



**Save the Children**

# **GUARANTEERING CHILDREN'S FUTURE**

**How to end child poverty and social exclusion  
in Europe**

Country report: Iceland

# About the report

In 2021, the European Union (EU) championed the rights of children growing up at risk of poverty or social exclusion in the EU by adopting the Child Guarantee Council Recommendation<sup>1</sup> – a comprehensive policy framework that aims at tackling child poverty and breaking the intergenerational cycle of disadvantage through securing the access of children in need to key service areas – and the European Social Fund Plus (ESF+)<sup>2</sup> which calls on EU Member States to allocate appropriate financial resources to address child poverty and implement the Child Guarantee. At the same time, the agreed European Pillar of Social Rights (EPSR) Action Plan aims to lift at least 5 million children out of poverty by 2030<sup>3</sup>.

*The Guaranteeing Children's Future – How to End Child Poverty and Social Exclusion in Europe* illustrates the challenges faced by children and families living in poverty or social exclusion in 14 European countries and territories: 9 EU Member States (Denmark, Finland, Sweden, Germany, Netherlands, Italy, Spain, Lithuania, Romania) and 5 Non-EU Member States and territories<sup>4</sup> (Albania, Bosnia-Herzegovina, Kosovo, Iceland and Northern Ireland). The report aims to influence the design of the national Child Guarantee Action Plans and child poverty reduction measures in non-EU Member States.

The report provides information on the levels of child poverty and identifies children in need in the 14 examined countries.

It analyses the state of children's access to the key services in each country, the participation of children and civil society in decision-making procedures, and the allocation of EU funds and national budgets for child poverty reduction and social inclusion measures. The report also highlights the work of Save the Children in each of these countries to support children and families in need. Furthermore, it provides recommendations on the Child Guarantee Action Plans that EU Member States will submit by March 2022. The report also covers non-EU Member States as Save the Children considers the Child Guarantee Council Recommendation as an exemplary policy framework which can inspire and serve as a basis for policy making in countries outside the EU.

**The findings and recommendations of this report are structured around the service areas of the Child Guarantee Council Recommendation, namely:**



Early childhood  
education and  
care



Inclusive education  
and school-based  
activities



Healthcare



Healthy  
nutrition



Adequate  
housing



## The report is divided into three main sections:

- 1** The comparative analysis of the results of the 14 country pages;
- 2** Country pages covering the challenges that children in need and their families face in 14 countries in focus, the role of Save the Children and recommendations on the Child Guarantee Action Plans or child poverty reduction measures;
- 3** Recommendations for the EU and Member States on the successful implementation of the Child Guarantee and on child poverty reduction measures for countries outside the EU.

*For a copy of the full report ‘Guaranteeing Children’s Future – How to End Child Poverty and Social Exclusion in Europe’, [see here](#).*



# Iceland

## Summary

Unlike other countries in Europe, Iceland has no official definition of child poverty. Concerning the impact of COVID-19 on children, Save the Children Iceland foresees an increase in inequality due to the rising levels of unemployment.

In Iceland, there is no policy or action plan on how to eliminate poverty among children. There is also a clear absence of the national policy of participation of children, as NGOs and stakeholders work directly with children and their families to adjust their programmes according to their needs. Save the Children Iceland emphasises that preventing child poverty is a long-term investment that can make a difference in children's lives now and in the future. Therefore, it calls on the government to create policies and timely actions to prevent and eradicate poverty. It urges the government to develop and strengthen effective services to help all children in Iceland and especially children in need such as children growing up in single parent households, children with disabilities, children with parents on disability benefits, children in migration and children living in vulnerable situations. 90% of parents on disability benefits declare that the benefits are insufficient, 80% cannot meet unexpected expenses, 22% cannot pay for food in the school and 19% cannot pay for after school activities. As more and more children and families live in inadequate housing conditions in Iceland, this service area should be prioritised by strengthening social housing provision and prioritising families with children in accessing housing. At the same time, the government should increase the minimum wage and strengthen benefits for parents in order to secure adequate living conditions for their children.

## Key facts

### 13%

In 2018, 13% of children under 18 years old were living at risk of poverty and social exclusion.

### Under 2s

There is a lack of ECEC settings for children up to the age of 2 and different standards apply in municipalities.

### 36%

Only 36% of the 320 immigrants who started secondary school in 2015 graduated four years later.

### Under 60%

The relative poverty line is defined as under 60% of the median household disposable income at a time scale and is compared to the OECD's equivalent scale to share household income on all those living in the home.

