Basic information

2004/0165(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
European Social Fund (ESF) 2007-2013 Repealing Regulation (EC) No 1784/1999 1998/0115(COD) Repealed by 2011/0268(COD) Amended by 2008/0232(COD) See also 2004/0163(AVC) **Subject** 4.10.15 European Social Fund (ESF), Fund for European Aid to the Most Deprived (FEAD)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	SILVA PENEDA José Albino (PPE-DE)	03/05/2006

Former committee responsible	Former rapporteur	Appointed
EMPL Employment and Social Affairs	SILVA PENEDA José Albino (PPE-DE)	10/11/2004

Former committee for opinion	Former rapporteur for opinion	Appointed
BUDG Budgets	GRIESBECK Nathalie (ALDE)	20/09/2004
CONT Budgetary Control	The committee decided not to give an opinion.	22/09/2004
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
REGI Regional Development	SCHROEDTER Elisabeth (Verts/ALE)	06/10/2004
LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	05/10/2004
FEMM Women's Rights and Gender Equality	PANAYOTOPOULOS-CASSIOTOU Marie (PPE-DE)	25/11/2004

Council of the European Union

Council configuration	Meetings	Date
General Affairs	2736	2006-06-12
Economic and Financial Affairs ECOFIN	2726	2006-05-05

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	

Key events

Date	Event	Reference	Summary
14/07/2004	Legislative proposal published	COM(2004)0493	Summary
17/11/2004	Committee referral announced in Parliament, 1st reading		
15/06/2005	Vote in committee, 1st reading		Summary
24/06/2005	Committee report tabled for plenary, 1st reading	A6-0216/2005	
05/07/2005	Debate in Parliament		
06/07/2005	Decision by Parliament, 1st reading	T6-0281/2005	Summary
06/07/2005	Results of vote in Parliament		
17/10/2005	Modified legislative proposal published	COM(2005)0523	Summary
13/06/2006	Council position published	09060/4/2006	Summary
15/06/2006	Committee referral announced in Parliament, 2nd reading		
22/06/2006	Vote in committee, 2nd reading		Summary
23/06/2006	Committee recommendation tabled for plenary, 2nd reading	A6-0220/2006	
04/07/2006	Decision by Parliament, 2nd reading	T6-0285/2006	Summary
04/07/2006	Results of vote in Parliament		
04/07/2006	Debate in Parliament		
05/07/2006	Final act signed		
05/07/2006	End of procedure in Parliament		
31/07/2006	Final act published in Official Journal		

Technical information

Procedure reference	2004/0165(COD)

Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 1784/1999 1998/0115(COD) Repealed by 2011/0268(COD) Amended by 2008/0232(COD) See also 2004/0163(AVC)
Legal basis	EC Treaty (after Amsterdam) EC 148
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/6/36575

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	FEMM	PE355.492	02/05/2005	
Amendments tabled in committee		PE357.655	03/05/2005	
Committee opinion	BUDG	PE353.640	03/06/2005	
Amendments tabled in committee		PE359.960	03/06/2005	
Committee opinion	REGI	PE353.577	08/06/2005	
Committee report tabled for plenary, 1st reading/single reading		A6-0216/2005	24/06/2005	
Text adopted by Parliament, 1st reading/single reading		T6-0281/2005 OJ C 157 06.07.2006, p. 0097-0313 E	06/07/2005	Summary
Committee recommendation tabled for plenary, 2nd reading		A6-0220/2006	23/06/2006	
Text adopted by Parliament, 2nd reading		T6-0285/2006	04/07/2006	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position	09060/4/2006	13/06/2006	Summary
Draft final act	03626/2006	05/07/2006	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2004)0493	14/07/2004	Summary
Modified legislative proposal	COM(2005)0523	17/10/2005	Summary
	COM(2006)0301		

Commission communication on Council's position		13/06/2006	Summary
For information	SWD(2016)0452	12/12/2016	
For information	SWD(2016)0453	12/12/2016	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofR	Committee of the Regions: opinion	CDR0240/2004 OJ C 164 05.07.2005, p. 0048-0052	23/02/2005	
EESC	Economic and Social Committee: opinion, report	CES0250/2005 OJ C 234 22.09.2005, p. 0027-0031	09/03/2005	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2006/1081
OJ L 210 31.07.2006, p. 0012-0018 Summary

European Social Fund (ESF) 2007-2013

2004/0165(COD) - 04/07/2006 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a resolution drafted by José Albino **SILVA PENEDA** (EPP-ED, PT) and approved the Council's common position.

