



THE EUROPEAN SOCIAL FUND: **ADAPTABILITY** OF ENTERPRISES AND **CONTINUING** **TRAINING** OF WORKERS



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IMPORTANT NOTE

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Introduction

A. SCOPE OF THE STUDY

This study presents the interventions of the European Social Fund (ESF) in the area of adaptability of enterprises and continuing training of workers. It is among the first in a series of 22 studies describing what the ESF does and achieves on a range of policy topics or target groups. In addition to this background report, which exists only in English, a 'summary fiche' contains the major findings of the study and is translated into French, German, Spanish, Italian and Polish.

This report offers an overview of how the subject of adaptability of enterprises and continuous training of workers – later called "Adaptability" – is addressed by the EU Member States and in what ways the European Social Fund (ESF) contributed. The emphasis given by each Member State to the Adaptability field depends on national priorities and it is noticeable that from the 2000–2006 ESF programming period to 2007–2013 one, the importance of this policy field has grown significantly. ESF can support the adaptability of enterprises and continuous training of workers in many ways. With a view to examining how the ESF addresses these issues and has contributed to the adaptability of enterprises and workers, the study explores a number of themes including:

- The ways in which Member States have dealt with the adaptability of enterprises and continuous training of workers within the framework of the ESF and the ways in which ESF co-financed initiatives differ and/or complement national initiatives and how synergies and added values are created;
- The target groups that have benefited from ESF financed support for adaptability;
- The achievements of ESF-supported interventions.

This study consists of an introduction and three chapters. This introductory section presents the scope of the study as well as a short introduction to the ESF and the methodology adopted for producing the report.

Chapter 1 discusses the General Context in terms of trends and concepts relevant for the study. These have formed the core research framework for the study and assisted in defining the logic of the analysis. Some remarks on international developments and the EU policy are also included in this chapter. Relevant statistics are presented to offer an overview of the EU-wide situation in the field of adaptability. The statistics also show that there is still some room for improvement regarding the adaptability of enterprises and continuous training of workers in EU Member States and highlight some of the barriers to adaptability and vocational training.

Chapter 2 reports on ESF Interventions and Achievements. The interventions and policies of Member States supported by the ESF and the specific actions for the promotion of adaptability of enterprises and continuous training of workers are described. Achievements are discussed on the basis of the analysis of quantitative data and relevant indicators for the operational programmes of the different Member States. Findings are illustrated by concrete examples of ESF supported actions implemented in the Member States.

The final chapter offers a summary of ESF actions and their achievements and pinpoints the innovative character of ESF-supported actions in the programming period 2000–2006 and planned for 2007–2013. Due to the lack of data on the most recent activities, the findings on ESF achievements are limited to the period 2000–2006. This comment also applies to the number of Member States for which the analysis was conducted: since 2004, the EU has grown from 15 to 27 Member States and so has the involvement of the respective Member States in ESF. Romania and Bulgaria, for instance, only participate in the current programming period 2007–2013 for the first time. As a result, the reported data is relevant for EU–25.

B. THE EUROPEAN SOCIAL FUND: FRAMEWORK & ACHIEVEMENTS

The ESF is one of the EU's Structural Funds set up to reduce the gap in living standards between regions and between people and to promote economic and social cohesion across Europe. The ESF is devoted to promoting employment in the EU. It helps Member States make Europe's workforce and companies better equipped to face new and global challenges. The ESF was created in 1957 at the time when the European Economic Community was established. While the overall purpose of the Fund has remained unchanged, its objectives and scope of application have been adapted to socio-economic developments. The ESF strategy and budget is negotiated and decided between the EU Member States, the European Parliament and the Commission. On this basis, seven-year Operational Programmes (OPs) are planned by Member States together with the European Commission.

Programming Period 2000–2006

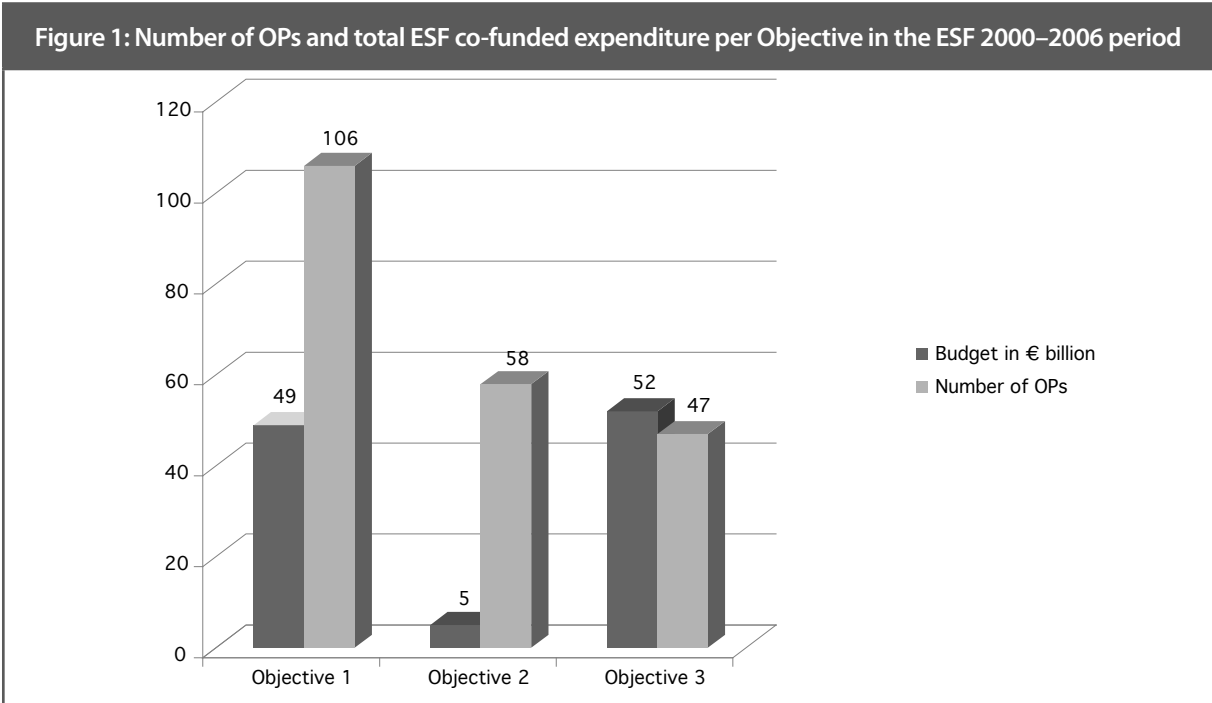
In the period 2000–2006, the Structural Funds were grouped around 3 Objectives¹: Objective 1 promoted the development of regions where the GDP per capita was below 75% of the EU average, outlying regions (e.g. Azores) and sparsely populated regions in Finland and Sweden; Objective 2 supported areas adjusting to change in the industrial and services sector, rural areas in decline, urban areas in difficulty, and economically depressed areas heavily dependent on fisheries; Objective 3 provided funding throughout the EU to help adapt and modernise policies and systems of education, training and employment. Objectives 1 and 2 were financed by the ESF in combination with other Structural Funds. Objective 3 was financed solely by ESF.

ESF supported activities related to five Policy Fields: (i) the development and promotion of active labour market policies; (ii) the promotion of equal opportunities for all in accessing the labour market, with particular emphasis on those exposed to social exclusion; (iii) the promotion and improvement of training, education and counselling as part of lifelong learning policy; (iv) the promotion of a skilled, trained and adaptable workforce; and (v) the improvement of women's access to and participation in the labour market. Across all programmes, the ESF has also addressed three horizontal themes: (i) support for local initiatives concerning employment; (ii) the social and labour market dimensions of the information society; and (iii) equal opportunities for women and men as part of the mainstreaming approach.

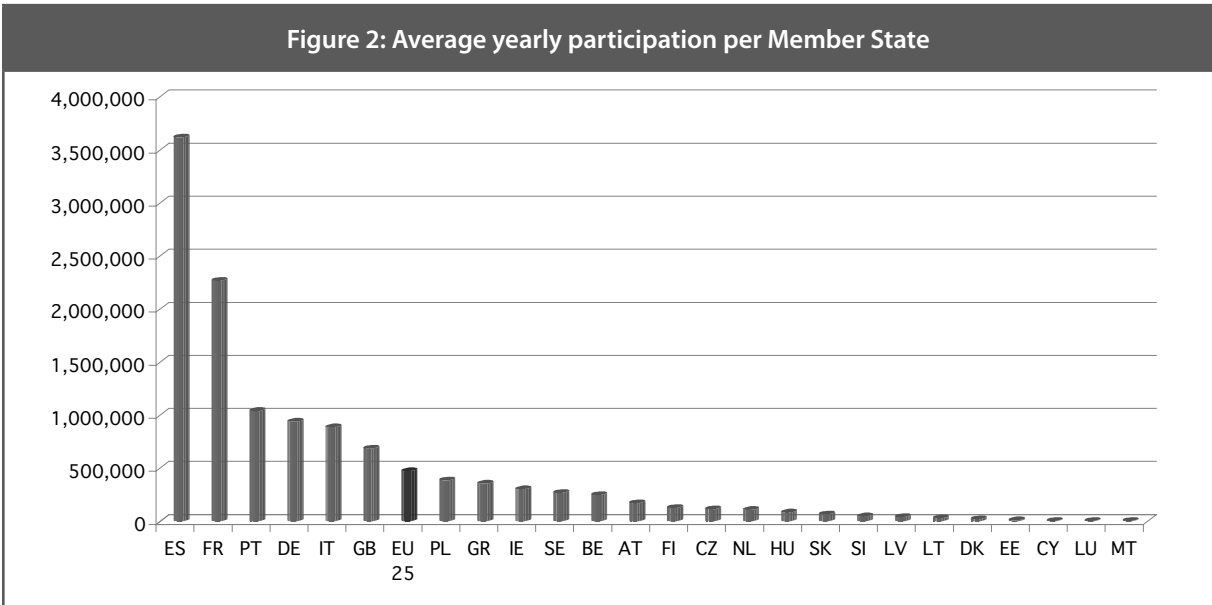
1. <http://europa.eu/scadplus/leg/en/lvb/g24203.htm>

Between 2000 and 2006 a total of 212 OPs² were implemented by either regional or national authorities in the Member States. In 2000, the ESF was open to 15 Member States. Additional OPs were set up in 2004 to accommodate the priorities of 10 new Member States. The distribution of the programmes and the total ESF co-funded expenditure per Objective is presented in Figure 1.

Between 2000 and 2006, over 75 million participants³ were involved in ESF funded activities.



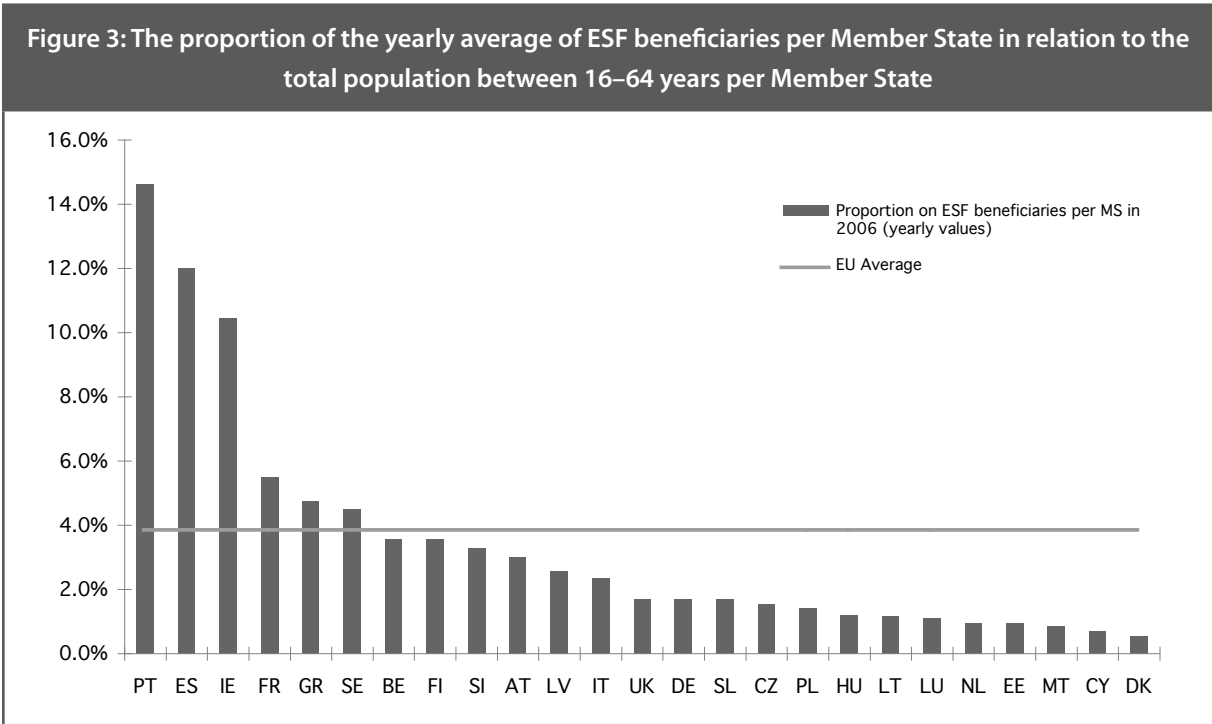
Source: EC Structural Fund Database (SFC), situation in September 2008 (2000–2006)



Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

2. The research is based on data collected for 207 OPs covering the years 2000 to 2006. The remaining programmes are technical assistance OPs and a specific transnational OP promoting the peace process in Northern Ireland. The Equal Operational Programmes are not covered.
 3. The findings are based on a total of 1,557 measures of which 1,234 have reported on participants.

This corresponds to approximately a fifth of the total population between 16–64 years⁴ in the 25 EU Member States. These figures do not take into account double counting the extent of which is unknown. Participants may have benefited from more than one ESF intervention. In the case of Portugal, no aggregated data were available so data from the different years were added up. In Spain, participants could be funded under national and regional programmes at the same time. Furthermore, for the Netherlands limited data is available.

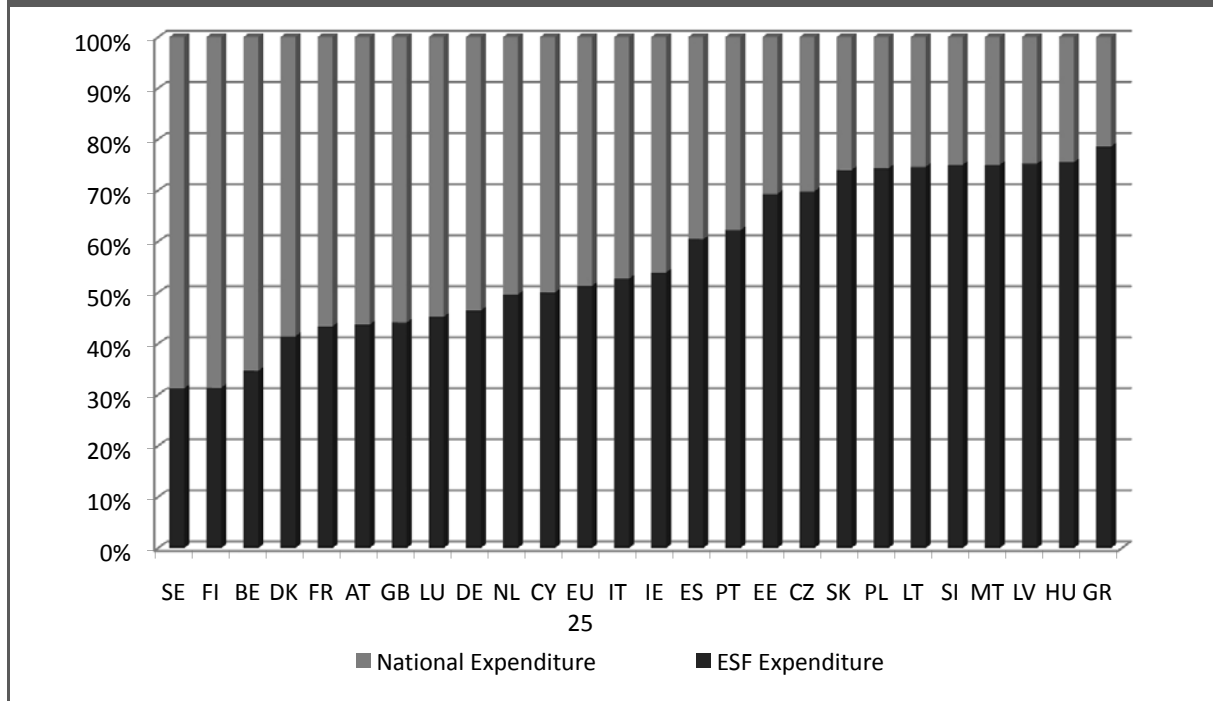


On an annual basis, ESF reached on average nearly 4% of the total EU–25 population between 16 – 64 years in the 25 EU Member States. In most of the Member States the yearly proportion of the active population benefitting from ESF money was lower. Exceptions to this were Portugal, Spain, Ireland and to a lesser extent France, Greece and Sweden. New Member States started later with the programming and this may explain the lower proportion of the active population addressed through ESF. Moreover in some Member States operational programmes focussed more on assistance to systems and structures than in others.

The total ESF community expenditure was € 54 billion in the period 2000–2006. This amount was matched, through the basic principle of co-funding within ESF with about € 51 billion from the public and private sectors in the Member States concerned. A detailed breakdown of the financial allocations per Member State is available in Annex 1.

4. Eurostat, Europe in figures, Eurostat Yearbook 2008, http://epp.eurostat.ec.europa.eu/portal/page/portal/publications/eurostat_yearbook

Figure 4: Total ESF co-funded expenditure per Member State:
proportion between ESF and Member State funds



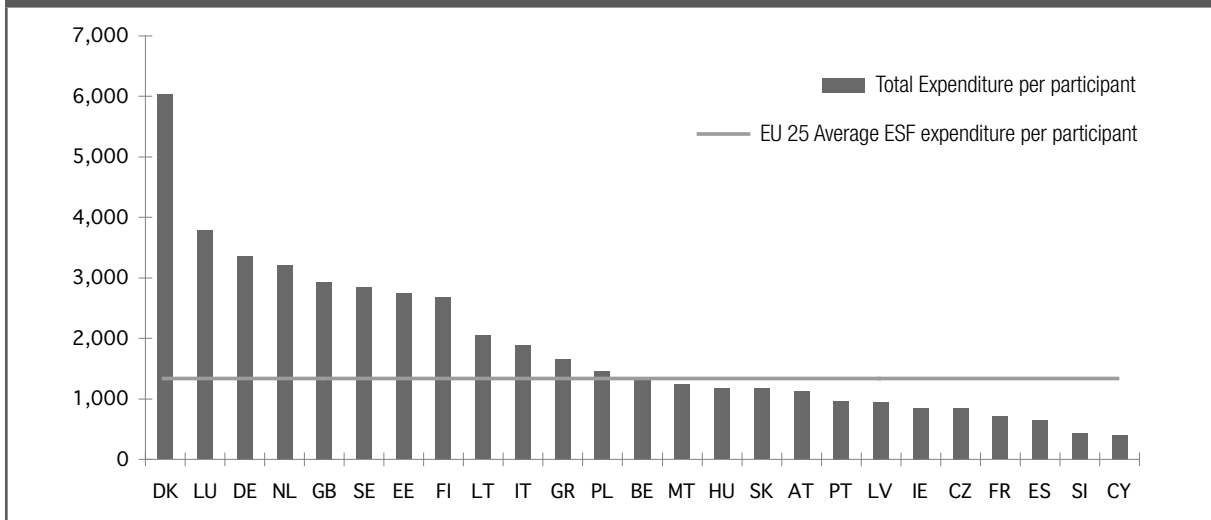
Source: EC Structural Fund Database (SFC), situation in September 2008 (2000–2006)

The average percentage of the total ESF co-funded expenditure committed by Member States to ESF activities was 51.3%. The share of the ESF budget that each Member State received depended on several factors, such as the size of the population and the objective covered⁵. On average the new Member States received a higher share of ESF funding, which can be explained by the need for these countries to catch up with the global European economy. Funding was allocated to Member States where support was most needed to ensure that the whole of EU moved forward.

The average total expenditure per ESF beneficiary was € 1,306 (€ 669 was the average ESF expenditure per beneficiary). Some Member States like Denmark and Luxembourg, but also Germany and the Netherlands exceeded this average amount considerably. This may reflect a stronger focus of the Operational Programmes on assistance to systems and structures.

