economic growth and cohesion of EU member states. In this way, the Guarantee seems to grasp the multidimensional and complex nature of the challenges that modern students face to face the complex modern world. The implementation of the Child Guarantee is left to Member States, but each of them must submit an action plan of concrete steps to reach the Guarantee’s goals – including education – and the process of the Guarantee will include reporting and monitoring on such progress.

EU Mutual Learning: One-stop-shops

The one-stop-shop initiative, aimed at improving access to and quality of education, exemplifies benchmarking and EU Member State cooperation through the Youth Guarantee framework. This initiative originated in countries like Sweden and Finland, where it consolidated educational, vocational training, and employment services into a single, easily accessible point. By providing comprehensive support ranging from career counseling to job placement, the one-stop-shop model simplifies the process for young people to navigate their educational and employment pathways. The demonstrated success in these Nordic countries showcased the effectiveness of an integrated service approach, prompting other EU Member States to adopt and adapt this best practice. This cross-national implementation enhances educational outcomes and employability for youth, highlighting the benefits of shared innovative strategies across the EU.

Perhaps the most significant step towards a comprehensive approach to educational quality was taken more recently, in 2022, when the Council adopted a Recommendation on Pathways to School Success. The Recommendation aims to improve educational outcomes reducing the potentially negative impacts of background or family situation, thus strengthening performance and skills at the same time as reducing school leaving. It also pushes Member States to create or strengthen a multidimensional strategy by 2025: in fact, it takes a holistic view of school success, looking at both educational achievement (i.e. competences and skills) and attainment (diplomas or certificates). While not exactly focused on the distinction between quantity and quality, this is a step in the right direction. Even more so as it is coupled with a strong focus on evidence-based monitoring, which starts with data collection, includes periodic reporting and monitoring, and data-based policies.

Most countries still have a long way to go in order to meet their goals, however. Should this be correctly implemented, it would represent a fundamental tool to reduce educational poverty. It could be further strengthened through an EU-wide approach to policy evaluation and design, rigorously founded in empirical evidence and monitoring. As clarified in the following sections, it is up to the incoming Commission to ensure that these prescriptions will be concretely and swiftly translated into action and that Member States effectively implement their action plans by the 2025 deadline.

Fighting Poverty Through Evidence-Based Solutions

Eradicating extreme poverty is the first strategic goal set by the United Nations in the 2030 Agenda for Sustainable Development. The European Union has also embraced this ambitious objective, but numbers show that inequalities are rising all across the continent. Poverty has increasingly become a multidimensional phenomenon that goes beyond the simple concept of income measurement. As seen in the previous sections of this policy brief, poverty is a multidimensional phenomenon, encompassing several and intertwined dimensions of poverty, interacting with each other and increasing exclusion and marginalization.

To name a few examples, educational poverty has the potential to create a society with less opportunities for the younger generations, affecting their opportunities to succeed in their professional and civil life. Lack of opportunities can have implications on several other areas of life, such as participation in civil life, access to the job market or also to basic services such as healthcare, for example. Extreme forms of deprivation can eventually lead to extreme consequences such as housing fragility and poverty, pushing fragile individuals in poverty traps that are difficult to escape from. This level of complexity requires complex solutions, starting from a deep level of understanding of social dynamics in our modern world. Within the context of the European Union, this urges institutions to rethink traditional approaches to policy making, investing towards the adoption of new data-driven approaches.

Budget constraints are a constant concern for European and national institutions, posing some strict limitations on the possible actions that countries can adopt. On the other hand, there is an urgent need to allocate a significant amount of resources and investments towards addressing inequalities and tackling poverty. Starting from quantifying the several dimensions of poverty through the acquisition of uniform and complete dataset, governments can understand the complexity of this phenomenon, identifying where poverty is, quantifying its extent and informing priorities and objectives. Through a quantitative and rigorous estimation of the effect of policies and measures, through data-driven and scientific impact evaluation methods, governments can empirically understand what works and what doesn't – diverting public resources from inefficient solutions to evidence-based policies, yielding tangible impact proved through accurate estimations.

