

European Social Fund

Short introduction - main priorities,
budget, program management cycle,
lessons learned and challenges

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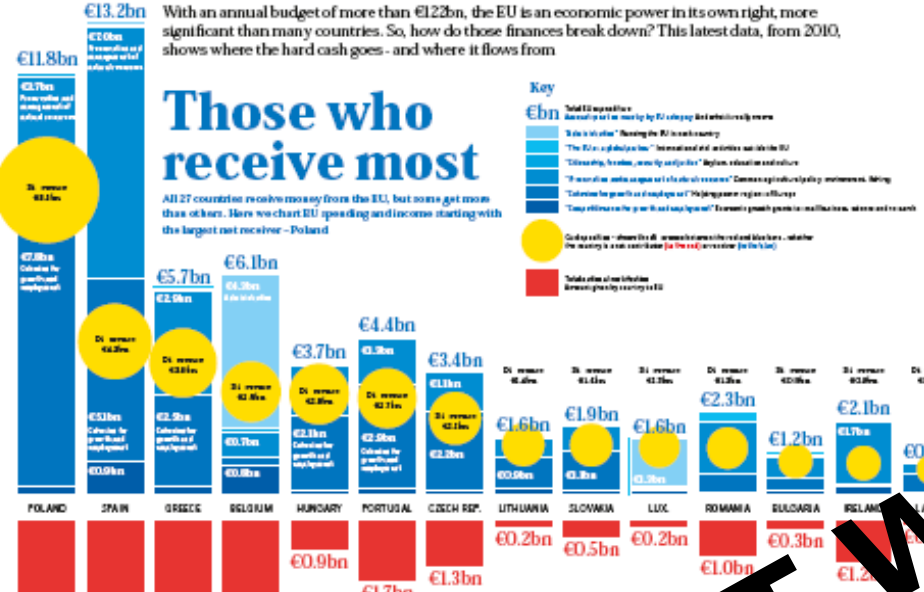
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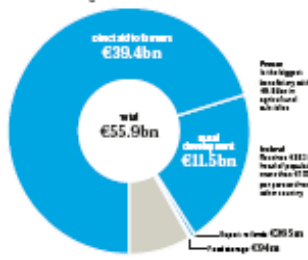
Those who receive most

All 27 countries receive money from the EU, but some get more than others. Here we chart EU spending and income starting with the largest net receiver - Poland



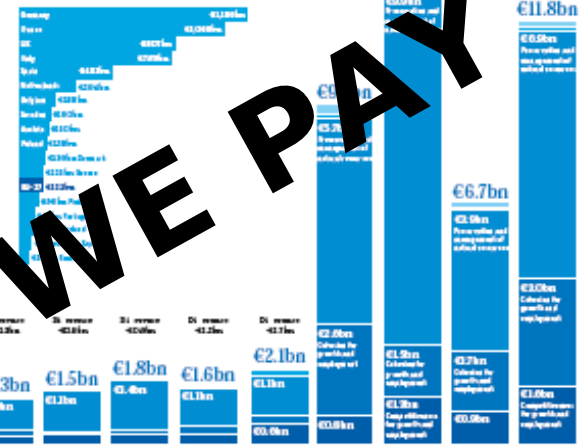
What is the common agricultural policy?

The biggest single item of EU spending, covers farming and fishing



If the EU were a country, how big would it be?

Based on total spending (latest figures)

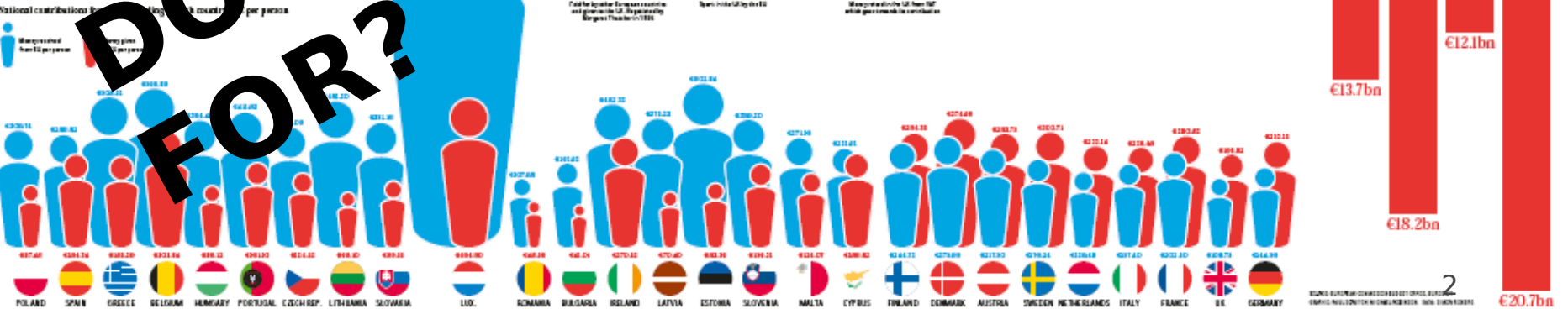


DO WE GET WHAT WE PAY FOR?