5. Priority Objectives in 2000–2006 have been defined on the basis of the per capita gross domestic product (GDP). Objective 1 territory were the ones with a GDP lower than 75% of the Community average, Objective 2 programmes were aimed at helping regions with indications of industrial decline; Objective 3 programmes were not geographically targeted and delivered the European Employment Strategy. <http://europa.eu/scadplus/leg/en/lvb/g24203.htm>

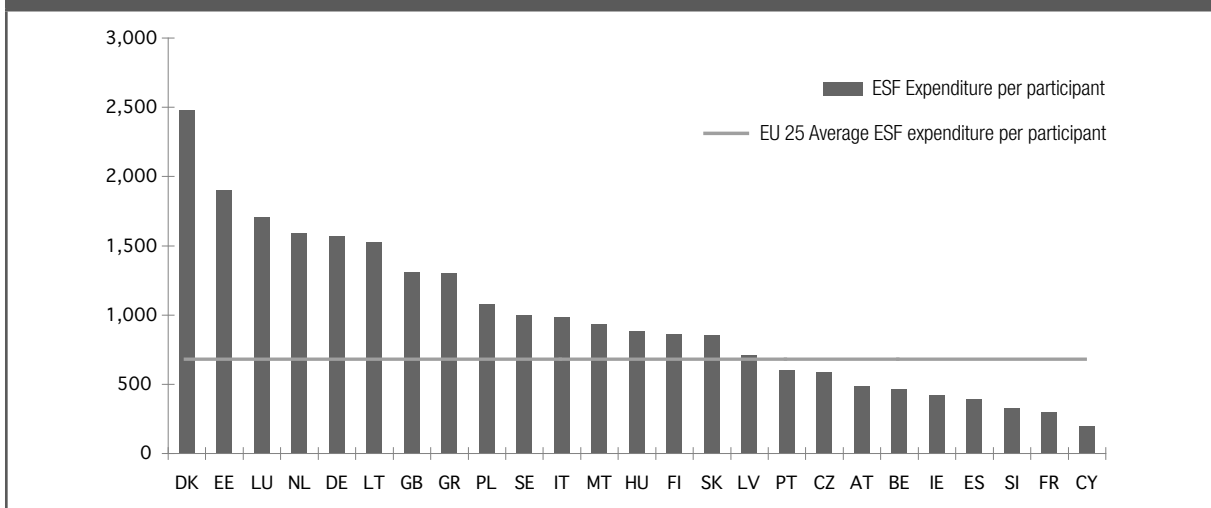
Figure 5: Total ESF co-funded expenditure per participant per Member State (in €)



Source: EC Structural Fund Database (SFC), situation in September 2008 (2000–2006) data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

The ESF supported two types of interventions, assisting people and systems. Actions targeting the enhancement of systems (e.g. capacity building in Public Employment Services or the modernisation of vocational education and training systems) will ultimately address individual beneficiaries, too. However, such programmes tend not to have the same number of participants as those interventions directly aimed at e.g. training disadvantaged sections of the population in acquiring a better position for the labour market or supporting researchers to pursue part of their work in another region or country. Member States implementing more system-related interventions had a relatively lower number of participants and therefore the average ESF budget spent on each participant may be somewhat higher.

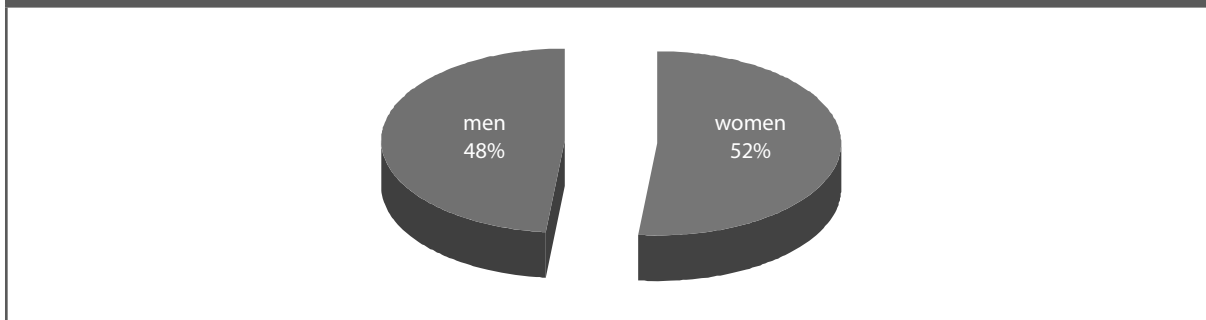
Figure 6: ESF community expenditure per participant per Member State (in €)



Source: EC Structural Fund Database (SFC), situation in September 2008 (2000–2006) data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

The ESF Regulation strongly reflected the EU's commitment to eliminate inequalities between women and men following a combined approach of gender mainstreaming and specific activities for women in different fields. ESF resulted in a balanced participation of women and men: 52% of the participants are women and 48% are men.

Figure 7: Gender breakdown of ESF participants



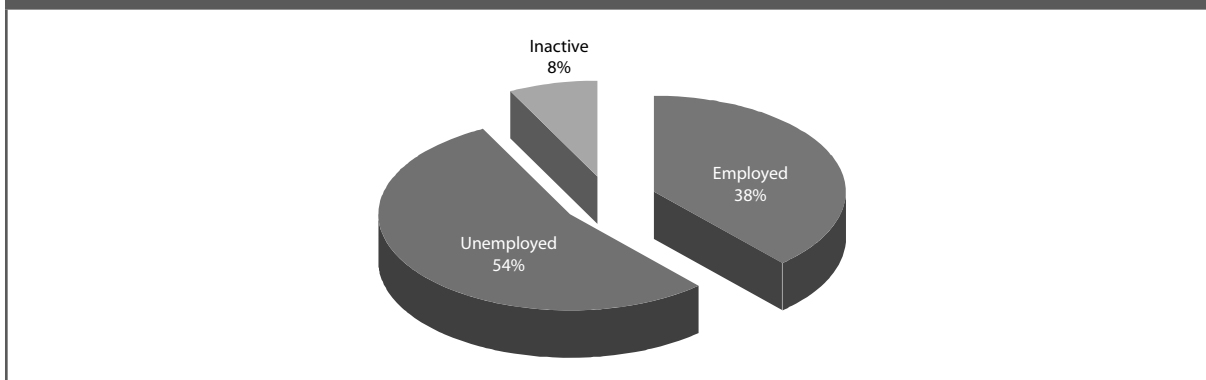
Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

Most Member States had a balanced division of male and female participants. Seven Member States had a proportion of female participants exceeding 55% (Malta, Poland, Lithuania, Ireland, Portugal, Greece and Austria where 64% of the participants were women).

37% of the ESF participants were young people (< 25 years) while 7% were beneficiaries aged 50 years and older⁶. ESF helped to prepare young people to find suitable work and to succeed in their jobs. It assisted older workers to stay in employment, by e.g. re–skilling programmes.

ESF addressed both employed and unemployed people: 54% of ESF participants were unemployed, of whom 25% were long term unemployed, 42% short term unemployed and 33% were not further specified. 38% were employed people of whom 4% self–employed. Another 7% of the participants were inactive, e.g. students.

Figure 8: Status of ESF participants in the labour market



Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

Furthermore, 700,000 projects were funded. The majority of these projects were reported by Operational Programmes in Italy and Germany. In Germany, most of the 170,000 projects funded through ESF were situated in the priority ‘promotion of the work force potential and of equal opportunities’, while in Italy about 400,000 projects were spread over various programmes and priorities.

6. These two percentages were calculated independently. For the calculation of the proportion of young people and older persons, the maximum number of data was used for each of the respective categories. The proportions were calculated on the basis of all measures including data on young people on the one hand and on older persons on the other hand.

Not all Member States have reported in the same way on results, meaning that in practice the scope and size of the results are expected to be higher.

The success rate of participants gaining a qualification was on average 34%. Success rates above 75% were achieved in Greece (97%), Estonia (89%) and Latvia (85%)⁷. 22% of the participants were integrated into the labour market. Particularly high success rates were reported by Portugal (91%) and Slovakia (72%)⁸. The success rates were largely influenced by the type of target group ESF addressed, i.e. groups at risk for which it is difficult to, for example, (re) integrate into the labour market. Moreover, not all measures aimed at the achievement of a formal qualification or at an immediate integration in the labour market.

The creation of 600,000 jobs with ESF funds was reported particularly in Spain and Greece. In Spain 152,227 jobs were created leading to self-employment. In Greece the majority of jobs were created in the framework of the programme 'employment promotion and vocational training'. This programme was entirely devoted to job creation, including actions aiming at combating (long-term) unemployment, creating conditions to ensure job positions in enterprises and strengthening the acquisition of work experience.

About 200,000 jobs were safeguarded as a result of ESF interventions. Finland and France reported particularly good results. The results in France were mainly related to the programme Midi-Pyrénées.

Programming Period 2007–2013

In the current period 2007–2013, the Structural Funds are concentrated around 3 new Objectives: (i) Convergence concerns the least developed regions, comparable to the old Objective 1, and aims to help the least-developed Member States and regions catch up more quickly with the EU average by improving conditions for growth and employment; (ii) Regional Competitiveness and Employment concerns the rest of the EU and aims to strengthen the competitiveness, employment and attractiveness of all regions; and (iii) European territorial cooperation aims at strengthening cross-border, trans-national and interregional cooperation through joint local and regional initiatives.

The ESF is supporting activities under the first two Objectives that relate to the following Priorities: (i) adaptability of workers and enterprises; (ii) improved access to employment and the sustainable inclusion in the labour market of job seekers and inactive people; (iii) reinforcing the social inclusion of disadvantaged people with a view to their sustainable integration in employment and combating all forms of discrimination in the labour market; (iv) enhancing human capital by promoting reform in education and training systems, as well as networking activities between higher education institutions, research centres and enterprises; and (v) promoting good governance, partnership and the involvement of social partners. Moreover, ESF addresses additional priorities under the Convergence Objective: (i) expanding and improving investment in human capital, in particular by increasing the participation in education and training through the life-cycle and by developing human potential in research and innovation; and (ii) improving the institutional capacity and efficiency of public administrations and public services at national, regional and local level.

7. These rates have been calculated on the number of measures on which data on participants gaining a qualification have been reported.

8. These rates have been calculated on the number of measures on which data on participants integrated into the labour market have been reported.

The current programming period features 117 OPs for all 27 Member States, including Bulgaria and Romania which did not participate at all in the previous ESF period. Half of the programmes concern Regional Competitiveness and Employment (59 OPs), while 42 OPs belong to the Convergence objective. The remaining 16 OPs contain initiatives for both objectives. The total co-funded budget available for ESF related interventions in the period 2007–2013 is € 117 billion, of which € 76 billion is contributed by the ESF. A detailed breakdown per Member State is available in Annex 1.

The programming, implementation and financing procedures for the 2007–2013 period were simplified for all Structural Funds. In so far as the ESF is concerned, the current period features a strong link with the objectives of the Lisbon Strategy for Growth and Jobs: the ESF is supporting Member States' policies to comply with the guidelines and recommendations adopted in the European Employment Strategy. The most important ESF concepts and documents across the programming periods are described in Annex 2.

In 2007 and 2008 more than 6 million participants entered ESF funded interventions. There are slightly more women (52%) than men (48%). 22% of the participants are unemployed and other 8% is long term unemployed; 14% are inactive and 18% are in education or training. The remaining group of 36% is employed and 2% is self-employed. Of this group of ESF participants in the period 2007-2008, 22% are younger than 25; while 5% are 50 years and older. Also in this programming period the ESF funding targets people in society who are more vulnerable to unemployment and social exclusion. 13% of the participants belong to one of the vulnerable groups (minorities, migrants, disabled).

C. APPROACH

This study describes the ways in which Member States took advantage of the financial means offered by the ESF to promote adaptability of enterprises and continuing training of workers. It does not attempt to make any evaluation or judgement about the effectiveness of planned/realised initiatives but rather has as its goal to offer an overview – as comprehensive as possible – of initiatives implemented across the Member States and their achievements.

The report is based on the available EU policy documents and available data in the field of adaptability. The findings on implemented actions and their outcomes are formulated on the basis of the database created by BBI for the purpose of data processing. Information and data were collected primarily from the Operational Programmes drafted by the Member States and regular reports on the progress of these programmes – Annual Implementation Reports and Mid–Term Reviews.

The research work took place in various stages. First of all, the selection of the relevant measures from the 2000–2006 period was performed by reading the title and the content of all ESF measures implemented in the 2000–2006 financing period. As a result of this search a list of relevant measures was drafted – it is provided in Annex 3 to this report.

Secondly, materials for the relevant measures were collected in the various ESF programming and implementation documents. The materials contain both quantitative and qualitative information. The latter was provided mainly

through the Operational Programmes and Programme Complements that describe the planned interventions, while the Annual Implementation Reports contained above all quantitative information in the form of outcome indicators. Other outcome related information was found in the (Updated) Mid Term Evaluations.

The third step consisted in processing the collected information. All outcome indicators for the relevant measures have been reviewed, collected, standardised and, where appropriate, processed. The results of this quantitative research constitute the backbone of this study and are described in Annex 4. It was necessary to standardise the indicators in order to obtain results that are comparable across programmes and Member States.

This report mainly deals with the ESF programmes covering the period 2000–2006. The budget information was gathered from the SFC (EC structural funds financial database). The figures given in the report reflect the situation as available on 2 September 2008. All information on the 2000–2006 programme finances in the text refers to the expenditure claimed by the Member States, not to amounts budgeted or disbursed.

The EC made available a series of documents on the current ESF programming period, in particular summaries (in English) of the individual Operational Programmes, the allocation of the planned interventions into domains and sub-domains, and the foreseen budget per programme and per theme. A key-word search was performed on the Operational Programme summaries to identify relevant interventions in the field of Adaptability in the period 2007–2013. The budget information is taken from the EC Structural Funds database, in the version available in May 2009, and refers to the amounts budgeted. The list with relevant priority axes is provided in Annex 5 to this report.

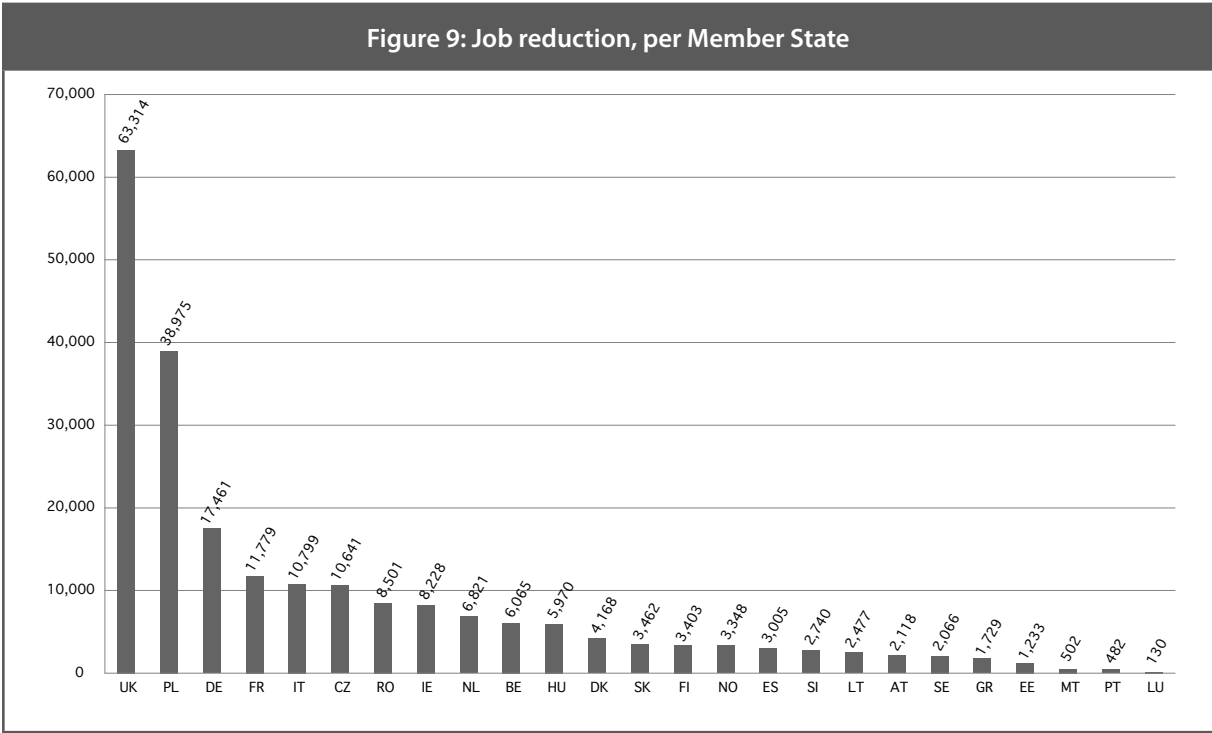
For both financing periods the identification of relevant information was done as thoroughly as possible in order to provide a comprehensive report. Nevertheless, given the quantity and variety of source documents it is possible that individual relevant activities might have been overlooked. However, the scope for mistakes should be fairly small and hence any possible errors should not affect the overall picture presented in this report.

Chapter 1 – General Context

A. TRENDS AND RELEVANT CONCEPTS

Continual change is a condition of the modern economy. It is not a single event any more, but an extended process of economic activity and development. Against this background, improved adaptability of enterprises and continuous training of workers is a pre-condition for timely and effective adaptation to change, both external and internal.

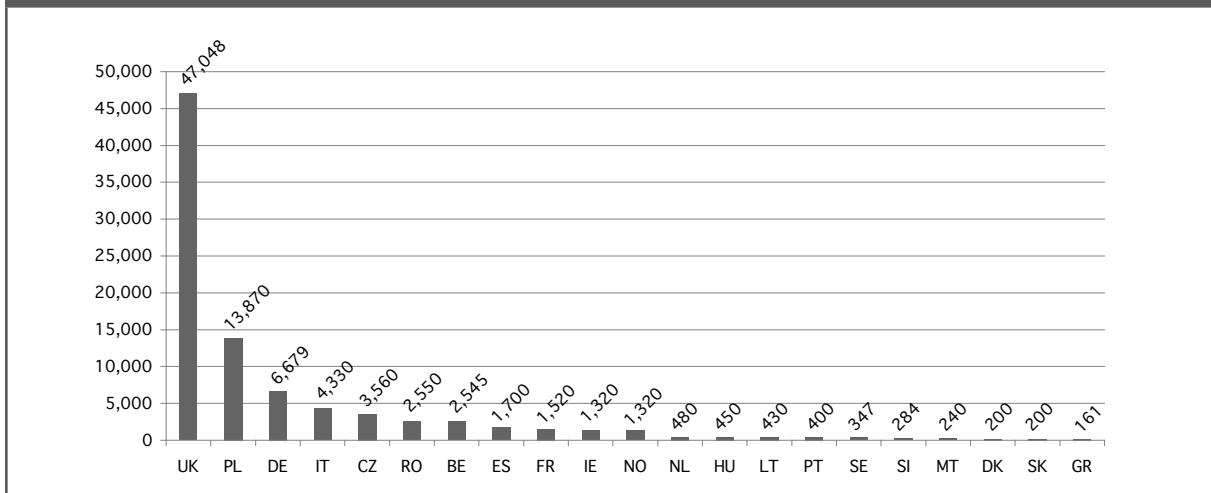
It is clear that processes of restructuring, mergers and acquisitions, bankruptcies, relocations and transfers are an everyday reality in Europe. According to the European Restructuring Monitor (ERM⁹) a total of 721 cases of major restructuring were recorded in the European Union between 1 January 2009 and 31 March 2009, including 113 cases of bankruptcy or closure and 4 cases of merger and acquisition. Some 220,000 job losses and 90,000 job gains were announced as a result of these changes. The real figures may be much higher. For the first quarter of 2009, the ERM Quarterly has recorded the highest number of announced job losses since it started monitoring restructuring in the EU in 2002.



Source: European Restructuring Monitor, Issue 1, Spring 2009, p. 8, published by the European Foundation for the Improvement of Living and Working Conditions

9. <http://www.eurofound.europa.eu/emcc/erm/index.php?template=quarterly>.

