

Webinar for Eurocities members

Peer-to-peer training on ESF+ 2021-2027: Learning from cities' lessons with ESF in 2014-2020

Date: 23 March 2021 Register here

10.00 – 12.00 CET Contact: Bianca Faragau, bianca.faragau@eurocities.eu

Intro to the topic

After long negotiations, the European Parliament and the member states reached in late January an agreement on the European Social Fund Plus (ESF+) for 2021-2027. Now, the ESF managing authorities in all EU member states are busy preparing the ESF+ national (or regional) programmes, which are meant to start implementation in early 2022. At the same time, under the Next Generation EU recovery instrument, additional funding is made available to top up the 2014-2020 programmes of ESF, ERDF and FEAD during 2021-2022, to support covid-19 crisis response and crisis repair measures. The overlap in ESF+ and REACT-EU during 2021-2022 requires intensive work for programming of these additional resources at national and regional level. The managing authorities are in the early stages of programming ESF+ and still to decide on priorities, target groups, types of actions and projects. In recent meetings of the ESF transnational cooperation platform, where Eurocities has a seat in the advisory board, they expressed a strong interest to hear views from cities and learn from their ESF experiences at local level. Therefore, we have a good window of opportunity for cities to get engaged with the managing authorities in the programming of ESF+ and feed ideas for new types of actions.

Objective

This event is for Eurocities members to get informed, build capacity and be inspired to access and use ESF+ 2021-2027, drawing from the lessons and good practices of ESF-funded city projects 2014-2020.

Questions to discuss:

- What (new) opportunities are there in ESF+ 2021-2027 for your city? How can you access them?
- How can your city get involved in shaping the ESF+ programme 2021-2027 in your region/country?
- If you could access funding under ESF+ 2021-2027, how would you use it in your city? Which priorities?
- What can you learn from how other cities used ESF in 2014-2020?
- Which challenges is your city facing in accessing EU funds for employment or social inclusion projects?



Agenda

09.45 – 10.00	Technical check-in and ice-breaking polls
	Participants to connect 15 minutes before the start of the webinar to test the online tools.
10.00 – 10.05	Welcome Bianca Faragau, Senior Policy Advisor, Eurocities
10.05 – 10.30	State of play of ESF+ 2021-2027: What's in it for cities? Maria-Anna Paraskeva, Senior Policy Officer, DG EMPL, European Commission Q & A with participants
10.30 – 11.10	Discussion and mapping exercise: How is your city involved in the ESF+ programming? Learning from cities with an active role in ESF during 2014-2020
	Interventions from cities that assumed different roles in ESF in 2014-2020:
	 Cities as ESF intermediate bodies Cities part of local or regional bodies that coordinate ESF allocations Cities that respond to calls for project proposals
	Exchange of know-how, good practices and sharing of concerns and remaining questions about how to work in partnership with the managing authorities to shape the REACT-EU and ESF+ programmes (priorities, target groups, indicators, types of action etc.).
	Discussion moderated by Bianca Faragau, Eurocities
11.10 – 11.50	Parallel workshops: Learning from cities' good practices with ESF projects in 2014-2020
	Workshop 1: 'Hela Familjen' project to reduce Child Poverty in Malmo
	Workshop 2: 'Housing First' project to support housing of homeless people in Brno
	Workshop 3: 'Trade Skills Houses' in Barcelona's neighbourhoods to support youth employment by combining training with work experience
	Q&A and discussions on lessons learnt from these city-led projects funded via the ESF
11 50 13 00	Conclusions and novt stone

11.50 – 12.00 Conclusions and next steps

Expected outcomes

The outcomes of this webinar will help us shape future Eurocities activities for capacity building and regular exchanges among cities on ESF+. If there is enough interest, we can create an online space on our new Eurocities members platform to exchange, share updates and follow-up on ESF+ issues.

The findings from the webinar will also inform our monitoring report on the partnership principle in ESF+ that will be communicated to the European Commission DG EMPL. We want to examine if and how the partnership principle is applied to involving cities in the programming of ESF+ for 2021-2027 and whether this has improved since the previous period of 2014-2020.