Those who give most

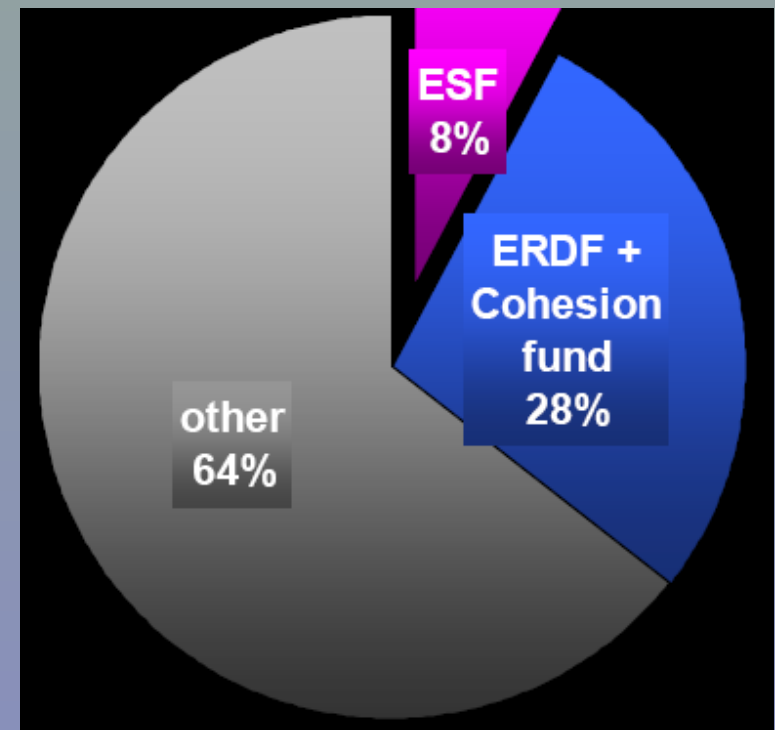
At the other end of the chart are the net-givers - the economic and industrial powerhouses of Europe, led by Germany






How much does each country give and receive per person?



EU Cohesion Policy and importance of EU Structural Funds

- The Cohesion Policy programme for 2007-2013 amounts in €347 billion or 35.7 % EU budget
- 3 Financial instruments: ERDF, **ESF**, CF
- One of the largest areas of EU spending
- 4 rounds of the SF behind



The cohesion policy architecture				
2000–06			2007–13	
Objectives Community initiatives Cohesion Fund	Financial instruments		Objectives	Financial instruments
Objective 1 Regions lagging behind in development terms	ERDF ESF EAGGF-Guarantee EAGGF-Guidance FIFG		Convergence	ERDF ESF Cohesion Fund
Cohesion Fund	Cohesion Fund			
Objective 2 Economic and social conversion zones	ERDF ESF		Regional competitiveness and employment	ERDF ESF
Objective 3 Training systems and employment policies	ESF			
Interreg III	ERDF		European territorial cooperation	ERDF
URBAN II(*)	ERDF			
EQUAL (*)	ESF			
Leader +	EAGGF-Guidance			
Rural development and restructuring of the fishing sector beyond Objective 1	EAGGF-Guarantee FIFG			
4 objectives 4 Community initiatives Cohesion Fund	6 instruments		3 objectives	3 instruments

(*) In 2007–13, Urban II and Equal will be part of the convergence objective, as well as of the regional competitiveness and employment objective.

Objectives, structural funds & instruments

Objectives	Structural Funds and instruments		
Convergence € 251.1 billion or 81.54 %	ERDF	ESF	Cohesion Fund
Regional Competitiveness & Employment € 38.7 billion or 15.95 %	ERDF	ESF	
European territorial co-operation € 7.7 or 2.52 %	ERDF		
	infrastructure, innovation, investments, etc.	vocation training, employment aids, etc.	environmental and transport infrastructure, renewable energy

