




Basic information	
<b>2011/0270(COD)</b> COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Programme for Employment and Social Innovation (EaSI) 2014-2020  Amending Decision No 283/2010/EU <a href="#">2009/0096(COD)</a> Repealed by <a href="#">2018/0206(COD)</a> Amended by <a href="#">2014/0002(COD)</a> Amended by <a href="#">2016/0282A(COD)</a>  <b>Subject</b>  3.45.02 Small and medium-sized enterprises (SME), craft industries 3.45.03 Financial management of undertakings, business loans, accounting 4.10.05 Social inclusion, poverty, minimum income 4.10.10 Social protection, social security 4.15.02 Employment: guidelines, actions, Funds 4.15.04 Workforce, occupational mobility, job conversion, working conditions	

Key players			
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>
			<b>Appointed</b>
	<b>EMPL</b> Employment and Social Affairs	STEINRUCK Jutta (S&D)	27/10/2011
			Shadow rapporteur
			BOULLAND Philippe (PPE)
			HARKIN Marian (ALDE)
			DELLI Karima (Verts/ALE)
			ZIMMER Gabriele (GUE /NGL)
			CYMAŃSKI Tadeusz (EFD)
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>
			<b>Appointed</b>
	<b>BUDG</b> Budgets	GRELIER Estelle (S&D)	06/02/2012
	<b>CONT</b> Budgetary Control	GEIER Jens (S&D)	06/12/2011
	<b>ITRE</b> Industry, Research and Energy	ZUBER Inês Cristina (GUE /NGL)	20/12/2011

	<div>REGI</div> Regional Development	POREBA Tomasz Piotr (ECR)	23/11/2011	
	<div>CULT</div> Culture and Education	The committee decided not to give an opinion.		
	<div>FEMM</div> Women's Rights and Gender Equality	MATERA Barbara (PPE)	22/11/2011	
Council of the European Union	Council configuration		Meetings	Date
	Employment, Social Policy, Health and Consumer Affairs		3226	2013-02-28
	Employment, Social Policy, Health and Consumer Affairs		3206	2012-12-06
	Transport, Telecommunications and Energy		3278	2013-12-05
European Commission	Commission DG		Commissioner	
	Employment, Social Affairs and Inclusion		ANDOR László	
European Economic and Social Committee				

Key events			
Date	Event	Reference	Summary
06/10/2011	Legislative proposal published	COM(2011)0609 	Summary
25/10/2011	Committee referral announced in Parliament, 1st reading		
10/07/2012	Vote in committee, 1st reading		
20/08/2012	Committee report tabled for plenary, 1st reading	A7-0241/2012	Summary
06/12/2012	Debate in Council		Summary
28/02/2013	Debate in Council		
20/11/2013	Debate in Parliament		
21/11/2013	Decision by Parliament, 1st reading	T7-0506/2013	Summary
21/11/2013	Results of vote in Parliament		
05/12/2013	Act adopted by Council after Parliament's 1st reading		
11/12/2013	Final act signed		
11/12/2013	End of procedure in Parliament		
20/12/2013	Final act published in Official Journal		

Technical information	
Procedure reference	2011/0270(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Decision No 283/2010/EU <a href="#">2009/0096(COD)</a> Repealed by <a href="#">2018/0206(COD)</a> Amended by <a href="#">2014/0002(COD)</a> Amended by <a href="#">2016/0282A(COD)</a>
Legal basis	Treaty on the Functioning of the EU TFEU 046 Treaty on the Functioning of the EU TFEU 175-p3 Treaty on the Functioning of the EU TFEU 149 Treaty on the Functioning of the EU TFEU 153-p2-a1
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	<a href="#">European Economic and Social Committee</a>
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/7/07508

Documentation gateway

European Parliament






Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE483.795</a>	07/03/2012	
Amendments tabled in committee		<a href="#">PE487.817</a>	26/04/2012	
Committee opinion	<div>ITRE</div>	<a href="#">PE483.686</a>	09/05/2012	
Committee opinion	<div>CONT</div>	<a href="#">PE483.771</a>	31/05/2012	
Committee opinion	<div>FEMM</div>	<a href="#">PE486.186</a>	01/06/2012	
Committee opinion	<div>BUDG</div>	<a href="#">PE486.165</a>	05/06/2012	
Committee opinion	<div>REGI</div>	<a href="#">PE487.706</a>	06/06/2012	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A7-0241/2012</a>	20/08/2012	<a href="#">Summary</a>
Text adopted by Parliament, 1st reading/single reading		<a href="#">T7-0506/2013</a>	21/11/2013	<a href="#">Summary</a>