Figure 10: Job creation, per Member State



Source: *European Restructuring Monitor, Issue 1, Spring 2009, p. 8, published by the European Foundation for the Improvement of Living and Working Conditions*

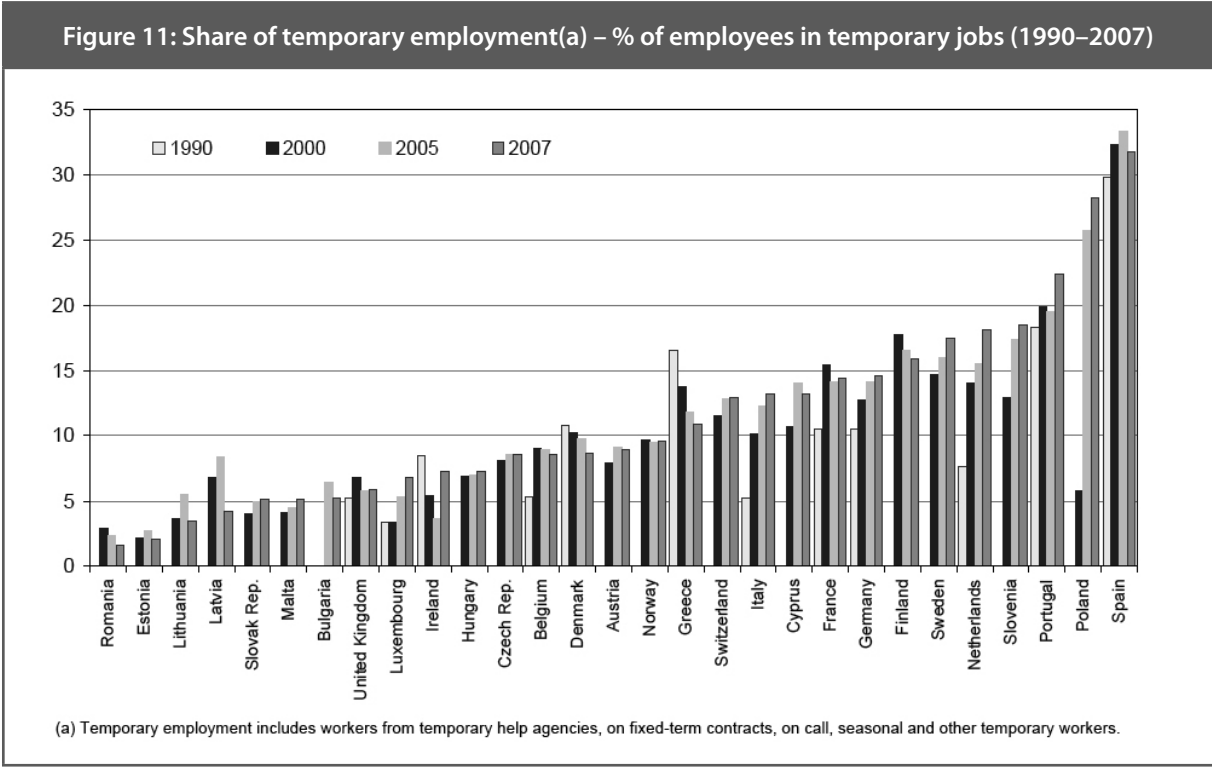
As can be seen from Figures 10 and 11 above the pace of job creation is not the same as the pace of job loss, but it is worth pointing out that the same Member States that lost the largest number of jobs (the UK, Poland and Germany) are also the Member States where the process of new job creation was the most effective. This implies significant demand for adapting workforce qualifications. Without appropriate initiatives workers losing jobs are usually not ready to take up newly created jobs and substitution may occur instead of adaptation. All these processes show that enterprises change constantly and that their workforce has to respond to these changes to remain in employment or to find employment outside the company.

Besides permanent economic change, there are numerous factors that have also contributed to an intensification of various forms of restructuring operations in Europe in recent years. In its Communication on Restructuring and Employment – *Anticipating and accompanying restructuring in order to develop employment: the role of the European Union* – the European Commission¹⁰ has underlined in particular the following factors which are triggering economic change and restructuring:

- The development of the European single market and the opening-up of economies to international competition which represent new opportunities in terms of economic dynamism and competitiveness for enterprises and the creation of high-quality jobs.
- Technological innovation which also triggers economic change and restructuring. While new Information and Communication Technologies (ICT) are making international trade and the coordination of production faster and cheaper, the development of new manufacturing processes and production methods is creating a move towards high-quality jobs which are also requiring other types of training.
- The development of the regulatory framework, e.g. the introduction of new regulations or deregulation is triggering changes on product and labour markets.
- Economic change and restructuring are also determined by major changes in consumer demand occurring, for example, as a result of the new needs of an ageing population, greater sensitivity to environmental issues or changes in the geography of world demand.

10. COM (2005)120 final, *Restructuring and employment. Anticipating and accompanying restructuring in order to develop employment: the role of the European Union* (Brussels: 31 March 2005) 3

An adaptable enterprise is an enterprise capable of tuning its operation to current and emerging economic conditions and managing its workforce in a flexible way. This requires innovative products and services, effective management of the company and a creative approach to human resources management and work organisation systems. One of the features of the adaptable enterprise is introducing new work organisation often combined with the use of temporary workers. These flexible work arrangements allow the tuning of enterprise capacity to market demand by responsive solutions to economic slowdown or the need to speed up production processes. Figure 12 presents the trends in temporary employment between 1990 and 2007.



Source: CESifo DICE Report on the basis of Eurostat (Database), accessed 27 October 2008, <http://www.cesifo-group.de/portal/page/portal/DICE_Content/LABOUR_MARKET_AND_MIGRATION/LABOUR_MARKET/LM085_EMPLOYMENT/share-temp-empl07--nov02.pdf>

In these rapidly changing economies, an important role is played by SMEs. At present there are some 23m SMEs in the EU, which constitute 99% of all enterprises (See Table 1). They provide 100m jobs and in some sectors may account for as much as 75% of all jobs. Whilst some SMEs offer very traditional services or craft products, many others are fast-growing high-tech companies¹¹. According to the latest survey from the Observatory of European SMEs carried out at the end of 2006 and early 2007 in the EU-27, about 3 out of 10 SMEs indicated that they have new products or that they have income from new products. The share of SMEs which reported innovations is higher in the old EU Member States than in the new Member States¹². SMEs, in addition to their capability to innovate and provide high value added products/services, are also important job-creators and employers.

11. European Commission, Facts and figures – SMEs in Europe <http://ec.europa.eu/enterprise/entrepreneurship/facts_figures.htm>
 12. European Commission, 2007 Observatory survey <http://ec.europa.eu/enterprise/enterprise_policy/analysis/observatory_en.htm>

Table 1: Key Indicators for enterprises in the non-financial business economy, EU-27, 2005

CATEGORY	TOTAL	SMEs	MICRO	SMALL	MEDIUM	LARGE
Number of enterprises (million)	19.65	19.60	18.04	1.35	0.21	0.04
<i>Share in total (%)</i>	<i>100.0</i>	<i>99.8</i>	<i>91.8</i>	<i>6.9</i>	<i>1.1</i>	<i>0.2</i>
Persons employed (million)	126.7	85.0	37.5	26.1	21.3	41.7
<i>Share in total (%)</i>	<i>100.0</i>	<i>67.1</i>	<i>29.6</i>	<i>20.6</i>	<i>16.8</i>	<i>32.9</i>
Value added (€ billion)	5,360	3,090	1,120	1,011	954	2,270
<i>Share in total (%)</i>	<i>100.0</i>	<i>57.6</i>	<i>20.9</i>	<i>18.9</i>	<i>17.8</i>	<i>42.4</i>
Apparent labour productivity	42.3	36.4	29.9	38.7	44.8	54.5
<i>Relative to total (%)</i>	<i>100.0</i>	<i>86.1</i>	<i>70.7</i>	<i>91.5</i>	<i>105.9</i>	<i>128.6</i>

Source: Eurostat, *Industry, trade and services, Statistics in focus, 31/2008, p. 1*

SMEs in Europe employ 67.1% of all workers, the majority of whom are employed in microenterprises. The share of employment does not correspond to productivity levels. Labour productivity is the lowest in the smallest firms and the highest in large enterprises. It is linked, among other things, to a limited capacity for organisational development as well as human resource skills shortages. When asked what challenges they faced, SMEs reported insufficient assistance in company development processes and an inability to attract well-skilled employees¹³. In the case of SMEs these shortages are especially dangerous as SMEs either adapt effectively to changes or quickly disappear from the market. Supporting SMEs to ensure they have the right know-how and technologies at their disposal contributes to strengthening a more stable economy.

An adaptable workforce consists of employees who have acquired transferable competences, which allow them to take up different professional roles within an enterprise and also outside of it, if the need arises. This requires continuous updating of skills according to the demands of the labour market. The share of workers taking part in the continuing vocational training programmes remains relatively low in EU-27. According to the Continuing Vocational Training Survey 2005 (CVTS3)¹⁴, in the EU-27 only 33% of the workforce participated in Continuing Vocational Training (CVT) programmes, which represented only 34% of the total male workforce and 31% of the total female workforce participating in the CVT programs (See Table 2). The time spent on CVT ranged from 4 to a maximum 16 hours per employee per year.

13. European Commission, *Facts and figures – SMEs in Europe* <http://ec.europa.eu/enterprise/entrepreneurship/facts_figures.htm>

14. This survey (CVTS3) followed in 2005 the first and second Continuing Vocational Training Surveys carried out in 1995 and 2000, and formed part of a wider investigation spanning 28 European countries – the (now) EU 27 plus Norway. The Statistical Office of the European Commission (Eurostat) undertook coordination of the study.

Table 2: Share of employees having participated in CVT courses and CVT hours (2005, EU-27)

	Total	Men	Women	Total CVT hours per year per worker	CVT hours per 1000 hours worked		Total	Men	Women	Total CVT hours per year per worker	CVT hours per 1000 hours worked
Area						Area					
EU27	33	34	31	9	5	HU	16	16	15	6	3
EU25	34	34	32	9	6	IT	29	29	28	7	5
AT	33	36	30	9	5	LT	15	15	14	5	3
BE	40	40	39	12	9	LU	49	48	51	16	9
BG	15	16	13	4	3	LV	15	14	15	4	2
CY	30	30	30	7	4	MT	32	30	36	11	7
CZ	59	63	52	14	8	NL	34	36	31	12	8
DE	30	32	27	9	6	PL	21	21	20	6	4
DK	35	32	39	10	9	PT	28	29	27	7	4
EE	24	23	26	7	4	RO	17	18	17	5	3
ES	33	33	35	9	5	SE	46	47	45	15	10
FI	39	38	41	10	6	SI	50	48	55	14	8
FR	46	47	43	13	8	SK	38	42	31	12	7
GR	14	13	15	3	2	UK	33	32	34	7	3

Source: Continuing Vocational Training Survey (CVTS3) reference year 2005, Eurostat 2009: No data on IE.

Table 2 clearly shows that a relatively modest number of workers participated in CVT courses and that the time spent on CVT per individual employee was rather limited, especially when analysed in relation to the total time worked. One of the reasons for this is a lack of funds for training. The tendency is also that training budgets are cut when the situation of an enterprise worsens. Vocational training and development initiatives are still treated rather as a cost and not as an investment. According to the results of CVTS3 in all European countries the budget for CVT programmes constitutes a relatively small percentage of the total labour cost – between 0.6% and 2.7%.

The situation of employees from the SME sector is even worse than in the big enterprises. According to Eurostat data, 41% of the employees from large companies participated in CVT courses, while only 21% in the small enterprises and 29% in the medium-size enterprises (See Table 3).

Table 3: Employees having participated in CVT courses, by gender and enterprise size (in %), (EU-27, 2005)

	Total	Men	Women
Enterprise size			
% of all employees in all types of enterprises	33	34	31
Enterprises employing 10–49 employees	21	21	20
Enterprises employing 50–249 employees	29	29	27
Enterprises employing >250 employees	41	43	39

Source: Continuing Vocational Training Survey (CVTS3) reference year 2005, Eurostat, 2009

This situation bears significant consequences because in the SME sector employees are a vulnerable group and are the first to be influenced by changes, both internal and external ones. Without appropriate training they may not be ready to adapt effectively. The problem is also a “skills divide” that is created between employees from big companies and employees from the SMEs sector. The latter are left behind and equipped with obsolete skills while the former advance and become more skilled, and therefore adaptable.

The level of participation in CVT courses varies across Member States. There are Member States where the participation rate in CVT courses is well above the EU–27 average, for example the Czech Republic with a 67%–participation rate or Luxembourg with a 60%– participation rate and Slovenia (58%). Nevertheless, even in the Member States with a higher than average participation rate in CVT courses significant differences are found between different age categories (See Table 4). Employees aged 25–54 got most of the training, while older workers, people aged 55+, get much shorter training – the differences may reach even up to 15 percentage points (Estonia).

Table 4: Percentage of employees having participated in CVT courses, by age groups, (EU–27, 2005)

	Total	0–24	25–54	>55		Total	0–24	25–54	>55
AT	38	42	39	25	LT	28	32	29	16
BE	51	49	52	37	LU	60	54	61	39
BG	33	39	34	21	LV	27	30	28	14
CY	43	30	41	20	MT	52	55	53	39
CZ	67	63	69	60	NL	39	31	43	27
DE	39	34	41	27	PL	36	32	37	23
DK	37	32	38	38	PT	46	44	48	31
EE	32	33	35	19	RO	31	34	31	21
ES	51	46	53	36	SE	51	44	54	41
FI	46	32	49	38	SI	58	57	60	37
GR	28	29	29	15	SK	56	50	58	48
HU	23	18	25	13	UK	39	40	41	30
IT	49	43	51	38					

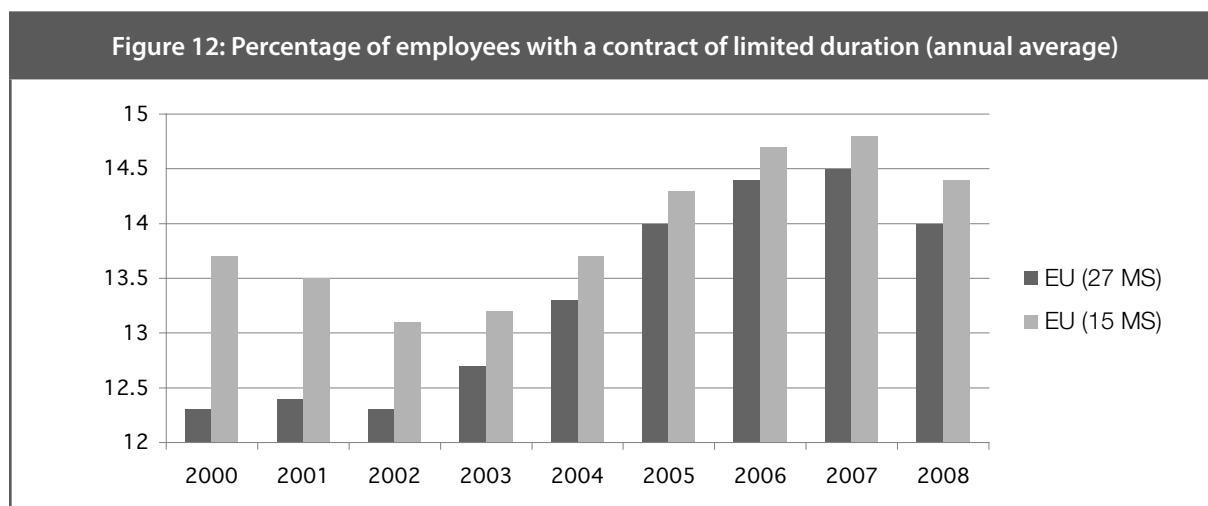
Source: Continuing Vocational Training Survey (CVTS3) reference year 2005, Eurostat, 2009: No data on FR and IE.

As a result of demographic and societal changes, such as ageing society, an unfavourable balance between the people working to retired people or the fact that older people are healthier and willing to stay active professionally, people are likely to stay in employment longer. They have to acquire new competences, sometimes even to re-qualify, to cope with changes in their profession or a change of profession itself. As a consequence, older workers should be guaranteed the same access to vocational training as is guaranteed to younger workers. Across the EU–27 the rate of employment of older workers is still very low – approximately only 45% aged 55 and older remained in employment (See Table 5). This is still very far from the Lisbon Strategy objectives that set the goal for the employment of older workers at the level of 50% by 2010.

Table 5: Percentage of older workers in employment (workers aged 55 – 64)								
Member State	2000	2001	2002	2003	2004	2005	2006	2007
EU (27 MS)	36.9	37.7	38.5	40.0	40.7	42.3	43.5	44.7

Source: Eurostat database 2009, <<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsiem020>>

Another feature of the modern labour market is the growing number of people employed on a short-term basis. The employment framework may vary from self-employment to employment on fixed term contracts, but the tendency to replace regular employment contracts with other types of arrangements is growing as can be seen from Figure 13.



Source: *Employment in Europe 2007: Statistical Annex EC*, Eurostat 2009 <<http://www.eurofound.europa.eu/emcc/erm/index.php?template=quarterly>>

The research (for example CVTS2) has shown that the majority of people who receive the most training in enterprises are regular employees working full-time. Accessibility of training programmes for people employed on fixed-term contracts or working half time is often limited. Taking the above into consideration, continuing vocational training for irregular and/or fixed-term workers is especially important as they usually face the need to change jobs most often. As a consequence, they have to maintain their employability – make sure their skills correspond to the needs of the labour market – to be able to make this change effectively and not to experience unemployment.

Both adaptability of workers and adaptability of enterprises are essential for ensuring better equilibrium on the labour market as well as balancing shortages and surpluses of labour force and its competences. Moreover, adaptability of enterprises and adaptability of workers are inter-related. Skilled and flexible workers are a pre-condition for adaptable enterprises, while adaptable enterprises usually invest in developing the transferable competences of their workforce. Continuing training of workers is also crucial for workers so they can pursue their professional career outside enterprises, often by setting-up their own businesses. This opportunity is especially important for workers threatened by redundancy. Their employability may depend on their capacity to become self-employed.

As regards benchmarks, it is quite difficult to define clear indicators and measures for the adaptability of workers and enterprises. While some researchers have tried to measure adaptability mainly based on the share of the adult population with tertiary levels of education¹⁵, a more frequently used indicator for the adaptability theme has been the participation of workers in further and continuing vocational education. There is a general consensus that continuing vocational training has become increasingly important for both workers and firms, given the long-term trends and the particularities of the structural changes that have affected modern economies over past decades. Nevertheless, there remain very sharp differences among EU Member States in terms of levels of training, as shown by the results of the fourth European Working Conditions Survey¹⁶. In 2005, the Nordic countries such as Finland and Sweden ranked first in terms of the amount of training received by workers at work (50 to 60%). At the other end of the scale are most Southern, Central and Eastern EU Member States, where the levels of training are very low, barely reaching 20% of employees.

International developments confirm the most important characteristics found in the EU trends. The IBM findings published in the IBM Global Human Capital Study 2008 identified three key capabilities crucial for the workforce's ability to adapt to change. The first is ability of organisations to predict their future skills needs, the second is effective allocation of competences across the organisation, and the third is ability to create teams of experts with appropriate competences to carry out tasks. Sometimes the ability to set up teams requires going beyond the organisation's boundaries in search of partnerships necessary for implementing a project¹⁷.

Adaptability is considered to be a big challenge for enterprises. According to the above mentioned study 53% of enterprises perceived themselves as being adaptable, while only 14% described themselves as "very adaptable". The majority of the most adaptable enterprises (80%) reported that the ability to predict future skills in a three- to five year-perspective was crucial to their adaptability level, while only 13% of the researched organizations believed they were able to effectively make such predictions. The key success factor is not only defining key competences, but also skills anticipation – acquiring or sourcing required skills before they are needed. Another "adaptability success factor" seems to be effective allocation of experts. Such an allocation implies that organisations keep track of the competences of their workforce and are able to allocate them effectively, for example by introducing job rotation schemes or by the means of *ad-hoc* created expert teams. These initiatives are critical for the effective management of change and successful allocation of available resources. Last but not least, organisations reported the need to be able to cooperate and form partnerships. Among the barriers to sharing knowledge and experience are many organisational obstacles (too much hierarchy, rigid work organisation and subordination patterns) and lack of soft skills required for effective cooperation.

A more holistic and systematic approach to creating enterprise and workforce adaptability is required. Proposed initiatives should encompass actions aimed at preparing both enterprises and workers for economic change (anticipation), at effective allocation of resources (management) and at providing support for easing effects of change (mitigation).

15. A. Arundel, et.al. *The organization of work and innovation performance: A comparison of the EU-15*, cited in the "Employment in Europe Report 2006", (2006) 188

16. European Foundation, *Fourth European Working Conditions Survey* (Dublin: 2007)

17. IBM Global Business Services, *Unlocking the DNA of the Adaptable Workforce, The Global Human Capital Study 2008*, 2 <<http://www-935.ibm.com/services/us/UKs/bus/pdf/g510-6647-00.pdf>>

B. ADAPTABILITY AS A TARGET OF EU POLICY

The legal grounds for EU policy in the field of adaptability are based on Community Law and the ESF Regulations being the “legal guidebook” for each programming period. According to Article 125 of the EC Treaty of Amsterdam setting grounds for the EU and Member States activities in the field of employment, Member States and the Union shall “*work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce and labour markets responsive to economic change*”. Article 146 of the Treaty establishing the ESF and its objectives refers to vocational training and retraining as tools to “*facilitate adaptation to industrial change and to changes in production systems*”¹⁸. The 2006 ESF Regulation stipulates that the European Social Fund shall support actions in Member States aiming at “*increasing adaptability of workers, enterprises and entrepreneurs with a view to improving the anticipation and positive management of economic change*”.¹⁹

The concept of “Adaptability” emerged at the end of the 1990s in the context of the EU policy together with the overall objective to create more and better jobs, and was addressed in particular through the European Employment Strategy (EES). Since 1997 the European framework of adaptability has been translated into the Employment Guidelines, where encouraging adaptability of businesses and workers is a major element. One of the major four integrated pillars of the 1998 Employment Guidelines was “*encouraging adaptability in business and their employees*”; “Adaptability” in this document is understood as a double strategy of modernizing work organization and supporting adaptability in enterprises. It means, in particular, introducing flexible working arrangements and different types of contracts etc. in order to increase the productivity and competitiveness of enterprises. The other aspect of adaptability of enterprises mainly referred to removing existing obstacles (in particular tax obstacles) to investment in human resources and employment creation by enterprises. In 2001, the concept of adaptability was extended by a direct reference to supporting adaptability in enterprises as a component of the European Strategy on Lifelong Learning. According to this Strategy, renewing skills levels within enterprises should be regarded as a key component to lifelong learning.

