

Territorial aspects of the European Social Fund

**This report was written by
METIS GmbH (authors: J.Pucher, I.Naylon)
It does not represent the official views of the Committee of the Regions.**

More information on the European Union and the Committee of the Regions is available on the internet at <http://www.europa.eu> and <http://www.cor.europa.eu> respectively.

Catalogue number : QG-30-13-319-EN-N
ISBN : 978-92-895-0674-8
DOI : 10.2863/71617

© European Union, 2012
Partial reproduction is allowed, provided that the source is explicitly mentioned.

Table of Contents

Executive summary	1
1. General overview and assessment of ESF management	3
1.1 The ESF in the 2007 to 2013 period	3
1.2 The ESF in the next programming period 2014-2020	7
1.3 The ESF and Europe 2020, new relevant common provisions and the territorial approach	8
1.4 The growing importance of the local dimension and urban areas	11
2. Management in detail by Member State	15
2.1 Austria	15
2.2 Belgium	16
2.3 Bulgaria	16
2.4 Czech Republic	17
2.5 Cyprus	17
2.6 Germany	18
2.7 Denmark	18
2.8 Estonia	19
2.9 Spain	20
2.10 Finland	20
2.11 France	20
2.12 Greece	21
2.13 Hungary	21
2.14 Ireland	22
2.15 Italy	22
2.16 Lithuania	23
2.17 Luxembourg	23
2.18 Latvia	23
2.19 Malta	24
2.20 The Netherlands	24
2.21 Poland	25
2.22 Portugal	25
2.23 Romania	25
2.24 Slovakia	26
2.25 Slovenia	27
2.26 Sweden	27
2.27 UK	28
3. Concrete territorial experiences	33
3.1 Austria: Territorial Employment Pacts	33
3.2 Denmark: The ‘Danish Model’	35
3.3 Ireland: Local Development Companies (LDCs)	37

3.4	Italy: Regional Tripartite Committees (RTCs)	39
3.5	Sweden: Structural Fund Partnerships (SFPs)	40
3.6	UK: Local Employment Partnerships (LEPs)	41
3.7	The benefits of regional partnerships for the implementation of the ESF	43
	References	45

List of tables and figures

Figure 1. Allocation of funds to the ESF interventions (in %) by priority theme	6
Figure 2. ESF Budget by Member State	30
Figure 3. Average ESF spending per capita in the Member States	31

List of abbreviations

ALMP	Active Labour Market Policy
BEPG	Broad Economic Policy Guidelines
CF	Cohesion Fund
CoR	Committee of the Regions
CSF	Common Strategic Framework
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
EES	European Employment Strategy
EMFF	European Maritime and Fisheries Fund
EP	European Parliament
ERDF	European Regional Development Fund
ESF	European Social Fund
GDP	Gross Domestic Product
LCDP	Local and Community Development Programme
LRA	Local and regional authorities
MA	Managing Authority
MS	Member States
NGO	Non-Governmental Organisation
NSRF	National Strategic Reference Framework
OP	Operational Programme
PA	Public Administration
PES	Public Employment Service
ROP	Regional Operational Programme
TA	Technical Assistance
TEP	Territorial Employment Pact

Country Codes

BE	Belgium
BG	Bulgaria
CZ	Czech Republic
DK	Denmark
DE	Germany
EE	Estonia
IE	Ireland
EL	Greece
ES	Spain
FR	France
IT	Italy
CY	Cyprus
LV	Latvia
LT	Lithuania
LU	Luxembourg
HU	Hungary
MT	Malta
NL	Netherlands
AT	Austria
PL	Poland
PT	Portugal
RO	Romania
SI	Slovenia
SK	Slovakia
FI	Finland
SE	Sweden
UK	United Kingdom

Executive summary

During the 2007-2013 period, the European Social Fund (ESF) will invest approximately €75 billion in the Member States of the European Union and the Member States a further €50 billion of national public funding. Although the ESF support is focused on people and structures, it is also being used to pursue territorial goals through local employment initiatives and social inclusion measures at local and regional level. Member States have chosen different approaches towards setting up their operational programmes (OPs). Some Member States, such as UK, BE, IT, AT and ES have opted for a number of regional programmes, while others such as PL, FR, RO and BG have one programme to cover the whole country. DE and IT implement both variants. In rare cases, e.g. in Denmark, the ESF has been combined with the European Regional Development Fund (ERDF) and national regional development funding to achieve regional growth and jobs targets.

The decentralisation of ESF management generally reflects the degree of decentralisation and autonomous regional government structures in the Member States, as well as institutional arrangements concerning the labour market and social policy. A regional approach usually reflects a devolvement of responsibility to the regional level in national labour market and social policy. However, some experiments have been carried out within the ESF programming to bring the ESF closer to the people it targets. These are mostly in urban areas (60% of the EU population lives in such areas) although some interesting projects have also been carried out in rural areas.

Particularly interesting in this context are the Territorial Employment Pacts and regional partnership models used to implement certain measures of the ESF or funded out of the ESF themselves as a regional hub for social and employment policy.

On the basis of our screening of the EU Member States with regard to regional partnerships, the following Member States were selected for closer analysis of their partnership arrangements, focusing in particular on territorial employment pacts and regional approaches to programme management.

- Austria: Territorial Employment Pacts (TEPs)
- Denmark: ‘The Danish Model’
- Ireland: Local Development Companies (LDCs)

- Italy: Regional Tripartite Committees (RTCs)
- Sweden: Structural Fund Partnerships (SFPs)
- UK: Local Employment Partnerships (LEPs)

The respective advantages and disadvantages of the regional partnership approach have been highlighted in a final section of the report.

1. General overview and assessment of ESF management

During the 2007-2013 period, the European Social Fund (ESF) will invest approximately €75 billion in the Member States of the European Union. This will be supplemented by about €50 billion of national public funding. The European Commission (EC) estimates that more than 70 million people will benefit from the measures co-financed through the ESF. Although the ESF support is focused on people and structures, it can be used to pursue territorial goals in the field of employment and social inclusion and has been regionalised in a number of Member States and in rare cases combined with the European Regional Development Fund (ERDF) to achieve regional growth and jobs targets. ESF Managing Authorities (MAs) have national and regional offices. They disseminate information about the ESF and receive and assess applications. They are also responsible for distribution of the funding and the monitoring of approved projects. This first chapter of the report presents an overview.

1.1 The ESF in the 2007 to 2013 period

The aim of the European Social Fund is to support the Member States in measures related to growth and employment based on¹ the Broad Economic Policy Guidelines (BEPG), the European Employment Strategy (EES), and Employment Policy Guidelines. More specifically, the ESF has been assigned the task of helping Member States to attain full employment, increase quality and productivity at work, promote social inclusion (in particular the access of disadvantaged people to employment), and reduce national, regional and local employment disparities². The principal goals³ are:

- To increase the adaptability of workers, enterprises and entrepreneurs by improving the anticipation and positive management of economic change (this includes the modernisation and strengthening of labour market institutions on active labour market measures and lifelong learning actions);
- To ensure access to and promote participation in the labour market;

¹ The 2007 to 2013 programming period is governed by the following regulations and strategic guideline documents: The regulations 1083/2006 (General Regulation), 1828/2006 (on the implementing rules) and 1081/2006 (on the ESF); The European Employment Strategy (EES) and the Social Inclusion Strategy cf. Integrated Guidelines for Growth and Jobs (2005 to 2008) (2005/600/EC), The Community Strategic Guidelines, 2007-2013 - Cohesion Policy in Support of Growth and Jobs (COM(2005) 0299).

² cf. Art. 2 of Reg (EC) 1081/2009).

³ European Commission (2011), European Social Fund - available at <http://ec.europa.eu/esf/main.jsp?catId=35&langId=en> (link valid: 20.09.2011)

- To prevent social exclusion and combat discrimination by ensuring the access and inclusion of "disadvantaged workers";
- To strengthen the capacity of public institutions to develop and deliver policies and services. The ESF also promotes partnerships between employers, trade unions, NGOs and public administrations to facilitate reforms in the field of employment and inclusion.

These principal goals are inter-related with the so-called horizontal priorities, namely, fostering gender equality, sustainable development and fighting discrimination.

Support is focused under the following four priorities⁴ that cover the whole EU27:

- Increasing the adaptability of workers, enterprises and entrepreneurs;
- Enhancing human capital and improving access to employment and sustainability for job seekers and economically inactive persons, preventing unemployment, in particular long-term and youth unemployment, as well as encouraging active ageing and participation in labour markets;
- Improving social inclusion of disadvantaged people and combating all forms of discrimination
- Mobilising reforms in the fields of employment and social inclusion through the promotion of partnerships, pacts and networking between relevant stakeholder such as social partners, NGOs, etc at national, regional and local level.