Council of the EU

Document type	Reference	Date	Summary
Draft final act	<a href="#">00080/2013/LEX</a>	11/12/2013	

European Commission

Document type	Reference	Date	Summary
	<a href="#">COM(2011)0609</a>		

Legislative proposal		06/10/2011	<a href="#">Summary</a>
Document attached to the procedure	SEC(2011)1130 	06/10/2011	
Document attached to the procedure	SEC(2011)1131 	06/10/2011	
Document attached to the procedure	SEC(2011)1134 	06/10/2011	
Commission response to text adopted in plenary	SP(2014)87	30/01/2014	
Follow-up document	COM(2019)0234 	20/05/2019	<a href="#">Summary</a>
Follow-up document	SWD(2019)0182 	20/05/2019	<a href="#">Summary</a>
Follow-up document	COM(2024)0254 	01/07/2024	
Follow-up document	SWD(2024)0146 	01/07/2024	

#### National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2011)0609	01/12/2011	
Contribution	IT_SENATE	COM(2011)0609	07/12/2011	
Contribution	RO_CHAMBER	COM(2011)0609	13/01/2012	

#### Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0478/2012	23/02/2012	
CofR	Committee of the Regions: opinion	CDR0335/2011	03/05/2012	

#### Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	
European Commission	EUR-Lex	

#### Final act

# Programme for Employment and Social Innovation (EaSI) 2014-2020

2011/0270(COD) - 20/05/2019 - Follow-up document

The Commission presents its mid-term evaluation of the European Union Programme for Employment and Social Innovation (EaSI).

It assessed progress made in achieving the programme's objectives and its continuing relevance, its efficiency and use of resources, its policy coherence in relation to other instruments and its EU added value.

The evaluation covered EaSI activities from January 2014 to December 2016.

The following conclusions were reached on the evaluation's six main themes:

## **Relevance**

The evaluation confirmed that EaSI's rationale and its five general objectives are still highly relevant, particularly in the evaluation time-frame context of the aftermath of the financial and economic crisis — with a welcome but slow recovery — and trends likely to impact the EU for years to come. For instance, with a large influx of refugees and immigrants to EU Member States, the number of vulnerable people has drastically increased, making their successful integration one of the highest EU priorities.

EaSI helped to increase awareness of EU policy inputs into social inclusion and poverty reduction, to improve perceptions of the cross-border potential for employment, to rapidly test and implement innovative measures, and to increase access to microfinance loans and support for entrepreneurship.

## **Effectiveness**

The programme's three axes (PROGRESS, EURES and microfinance/social entrepreneurship) differ in terms of their effectiveness in generating outcomes and achieving objectives, and in bringing about change. Thus, PROGRESS is most effective in facilitating information-sharing, mutual learning and dialogue, and in developing and disseminating comparative and analytical knowledge. One of EURES' more effective activities has been contributing to the development of a transparent labour market in terms of demand and supply. Evidence on Microfinance/Social Entrepreneurship suggests that EaSI funding has increased the availability of and access to finance across the participating countries

## **Efficiency**

The efficiency of PROGRESS could be further improved by introducing changes and reducing the administrative burden in the project award and implementation stages.

## **Coherence**

Despite efforts to build synergies between the three axes they continue to operate quite independently. All programme activities should have a stronger focus on the potential benefits of a coherent programme structure, promoting interdisciplinary solutions to multiple challenges.

## **EU added value**

EaSI produced demonstrable EU added value in terms of scope and scale, compared to national and regional support. Should EaSI be discontinued, this would have repercussions in many sectors.

Continuous efforts are, however, necessary — mainly in terms of communication on EaSI activities and dissemination of its results.

## **Programme governance**

More cooperation with other committees to exchange information and more regular discussions between the EaSI Committee and the Commission are seen as necessary.

## **Conclusion**

The report concluded that the evaluation had obvious limitations. Few projects were finished in 2016, which limited the data available, while other projects started have not had the time to produce a full set of outputs and impacts. Therefore, future evaluations should be scheduled to allow more results and wider impacts to emerge and support the analysis.

The mid-term evaluation did highlight a number of ways to improve EaSI's implementation before the end of the current Multiannual Financial Framework (MFF), especially through:

- enhanced internal budgetary flexibility;
- targeting groups in need of specific support;
- simplifying procedures;

- improving internal coherence and linking EaSI with other funds.