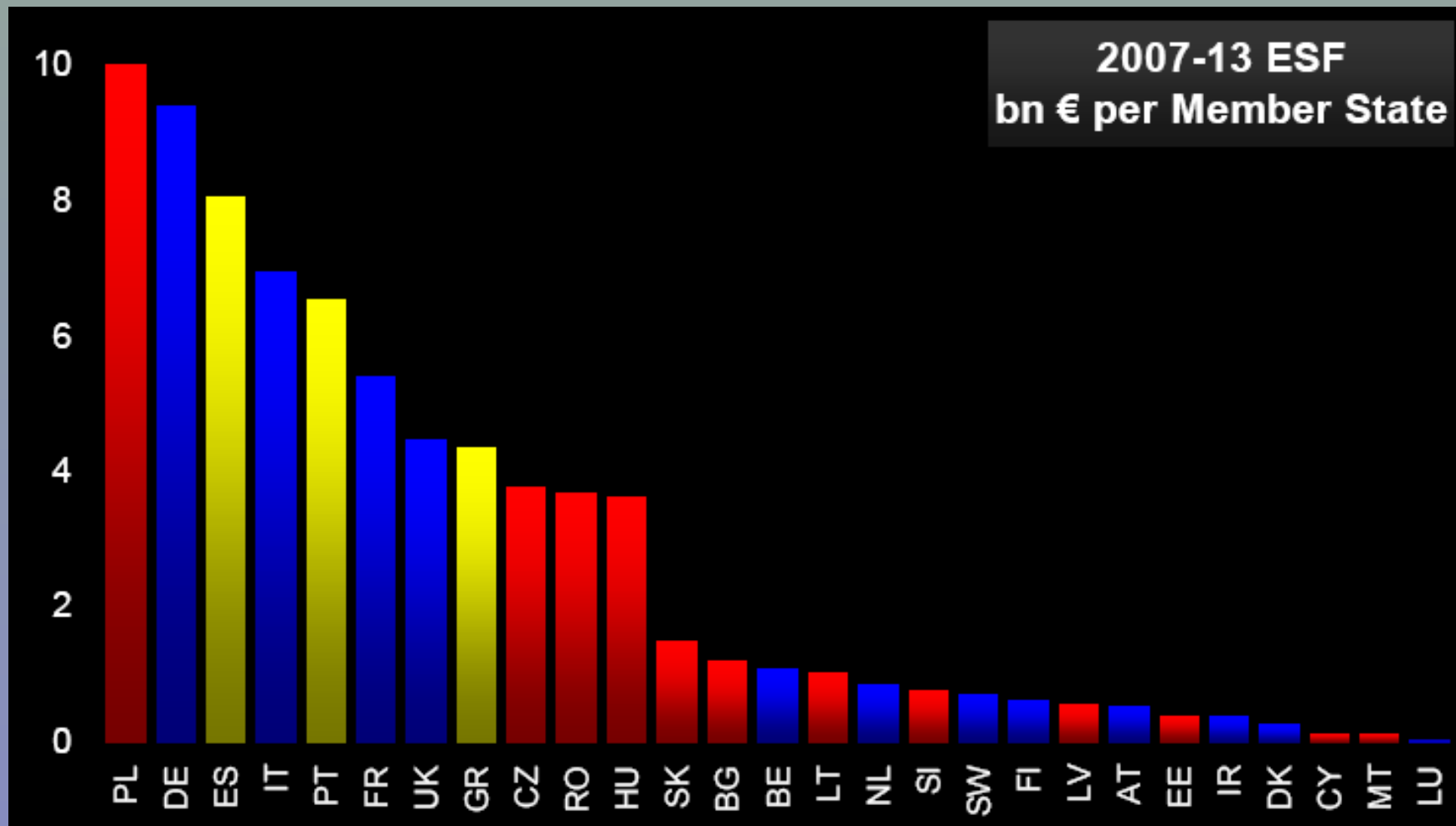
ERDF and ESF support priorities

- ERDF – 271 billion EUR
 - transport, environment, research/innovation
 - information society, social infrastructure, energy, tourism, culture, institutional capacity
- ESF – 76 billion EUR
 - employment, human capital
 - adaptability of workers and firms, social inclusion, capacity building, technical assistance

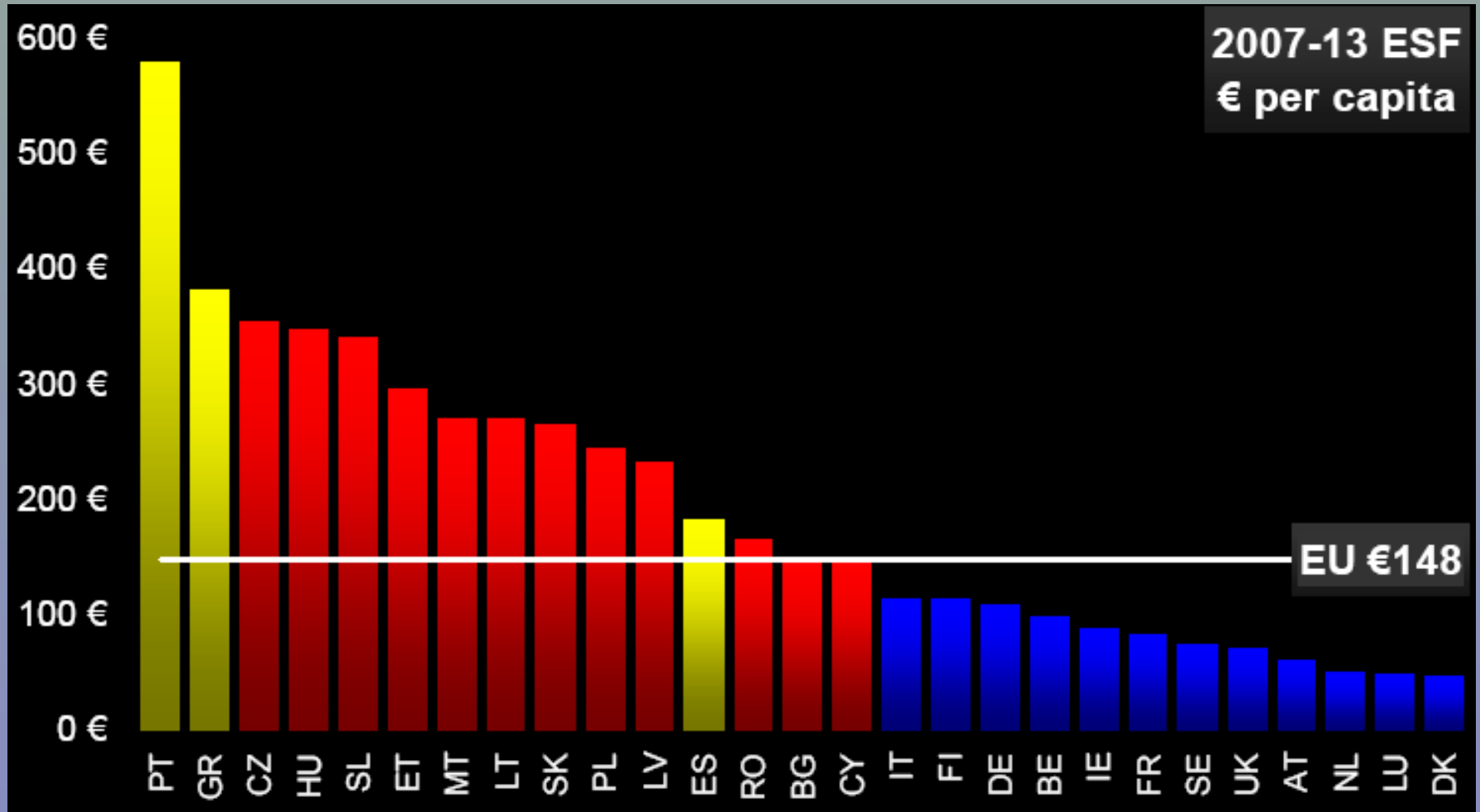
What is ESF and why it is needed?