Finally, we hope this webinar will also benefit our members' networking on ESF+ projects and lead to future collaborations on ESF+ transnational projects or inspire future ESF+ projects based on lessons from other cities. Our aim is to build capacity of cities to better access and use ESF+ during 2021-2027.

Background information

The European Social Fund has been investing in citizens for over 60 years. It contributes to social inclusion, job opportunities, fighting poverty, education, skills and the employability of young people. At the same time, the individual projects and programmes developed must contribute to improving economic, social and territorial cohesion.

European Social Fund + in new MFF 2021-2027

The European Parliament and Council reached a provisional agreement on ESF+ on 28 January 2021:

- **Total budget**: €87,995b, same as for 2014-2020 but now also including FEAD and Youth Employment Initiative, hence in reality the budget is lower than the previous combined funds.
- **Social inclusion**: 25% of funds earmarked for social inclusion, incl. socioeconomic integration of disadvantaged groups (an increase from 20% earmarking during 2014-2020)
- **Fund for most deprived**: 3% for measures for food aid and material deprivation, on top of the social inclusion measures, with co-financing rate at 90%.
- **Children:** Minimum of 5% for children in MS where their risk of poverty is above EU average calculated at 2017-2019 rates, hence covid crisis impact not taken into calculations.
- **Youth**: 12.5% for NEETs where figures are above the EU average calculated at 2017-2019 rates, hence covid crisis impact not taken into calculation.
- **Capacity building**: 0.25% of funds to be allocated for capacity building of social partners and civil society in each member state.
- **Fundamental rights**: Additional article added to emphasize that all operations should be selected and implemented in respect of the Charter of Fundamental Rights.

Structure

The new ESF+ merges the existing European Social Fund (ESF), the Youth Employment Initiative (YEI), the Fund for European Aid to the most Deprived (FEAD) and the Employment and Social Innovation Programme (EaSI). Merging these funds is intended to strengthen synergies and avoid duplication, while enabling a more integrated support to employment, social inclusion and poverty reduction.

Objectives

The ESF+ aims to help **implement the European Pillar of Social Rights** by supporting member states to ensure equal opportunities, access to the labour market, fair and quality working conditions, social protection and inclusion.

ESF+ has 11 specific objectives:



better access to employment



modernize labour market systems



better work-life balance, access to childcare, active healthy ageing



education & training systems



access to quality and inclusive education and training



lifelong learning, up- and re-skilling



active inclusion, equal opportunities



integration of migrants and Roma



equal access to affordable services



social integration of people at risk



food and material assistance

New elements added to the ESF+

- **Green and digital transitions** –ESF+ is expected to promote the green and digital transitions through job creation and new skills for new types of jobs.
- Gender equality increased emphasis on gender equality as well as equal opportunities
- **Poverty reduction** –poverty reduction was added as policy area alongside 'employment and labour mobility, education and social inclusion', where ESF+ support is expected to contribute to.
- **Strong link with the European Semester** member states 'should allocate appropriate amount of ESF+ resources to implement relevant country-specific recommendations'.
- Emergency clause learning from the COVID-19 crisis, a derogation article was added on temporary measures to respond to exceptional and unusual circumstances, where the ESF+ support can a) finance short-time work schemes without the requirement that they should be combined with active measures; and b) access to healthcare can be financed from ESF+ also for people not in immediate socio-economic vulnerability. To trigger this article, the member state(s) concerned needs to submit a request to the Commission, who will adopt an implementing decision.
- **Greater flexibility** the flexibility provided through Coronavirus Response Investment Initiative (CRII and CRII+) to make transfers between ESF and ERDF funds and between regions and priorities, is maintained.
- **Review in 2024** A review of national allocations will be done in 2024 to adjust support to the member states and regions most in need, taking into account the latest statistics at that time. The review will lead only to upwards adjustments for all member states.

Additional funding for European Social Fund in 2021-2022

Under the Next Generation EU recovery instrument, a Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU) will make available €47.5 billion of additional funds to the current programmes of ESF, ERDF and FEAD, during 2021-2022.