In particular, improved streamlining of funding could have a tangible impact on EaSI's relevance, efficiency, coherence, and effectiveness and EU value added. This could be done in 2017-2020, through appropriate linkages or new mechanisms linking the different EU funds.

After 2020, an 'umbrella fund' called European Social Fund Plus (ESF+) gathering together all funds managed by DG Employment, Social Affairs and Inclusion — including EaSI — will provide one easy-to-use interface with beneficiaries, reduce fragmentation and enhance synergies between funds, thus creating the conditions for more effective policy implementation and EU value added.

Lastly, the mid-term evaluation also highlighted the need to improve the programme's internal and coherence.

## Programme for Employment and Social Innovation (EaSI) 2014-2020

2011/0270(COD) - 20/05/2019 - Follow-up document

This European Commission staff working document reports on the mid-term evaluation of the Employment and Social Innovation programme for 2014-2020 (EaSI) and identifies avenues for possible further improvements.

It is based on an external evaluation report and other sources of evidence, in particular EaSI performance monitoring reports, the annual management reports of the Directorate-General for Employment, Social Affairs and Inclusion, and evaluations of previous programmes.

This document summarises the main results of the external evaluation and provides the Commission with evidence and data for improving programme performance in later implementation; assessing whether there is any need to amend the EaSI Regulation; and preparing to design the post-2020 programme.

### ***Key findings of the evaluation's six themes***

#### ***Relevance***

The mid-term evaluation finds that all the activities undertaken in the first half of the programme are in line with the goals set in the EaSI Regulation. EaSI's original rationale and its five general objectives are still highly relevant, particularly in the current challenging socioeconomic context of the aftermath of the financial and economic crisis, with a welcome but slow recovery. The programme's objectives are also still pertinent in light of recent political events likely to impact the EU in the coming years.

#### ***Effectiveness***

Despite the limited data sets available, the evaluation presents evidence that EaSI was effective in reaching relevant stakeholders, producing desired outcomes and achieving its objectives.

#### ***Efficiency***

Due to the type of activity and the influence of conditions outside the programme's control, it proved difficult to conclude much about EaSI's efficiency. While the financial means available were sufficient to implement PROGRESS and EURES activities, the budget for Microfinance/Social Entrepreneurship was too low.

The efficiency of PROGRESS could be further improved by reducing the administrative burden in the projects' award and implementation stages.

#### ***Coherence***

The overall perception of programme coherence gained through the evaluation is that the three predecessors programmes were merged under the EaSI umbrella more in response to a simplification exercise than to the stakeholders' needs. The evaluation concludes that despite efforts to build synergies between the three axes they operate quite independently. All programme activities should have a stronger focus on the potential benefits of a coherent programme structure, promoting interdisciplinary solutions to multiple challenges.

#### ***EU added value***

EaSI produced demonstrable EU added value in terms of scope and scale, compared to national and regional support. Should EaSI be discontinued, this would have repercussions in many sectors. It would be unlikely that other national or regional funding schemes would be able to support policy experimentation across different participating countries and EU-level multidisciplinary networks, as EaSI currently does.

#### ***EaSI governance***

Programme governance and communication between stakeholders need to be improved. It emerged from the focus group with the EaSI Committee that its members would like more ownership of the allocation of funds and the programming of activities, in particular the calls for proposals.

More cooperation with other committees to exchange information and more regular discussions between the EaSI Committee and the Commission are seen as necessary.

#### ***Lessons learned and further improvements***

- The mid-term evaluation time frame, as set out in the EaSI Regulation, was carried out too early. Future evaluations should be scheduled to allow more results and wider impacts to emerge and support the analysis.
- More flexible reallocation between the three axes should be enabled in order to minimise discrepancies between planned and actual commitments, and ensure optimal transfer of budgets between the three axes where needed.
- Regarding the programme's effectiveness: PROGRESS axis should improve efforts to deliver social policy experimentation; for EURES, a longer implementation period (2 years at a minimum) should be considered; for Microfinance/Social Entrepreneurship, increasing the focus on vulnerable groups, e.g. by setting a target for the share/number of vulnerable groups in calls for proposals.
- Despite the complementarities between EaSI and other EU instruments, further coherence is hampered by the variety of intervention logic and rules governing the funds. Specific mechanisms have to be put in place in order to improve synergies between different EU funds, for instance enabling the social experimentation tested under EaSI to be scaled up or multiplied with ESF funding. Streamlining the rules could help to maximise the potential of such complementarities and synergies.
- EaSI produced demonstrable EU added value in terms of scope and scale, compared to national and regional support. It would be unlikely that other national or regional funding schemes would be able to support policy experimentation across different participating countries and EU-level NGO networks as EaSI currently does. EaSI is also an appropriate vehicle for EU-wide deliverables such as comparative databases, studies, mutual learning activities, support for the social investment market and cross-border partnerships.
- Improvements are necessary in terms of communication on EaSI activities and dissemination of its results. Stakeholders feel that through better dissemination they could gain great benefits, particularly in terms of access to finance, results, country-specific examples and good practices, updated websites and databases, a wider range of languages for communication.
- Committee members felt there was a need for more involvement in decision-making process and more ownership of the allocation of funds and the programming/topics of the calls for proposals.