This evidence-based approach to policy making needs to be adopted as a common framework within the European Union, allowing a more informed and efficient use of public resources, towards effective policies with the potential to be transformative solutions towards the ambitious goal of alleviating inequalities and fighting poverty. This approach requires relevant and robust investments and should be adopted consistently throughout the European Union as a common standard practice to identify European solutions.

In the next case-studies we will build on the two dimensions of poverty presented in the earlier sections of this paper to illustrate the importance of identifying an evidence-based framework, mobilizing significant resources and investments towards the acquisition of data and the adoption of data-driven impact evaluation approaches. These two elements are purely methodological but have the transformative power to inform a new set of European measures achieving the ambitious goal of eradicating poverty and fighting inequalities.

Understand poverty through harmonized data

The first step to elaborate effective anti-poverty policies comes through a thorough and quantitative understanding of reality, which can only be achieved through reliable, uniform and time-consistent datasets.

Taking the case-study of housing poverty and deprivation, it has already been underlined the lack of a harmonized and consistent availability of data on homelessness, at the European level. As previously mentioned, also highlighted by FEANTSA in their 2023 report, there is a systematic lack of available data on homelessness, with the few available datasets being not comparable with each other. This incomparability is mainly due to two crucial issues – the first being the use of different definitions of homeless in different national counts, and the second being the adoption of different protocols in the fieldwork data collection. These systematic counting differences across European countries lead to different and not comparable estimates, which combined to a general lack of data do not allow a uniform and precise understanding of the phenomenon at the European level, in the first place.

Point-in-Time surveys

The homeless are often an invisible feature of our urban landscapes. They sit idle at the margin of our streets, but we often know nothing about their life stories and circumstances - or even about how many people are facing this extreme form of poverty. This lack of information and knowledge is a serious limit to the general understanding of this phenomenon from local institutions, - that need to face this problem every day, assisting this population though not having a full picture of this social issue.

Hence, one of the most important questions when it comes to homelessness and elaborating policies to tackle house deprivation is estimating numbers, understanding how many homeless live in our streets and the individual characteristics of this population.

This can only be achieved through a systematic counting that needs to face the challenges highlighted at the beginning of this section. One effective strategy to overcome this problem is the *Point-in-Time* (PIT) survey method, as a standard protocol to uniformly count the number of homeless, capturing their individual characteristics and eventually interviewing them. But what is a PIT survey? This technique involves collecting data over one night only, counting all individuals experiencing homelessness on that specific night, alongside some demographic and other information about them. By collecting data in one night only, this protocol requires a considerable mobilization of resources and people, planning and conducting the fieldwork - as often volunteers are used for this purpose.

PIT surveys mitigate some of the biggest problems of any count involving such a specific and highly mobile population. First of all, a PIT survey is conducted simultaneously in both streets and shelters, while traditional counting efforts only operate in shelters. This feature allows a PIT survey to capture all the individuals experiencing homelessness in the streets, and not approaching any kind of service whatsoever - these individuals would remain invisible to any traditional count, if not counted in streets. Secondly, by running the data collection in one single night, a PIT survey avoids any issue of double counting.

However, this approach is imperfect, with some downsides that need to be acknowledged. First, a PIT survey only captures individuals counted and interviewed on that specific night - giving a picture of the reality conditional on the circumstances of that specific day, potentially underestimating the phenomenon. Secondly, PIT surveys rely on a massive availability of resources, namely people conducting the data collection efforts, requiring a high level of coordination. Even by acknowledging the challenges posed by this data collection method, the PIT methodology ensures a systematic and reliable picture of this phenomenon by estimating precise numbers and collecting valuable information about this invisible population. This approach actively involves this population in the policymaking process, as the information collected in the PIT surveys has the potential to support local authorities in understanding the needs and priorities involving the homeless population.

Investing in uniform data collection efforts

If data collections are conducted regularly, exploiting common protocols and procedures, PIT surveys can offer results that can be compared over time, learning about the evolution of homelessness over time. This is the case of the United States, where the Department of Housing and Urban Development (HUD) organizes and coordinates systematic yearly counts across the country's major cities, utilizing standard common protocols and procedures.