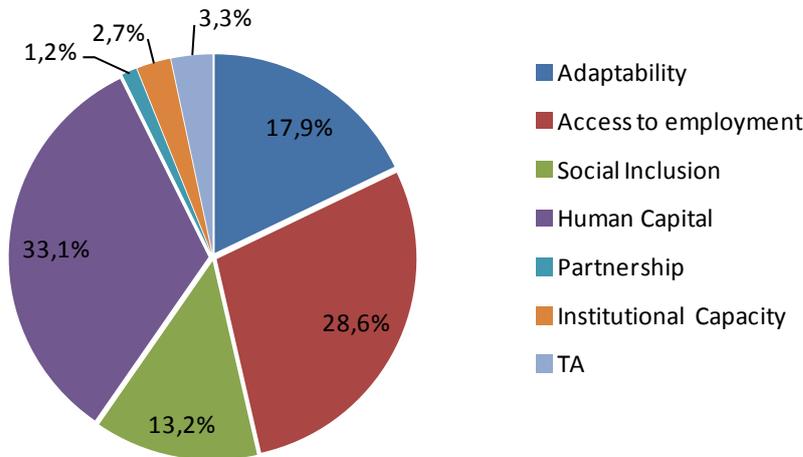
The ‘convergence’ regions benefit from two additional priorities:

- Expanding and improving investment in human capital
- Strengthening institutional capacity at national, regional and local level and the efficiency of public administrations.

⁴ These priorities as laid down within the preamble, para. 9 and 10, of the ESF Regulation are further specified and broken down by Art. 3 - Scope of Intervention - into 11 topics applicable to all 27 MSs (i.e. convergence and competitiveness regions) and into 5 additional ones for convergence regions alone. However, presentations of EU wide figures are often broken down following the systematic categorisation of assistance from the fund: codes for the priority theme dimension or ‘Priority Codes’.

In the current period, the ESF will spend over EUR75 billion on creating more and better jobs in Europe. These funds have been allocated to the six priorities, with a particular emphasis on “human capital” (33.1% of funds) and on “access to employment” (28.6% of funds). “Adaptability” is to consume 17.9% of ESF resources, and “social inclusion” 13.2%. The smallest allocations are for “institutional capacity” (2.7%) and for “partnership” (1.2%).

Figure 1. Allocation of funds to the ESF interventions (in %) by priority theme⁵



Source: Metis (from DG Employment European Social Fund 2007 – 2013)

ESF funding allocations

Some countries receive comparatively high allocations in absolute terms. The largest ESF contribution in the EU is received by PL (€9.7 bn over the entire period), followed by CZ (€9.4 bn), DE (€9.3 bn), ES (€8 bn), IT (€6.9 bn) and PT (€6.1 bn).

In terms of the average annual ESF allocations per inhabitant for the current programming period, PT has the highest allocation (€9), followed by GR, CZ, HU, SI (slightly above €50). At the other end of the spectrum there are DK, LU, NL, AT (around €7 to 10) with the UK, FR, SE, IE, BE, DE, IT in an intermediate position (€10 to €17).

ESF and national Active Labour Market Policy (ALMP)

The overall ALMP budgets of Member States are much higher in the EU15 than in the EU12. They amount to 0.5% or more of GDP in most EU15 Member States. In the EU12 ALMP budgets are significantly lower, mostly below 0.5% of GDP, but in some cases even less than 0.1%. So in fact, in these countries the ESF often constitutes the most important part of ALMP. In almost all EU12 Member States (with the exception of CY) ESF spending on ALMP exceeds national ALMP funding by 50%⁶.

⁵ http://ec.europa.eu/employment_social/emplweb/esf_budgets/results.cfm (23.09.2011), based on codes assigned to priority themes

⁶EUROSTAT – data on ALMP 2008 and ESF annual allocations for 2007 to 2013.

National and regional operational programmes⁷

Member States have chosen different approaches towards setting up their OPs. Some Member States, such as UK, BE, IT, AT and ES have opted for a number of regional programmes, while others such as PL, FR, RO, BG, have one programme to cover the whole country. DE and IT implement both variants.

This evidence reflects to some extent the degree of decentralisation and autonomous regional government structures in the Member States, as well as institutional arrangements concerning the labour market. While the regionalisation of operational programmes can be an important factor in developing the capacity of delivery systems, national operational programmes are not necessarily any less effective, and centralised operational programmes may provide for regional sub-priorities, as in PL and FR.

1.2 The ESF in the next programming period 2014-2020

On 6 October 2011 the European Commission proposed the rules for the future ESF in the next programme period 2014-2020. This proposal is part of an overall package focusing on the future Cohesion Policy in the EU. Summing up the main changes coming up the aim of the ESF will be on improving employment opportunities, promoting education and life-long-learning, enhancing social inclusion, contributing to combat poverty and developing institutional capacity of public administration. The role of the ESF will be reinforced in the next period:

- there will be a minimum share of the budget allocated to each category of regions that will be higher than before. This share corresponds to at least €4 billion for the ESF, compared to the current €75 billion;
- Member States will have to concentrate the ESF on a limited number of objectives and investment priorities in line with the Europe 2020 Strategy, in order to increase impact and reach a critical mass;
- a minimum share of 20% of the ESF will be dedicated to social inclusion actions;
- a greater emphasis is placed on combating youth unemployment, promoting active and healthy ageing, and supporting the most disadvantaged groups and marginalised communities such as Roma;

⁷For a detailed analysis, see chapter 2 of this report.

- greater support will be provided to social innovation, i.e. testing and scaling up innovative solutions to address social needs, for instance to support social inclusion;
- the participation of social partners and civil society, in particular NGOs, will be further encouraged in the implementation of the ESF, through capacity building, the promotion of community-led local development strategies and the simplification of the delivery system. Rules governing the reimbursement of projects by the ESF will be simplified, in particular for "small" beneficiaries, who make up at least 50% of recipients of ESF funding – NGO's, small- and medium-sized enterprises and others;
- equipment linked to investments in social and human capital will become eligible for support from the ESF.

The Commission and MS will agree on Partnership Contracts setting out commitments required to deliver EU 2020 objectives (see the next chapter for more details)

1.3 The ESF and Europe 2020, new relevant common provisions and the territorial approach

In September 2009, José Manuel Barroso announced that the European Union required an integrated vision in its strategy: The Europe 2020 Strategy needs to provide an effective response to the big challenges of climate change, globalisation, demographic change, energy supply and increasing inequalities. With the launch of the strategy at the beginning of 2010, three mutually reinforcing priorities for future European policies through concrete actions at EU and national levels were put forward, all three supporting economic, social and territorial cohesion:

- Smart growth for developing an economy based on knowledge and innovation,
- Inclusive growth fostering an inclusive society with high levels of employment, better involvement of women, older workers and migrants as well as higher educational attainment;
- Sustainable growth for a more resource efficient, greener and more competitive economy.

Five quantified targets have been set⁸ referring to innovation, employment, climate change, education and poverty. These are explicitly not declared exhaustive and should be supplemented by the national targets. The targets are strongly interrelated and mutually re-enforcing. All European policies, instruments and legal acts are to be mobilised to support these targets. The community strategy is also closely related to the plans and measures for the programming period until 2020.

Regulation on common provisions

The new legislative package⁹ lays down common provisions for Cohesion Policy, the rural development policy and the maritime and fisheries policy covered by the Common Strategic Framework (CSF). It also covers the general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repeals the EGTC regulation (Regulation (EC) No 1083/2006).

The guiding principles of the reform are the concentration of the Europe 2020 strategy, a focus on results, better coordination and harmonisation between the funds and simplification. Regarding the geographical coverage this comprises three categories of regions:

- Less developed regions (GDP per capita < 75% of the EU average)
- Transition regions (GDP per capita between 75% and 90%)
- More developed regions (GDP per capita > 90%)

Looking especially to the ESF, this means that there will be at least 25 percent of the Cohesion envelope for the Social Fund. In total this will be 84 million Euros (25% for the less developed regions, 40% for the transition regions and 52% for the more developed regions).

⁸ 75% of the population aged 20-64 should be employed; 3% of the EU's GDP should be invested in R&D; the « 20/20/20 » climate/energy targets should be met (and the EU's emissions reduction should be increased to 30%, if the conditions are right); the share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree; 20 million less people should be at risk of poverty.

⁹ COM(2011) 615 final

Reinforcing integrated programming

The integrated programming approach comprises:

- The Common Strategic Framework at EU level and the Partnership Contract at national level covering all the CSF Funds
- Possibility for Member States to prepare and implement multi-fund programmes combining the ERDF, the ESF and the Cohesion Fund
- Possibility for Member States to establish "multi-category" operational programmes which cover less developed, transition, and more developed regions or any combination of these¹⁰

This integrated programming is based on a more strategic approach. The above-mentioned Common Strategic Framework translates the Unions' strategic objectives into key actions for the CSF funds. A Partnership Contract will be negotiated and implemented between each Member State and the Commission defining the thematic objectives for the specific OPs.

Reinforcing the territorial approach

To enable the ESF to continue to support local employment initiatives or territorial employment pacts the territorial approach will be reinforced in the period 2014-2020. This territorial approach comprises:

- An integrated approach to community-led local development
 - Facilitates integrated investment by small communities including local authorities, NGOs, and economic and social partners
 - Integrated approach and common rules = can be financed jointly from ERDF, ESF, European Agricultural Fund for Rural Development (EAFRD) and European Maritime and Fisheries Fund (EMFF)
- Possible support for sustainable urban development strategies
 - At least 5% of the ERDF resources to be allocated to integrated actions for sustainable urban development

¹⁰ ESF Evaluation Partnership: Key Elements of the Commission proposal for the Future ESF 2014-2020. Presentation Thomas Bender, DG EMPL, Unit 1, ESF Policy and Legislation. November 2011

- The ESF may complement the ERDF for the actions falling under its Scope¹¹.