## Programme for Employment and Social Innovation (EaSI) 2014-2020

2011/0270(COD) - 06/12/2012

The Presidency briefed the Council about the state of play in the negotiations with the European Parliament on the EU programme for social change and innovation, which is part of the cohesion policy package for 2014-2020.

In June 2012, the Council reached a **partial general approach** on the draft regulation containing the programme. The budgetary provisions of the programme were not covered by the Council's partial general approach and will be adapted, once the decision on the EU's multi-annual financial framework for the period 2014-2020 is taken.

During the examination of the regulation by the Council's working party on social questions, a broad agreement was reached, with the following important changes being made:

- sub-dividing the Progress axis into three strands with minimum allocations corresponding to the current Progress programme;
- setting the threshold for access of social enterprises to microfinance at 30 million;
- adding specific provisions on co-financing;
- distributing the 5% reserve among the different axes;
- amending the definition on social enterprises to take into account different EU texts dealing with the issue of social enterprises.

Since then, three informal meetings have been held between the Parliament, the Council and the Commission in order to seek an agreement. The negotiations are based on the Commission's proposal, the Council's partial general approach and draft amendments established by the Parliament's Employment and Social Affairs Committee.

Until now, the negotiations have focused on the microfinance/social entrepreneurship axis and have allowed common ground to be found with the Parliament on this part of the programme, pending an overall agreement on the programme as a whole.

As regards the **EURES axis and issues relating to the governance of the programme**, discussions have recently started and will need to be continued. To deal with these and other outstanding issues, further negotiation meetings will be organised under the Irish Presidency.

## Programme for Employment and Social Innovation (EaSI) 2014-2020

2011/0270(COD) - 21/11/2013 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 527 votes to 31, with 48 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation.

Parliament adopted its position at first reading, following the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise negotiated between the European Parliament and the Council. They amended the Commission proposal as follows:

**General objectives:** Parliament laid down the following objectives:

- strengthen ownership among policy-makers at all levels, and produce **concrete, coordinated and innovative actions** at both Union and Member State level, in respect of the Union objectives, in close collaboration with the **social partners**, as well as civil society organisations and public and private bodies;

- promote **decent work** and working conditions, a prevention culture for health and safety at work, a healthier balance between professional and private life;
- contribute to **modernising Union law**, in line with decent work principles;
- promote **workers' voluntary geographical mobility** on a fair basis and boost employment opportunities by developing high-quality and inclusive Union labour markets that are open and accessible to all, while respecting workers' rights throughout the Union;
- increase the availability and accessibility of microfinance for vulnerable people who wish to start up a micro-enterprise.

The Programme should also:

- promote the creation of quality and sustainable **'green', 'white' and ICT jobs**,
- **anticipate** and develop new skills and competencies for new quality and sustainable jobs.

In pursuing those objectives, the Programme shall, in all its axes and actions, aim to: (i) pay particular attention to **vulnerable groups**, such as young people; (ii) promote equality between women and men; (iii) combat discrimination; (iv) promote a high-level of quality and sustainable employment; (v) guarantee adequate and decent social protection, combat long-term unemployment and fight against poverty and social exclusion.

**Budget:** the financial envelope for the implementation of the Programme for the period from 1 January 2014 to 31 December 2020 shall amount to **EUR 919 469 000**, in current prices. It shall be broken down as follows:

- 61% to the Progress axis;
- 18% to the EURES axis;
- 21% to the Microfinance and Social Entrepreneurship axis.