European Social Fund (ESF) 2007-2013

2004/0165(COD) - 17/10/2005 - Modified legislative proposal

Of the 85 amendments proposed by the European Parliament, the European Commission is prepared to accept, in part or in full, 57 of them. A summary of the amendments accepted refer to *inter alia*:

- The outer-most regions
- Actions in favour of innovative actions.
- Integrating trans-national co-operation as a fundamental dimension in the ESF.
- Concentrating resources available so that expenditure is coherent with other Funds.
- Offering ESF funds to the disadvantaged.
- Sharing experience gained relating to the socially excluded and the disadvantaged.

- Reinforcing the importance of innovative actions within the Member States and the importance of trans-national co-operation.
- Strengthening ESF links with the European Employment Strategy.
- Specific measures aimed at reconciling work and a private life.
- Specific measures aimed at improving the social inclusion of migrants.
- Actions seeking to facilitate the re-entry of disadvantaged groups, persons with disabilities and those providing care for dependent persons, on to the labour market.
- Extending the Scope of assistance so that it applies to the Cohesion Countries.
- A clarification of the type of geographic areas to be taken into account in the operational programmes.

The Commission has thus modified its initial proposal.

European Social Fund (ESF) 2007-2013

2004/0165(COD) - 06/07/2005 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by José Albino **SILVA PENEDA** (EPP-ED, PT) and made several amendments to the Commission's text. Parliament sought to strengthen some aspects of it such as social inclusion, non-discrimination and gender equality. In addition, it added amendments calling for more trans-national cooperation to be promoted as well as 'innovative actions'. It should be ensured that innovative ideas and measures are promoted and tried out in accordance with the European guidelines and recommendations under the European Employment Strategy, and with the Community's objectives in the field of social inclusion. Innovative activities should account for at least 1 % of the operational programme. For such activities, the ceiling for contributions from the ESF should be raised to 85%. Coordination measures in the framework of transnational, cross-border and interregional cooperation should be 100% funded by the ESF. In the context of the programmes' priorities for innovative actions, a fund may be created to support a limited proportion of programmes for small projects involving local actors. Funding shall be allocated in the form of global subsidies. 'Small projects' shall mean those of up to EUR 300 000.

The ESF will also support information and awareness-raising measures targeting the public, implemented by the Member States with the aim of fighting discrimination and promoting equal treatment and opportunities for women and men in the workplace and society.

In its resolution, Parliament emphasised using the ESF to combat social exclusion, including by improving disadvantaged people's access to employment, and promote non-discrimination on all grounds set out in Article 13 of the Treaty and equality between men and women.

To recall, the Commission's proposal says ESF actions may differ depending on whether they relate to the 'Convergence' or the 'Regional Competitiveness and Employment' objective.

In the convergence objective more action especially to expand and improve investment in human capital, and action aimed at developing institutional capacity and the efficiency of public administrations, should be eligible for funding. Under the convergence objective, at least 1 % of ESF resources will be allocated to capacity-building and measures for the education and networking activities of NGOs, in particular those active in the fields of social inclusion and combating discrimination. Parliament added clauses relating to the improvement of quality of the workplace, including health and safety at work, by giving specific support to SMEs and micro-businesses and their representative organisations at national, regional and local level in the implementation of existing legislation and by promoting an appropriate balance between safety and flexibility.

Under both objectives, the ESF will provide support with a view to anticipating and managing economic and social change. The ESF may also support measures that go beyond a Member State's national employment plan if they are necessary owing to regional and local particularities and if, as a result, the Lisbon employment objectives, social inclusion and social cohesion can be better achieved.

The ESF should also be used to remedy problems relating to demographic changes in the EU's active population. Particular attention should be paid to remedying such problems, in particular through lifelong vocational training.

European Social Fund (ESF) 2007-2013

2004/0165(COD) - 05/07/2006 - Final act

PURPOSE: to establish the tasks of the European Social Fund (ESF).

LEGISLATIVE ACT: Regulation 1081/2006/EC of the European Parliament and of the Council on the European Social Fund and repealing Regulation 1784/1999/EC.

