



# The Social Partners and the European Social Fund

## 1. Introduction

### Who are the Social Partners?

The social partners are management and worker representatives (employers' organisations and trade unions). The social partners have a unique role in social and economic governance: they represent the many important aspects of the world of work, ranging from working conditions to the development of continuing training and the definition of wage standards. In particular, they are entitled to conduct dialogue on behalf of their members – employers and employees – and negotiate collective agreements.

### What is the Social Dialogue?

The fact that the social partners can commit their members to certain actions, through negotiations, defines social dialogue – the broader process of collective bargaining and consultation – and distinguishes it from a wider civic dialogue with other interested organisations.

Social dialogue can be a powerful instrument for joint problem solving; either through tripartite consultation of both the social partners with governments, or through bipartite dialogue between the social partners to resolve potential conflicts in the world of work before they become confrontational.

### The benefits of Social Dialogue

Social dialogue can provide companies and employees with a stable environment to thrive in and can contribute significantly to the anticipation and successful management of change.

The Lisbon Strategy relies on a partnership approach for its successful implementation and, at their Spring Summit in 2006, European leaders stressed that *"an effective renewed Partnership for growth and employment will require [the] active contribution and responsibility of the social partners"*.

## 2. Policy background

At the European level, the social partners, with the active support of the European Commission, have laid the foundations of a European social dialogue, and both its tripartite and bipartite dimensions have developed in a dynamic and innovative way. The Commission consults the European social partners before submitting any proposal in the employment and social policy field. This means that the social partners have a great impact on the final quality, and consequently, the added value of community action. They also have the opportunity to enter bipartite negotiations between themselves on the issue. In recent years, the social partners have pursued a more



autonomous dialogue at the European level and are adopting a diverse array of initiatives, including undertaking certain commitments and then actively following these up at the national level. This requires greater interaction between the different levels, including effective industrial relations systems and reinforced social partner capacities at national level.

Recent examples from several Member States have shown that tripartite social dialogue contributes significantly to the successful modernisation of labour market policy. This new approach to tripartism can be developed at local, national and European level.

### ESF support to the Social Partners in 2000-2006

The social partners participated in many projects financed by the ESF in the period 2000-2006, in particular in the fields of worker adaptability and the provision of training and lifelong learning opportunities. Furthermore, the EQUAL initiative and PHARE projects also supported social dialogue and improved the social partners' general skills. Experience shows that the social partners have implemented successful actions. For example:

In Germany, the social partners play an important role in the field of lifelong learning and in adaptability and entrepreneurship measures.

In Spain, the social partners manage some 80% of the continuing training actions co-financed by the ESF, representing approximately 14% of ESF support. And the social partners also have a significant role in the domain of adaptability.

In Belgium, the social partners are strongly involved in the implementation of three key priorities representing approximately 45% of the global ESF budget in Flanders – “Developing entrepreneurship”, “Encouraging flexibility in businesses and their employees”, “Strengthening policies of equal opportunities for women and men”.

In the Netherlands, measures whereby the social partners implement the bulk of projects represent 13% of the ESF budget there.

## 3. Good governance in the ESF

The efficient and effective implementation of ESF actions depends on good governance and partnership between all relevant territorial and socio-economic actors, and in particular the social partners and other stakeholders, including those at national, regional and local level. The social partners have a central role in the broad partnership for change, and their commitment to strengthening economic and social cohesion by improving employment and job opportunities is essential.

The ESF Committee, the EU-level group of representatives from the Member States, itself reflects the importance of involving social partners in preparing, implementing and evaluating ESF-funded activities. Since its inception it has been a tripartite committee with equal representation of social partners and governments. This allows the social partners to be actively involved in the operation of the ESF at EU level, as well as on the ground in the Member States and regions.

## 4. The Social Partners as beneficiaries of the ESF in 2007-2013

### The Social Partners' role in delivering Lisbon

Social partners have a key role to play, with Member States, in achieving the objectives of the Lisbon Strategy, in particular full employment, better jobs, higher productivity, an inclusive labour market and reduced regional employment disparities. The role of the social partners in achieving these objectives includes contributing to:

- Projects that address the adaptation and implementation of EU and national employment legislation, such as reviewing contractual and working time arrangements and ensuring employment-friendly labour cost developments and wage-setting mechanisms. An example is the Social Partners Unit in Wales in the United Kingdom, which is a company – jointly owned by the employer and trade union organisations – which advises the Welsh Assembly government on relevant policy issues.