- set up to **reduce differences** in prosperity and living standards across EU MS
- **particular aim** – support the creation of more and better jobs -> improve the inclusiveness of the labour market -> be in line with **Europe 2020 objectives** for smart, sustainable and inclusive growth

ESF use per MS

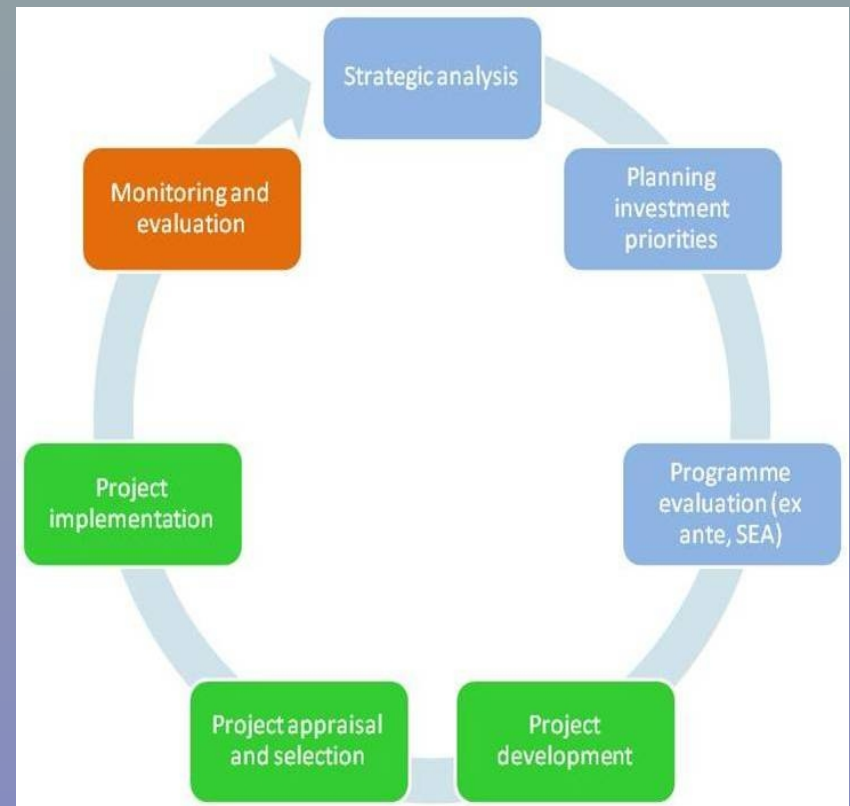


ESF use per capita



SF programming

1. setting up rules -> regulations
2. programming
3. implementation
4. monitoring
5. evaluation



Role for CSOs

In each stage there is a role to play for CSOs:

- in programming
- in implementation
- in monitoring
- in evaluation

+ reinforced role in 2014-2020

Key players you work with

- EC -> DG Regio
- Member states
 - MA
 - IB
 - CA
 - AA
 - SP
 - FB
 - ...



The main legal background

2007-2013

- Regulation **No.1083/2006** – general provisions
- Regulation No. 1080/2006 – on ERDF
- Regulation No 1081/2006 **on ESF**

What are those general provisions?

- Set of basic principles
 - partnership
 - objectives
 - eligibility criteria
 - programmingg
 - management
 - monitoring
 - evaluation
 - available resources
 - criteria for allocations

Partnership principle (Art.11)

The objectives of the Funds shall be pursued in the **framework of close cooperation**, (hereinafter referred to as partnership), **between the Commission and each Member State**. Each Member State shall organise, **where appropriate and in accordance with current national rules** and practices, a partnership with authorities and bodies such as:

- (a) the competent regional, local, urban and other public authorities;
- (b) the economic and **social partners**;
- (c) any other appropriate body representing **civil society, environmental partners, non-governmental organisations**, and bodies responsible for promoting equality between men and women.

Partnership in each phase of programme cycle

2. The partnership shall be conducted in full compliance with the respective institutional, legal and financial powers of each partner category as defined in paragraph 1.