The concept of adaptability continued to be a major pillar of the European Employment Strategy after 2003. When in 2003, the Kok-Taskforce carried out an in-depth examination of key employment related policy challenges in the context of an examination of the European Employment Strategy, the challenge of increasing the adaptability of workers and enterprises was mentioned in the first place²⁰.

Moreover, since 2003, the issue of adaptability has been increasingly connected to the issues of restructuring and managing change as well as flexibility and security. Under the general objective of “*addressing change and promoting adaptability and mobility in the labour market*” the following aspects were mentioned as important challenges:

- adjusting contractual and working arrangements to a better balance between work and private life and between flexibility and security;
- ensuring better access for workers, in particular low skilled workers, to training;

18. Treaty of Amsterdam amending the Treaty on European Union, the Treaties establishing the European Communities and related acts, Art. 125, Official Journal C340, (10 November 1997)

19. Regulation (EC) No. 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999, Official Journal of the European Union, L210/12, (31 July 2006)

20. European Commission, Jobs, Jobs, Jobs – Creating more employment in Europe, Report of the Employment Taskforce chaired by Wim Kok (Brussels: November 2003)

- improving working conditions, including health and safety;
- developing and disseminating innovative and sustainable forms of work organization, which should support labour productivity and the quality of work;
- working towards anticipation and positive management of economic change and restructuring.

The issue of adaptability was also an important aspect of the main challenges which have been described in the context of the “Integrated Guidelines for Growth and Jobs 2005–2008” approved by the European Council in 2005. The Adaptability issue has found its place in the Employment Guidelines as Guideline 21: *“Promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners”*. According to the Employment Guidelines 2005–2008, for enterprises adaptability means introducing modern forms of work organization to meet the expectations of their workers, adapting to constant changes in demand for their products and services as well as being able to innovate on a regular basis and to face the challenge of increasing demand for job quality. Adaptability of workers is associated with more and more diversified working patterns and the requirement to successfully cope with multiple transitions that workers have to undergo during their longer working life. Moreover, workers have to get used to ICTs in their everyday professional life as well as to new ways of working and, last but not least, they have to be ready to update their skills constantly and acquire new skills.

The focus of the Employment Guidelines 2005–2008 has shifted towards the issue of anticipating restructuring and managing change and the concept of “flexicurity”, but the objective of increasing adaptability of enterprises and workers is still regarded as a key objective of EU policy. The Integrated Employment Guidelines stressed the demand for the Member States to improve adaptability of workers and enterprises. At the same time, the concept of combining flexibility and security was introduced: *“Europe needs to improve its capacity to anticipate, trigger and absorb economic and social change. This requires employment–friendly labour costs, modern forms of work organisation and well–functioning labour markets allowing more flexibility combined with employment security to meet the needs of companies and workers”*²¹.

The importance of the Adaptability field has grown significantly from 2000–2006 to the 2007–2013 programming period. Already in 2004 at the Thematic Review Seminar of the European Employment Strategy (EES), it was stated that the modern economy faces the challenge of globalization and restructuring processes and the only effective response to these challenges is the adaptability of enterprises and workers. This observation resulted in a more explicit support of the ESF towards modernization of work organization, adaptability, qualification and change management. The European Commission defined three priority areas:

- ensuring work environments of a good quality;
- introducing flexible work organization and promoting work–life balance;
- developing partnerships for modernisation and change with participation of all stakeholders, and social partners in particular²².

21. Council Decision 2005/600/EC of 12 July 2005 on guidelines for the employment policies of the Member States COM(2005) 141 final

22. Thematic Review Seminar of the European Employment Strategy, *Increasing Adaptability of Workers and Enterprises*, (Brussels: 21 September 2004); Summary of the Thematic Review Seminar <http://pdf.mutual-learning-employment.net/pdf/thematic%20review%2004/en-summary_TRS_Sept04_final_6.12.04%20EN.pdf>

The emerging policy context of adaptability as a major objective of European employment and economic policy is also reflected in the reform of the European Structural Funds and the new funding period 2007 – 2013. The programming, implementation and financing procedures for the 2007–2013 period were simplified for all Structural Funds. The current programming period is characterised by a strong link between ESF and the objectives of the Renewed Lisbon Strategy for Growth and Jobs. The ESF supports Member States' policies to comply with the guidelines and recommendations adopted in the European Employment Strategy.

Chapter 2 – ESF Interventions and Achievements

A. ADAPTABILITY OF ENTERPRISES AND CONTINUING TRAINING OF WORKERS AS A TARGET OF ESF SUPPORT

There are two important documents for each programming period: the Regulation laying down general provisions for the European Structural Funds 2000–2006 and 2007–2013 and the separate regulations on the ESF for both periods.

In the Regulation laying down general provisions for the European Structural Funds 1999²³ it is said that one of the most important priorities of the Structural Funds was developing employment through improving the adaptability and skills of people under Objective 1 (Art. 17 and 19). The ESF Regulation 1999²⁴ in Article 2.1 defined more precisely the scope of the ESF interventions aimed at developing adaptability: *“The Fund shall support and complement the activities of Member States directed towards developing the labour market and human resources in the following policy fields, in particular in the context of their multiannual national action plans for employment: (...):*

(c) promoting and improving training, education, counselling as part of lifelong learning policy to facilitate and improve access to, and integration into, the labour market; improve and maintain employability; and promote job mobility;

(d) promoting a skilled, trained and adaptable workforce, innovation and adaptability in work organisation, developing entrepreneurship and conditions facilitating job creation, and enhancing skills and boosting human potential in research, science and technology (...).”

In the 2007–2013 programming period the ESF supports adaptability activities under two objectives, Convergence and Regional Competitiveness and Employment. The Regulation laying down general provisions for the European Structural Funds 2006 defined adaptability as an important aim of the Convergence objective (Art. 3.2a): *“the Convergence objective, which shall be aimed at speeding up the convergence of the least–developed Member States and regions by [...] adaptability to economic and social changes [...]”* as well as of the Regional Competitiveness and Employment objective (Art. 3.2b): *“the Regional competitiveness and employment objective, which shall, outside the least–developed regions, be aimed at strengthening regions’ competitiveness and attractiveness as well as employment by anticipating economic and social changes [...] and [...] adaptability of workers and businesses”*²⁵.

23. Council Regulation (EC) No 1260/1999 (21 June 1999) laying down general provisions on the Structural Funds

24. Regulation (EC) No 1784/1999 of the European Parliament and of the Council (12 July 1999) on the European Social Fund

25. Council Regulation (EC) No 1083/2006 (11 July 2006) laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999

The ESF Regulation 2006²⁶ stipulates that the ESF should support policies of Member States, which are closely in line with the European Employment Strategy and the relevant Community objectives in relation to, among others, education and training (point 7). One of the most important objectives of the ESF is to support better anticipation and management of change through improving adaptability of workers and enterprises (point 9).

In Article 3.1, scope of assistance, the ESF Regulation describes how adaptability of workers and enterprises can be improved: *“Within the framework of the Convergence and Regional competitiveness and employment objectives, the ESF shall support actions in Member States under the priorities listed below:*

- (a) increasing adaptability of workers, enterprises and entrepreneurs with a view to improving the anticipation and positive management of economic change, in particular by promoting:*
 - (i) lifelong learning and increased investment in human resources by enterprises, especially SMEs, and workers (...);*
 - (ii) the design and dissemination of innovative and more productive forms of work organization (...) for workers in the context of company and sector restructuring;*

- (b) enhancing access to employment and the sustainable inclusion in the labour market of job seekers and inactive people (...) in particular by promoting*
 - (i) the modernisation and strengthening of labour market institutions (...);*
 - (ii) the implementation of active and preventive measures ensuring the early identification of needs with individual action plans and personalised support (...);*
 - (iii) mainstreaming and specific action to improve access to employment (...).”*

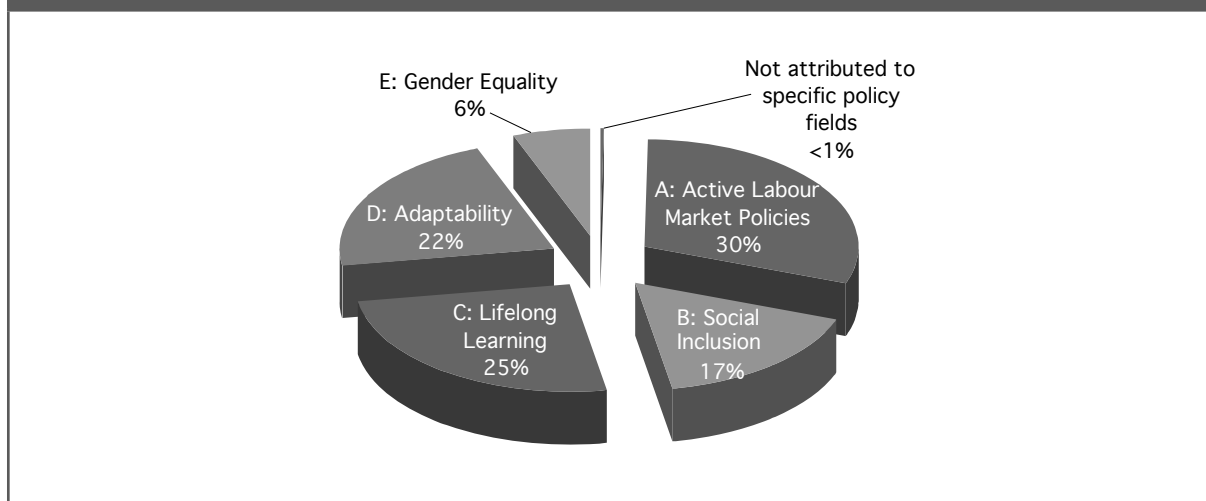
Under the Convergence objective, public expenditure is entitled to a 75% co-financing. In some cases it can be raised to 80% or 85% in the Member States covered by the Cohesion Fund or outermost regions. Under the Regional Competitiveness and Employment objective public expenditure is entitled to a 50% co-financing, which can be raised to 85% in case of the outermost regions.

Since 1999, the ESF has been a key mechanism of financial support for implementing the European Employment Strategy (EES) expressed in annual Employment Guidelines. One of the EES priorities is “Adaptability”, which is financed from the ESF funds earmarked for policy field D. While most of the adaptability interventions have been programmed by the EU Member States in this policy field, some activities falling under other policy fields (active labour market policies or lifelong learning) of the ESF regulation have also been used by the Member States to foster adaptability of companies and workforce. Figure 14 presents the proportional allocation to each policy field²⁷.

26. Regulation (EC) No 1081/2006 of the European Parliament and of the Council (5 July 2006) on the European Social Fund and repealing Regulation (EC) No 1784/1999

27. Figures have been rounded, so they may not add up to the total.

Figure 13: Budgetary allocations per policy field (EU25)



Source: Data compiled by BBI on the basis of EC Structural Fund Database (SFC), situation on 2 September 2008

In order to report on ESF achievements in the area of adaptability of workers and enterprises, the boundaries of adaptability field (ESF policy field D) had to be drawn. In the 2000–2006 programming period adaptability was treated in a very broad way and was understood differently by Member States. This approach led to overlaps with such subjects as lifelong learning, active labour market policies or entrepreneurship. In order to manage potential overlaps with other policy fields, the following solution was adopted: continuing vocational training (CVT) of workers was limited to those initiatives that were financed (co-financed) and/or organized (co-organized) by enterprises. Therefore actions related to supporting vocational education and training systems or lifelong learning initiatives were not taken on board for this study, but will be part of another study on education and lifelong learning. The same approach was adopted for actions supporting public education systems or training civil servants at national, regional or local public administrations: these interventions were classified as capacity building and will be covered in another thematic study. Also the interventions stimulating entrepreneurship but not directly linked to workers or enterprises – for instance promoting start-ups in general instead of promoting start-ups as an alternative for workers threatened with unemployment – were not considered for this report but will become part of the thematic study on entrepreneurship.

The ESF Regulation 1999 defined two main types of actions as eligible: assistance to persons and assistance to structures and systems. When reviewing for this study the ESF 2000–2006 measures on the adaptability of enterprises and continuous training of workers, it was decided to organise and process the information differently – concentrating on the different stages of the restructuring and economic change processes in addition to the target group – bringing together measures and actions that focus on: (1) anticipation of economic change and skills needs; (2) managing economic change and promoting adaptability; (3) mitigating the effects of economic change and restructuring processes. At the same time ESF interventions can be distinguished according to their main target group, which in the case of this study consists of a division between measures addressing adaptability of businesses and enterprises and measures which support individual workers.

- ***Anticipation of economic change and skills needs***

In the context of anticipation of economic change various activities such as forecasting, analyzing and/or early warning diagnosis in the context of economic change and skills needs were supported by the ESF. Measures implemented in the EU Member States addressed both enterprises as a main target group (e.g. measures focusing on information, counselling, working organization, working time) and workers (e.g. by career development, guidance, counselling, individual skill development plans, supporting professional mobility).

- ***Managing economic change and promoting adaptability***

Activities in the context of managing economic change and promoting adaptability funded by the ESF range from different types of further training, skills and competence development (addressing both managers and entrepreneurs as well as individual workers), measures in the field of catching-up with modern technologies and supporting activities in the field of innovative and modern types of work organization, working time, work-life balance etc. Addressing the needs of small and medium size enterprises (SMEs) in particular, there are also many measures supporting the development of adequate training and competence development structures and systems such as tailor-made training programmes, job rotation schemes and/or pooling of resources.

- ***Mitigating the effects of economic change and restructuring processes***

Measures programmed and implemented in this context refer to interventions which accompany restructuring and structural change both at the enterprise level as well as helping individual employees in coping with the effects of restructuring and change. In this regard particular activities such as redeployment measures, promotion of self-employment and starting a business or support measures for enterprises undergoing economic restructuring processes have been implemented throughout the European Union. Also assistance to individual workers such as training measures in order to prevent layoffs during restructuring processes or to avoid unemployment, assistance to start-ups, promoting professional mobility and increasing employability have been carried out in this context.

The two perspectives for this study are actions targeted at enterprises or actions targeted at workers at each stage of the adaptability process. Thus, the study concentrates on all types of initiatives that were implemented with a view to making enterprises and/or workers more responsive to changes in the economy or the labour market along the above-mentioned 3-stage action dimension. That is actions were classified depending on the stage of the change process – economic change or restructuring process – which they addressed i.e. anticipation, management or mitigation. It is important to note that each change process follows its own logic and the importance and length of each stage (anticipation, management or mitigation) can differ significantly. The length and importance of each stage can be also influenced by the Member State's characteristics and national character of introducing changes/dealing with changes. As a consequence, ESF measures addressed each stage of the change process in a different way in individual Member States; sometimes these measures concentrated only on one stage. It has to be stressed that ESF sponsored measures did not have to be implemented in all three stage of the process in order to effectively support adaptability; it all depended on the Member State approach, philosophy of supporting adaptability and national priorities. For the measures that addressed both workers and enterprises, and for actions implemented in more than one stage of the change process, separate categories were created. The logic of the framework is presented in Table 6 below.

Table 6: Adaptability – a three-stage and two-perspective logic of ESF interventions

STAGE/ PERSPECTIVE	WORKERS	ENTERPRISES	COMBINED MEASURES
Anticipation	<ul style="list-style-type: none"> – individual career development, guidance, counselling, designing development plans; – up-skilling, improvement of workers' flexibility, competence development; – professional mobility: multi-skilling for mobility. 	<ul style="list-style-type: none"> – early warning systems, labour market analysis and forecasts enabling predicting employment and skills trends; – support for organizational development, information and counselling for enterprises, development of working time, development of competitiveness; – promotion of economic change; – train-the-trainer programmes 	<p>The same types of measures, but proposed to enterprises and workers at the same time and/or implemented in more than one stages of the process.</p>
Management	<ul style="list-style-type: none"> – training programmes; – training leave/grants; – job rotation; – financial assistance for employee training. 	<ul style="list-style-type: none"> – support for introducing new work organization and/or flexible working time arrangements; – support for developing vocational training system; – promoting enterprise investment in training. 	
Mitigation	<ul style="list-style-type: none"> – training for employees threatened by unemployment; – assistance to start-ups as alternative solutions to regular employment; – professional mobility: finding employment outside the company. 	<ul style="list-style-type: none"> – redeployment measures/ accompanying measures; – promotion of self-employment; – assistance to enterprises undergoing economic change/ restructuring process. 	

This identification process has resulted in the sample of adaptability related interventions that form the basis for the findings in the next sections being considerably smaller than the programmes and measures allocated to the ESF policy field D. It was the intention of this study to focus on the core areas of restructuring as supported by ESF, taking on board all relevant measures, including those belonging to other policy fields, and knowing that other interventions would be picked up in other studies to be produced in 2009 and 2010.

B. OVERVIEW OF ESF INTERVENTIONS AND ACHIEVEMENTS IN ADAPTABILITY

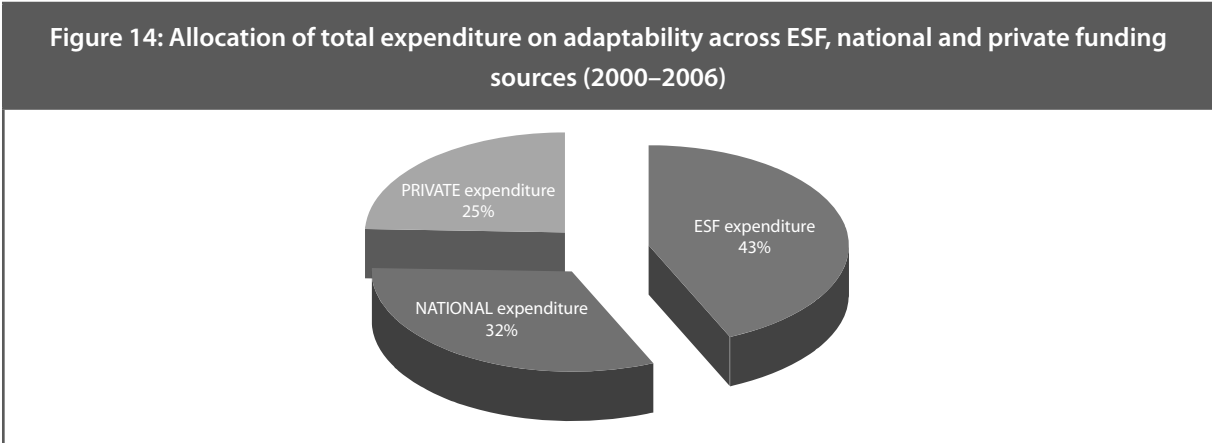
1. Overall interventions in the field of adaptability (ESF 2000–2006)

The identification of adaptability related measures according to the procedure explained in the previous section has resulted – in so far as the 2000–2006 programming period is concerned – in a total of 132 measures addressing adaptability in 23 Member States (See Table 7). The only two Member States that did not use ESF to support adaptability actions were Latvia and Cyprus.

Table 7: Incidence of adaptability and expenditure in ESF 2000–2006, per Member State					
MS	TOTAL NUMBER OF MEASURES	NUMBER OF ADAPTABILITY MEASURES	ESF CONTRIBUTION TO ADAPTABILITY MEASURE (in € million)	TOTAL CONTRIBUTION (in € million)	ESF CONTRIBUTION AS % OF TOTAL CONTRIBUTION
AT	23	5	111	295	38%
BE	95	12	66	250	26%
CY	6	0	0	0	0%
CZ	21	3	24	34	71%
DE	116	11	961	2,116	45%
DK	11	2	86	206	42%
EE	4	1	6	11	55%
ES	345	10	155	289	54%
FI	29	5	198	755	26%
FR	139	9	167	327	51%
GR	111	2	19	25	76%
HU	15	2	11	15	73%
IE	19	1	80	138	58%
IT	320	23	594	1,330	44%
LT	5	1	40	55	73%
LU	22	1	0.6	1.3	46%
LV	3	0	0	0	0%
MT	4	1	4	5	80%
NL	15	1	751	1,512	50%
PL	15	2	151	202	75%
PT	72	4	283	470	60%
SE	25	6	418	1,454	29%
SI	4	1	13	17	76%
SK	12	1	6	9	67%
UK	126	28	976	2,334	42%
Total	1,557	132	5,121	11,842	43%

Source: EC Structural Fund Database (SFC), situation on 2 September 2008

In the 2000–2006 programming period over € 5.1 billion was spent from the ESF funding on actions promoting adaptability across EU–25, which is over 40% of the total funds (ESF, private and national) spent by Member States on adaptability and 9.4% of the total ESF contribution.