# National updates

## CHILD POVERTY IN ICELAND



In 2018, 13% of children under 18 years old were living at risk of poverty or social exclusion<sup>5</sup>.

There is no official definition of child poverty in Iceland. Different definitions of absolute poverty, relative poverty and lack of material goods are used in research and discussions. The relative poverty line is defined as under 60% of the median household disposable income at a time scale and is compared to the OECD's equivalent scale to share household income on all those living in the home.

Save the Children Iceland is worried that inequality will increase, due to a rise in unemployment (in January 2021 the unemployment rate was 8.2% compared to 4.8% in January 2020).

## CHILDREN AT RISK OF POVERTY OR SOCIAL EXCLUSION IN ICELAND



Children in low-income families, children with disabilities, children with parents living on disability benefits, children in single parent households and children in unemployed households are among the most vulnerable groups.

Reports of child neglect received by Child Protection Committees have increased by 20% during the COVID-19 pandemic (March 2020-February 2021). Likewise, violence increased by 23%, risk behaviour of children by 3% and cases where the health and life of unborn children were in danger by 68%.

## CHILDREN'S ACCESS TO SERVICES AS DESCRIBED IN THE CHILD GUARANTEE COUNCIL RECOMMENDATION

### Early childhood education and care, inclusive education and school-based activities, and a healthy meal each school day



#### Effective and free access to early childhood

Most of ECEC services in Iceland are run by municipalities and access to ECEC differs across them. Although ECEC is not free the price is modest since the municipalities pay the biggest part. However, the cost differs from municipality to municipality.

In 2019, approximately 97% of children aged 2 to 5 attended ECEC and 55.5% of children attended ECEC since their first year of age. The quality of ECEC is good and is in line with the syllabus based on the national curriculum for kindergartens.

In Iceland there is a lack of ECEC settings for children up to the age of 2 and the different standards applied by municipalities, many parents send their children to private childcare houses until they get access to public ECEC. However, demand exceeds supply and private childcare houses are much more expensive than public ECEC. Since 2021 the parental leave in Iceland is 12 months.

#### Effective and free access to education



Education from 6-16 years is free for all children in Iceland. From the age of 16, children have to pay for their education. Although costs differ across schools, in most cases the cost is just a registration fee. In addition, children above the age of 16 must pay for their school material and this can be an extra burden for children in need such as children in migration and children from



low income and vulnerable families.

In Iceland, there are a lot of small communities in rural areas and although transport to ECEC settings and school is free, children need to travel long distances to reach the nearest school.

The law on kindergartens and school focuses on inclusive schools regardless the status or disability. Therefore, children with disabilities are invited to attend mainstream education. Although there are special schools for children with disabilities, only 0.03% of students attend these special schools. At the same time although support services should be provided in schools, parents often find that they are insufficient and therefore enrol their children in private support services, which are often expensive and not all families can afford them.

Children in migration are entitled to get their education in their own language. Data shows that drop-out rates in secondary school for children with a migrant background are higher than those for children with an Icelandic background. This indicates that migrant children do not receive the services, support, and education they need, including learning Icelandic. More specifically, almost 36% of the 320 immigrants who started day school at the upper secondary level in the autumn of 2015 graduated four years later. This is the highest graduation rate for this group in this century, but much lower than that of students with an Icelandic background.

### **Effective and free access to school based, sport, leisure and cultural activities**

Schools provide after school activities for children aged 6-9 years old. At the beginning of the school year, children are asked to choose one (or more) activities. However, these activities are not free of charge. Although communities have a certain amount of money (or fee) for each child to participate in sport or cultural activities, it does not cover the whole cost. These extra costs can be a burden for some parents, thus limiting the participation of children in need in these activities. Save

the Children Iceland emphasises that children should get involved in many different sport and leisure activities. These should not be based on competition but on cooperation and with a view to build the child's self-identity.

In addition, although children should not pay for excursions or field trips organised by the school, a fee may be charged for subsistence on student study trips, after consultation with parents.

### **Effective and free access to one healthy meal each school day**

All children in Iceland receive lunch and snacks during school hours and after school activities upon payment. Although the amount required is small, it can be nonetheless problematic for children coming from low-income households.

### **The government's response and the use of funds**



Until 2019, school materials, such as school bags, books, notebooks as well as equipment for sports, were covered by parents. From 2019, these costs (apart from the school bags) are covered by the state, which has made a big difference for parents.