To get comparable results, the same definition of homeless person should be used consistently in all counting exercises. For instance, HUD identified a standard definition following the four criteria identified in the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act.

Moreover, these counts are coordinated to occur within a given time window, on specific days - intended to be the same all across different cities. Moreover, these counts are scheduled to happen consistently over the years, in the same period of the year (i.e., season and month). It is easy to understand why choosing the same time period is fundamental to get comparable outcomes. Conducting homeless counts during daytime is likely to yield substantially different outcomes compared to nighttime counts or even at different hours of the day, as individuals may be occupied with other engagements. Moreover, counting during different seasons of the year (i.e., summer or winter) may produce significantly different results, as weather conditions can heavily affect the living habits of a population living in the streets.

In the United States, HUD systematically conducts one-night counts during the last 10 days of

January at least biennially, ensuring uniformity of data collected all over the country. This time period coincides with the coldest nights of the year, providing a more precise count of people who cannot access shelters or other emergency services. Moreover, conducting the count during the end of the month helps "to count people who cycle in and out of homelessness and who may be able to pay for temporary housing (e.g., motel) at the beginning of the month when public benefit payments are available but are unable to do so at the end of the month" (HUD PIT guidelines). Data collection is typically carried out by volunteers, recruited by public local authorities and purposely trained by professionals based on the standard guidelines to ensure uniformity.

These are only examples of how the coordination of data collection efforts is crucial to ensure comparable and reliable datasets that can be leveraged by local government structures to understand the phenomenon and inform public policy in an efficient way.

Impact evaluations for effective policymaking

Collecting data is essential to understand the context and identify goals and priorities aligning with the most urgent needs. However, data by itself is not enough to gather evidence on the effectiveness of anti-poverty policies. Governments can adopt different approaches to tackle the same problem - some of them can be more effective than others, but budget constraints impose the choice of effective and efficient solutions to maximize institutional impact.

Taking as an example the case study of measures to tackle educational poverty, this section illustrates how impact evaluation methods can be a powerful tool in the hands of policymakers. Rigorous and scientific evaluations can provide evidence supporting the formulation of effective anti-poverty policies, recognizing what works from what doesn't, hence concentrating financial resources towards the implementation of transformative measures.

Impact evaluation methods

Scientific evidence should be a foundational element supporting policy formulation, particularly when it comes to anti-poverty interventions. The role and the importance of rigorous statistical tools in the realm of social sciences has been rising in the past few years, culminating in the award of the 2019 Nobel Prize in Economics Sciences to Esther Duflo, Abhijit Banerjee and Michael Kremer, for "*their experimental approach to alleviating global poverty*". But what does it mean to rigorously evaluate the impact of social policies through the use of experimental methods? Among the many valid scientific approaches to achieve this goal, the *gold standard* is surely the one of the Randomized Control Trials (RCTs).

Suppose a government aims at improving student learning and tackling early school dropouts, then it needs to choose from a different set of alternative measures. Governments often face budget constraints, and need to choose intervention in which to invest, hence urging them to be the most effective and efficient ones. Before investing in the scale-up of a specific policy, it can be rigorously evaluated in an RCT setting to measure its impact.

This involves some standard steps. First, to shape innovative and effective policies, it is necessary to embrace a **co-development** approach to build the intervention to be evaluated. Only through a close dialogue and involvement of different actors it is possible to build effective interventions, engaging with governmental and institutional bodies, NGOs providing extensive institutional and context experience, and people who have lived the issue in the first person. This collaborative approach ensures that the policies developed are well-informed, contextually relevant, and more likely to be effective.

To start the evaluation, a representative sample of the population to take part to the impact evaluation shall be selected - which needs to be big enough to let the model have statistical power to draw valid conclusions that can be extended over the whole population. Once the sample is drawn, the first step is to capture a snapshot of the status-quo, through a first wave of survey administered to all individuals in the sample. In this specific case, it may be interesting to collect student-level information such as socio-economic characteristics, information about school attendance, measures of performance such as grades and test scores, and students' perceptions and values. Once data is collected, we have what is called the *baseline*, that is the full picture of all the outcomes of interest before the implementation of the policy.