The proposals presented above will now be examined by the Council and the European Parliament. Adoption is scheduled for the end of 2012, to allow for the start of a new generation of cohesion policy programmes in 2014. Negotiations on the Multiannual Financial Framework for the whole EU budget will continue in parallel.¹²

1.4 The growing importance of the local dimension and urban areas¹³

Alongside the continued importance of rural areas (see chapters 2 and 3), the fact is that more than 60 percent of the EU population now lives in urban areas with more than 50 000 inhabitants. These areas are, on the one hand, the places where on the one hand most people are educated and highly skilled professionals come to work and, on the other hand, also feature a high degree of economic, social and spatial inequalities. It is therefore obvious that local administrations have become a key factor for local development.

One of the most relevant factors is employment at local level. A number of different stakeholders are involved: local authorities, enterprises, social economy enterprises and non-governmental organisations, the social partners, Public Employment Services (PES), and education and training providers. Local partnerships are one tool to tackle the above mentioned challenges.

“The approach to unemployment from a local perspective is emphasised by the European Employment Strategy. The European Social Fund has recognised the benefits of this approach and has been supporting Member States and regions that undertook employment initiatives at local level.”¹⁴

As mentioned above, this local dimension is not limited to urban areas. Employment-related initiatives are also under consideration in rural areas. We give an insight into the rural perspective in the chapters about ESF management in the different MS and the chapter on concrete territorial experiences.

¹¹ ESF Evaluation Partnership: Key Elements of the Commission proposal for the Future ESF 2014-2020. Presentation Thomas Bender, DG EMPL, Unit 1, ESF Policy and Legislation. November 2011.

¹² <http://ec.europa.eu/esf/main.jsp?catId=62&langId=en>

¹³ European Commission (2010): The European Social Fund: Urban Areas and Local Employment. Summary Fiche.

¹⁴ See above, p. 1.

Forms of ESF assistance to Urban Areas and Local Employment¹⁵

The main assistance is allocated to local systems and local employment initiatives. This means, in case of local systems, interventions reinforcing the capacity of public structures to promote more and better jobs, with a particular focus on upgrading PES, improving local administrative capacity and promoting the creation and the management of local partnerships.

Direct support to local employment concerns is targeted at people through training or coaching and actions focusing on specific local economic sectors or companies. Groups at risk of exclusion – e.g.: people with disabilities or ethnic minorities – are the main target groups.

In the period from 2000-2006 these forms of ESF assistance were carried out as follows:

- 54 ESF-funded measures addressed support to local public administrations in 11 Member States. Fostering partnerships, notably at local and regional (LRA) levels, was also the focus of attention in the case of the EQUAL Community Initiative which was also financed by the ESF.
- 15 Member States used ESF to carry out 137 measures dealing with direct support to local employment.

Public Employment Services play an important role in the process of re-integrating unemployed people in the labour market. Many MS have started to modernise the functioning and organisation of their PES to better tackle the above mentioned challenges.

“32 ESF-funded measures focused on improving PES employees’ skills and on offering clients better services like guidance, counselling and active job search.”¹⁶

Other ESF interventions in the field of strengthening Local Systems supported public authorities to gain a better understanding of local labour markets. The aim is to assess local government policies and to increase the capacity of civil servants. Active promotion of the involvement of local NGOs, companies and labour organisations is an important issue in the field of creating and supporting local networking and partnerships. More specifically, devices and tools, such as data sharing, co-financing surveys, communication, and dissemination activities,

¹⁵ See above, p. 4ff.

¹⁶ See above, p. 8.

that could help to facilitate decision making have been put at the disposal of stakeholders..

Regarding the direct support of local employment, the ESF assistance took various forms, from implementing the concept of flexicurity at local level to promoting lifelong learning as a way for workers to keep their jobs or find new positions.

“Member States used ESF opportunities to improve the workforce’s qualifications, including their transferable skills; to support the internal flexibility of companies [...]; and to increase the external flexibility in the form of company outplacements.”¹⁷

Prominent forms of intervention in the ongoing period 2007-2013 are: the training and coaching of workers to avoid and prevent unemployment, the introduction of counselling pathways with an individualised approach to careers and giving access to training for people with a low level of education or skills – especially for groups in society still facing discrimination in finding work.

¹⁷ See above, p. 10.

2. Management in detail by Member State

In the following chapter, we present an overview of the concrete management of the European Social Fund in all 27 Member States of the European Union in alphabetical order.

2.1 Austria

Austria has two Operational Programmes involving the ESF: the Competitiveness OP: ‘Employment’ and the Phasing Out Burgenland OP. The ‘Employment’ OP covers all eight *Bundesländer* with the exception of the Burgenland. The OP aims to: increase employability, support workers and enterprises in anticipating and adapting to economic change, encourage social inclusion and increase employment by integrating those on the margins of the labour market.

The Managing Authority is the Federal Ministry for Work, Social Affairs and Consumer Protection (Bundesministerium für Arbeit, Soziales und Konsumentenschutz - BMASK). The Intermediary Bodies (IB) are the Public Employment Service (Arbeitsmarktservice Österreich - AMS), BMASK, Sektion IV and the Bundessozialamt (Federal service for people with disabilities), the Federal Ministry for Education, Art and Culture (Bundesministerium für Unterricht, Kunst und Kultur – BMUKK), the Federal Ministry for Science and Research (Bundesministerium für Wissenschaft und Forschung – BMWF) and the Länder. The social partners are members of the steering committee and of the PES and the main IBs thus exert considerable influence. The steering committee consists of the Federal IBs, AMS Austria, representatives of the Länder, ÖROK, the social partners, representatives of NGOs and the European Commission.

Funding for the Austrian Territorial Employment Pacts is made available by the ESF OP “Employment” for Austria 2007-2013, Priority 5, and by the Federal Ministry of Labour, Social Affairs and Consumer Protection to cover the expenditure for the operational structures of the Pact, in particular the TEP Coordination Units. They support, for example, cooperation among the partners of the Pacts and the development of working programmes and projects.

The Pacts are also granted funds under Priority 3b “Integration of marginalised people into the labour market” of the ESF OP to develop and test innovative measures for improving the integration of those furthest away from the labour market and the cooperation of the institutions involved in the region. Co-financing of the Priority 3b measures is ensured through the Pacts. In fact,

project applications under Priority 3b are only eligible if delivered and implemented by Austrian partnerships or TEPs. Kooo, the Austrian-wide TEP Co-ordination Unit, supports the development and implementation of projects via specific activities such as jointly developed quality criteria (by the TEPs and the ESF Managing Authority in preparation for the call), the “3b Learning cycle” process (during implementation), and ongoing individual partnership advice (for both project development and implementation).¹⁸

2.2 Belgium

The ESF support in Belgium is organised through five different entities, corresponding to the different levels and competences of the federal and regional authorities. Therefore Belgium has five different ESF agencies, each responsible for a different operational programme.

While the country’s regions have regional ESF programmes of their own, the federal Operational Programme (OP), called ‘Replenishing and revitalising the Belgian workforce’, contains the overarching plan for Belgian ESF funds for 2007-2013, aiming to tackle low employment and an ageing population. In line with the Lisbon Strategy, the federal OP will address low employment levels by targeting disadvantaged groups, drawing them into the job market and keeping them there.

Belgian ESF funding has always followed the division of responsibility for employment and training between federal and regional bodies. Federal ESF funding is primarily used as a catalyst for innovation and provides opportunities to experiment with new approaches, partnerships, the exchange of experience and best practice and as a chance to develop awareness.

2.3 Bulgaria

Bulgaria has two central ESF OPs:

- The Operational Programme ‘Human Resources Development’- OPHRD
- The Operational Programme ‘Administrative Capacity’ – OPAC

The Human Resources Development OP seeks to raise skills levels and productivity among the Member State’s workforce by providing better training and easier access to lifelong learning. The Bulgarian government also wants to

¹⁸ <http://www.pakte.at> , <http://www.zsi.at>

ensure that no one is left on the fringes of society and therefore has special measures for disadvantaged groups.

The Administrative Capacity OP sets out to create a more advanced administration, capable of developing and implementing national and EU policies more efficiently. It also has the aim of paving the way to a better judicial system. Bulgaria's objective is to provide fair and open access to the services that businesses and the general public want.

2.4 Czech Republic

The Czech Republic takes a three-pronged approach to maximising the benefits of ESF funding:

- improving training and innovation potential,
- activating the workforce including the fight against unemployment and social exclusion,
- a special approach to human resources in Prague.

This logic is reflected in three ESF Operational Programmes: two thematic OPs on education and on employment and a regional programme targeted at Prague.¹⁹

2.5 Cyprus

Cyprus has one Operational Programme. The OP mainly aims at developing human resources, helping companies and workers adapt to globalised markets and the new knowledge economy. More investment is therefore being put into vocational education and training, information and communication technologies, and modernising the skills of Cypriot workers, while ensuring that no one is left on the margins of society.