The partnership shall cover the preparation, implementation, monitoring and evaluation of operational programmes.

Member States shall involve, where appropriate, each of the relevant partners, and particularly the regions, in the different stages of programming within the time limit set for each stage.

3. Each year **the Commission shall consult the organisations** representing the economic and social partners at European level on assistance from the Funds

Partnership in each phase of programme cycle

MS has to promote partnership during each phase of the programme cycle.

For example:

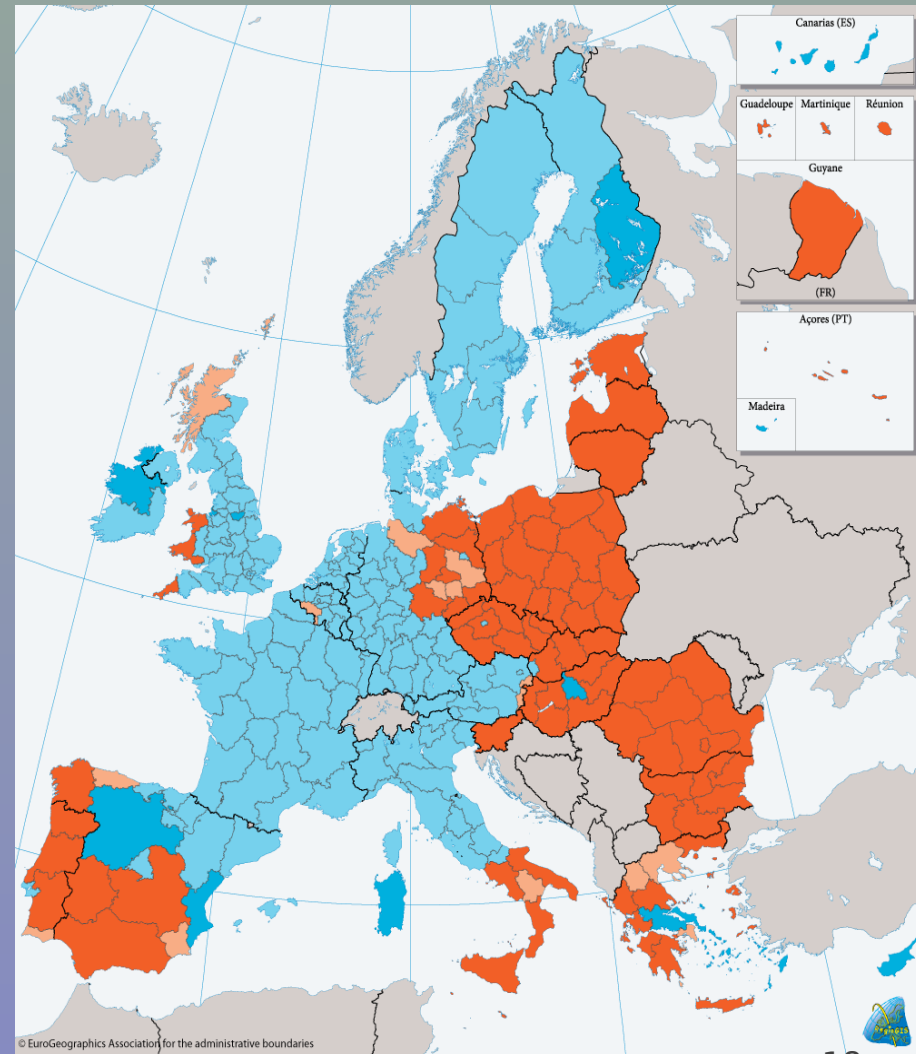
- ❑ OP analysis and design
- ❑ OP delivery planning
- ❑ calls for and appraisal of proposals
- ❑ during project implementation
- ❑ during monitoring and evaluation



Continuing on general provisions

Objectives and eligibility

- Objectives – reducing economic social and other disparities
- objectives 1, 2, 3
- eligibility – geographic



Four "C"

- complementarity
- consistency
- coordination
- compliance



Management

- set up by MS
- Managing Authority
- Intermediate bodies
- Certifying Authority
- Audit Authority