The main building block that allows the estimation of the effect of the policy is *randomization*, meaning that a group of individuals is randomly selected to receive the intervention while the others don't. In this way, two distinct groups are formed - one exposed to the policy of interest (i.e., *treated group*) and one representing the status-quo (i.e., *control group*). The concept is simple - in order to get a precise estimate of the effect of a specific policy, we need to get rid of any potential other source of variation, starting from individual characteristics of its beneficiaries.

In other words, learning outcomes can be affected not only by the policy at stake, but also from the socio-economic status of the families of students, by the individual characteristics of students themselves, and so on. Therefore, by randomizing groups, these differences will net out on average - ensuring that any difference in outcomes will only be due to being exposed to the intervention, hence estimating its impact on participants. Once the intervention is provided, a follow-up survey round in both the treated and control groups needs to be carried out (also known as *endline*) - by comparing the endline with the baseline, the difference in outcomes between treated and control group gives a rigorous estimate of the impact of the policy.

These tools offer a powerful means of testing innovative policies by gathering scientific evidence on their real effectiveness, with the potential to guide public investments towards the most effective and efficient solutions. The Laboratory of Effective Poverty Policies (LEAP) at Bocconi University has been implementing this approach for years in Italy and abroad. In the Appendix to this Policy Brief, we provide examples of innovative studies identifying concrete solutions improving the access and quality of the educational system, for example, pointing out to innovative tutoring online programs as an effective way to improve learning outcomes of fragile students and support their psycho-social outcomes and wellbeing.

Building an evaluation culture

The systematic use of evidence-based approaches towards policy making has the potential of addressing public investments towards tested solutions, bringing transformative improvements in the communities benefiting from these interventions, hence paving the way to scalable solutions. The systematic adoption of such an approach could be game-changer if adopted at the European Union level, making a huge step towards the eradication of poverty and supporting the most fragile communities of our societies.

A remarkable step forward in this direction, also supported by the European Commission, is the creation of the Inclusion Policy Lab, result of a strong collaboration between Abdul Latif Jameel Poverty Action Lab (J-PAL) Europe, the Government of Spain, the Center for Monetary and Financial Studies (CEMFI) and the European institutions. For the first time in European history, coordinated randomized control trials have been launched and supported to evaluate key governmental policies, providing essential evidence to reduce poverty and inequality while also generating returns through higher economic growth.

These examples clearly show how such cooperation is essential for creating a unified approach to understanding and addressing poverty, and require coordinated investments at the European level. This pioneering work needs to be systematized across the whole European Union, with the ambitious objective of adopting an evidence-based approach as a standard practice in all Member States.

Conclusions

Poverty is a multi-dimensional and increasingly complex socio-economic phenomenon that touches upon several and crucial key life dimensions of our communities. Inequalities are rising all within the European Union as well, requiring new tools and investments to be understood and managed effectively. When it comes to investments in anti-poverty policies, governments must take into account the significant budget constraints faced by both European and national institutions. With limited resources, it is then necessary to make strategic choices, distinguishing what works from what doesn't, hence prioritizing investments in policies that have been empirically proven to be effective. Throughout the pages of this policy brief, we considered two key dimensions of poverty in Europe.

Firstly, **homelessness**, as the most extreme consequence of housing poverty, highlights the need for a common European framework to define and hence address the issue in a consistent way, investments in reliable and systematic data to understand and deal with the complexities of our societies. The homeless are an example of a population that is often invisible to official statistics, whose needs cannot be interpreted without systematic data collection, conducted simultaneously in all European member states.

Secondly, by looking at **educational poverty**, it is clear how fundamental it is to understand the impact of any policy solution working in the direction of ensuring that every kid can learn and acquire fundamental skills, regardless of their origin or socio-economic background. Thorough **impact evaluations** of programs aiming at eradicating educational poverty can guide investments towards those most effective in improving educational outcomes and ensuring future opportunities for younger generations.