The Managing Authority in Cyprus is the Planning Bureau. It has overall responsibility for the management of the funding. For the implementation, monitoring and controlling of programmes and projects to be co-financed, other public sector bodies are also involved.

¹⁹ <http://www.esfcr.cz>

2.6 Germany

The ESF implementation in Germany is divided between:

- The Central State level – covered by a single OP for both the Competitiveness and the Convergence regions and
- The level of 16 Federal States (Länder) with 17 OPs (Lower-Saxony has in addition one separate convergence OP for the region of Luneburg).

Altogether, Germany has 18 ESF operational programmes. This large number is a reflection of the federal structure of the country, and also a response to the disparities in the socio-economic situation and challenges. There is one multi-objective, federal programme for the whole country that manages approximately 37% of the overall ESF resources in co-operation with five federal ministries. There are 17 regional operational programmes (one for each Land and two for Niedersachsen (for the region of Luneburg)), designed and managed by the Bundesländer. Common ESF priorities are shared between the federal programme and the regions though with a different weighting. The federal programme concentrates on the ESF priorities ‘Adaptability of workers and enterprises’ and ‘Access to the labour market’. The regional programmes focus on enhancing human capital, in particular by promoting basic and vocational training for young people.

2.7 Denmark

An aspect of the Danish model of the implementation of the Structural Funds in 2007-2013 is its regional implementation. This is due to two main facts:

- The Danish administrative structure of the unitary state changed as of January 1 2007. Larger regions replaced old counties and municipalities were merged to reduce the numbers.
- The implementation of the programmes was furthermore undertaken in what has been labelled a “Danish model”, merging funds from the ESF and ERDF to ensure synergies.

Regional Growth Forums emerged as a result of the structural reform in Denmark. The Regional Growth Forums are responsible for three main tasks:

- Establishing a regional business strategy,
- Monitoring the regional and local framework for growth and
- Offering recommendations and co-financing of regional business development activities.

The third task in particular is relevant for the ESF 2007-2013 programme. The Regional Growth Forum consists of 20 members representing different regional stakeholders, civil society and politicians from the Regional Council, the latter being the regional governing body after the structural reform.

Given the synergic nature of the “Danish model”, it does not lend itself to a focus on any particular EU funding instrument. While there are activities that are clearly related to ESF funding, many are both ESF and ERDF. One may in that respect more often find it difficult to associate any particular target group or intervention type for the ESF.

2.8 Estonia

Estonia has one national ESF OP. The Ministry of Finance is the Managing Authority for all the Structural Funds in Estonia.²⁰ The ministry steering the ESF Operational Programme is the Ministry of Education and Research. The ministry also functions as the first level Intermediate Body. The second level IBs that organise assistance application and communicate directly with the recipients of the structural assistance are the following:

- Foundation for Lifelong Learning Development INNOVE
- Enterprise Estonia
- Environmental Investment Centre
- Credit and Export Guarantee Fund KredEx
- Tallinn Airport

²⁰ <http://www.hm.ee>

- Estonian Road Administration
- Archimedes Foundation
- Estonian Technical Surveillance Authority
- Estonian Information System`s Authority
- Estonian Maritime Administration
- Ministry of Finance

2.9 Spain

Spain has 22 OPs (3 national, 19 regional). Each region has its own Managing Authority. The *Unidad Administradora del Fondo Social Europeo* (UAFSE) is responsible for the ESF at national level. The UAFSE is under the aegis of the Ministry of labour and immigration, which is responsible for labour market policy at national level through the General Secretariat for Employment.

2.10 Finland

The ESF programme for continental Finland applies nationwide, excluding the Åland Islands, and aims to promote competitiveness while reducing high levels of structural unemployment. Specific measures have been introduced or extended to help disadvantaged groups such as the disabled, migrants, and younger and older workers. The autonomous Åland Islands' separate ESF programme shares many of these goals, while addressing its shortage of qualified employees.

2.11 France

France's ESF Operational Programme for 2007-2013 supports national, regional and local policies on employment, vocational training and social inclusion, with the aim of sustaining economic growth and jobs. In particular, it aims to bring excluded groups into – and back into – the workplace through both focused horizontal actions and specifically targeted programmes. More and better training is aimed for so as to enable smooth transitions in the labour market for all.

The French Managing Authority is the Ministry of Economy, Industry and Employment. The French OP has both national and regional priorities. The

regional priorities are managed by the "*comités régionaux de programmation*" (regional programming committees) which coordinate both the co-financing and the implementation.

2.12 Greece

The Operational Programmes co-financed by the ESF in Greece are:

- the Operational Programme 'Education and Lifelong Learning 2007-2013'
- the Operational Programme 'Reform of Public Administration 2007-2013'
- the Operational Programme 'Human Resources Development 2007-2013'.

2.13 Hungary

There are two ESF co-financed Hungarian OPs:

- The social renewal operational programme
- The state reform operational programme

The social renewal programme consumes by far the largest part of ESF funding and aims at supporting both growth and employment through measures primarily focused on improving the quality of human resources.

The Operational Programme for state reform aims to increase the quality of administrative and judicial services' operations and to improve the functioning of government as well as those non-governmental organisations with administrative functions.

The National Development Agency (NDA) is an umbrella organisation incorporating all Managing Authorities. In Hungary about 4000 partner organisations, including trade unions, employee interest groups and non-governmental organisations, representatives of business, education and science, were invited to consult on the contents of the OPs. The general public was also able to access and comment on the OPs via a webpage and workshops were organised to discuss draft versions with relevant professional and social partners and ministerial representatives. Each of the programming documents (including Operational Programmes, Action Plans and calls for applications) are open to the public for debate via internet for at least a two week period before final approval. Opinions can be given on a dedicated website (<http://www.nfu.hu/partnerseg>) by registered users, either as individuals or as organisational representatives.

Apart from the internet-based discussion, key relevant stakeholders (including umbrella organisations) were contacted directly for their opinions on the OPs. All feedback is answered by the Managing Authority, in many cases in cooperation with line Ministries and the documents in question are then modified if the comments are approved. In case of rejection, justification is given to explain why such a decision has been made. This approach appears to have been popular as all relevant stakeholders are involved in the drafting of interventions. Documents are thus prepared, and decisions made, based upon information that guarantees greater acceptance by wider society while at the same time ensuring transparency. Disadvantages include the time-consuming nature of this type of dialogue and the administrative capacity required, especially at the introductory phase. In addition, sometimes good ideas are rejected due to lack of resources or no close relation to the overall objectives.²¹

2.14 Ireland

All ESF-supported interventions in the current period are implemented in the framework of a single OP – the Human Capital Investment OP 2007-2013 (HCI OP). The Programme comprises 14 distinct areas of investment which contribute to the Programme’s overall objectives. The ESF Policy and Operations Unit is responsible for all matters relating to the ESF in Ireland. The Department of Enterprise, Trade & Employment is the designated Paying Authority for the European Social Fund in Ireland and the Managing Authority for the Human Investment Capital Investment Programme (HCI-OP). The ESF Policy & Operations Section is, therefore, divided into three distinct units: the HCI-OP Managing Authority, the ESF Certifying Authority and the EQUAL Managing Authority.

2.15 Italy

In Italy many of the 21 Regional Operational Programmes (ROPs) work with Regional Tripartite Committees (RTCs). The RTCs are made up of representatives from social partners' and employers' associations and act as coordination bodies in which training system and employment policies that fall under the remit of regional government are proposed, assessed and evaluated. <http://www.lavoro.gov.it/lavoro> , <http://www.isfol.it>

In southern Italy a Technical Assistance (TA) structure has been established at national and regional level to offer partnership support to Economic and Social Partners (ESPs) by hosting planning meetings, workshops on key themes, documentation for improving ESP activity and direct support to ESPs through

²¹ <http://www.nfu.hu>

focused analyses and studies. In 2003 it was recognised that the integration of ESPs in programming was very weak, especially at regional level. In order to solve this problem, a TA to ESPs was established in 2005 with the aim of supporting ESPs to participate in regional and sectoral programmes. The contract for the management of the TA was won by Ismeri Europa. A Steering Committee, including the National Managing Authority for Objective 1 Regions and ESP representatives was also established to direct the activities of the TA.

The main objectives of the TA are to: promote a stable and organised relationship between PAs and ESPs; increase the skills of ESPs in Structural Fund procedures and rules; support the ESPs in territorial activities and transmission of knowledge; and define and introduce a new and more efficient partnership model.

There has also been a general improvement in relationships between the PAs and ESPs and increased participation of weaker ESPs (third sector, environmental and equal opportunity associations) in programme development. Knowledge has been shared widely through documents and guides and Social and Economic partnership has, as a result, been an important focus for discussion. The partnership model was also carried forward into the 2007-2013 National Strategic Reference Framework (NSRF).

2.16 Lithuania

Lithuania has one ESF OP. It aims to address labour force shortages by mobilising available human resources and upgrading skills and qualifications. The Ministry of Finance is responsible for the managing and payment activities of this programme, while the National Audit Service is in charge of audit. The National Fund Department of the Ministry of Finance carries out certifying authority functions, while the State Treasury Department of the Ministry of Finance receives and distributes the funds from the European Commission to the project partners.