#### Thematic sections and financing:

**1. The Progress axis** shall support actions in one or more of the thematic sections:

- employment, in particular to fight youth unemployment: 20 %;
- social protection, social inclusion and the reduction and prevention of poverty: 50 %;
- working conditions: 10 %.

From the overall allocation for the Progress axis, and within its different thematic sections, 15% to 20% shall be allocated to the **promotion of social experimentation** as a method for testing and evaluating innovative solutions with a view to up-scaling them.

Where activities under the Progress axis are financed following a call for proposals, they may receive Union co-financing which shall not exceed, as a general rule, **80 %** of the total eligible expenditure.

**2. The EURES axis** shall support actions in one or more of the thematic sections:

- transparency of job vacancies, applications and any related information for applicants and employers: 32 %;
- development of services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at Union level, in particular targeted mobility schemes: 30 %;
- cross-border partnerships: 18 %.

Where activities under the EURES axis are financed following a call for proposals, they may receive Union co-financing which shall not exceed, as a general rule, **95 %** of the total eligible expenditure.

**3. The Microfinance and Social Entrepreneurship axis** shall support actions in one or more of the thematic sections:

- microfinance for vulnerable groups and micro-enterprises: 45 %;
- social entrepreneurship: 45 %.

Support may be given to microfinance and social enterprises, including for institutional capacity building, in particular through the financial instruments.

**Consistency and complementarity:** in order to offer added-value, close synergies and complementarity should be developed between the Programme and other Union Programmes and the Structural Funds, especially the ESF and the Youth Employment Initiative. Consistency and complementarity shall also be ensured through close involvement by local and regional authorities.

**Cooperation with relevant bodies:** the Commission shall establish the necessary links with the Employment Committee, the Social Protection Committee, the Advisory Committee on Health and Safety at Work, the Group of Directors-General for Industrial Relations and the Advisory Committee on Freedom of Movement of Workers in order to ensure that they are regularly and appropriately informed of progress in implementing the Programme.

The Commission shall inform Union stakeholders, including social partners and civil society organisations, of the results of the implementation of the Programme.

## Programme for Employment and Social Innovation (EaSI) 2014-2020

2011/0270(COD) - 11/12/2013 - Final act

**PURPOSE:** to establish a European Union Programme for Employment and Social Innovation ("EaSI") for the period 1st January 2014 to 31st December 2020.



LEGISLATIVE ACT: Regulation (EU) No 1296/2013 of the European Parliament and of the Council on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion.

CONTENT: The EaSI aims to **assist the Member States to engage in activities relating to employment and social policy** at the European, national, regional, and local levels through political coordination and the identification, the analysis and sharing of best practices.

The programme provides financial support for the Union's objectives in terms of promoting a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions. In all its actions, it aims to pay particular attention to vulnerable groups, notably young people, and to promote equality between women and men, and to combat discrimination.

The EaSI integrates and extends three existing Programmes: [Progress](#) (Community Programme for Employment and Social Solidarity), EURES (European Employment Services) and the [European Progress Microfinance Facility](#) for employment and social inclusion.

**Budget:** for the period from 1 January 2014 to 31 December 2020, the financial envelope for the implementation of the Programme amounts to **EUR 919 469 000**, in current prices, of which:

- 61% to the Progress axis;
- 18% to the EURES axis;
- 21% to the Microfinance and Social Entrepreneurship axis.

**Thematic axes:**

**1) The Progress axis** shall support actions in the following areas:

- employment, in particular, to fight youth unemployment: 20%;
- social protection, social inclusion and the reduction and prevention of poverty: 50%;
- working conditions: 10%.

From the overall allocation for the Progress axis, 15% to 20% would be allocated to the **promotion of social experimentation** as a method for testing and evaluating innovative solutions with a view to up-scaling them.

Where they are financed following a call for proposals, activities may receive Union co-financing which shall not exceed, as a general rule, **80%** of the total eligible expenditure.

**2) The EURES axis** shall support actions in the following areas:

- transparency of job vacancies, applications and any related information for applicants and employers: 32%;
- development of services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at Union level, in particular targeted mobility schemes: 30%;
- cross-border partnerships: 18 %.

Where they are financed following a call for proposals, activities may receive Union co-financing which shall not exceed, as a general rule, **95%** of the total eligible expenditure.

**3) The Microfinance and Social Entrepreneurship axis** shall support actions in the following areas:

- microfinance for vulnerable groups and micro-enterprises: 45%;
- social entrepreneurship: 45%.

This axis can provide support to microfinance and **social enterprises**, including for institutional capacity building, in particular through the financial instruments.