+ shared management

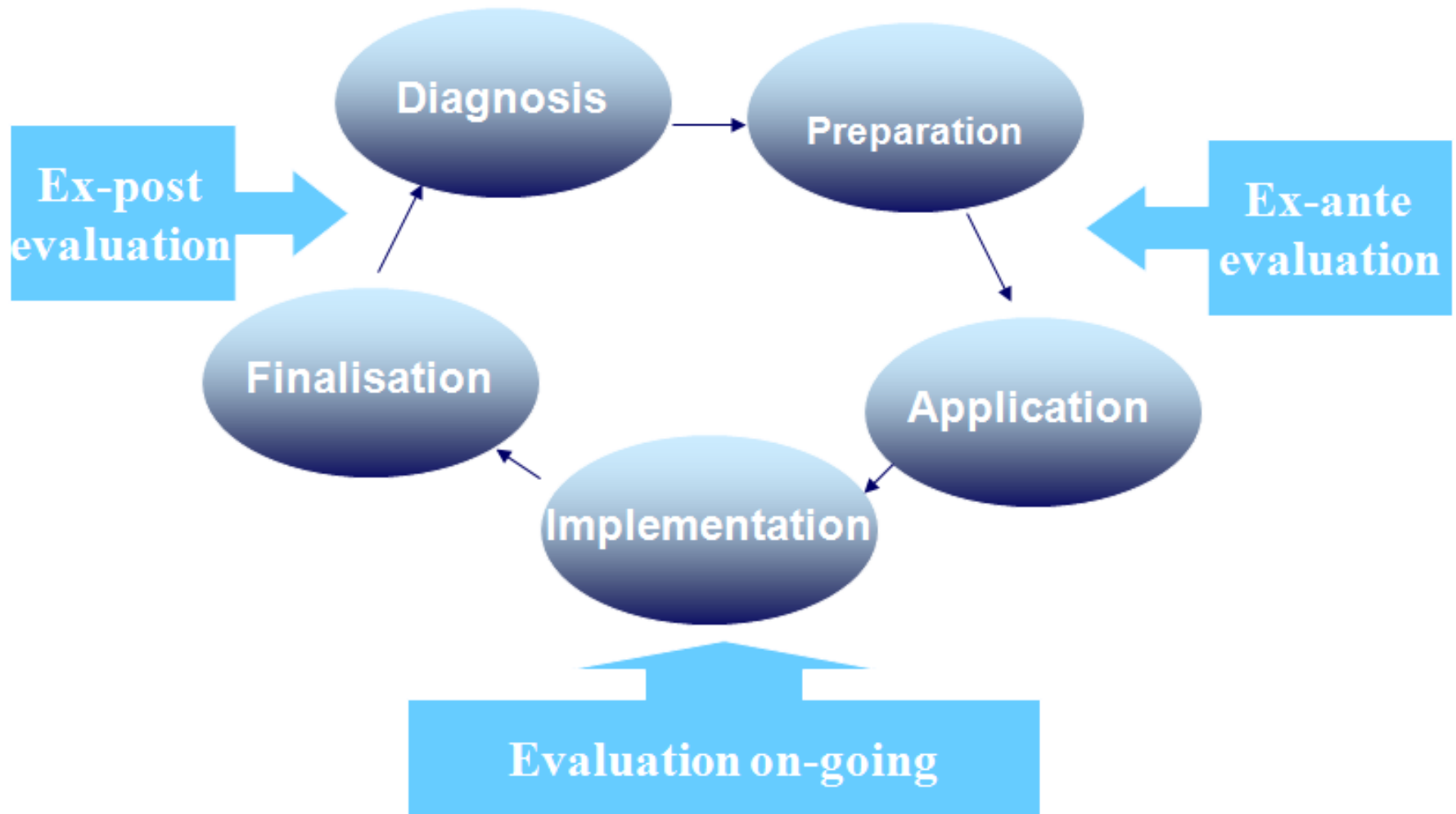


Monitoring and Evaluation

- aims and types of evaluations (strategic evaluations, Ex-ante, Mid-term, Ex-post)
- Monitoring Committee