Robust data collection exercises and rigorous impact evaluations are powerful tools in the hands of policymakers, enabling them to identify and implement efficient and transformative solutions, ensuring that public resources are directed towards effective interventions. Investments towards this evidence-based strategy should support all vulnerable groups across various dimensions of poverty, including health, employment, and social inclusion. Achieving this requires **fostering collaboration and dialogue** among academia, policymakers, and civil society towards a coordinated effort in building awareness and translating it into action towards an evidence-based approach. The foundation of the **Inclusion Policy Lab**, should translate into a systematic commitment of the European institutions of planning and launching coordinated impact evaluations of the most transformative governmental policies. Investments towards an evidence-approach to policymaking are essential to the ambitious goals set by the European Union to reducing poverty and inequalities while also generating returns through higher economic growth.

In conclusion, the path to effectively combating poverty in Europe starts from recognizing its complexity and multidimensionality, which can be only understood and approached through reliable and rigorous evidence. Such an approach will enable the development of innovative solutions, ultimately contributing to a more equitable and inclusive society. The European Union, by committing to this evidence-based framework, can set a global standard for how to tackle poverty comprehensively and effectively, ensuring that no one is left behind in the pursuit of sustainable development and social justice.

References

Banerjee, A. V., & Duflo, E. (2011). Poor economics: a radical rethinking of the way to fight global poverty. New York, PublicAffairs.

Braga M., Monti. P., Serra C. (2024). "Esplorare l'assenza di dimora a Milano: racCONTAMI 2023 e 2024". Fondazione Rodolfo De Benedetti xhttps://www.frdb.org/wp-content/uploads/2023/12/racCONTAMI_risultati_25giugno2024.pdf

Carlana, Michela and La Ferrara, Eliana, Apart But Connected: Online Tutoring, Cognitive Outcomes, and Soft Skills (March 2024). NBER Working Paper No. w32272

Carlana, M. & La Ferrara, E. & Pinotti, P. (2022). "Goals and Gaps: Educational Careers of Immigrant Children," Econometrica, Econometric Society, vol. 90(1), pages 1-29, January.

Carlana, M., L. Corno, S. Ghisolfi, P. Giustinelli and E. La Ferrara, edited by L. Privinzano (2024). "Educational Poverty in Italy: Evidence and implications for policy-makers", Egea, https://www.egeaeditore.it/ita/prodotti/_/educational-poverty-in-italy_.aspx

Council of the EU (2021), "The Porto declaration", Press office - General Secretariat of the Council, https://www.consilium.europa.eu/en/press/press-releases/2021/05/08/the-porto-declaration/

Council of the EU (2021), "Council Recommendation 2021/1004 of 14 June 2021 establishing a European Child Guarantee", http://data.europa.eu/eli/reco/2021/1004/oj

Council of the EU (2022), "Council Recommendation of 28 November 2022 on Pathways to School Success", https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022H1209(01)

European Commission (2010), *Europe 2020 – A strategy for smart, sustainable and inclusive growth*, Communication from the Commission, COM(2010) 2020.

European Commission (2011), Directorate-General for Employment, Social Affairs and Inclusion, *The European platform against poverty and social exclusion – A European framework for social and territorial cohesion*, Publications Office, https://data.europa.eu/doi/10.2767/3940

European Commission (2012), Directorate-General for Employment, Social Affairs and Inclusion, *Europe 2020 Strategy – Towards a smarter, greener and more inclusive EU economy?*, Publications Office, https://op.europa.eu/s/zJ3u

European Commission (2021), Directorate-General for Employment, Social Affairs and Inclusion, *The European pillar of social rights action plan*, Publications Office, https://data.europa.eu/doi/10.2767/89

European Commission (2021), *European Platform on Combating Homelessness is launched*, Press release, https://ec.europa.eu/commission/presscorner/detail/en/ip_21_3044

ISTAT (2023), "Rapporto Annuale sulla povertà", https://www.istat.it/it/files/2023/10/REPORT-POVERTA-2022.pdf

Schnabel, I. (2021), "Monetary policy and inequality", speech at a virtual conference on "Diversity and Inclusion in Economics, Finance, and Central Banking", 9 November.

