European Social Fund
Investing in people
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What is the European Social Fund?

The European Union is committed to more and better jobs. This calls for a strengthened partnership between Member States, regional and local authorities, social partners, civil society and particularly individual citizens. To create more and better jobs in a changing world, more needs to be done in vital areas such as research, innovation and the knowledge society. Most importantly of all, the EU needs to invest in its most precious resource – its people.

Introducing the European Social Fund (ESF)

The ESF is the European Union’s main financial instrument for investing in people. The ESF supports employment. It helps people enhance their education and skills. This improves their job prospects. The ESF spends over €10 billion a year across all Member States. This represents more than 10% of the total budget of the European Union.

The ESF was part of the original Treaty establishing the European Economic Community in 1957. The aim then was to promote employment and increase opportunities for workers. Fifty years later, employment is still a top priority. European efforts have evolved to confront new challenges and to offer better opportunities to all its people.

- In order to increase living standards, Europe needs to provide more jobs for its citizens: 70% employment rate overall, 60% for women and 50% for people aged between 55 and 64 years.
- To remain competitive in a globalised world, the workforce in Europe needs to have high levels of skills and adaptability.
- Europe is working for better jobs in an inclusive society, based on equal opportunities for all.
Facing new challenges

Today more than 200 million workers in Europe are faced with many challenges – demands for new skills, computer technologies, globalisation, difficulties for the young to find a first job, the ageing of European societies, and so on.

In our fast moving world, there is no longer a ‘job for life’. This means opportunities for change and trying out different jobs. But it also means that everyone needs to maintain and update their education and skills, and be adaptable to new ways of working, with opportunities for career breaks and time out for personal and family life.

Today, there are four people of working age supporting pensions for each person over 65. By 2050 this ratio will have dropped to two workers per person over 65 due to:
- falling birth rates,
- rising life expectancy,
- retirement of the baby-boom generation.

In Greece, the ESF funded language training for recent immigrants, 60% of whom were women, to improve their job prospects and integration in society.
Employment for all

Job opportunities are needed for those who have still to find a job. Young people require an education that will help them to get their first job. The ESF provides support for people wishing to return to work, such as parents who have taken time out to raise their children, or people who have taken a career break for studying. Special attention is also paid to those at risk of being excluded from the labour market, especially:

- disabled people,
- migrants,
- minorities,
- other disadvantaged groups.

Rethinking how we work

Finding solutions to new challenges calls for new ideas, technology and products. It means rethinking how we work and how to find the right balance between work, personal and family life. For this, we need to work together. Partnerships are crucial, at local and regional level, and also between Member States (transnational cooperation). The ESF supports this cooperation where good ideas are exchanged and successful methods built upon.

An ESF-funded scheme in the UK offered long-term unemployed people the opportunity of a 12-month job placement. Three quarters of participants moved on to employment, training or education.

Unemployment amongst Roma is usually higher than the average. Therefore, in Spain, special training courses, funded by the ESF, were developed for specific jobs for Roma.
What does the ESF support?

➔ In France, the ESF funded a special ‘coaching’ service for people with hearing impairments to advance their careers.

➔ In Portugal, adults who had not completed secondary school benefited from a new system, supported by the ESF, to certify non-formal learning. Thanks to this certification, the participants were able to improve their job situation or return to formal education, such as higher education.

➔ In the Czech Republic, the ESF funds the so-called ‘VIP Career’ project, which helps school leavers get their first job.

The ESF supports people by:
• providing training and re-training,
• enhancing skills,
• developing careers, and
• promoting entrepreneurship.

The ESF helps people – young and old – both in work and looking for a job. The ESF stresses equality between women and men and the avoidance of all types of discrimination.

Making a difference

Activities supported by the ESF have made a difference to many people’s lives. ESF actions have developed skills and job prospects. They have also helped find a better balance between work and family commitments. ESF actions have supported women to enter new professions, advance in their careers, and return to work. They have assisted older workers – for example to finish studies or validate previous non-formal learning. ESF actions have also given a helping hand to young people just entering the job market.

ESF actions have improved access to training for all. One example is ensuring that the communication needs of deaf people are met so that they are not excluded from job opportunities. These are just some of the areas where the ESF makes a real difference to people’s lives.
Modernising services

The ESF supports the modernisation of public services in order to ensure efficient delivery. This is important for education and public employment services. It can also make a big difference for:

- business start ups,
- environmental services,
- reducing bureaucracy and cutting red tape,
- health and consumer protection, and
- food and labour standards.

Businesses in change

Training supported by the ESF has helped many small businesses keep up with technological change. ESF has also helped to introduce new ways to organise work in companies and to adapt to market trends, through new design and technology.

In Poland, women received support to start up their own business, which ranged from computer literacy training to guidance on running a small business.
What does the ESF pay for?

Through the ESF, Europe invests more than €10 billion a year in its citizens. This money is added to what Member States themselves invest in their people. The annual amount of European money available is decided for seven years. This allows for medium to long-term planning, and sustained support for including people in the labour market.

**Focusing on Member States**

People in all areas of the European Union benefit from the ESF. Naturally, the money is concentrated in the most needy regions and Member States, which receive three quarters of all funds.

However, it is not just workers in poorer regions who need support. Throughout the European Union people need to prepare for the labour market: how to enter and how to advance.

The ESF, therefore, supports people in all parts of the European Union.
Different levels of ESF assistance

European Social Fund (ESF) 2007-2013

- Three quarters of ESF budget
- One quarter of ESF budget
Find out more about the ESF

Member State authorities are responsible for the ESF in each country. Get in touch with your national contact to find out more about funding opportunities and what the ESF is doing in your area. You can find the national contacts at:

http://ec.europa.eu/employment_social/emplweb/esf

The European Union’s Europa website has further information on:
- the history of the ESF,
- ESF priorities and objectives,
- ESF supported projects and activities.

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