

Joint recommendations on support to economic recovery by the European Social Fund

The European social partners have agreed on a series of joint recommendations on how to optimise the role of the European Social Fund in times of crisis. The European Social Fund represents the EU's main financial instrument for investing in people by supporting the implementation of active inclusion measures, activation measures, re-training and skills upgrading. The European Economic Recovery Plan rightly highlighted the important role of the ESF for supporting economic recovery.

In order to ensure maximum impact, part of the resources of the ESF should be redirected to priority areas with immediate relevance to the crisis. Social Partners are in the front line when it comes to tackling the impact of the crisis on employment. They therefore need to play a vital role in shaping the ESF, for example by helping to better match skills and labour market needs. The European Social Partners should be involved in decision-making and implementation processes regarding the ESF at all levels. Furthermore, it should be ensured that there is no duplication between structural funds, such as the ESF, and the European Globalisation Fund.

1 Measures to improve ACCESS to ESF resources:

To ensure the full and timely absorption of ESF funds and their effective use, European Social Partners deem that there is still room for improvement with regard to practical measures in member states:

- It is vital to boost the visibility of the fund and to improve knowledge about it. In particular, it is necessary to enhance the provision and distribution of information with regard to funding opportunities and formalities.
- It is necessary to further optimise the way the ESF operates through the reduction and simplification of procedures. Member States should speed up national procedures to enable rapid accessibility to ESF resources, particularly for SMEs.
- ESF rules should allow for more flexibility within existing operational programmes to allow them to respond swiftly to changing circumstances and implement the above-mentioned proposals.
- More ESF resources should be used to support social partners.

2 Measures that maximise the IMPACT of ESF on labour markets:

⇒ ESF support to maintain employment

In order to maintain employment, Member States should consider using the Fund to support working time arrangements linked to training/re-training. This will enable employers to upskill their workforce and allows both employers and workers to be better prepared for the future economic upswing.

Generally, the provisions on the ESF should be flexible enough in order to allow for support to workers in up-skilling before they become redundant. If needed, these measures should continue beyond redundancy.

⇒ ESF support to encourage entrepreneurship and new jobs

The European Social Fund can also contribute to job creation by supporting:

- start-up of new businesses and hand-over of small existing businesses;
- programmes aimed at stimulating employment in the low-carbon economy, renewable energy sector and other environment-friendly activities;
- disadvantaged workers to improve work-related skills and experience, including at the local level, which may help them to seize further opportunities to progress on the labour market.

⇒ ESF support for young people in particular

As a result of the economic crisis, school and university leavers and young people will experience more difficulties in finding a job. As evidence for this, the unemployment rate for young people has increased more strongly than the overall rate, rising to 17.5 % by February 2009.

In order to help address this situation, the ESF should be used to:

- improve the guidance of young people and to provide them with better information about skills needs and job opportunities;
- increase the availability of training opportunities for young people;
- finance mentoring or support programmes including internships and apprenticeships facilitating the transition between education and work;
- develop measures to reduce early school-leaving in line with Lisbon objectives.