US Department of Housing and Urban Development (2014). "Point-in-Time Count Methodology Guide", https://files.hudexchange.info/resources/documents/PIT-Count-Methodology-Guide.pdf

US Department of Housing and Urban Development. *Homeless Emergency Assistance and Rapid Transition to Housing Act*

FEANTSA (2023). *"Report: 8th Overview of Housing Exclusion in Europe 2023"*

United Nations. "The 2030 Agenda for Sustainable Development"

US Department of Housing and Urban Development (2023). The 2023 Annual Homelessness Assessment Report (AHAR) to Congress. Part 1: Point-in-Time Estimates of Homelessness". December 2023

United Nations. Universal Declaration of Human Rights. 1948.

UN General Assembly, International Covenant on Economic, Social and Cultural Rights, International Covenant on Civil and Political Rights and Optional Protocol to the International Covenant on Civil and Political Rights, A/RES/2200, UN General Assembly, 16 December 1966,

Appendix

Some key data figures

Tab. 1 – AROPE (individuals at risk of poverty and social exclusion)

	2015	2016	2017	2018	2019	2020	2021	2022	2023
EU27	24	23,7	22,4	21,7	21,1	21,5	21,7	21,6	21,4
Euro area	23	22,8	21,8	21,4	20,7	21,5	21,9	21,8	21,6
Belgium	21,6	22,2	22	20,5	20	20,3	18,8	18,7	18,6
Germany	20	19,8	18,8	18,5	17,3	20,4	21	21,1	21,3
Greece	32,4	32,6	32,2	30,3	29	27,4	28,3	26,3	26,1
Spain	28,7	28,8	27,5	27,3	26,2	27	27,8	26	26,5
France	18,4	18,7	17,8	17,9	18,8	19	19	20,7	20,4
Italy	28,4	27,8	25,9	25,7	24,6	24,9	25,2	24,4	22,8
Hungary	30,6	28,6	25,9	20,6	20	19,4	19,4	18,4	19,7
Netherlands	16,4	16,3	16,6	16,5	16,5	16	16,6	16,5	17
Poland	22,5	20,6	18,7	18,2	17,9	17	16,8	15,9	16,3
Portugal	26,4	24,9	23,4	21,6	21,1	20	22,4	20,1	20,1
Romania	44,5	46	42,5	38,7	36,1	35,6	34,4	34,4	32
Finland	16,9	16,5	16	16,6	14,5	14,9	14,2	16,3	15,8
Sweden	18,2	17,7	17,2	17,7	18,4	17,7	17,2	18,6	18,4

Tab. 2 – Gini coefficient (income inequality)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EU27	30,9	30,8	30,6	30,3	30,4	30,2	30	30,2	29,6	29,6
Euro area	31	30,7	30,7	30,4	30,6	30,2	30,2	30,6	29,9	29,8
Belgium	25,9	26,2	26,3	26,1	25,7	25,1	25,4	24,1	24,9	24,2
Germany	30,7	30,1	29,5	29,1	31,1	29,7	30,5	31,2	29	29,4
Greece	34,5	34,2	34,3	33,4	32,3	31	31,4	32,4	31,4	31,8
Spain	34,7	34,6	34,5	34,1	33,2	33	32,1	33	32	31,5
France	29,2	29,2	29,3	28,8	28,5	29,2	29,2	29,3	29,8	29,7
Italy	32,4	32,4	33,1	32,7	33,4	32,8	32,5	32,9	32,7	31,5
Hungary	28,6	28,2	28,2	28,1	28,7	28	28	27,6	27,4	29
Netherlands	26,2	26,7	26,9	27,1	27,4	26,8	28,2	26,4	26,3	26,4
Poland	30,8	30,6	29,8	29,2	27,8	28,5	27,2	26,8	26,3	27
Portugal	34,5	34	33,9	33,5	32,1	31,9	31,2	33	32	33,7
Romania	35	37,4	34,7	33,1	35,1	34,8	33,8	34,3	32	31
Finland	25,6	25,2	25,4	25,3	25,9	26,2	26,5	25,7	26,6	26,6
Sweden	26,9	26,7	27,6	28	27	27,6	26,9	26,8	27,6	29,5