This means:

- Current ESF and FEAD 2014-2020 programmes (as well as ERDF) can be extended and topped up for two more years (2021-2022). The objective is to ensure that support to the most deprived and vulnerable people can continue without interruption while providing the time necessary to plan the new programmes for ESF+ for 2021-2027.
- It is possible to finance retroactively eligible measures launched as of February 2020. Expenses can be made until 31 December 2023.
- The additional funding can be implemented either via programme amendments OR new dedicated programme submitted by member states to the Commission (with simplified approval procedure).
- No national co-financing is required for this funding. That means that the EU will provide 100% support if member states so wish.
- This allocation can be spent in any category of region, the scope of support is wide and transfers among ERDF and ESF are always possible.
- There is no ex-ante conditionality or thematic concentration.
- This additional funding will be allocated based on the severity of the economic and social impacts
 of the crisis taking into account the GDP of the country, the level of general and youth
 unemployment, among other criteria. Each member state will then decide how to distribute this
 additional funding between ERDF, ESF and FEAD.
- Funding will support key crisis repair actions in the short-term, across economic sectors, including culture and tourism, focusing on:
 - Labour markets, including short-time work schemes and youth employment measures, skills training
 - Support to healthcare schemes
 - o Provision of working capital for small and medium-sized enterprises
 - Aid to help people suffering from food and material deprivation

Flexibility in funding allocation

- 1) **REACT-EU:** the additional funding is based on current cohesion rules. The flexibility provided through the <u>Coronavirus Response Investment Initiative</u> (CRII and CRII+) will be maintained. This includes simplified procedures, the possibility to transfer resources between funds (between ERDF and ESF), categories of regions and priorities, and a relaxation of the rules on co-financing (up to 100% financing from EU budget).
- 2) **MFF 2021-2027**: Member states may request on a voluntary basis, during the programming process, at the beginning of the period and during implementation, the transfer of:
- up to 5% in total of the initial national allocation from any of the cohesion policy funds under shared management to any instrument under direct or indirect management for the benefit of the member state concerned, and
- up to 20% of the initial financial allocation of the ERDF and the ESF+ towards ERDF and the ESF+

Opportunities for cities

- Additional funding for current ESF and FEAD programmes under REACT-EU for 2021-2022 can be an
 opportunity to ensure continuity of current projects until new programming period enters
 implementation phase. This should prevent a funding gap for projects and avoid disruption of muchneeded support for the most vulnerable groups of beneficiaries.
- The **flexibility to transfer allocation** between ESF and ERDF can be an opportunity if the programming is done in an integrated way at a regional level accounting for the challenges specific to that region and local labour market conditions.
- Innovative actions under ESF+: each member state needs to dedicate at least one priority to support actions of social innovation and social experimentation or bottom-up approaches based on partnerships involving public authorities, private sector and civil society such as the Local Action Groups in Community-Led Local Development (CLLD). Innovative approaches developed under the EaSi strand can be upscaled under ESF+. A maximum of 5% of the national ESF+ allocation with 95% co-financing rate can be allocated to this (Art 13).

Useful resources:

- The REACT-EU Package: https://ec.europa.eu/regional_policy/en/newsroom/coronavirus-response/react-eu
- Agreement reached on the European Social Fund+ for 2021-2027: https://www.europarl.europa.eu/news/en/press-room/20210129IPR96701/agreement-reached-on-the-european-social-fund-for-2021-2027
- Eurocities (Nov 2020). Policy brief on the social dimension of EU recovery and MFF 2021-2027.
 https://nws.eurocities.eu/MediaShell/media/5 Policy brief on the social dimension of EU recovery funds and MFF.pdf
- Eurocities (2018). Lessons learned from cities experiences with the European Social Fund in 2014-2017: www.eurocities.eu | Lessons learned from cities' experiences with the ESF in 2014-2017



This online event has received financial support from the European Union Programme for Employment and Social Innovation "EaSI" (2014-2020). For further information please consult: http://ec.europa.eu/social/easi