Source: EC Structural Fund Database (SFC), situation on 2 September 2008

The Member States spending most on adaptability (be it in terms of ESF contribution or total expenditure) were the United Kingdom, Germany and the Netherlands.

Some Member States addressed adaptability through a relatively large number of measures – for instance the United Kingdom and Italy with 28 and 23 measures, respectively – but most Member States dedicated between one and five measures to adaptability. In the case of Italy and the UK, the number of measures resulted from adopting a regional approach and designing separate measures for different target groups (like SMEs), regions and industrial sectors (i.e. geographical criteria or industry–cluster related).

The share of ESF contribution differed considerably across Member States, ranging from 75% and higher in the case of Malta, Slovenia, Greece and Poland to less than 30% in Belgium, Sweden and Finland. The difference can be explained by referring to the different maximum levels of ESF contribution according to the programme objective, with Objective 3 interventions being co–financed by the ESF to a much smaller extent.

2. Overall achievements in the field of adaptability (ESF 2000–2006)

Participants

According to the available data, ESF has financed actions for workers worth at least € 1.9 billion from which over 7 million people have benefited. The biggest number of participants was found in the UK and Italy; in both Member States the number of supported individuals has exceeded 1 million people. The relatively low figures for beneficiaries in the new Member States are due to the fact that their ESF involvement started only in 2004 and thus cover only half of the period of the EU 15. The very small number of beneficiaries in Luxembourg suggests that interventions were addressing systems and organisations rather than individual workers.

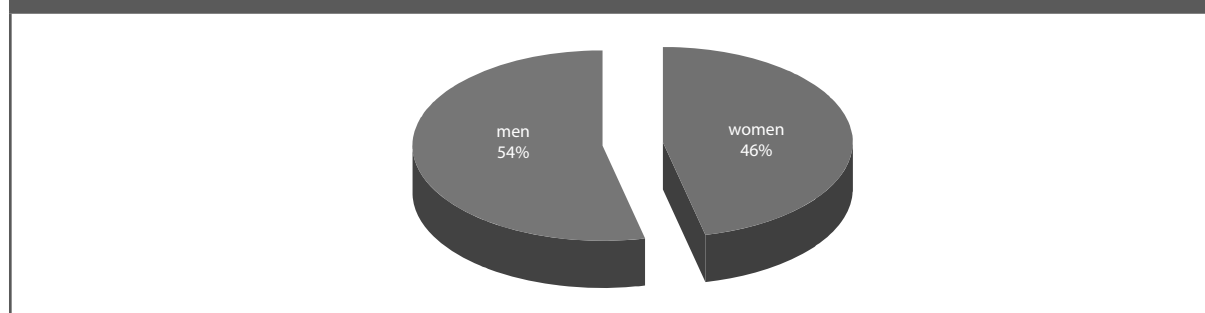
Table 8: Participants supported by ESF in adaptability interventions (2000–2006), per Member State (in thousands)

MS	TOTAL PARTICIPANTS	MS	TOTAL PARTICIPANTS	MS	TOTAL PARTICIPANTS
AT	806	FR	209	NL	555
BE	250	GR	3	PL	214
CZ	67	HU	8	PT	650
DE	692	IE	45	SE	257
DK	63	IT	1,159	SI	35
EE	13	LT	39	SK	36
ES	496	LU	<1	UK	1,175
FI	269	MT	2		
					Total: 7,041

Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

At the EU–25 level ESF supported female and male participants equally. Figure 16 below takes into account the available data for 22 Member States.

Figure 15: ESF beneficiaries in adaptability (2000–2006): breakdown by gender



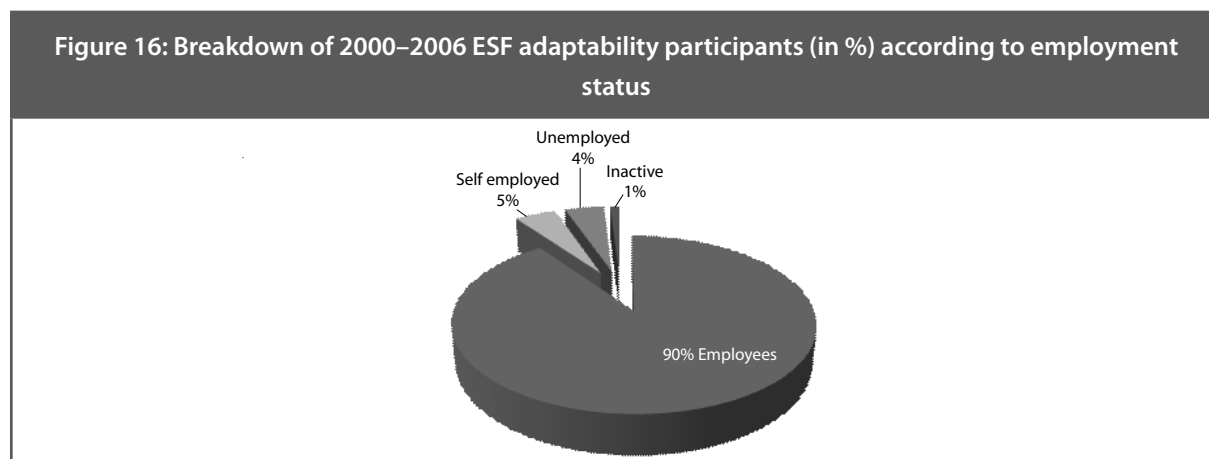
Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

There were slightly more men benefitting from the ESF co-financed programmes (54%) than women participants (46%). The extrapolation made to the total number of ESF beneficiaries (over 7 million people) was made on the basis of the data from 17 Member States. The distribution by gender varied significantly across Member States – the proportion of female ESF beneficiaries ranged from 25% (Belgium) to 65% (Austria). There were at least 7 Member States where female participation was above average (Austria, France, Hungary, Lithuania, Poland, Sweden and the UK).

When breaking down the participants by age groups, the data available for ESF adaptability measures in 12 Member States indicated that most beneficiaries were between 26 and 54 years old (70% of all beneficiaries – almost 5 million if applied to the total number of participants). Both groups of young people under 25 years old and older people (50 years old or more) equally accounted for 15% of all beneficiaries (1 million if applied to the total number of participants).

The ESF is responsive to a labour market trend that people now remain in employment longer and are often forced to change their professional careers several times during working life. In some Member States a significant part of ESF interventions addressed workers over 55 years old. This was certainly the case in Finland (40%) and Belgium (35%). Of those Member States that offer comparable data, Portugal is on the opposite end with only 3% of adaptability beneficiaries being 55 years and older.

Based on the available data from 15 Member States Figure 17 illustrates that the overwhelming majority of ESF adaptability beneficiaries are workers (90%) and self-employed (5%). This is again a logical finding given that adaptability is about the ability of workers (not of the unemployed or the inactive sections of the population) to adapt to changes in the labour market.



Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

It is worth noting that ESF also supported adaptability interventions aimed at the self-employed. According to Eurostat, self-employment represented 10.7% of all employment in 2007 across the EU 27. Hungary paid particular attention to supporting the self-employed through ESF (57% of the participants), while Finland (10%) and Italy (9%) allocated a rather low share to the self-employed. This can be explained by the fact that the richer EU-15 countries (e.g. Finland) tend to have lower self-employment rates than the less rich ones²⁸. In the case of Italy it seems that the stress was put on up-skilling regular employees, while the self-employed were supported under entrepreneurship-development programmes. Hungary as one of the new Member States and relatively less well off, is characterised by a high level of self-employment that replaces regular employment relations – this was why ESF sponsored actions were addressed to this group of recipients.

Another indicator used to report ESF achievements is “positive outcome”. A positive outcome can be gaining a qualification, changing a job or progressing to a higher level of training. It is possible that one person has more than one positive outcome as a result of participating in ESF supported actions, as it has been the case in the Czech Republic. The UK accounts for over 60% of all reported positive outcomes – such as getting qualifications or up-skilling – of ESF-financed actions.

Over 1.5 million participants reported a positive outcome of the undertaken initiatives. The range of successful ESF interventions ranged as high as 137% in the Czech Republic, 92% in Malta and 84% in the UK.

28. E. Johansson, *Self-Employment and Macroeconomic Performance*, 109, article is a part of ETLA, ETLATIETO and TEKES' 2003–2006 “Mistä yrittäjät tulevat?” Research Program <http://kansantalous.fi/files/1092_FES_04_2_self_employment_and_macro-economic_performance.pdf>

Organisations

In addition to participants, the ESF also supported a wide range of interventions to the benefit of enterprises. The actions targeted at enterprises are presented in Table 9. They amounted to at least € 1.7 billion reaching about 400,000 companies.

Table 9: Organisations supported by ESF in adaptability interventions (2000–2006), per Member State (in thousands)				
MS	TOTAL ORGANISATIONS	MICRO ENTERPRISES	SMEs	LARGE ENTERPRISES
AT	2	–	–	–
CZ	4	–	–	–
DE	48	–	47	–
ES	142	–	61	–
FI	40	23	15	2
FR	<1	–	–	–
UK	98	–	52	<1
IE	16	–	–	–
IT	5	–	3	2
LT	<1	–	–	–
PT	36	–	34	–
SI	6	–	–	–
SK	2	–	–	–
Total	399	23	211	4

Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

According to the ESF intervention logic an important element of improving the adaptability of enterprises is creating and supporting jobs and firms. As a result of ESF interventions over 23,000 jobs were created and more than 43,000 safeguarded. Most of these jobs were reported by the UK and Finland. More than 3,500 jobs were created addressing exclusively women. While the ESF concentrated mainly on safeguarding already existing jobs, some Member States have used ESF support to create firms and support start-ups: in this way, over 11,500 companies were either created or supported, the majority of these being once again reported by Finland and the UK.

C. ESF ACHIEVEMENTS IN ADAPTABILITY PER TYPOLOGY

Adaptability encompasses a very wide range of ESF interventions over the stages of the economic change process i.e. anticipation, management and mitigation. Moreover, many interventions address a combination of target groups and/or change processes.

Over 7 million people have benefited from adaptability related interventions during the previous ESF programming period. Table 10 below breaks down these participants according to the different stages of the change process and per Member State. A more detailed account on the findings for each step of the change process follows.

Table 10: Participants supported by ESF adaptability interventions, per type of action (in thousands)

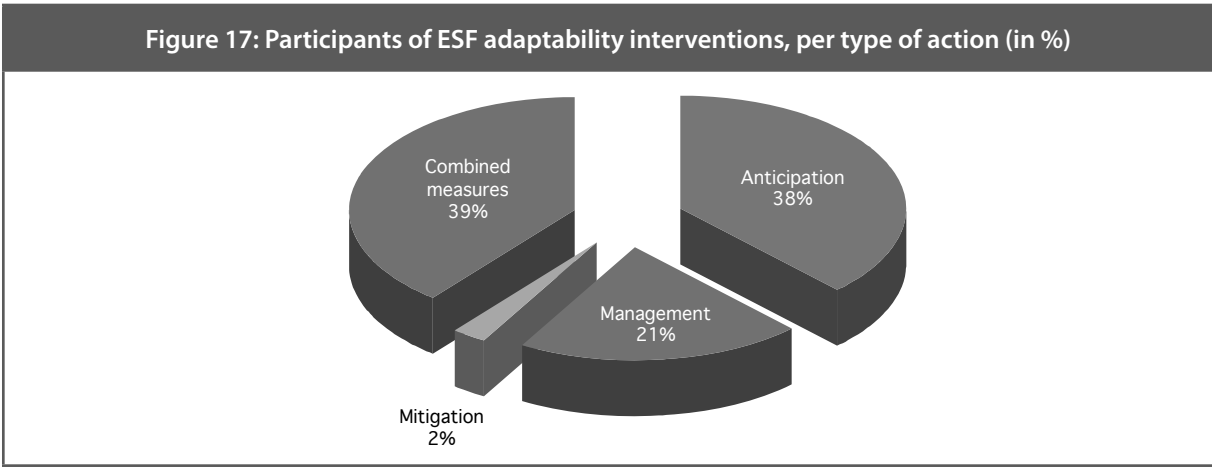
MS	PARTICIPANTS (TOTAL) ²⁹	ANTICIPATION	MANAGEMENT	MITIGATION	COMBINED MEASURES
AT	806	350	–	–	456
BE	250	5	–	115	130
CZ	67	4	62	–	–
DE	692	654	17	21	–
DK	63	63	–	–	–
EE	13	–	13	–	–
ES	496	–	476	–	20
FI	269	269	–	–	–
FR	209	169	11	–	29
GR	3	–	3	–	–
HU	8	–	3	–	5
IE	45	–	45	–	–
IT	1,159	–	83	–	1,076
LT	39	–	–	–	39
LU	<1	–	–	–	<1
MT	2	–	2	–	–
NL	555	555	–	–	–
PL	213	–	–	1	212
PT	650	–	445	–	205
SE	257	257	–	–	–
SI	35	–	–	35	–
SK	36	–	–	–	36
UK	1,175	328	300	3	545
Total	7,041	2,655	1,459	175	2,752

Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

29. Figures have been rounded to the thousand, so they may not add up to the total.

The largest number of participants was supported under combined measures, which permits the conclusion that Member States addressed the adaptability subject most often by implementing actions supporting individuals and organisations and/or financed actions implemented in more than one stage of the restructuring/economic change process (See Figure 18). The second largest number of participants – almost identical as in case of the Combined measures – benefitted from ESF support within the framework of Anticipation measures (over 2 million people in ten Member States for which the data is available). Italy was the Member State where almost all participants were supported under combined measures. This type of measure was relatively less popular in the new Member States.

The fact that so many people were supported by actions realised in the anticipation stage is of a great value. The anticipation stage, usually underestimated, is very important as it enables the preparation of workers for change and *de facto* is a powerful prevention tool against becoming unemployment. The “Anticipation champions” were the Netherlands and Germany. The second most often supported stage was Management (almost 1.5 million beneficiaries). Actions typical for this stage were most frequently implemented in Spain and Portugal.



Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

As reported above, the ESF contributed more than € 5.1 billion to adaptability related interventions during the previous programming period. Table 11 below breaks down this contribution according to the measures that addressed each of the different stages of the change process. A more detailed account on the findings for each step of the change process follows.

**Table 11: ESF Expenditure on adaptability interventions, per type of action and per Member State
(in € million)**

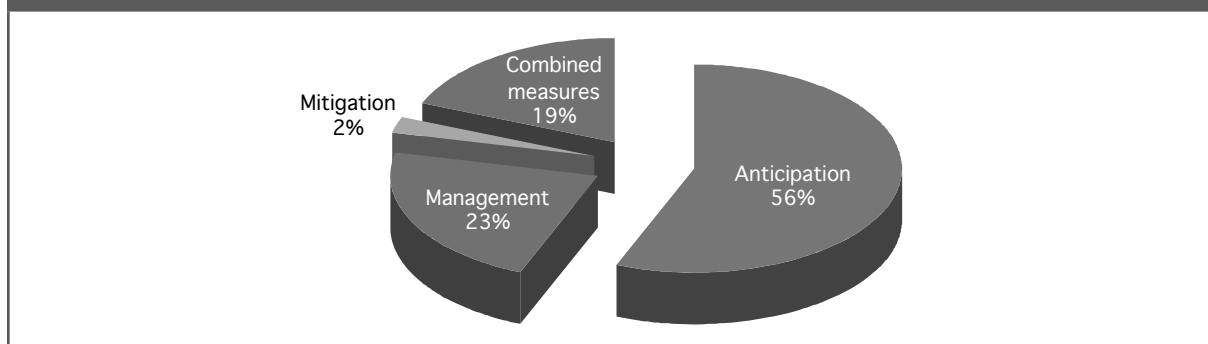
MS	ANTICIPATION	MANAGEMENT	MITIGATION	COMBINED MEASURES	TOTAL ³⁰
AT	86	0	0	25	111
BE	9	0	27	30	66
CZ	4	20	0	0	24
DE	937	6	19	0	961
DK	86	0	0	0	86
EE	0	6	0	0	6
ES	0	152	0	4	155
FI	198	0	0	0	198
FR	85	24	0	58	167
GR	0	19	0	0	19
HU	0	4	0	7	11
IE	0	80	0	0	80
IT	0	203	0	391	594
LT	0	0	0	40	40
LU	0	0	0	1	0.6
MT	0	4	0	0	4
NL	751	0	0	0	751
PL	0	0	30	121	151
PT	6	192	0	85	283
SE	418	0	0	0	418
SI	0	0	13	0	13
SK	0	0	0	6	6
UK	297	444	28	207	976
Total	2,876	1,154	116	974	5,121

Source: EC Structural Fund Database (SFC), situation on 2 September 2008. Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

Of the total ESF contribution almost € 3 billion was spent on the anticipation stage, the second largest category was allocated to the management stage (over € 1.1 billion) followed by combined measures (€ 974 million). The proportionate allocation to each of the stages is presented in Figure 19. Some Member States concentrated on one type of measure exclusively. For example Sweden and the Netherlands spent all ESF funding on the anticipation stage. Estonia decided to use ESF funding to implement actions on the management stage while Slovenia was the only Member State that supported exclusively the mitigation stage. Even where Member States concentrated ESF spending on one type of measure, they usually complemented it with supporting combined measures (i.e. Austria, Hungary or Italy). The UK was the only Member State that supported all types of actions, while Lithuania and Poland were the only two Member States that implemented only combined measures. On the basis of this analysis it can be stated that patterns of ESF allocation for different measures were very different across the EU–25.

30. Figures have been rounded to the thousand, so they may not add up to the total.

Figure 18: ESF expenditure on adaptability interventions, breakdown per type of action



Source: EC Structural Fund Database (SFC), situation on 2 September 2008

In summary, the stage of the change process most frequently addressed was anticipation (over 55% of the total spending), followed by management (23% of the total funding) while the mitigation stage, easing the effects of change, was allocated the least amount (2%). Combined measures accounted for about the same amount of funding as that spent on management (19%).

1. Anticipation

Adaptability actions co-financed by the ESF tended to concentrate on tools that enabled preparation for change and addressed problems before changes brought about negative results. It can be more effective and cheaper in the long-term to build adaptability of workers and enterprises than to finance remedies when people have become unemployed and enterprises find themselves at the edge of bankruptcy.

The importance of the anticipation stage is often underestimated. Nevertheless it is very important as it prepares enterprises and workers for change and avoids the negative impacts of change. In this way ESF not only supports actions that might not have been prioritised by national governments, but it also complements their actions.

The following actions relating to the anticipation stage were addressed to enterprises and workers and supported by the ESF:

WORKERS	ENTERPRISES
<ul style="list-style-type: none"> individual career development, guidance, counselling, designing development plans up-skilling, improvement of workers' flexibility, competence development professional mobility – multi-skilling for mobility 	<ul style="list-style-type: none"> early warning systems, labour market analysis and forecasts enabling predicting employment and skills trends support for organizational development, information and counselling for enterprises, development of working time, development of competitiveness promotion of economic change train-the-trainer programmes

Ten Member States implemented ESF actions related to anticipation; four (Belgium, Denmark, the Netherlands and Sweden) proposed measures exclusively addressed to workers, while the other Member States (Austria, Czech Republic, Germany, Finland, France and the UK) addressed both workers and enterprises. On the basis of the available data it can be stated that the ESF contribution to the anticipation actions was at least € 2.8 billion and over 2.6 million people benefited from the ESF co-financed actions in the programming period 2000–2006. This constituted 38% of the total number of participants who benefited from the ESF-sponsored actions under the Adaptability field. As regards the number of organisations more than 160,000 were reported as having received support from the ESF interventions implemented. However when extrapolating this on the basis of the participants for those Member States where the information was not available, the actual figure is likely to be well over 200,000 organisations across EU–25.

Table 12: Anticipation – overview of participants and organisations supported by ESF per Member State (2000–2006)

MS	Total number of PARTICIPANTS (in thousands)	Total number of ORGANISATIONS (in thousands)	ESF CONTRIBUTION (in € million)	TOTAL CONTRIBUTION (in € million)
AT	350	220	86	249
BE	5	–	9	23
CZ	5	2	4	7
DE	654	48	937	2,034
DK	63	–	86	206
FI	269	40	198	755
FR	169	<1	85	149
NL	555	–	751	1,512
SE	257	–	418	1,454
UK	328	71	297	725
Total	2,655	160	2,876	7,114

Source: EC Structural Fund Database (SFC), situation on 2 September 2008. Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

The Member States that spent the largest proportion of the total funding to the anticipation stage were Germany (€ 2,034 million), the Netherlands (€ 1,512 million) and Sweden (€ 1,454 million). The same Member States allocated the biggest share of ESF contribution (in relation to the total spending) to adaptability: € 937million, € 751 and € 418 million respectively.