Tab. 3 – Low achieving 15-yo in reading/math/science (%)

	2006	2009	2012	2015	2018	2022
EU27	24,7	22,7	22,1	22,2	22,9	29,5
Belgium	17,5	19,1	19	20,1	19,7	25
Germany	20	18,7	17,7	17,2	21,1	29,5
Greece	32,5	30,4	35,7	35,8	35,8	47,2
Spain	24,8	23,8	23,6	22,2	24,7	27,3
France	22,4	22,5	22,4	23,5	21,3	28,8
Italy	33	25	24,7	23,3	23,8	29,6
Hungary	21,2	22,3	28,1	28	25,6	29,5
Netherlands	11,6	13,4	14,8	16,7	15,8	27,4
Poland	20	20,5	14,4	17,2	14,7	23
Portugal	30,9	23,8	24,9	23,8	23,3	29,7
Romania	52,9	47	40,8	39,9	46,6	48,6
Finland	6	7,9	12,3	13,6	15	24,9
Sweden	18,4	21,1	27,1	20,8	18,8	27,2
United Kingdom	19,9	20,2	21,8	21,9	19,2	
Russia	26,8	28,6	24	18,9	21,6	
United States	28,2	23,4	25,8	29,4	27,1	33,9
Japan	13,1	12,5	11,1	10,7	11,5	12
South Korea	8,9	8,1	9,1	15,5	15	

The Bocconi experience

RaccontaMI

RacCONTAMI is an initiative promoted by the Municipality of Milan implemented by Ing. Rodolfo Debenedetti Foundation, with the support of the Laboratory for Effective Anti-Poverty Policies (LEAP) at Bocconi University, and various social organizations.

This initiative is an integral part of the Complementary Operational Program (COP) Inclusion 2014-2020, and it represents a rare example of homeless count using the Point-in-Time methodology in Italy. The 2024 survey marked the fifth edition following those of 2008, 2013, 2018 and 2023, aiming at building a consistent and comparable data time series to understand the evolution of the incidence of homelessness in the city. This dataset is also intended to collect insightful information about the livelihoods, individual characteristics and needs of this fragile population through brief interviews to identify needs and priorities, hence informing policy and the work of civil organizations providing essential services to the homeless.

Surveys are carried out by teams of trained volunteers, deployed simultaneously over pre-identified counting areas that are well delimited - over the span of a single night. Only for the 2024 count, RaccontaMI mobilized over 850 trained volunteers, 19 different civil and social organizations, 28 shelters and centers, and the active involvement of local institutions. The coordination of all these different actors, alongside the need of such a high number of volunteers, clearly highlights the intense effort required to organize initiatives like this. Fieldwork activities, including short interviews, are carried out both in the streets and in shelters, allowing the count every individual experiencing homelessness on that specific night and not only those seeking the assistance of service providers. The whole administrative area of the city was divided into a total of 150 delimited counting areas, where teams of volunteers are.

In a single night of February 2024, 2,116 people were counted as experiencing homelessness, 62% of whom were in shelters and centers and 38% on the streets. This counts as 0.15% of the population of Milan, slightly below the same data collected in the 2018 PIT survey, which counted 2,608 individuals.

This is only an example of best practice that needs to be systematically promoted at the European level, establishing uniform definitions and counting systems at the Union level. RaccontaMI represents Bocconi's commitments to advance in this regard and advocates for systematizing resources and investments dedicated to this effort. The availability of uniform and consistent data has enormous potential to improve the European response to this social emergency by promptly identifying needs and effective policy solutions, supporting the lives of the most in need.