CONTENT: this Act sets out the specific provisions concerning the type of activities which may be financed by the ESF. The Regulation defines the scope of ESF assistance, sets out more specific provisions relating to its implementation and specifies the types of expenditure eligible for assistance. It has been adopted within the context of the reformed EU Cohesion Policy (2007-2013) and has come into force alongside four other related legislative acts. They are:

- Council Regulation 1083/2006/EC laying down the general provisions on the ERDF, ESF and the CF. For a summary of its provisions see AVC/2004/0163.

- Council Regulation 1080/2006/EC on the European Regional Development Fund. For a summary of its provisions see COD/2004/0167.

- Council Regulation 1084/2006/EC establishing the Cohesion Fund. For a summary of its provisions see AVC/2004/0166

- Council Regulation 1082/2006/EC on a European grouping of territorial cooperation (EGTC). For a summary of its provisions see COD/2004 /0168.

The more general framework of the ESF, as part of the overall Cohesion Policy, can be found in Regulation 1083/2006/EC (AVC/2004/0163).

To recall, the ESF was set up by Article 146 of the Treaty on European Union. Only the ERDF and the ESF are defined as the “Structural Funds”; the Cohesion Fund being separate. Together the three programmes are referred to as “the Funds”. The total budgetary allocation earmarked for the Funds, between 2007 and 2013, has been set at EUR 308 billion.

The purpose of the ESF is to strengthen economic and social cohesion by improving employment opportunities across the EU. To that end the ESF has been tasked with strengthening economic and social cohesion by improving employment and job opportunities; to stimulate a high level of employment and to create more and better jobs. It will only be made available under the Convergence and Regional competitiveness and employment objectives, which have been codified under Regulation 1083/2006.

Actions approved for funding under the ESF must support the Member States’ employment strategies, they must promote social inclusion (including access for disadvantaged people to employment), and seek to reduce national, regional and local employment disparities. ESF actions are expected to be in line with guidelines adopted under the European Employment Strategy, which have been incorporated into the Integrated Guidelines for Growth and Jobs.

The kind of assistance foreseen includes: making the workforce adapt to change through lifelong learning measures, apprenticeships, e-learning, management skills and the promotion of business start-ups. Other measures eligible for ESF support include supporting more productive work techniques and outplacement initiatives; enhancing access to employment; reinforcing the social inclusion of disadvantaged people and promoting employment partnerships.

Special attention has been given to: good governance and partnership; to gender equality and equal opportunities; to innovation and to transnational and interregional actions. Provisions have been set out concerning technical assistance; the presentation of annual Reports on the Regulation’s implementation and the eligibility of expenditure. Lastly, the Regulation will not affect the continuation or modification of assistance already approved by the Commission on the basis of Regulation 1784/1999/EC, which is now repealed.

ENTRY INTO FORCE: 1 August 2006.

European Social Fund (ESF) 2007-2013

2004/0165(COD) - 13/06/2006 - Council position

The Council adopted the common position by qualified majority. It incorporates most of the 84 amendments proposed by the European Parliament accepted or accepted in principle by the Commission in its amended proposal. Although it agrees with the objectives of the proposal, it has nevertheless endeavoured to improve some of the provisions and to add further features. In particular, in the following areas:

- General provisions : the Council introduced a number of modifications, aiming at a better recognition of the specificities of ESF intervention within the Convergence and Regional competitiveness and employment objectives. The Council introduced therefore some new fields of intervention, including a large part of those proposed by the European Parliament.

- **Tasks** : the Council has taken in part or in substance the amendments on combating social exclusion and increasing the participation of economically inactive people in the labour market, combating social exclusion – especially that of disadvantaged groups such as people with disabilities – promoting equality between women and men and non-discrimination.

- **Scope** : the Council has followed the request of the European Parliament and enlarged the scope of this provision to the entire territory of the cohesion countries. It has taken also on board in part or in spirit the amendments concerning lifelong learning; sustainable inclusion in the labour market, in particular longterm and youth unemployment; mainstreaming, improve access to employment; combating all forms of discrimination in the labour market; ESF support for disadvantaged groups; combating discrimination, local employment initiatives; visibility for the role of social partners; vocational and tertiary education and training; creation of self-employment and business start-ups.

- **Consistency and concentration** : the Council has taken in part or in substance amendments on the reference to national action plans for social inclusion; areas particularly adversely affected by business relocations; coordination of the ESF and the Lisbon strategy.