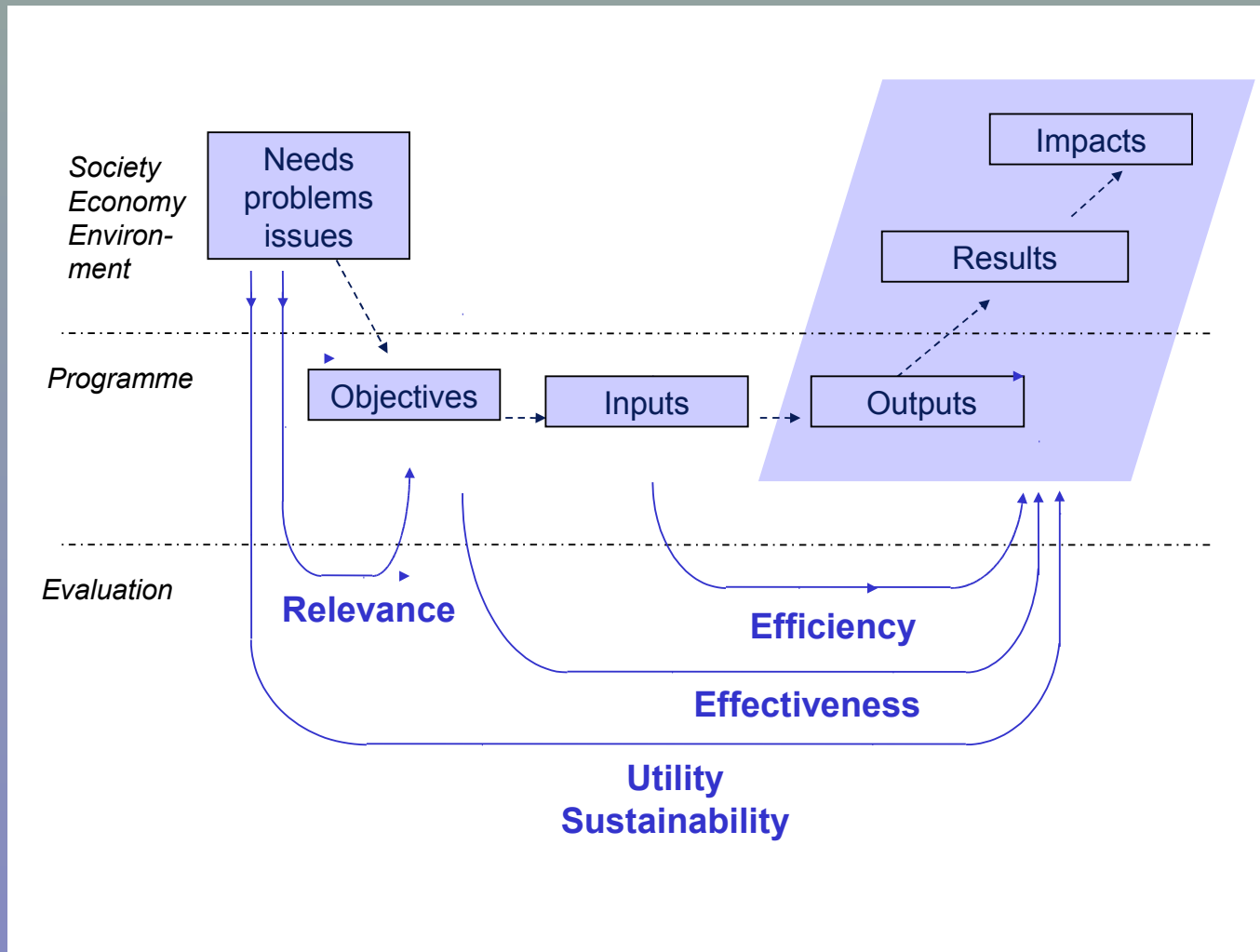


Evaluation and a link with program cycle



Evaluation and a link with LogFrame

Important in both - programme level and project level



Programming and Financial Management

- NSRF
- OPs
 - e.g.of Croatia:
 - OP “Environment and Energy”
 - OP “Regional Competitiveness”
 - OP “Transport”
 - OP “Human Resources Development”
 - OP “Administrative Capacity Development”
- financial management

Advise: NSRF & OPs -> important to look at! Not just waiting for open call!

Audit

- Commission's system audits
- interventions with a financial consequence
- MS -> strengthening of Single Audit Approach
- major obstacles

Regulation on ESF

- tasks
- scope
- rules



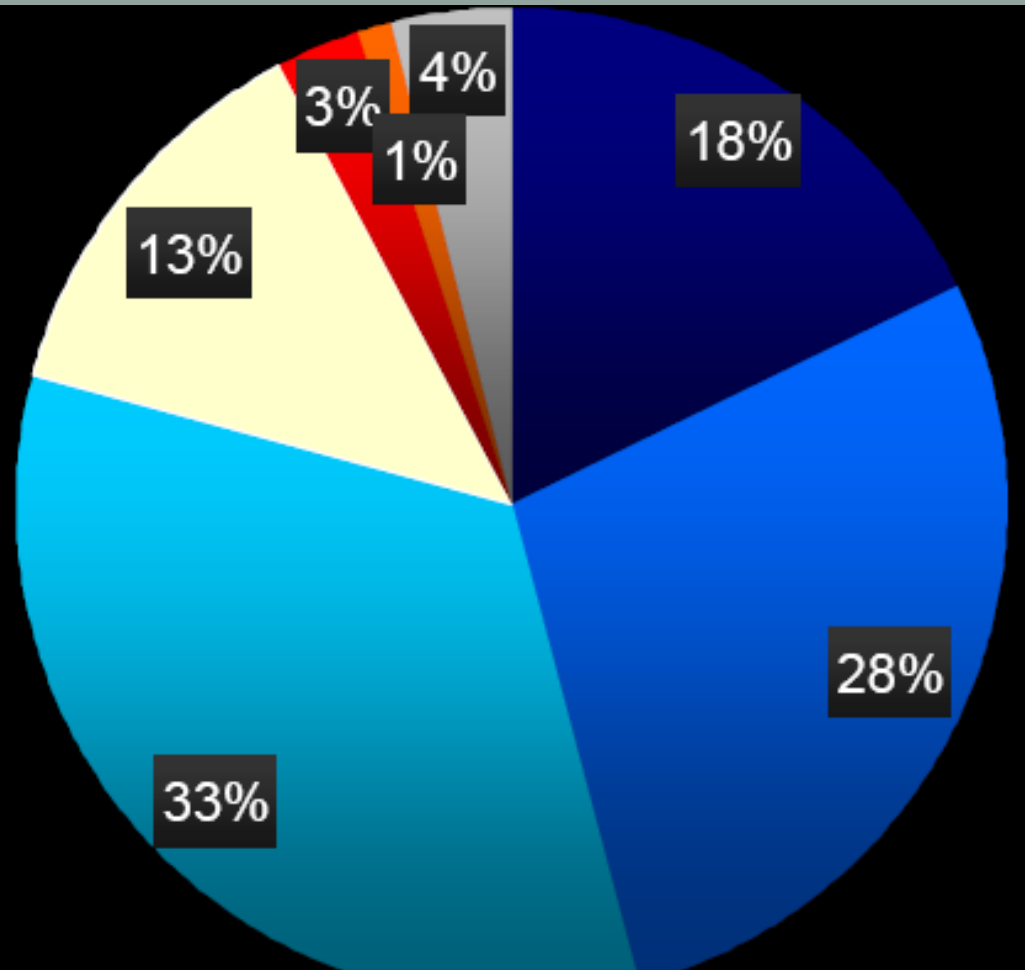
ESF key principles and priorities

2007-2013

- Europe 2020
- 7 years
- adaptability
- access to employment & inclusion in labour market
- human capital
- social inclusion
- partnerships
- institutional capacity & efficiency of public administrations & services