Fighting Educational Poverty through evidence-based policies

Impact evaluation methods, as described above, can be extremely useful to rigorously evaluate anti-poverty policies before rolling them out, allowing a thorough understanding of what works and what doesn't, and enhancing the impact of any intervention. The scientific literature has made substantial progress utilizing impact evaluations to find effective and efficient measures to fight educational inequalities. The research agenda that LEAP and Bocconi have developed goes in this direction, looking at solutions that align with some of the main recommendations identified by the OECD, analyzing the PISA 2022 results. For example, one of the main recommendations coming from data is that when remote learning runs smoothly, students and education systems benefit, particularly those that are often left behind, the most in need.

The Tutoring Online Program (TOP) is a remote learning program targeting middle school students in grades 6 to 8 coming from disadvantaged backgrounds, characterized by socioeconomic disparities, linguistic barriers, or learning difficulties. This project, led by LEAP researchers Eliana La Ferrara and Michela Carlana, relies entirely on online tutoring, with tutors not being professional tutors, but volunteer university students undergoing specific training from pedagogical experts. The choice of volunteer tutors offers several advantages, such as cost-effectiveness and quality interpersonal connection, thanks to the intrinsic motivation of the tutor to help and contribute to the educational development of fragile students. This program has been rigorously evaluated through an RCT methodology in a national sample of schools in Italy - where half of the selected students were randomly selected and paired with an online tutor, with the others just being the control group. This rigorous approach allowed a precise estimation of the impact of the program on learning outcomes of the students involved: three hours sessions per week have proven to be sufficient in producing significant effects on students' academic outcomes (+4.7%), well-being (+26%), and socio-emotional skills (+21.1%).

Another key priority identified by OECD, needing evidence-based solutions to be addressed, is mitigating biases in early tracking systems, as these have the potential to widen inequalities and create skill mismatch on labor market outcomes. The choice of high-school is a crucial step in the life of Italian students, shaping educational and professional trajectories in a relatively early stage of the life of a child (also referred as *early tracking*).

Motivation, aspirations, and self-esteem are fundamental factors that may significantly affect this choice, with external factors biasing this critical decision - such as nationality, parental decisions, socio-economic status, and stereotypes. One example of how stereotypes affect this choice is educational segregation of immigrant students. Perceived cultural differences often create discrimination, posing a barrier that immigrant children face preventing them from access to quality education, limiting the number and nature of opportunities available to them as opposed to natives. Such stereotypes have the potential of limiting aspirations, not giving equal opportunities to every child to reach their full potential. How can this be mitigated in a cost-effective way?

LEAP researchers started from the assumption that immigrant students are overrepresented in vocational institutes compared to their equally capable Italian peers, who predominantly enroll in technical institutes and high schools. It is clear that Italian students, through their choice of educational paths, consistently have better job prospects than immigrant students. This is one of the main underlying motivations for launching the Equality of Opportunity for Immigrant Students Program (EOP), developed in partnership with the Italian Ministry of Education. This program targeted students from grades 7 and 8, which are the final two years of middle school when students are required to select their high school pathway – from 70 schools located in five major cities in Northern Italy: Milan, Turin, Genoa, Brescia, and Padua. The EOP program consisted of two components: (i) a psychologically grounded career choice consultancy, and (ii) academic tutoring sessions, and it has been rigorously evaluated using a RCT framework. Once selected, schools were randomized and allocated to a treatment group (where students took part in the EOP program) or to a control group (where the EOP program did not take place). By comparing the two groups, we found robust results pointing that EOP was remarkably successful in reducing educational segregation. The findings revealed that treated males had a 44 percent lower probability of being retained and a 12 percent higher probability of attending an academic or technical high school, as opposed to a vocational one, compared to males in the control group.

The TOP and EOP initiatives are remarkable examples of studies gathering scientific evidence pointing at the roll-out of the most effective and efficient solutions. Other examples of RCTs in the realm of educational policies can be found in the comprehensive review of studies by LEAP researchers. With the adequate political will and dedicated investments, these methods could be integrated into a standard policymaking approach in the EU, advancing a proper evaluation culture towards a more effective fight against poverty and socio-economic inequalities more generally.