**Consistency and complementarity:** with the aim of adding value and achieving substantial impact through Union funding, close synergies should be developed between the Programme, other Union programmes and the Structural Funds, especially the European Social Funds (ESF) and the Youth Employment Initiative (YEI).

**Cooperation with relevant bodies:** the Commission should establish the necessary links with the Employment Committee, the Social Protection Committee, the Advisory Committee on Health and Safety at Work, the Group of Directors-General for Industrial Relations and the Advisory Committee on Freedom of Movement of Workers in order to ensure that they are regularly and appropriately informed of progress in implementing the Programme.

The results of the Programme should **be disseminated among social partners and civil society organisations**.

**Evaluation:** the Programme should be the object of a mid-term evaluation by 1 July 2017. Before submitting any proposal for a prolongation of the Programme beyond 2020, the Commission shall present an evaluation of the conceptual strengths and weaknesses of the Programme in the period 2014 to 2020. By 31 December 2022, the Commission shall evaluate ex-post the impact and Union added value of the Programme and report on this evaluation.

ENTRY INTO FORCE: 21.12.2013.

**DELEGATED ACTS:** the Commission may adopt delegated acts in order to adapt the Programme to the changing needs and political priorities arising therefrom. The power to adopt delegated acts shall be conferred on the Commission for a period of **seven years as from 1 January 2014**. The European Parliament or the Council may object to a delegated act within a period of two months from the date of notification (this period can be extended for two months). If the European Parliament or the Council make objections, the delegated act will not enter into force.

## Programme for Employment and Social Innovation (EaSI) 2014-2020

2011/0270(COD) - 06/10/2011 - Legislative proposal

**PURPOSE:** to establish a European Programme for social change.

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

**BACKGROUND:** the recent economic and financial crisis, which hit all Member States and regions in the Union, has forced the EU to face complex problems, such as:

- high unemployment rates, especially among the low-skilled, the young, older workers, migrants and people with disabilities;
- an increasingly fragmented labour market, in which more flexible work patterns and other challenges are emerging and which have an impact on job security and working conditions;
- a shrinking workforce and increasing pressure on social protection systems as a result of demographic change;
- difficulty in combining work and caring responsibilities and achieving a sustainable work-life balance, hampering personal and family development;
- an unacceptably high number of people living below the poverty line and in social exclusion.

The crisis also highlighted the close links and spill-over between EU-27 economies, especially in the euro area. **Coordinated action at the Union level is more effective** in addressing these challenges than individual actions of single Member States. To be cost-effective, reforms also need to be as far as possible based on evidence. The involvement of policy-makers and other stakeholders in a collective learning process and in developing and testing new approaches is likely to lead to greater acceptance and ownership of, and commitment to the Europe 2020 strategy. In this context, social innovation, and in particular social experimentation, can be a powerful tool for shaping the reforms and policy adjustments needed to implement Europe 2020.

While tackling socio-economic problems is primarily the responsibility of the Member States and regions and decisions have to be taken closest to the citizen, the Union has a role to play in putting the need for specific reforms on the agenda, identifying barriers to change and ways of overcoming them, ensuring that existing Union level rules are complied with, stimulating sharing of good practice and mutual learning, and supporting social innovation and Europe-wide approaches.

The European Union Programme for Social Change and Innovation is based on three existing instruments: (i) the [Progress Programme](#); (ii) EURES (European employment services); (iii) the [European Progress Microfinance Facility for employment and social inclusion](#).

**IMPACT ASSESSMENT:** the impact assessment considered three options:

- **Option 1: no policy change:** under this option, the Progress programme, EURES and the Progress micro-finance facility, would continue to exist as separate instruments running alongside the European Social Fund.
- **Option 2: a new integrated programme for social change and innovation:** the new programme is made up of three separate albeit complementary axes: Progress, EURES and microfinance and social entrepreneurship.
- **Option 3: a single instrument for employment and social affairs:** such an instrument would have a shared management strand (the European Social Fund) and a direct management strand.

The impact assessment has concluded that **option 2 is the preferred option** that would bring about the most benefits in terms of efficiency gains, critical mass, coherence and effectiveness, while avoiding political and institutional risks.

**LEGAL BASIS:** Article 46(d), Article 149, Article 153(2)(a) and the third paragraph of Article 175 of the Treaty on the Functioning of the European Union (TFEU).