A wide variety of actions were co-financed. Some Member States like Sweden concentrated on developing competence diversity, accessibility and equality while others like the UK focused on developing entrepreneurship, promoting self-employment, gaining qualifications and introducing sustainable management systems. An example of this from Greece is described in Insight 1.

Insight 1: ESF helps to raise qualifications in the key sectors

Project “Managing change in Greek tourism” was implemented between 1 October 2001 and 31 December 2003 by the Organisation of Tourism Education and Training (OTEK). The value of the project was € 387,280, which represented 75% of the total funding. The course was targeted at people with low qualifications, who were either seasonally employed within the tourist sector or unemployed. The project was implemented in three phases and there were three recruitment campaigns across the country:

- Almost 3,500 participants enrolled the course. In the first year the course attracted some 881 participants, in the second year 1,449 and in the third year 1,157 students;
- almost 50% of the students were women.
- those who completed the course were awarded a professional certificate widely recognised within the sector and by the Greek authorities.

Source: European Social Fund in Action 2000–2006, Training helps to modernize Greece’s tourism industry, <http://ec.europa.eu/employment_social/esf/docs/el2_en.pdf>

In so far as enterprises are concerned, the most frequent initiatives involved conducting research and labour market analysis in the anticipation stage. Two examples are the initiatives implemented in West and East Wales. During the programming period 2000–2006 – in West Wales and the Valleys and in East Wales – the ESF co-financed actions aiming at anticipation and analysis of skills. The research and analysis were carried out on different levels: there were 75 labour market assessments conducted, 62 sector studies were carried out and 536 company level analyses were undertaken³¹.

Over 160,000 enterprises benefited from anticipation measures. The majority of actions were addressed to SMEs (over 112,000) and microenterprises (over 22,000); large companies benefited less frequently. By supporting SMEs and microenterprises ESF supported an important part of the economy that usually experiences underinvestment. Moreover, microenterprises and SMEs have the greatest potential for adaptation to changes – therefore supporting them in their anticipation attempts is more than desirable.

In addition to conducting labour market research on different levels and supporting SMEs, the ESF at the anticipation stage helped to create new firms, jobs and products. Thanks to ESF support 121 new products were produced in the Czech Republic, over 46,000 jobs were created or safeguarded in the UK and Finland and 4,612 enterprises created in Finland – 16% of which were created by women³².

31. 1999UK053PO001, AIR 2006, East Wales, UK, Annex 6.

32. Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

2. Management

Actions targeted at managing adaptability which were co-financed by the ESF and addressed to enterprises and workers included:

WORKERS	ENTERPRISES
<ul style="list-style-type: none"> • training programmes 	<ul style="list-style-type: none"> • support for introducing new work organization and/or flexible working time arrangements
<ul style="list-style-type: none"> • training leave/grants 	<ul style="list-style-type: none"> • support for developing vocational training system
<ul style="list-style-type: none"> • job rotation 	<ul style="list-style-type: none"> • promoting enterprise investment in training
<ul style="list-style-type: none"> • financial assistance for employee training 	<ul style="list-style-type: none"> • train-the-trainer programmes

On the basis of the available data it can be stated that the ESF contribution to the management actions was at least € 1.1 billion and over 1.4 million people benefited from the ESF co-financed actions in the programming period 2000–2006. This constituted 21% of the total number of participants who benefited from the ESF-sponsored adaptability-related initiatives. As for the management stage, 12 Member States implemented ESF supported interventions related to this stage of the economic change/restructuring process. As can be seen in Table 13 half of them (Germany, Estonia, France, Greece, Hungary and Malta) addressed only workers, while the remaining six (Czech Republic, Spain, Ireland, Italy, Portugal and the UK) implemented actions for both enterprises and workers. Spain supported the largest number of enterprises (139,000) and workers (476,000). The United Kingdom spent the greatest amount of ESF money (€444 million) and focused on financing actions addressed to workers reaching 230,000 beneficiaries.

Table 13: Management – overview of participants and organisations supported by ESF per Member State

MS	Total number of PARTICIPANTS (in thousands)	Total number of ORGANISATIONS (in thousands)	ESF CONTRIBUTION (in € million)	TOTAL CONTRIBUTION (in € million)
CZ	62	3	20	27
DE	17	–	6	17
EE	13	–	6	11
ES	476	139	152	281
FR	11	–	24	54
GR	3	–	19	25
HU	3	–	4	5
IE	45	16	80	138
IT	83	1	203	314
MT	2	–	4	5
PT	445	2	192	319
UK	230	25	444	1,021
Total	1,459	186	1,154	2,217

Source: EC Structural Fund Database (SFC), situation on 2 September 2008. Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

The largest proportion of the total funding for the management stage of the adaptability cycle was reported by the United Kingdom (€ 490 million), followed by Portugal (€ 319 million) and Italy (€ 314 million). The Member States where the ESF contribution was the biggest share of the total spending on adaptability measures were the new members states (i.e. the Czech Republic with the ESF contribution at the level of € 20 million standing for 74% of the total expenditure or Malta with the spending of € 4 million standing for 80% of the total expenditure on adaptability. However, even in the “old” Member States the share of ESF contribution was also significant: 64% of the total adaptability contribution in Italy or 60% in Portugal.

The ESF contribution to the management stage of adaptability measures was more than € 1.1 billion. Compared to the other stages, the management stage reached the second biggest number of beneficiaries (after anticipation stage), at over 1.45 million. Assistance at this stage of the adaptability cycle was most often provided in Spain and Portugal. Over 185,000 organisations received ESF support, including almost 59,000 SMEs. However when extrapolating this on the basis of the participants for those Member States where the information was not available, the actual figures are likely to be close to 200,000 organisations. Insight 2 presents an example of ESF assistance provided in the Netherlands.

Insight 2: ESF assistance to introduce individualised work arrangements

In the Netherlands between 1 December 2001 and 1 December 2006 ESF co-financed a € 17.5 million project aimed at testing flexible work arrangements. The results of 140 experiments in flexible work arrangements were fed into the life-work policies of companies, organisations and government. The project was implemented in three rounds. Experiments ranged from providing leisure activities for children out of school hours to introducing flexi-time or part-time work in industry. One of the successful examples was a hospital that recruited more women for their operating teams by introducing an innovative contract that allowed them to fit their work around their parenting responsibilities. By doing so, the number of operations carried out increased by 341 over five months, reducing the patient waiting list.

Source: European Social Fund in Action 2000–2006, Flexible work arrangements to complement private life, <http://ec.europa.eu/employment_social/esf/docs/nl2_en.pdf>

3. Mitigation

The mitigation actions co-financed by the ESF and addressed to enterprises and workers included:

WORKERS	ENTERPRISES
<ul style="list-style-type: none"> ● training for employees threatened by unemployment ● assistance to start-ups to help redundant employees find their place on the labour market ● professional mobility – finding employment outside the company 	<ul style="list-style-type: none"> ● redeployment measures/accompanying measures ● promotion of self-employment ● assistance to enterprises undergoing economic change/restructuring process

On the basis of the available data it can be stated that the ESF contribution to the mitigation actions was at least € 116 million and over 175,000 people benefited from the ESF co-financed actions in the programming period 2000–2006. This constituted 2% of the total number of participants who benefited from the ESF-sponsored adaptability-related initiatives. The details are presented in Table 14. Five Member States implemented ESF interventions related to the mitigation stage of the adaptability process. Three Member States (Belgium, Germany and Poland) focussed on workers, while the two other Member States (Slovenia and the UK) addressed both workers and enterprises. The biggest number of participants (over 115,000) was reported by Belgium, while Slovenia supported over 5,500 organisations. Poland spent the largest amount of ESF money on mitigation interventions.

MS	Total number of PARTICIPANTS (in thousands)	Total number of ORGANISATIONS (in thousands)	ESF CONTRIBUTION (in € million)	TOTAL CONTRIBUTION (in € million)
BE	115	–	27	76
DE	21	–	19	65
PL	1	–	30	40
SI	35	6	13	17
UK	3	<1	28	98
Total	175	6	116	296

Source: EC Structural Fund Database (SFC), situation on 2 September 2008. Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

Mitigation is the stage with the smallest number of implemented actions and with the most modest ESF financial contribution. ESF contributed at least € 116 million. There were almost 175,000 people and almost 6,000 organisations supported within the framework of the Mitigation stage. However, as regards the number of organisations, when extrapolating this on the basis of the participants for those Member States where the information was not available, the actual figure is likely to be few times higher than it was reported. Only five Member States (Belgium, Germany, the United Kingdom, Poland and Slovenia) used ESF support as a lever for mitigating the effects of economic change and restructuring.

There were different approaches to using ESF co-financing in different Member States for the implementation of actions related to the mitigation stage. For example Slovenia concentrated on start-ups (over 2,000 still existed after 1 year) and job creation (over 5,000 jobs) understood as alternative solution to regular employment, while in Belgium over 10,000 partnerships were created and over 170,000 people were reported as indirect beneficiaries of mitigation interventions. A good example of this was the application of ESF to the closure of the Rover car manufacturing plant in the UK. This is described in insight 3.

Insight 3: ESF helps to keep people employed

In the Rover Car Manufacturer example – restructuring of the Rover plant in the UK – the ESF support concentrated on job matching, training, making individual training plans, helping disadvantaged persons, wage subsidies to employers hiring skilled workers, and start-up loans. ESF support was some € 73 million, almost 60% of the total support came from the European funds. In contrast to initial estimates of 13,000 to 20,000 job losses at the Rover and its supplier companies, only 3,200 job losses occurred. The ESF supported interventions led to the following achievements:

- almost 3,700 individual training plans have been accomplished;
- over 2,600 beneficiaries have entered into training;
- the 4,400 redundant staff re-entered employment.

Source: Forum on restructuring – Examples of the EU Structural Funds helping people and regions across Europe through the restructuring process, <http://ec.europa.eu/employment_social/news/2005/jun/restructuring2_en.html>

4. Combined measures

As has been stated before, the term ‘combined measures’ refers to measures that are addressed to both enterprises and workers and/or support actions implemented in different stages of the restructuring/economic change process.

The popularity of the combined measures can be explained by the fact that adaptability of workers is interrelated with the adaptability of enterprises. The majority of Member States followed this logic using ESF funding for both groups. Combined measures are a challenge for the reporting exercise since the initiatives are interrelated. It is very hard to single out indicators for each category of recipients. Therefore it seems that the only possible approach is to describe the actions realised to characterise the combined measures.

These types of measures account for 19% of the ESF expenditure, address over 2.7 million people and assist a significant number of organisations (over 47,000 entities). The number of combined measures is rather high because many Member States had earmarked ESF subsidies for both workers and enterprises as in Italy, Portugal and the UK or for a combination of anticipation, management and/or mitigation interventions, as in Belgium and Poland.

Table 15: Overview of participants and organisations supported by ESF combined measures per Member State

MS	Total number of PARTICIPANTS (in thousands)	Total number of ORGANISATIONS (in thousands)	ESF CONTRIBUTION (in € million)	TOTAL CONTRIBUTION (in € million)
AT	456	2	25	46
BE	129	–	30	149
ES	20	3	4	8
FR	29	–	58	124
HU	5	–	7	10
IT	1,076	4	391	1,016
LT	39	0,5	40	55
LU	<1	–	0.6	1.3
PL	212	–	121	162
PT	205	34	85	136
SK	36	2	6	9
UK	545	3	207	490
Grand Total	2,752	48	975	2,206

Source: Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

On the basis of the available data (See Table 15) it can be stated that the ESF contribution to financing the combined measures was at least € 975 million and over 2.7 million people benefited from the ESF co-financed actions in the programming period 2000–2006. This constituted 39% of the total number of participants who benefited from the ESF-sponsored adaptability-related initiatives. No less than 48,000 organisations were supported from the actions implemented in the framework of the combined measures. However when extrapolating this on the basis of the participants for those Member States where the information was not available, the actual figure is likely to be well above 50,000.

Twelve Member States reported implementing combined measures. Seven financed actions addressed both to workers and enterprises and the remaining five solely to workers. The largest number of workers was supported in Italy (over 1 million people – Italy was the Member State that chose the “combined” approach and focused mainly on combined measures), the second largest number of beneficiaries of combined measures was reported by the UK. Portugal supported the largest number of organisations. An example of combined measures is described in insight 4.

Insight 4: The United Kingdom - example of the “holistic” use of ESF funding

The UK is the Member State with the most all-round approach to supporting adaptability of enterprises and continuing training of workers. The following initiatives were adopted with a view to increasing the flexibility of both companies and workers:

- knowledge about what needs to be done: Over 13,500 research studies and analyses were conducted;
- support for existing solutions: Over 3,200 existing jobs were supported with the help of ESF and over 2,200 start-ups were supported, out of which over 50% existed after 1 year from the moment of setting up;
- acting for new initiatives: The UK was one of the leaders in developing training courses and training curricula: over 1,700 training programmes were developed with the ESF funding and over 26,800 qualifications were gained.
- ensuring supportive environment: ESF supported childcare provision for workers in training and having children under the age of 5. The value added of such an initiative was very high - it greatly increased accessibility of training programmes for workers-parents.

Source: on the basis of Operational Programmes 1999GB053PO003, 1999GB161DO003 and 2000GB162DO013 and relevant Annual Implementation Reports 2006

5. SMEs in the frame of ESF supported actions

The SME were an important recipient of ESF support. More than half of the Member States earmarked a certain portion of the funds (e.g. 70%) addressed to enterprises for SMEs. The most active Member States were Germany, Spain and Portugal. Finland mainly supported micro-enterprises: more than half of the companies supported in Finland employed 9 people or less. Moreover, two Member States decided to reserve a certain part of the ESF funding exclusively to SMEs – these were the UK and Italy. Total expenditure on these measures was € 346 million in the United Kingdom (ESF co-financing was € 143 million). In Italy the total spending on adaptability measures addressed exclusively to SMEs was lower (€ 22 million), but the ESF share was much bigger (€ 15 million). In both Member States more than 10% of the expenditure was covered by private sources.

Table 16: Expenditure for measures addressing only SMEs (per OP, in € million)

MS	OP TITLE	CCI	NUMBER OF MEASURES	ESF	TOTAL EXPENDITURE
UK	East of England	2000GB162DO007	1	6	14
	London	2000GB162DO009	1	12	27
	Merseyside	1999GB161DO002	1	41	107
	Objective 3 East Wales	1999GB053PO001	2	21	49
	West Midlands	2000GB162DO002	4	63	149
IT	<i>Ricerca Scientifica, Sviluppo Tecnologico, Alta Formazione</i>	1999IT161PO003	1	15	22
Total			10	158	368

Source: EC Structural Fund Database (SFC), situation on 2 September 2008. Data compiled by BBI on the basis of ESF Operational Programme reports 2000–2006

The UK implemented 9 different measures in 5 regions of the country, while Italy concentrated all the SMEs–ESF funding in one region and financed one measure. The biggest ESF contribution was found in the UK West Midlands (over € 60 million) and in the Merseyside region (over € 40 million).

Measures addressed to SMEs were most often aimed at preparing them for changes and enhancing their natural ability to adapt. Examples of this are described in insights 5 and 6.

Insight 5: Preparing SMEs for change

The project “Making a Change a Chance” was conducted between 1 May 2005 and 31 December 2007 and was managed by the Institute for Extension Studies of the University of Tampere, together with the Federation of Enterprises in the Tampere Region and Finn–Medi Research Ltd. The project focused on developing the readiness and flexibility of SMEs to respond to changes in the Finnish economy. It consisted of the following three sub– projects:

- “Learn, Adapt and Renew” provided strategic training to assist in working out an effective management plan and a valid strategy to address economic changes;
- “Work Capability” provided training for workers at risk of marginalisation, with reduced work capability or with strong rehabilitation needs. A total of 15 enterprises were involved in Work Capability, receiving tailor–made training on subjects such as ergonomics, occupational health, health–related fitness and occupational safety;
- “Contact” provided assistance for the smallest and the most at–risk companies in the area. Training programmes were customised (tailor–made, bite–sized, easy to start with and cheap).

Source: Practical examples – Adaptability, because even small businesses deserve a chance for change, <http://ec.europa.eu/employment_social/equal/practical-examples/adapt-06-fi_en.cfm>

Insight 6: Exclusive ESF support for SMEs

In the United Kingdom ESF co-financed 5 OPs addressing the adaptability of SMEs. The biggest ESF contributions were allocated to West Midlands (€ 63 million) and Merseyside (€ 41 million). ESF support contributed to:

- creating and safeguarding over 1,900 jobs: 54 jobs were created - 41 in the East of England region and 13 in the London region and 1,581 jobs were safeguarded in the East of England and 331 in the London area;
- supporting over 12,600 enterprises: 5,785 in West Midlands and 5,682 in East Wales and 1 175 in the London area
- supporting over 82,700 people, out of which over 50% were women and almost 50% gained qualifications; achieving 107 *Investor in People* awards for enterprises.

An example of one of such initiative was the project entitled “The Creative Launchpad” that provided an innovative business support scheme aimed at helping businesses and individuals to fulfil their potential in the creative industries in the West Midlands. The project was funded through the Learning and Skills Council ESF regional Co-financing Plan. The project was set up in 2003 and since then has provided advice and guidance to 900 people, helped a further 100 entrepreneurs to start up their own businesses and assisted another 300 established enterprises gain funding for business development. Thanks to its success, the project has been granted a further £120,000 of ESF funding to help another 400 entrepreneurs and businesses over the following two years. The project had drop-in centres around the region, for example in Coventry, Wolverhampton, Smethwick or Dudley.

Key Achievements included:

- creating partnership: The six Learning and Skills Councils (LSCs) in the West Midlands joined together for the first time to manage the UK's first regional co-financing scheme to deliver the European Social Fund;
- more effective financing: West Midlands was a pioneer of the regional co-financing initiative which replaced six individual co-financing plans. This led to less bureaucracy, lower administration cost and shorter time;
- *decentralization*: Regional Skills Partnerships were involved in delivering regional economic strategy that addressed issues of both regional and local skills relevance.

Source: BBI data base, Brussels 2009 and ESF 2007-2013 in England website, Case studies - West Midlands Creative Lunchpad project, <http://www.esf.gov.UK/archive/2000_2006_esf_programme/case_studies/case_studies_-_west_midlands>

D. ADAPTABILITY OF ENTERPRISES IN THE ESF PROGRAMMING PERIOD 2007–2013

The identification of adaptability related programmes in the ESF 2007–2013 period is based on two complementary approaches: a key–word search on all OP summaries identifying the priority axes containing relevant adaptability related interventions and listing the Operational Programmes to which Member States have allocated a budget in the framework of three adaptability–related priority themes covering:

- the development of life–long learning systems and strategies in firms; training and services for employees to step up their adaptability to change; promoting entrepreneurship and innovation (priority theme 62);
- the design and dissemination of innovative and more productive ways of organising work (priority theme 63);
- the development of specific services for employment, training and support in connection with restructuring of sectors and firms, and development of systems for anticipating economic changes and future requirements in terms of jobs and skills (priority theme 64).

This exercise resulted in 106 OPs addressing adaptability out of a total of 116 OPs that have been signed for the entire programming period 2007–2013. The list of these programmes with the priority axes that specifically address adaptability related interventions is provided in Annex 5 to this report.

Looking at the adaptability related contents of the programmes, the research shows that:

- 45 OPs address anticipation and economic change;
- 51 OPs prepare people for economic change;
- 68 OPs promote national partnerships, pacts and networking between stakeholders;
- 44 OPs promote transnational partnerships;
- 41 OPs provide support in the context of restructuring;
- 46 OPs promote learning and training for enterprises;
- 43 OPs address explicitly the situation of SMEs.

Table 17 below summarises the incidence of adaptability per Member State. The last column presents the share of the ESF contribution that Member States have budgeted for adaptability in relation to all ESF subsidies they have at disposition for the period 2007–2013.