2.17 Luxembourg

The principal objectives of Luxembourg's Operational Programme for ESF funding are: to restore full employment by bringing more of the resident population into work, to keep them in employment; and to support full and continuing employment by training job-seekers and workers in the skills that employers want. The Managing Authority is the Ministry of Labour and Employment.

2.18 Latvia

Latvia has one ESF OP at national level. The Managing Authority is the Ministry of Finance of the Republic of Latvia. The Managing Authority cooperates with responsible institutions and consults with the social partners, non-governmental sector and regional partners in the development of the programming documents for 2007-2013, ensuring compliance with the partnership principle during the programming process and the intersectoral coordination of the Structural Funds and the Cohesion Fund. The Managing Authority has established and runs a computerised EU funds management information system. It is responsible for evaluation and communication.

In the Ministry of Finance two departments are responsible for the management of EU funds – the EU Funds Strategy Department and the EU Funds Monitoring Department. The Intermediate Bodies for the ESF are six line ministries:

- the Ministry of Economics;
- the Ministry of Finance;
- the Ministry of Education and Science;
- the Ministry of Welfare;
- the Ministry of the Environmental Protection and Regional Development;
- the Ministry of Health; and
- the State Chancellery.

2.19 Malta

In Malta stakeholder engagement in the analysis and design process for the ESF OP formed part of the overarching National Strategic Reference Framework consultation process which went through different layers of partner involvement. It included the setting up of four working groups on a number of priority areas, the organisation of a national SWOT workshop, and a number of public dialogues to which stakeholders and the general public were invited. Following inter-governmental discussion, the first draft of the OPs was published for public consultation through a press conference and formally presented for comments to the Malta Council for Social and Economic Development, a tri-partite consultative and advisory body on matters of economic and social policy representing the interests of government, unions and employers.²²

2.20 The Netherlands

²² <http://www.ppcd.gov.mt>

In the Netherlands the OP reinforces existing partnership arrangements between municipalities, national employment centres (CWI) and the national executive body for employee insurances (UWV) which exist outside the ESF, are promoted by law and are fairly institutionalised. They have also provided incentives and co-funding to complement sector funds run by the social partners for (vocational) education and training of employees that were set up long before the ESF.²³

2.21 Poland

Poland has the largest amount of ESF funding of any Member State for 2007-2013. A far-reaching Operational Programme – called Human Capital (HCOP) – manages this funding. It covers traditional ESF areas like employment, social exclusion and workforce skills, as well as addressing challenges in education and training. The Operational Programme also supports good governance, healthcare and rural development. It has ten priorities. Priorities 1-5 concentrate on strengthening the labour market, social assistance, education and public administration institutions while priorities 6-10 target individuals and enterprises in regions.

In the central component, the Intermediate Bodies are responsible for implementing particular Priorities. In the regional component, Intermediate Bodies (1st and 2nd level ones), in 16 regions of Poland (voivodships), are responsible for implementing all Priorities of the regional component.

2.22 Portugal

Portugal has three OPs: one Thematic Operational Programme - Human Potential – and two geographical Operational Programmes of the Autonomous Regions – the ESF Operational Programme for the Azores Autonomous Region – PRO-EMPREGO and the Operational Programme for the Enhancement of Human Potential and Social Cohesion of the Autonomous Region of Madeira – Rumos.

2.23 Romania

Romania's ESF Operational Programmes adopt a two-handed approach in order to tackle the challenges the country faces. The first OP is entitled Human Resources Development and is dedicated to making the most of the Romanian workforce. The second one, Administrative Capacity Development, is designed

²³ <http://www.agentschapszw.nl>

to improve the public policy and service infrastructure in order to meet the Human Resources Development objectives.

In Romania integration of stakeholders is promoted at regional, county and local level through analysis and design of Employment and Social Inclusion Pacts. More than 50 working groups have worked to identify and select ideas for projects.

In Romania Technical Secretariats are regional structures created to support the Regional Pacts for Employment and Social Inclusion in general management, logistics, creation of baseline information, project development, fund-raising and the development of the skills and competencies of partnership members. The pact structure integrates a policy level regional partnership with operational county partnerships. These structures are in place through ESF funded projects (a special priority area in the Human Resources Development OP) and their creation was supported by the Pacts and the Managing Authority of the Human Resources Development OP. The development of partnership skills and competencies is being assisted by Technical Assistance projects (funded by PHARE) and will run until November 2009. This preparation also seeks to develop sustainability over the three years of the first funded project. In Romania the principle of partnership is also strongly encouraged and supported in other ways e.g. in November 2008 the MA held a workshop to encourage relevant national institutions to initiate Communities of Practice around the horizontal priorities of the Programme. These structures will cross-cut with the geographical partnerships and assist in creating a wider partnership learning environment.

In Romania a Technical Secretariat provides training and coaching for all actors to support partnership consolidation, development and management tasks. In order to address a poor collaborative culture and lack of experience of working in partnership, training sessions have also been organised for project promoters in all 8 regions of Romania. The aim is to ensure the quality and quantity of projects by informing project promoters about calls and application procedures, supporting them in the elaboration of solid project proposals and increasing their knowledge of project management. The training is also expected to increase competencies for working in partnership by providing good practice examples that emphasise the benefits and skills required for working in this way.²⁴

2.24 Slovakia

Slovakia's ESF strategy is implemented through two Operational Programmes:

²⁴ <http://www.fseromania.ro>

- the Operational Programme Education for 2007-2013, and
- the Operational Programme Employment and Social Inclusion for 2007-2013.

The Ministry of Education is in charge of the OP Education and the Ministry of Employment, Social Affairs and Family is responsible for the Operational Programme Employment and Social Inclusion for 2007-2013. The strategic objective for Slovakia's ESF funding from 2007-2013 is to increase the competitiveness and performance of its regions and of the economy as a whole. This will be achieved by measures to address structural unemployment and regional disparities in employment throughout the country. In the Bratislava region there will be an additional focus on employment measures to improve competitiveness.

2.25 Slovenia

There is one national ESF Operational Programme with the title 'Development of human resources for the period 2007-2013'. The Slovenian Operational Programme intends to invest in people, thereby enhancing innovation, employability and economic growth, and thus ensuring high employment, social inclusion, and the reduction of regional disparities – leading to a higher standard of living. The Managing Authority for the Slovene ESF OP is the EU Cohesion Policy Department at the Government Office for Local Self-Government and Regional Policy in Slovenia.

2.26 Sweden

Sweden has comprehensive national policies in the areas of employment, education and training, which are closely aligned with EU objectives. ESF funding will support national efforts, in particular where it can contribute to strengthening regional competitiveness and employment. Funding will focus on training employees in the skills needed on the labour market, bringing more people into work, including those who face difficulties in finding a job, and helping young people into the workforce. It is estimated that more than 300 000 people will benefit from these measures.

There are two priorities in the Swedish ESF Operational Programme that address the major employment challenges that have been identified. These are 'Skills supply' and 'Increased labour supply'.

The Swedish OP will use transnational co-operation projects as a tool for innovation through the exchange of best practice and experience. Gender equality is a priority across the whole Operational Programme, including funding projects to improve skills to eliminate gender-based segregation on the labour market where such gaps are identified.

In Sweden Structural Fund Partnerships (SFPs) act as selection groups which give priority to project proposals that best match regional ESF plans. The SFPs are established by a law that stipulates their composition and tasks. Municipal and regional politicians must form more than 50% of SFP membership. The chairperson is appointed by government and selects the remaining members from social partners, NGOs and public authorities such as county councils and administrative and labour boards. In the northern part of Sweden the Sami Parliament is also represented. The SFPs create synergy and cooperation between the ESF and ERDF and, because they are politically-rooted, give a mandate to implement contributions for the labour market in the region.

2.27 UK

In the UK, there is one ESF OP per nation (England, Northern Ireland, Scotland and Wales):

- England – the European Social Fund Convergence, Competitiveness and Employment Operational Programme 2007-13
- Northern Ireland – the Northern Ireland European Social Fund Programme 2007-13
- Scottish Operational Programmes, August 2008 and January 2010 update.
- Wales - 2007 – 2013 Structural Funds Programmes in Wales

In England, the Managing Authority is the Department for Work and Pensions.

In Northern Ireland the Managing Authority is the Northern Ireland Executive and the Department for Employment and Learning leads on ESF.

In Scotland, the Scottish Government is the Managing Authority.

In Wales, the Managing Authority is the Welsh Assembly Government.

In England (UK) the OP has sought to complement and add value to existing regional structures and strategies, rather than create new ones, by giving a

leading role to Regional Skills Partnerships (RSPs) which have brought key regional planning and funding stakeholders together to address skills and employment priorities within each region of the country.

In England, UK ESF funds are distributed through ‘Co-financing Organisations’ that are able to bring together ESF and domestic funding for employment and skills and complement domestic programmes by contracting organisations or ‘providers’ that deliver ESF projects on the ground. Small community grants are made available to support the participation of voluntary and community organisations in the OP which would otherwise not have been able to become involved.²⁵

In the following tables and figures at the end of this chapter we present an overview of all MS and the geographical level of their ESF Operational Programmes (Table 1), their national ESF spending in total (Figure 1) and their average spending per capita (Figure 2).