**CONTENT:** the proposal aims to establish a new agenda for social change and social innovation. The proposal contains a set of common provisions applicable to each part of the Programme and the special provisions applicable to each instrument.

### (1) Common provisions:

**Subject matter:** the proposed Regulation establishes a European Union Programme for Social Change and Innovation which aims to contribute to the implementation of the Europe 2020 Strategy, its headline targets and Integrated Guidelines by providing financial support for the European Union's objectives in terms of promoting a high level of employment, guaranteeing adequate social protection, combating social exclusion and poverty and improving working conditions. The Programme shall run from 1 January 2014 to 31 December 2020.

**Structure of the Programme:** the Programme shall be made up of the following three complementarity axes:

1. The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union employment and social policy and legislation on working conditions and shall promote evidence-based policy-making and innovation, in partnership with the social partners, civil society organisations and other interested parties;
2. The EURES axis, which shall support activities carried out by the EURES network, i.e. the specialist services designated by the EEA Member States and the Swiss Confederation, together with other interested parties, to develop information exchanges and dissemination and other forms of cooperation to promote workers' geographical mobility;
3. The Microfinance and Social Entrepreneurship axis, which shall facilitate access to finance for entrepreneurs, especially those furthest from the labour market, and social enterprises.

**General objectives of the Programme:** these include:

- strengthening ownership of the Union objectives in the employment, social and working conditions fields among key Union and national policy-makers, as well as other interested parties in order to bring about concrete and coordinated actions at both Union and Member State level;
- supporting the **development of adequate, accessible and efficient social protection systems** and labour markets and facilitate policy reform, by promoting good governance, mutual learning and social innovation;
- **modernise Union law** in line with the Smart Regulation principles and ensure that Union law on matters relating to working conditions is effectively applied;
- **promote workers' geographical mobility** and boost employment opportunities by developing Union labour markets that are open and accessible to all;
- promote employment and social inclusion by increasing the availability and **accessibility of microfinance for vulnerable groups and micro-enterprises**, and by increasing access to finance for social enterprises.

**Types of actions:** the following types of actions may be financed under the Programme:

- **Progress:** (i) gathering of data and statistics, as well as development of common methodologies, classifications, indicators and benchmarks; (ii) evaluations and impact assessments; (iii) preparation and implementation of social experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up; dissemination of the results of these analytical activities. Mutual learning, awareness and dissemination activities including, inter alia, (i) Council Presidency events, conferences and seminars; (ii) training of legal and policy practitioners, and EURES advisers; (iii) drafting and publication of guides, reports and educational material; etc. Support for main actors in regard to: the operating costs of key Union-level networks whose activities relate and contribute to the objectives of the Progress axis; networking and cooperation among specialist bodies, national, regional and local authorities, and employment services at European level; funding of European-level observatories.
- **EURES:** actions to promote mobility of individuals in the Union, in particular the development of a **multilingual digital platform for the clearance of job vacancies and applications**, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and /or to help specific groups of workers such as young people.
- **Microfinance:** support to microfinance and social enterprises in particular through the financial instruments (grants).

**(2) Specific provisions:** this part focuses on the implementation measures of each of the axes concerned. These include:

- specific objectives as regards each of the actions;
- technical provisions as regards the participation by eligible actors;
- measures as regards third countries and international organisations;
- implementing measures conferred on the Commission;
- transitional measures.

**Evaluation and follow-up:** with a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up biennial monitoring reports and send them to the European Parliament and the Council. A mid-term evaluation of the Programme shall be carried out by the end of 2017 to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value.

**BUDGETARY IMPLICATION:** the financial appropriations for implementing the Programme for the period from 1 January 2014 to 31 December 2020 will amount to EUR 958.19 million (in current prices):

- 60% to the Progress axis, of which at least 17% shall be allocated to promoting social experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up;
- 15% to the EURES axis;
- 20% to the Microfinance and Social Entrepreneurship axis.

The remaining 5% shall be apportioned among the axes on an annual basis in line with policy priorities.

# Programme for Employment and Social Innovation (EaSI) 2014-2020

2011/0270(COD) - 20/08/2012 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Employment and Social Affairs adopted the report by Jutta STEINRUCK (S&D, DE) on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation.

The committee recommends that the position of the European Parliament adopted in first reading, following the ordinary legislative procedure, should amend the Commission proposal as follows:

**Social progress and employment:** Members propose to amend the title of the Regulation to stipulate that this Regulation establishes a European Union Programme for Social Progress, Innovation and Employment. This programme aims to contribute, including by means of innovative action, to the implementation of the Europe 2020 Strategy by providing financial support to promote a high level of quality and sustainable employment, as well as improving working conditions and enhancing the employment and educational situation of young people.