Table 17: Incidence of adaptability interventions and budget in ESF 2007–2013, per Member State

MS	TOTAL OPs	OPs ADDRESSING ADAPTABILITY	PRIORITY AXES ADDRESSING ADAPTABILITY	BUDGET (in € million)		
				ESF	TOTAL	%
AT	2	2	4	141	524	27
BE	6	6	11	257	1,073	24
BG	2	1	8	167	1,186	14
CY	1	1	1	11	120	9
CZ	3	3	6	679	3,775	18
DE	18	18	42	1,538	9,381	16
DK	1	1	1	143	255	56
EE	1	1	1	64	392	16
ES	22	20	45	1,734	8,057	22
FI	2	2	4	165	619	27
FR	5	5	9	946	5,395	18
GR	3	2	3	587	4,364	13
HU	2	1	2	570	3,629	16
IE	1	1	1	285	375	76
IT	24	23	78	1,052	6,938	15
LT	2	1	3	215	1028	21
LU	1	1	3	10	25	40
LV	1	1	1	48	551	9
MT	1	1	3	19	112	17
NL	1	1	1	404	830	49
PL	1	1	3	1,566	9,702	16
PT	4	3	4	457	6,512	7
RO	2	1	1	940	3,684	26
SE	1	1	1	175	692	25
SI	1	1	1	77	756	10
SK	2	2	2	117	1,500	8
UK	6	5	8	1,344	4,475	30
TOTAL	116	106	247	13,456	75,953	18

Source: EC Structural Fund Database (SFC), situation in May 2009

In the period 2000–2006 there were no adaptability OPs in Cyprus and Latvia. Now interventions are foreseen in all Member States. Across the EU, the ESF budget for adaptability represents approximately 18% of all ESF budgeted contributions. There are, however, considerable differences per Member State, ranging from 76% in Ireland to 7% in Portugal.

The analysis of the previous programming period made a clear distinction between the three stages of the adaptability process: anticipation, management and mitigation. This approach is not possible (yet) for the current OPs and PAs. Table 18 shows that many Member States are now planning interventions in various phases of the adaptability process and at the level of both enterprises and workers.

Thirteen Member States address explicitly the situation of SMEs. The individual stages of anticipation, management and mitigation are addressed in 19, 23 and 17 Member States respectively.

Table 18: Incidence of adaptability interventions in ESF 2007–2013, per type of action								
MS	PRIORITY AXES ADDRESSING ADAPTABILITY	STAGES AND TARGET GROUPS OF ADAPTABILITY PROCESS						
		ANTICIPATION		MANAGEMENT		MITIGATION		SMEs
		ENTERPRISES	WORKERS	ENTERPRISES	WORKERS	ENTERPRISES	WORKERS	
AT	4	–	–	x	–	–	x	x
BE	11	x	x	x	x	x	x	x
BG	8	x	x	x	x	x	x	–
CY	1	–	–	x	x	–	–	–
CZ	6	x	x	x	x	x	–	x
DE	42	x	x	x	x	x	x	x
DK	1	x	x	–	x	–	–	–
EE	1	–	x	–	–	–	–	–
ES	45	x	x	x	x	x	x	x
FI	4	x	x	x	x	x	x	x
FR	9	x	x	x	x	x	x	x
GR	3	x	x	x	x	x	x	x
HU	2	x	–	x	x	x	x	x
IE	1	x	x	–	–	–	–	x
IT	78	x	x	x	x	x	x	x
LT	3	x	x	x	x	–	–	x
LU	3	–	–	x	x	x	x	–
LV	1	–	–	–	x	–	–	–
MT	3	x	–	–	x	x	x	–
NL	1		x	–	–	–	–	–
PL	3	x	x	x	x	–	–	–
PT	4	–	–	–	x	x	x	–
RO	1	–	–	x	x	–	–	x
SE	1	–	x	–	–	–	–	–
SI	1	–	–	x	x	–	x	–
SK	2	–	–	x	x	x	x	–
UK	8	–	x	x	x	–	x	–

Source: Data compiled by BBI on the basis of ESF Operational Programmes 2007–2013

Chapter 3 – Conclusion

The adaptability field was and still is an important policy area in both programming periods (2000–2006 and 2007–2013). Analysis of the ESF interventions indicated that adaptability is a very broad concept and has encompassed a wide variety of actions and initiatives. Adaptability-related actions supported by ESF were addressed to different target groups focusing on workers, enterprises, SMEs clusters and training networks or even on a more specific group such as microenterprises.

Nevertheless, bearing in mind that adaptability is such a broad field, not all topics are covered under this report. A certain number of them will be addressed in other studies where more specific information on actions facilitating worker mobility, integrating cross-country labour markets, promoting greater use of ICT, on health and safety at work or on the reconciliation of work and private life will be presented.

STAGE/ PERSPECTIVE	WORKERS	ENTERPRISES	COMBINED MEASURES
Anticipation	<ul style="list-style-type: none"> – individual career development, guidance, counselling, designing development plans; – up-skilling, improvement of workers' flexibility, competence development; – professional mobility: multi-skilling for mobility. 	<ul style="list-style-type: none"> – early warning systems, labour market analysis and forecasts enabling predicting employment and skills trends; – support for organizational development, information and counselling for enterprises, development of working time, development of competitiveness; – promotion of economic change; – train-the-trainer programmes 	<p>The same types of measures, but proposed to enterprises and workers at the same time and/or implemented in more than one stages of the process.</p>
Management	<ul style="list-style-type: none"> – training programmes; – training leave/grants; – job rotation; – financial assistance for employee training. 	<ul style="list-style-type: none"> – support for introducing new work organization and/or flexible working time arrangements; – support for developing vocational training system; – promoting enterprise investment in training. 	
Mitigation	<ul style="list-style-type: none"> – training for employees threatened by unemployment; – assistance to start-ups as alternative solutions to regular employment; – professional mobility: finding employment outside the company. 	<ul style="list-style-type: none"> – redeployment measures/accompanying measures; – promotion of self-employment; – assistance to enterprises undergoing economic change/restructuring process. 	

In the programming period 2000–2006 ESF financed measures addressed enterprises, and workers as well as both of these groups in combination and they were implemented at different stages of the economic change/restructuring process (See Table 6).

In the programming period 2000–2006 ESF supported adaptability-related measures across EU Member States under Objective 1 and they were found in 123 Ops (out of the total 211 OPs). There were 132 measures implemented in 23 Member States and in total more than 7 million people and 500,000 organizations were supported. The ESF contribution to adaptability amounted to over € 5.1 billion. It is worth noting that the ESF was the largest contributor to measures in the adaptability field and stood for 44% of the total funding.

One of the most frequently implemented measures adopted in the programming period 2000–2006 addressed to workers was up-skilling: over 440,000 participants gained qualifications through ESF supported adaptability interventions, over 60,000 participants started a training course and over 220,000 found a job in the labour market with the support of ESF. ESF funding for adaptability measures addressed exclusively to workers amounted to at least € 1.9 billion. The primary activity addressed to enterprises was creating or safeguarding already existing jobs – across the EU25 over 132,000 jobs were supported in one way or another – and over € 1.7 billion was spent on measures addressed exclusively to organisations.

Table 19 below presents the available data on ESF contribution, total number of supported participants and organisations:

Table 19: Adaptability data overview per stage of the restructuring process			
STAGE/RESULTS	ESF CONTRIBUTION (in € million)	Total number of PARTICIPANTS (in thousands)	Total number of ORGANISATIONS (in thousands)
Anticipation*	2,876	2,655	160
Management**	1,154	1,459	186
Mitigation***	116	175	6
Combined**** measures	975	2,752	48
Total	5,121	7,041	400
* Data available from ten Member States.			
** Data available from 12 Member States.			
*** Data available from five Member States.			
**** Data available from 12 Member States.			

Source: EC Structural Fund Database (SFC), situation on 2 September 2008

In the programming period 2007–2013 ESF is supporting adaptability-related initiatives across EU27 under two Objectives – Convergence and Regional Competitiveness and Employment – and they were found in 106 OPs out of the total of 116 OPs. Measures from the 2000–2006 programming period were replaced by wider priority axes. There are now 247 priority axes implemented across all 27 Member States.

ESF contribution to adaptability in the programming period 2007–2013 corresponds to at least 20% of the ESF total budget being some € 13.5 billion allocated for the three Priority Themes. The following areas related to adaptability can be found in OPs from the programming period 2007–2013: anticipation and economic change, preparation of people for economic change, promoting national partnerships, pacts and networking between stakeholders, promoting transnational partnerships and supporting in the context of restructuring.

In both programming periods ESF complements national initiatives. Its approach is characterised by the fact that ESF:

- promotes a holistic approach to supporting adaptability of enterprises and continuing training of workers: ESF finances joint actions for workers and enterprises or ensures a supportive environment for those who want to pursue professional training (childcare facilities or dependent–people arrangements);
- combines “soft” areas such as up–skilling and re–skilling with “hard” ones such as introducing new work organisation or job rotation schemes;
- actions are based on a sound knowledge about what needs to be done: labour market analysis and skills forecasts are conducted prior to designing training programmes;
- is aimed at supporting sustainable solutions that will bring a spill–over effect: finances acquisition of widely recognized qualifications;
- supports SMEs and its staff, with a special attention paid to micro–enterprises, also to a one–person enterprises that are not employing any staff;
- stresses the importance of proactive initiatives to prevent from problems instead of curing them: majority of actions is addressed to people still employed to prevent them from becoming unemployed and for organizations to enable them adopting to changing business conditions instead of disappearing from the market.

In conclusion it can be stated that the ESF has made a substantial contribution to Member States’ efforts to address social and economic change as well as restructuring processes and has significantly supported adaptability of enterprises and workers alike.

Annexes

ANNEX 1: EXPENDITURE 2000–2006 AND BUDGET 2007–2013

1. Operational Programmes 2000-2006 co-funded expenditure claimed (in € million) per Member State				
MS	EU %	National Public %	National Private %	Total
AT	43.7%	48.7%	7.6%	1,326
BE	34.7%	55.3%	10.1%	2,416
CY	50.0%	50.0%	0.0%	22
CZ	69.8%	30.2%	0.0%	297
DE	46.5%	45.7%	7.8%	20,930
DK	41.5%	37.2%	21.3%	779
EE	69.3%	25.9%	4.9%	71
ES	60.4%	38.4%	1.2%	17,388
FI	31.4%	42.9%	25.6%	2,365
FR	43.4%	50.8%	5.8%	12,204
GR	78.6%	21.4%	0.0%	4,783
HU	75.6%	24.4%	0.0%	288
IE	53.9%	45.8%	0.3%	1,778
IT	52.7%	45.5%	1.8%	12,909
LT	74.6%	25.4%	0.0%	166
LU	45.3%	52.8%	2.0%	47
LV	75.2%	24.8%	0.0%	115
MT	75.0%	25.0%	0.0%	9
NL	49.6%	21.6%	28.8%	2,458
PL	74.3%	25.7%	0.0%	1,776
PT	62.2%	34.2%	3.6%	7,145
SE	31.3%	39.1%	29.6%	2,661
SI	75.0%	25.0%	0.0%	60
SK	74.0%	25.2%	0.8%	241
UK	44.1%	51.5%	4.4%	13,285
EU 25	51.3%	42.8%	5.9%	105,518

2. Operational Programmes 2000-2006 co-funded expenditure claimed (in € million) per Objective

OBJ	EU	National Public	National Private	TOTAL
1	31,090	16,705	833	48,628
2	1,954	2,225	575	4,754
3	21,104	26,112	4,811	52,027
TOTAL	54,147	45,042	6,219	105,408

3. Operational Programmes 2007-2013 co-funded budget (in € million) per Member State

MS	EU %	National Public %	National Private %	Total Budget
AT	44.3%	46.4%	9.3%	1,184
BE	46.3%	49.8%	4.0%	2,320
BG	85.0%	15.0%		1,395
CY	80.0%	20.0%		150
CZ	85.1%	14.9%		4,436
DE	59.9%	30.6%	9.6%	15,666
DK	50.0%	33.4%	16.6%	510
EE	84.8%	11.2%	4.1%	462
ES	70.5%	28.4%	1.1%	11,426
FI	43.5%	56.5%		1,420
FR	52.5%	35.9%	11.6%	10,275
GR	76.2%	23.8%		5,726
HU	85.0%	15.0%		4,270
IE	27.6%	72.2%	0.2%	1,360
IT	45.3%	54.7%		15,321
LT	85.0%	8.7%	6.3%	1,210
LU	50.0%	50.0%		50
LV	83.8%	13.0%	3.1%	657
MT	85.0%	15.0%		132
NL	48.7%	27.4%	23.9%	1,705
PL	85.0%	15.0%		11,420
PT	70.7%	29.3%		9,210
RO	85.0%	15.0%		4,335
SE	50.0%	50.0%		1,383
SI	85.0%	15.0%		889
SK	85.0%	15.0%		1,764
UK	52.0%	46.9%	1.1%	8,598
EU 27	64.8%	32.1%	3.2%	117,275

ANNEX 2: ESF VOCABULARY

The table below compares a number of documents and concepts across the two consecutive programming periods

2000–2006 PROGRAMMING PERIOD	2007–2013 PROGRAMMING PERIOD
The Community Support Framework (CSF) is the basic programming document agreed between the European Commission and the Member States, setting out plans for Structural Fund support for objective 1 regions. It identifies the problems, the strategy and the priorities for action and where money should best be channelled. It must be supplemented by more detailed Operational Programmes. CSF's are not compulsory for the objectives 2 and 3.	The National Strategic Reference Framework (NSRF) is not a management instrument as the CSF were in the preceding period. However, it defines policy priorities whilst suggesting the key elements of implementation such as the list of operational programmes and an indicative annual allocation from each Fund for each Operational Programme. It is applied to the convergence and regional competitiveness and employment objectives. It is optional for the territorial cooperation objective.
The Operational Programmes (OPs) detail how and where funds will be spent, what the expected impact is and how the programmes will be monitored and evaluated. OPs may exist at a national or regional level.	
An OP can cover only one of the three Objectives. An OP can be financed by more than one Fund.	An OP can cover more than one objective but can be financed by only one Fund.
Priorities are a set of aims within a operational programme that have to be tackled through the implementation of specific Measures.	In the new programming period priorities are formally called Priority Axes . Resource allocation (community and national co-financing) is done at the level of the priority axes.
Measures are the means by which a Priority is implemented over several years and which enable operations to be financed. Measures are listed in the Operational Programmes, fully described in the Programme Complements and reported on in the Annual Implementation Reports. Resource allocation (community and national co-financing) is done at the level of the measure.	There are no measures in the 2007–2013 Programming Period. Instead of this, the description of the priority axes contains an indicative list of actions.
Programme Complements (PC) provide further details on the implementation of the operational programmes such as the indicators that are used. Programme complements may be formulated as needed throughout the implementation of the OP.	There are no Programme Complements for the 2007–2013 Operational Programmes. Information that was contained in the PC such as about the indicators is now to be found in the OP itself.
The Policy Fields refer to the five broad types of activities than can be financed with ESF. Most OPs are structured along these policy fields, one priority corresponding to one policy field.	The types of activities that can be financed with ESF are called priorities .

2000–2006 PROGRAMMING PERIOD	2007–2013 PROGRAMMING PERIOD
<p>Annual Implementation Reports (AIR) are prepared every year by the national or regional managing authorities and describe the progress on the implementation of the priorities and the financial implementation of the assistance. AIRs also report on the main socio-economic trends or on changes in national, regional or sectoral policies that are relevant to the implementation of the assistance.</p>	
<p>Indicators are used to “indicate” the outcomes of the ESF interventions. The types of indicators that are relevant to this study can be quite diverse in nature: (i) output indicators relate to the immediate consequences of an activity and are measured in physical or monetary units, e.g. number of people trained, number of firms financially supported. (ii) result indicators relate to the direct and immediate effects on direct beneficiaries brought by a programme. Result indicators can be of a physical (e.g. number of successful trainees) or financial nature (e.g. leverage of private sector resources); (iii) impact indicators refer to the consequences of the programme beyond the immediate effects on its direct beneficiaries.</p>	

ANNEX 3: LIST OF ESF 2000–2006 MEASURES USED FOR THE STUDY

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AND MEASURE
AT	3	1999AT053DO001	Austria Obj. 3	3.32
AT	3	1999AT053DO001	Austria Obj. 3	4.41
AT	1	1999AT161DO001	Burgenland	5.3
AT	1	1999AT161DO001	Burgenland	5.4
AT	2	2000AT162DO001	Kärnten	3.1
BE	3	1999BE053DO004	Wallonie–Bruxelles Obj. 3	1.11
BE	3	1999BE053DO004	Wallonie–Bruxelles Obj. 3	3.31
BE	1	1999BE161DO001	Hainaut Obj. 1	5.4
BE	3	1999BE053DO005	German-speaking Community of Belgium	1.13
BE	3	1999BE053DO005	German-speaking Community of Belgium	2.23
BE	3	1999BE053DO005	German-speaking Community of Belgium	3.33
BE	3	1999BE053DO005	German-speaking Community of Belgium	4.43
BE	3	1999BE053DO005	German-speaking Community of Belgium	5.53
BE	3	1999BE053DO003	Vlaanderen Obj. 3	4.1
BE	3	1999BE053DO003	Vlaanderen Obj. 3	4.2
BE	3	1999BE053DO003	Vlaanderen Obj. 3	4.4
BE	2	2000BE162DO009	Rural Dinant–Philippeville	3.2
CZ	1	2003CZ051PO001	Czech Republic HRD Obj. 1	4.1
CZ	1	2003CZ051PO001	Czech Republic HRD Obj. 1	4.2
CZ	3	2003CZ053DO001	Prague Region Obj. 3	4.1
DE	3	1999DE053DO001	Germany SPD Obj.3	40.7
DE	3	1999DE053DO001	Germany SPD Obj.3	40.8
DE	1	1999DE161PO001	Berlin	4.41
DE	2	2000DE162DO010	Niedersachsen	1.8

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AND MEASURE
DE	2	2000DE162DO010	Niedersachsen	2.7
DE	1	1999DE161PO002	Thüringen	4.41
DE	2	2000DE162DO004	Nordrhein–Westfalen	2.1
DE	1	1999DE161PO003	Sachsen–Anhalt	4.41
DE	1	1999DE161PO004	Mecklenburg – Vorpommern	4.41
DE	1	1999DE161PO005	Land Brandenburg	4.7
DE	1	1999DE161PO006	Sachsen	4.7
DK	3	1999DK053DO001	Denmark Obj. 3	3.3
DK	3	1999DK053DO001	Denmark Obj. 3	3.2
EE	1	2003EE161DO001	Estonia	1.2
ES	3	2000ES053PO302	Baleares Obj. 3	3.1
ES	3	2000ES053PO301	Aragon Obj. 3	3.1
ES	1	2000ES161PO003	Andalucia	43.2
ES	1	2000ES161PO006	Castilla–La Mancha	43.2
ES	1	2000ES161PO004	Asturias	43.2
ES	1	2000ES161PO011	Galicia	43.2
ES	1	2000ES161PO012	Melilla	43.2
ES	2	2000ES162DO004	Cataluña	1.8
ES	3	2000ES053PO304	Comunidad De Madrid Obj. 3	3.1
ES	3	2000ES053PO305	Navarra Obj. 3	3.1
FI	2	1999FI162DO001	Etelä–Suomen (South Finland)	1.4
FI	1	1999FI161DO001	Pohjois–Suomen (North Finland)	1.3
FI	1	1999FI161DO002	Itä–Suomen (East Finland)	2.2
FI	3	1999FI053DO001	Finland SPD Obj. 3	4.42
FI	3	1999FI053DO001	Finland SPD Obj. 3	3.32
FR	2	2000FR162DO002	Auvergne	1.2
FR	1	2000FR161DO003	Martinique	8.5
FR	2	2000FR162DO013	Aquitaine	1.6
FR	2	2000FR162DO013	Aquitaine	1.7
FR	1	1999FR161DO001	La Réunion	14.4
FR	2	2000FR162DO021	Nord pas–de–Calais	1.9
FR	2	2000FR162DO008	Haute–Normandie	1.6
FR	1	2000FR161DO002	Guyane	8.2
FR	1	2000FR161DO002	Guyane	15.5
GR	1	2000GR161PO007	Epirus	5.2
GR	1	2000GR161PO011	Ionian Islands	5.1
HU	1	2003HU051PO001	Hungary HRD	3.4
HU	1	2003HU161PO001	Hungary Regional development	3.4
IE	1	2000IE051PO001	Employment & HR Development in Ireland Obj. 1	18 A, 18B, 18C
IT	1	1999IT161PO002	Development of Italy Local Entrepreneurship	4.3