ESF priorities

- adaptability of workers & enterprises
- access to employment
- human capital
- social inclusion
- institutional capacity
- partnerships
- Other



ESF regulation on capacity building

- (Article 5.3.) Under the Convergence objective, an **appropriate amount of ESF resources shall be allocated to capacity-building**, which shall include training, networking measures, strengthening the social dialogue and activities jointly undertaken by the social partners, in particular as regards adaptability of workers and enterprises
- MA of each OP shall **encourage adequate participation** of social partners in actions funded by the ESF

Institutional capacity within the ESF OPs – country examples

- dedicated OP
- priority axis
- “measure” within a priority
- some activities foreseen
- differences in ESF budget allocations between MS

Some aspects of ESF 2007-2013

- importance of **innovation** and transnational and interregional **cooperation**
- a list of non-eligible expenditure in the regulation (*MS have freedom to determinate their own eligibility rules*)
- importance of **Community added value**

Focus in annual and final reports

- ❑ gender mainstreaming
- ❑ participation of migrants in employment
- ❑ integration and social inclusion of minorities
- ❑ integration of other disadvantaged groups
- ❑ innovative activities
- ❑ trans-national actions

ESF ...

- more as a **“soft fund”**
- used for human resources, training educational activities and social inclusion
- important tool for policy change and agenda setting, mutual learning and innovation for creating a high **European Added Value (EC)**
- contributing to the **European Employment strategy**

ESF and some flexibility in dealing with crisis

- important role to play in the present financial crisis
- dealing with impact on real economy
- was possible to use unspent 2000-06 ESF funds
- were increased advance payments
- higher flexibility
- should be fully aligned with the priorities of smart, sustainable and inclusive growth in its next programming period

Examples of policy areas supported by ESF

- social assistance
- education
- employment institutions
- health
- reform of judiciary
- better regulation
- improving crisis management network

Examples of activities supported by ESF

- investments in human capital of public administrations and services
- strengthening regional and local administration
- better quality of policies and programmes
- support to social dialogue, social partners, NGOs
- improvement of the quality of public services
- reduction of administrative burden for business
- enhancing level of transparency
- e-government , use of new technologies
- support to innovation

MS challenges at program's level

- how to align OPs with the **priorities of the EU 2020 strategy**?
- how to align with **European Platform against Poverty and Social Exclusion (EPAP)**?
- how to ensure **involvement of social partners** in organized consultations?
- how to enhance **synergies with other funds** (e.g. European Citizens programme)?
- how to ensure **simplification** as a guiding principle?
- how to **ensure a greater added value** of the ESF to Member states?

CSOs' challenges

- to facilitate **local community development**
- to build an **open civil society**
- to mitigate social implication of the **global financial and economic crises**
- to support involvement of volunteers in providing social services -> **improve the social inclusion**
- to improve access to social rights, **strengthen social cohesion**
- to solve specific social, economic, political problems -> **cooperation with governmental and local authorities**
- to mainstream gender, ethnicity, age, disability and poverty issues
- to get involved in **providing social services**

Meeting Europe 2020 priorities

- Align ESF and ERDF with Europe 2020
- More attention to social inclusion
- Partnership in ESF, ERDF

Some examples:

- Education for the future
- Breaking down barriers
- Fostering new skills
- Supporting entrepreneurship

THINK ON ...

- Need for local development approaches
 - active inclusion
 - fostering social innovation
 - regeneration of deprived areas
 - rural and maritime areas
- Currently: Territorial approaches are not fully visible in the ESF
- Objective of the Commission's proposal:
 - to highlight the possibility of territorial approaches in the ESF context
 - to facilitate the territorialisation of the ESF where appropriate

Project generation

- 2 main phases:
 - generation of the project idea
 - the administrative work to get the project approved and then receive EU funding

YOUR project has to be SMART!

- **S** pecific
- **M** easurable
- **A** chievable
- **R** ealistic
- **T** ime

YOUR project ...

- has to contribute to the OP objectives

The general objectives contributing to the overall aim of the Programme are the following:

- To attract and retain more people in employment by increasing human capital investment, reinforcing and promoting adaptability of enterprises and workers.
- To promote social and professional integration of disadvantaged groups of people and people with special needs
- To support the development of reforms in education and training systems
- To support and reinforce civil society and the social partnership

- should not aim at covering operational costs of your organization
- has to consider carefully eligibility rules set at EU and national level

RESOURCES

- Regulations: EU regulations that establish the rules and requirements governing ESF funding in 2007-2013

http://ec.europa.eu/regional_policy/information/legislation/index_en.cfm

http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm (+ available draft regulations for 2014-2020)

- Operational Programme: the document that sets out the priorities and activities that ESF will support (MS document)

www.strategija.hr (Croatia NSRF, OPs drafts)

- ESF Frameworks: strategic documents that show how ESF spending will address set priorities

<http://ec.europa.eu/esf>