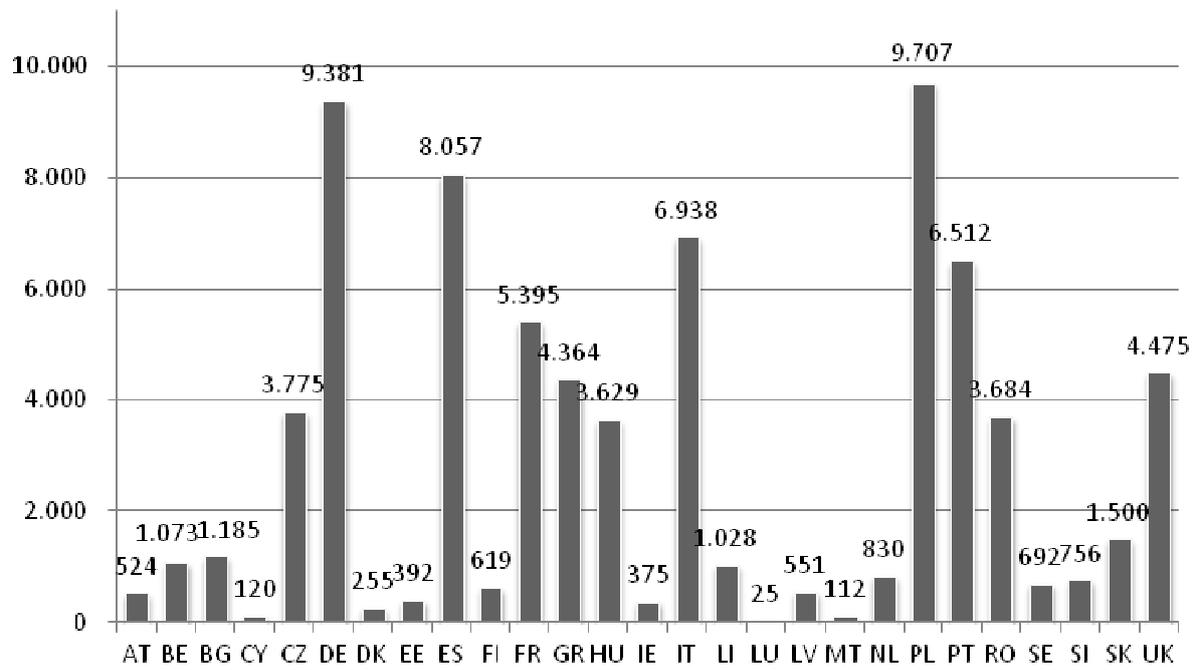
²⁵ <http://www.esf.gov.uk/>

Table 1. Geographical level of OPs in selected MS

	Local	Regional	National
Austria		✓	✓
Belgium		✓	
Bulgaria			✓
Cyprus			✓
Czech Rep.		✓	✓
Denmark		✓	
UK		✓	✓
Estonia			✓
Finland		✓	
France		✓	✓
Germany	✓	✓	
Greece			✓
Hungary	✓	✓	
Ireland			✓
Italy		✓	
Latvia			✓
Lithuania			✓
Luxembourg			✓
Malta			✓
The Netherlands			✓
Poland		✓	
Portugal			✓
Romania		✓	
Slovakia			✓
Slovenia			✓
Spain		✓	✓
Sweden		✓	
UK		✓	

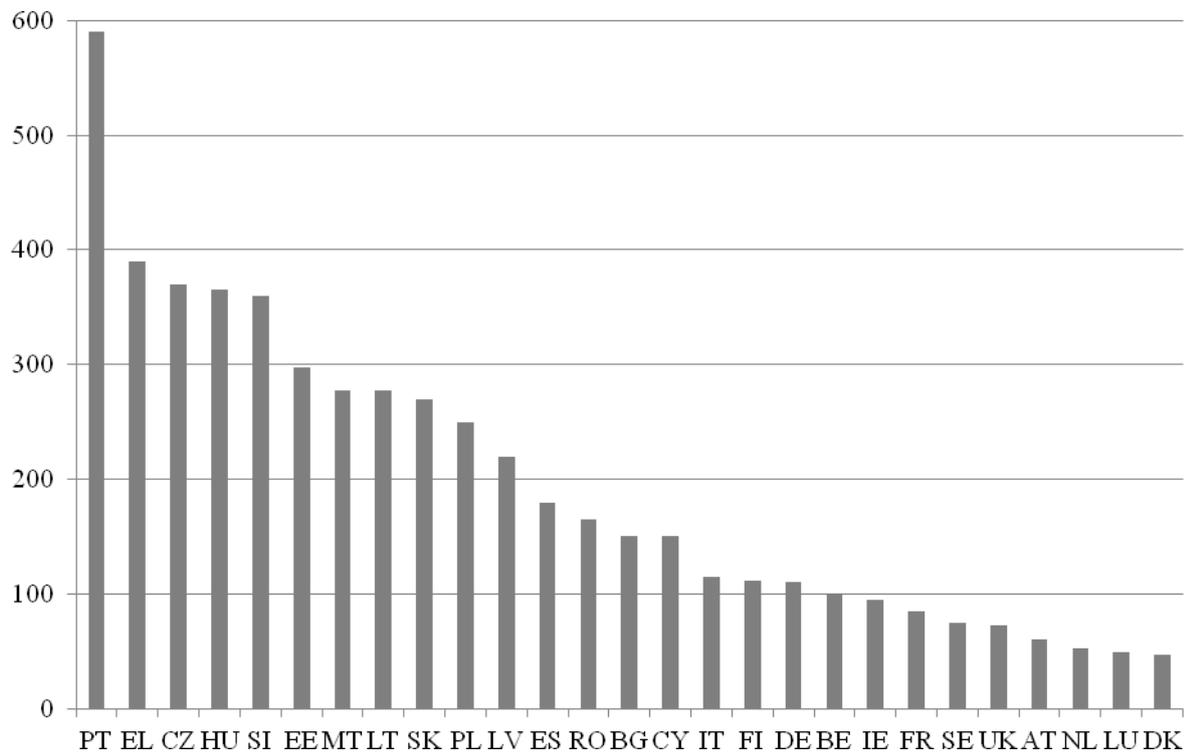
Source: Metis GmbH / Guidebook How ESF Managing Authorities and Intermediate Bodies Support Partnership, the Community of Practice (CoP) on Partnership, contact Bénédicte Wauters, Deputy Director, ESF-Agentschap Vlaanderen, Gasthuisstraat 35, 1000 Brussel. benedict.wauters@esf.vlaanderen.be

Figure 2. ESF Budget by Member State



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

Figure 3. Average ESF spending per capita in the Member States



Source: Metis 2011 / <http://ec.europa.eu/esf>

Info sources:

- Metis (2011): ESF Expert Evaluation Network (EEN) unpublished Country reports
- http://partnership.esflive.eu/files/guidebook_spread_lowres.pdf
- <http://ec.europa.eu/esf/main.jsp?catId=45&langId=en>

3. Concrete territorial experiences

On the basis of our screening of the EU Member States with regard to regional partnerships, we have selected the following Member States for closer analysis of their partnership arrangements, in particular with the regard to territorial employment pacts and regional approaches to programme management.

At the end of this section (Chapter 3.7) this file note proposes a synthesis of the benefits of regional partnerships for the implementation of the ESF.

- Austria: Territorial Employment Pacts (TEPs)
- Denmark: ‘The Danish Model’
- Ireland: Local Development Companies (LDCs)
- Italy: Regional Tripartite Committees (RTC s)
- Sweden: Structural Fund Partnerships (SFPs)
- UK: Local Employment Partnerships (LEPs)

3.1 Austria: Territorial Employment Pacts²⁶

Members	<i>Länder</i> , PES, municipalities, NGOs
Funding	ESF OP 2007-2013 Priority 5 and 3b
Main tasks	Implementation of Priority 3B of the ESF OP; coordination of regional development and labour market policies at regional level

Territorial Employment Pacts (TEPs) were launched in Austria in 1998 by the Ministry for Work, Social Affairs and Consumer Protection (BMAK). Their administration was included in the 2000-2006 ESF Operational Programme and this funding continues in the 2007-2013 OP under Priority 5. They also benefit from funding under Priority 3b of the ESF OP 2007-2013 as they are the sole implementers of this funding priority for people furthest from the labour market.

Their main purpose according to the ESF OP is support for the implementation of employment targets through the better coordination of the relevant actors at regional and local level; the establishment of broad regional or local partnerships which identify local problems, apply all available funding in an integrated strategy, integrate and coordinate employment measures and implement measures for people furthest from the labour market through the

²⁶ Metis (2011): Expert Evaluation Network, unpublished country reports

development of new measures and the improvement of the cooperation between the institutions involved.

The eligible measures in the framework of the OP Priority 5 are:

- Promotion of support structures and networks that help the regional and local bodies to carry out analyses, to define strategies, with financial management, with the development of projects, with monitoring and evaluation and/or in the implementation of the national/Länder strategies at local level
- Networking between the TEPs and with the local, national and international levels
- Studies, monitoring and evaluation and PR.