- **Good governance and partnership** : the Council has taken in part or in substance the amendment on visibility to the role of social partners and non-governmental organisations; references to training, networking measures, strengthening the social dialogue.

- **Gender equality and equal opportunities** : the Council has taken in part or in substance the amendment which strengthens the gender mainstreaming; promotion of a balanced participation of women and men in the management and implementation of operational programmes at local, regional and national level.

- **Annual report and final report** :the Council took on board in part the amendments making reference to minorities, disadvantaged groups, people with disabilities and social exclusion.

Lastly, the Council was not able to take certain amendments on board as they would be duplicating other Regulatory frameworks, for example the Council Regulation laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund, the Commission Implementing Regulation or others. In other cases the Council considered that they would enlarge too much the scope of the Regulation. Some other amendments have been made redundant by a reformulation of the text, by substantial changes in its structure or by decisions of the December 2005 European Council relating to financial framework.

European Social Fund (ESF) 2007-2013

2004/0165(COD) - 13/06/2006 - Commission communication on Council's position

The Commission can endorse the Council’s common position because it considers it an appropriate compromise that meets the objectives of the amended Commission proposal, which accepted a large number of the European Parliament’s amendments.

In relation to the amended Commission proposal one change of substance was requested by Council. Member States indicated unanimously their objection to the provisions of article 5 (3) providing an allocation of at least 2% of ESF resources under the "Convergence" Objective to "capacity building and activities jointly undertaken by the social partners". After consultation with the European Parliament, the Presidency has proposed that the text be adapted to state that "an appropriate amount of ESF resources shall be allocated to capacity building, which shall include training, networking measures, strengthening the social dialogue and activities jointly undertaken by the social partners." The other modifications, requested by the Council, do not change the substance of the Commission proposal.

European Social Fund (ESF) 2007-2013

2004/0165(COD) - 14/07/2004 - Legislative proposal

PURPOSE : to establish the tasks of the European Social Fund (ESF) in the reformed framework of cohesion policy for the period 2007-2013.

PROPOSED ACT : Regulation of the European Parliament and of the Council.

CONTENT : this proposal has been drafted as part of the cohesion legislative package. The package consists of a general Regulation (**AVC/2004/0163**), the European Regional and Development Fund (ERDF) (**COD/2004/0167**) as well as an entirely new proposal creating the framework for a cross-border authority to manage cooperation programmes (EGCC) (**COD/2004/0168**).

The draft ESF Regulation for 2007-2013 provides a focussed framework for ESF interventions throughout the Union. Under both the 'Convergence' and the 'Regional Competitiveness and Employment' objectives, the ESF will provide support with a view to anticipating and managing economic and social change. Its intervention will focus on four key areas for action endorsed by the European Council: increasing adaptability or workers and enterprises; enhancing access to employment, preventing unemployment, prolonging working lives and increasing participation in the labour market; reinforcing social inclusion by promoting the integration in work of disadvantaged people and combating discrimination; and promoting partnership for reform in the fields of employment and inclusion.

In the least prosperous regions and Member States, the Funds will concentrate on promoting structural adjustment, growth and job creation. To this end, under the Convergence objective, in addition to the above-mentioned priorities, the ESF will also support action to expand and improve investment in human capital, in particular by improving education and training systems, and action aimed at developing institutional capacity and the efficiency of public administrations, at national, regional and local level.

Furthermore, the proposal gives a greater emphasis to the Union's commitment towards the elimination of inequalities between women and men: specific actions addressed to women are combined with a robust gender mainstreaming approach, to increase participation and progress of women in employment.

Moreover, the promotion of innovative activities and trans-national co-operation will be fully integrated in the scope of the ESF, and mainstreamed within the national and regional operational programmes.

Under both the 'Convergence' and the 'Regional Competitiveness and Employment' objectives, the ESF will give priority to funding trans-national cooperation, including exchanges of experiences and best practices across the Union and joint actions, ensuring where appropriate, coherence and complementarity with other trans-national Community programmes.

Finally, the proposal attaches a particular importance to the promotion of good governance. To this end, under the new Convergence objective, social partners will be encouraged to actively participate in capacity building actions and to undertake joint activities in the policy areas where they play a decisive role. Under the Commission proposal, it would account for 20-25% of cohesion total funding.

For further information concerning the financial implications of this measure, please refer to the financial statement.