Primary and secondary schools remained open during the COVID-19 pandemic while secondary education for children above the age of 16 largely moved online. In addition, as a response to COVID-19, summer loans for university students were offered to students for the school year 2020-2021 and the same will happen for the next academic year.

## **Healthcare**



### **Effective and free access to quality healthcare**

Healthcare (including dental care) is free for children in Iceland.

Children in rural areas face difficulties in accessing healthcare since most of the healthcare centres are located in cities. This is also the case for pregnant women. Although giving birth and paediatric consultation is free of charge, many women in rural areas do not take advantage of these services as they are far from their homes. Parents of new-born children are offered home visits for the first few weeks and then examination in clinics. In the home visits, the nurse examines the child, assesses its development, weight, and head circumference. Parents receive counselling and education regarding the child's care and their own wellbeing. When the child is six weeks old, a medical examination is performed at a health centre and at the age of three months, vaccinations begin. All children get free vaccination from an early age and periodic health care, first at the health care centre and then in the schools through the school doctor and school nurse.

The goal of child and infant protection is to promote the health, wellbeing, and development of young children through regular health check-ups as well as support and health education for their families.

Children with disabilities or chronic illnesses do not receive adequate support. The services in place are often not sufficient and the information about available support is difficult to find. Due to the lack of support, parents often choose to stay at home and take care of their children. They quit their jobs and get burned out due to stress. In the absence of public support, NGOs offer financial and psychosocial support to parents and children with disabilities.

In September 2021 two new reports were published. One on the impact of COVID-19 on children's mental health and one on public health<sup>6</sup>. From the beginning of the pandemic, the government supported children as much as possible. The majority of children aged 14-15 said that their wellbeing did not worsen in 2020 (56%), 7% even said it had improved. However, in secondary schools the proportion

of those who rated their mental health as good or very good decreased by 16% from 2018 and twice as many felt lonelier than in 2018.

### The government's response and the use of funds



In June 2021 the Parliament approved four bills by the Minister of Social Affairs and Children on the integration of services for the benefit of children and their families<sup>7</sup>.

As a response to the COVID-19 pandemic, 600 m. Iskr<sup>8</sup> (appr €4 million) will be allocated to mental health care for children and adolescents. Six co-operation projects between the Ministry of Social Affairs and Children, the Ministry of Health and the Ministry of Education and Culture will be supported. National mental health teams will also be established nationwide and mental health services in colleges and universities will be strengthened to provide free mental health services to all children.

### Healthy nutrition



#### Effective access to sufficient and healthy nutrition

Children receive a school meal on school days, but not on holidays, which creates a problem for vulnerable families and children.

In 2021, 27% of Icelanders – out of which 6.5% are children – suffered from obesity compared to 17% in Europe<sup>9</sup>. More than a third of obese children concentrate in rural areas. Reasons for children's obesity include unhealthy diet and inactivity, high prices of healthy food, absence of parents from home due to long working hours.

### Adequate housing



#### Effective access to adequate housing

Persons at risk of poverty or with housing problems can apply for social housing or

financial/ material assistance from their municipality. Each municipality sets different rules on the conditions for the allocation of social housing and their operation. However, in all cases, the income of individuals or families must be very modest to have the possibility to access social housing and waiting lists are long. Although there are homeless people in Iceland<sup>10</sup>, unfortunately, there are no statistics about homeless families. This is because when a family with children gets homeless, they usually try to get accommodation with relatives or friends. Children cannot be registered without residence so there are cases that children are placed in the child protection system when their parents are homeless, especially if drug or alcohol use is involved.

Each year approximately 80-100 children go missing. These children are homeless, living in the street or elsewhere for a while. 50% of the lost children each year are “new” and 50% get lost again and again. Most of these children are from difficult home situations, with behavioural problems or drug problems. Some of them disappear from their home or from treatment residential settings. There are two treatment homes for children and adolescents run by the Child Welfare Agency, located in the countryside. The reasons for their placement are behavioural disorders, criminal behaviour, violence, or drug use. A placement agreement is made for six months and then the child’s needs for further treatment are assessed.