**Clarifying the definitions:** the report suggests clearly defining the terms '**social innovation**' and '**social policy experimentation**' by making explicit reference to the fight against poverty and social exclusion, finding a first job, access to a high level of quality employment, guaranteeing adequate and poverty-preventing social protection, guaranteeing access to health care for vulnerable people and improving working conditions, thereby contributing to social progress.

**Programme's structure:** Members propose that the Programme should be made up of **four complementarity axes**:

1. **The Progress axis**, which shall support the development, implementation, monitoring and evaluation of Union policy in the fields of employment, working conditions, social protection, social inclusion and combating poverty;
2. **The EURES axis**, which shall support activities carried out by the EURES network, together with the social partners : this axis, inter alia, should facilitate cross-border partnerships, as well as the provision of individual counselling and information for jobseekers, mobile workers and employers to promote voluntary geographical mobility for workers on a fair basis and to contribute to a high level of quality and sustainable employment;
3. **The Microfinance and Social Entrepreneurship axis**, which shall promote access to, and increase the availability of, micro-financing for business start-ups, especially with regard to unemployed, socially excluded and other vulnerable people, as well as existing microenterprises and social enterprises;
4. **The new Youth Initiative axis**, which shall improve the employment and educational situation of young people, in particular those who are not in education, employment or training (NEET).

**Partnership principle:** stressing that a programme which supports employment and social policy should include **social partners** and civil society organisations at all levels, the report calls for the firm application of the partnership principle. It proposes to create, at European level, a **strategic advisory board**. Composed of representatives of the Commission, Member States and other participating countries, trade unions and NGOs, this board shall assist the Commission in the implementation, monitoring and evaluation of the Programme.

**Budget:** pending agreement on the **Multiannual Financial Framework** for the period 2014-2020, Members have left open the exact amount of the financial envelope. However, in order to make the distribution of the percentages across the three sub-programmes comply with the new framework conditions, Members propose a minor redistribution and specific focuses. They propose 60% for the Progress axis and **18%** for the EURES axis (as opposed to 15% as proposed by the Commission). In order to make effective use of the funds and to enable them to be shifted between the axes in accordance with policy priorities, the remaining **2%** shall be apportioned among the axes on an annual basis without prejudice to the prerogatives of the budgetary authority in the annual budget.

In addition to the financial appropriations, funding, from within the MFF 2014-2020, shall be provided for the new **Youth Initiative axis**.

**Thematic sections and financing:** Members suggest that the breakdown of the allocation of appropriations between the different sections shall respect the following minimum percentages:

## **Progress:**

- employment, within which at least 50% of the allocation to this section shall be spent to fight youth unemployment: 20%;
- social protection, social inclusion and the reduction and prevention of poverty: 50%;
- working conditions: 10%.

## **EURES:**

- information services, counselling and job-matching for mobile workers and employers: 20%;
- targeted mobility schemes such as for young people: 20%;
- transnational, sectoral and cross-border cooperation: 40%.

## **Microfinance and Social Entrepreneurship:**

- microfinance for vulnerable groups and micro-enterprises: 45%;
- social entrepreneurship: 45%.

## **New Youth Initiative:**

- preventing early-school leaving especially through reintegration into training: 30%;
- developing skills that are relevant to the labour market in order to bring together more closely the worlds of employment, education and training: 20%;
- supporting access to the labour market through obtaining a first job and on-the-job training in order to offer the opportunity to young people to acquire both relevant skills and work experience: 20%;
- improving quality of traineeships and apprenticeships: 20%.

**Monitoring of the Brain Drain:** in order to detect and prevent negative effects of geographical mobility on individual Member States or specific economic sectors, Members call on the Commission to **regularly monitor mobility patterns**, especially those of skilled workers. In the event of emerging labour market distortions, the Commission shall consider presenting proposals to the European Parliament and Council to counteract such developments.

**Multiannual work plans and Annual work programmes:** Members call for the Commission to be empowered to adopt delegated acts establishing multiannual work plans for the Programme.

Monitoring and evaluation: with a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up an initial **qualitative and quantitative monitoring report** after one year and thereafter biennial qualitative and quantitative monitoring reports and send them to the European Parliament and the Council. The reports shall be made **available to the public** in order to enhance the Programme's transparency.