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AND MEASURE
IT	1	1999IT161PO008	Molise	3.8
IT	1	1999IT161PO009	Puglia	3.9
IT	1	1999IT161PO011	Sicilia	3.9
IT	1	1999IT161PO003	Italy Research, Technological Development and Advanced Training	3.2
IT	1	1999IT161PO006	Calabria	3.9
IT	1	1999IT161PO007	Campania	3.9
IT	1	1999IT161PO007	Campania	4.4
IT	1	1999IT161PO012	Basilicata	3.8
IT	3	1999IT053PO002	Marche Obj. 3	4.41
IT	3	1999IT053PO003	Piemonte Obj. 3	4.41
IT	3	1999IT053PO004	Emilia Romagna Obj. 3	4.41
IT	3	1999IT053PO005	Toscana Obj. 3	4.41
IT	3	1999IT053PO006	Bolzano Obj. 3	4.41
IT	3	1999IT053PO008	Trento Obj. 3	4.41
IT	3	1999IT053PO009	Valle d'Aosta Obj. 3	4.41
IT	3	1999IT053PO010	Lombardia Obj. 3	4.41
IT	3	1999IT053PO011	Umbria Obj. 3	4.41
IT	3	1999IT053PO012	Abruzzo Obj. 3	4.41
IT	3	1999IT053PO013	Liguria Obj. 3	4.41
IT	3	1999IT053PO014	Veneto Obj. 3	4.41
IT	3	1999IT053PO015	Friuli Venezia Giulia	4.41
IT	3	1999IT053PO016	Lazio Obj. 3	4.41
LT	1	2003LT161DO001	Lithuania	2.2
LU	3	1999LU053DO001	Luxembourg	3.37
MT	1	2003MT161DO001	Malta	2.1
NL	3	1999NL053DO001	The Netherlands Active Labour market Policy and Lifelong learning	2.3
PL	1	2003PL161PO001	Poland Integrated Regional Development	2.4
PL	1	2003PL051PO001	Poland Human Resources Development	2.3
PT	1	1999PT161PO008	Portugal Economy	2.4
PT	1	1999PT161PO004	Portugal Information Society	6.1
PT	1	1999PT161PO013	Alentejo	4.5
PT	1	1999PT051PO002	Portugal Employment, Training and Social Development	2.2
SE	1	1999SE161DO001	Norra Norrland	3.1
SE	1	1999SE161DO001	Norra Norrland	3.2
SE	1	1999SE161DO002	Södra Skogslänenregionen	2.1
SE	1	1999SE161DO002	Södra Skogslänenregionen	2.2
SE	3	1999SE053DO001	Sweden Obj. 3	2.22
SE	3	1999SE053DO001	Sweden Obj. 3	1.12
SI	1	2003SI161DO001	Slovenia SPD	2.4
SK	1	2003SK051PO001	Slovakia HR Development	3.32

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AND MEASURE
UK	3	1999GB053PO001	East Wales Obj.3	4.1
UK	3	1999GB053PO001	East Wales Obj.3	4.5
UK	3	1999GB053PO001	East Wales Obj.3	4.2
UK	3	1999GB053PO002	Scotland Obj. 3	4.1
UK	3	1999GB053PO002	Scotland Obj. 3	4.2
UK	3	1999GB053PO003	England Obj. 3	4.41
UK	3	1999GB053PO003	England Obj. 3	4.42
UK	3	1999GB053PO003	England Obj. 3	4.43
UK	1	1999GB161DO002	Merseyside	1.12
UK	1	1999GB161DO002	Merseyside	1.4
UK	1	1999GB161DO003	South Yorkshire	2.1
UK	1	1999GB161DO003	South Yorkshire	3.1
UK	1	1999GB161DO003	South Yorkshire	3.13
UK	1	1999GB161DO004	West Wales and the Valleys	1.4
UK	1	1999GB161DO004	West Wales and the Valleys	4.6
UK	1	1999GB161DO005	Highlands & Islands	3.4
UK	1	1999GB161PO007	Northern Ireland	2.7
UK	2	2000GB162DO002	West Midlands	1.4
UK	2	2000GB162DO002	West Midlands	1.5
UK	2	2000GB162DO002	West Midlands	1.6
UK	2	2000GB162DO002	West Midlands	1.11
UK	2	2000GB162DO003	Yorkshire and the Humberside	2.4
UK	2	2000GB162DO005	North East of England	1.4
UK	2	2000GB162DO005	North East of England	2.7
UK	2	2000GB162DO007	East of England	2.3
UK	2	2000GB162DO009	London	2.7
UK	2	2000GB162DO010	South West of England	3.6
UK	2	2000GB162DO013	Western Scotland	1.3

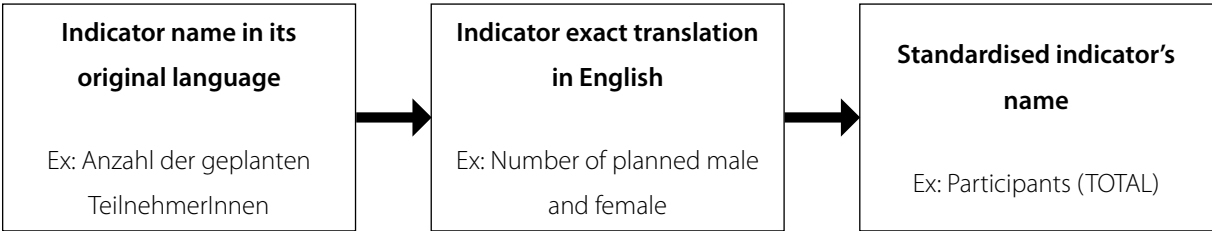
ANNEX 4: STANDARDISED INDICATOR NAMES USED FOR ANALYSIS

The indicators used in the report have been collected from the official ESF Operational Programme reports (Annual Implementation Reports and Evaluations). Each Member State defined a set of physical indicators “to be able to monitor a programme’s implementation and judge its performance against the objectives set”³³. In each Operational Programme (and more specifically in the Programme Complements) a set of indicators have been defined and target levels that corresponded to the objectives of the programme have been assigned.

There are three levels of indicators that were used for the analysis: output, result and impact indicators³⁴.

In order to analyse all indicators from different Operational Programmes, a procedure was introduced to standardize the indicators’ names.

This procedure consisted of inserting the indicator name in the database in its original language, then translate it into English and allocate it a name mentioned in the list below.



33. European Commission Directorate-General XVI Regional Policy and Cohesion: coordination and evaluation of operations The New Programming period 2000–2006: methodological working papers WORKING PAPER 3. Indicators for Monitoring and Evaluation: An indicative methodology. (Brussels: 2000) <http://ec.europa.eu/regional_policy/sources/docoffic/working/doc/indic_en.pdf>

34. For a description of the differences between types of indicators see Annex 4 – ESF Vocabulary.

List of standardised output, result and impact indicator names:

OUTPUT INDICATORS³⁵

Name of the standardised indicator	Definition	Further specifications
Participants (TOTAL)	Total participants of a measure or a priority starting the activities.	Characteristics of participants can be defined according to: <ul style="list-style-type: none"> - Gender: male, female, both - Age: <25, 25-50, >50 - Status in the labour market: employed, self-employed (entrepreneurs), unemployed, short-term unemployed (less than 12 months), long-term unemployed (more than 12 months), inactive (all people between 16 and 64 years old who are not classified as employed or unemployed, inactive in training (mainly students), workers with special status - Educational level: primary or lower secondary, upper secondary, post-secondary non-tertiary, tertiary, post-tertiary, other non-academic, vocational education, lower than primary level - Vulnerable groups: minorities, migrants, disabled, other disadvantaged groups, EU citizens, third-country nationals, disabled+migrants - Status: researcher, student, household, apprentice, teacher, trainer, manager, social worker, health worker, civil servant, farmer
Participants	Participants ⁴ starting the activities in a measure or a sub-measure (activity or action)	
Participants (completing)	Participants completing the activities in a measure or in a sub-measure (activity or action)	
Participants (interrupting)	Participants interrupting the activities in a measure or in a sub-measure (activity or action)	
Participants (continuing the same activities)	Participants continuing the same activities even after the end of the implementation year	

3. Please note that some standardised indicators can be used at different levels, according to the context of the intervention.

4. Participants without specification are considered to be beneficiaries starting.

Name of the standardised indicator	Definition	Further specifications
Organisations (TOTAL)	Total of organisations participating in a measure	Characteristics of organisations are: microenterprises, SMEs, firms (size not specified), large enterprises, organisations not specified, public employment services (PES), schools or education institutions (referring to the individual schools/educational institutes or training organisations participating in a measure/being supported), non-profit organisations (community, voluntary, charity, NGOs)
Organisations	Organisations include all kinds of organisations supported or involved in ESF activities	
Systems + Structures	Systems or structures supported by ESF	Systems and structures can be: educational (for measures addressing the creation or improvement of school or educational systems or parts of educational systems / structures in a specific area/region, i.e. the creation of new departments in universities, lifelong education centres etc), human resource management, other
Initiatives implemented	Activities or initiatives implemented under a measure	
Partnerships	Partnerships or networks supported	
Courses	Training courses (programmes) realised under a measure	
Curricula designed	New education or training courses developed (list of topics + objectives, teaching methods and contents)	
Services delivered	New services designed under ESF delivered to participants	
Research and analysis	Studies, research realised	
Jobs created ⁵	Workplaces created	
Jobs supported	Workplaces supported	
Jobs safeguarded	Workplaces safeguarded	
Qualifications achieved ⁶	Number of qualifications (certifications) obtained by participants after the end of training activities	
Projects funded (TOTAL)	Total projects funded under a measure or priority	

5. If those jobs refer to people placed into employment they could be used as result indicator and added to "Participants integrated into the labour market". The indicator "Jobs created" is in fact used as Output or Result depending on the context.

6. Although in most of OPs it is listed as Output, "Qualifications achieved" can also be used as result indicator and analysed together with "Participants gaining a qualification".

Name of the standardised indicator	Definition	Further specifications
Projects funded	ESF projects funded (started)	
Projects completed (TOTAL)	Total projects completed within a measure or priority	
Projects completed	ESF projects completed	
Start-ups supported	New Start-ups supported	
Firms created	New firms created	
Events organised	Events, conferences or meetings organised	
Products new	New products developed under a measure	
Scholarships	Number of scholarships funded under an ESF measure or priority	
Places created	Number of units created (for students at universities, or for little children at day-care, etc.)	
Days	Number of days the activity concerned was implemented	
Hours	Number of hours during which the activity (training, counselling, etc) was implemented	
Years	Years of duration of activities or projects	
Months	Months of duration of activities or projects	
Apprenticeship places created	New apprenticeship places created	
Apprenticeship places supported	Number of apprenticeship places receiving ESF support	
Incentives	Economic individual incentives (for training or business creation, self employment, etc.)	
Equipment	New equipment items purchased (e.g. PC stations, etc.)	
Participants * days	Number of participants multiplied by number of days of activity	
Participants*Hours	Number of participants multiplied by number of hours spent on the activity	
Indirect Beneficiaries	For example: a measure is directed at students, but teachers are trained in order to teach the students. Teachers are therefore indirect beneficiaries	

Name of the standardised indicator	Definition	Further specifications
Electronic tools	Electronic / virtual tools developed (portals, branch points, software etc)	
Internships places created	Number of placements created	
Vacancies notified to PES	Vacancies about which the PES is informed, which is an indicator of measuring success of contacts with employers	
Action plans	Individual action plans or employment plans for jobseekers produced	

RESULT INDICATORS

Name of the standardised indicator	Definition	Further specifications
Positive outcomes on leaving	This label is used for all results indicators for a measure, so all positive outcomes of the measure after the end of the activities	
Participants starting a training	After having benefited from counselling services or guidance activities	
Participants integrated into the labour market	People integrated into the labour market after the end of the activities	People integrated into the LM are classified according to the time elapsed between completing the activity and integrating on the LM: 0-3 months, 3-6 months, 6-12 months, more than 12 months
Participants gaining a qualification	Participants gaining a qualification after the end of training activities	
Participants following insertion paths	Participants following insertion paths in the labour market after the end of activities	
Start-ups existing after 1 year	Number of start-ups that continue to exist 1 year after their creation	

IMPACT INDICATORS

Name of the standardised indicator	Definition
Activity Rate	General activity rate of a Member State/region/sector
Unemployment rate	General unemployment rate of a Member State/region/sector
Start-ups existing after 2 years	Number of start-ups that continue to exist 2 years after their creation
Unemployment rate of young people on the total unemployment rate	The relation of youth unemployment (persons aged 16-24 years) to the total unemployment rate (M/F)
Long-term unemployed on the total unemployed	The relation of long-term unemployed persons (12-24 months) to the total number of unemployed persons
Participants that consider an advantage participating in the measure	Percentage of persons who consider that their participation in the measure was advantageous for them
Employment rate	General employment rate of a Member State/region/sector
Student access to Internet index productivity growth	The indicator measuring student access to the Internet
Participation in lifelong learning (% of 25-64 years age)	Share of the population between 25-64 years old which participates in lifelong learning activities
Participants starting tertiary education	Share of persons who continue studies at the college among total of high school pupils –recipients of the scholarship in the last grade

ANNEX 5: LIST OF ESF 2007–2013 PRIORITY AXES USED FOR THE STUDY

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AXIS
AT	1	2007AT051PO001	Burgenland	P1/P3
AT	2	2007AT052PO001	Austria Employment	P1/P5
BE	1	2007BE051PO001	Hainaut	P1/P2/P3
BE	2	2007BE052PO001	German-speaking Community of Belgium	P1/P2
BE	2	2007BE052PO002	Wallonie-Bruxelles	P1/P2
BE	2	2007BE052PO003	Belgium Federal State	P1/P2
BE	2	2007BE052PO004	Bruxelles-Capitale Region	P3
BE	2	2007BE052PO005	Vlaanderen	P1
BG	1	2007BG051PO001	Bulgaria Human Resources Development	P2/P3/P6/P7
BG	1	2007BG051PO002	Bulgaria Administrative Capacity	P1/P2/P3/P4

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AXIS
CY	2	2007CY052PO001	Cyprus Employment, Human Capital and Social Cohesion	P1
CZ	2	2007CZ052PO001	Praha Adaptability	P1/P3
CZ	U	2007CZ05UPO001	Czech Republic Human Resources and Employment	P1/P4/P5
CZ	U	2007CZ05UPO002	Czech Republic Education for Competitiveness	P1
DE	1	2007DE051PO001	Brandenburg	P1/P2
DE	1	2007DE051PO002	Mecklenburg–Vorpommern	P1
DE	1	2007DE051PO003	Niedersachsen–Lüneburg	P1
DE	1	2007DE051PO004	Sachsen	P1/P2/P3
DE	1	2007DE051PO005	Sachsen–Anhalt	P1/P2/P5
DE	1	2007DE051PO006	Thüringen	P1/P2
DE	2	2007DE052PO001	Baden–Württemberg	P1/P2
DE	2	2007DE052PO002	Bayern	P1/P2/P3
DE	2	2007DE052PO003	Berlin	P1/P2
DE	2	2007DE052PO004	Bremen	P1/P2
DE	2	2007DE052PO005	Hamburg	P1/P2/P3
DE	2	2007DE052PO006	Hessen	P1/P3
DE	2	2007DE052PO007	Niedersachsen (except for Region Lüneburg)	P1
DE	2	2007DE052PO008	Nordrhein–Westfalen	P1/P2
DE	2	2007DE052PO009	Rheinland–Pfalz	P1/P2
DE	2	2007DE052PO010	Saarland	P1/P2/P3
DE	2	2007DE052PO011	Schleswig–Holstein	P1/P2
DE	U	2007DE05UPO001	Germany Federal State	P1/P2/P3/P6/P7
DK	2	2007DK052PO001	Denmark More and better jobs	P1
EE	1	2007EE051PO001	Human Resource Development	P4
ES	1	2007ES051PO002	Castilla La Mancha	P1/P2
ES	1	2007ES051PO003	Extremadura	P1
ES	1	2007ES051PO004	Galicia	P1/P3
ES	1	2007ES051PO005	Andalucia	P2
ES	1	2007ES051PO006	Asturias	P1/P2
ES	1	2007ES051PO008	Melilla	P3
ES	1	2007ES051PO009	Region De Murcia	P1
ES	2	2007ES052PO001	Canarias	P1/P2/P3
ES	2	2007ES052PO002	Castilla y Leon	P1/P2
ES	2	2007ES052PO003	Comunidad Valenciana	P1/P2/P3/P4
ES	2	2007ES052PO004	Aragon	P1/P2/P3/P4
ES	2	2007ES052PO005	Baleares	P1/P3/P4
ES	2	2007ES052PO006	Cantabria	P1/P2/P3/P4
ES	2	2007ES052PO007	Cataluña	P1/P2
ES	2	2007ES052PO008	Madrid	P1/P3
ES	2	2007ES052PO009	Navarra	P1

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AXIS
ES	2	2007ES052PO010	Pais Vasco	P1/P2
ES	2	2007ES052PO011	La Rioja	P1/P2
ES	U	2007ES05UPO001	Spain Employment and Adaptability	P1/P2/P3/P4
ES	U	2007ES05UPO002	Spain Fight Against Discrimination	P2/P4
FI	2	2007FI052PO001	Mainland Finland	P1/P3/P4
FI	2	2007FI052PO002	Finland: Åland	P1
FR	1	2007FR051PO001	Martinique	P1/P2
FR	1	2007FR051PO002	Guadeloupe	P2
FR	1	2007FR051PO003	Guyane	P1/P2
FR	1	2007FR051PO004	Réunion	P1/P2
FR	2	2007FR052PO001	French National OP	P1/P4
GR	U	2007GR05UPO001	Greece Human Resource Development	P1/P2
GR	U	2007GR05UPO003	Greece Public Administration Reform	P2
HU	U	2007HU05UPO001	Hungary Social Renewal	P2
HU	U	2007HU05UPO002	Hungary State Reform	P2
IE	2	2007IE052PO001	Ireland Human Capital Investment	P1
IT	1	2007IT051PO001	Campania	P1/P2/P3/P4/P5/P7
IT	1	2007IT051PO002	Calabria	P1/P2
IT	1	2007IT051PO003	Sicilia	P1/P2/P5
IT	1	2007IT051PO004	Basilicata	P1/P3
IT	1	2007IT051PO005	Puglia	P1/P7
IT	1	2007IT051PO006	Italy Governance and System Actions	P1/P2/P4//P5/P6
IT	1	2007IT051PO007	Italy Competences for Development	P1
IT	2	2007IT052PO001	Abruzzo	P1/ P3/P4/P5
IT	2	2007IT052PO002	Emilia Romagna	P1/P2/P4/P5
IT	2	2007IT052PO003	Friuli Venezia Giulia	P1
IT	2	2007IT052PO004	Lazio	P1/P2/P3/P4
IT	2	2007IT052PO005	Liguria	P1/P2/P3/P4
IT	2	2007IT052PO006	Lombardia	P1/P2/P3/P4/P5
IT	2	2007IT052PO007	Marche	P1/P2/P4/P5
IT	2	2007IT052PO008	Molise	P1/P2/P5
IT	2	2007IT052PO010	Trento	P1/P2/P4
IT	2	2007IT052PO011	Piemonte	P1
IT	2	2007IT052PO012	Toscana	P1/P2/P3/P4/P5
IT	2	2007IT052PO013	Umbria	P1/P2/P3/P4/P5
IT	2	2007IT052PO014	Valle d'Aosta	P1/P2/P4/P5
IT	2	2007IT052PO015	Veneto	P1/P2/P3/P4/P5
IT	2	2007IT052PO016	Sardegna	P1/P4/P5
IT	2	2007IT052PO017	Italy Systemic Actions	P1/P4
LT	1	2007LT051PO001	Lithuania Human Resource Development	P1/P3/P4

MS	OBJ	CCI	TITLE OF THE PROGRAMME	PRIORITY AXIS
LU	2	2007LU052PO001	Luxembourg	P1/P2/P3
LV	1	2007LV051PO001	Latvia Human Resources and Employment	P3
MT	1	2007MT051PO001	Malta Empowering people for more jobs and a better quality of life	P2/P3/P4
NL	2	2007NL052PO001	Nederland	P3
PL	1	2007PL051PO001	Poland Human Resources	P1/P5/P8
PT	1	2007PT051PO001	Azores	P1
PT	U	2007PT05UPO001	Portugal Human Potential	P2/P5/P6
RO	1	2007RO051PO001	Romania Human Resources Development	P3
SE	2	2007SE052PO001	Sweden	P1
SI	1	2007SI051PO001	Slovenia Human Resources Development	P1
SK	U	2007SK05UPO002	Slovakia Employment and Social Inclusion	P1/P3
UK	1	2007UK051PO001	Highlands and Islands of Scotland	P1/P2
UK	1	2007UK051PO002	West Wales and the Valleys	P2/P3
UK	2	2007UK052PO003	Northern Ireland	P2
UK	U	2007UK05UPO001	England and Gibraltar	P1/P4/P5

Note:

1 – Convergence Objective

2 – Regional Competitiveness and Employment Objective

U – Multiple Objective Programmes

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ESF: active labour market policies and public employment services

ESF: adaptability of enterprises and continuing training of workers

ESF: developing human potential in research and innovation

ESF and labour mobility

ESF: education and lifelong learning

ESF: women, gender mainstreaming and conciliation of work and private life

ESF and Roma

ESF: sustainable development and eco-technologies

ESF: migrants and minorities

ESF: urban areas and local employment

ESF and older workers

ESF and health

ESF and entrepreneurship

ESF and young people

ESF and disabled

ESF and institutional capacity

ESF and social inclusion

ESF and equality mainstreaming

ESF and social partners

ESF support to building partnerships

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