The government’s response and use of funds: In 2019, the city introduced a new policy about homeless people based on the “Housing First” model and the definition of ETHOS (European Typology of Homelessness and Housing Exclusion). Since 2009 the city of Reykjavík’s Welfare Department has been responsible for data gathering on homeless people and the circumstances of homelessness in Reykjavík. At the beginning of the COVID-19 pandemic, the Ministry of Social affairs set up a reconstruction team with representatives from the Ministry of Social Affairs, the Ministry of Transport, the city of Reykjavík, the Icelandic Association of Local Authorities,

the Directorate of Labour, the Ombudsman and the Association of Directors of Social affairs. The team’s goal is to gather and share information about social affairs and employment and to follow the government’s actions. However, no one directly working on children’s issues, except the Children’s Ombudsman, was invited to participate in this Team.

On 30 April 2021, a new policy containing the measures to be taken to address the COVID-19 pandemic and its socioeconomic consequences was adopted. These include a special child benefit increase for those receiving income-related child benefits, travel grants, extended withdrawal of private pension savings, extension of resilience grants and closure grants, shifting the repayment period of support loans and long-term employment benefits. In addition, 200 m. Iskr (around €1.3 million) have been provided to the Ministry of Social Affairs’ action plan to combat the negative effects of COVID-19 on children, senior citizens, people with disabilities people of foreign origin and other socially vulnerable groups. Support measures include actions against domestic violence, improved information for the elderly, the homeless, young people who are neither in the labour market nor in education, and extra measures that will improve the situation of people with developmental disabilities and autism.

## CIVIL SOCIETY AND CHILD PARTICIPATION IN DECISION MAKING PROCEDURES.



Children’s and civil society participation largely depend on municipalities and other stakeholders working with children. There is not a national policy on participation. All NGOs working directly with children and their families have direct consultations with them to adjust their programmes according to their needs.





## SAVE THE CHILDREN ICELAND - BARNAHEILL

Save the Children Iceland was founded in 1989 with the aim of defending the rights of children in Iceland. It runs the following programmes:

### EARLY CHILDHOOD EDUCATION AND CARE

The programme “Vináttá”<sup>11</sup> (friendship) is a preventative bullying programme for children up to the age of 9 years. It started in 2014 as a pilot programme and in 2016 became available for all kindergartens. Nowadays, more than 60% of kindergartens use the material and participate in the programme. In 2017, Vináttá started to be implemented in primary schools and now almost 30% of schools use it. The programme’s ideology is reflected in the following four values: care, courage, respect, and tolerance. It provides training for teachers and its success depends on the participation of the whole school community. The programme is of Danish origin and has been translated and published in collaboration with Save the Children Denmark and Mary Fonden in Denmark.

### EFFECTIVE AND FREE ACCESS TO EDUCATION

The programme Verndarar barna (Guardians of Children) is a prevention and intervention programme that raises awareness and supports victims of sexual abuse. Save the Children Iceland works with schools and communities and trains teachers and other staff working with children on sexual abuse and ways to support victims. In this context, Save the Children runs a Hotline where people can report sexual abuse of children or any other abuse.

### FUNDING OF SAVE THE CHILDREN ICELAND

Save the Children Iceland is run by voluntary donations with the help of Heillavina, a monthly sponsor. In addition, the organisation applies for financial support through ministries and various community funds. Save the Children Iceland runs a Hotline where people can report online sexual abuse of children and other abuse. Until 2014, it was partly funded by the EU under the EU Safer Internet programme and currently it is funded by the Connecting Europe Facility (CEF) in Telecom.

# Recommendations towards national decision makers to address child poverty and social exclusion in Iceland

In Iceland, there is no policy or action plan on how to eliminate poverty among children. Save the Children Iceland emphasises that to eradicate poverty among children, the rights of all children must be guaranteed according to the UNCRC. All children must have equal opportunities for education, health and participation in sports and leisure. Public bodies and the government must design policies and timely action plans to prevent and eradicate poverty. Preventing child poverty is a long-term investment.

Save the Children Iceland calls on the Icelandic government to develop or strengthen the following services to ensure that all children and especially the following targeted categories of children in need in Iceland have the same opportunities.

## The targeted categories of children in need to be reached

- Children living in single parent households.
- Children with disabilities.
- Children in migration.
- Children living in vulnerable family situations.

## Effective and free access to ECEC

- Increase ECEC settings, especially for children between 1 and 2 years of age.
- Develop policies and measures to fill the gap between parental leave and children's placement to ECEC so that all children benefit from it..

## Effective and free access to education

- Increase support for children with disabilities within the school settings. Ensure that this support is free of charge for those families

with low incomes and affordable for the rest.

- Increase support for children in migration. Support them to continue in secondary education and prevent their drop-out from education.
- Ensure that school materials continue to be provided for free.
- Strengthen the psychosocial support in schools for children of all ages.