- Initiatives to anticipate and manage change better, in particular changes linked to globalisation, so as to minimise their social costs and help people and companies adapt. An example is the Irish National Centre for Partnership and Performance that brings the social partners together to support and drive change in the Irish workplace.
- The promotion and dissemination of innovative and adaptable forms of work organisation, with a view to improving quality and productivity at work, including health and safety. These include training bodies set up by social partners and national authorities in the Netherlands to improve the adaptability of workers and organisations and support people changing careers, such as through training, self-employment, business creation and geographic mobility.
- Developing the job-matching capacities of employment services in the short term, while contributing to policy development to prevent skills shortages in the medium to long term. And more widely, improving the way labour markets work through helping develop EU-wide electronic databases of work opportunities to encourage mobility and open opportunities.

In addition, the social partners can contribute to achieving EU objectives through initiatives in the fields of lifelong learning; job creation; equal opportunities; enhancing access to employment and participation in the labour market; reinforcing social inclusion and fighting discrimination; reconciling work and family life; and developing indicators and benchmarks. As well as the ESF, there are other, complementary EU financial instruments that the social partners can benefit from: support for the European Social Dialogue and the Community Programme for Employment and Social Solidarity (Progress) are two of these.

### Extra support to the Social Partners in Convergence Regions

There is scope for improving the social partners' capacity to take part in social dialogue in Convergence Regions where trade union density may

be below the EU average or employers less well represented. In most new Member States tripartite dialogue prevails while bipartite (sectoral) social bargaining is not always well developed. Therefore, the ESF will support awareness-raising and capacity-building activities to encourage the establishment and functioning of social dialogue structures at all levels (cross-industry and sectoral at national, regional and local levels). In the ESF regulation for 2007-2013, this support falls under two new priorities:

- The so-called "*mobilising for reforms in the fields of employment and inclusion*" priority which will provide specific support to the improvement and development of partnerships and pacts in order to mobilise for reforms in the area of employment and social inclusion.
- The "*strengthening institutional capacity and the efficiency of public administrations and services*" priority that supports the creation of partnerships in a wide range of policy areas, including dialogue between public and private entities, such as socio-economic partners and non-governmental organisations.

As well as these two new general priorities, the ESF Regulation also highlights two activities aimed specifically at meeting the greater needs of Convergence Regions.

- *Capacity-building activities*: to enable the social partners to play their role effectively in the achievement of ESF objectives; this includes training, networking measures, and strengthening social dialogue
- *Actions jointly undertaken by social partners*: in particular, activities related to the adaptability of workers and enterprises

Significantly, this support can be provided to individual social partner organisations, as well as to actions jointly undertaken by representatives of both sides of industry. In this way, individual social partners – whether employer or employee organisations – can be supported with appropriate capacity-building measures to play a full part in social dialogue.



### The different roles of the Social Partners in implementing the ESF

In 2000-2006, the social partners were effective members on many of the ESF Operational Programmes' Monitoring Committees. This will again be the case in 2007-2013, as the ESF Regulation states that each Member State shall organise, where appropriate and in accordance with current national rules and practices, a partnership with authorities and bodies, such as the competent regional, local, urban and other public authorities, and the economic and social partners. In addition, in the allocation of funds, the social partners may act as beneficiaries or intermediate bodies. These multiple roles place the social partners at the heart of the implementation of the ESF.

### Complementarity with other EU financial instruments

The ESF is only one of the EU financial instruments that can support the activities of social partners'. There are two other sources of support.

First, there are three autonomous budget lines for "support of European social dialogue". These target a) industrial relations and social dialogue, b) information and training measures for workers' organisations, and, c) information, consultation and participation of representatives of undertakings. In contrast to ESF funding, these budget lines focus on the European dimension with projects that involve trans-national activities.

Second, the Community Programme for Employment and Social Solidarity (Progress) aims to ensure that Member States implement laws and practices that support the social agenda. For example, Progress could support EU-wide studies on income and living conditions, or EU networks of NGOs active in fighting social exclusion.

The Commission and the ESF managing authorities in the Member States together ensure that there is consistency and synergy between these funding instruments.

For more information see:

[http://ec.europa.eu/employment\\_social/esf/fields/partnership\\_en.htm](http://ec.europa.eu/employment_social/esf/fields/partnership_en.htm)



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