The eligible measures in the framework of Priority 3b of the OP are innovative model projects with the following aims:

- Advice, counselling, accompanying and clearing measures
- Case management;
- Vocational guidance and active job search measures
- Gaining and improving qualifications (including key qualifications and social skills) and practical experience
- Combined vocational training and employment measures (in particular socio-economic enterprises)
- Employment in companies, public enterprises and public services (including the combination of a salaried wage and social subsidies)
- External advice and accompanying measures
- Studies, evaluations and public relations work

There is a national TEP network coordinated by the ZSI (Zentrum für soziale Innovation) which ensures the exchange of good practice and the coordination of activities.

3.2 Denmark: The ‘Danish Model’

Members	Managing Authorities
Funding	ESF OP Objective 2, Sub-Objective 3
Main tasks	Development of competences and human resources at regional level

In Denmark, the ERDF and the ESF are coordinated to a high degree at regional level. This is particularly apparent in the 'Regional development and adjustment' Objective 2 Operational Programme in Denmark.

Objective 2 is the second-largest of the ESF/ERDF programmes with an annual budget of EUR 170 million. It covers the counties of Bornholm, Storstrøm, Funen, Viborg, Ringkøbing, Aarhus, Southern Jutland, and Northern Jutland. Furthermore, Objective 2 supports projects on the 27 small islands belonging to Sammenslutningen af Danske Småøer (association of Danish islets).

Support is given to projects in specially designated counties, and on small islands. Objective 2 supports regional projects that promote development and adjustment to ensure welfare, employment, equal opportunities, and a sustainable environment in regions faced with structural problems, i.e. those areas of Denmark worst placed with regard to jobs, industry, enterprises, and transport.

Objective 2 has three main priorities of which the third, the development of competences and the development of human resources is funded through the ESF. This priority has three sub-priorities:

Priority 3.1: Development of competences

The target group comprises private and public enterprises facing reorganisation. Entrepreneurs and new enterprises can also receive support.

The following activities are eligible for support:

- Management and leadership development aimed at enhancing enterprises' adaptability for change with regard to production, organisation, and new technology.
- Employee development in order to provide the enterprise with the qualifications enabling its change, development and growth.

- Organisational development aimed at providing managers and employees in enterprises that have outdated production with the tools to implement changes. Such organisational development can be knowledge-based method development or more practice-oriented development, as long as it boosts motivation, imagination, commitment, and ability to change. The result can be subsequent planning of training and education, organisation of the work, or the implementation of new technology.
- Development of the competences of the unemployed who, via education or work experience, have good qualifications and are close to the labour market. It can include work experience and on-the-job training, education programmes, job rotation, and support for starting a business.
- Upgrading of skills for people starting their own business, where there is a need for knowledge e.g. about management, logistics, and quality assurance; and where networking and courses in entrepreneurship focusing on formal requirements and basic knowledge about entering the market can facilitate the establishment of new enterprises in, primarily, the service sector.

Priority 3.2: Development of strategic infrastructures

The target group consists of organisations and institutions with services etc. aimed at the labour market. This can be e.g. the Danish Employment Service, municipalities and counties, educational institutions, professional and industry associations.

Eligible activities include organisational development, research and technology development, and development of methods, tools, networks, and trainee schemes. The objective is to improve the quality of services from suppliers of business services and educational institutions, private as well as public. Projects must be based on the collaborative work of several players and results must be embedded to the benefit of enterprises and the workforce in the region.

Priority 3.3: Optimisation of quality

Interesting ideas and project development must be established within one or more Objective 2 areas, through the systematic use of methods and tools. There must be specific, written, quantitative and qualitative milestones for the projects, which can be pilot or presentation projects, new collaboration structures, new forms of competence building, or special measures within new ways of communication. The crucial criterion is a high ambition level with regard to the quality of the project.

It is possible under Objective 2 to supplement funding from the ESF with funding from the ERDF and projects which are supported by the ESF and the ERDF in combination are given high priority.²⁷

In Denmark, cooperation appears to have gained increased importance during the crisis. The emphasis on using private-public partnerships as a mechanism to deliver local employment development (LED) activities during the crisis appears in strategic documents published by a range of different stakeholders. Also, the crisis has resulted in an increased focus on LED initiatives in rural and remote areas, as these areas were particularly affected. Funds have been earmarked by the central government to support developments in these areas.²⁸

3.3 Ireland: Local Development Companies (LDCs)

Members	Business community, trade unions, the community and voluntary sector and state agencies working at the local level.
Funding	Local and Community Development Programme (LCDP), ESF, national government, charitable foundations and businesses
Main tasks	To tackle the multi-dimensional nature of social exclusion through a responsive, innovative and integrated approach.

The first area-based partnerships in Ireland were piloted in 1991. Nowadays, the Local and Community Development Programme (LCDP) finances Urban Area-based Partnerships, Integrated Local Development Companies and Community Development Projects across most of the country. Local Development Companies (LDCs) tackle the multi-dimensional nature of social exclusion through a responsive, innovative and integrated approach that is ‘owned’ locally. LDCs are autonomous, independent bodies that focus on local activity.

The LCDP is managed by Pobal on behalf of the Department of Community, Rural and Gaeltacht Affairs. Pobal is a company that was established by the Irish Government in agreement with the EU in 1992. It has responsibility for the national management, coordination and support of partnerships. In addition, it

²⁷ <http://www.socialfonden.dk/default.asp?id=202>

²⁸ Joint public-private local partnerships for employment to cope with the recession, © European Foundation for the Improvement of Living and Working Conditions, 2011

manages several other programmes on behalf of government (these include the Community Services Programme, the Equality for Women Measure, the Local Development Social Inclusion Programme, the National Childcare Investment Programme and the Rural Transport Programme), a number of which are EU funded.²⁹

Pobal supports local partnerships by providing advice, guidance and research and assists them in their attempts to influence the development of national policy. It also has a role in the allocation of European Structural Funds. In addition to funding from the LCDP, LDCs can also receive additional funds from a range of sources such as national government, charitable foundations and businesses, or accept contracts from state agencies via a purchaser-provider framework.

Local partnerships in Ireland focus on the following types of activities:

- Services for unemployed people: guidance, advocacy, tailored training programmes, support for new enterprises, and the Local Employment Service Network. In 2008, 27,800 adults were supported within this objective, including 12,500 people who were supported into education and training.
- Community development: development and pre-development work with target groups to build their capacity and organisational structures, and promote community participation in local development. Some 2,300 community-based activities were supported in 2008.
- Community-based youth initiatives: education access programmes, support for retention in school, study supports, capacity building support for parents, developmental youth work. Some 61,100 young people and adults received support in 2008.

As well as the outputs identified above, other benefits of partnerships include increased coordination at local level, mainstreaming of innovative actions, and strengthened community participation in decision-making.³⁰

²⁹ <http://www.pobal.ie>

³⁰ Joint public-private local partnerships for employment to cope with the recession, © European Foundation for the Improvement of Living and Working Conditions, 2011.

3.4 Italy: Regional Tripartite Committees (RTCs)

Members	Provincial administration, municipalities, employers' associations (including artisan sector associations) and trade unions
Funding	ESF
Main tasks	Employment creation

In Italy, TEPS have existed at the regional level since the 1990s. They have traditionally been used to activate local employment development and to foster agreements between the public and private actors.³¹ There are different types of partnerships in the Italian regions depending on the thematic area and objectives. For example, the Regional Tripartite Committees, operating in many regions, are coordination bodies in which the training system and employment policies for which the regional government is competent are proposed, assessed and evaluated. The Regional Tripartite Committees are made up of representatives of the social partners and employers' associations.³²

Through the TEPs, competencies and powers are better distributed within the regions. Projects are better targeted in geographical terms and priorities are defined by people who are closer to the territory concerned. The TEPs tend to be directed towards job creation and have produced concrete results in territories in which other programmes have not always had a great impact. However, the TEPs still come up against problems of bureaucracy which tend to slow down the implementation of their activities due to their innovative character.³³

³¹ See above.

³² <http://partnership.esflive.eu/files/Italy%20country%20fiche.pdf>

³³ territorial employment pacts dissemination seminar, Naples, 6-7 July 2000, http://ec.europa.eu/regional_policy/innovation/innovating/pacts/down/pdf/resu_en.pdf

3.5 Sweden: Structural Fund Partnerships (SFPs)

Members	50% of partners in SFP must be made up of municipal and regional politicians. Further partners include representatives from labour market organisations, county administrative boards, county labour boards, interest groups and associations.
Funding	Public national funds and technical assistance, ESF, ERDF
Main tasks	Setting priorities among the approved SF funded projects

There are eight Structural Fund Partnerships (SFPs) in operation in Sweden established within each ERDF programme area at the NUTS 2 level and corresponding area for the regional plan of the ESF programme. In Sweden the organisational structure for implementing the regional operational programmes is made up of Tillväxtverket as the Managing Authority, eight Structural Fund partnerships, responsible for setting priorities among the approved projects, and three monitoring committees ensuring the quality of the implementation. The managing authority has one joint unit, supporting the eight units situated in each regional programme area.³⁴

The Swedish organisational structure for the implementation of the 2007-2013 Structural Funds facilitates coordination at national and regional level between the regional growth policy, labour market policy and the EU's cohesion policy. The organisational structure reflects the joint approach and includes a clear regional influence on prioritising projects. The managing authorities (ERDF, ESF) can only grant funding in accordance with the project prioritisation carried out by the Structural Fund Partnership thus ensuring synergies between ESF and ERDF projects. The prioritisation of projects, carried out by the Structural Fund Partnerships, should reflect national and regional growth policy, labour market policy and the EU's cohesion policy. SFPs are responsible for setting priorities among the approved projects.