## Effective and free access to school based, sport, leisure and cultural activities

Ensure that all children in Iceland have the same opportunities to leisure and culture activities, regardless of status or the activities' costs.

## Effective and free access to one healthy meal each school day

Provide free school meals – especially to those children in vulnerable situations.

## Effective and free access to quality healthcare

- Ensure further support for children with disabilities and children with chronic illnesses to access healthcare and support services.
- Strengthen children's access to affordable – and where possible- free mental health provision.

## Effective access to sufficient and healthy nutrition

- Develop campaigns to raise awareness about obesity among children and the benefits of healthy eating habits.
- Reduce prices and make healthy food affordable to everyone.



### Effective access to adequate housing

- Establish a stable rental market where rental prices are affordable for everyone.
- Lower the interest of loans for buying a house so that is affordable for everyone.
- Strengthen social support and social housing provision and prioritise families with children in accessing housing.

### Further measures to address social exclusion and to break the intergenerational cycle of disadvantage

Further support for parents of chronically ill children and of children with disabilities. Increase the minimum wage and strengthen benefits for parents to be able to provide for their children.

### Timeline of actions. What should be prioritised?

As housing is the biggest challenge in Iceland it should be prioritised.





# Endnotes

- 1 <https://data.consilium.europa.eu/doc/document/ST-9106-2021-INIT/en/pdf>
- 2 <https://eur-lex.europa.eu/eli/reg/2021/1057/oj>
- 3 [https://ec.europa.eu/info/publications/european-pillar-social-rights-action-plan\\_en](https://ec.europa.eu/info/publications/european-pillar-social-rights-action-plan_en)
- 4 When referring to non-EU Member States, we refer to countries in Europe, but non-members of the European Union.
- 5 [https://ec.europa.eu/eurostat/databrowser/view/ILC\\_PEPS01N\\_\\_custom\\_1495995/bookmark/table?lang=en&bookmarkId=6fa40154-1d62-4115-96b6-218739419a55](https://ec.europa.eu/eurostat/databrowser/view/ILC_PEPS01N__custom_1495995/bookmark/table?lang=en&bookmarkId=6fa40154-1d62-4115-96b6-218739419a55)
- 6 <https://www.stjornarradid.is/library/04-Raduneytin/Heilbrigdisraduneytid/ymsar-skrar/Ge%c3%b0heilsuvaktin%20-a%cc%81fangasky%cc%81rsla%2011.5.21.pdf>  
[https://www.stjornarradid.is/library/04-Raduneytin/Heilbrigdisraduneytid/ymsar-skrar/1.%20a%cc%81fangasky%cc%81rsla\\_Mat%20a%cc%81%20a%cc%81hrifum%20COVID-19%20a%cc%81%20ly%cc%81%c3%b0heilsu\\_7.sept.21.pdf](https://www.stjornarradid.is/library/04-Raduneytin/Heilbrigdisraduneytid/ymsar-skrar/1.%20a%cc%81fangasky%cc%81rsla_Mat%20a%cc%81%20a%cc%81hrifum%20COVID-19%20a%cc%81%20ly%cc%81%c3%b0heilsu_7.sept.21.pdf)
- 7 The law on Child and Family Office; The law on Quality and Supervision Agency for Welfare Affairs; amendments to the law on the State Diagnostic and Counselling Centre, and a parliamentary resolution on Child-Friendly Iceland.
- 8 Iskr: Icelandic Kronas
- 9 Tryggvi Helgason Doctor, 2021. Þróunarmistöð Heilsugæslunnar.
- 10 Most of homeless people in Iceland live in the capital city of Reykjavík. At the beginning of 2017, the number of homeless people living on the street was 76. In addition, 118 individuals stayed in hostels, 153 lived in unsafe conditions and 58 individuals lived in long-term housing solutions. Most of these individuals belong to the group between 18 and 30 years of age and the great majority of them are drug or alcohol users.
- 11 <https://www.barnaheill.is/is/forvarnir/vinatta>



Save the Children believes that every child deserves a future. In Europe and around the world, we work every day to give children a healthy start in life, the opportunity to learn and be protected from harm. When crisis strikes, and children are most vulnerable, we are always among the first to respond and the last to leave. We ensure children's unique needs are met and their voices are heard. We deliver lasting results for millions of children, including those hardest to reach.

We do whatever it takes for children – every day and in times of crisis – transforming their lives and the future we share.

**Published by**

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