

## Shaping the future of the ESF - ESF and Europe 2020 briefing note

**23-24 June 2010 Brussels – Belgium**

The aim of the two day conference was to bring together experts on the European Social Fund (ESF) to explore how the ESF could contribute in the most effective manner to the new Europe 2020 strategy.

### Europe 2020 strategy

“Europe 2020: A strategy for smart, sustainable and inclusive growth” was adopted by the European Council in June 2010, replacing the Lisbon strategy (2000-10).

The aim of the Lisbon Strategy which was launched in March 2000 by the European Union's heads of state and government, was to make Europe "the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion".

As a successor of the Lisbon Strategy, the Europe 2020 Strategy will aim to address the major structural challenges facing Europe today, including climate change, globalisation, ageing population and the economic downturn. The strategy sets out a vision of Europe's social market economy for the 21st century. It shows how the EU can come out stronger from the crisis and how it can be turned into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion.

### Europe 2020 strategy shared objectives relevant to ESF:

- aiming to bring to **75% the employment rate for women and men aged 20-64**, including through the greater participation of youth, older workers and low skilled workers and the better integration of legal migrants;
- **reducing greenhouse gas emissions** by 20% compared to 1990 levels; increasing the share of renewables in final energy consumption to 20%; and moving towards a 20% increase in energy efficiency; The EU is committed to take a decision to move to a 30% reduction by 2020
- **improving education levels, in particularly improving education levels**, in particular by aiming to reduce school drop-out rates and by increasing the share of the population having completed tertiary or equivalent education; taking into account the Commission's proposal, the European Council will set the numerical rates of these targets in June 2010;
- **promoting social inclusion, in particular through the reduction of poverty**. Further work is needed on appropriate indicators.

For further information on the Europe 2020 strategy please visit: Europe 2020 strategy [http://ec.europa.eu/eu2020/index\\_en.htm](http://ec.europa.eu/eu2020/index_en.htm)

In the plenary session - **ESF Contribution to the 2020 strategy** - the panellists explored the links the future ESF should have to the overarching EU policy objectives & notably to Europe 2020. The rest of the day was split between a choice of four workshops:

- **“Learning” (monitoring, evaluation, mutual learning, etc..)** this workshop was about how to maximise learning in formulating and implementing ESF actions. The workshop also looked at the Commission’s role in this and in facilitating mutual learning.
- **Complementarity & coordination with other EU policy instruments:** the session explored how the ESF should relate to other EU policy instruments in order to avoid overlaps, ensure complementarity.
- **More effective ESF:** the workshop looked more specifically at the delivery systems & proportionality.
- **Priorities & added value of ESF Workshop:** this workshop looked into possible priorities & scope of ESF & linked to that the question of added value.

**The main points from the conference include:**

- ESF should be fully aligned with the objectives and priorities of Europe 2020. The ESF - as the EU instrument investing in human capital - should underpin the three priorities of the Europe 2020 strategy: smart growth, sustainable growth and inclusive growth;
- ESF is the only EU fund targeting people and there was broad consensus that it should be an instrument open to all Member States and regions, since the fight against unemployment or social exclusion or the need for a skilled and adaptable workforce are not issues for poor countries or regions only;
- ESF spend needs to be focused on successful active labour market policies in the member states;
- The need to keep things simple was highlighted alongside the need for more synergy between funds and more friendly procurement procedures.
- ESF publicity and the profile of ESF need to be increased and actively promoted through the programme. ESF needs to be used it a tools to bring people together and create popular support for the EU project and build solidarity among EU member states;
- There is a massive opportunity to benefit from ESF in the current economic climate and focus the remit of ESF to help people that are MOST in need, rather than focus on quick wins;
- Quality of employment after ESF interventions was also a major focus, where ESF should not focus getting people into just any job, but a job which is paid well and is sustainable and provides ‘flex-security’ in people’s careers;
- The need to simplify and streamline the strategic frameworks which ensure the coherence with the EU policy strategy and between the different funds was identified. Simplification for all the stakeholders and adaptability of ESF was a big issue for the day and must be a guiding principle for the new programming period;

- Points highlighted were developing new and smart financial engineering to blend grants and loans in order to increase the resources available for employment and inclusion policies using the leverage of the ESF;
- The development of a limited set of core indicators for ESF funding was advocated, this would enhance the visibility at EU level of the actions supported by the Union and would facilitate aggregation of data. The move to an output/result based approach was advocated coupled with building the capacity of all stakeholders to deliver more effectively;
- The new institutional balance afforded by the Lisbon Treaty means amongst other things that the European Parliament is an equal footing with the Council as a lawmaker in areas where this has not been the case so far, notably the EU Budget. The intervention from Pascale Gruny Permanent Rapporteur on the EFS to the Employment Committee/president of the EP Parliament working group on the ESF was quite interesting. She talked about the need to keep the same envelope not lowering it; introduced the concept of 100% co-financing rates for a short time and she made the point that ESF is there to combat poverty by getting people into work.

Please refer back to North West Network's website [www.nwnetwork.org.uk](http://www.nwnetwork.org.uk) as we will be creating a new section on the debate about funding from Europe in the new programming period 2014-2021.

If you would like further information on the conference and ESF and Europe 2020 and the please contact:

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