According to national law, the SFP's legal status is based on National law (2007:459), which came into force on 7 June 2007.³⁵

³⁴ <http://www.tillvaxtverket.se/ovrigt/englishpages/structuralfunds.4.3c4088c81204cca906180008263.html>

³⁵ <http://www.forumpartnerships.zsi.at/attach/sweden.pdf>

As a reaction to the crisis, the SFPs prioritised those programme measures that were oriented towards securing jobs. In western Sweden, for example, SKR 200 million (€20 million) was spent on jobs in the automotive industry in the last 12 months. This had originally been anticipated in the programme budget, but the execution of the initiative was considerably accelerated. An important factor in the delivery of the programmes was an increase in their visibility in the eyes of the companies. This was at least partly due to the strong involvement of the local and regional representatives in the SFPs, as they traditionally have closer ties to the business sector than the representatives from the labour market and education policy sectors, who responsible for the ESF.³⁶

3.6 UK: Local Employment Partnerships (LEPs)

Members	Jobcentre Plus, Learning and Skills Council (England), Scottish Executive (Scotland) and Welsh Assembly Government (Wales), employers and other providers
Funding	Unclear
Main tasks	Provide funding and information to local actors in order to boost employment levels in particular for the disadvantaged on the labour market

Regional Development Agencies (RDAs) were established in England in 1998 to provide funding and information to local actors in order to boost employment levels. The role of RDAs in England became more pronounced during the crisis because they were charged with creating regional economic plans for combating unemployment and for intervening where there were large-scale job losses. However, the new UK coalition government announced in June 2010 that it would abolish RDAs and replace them with ‘local employment partnerships’ (LEPs). These partnerships provide a fresh approach to the work that Jobcentre Plus does with employers, building on the work done with employers under the New Deal. They are designed to help ensure that the support for long-term unemployed people and other priority groups prepares them for the world of work, providing them with the skills and motivation they need to meet employers’ expectations. The local employment partnerships are expected to sign so-called Jobs Pledges with local employers, particularly in the retail industry. The ‘Jobs Pledge’ complements the Government’s existing Skills Pledge in England, through which employers commit to support their employees

³⁶ OECD LEED Forum on Partnerships and Local Governance HANDBOOKS: Partnerships in the Recovery: Rebuilding Employment at the Local Level, Michael Förschner, ZSI- Centre for Social Innovation, Austria.

and new recruits to improve their skills and become better qualified (as a minimum this means supporting literacy and numeracy qualifications, and work towards achieving first full level 2 qualifications). Examples of companies to sign up so far are Tesco, Marks and Spencer, B&Q, HBOS, Salford Royal Hospital NHS Trust, BUPA and the London Underground.

Depending on the needs of the employer and the individual, Jobcentre Plus, with the Learning and Skills Council and other providers, can provide a variety of support including:

- working with individuals to diagnose their needs to enable a return to employment and help them address any barriers to employment, including skills and motivation;
- pre-employment training to prepare people for particular sorts of jobs and an explanation of the ongoing skills advice available through the Adult Careers Service;
- the design and delivery of training so that individuals have the employability skills needed for available jobs;
- arranging and supporting work trials, so that the individual and the employer can confirm a proper match for the job before committing themselves on a permanent basis;
- supporting individuals in the transition from benefit to work;
- matching individuals with employers to ensure a good fit;
- working with employers to understand their employment and skill needs and helping them adapt their recruitment policies and processes to make available more vacancies for local disadvantaged people in target groups such as lone parents;
- putting in place new Local Employment Partnership managers to ensure the jobs committed by employers are filled quickly and effectively with suitable candidates through liaison with personal advisers; and
- working with employers to deliver in-work training through Train to Gain so that new recruits continue to develop their skills and careers in work.³⁷

³⁷ In work, better off, Chapter 3: Local Employment Partnerships, <http://www.dwp.gov.uk/docs/chapter-3.pdf>

A recent evaluation of the LEPs³⁸, concluded that “employers, Jobcentre Plus and PET providers have worked closely together on LEPs and the services provided, and organisational understanding between these key stakeholders has been enhanced in many cases. Jobcentre Plus reported that they had established long-term, responsive relationships with employers and training providers as a result of LEPs and many employers were positive about the service they had received and the quality of candidates coming through for vacancies. However, few new employers have come on board as a result of LEPs, although this had started to change in recent months with more SME involvement, and some employers continued to report poor quality candidates being referred to them.”³⁹

3.7 The benefits of regional partnerships for the implementation of the ESF

One of the main findings of ESF evaluations in the current period is that measures for the unemployed are most effective when they are geared to the **individual needs** of the people concerned and the specific context in which they live. For example, in Austria, evaluation findings from the current period⁴⁰ reveal that women who are distant from the labour market often cannot participate in the labour market due to exogenous factors such as lack of childcare and lack of public transport. Such factors often compound personal difficulties re-entering the labour market or even participating in courses. Single mothers are particularly affected. Such multi-faceted problems can only be solved through cooperation between various bodies at regional or local level. In Estonia, an evaluation⁴¹ confirms this finding and states that there was a lack of an individual approach to the unemployed people and too little attention is paid to the identification of individual needs.

Similarly, evaluation findings in Ireland⁴² reveal that the most effective programmes for the unemployed are those training programmes **closest to the labour market** and with employer involvement. This kind of ‘picking people up where they are’ is most easily achieved in regionally designed and locally managed programmes and with the involvement of all the relevant stakeholders.

In Denmark, **combining ESF and ERDF measures** at regional level with the Regional Growth Programmes has proved effective. It must, however, be

³⁸ Department for Work and Pensions, Research Report No 742, Employer engagement and Jobcentre Plus, by Anne Bellis, Maria Sigala and Sara Dewson, 2011.

³⁹ In work, better off, Chapter 3: Local Employment Partnerships, <http://www.dwp.gov.uk/docs/chapter-3.pdf> Joint public-private local partnerships for employment to cope with the recession; © European Foundation for the Improvement of Living and Working Conditions, 2011), p.26.

⁴⁰ Metis GmbH (2011): ESF Expert Evaluation Network. Unpublished Report.

⁴¹ Evaluation of the Business Start-up Subsidy, Work Practice and Coaching for Working Life, 2010.

⁴² Metis GmbH (2011): ESF Expert Evaluation Network. Unpublished Report.

emphasised that this is also embedded in a strong tradition of regional cooperation and in recent administrative reforms and may not be appropriate across the board. Indeed, there are many ways to implement the principle of partnership according to Member States specificities at local, regional and national level. Efficient and effective implementation of ESF actions depends on **good governance** and partnership between all relevant territorial and socio-economic actors and in particular on the social partners and other stakeholders at national, regional and local level.

Partnerships contribute in particular to **better consideration of the local dimension** as well as to the **inclusion of all relevant stakeholders** and sectors. Cooperation between organisations is found to be particularly important in remote and rural areas as a means to develop innovative projects capable of attracting match funding and drawing down European funding. Partnerships with local stakeholders can provide technical support, space sharing, better knowledge of local needs, and thus facilitate the implementation of ESF projects. Communication and dialogue between various stakeholder groups is considered one of the key conditions of the effectiveness and relevance of ESF measures.

The **composition of partnerships** and the framework of cooperation influence the success of ESF interventions. The participation of entrepreneurs and NGOs shows positive effects in Portugal, the United Kingdom, Poland and Sweden in terms of networking, developing links with other networks and thereby increasing the efficiency of interventions.

Difficulties can of course be experienced in terms of **partnership management**, e.g. partnerships can be time consuming and an administrative burden. This is the case for example in Hungary where the very widespread consultation is time-consuming and cannot take on board all the views expressed, perhaps leading to frustration on the part of those involved.

References

Community of Practice on Partnership in the ESF (2008): How ESF Managing Authorities and Intermediate Bodies support partnership

http://partnership.esflive.eu/files/guidebook_spread_lowres.pdf

ESF Evaluation Partnership: Key Elements of the Commission proposal for the Future ESF 2014-2020. Presentation Thomas Bender, DG EMPL, Unit 1, ESF Policy and Legislation. November 2011

European Commission (2006): Regulations (EC) No 1083/2006 (General regulation), No 1828/2006 (on implementation rules) and No 1081/2006 (on ESF)

European Commission (2010): The European Social Fund: Urban Areas and Local Employment. Summary Fiche and Background Report

European Commission: Website of the European Social Fund
<http://ec.europa.eu/esf/home.jsp?langId=en>

EUROSTAT – data on ALMP 2008 and ESF annual allocations for 2007 to 2013

Metis (2011): ESF Expert Evaluation Network (EEN) unpublished Country reports

ESF websites in the different Member States and the websites of the Territorial Pacts