



PORTUGAL

AND THE EUROPEAN SOCIAL FUND

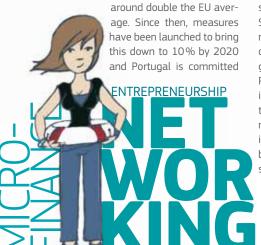
Portugal is modernising its economy while offering all of its people the chance to acquire the new skills that will help them benefit from future growth. The education system is being boosted at all levels, people in work are getting training opportunities, and focused help is available for those social groups facing obstacles to finding a job.

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INVESTING IN PEOPLE AND JOBS: THE OPPORTUNITIES FOR PORTUGAL

Although employment has suffered in Portugal as a result of the economic crisis, historically it has been held at relatively high levels - above EU averages and targets. Indeed, Portugal is aiming for 75% overall employment rate by 2020. One of the main challenges which Portugal faces has to do with the low skill-levels of the Portuguese population, which are reflected in the difficulties workers face in adapting to changes in the labour market. The ESF has been a key instrument for financing several initiatives and measures aimed at improving the levels of qualification of the Portuguese population. To become competitive and ensure growth and the sustainability of public finances, Portugal is taking measures to improve the productivity of its companies and its workforce. In response. Portuguese companies have increased R&D spending appreciably; it has doubled as a proportion of GDP in recent years. This means that giving workers new, advanced skills is a priority to help them benefit from this change and ensure that poor skills do not limit growth and job creation.

To achieve this, Portugal is taking significant measures. The school and vocational training drop-out rate had reached 28.7% by 2010,



"Workers with advanced skills are a priority"

to this target. The education system is undergoing reform with new curricula, training for teachers and measures to retain young people in school by making education more attractive. More courses that are better related to work and job prospects are needed. And in higher education Portugal is taking steps to boost the number of graduates – targeting 40% of young people by 2020. This effort is accompanied by actions to build closer links with innovative companies and encourage entrepreneurship and management skills among well-qualified young people – which will help them make an easier transfer into working life and make the most of their qualifications in their work.

ESF spending in Portugal

For 2007-2013, Portugal is receiving EUR 6.8 billion in ESF funding, which represents the sixth largest allocation among the 27 Member States. The overall allocation of ESF and national co-funding brings the total investment on qualification and skills, labour market integration and social inclusion to EUR 9.5 billion. Programmes funded by ESF are focused on improving educational qualifications, vocational training and lifelong learning; fostering labour market integration – through measures such as internships or wage subsidies – as well as on boosting management skills, entrepreneurship, social inclusion and gender equality.

PORTUGAL'S ESF PRIORITIES

Boosting higher education

ESF spending is helping to build a highly-qualified and employable graduate workforce in Portugal. Already, over 260 000 young people have received scholarships for university education. And specialised training is being made available, such as in information technologies for up to 30 000 graduates from all disciplines to improve their job prospects. Employers are encouraged to interact with training institutions on the design and content of courses and to provide work-placements for students.

Better skills for workers and companies

With ESF help, low-skilled workers and jobseekers are getting the chance to improve their skills and achieve the qualifications they need to have better career prospects. Already close to 2 million have taken part in ESF training activities, and 1 million have followed courses aimed at

improving innovation and management capacities. An example is the Mini-masters in management offered on the Islands of the Azores to boost the skills of local companies – including training leadership and innovation given by experts. And ESF funding is ensuring that 4000 entrepreneurs a year are getting support through training and other projects.

Fighting poverty and inequalities

With the aim of reducing the number of people at-risk-of-poverty by 200 000 by 2020 Portugal is using ESF funding to help disadvantaged groups. Projects to support the disabled, including helping them train for and find suitable work are targeting 7000 people a year. Over 18 000 new childcare places are being created to allow both parents to earn an income, and other projects focusing on jobseekers from families with small children are some of the measures underway.

"Supporting 4000 entrepreneurs a year"

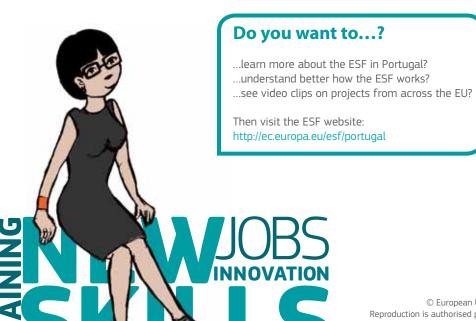
THE ESF IN PORTUGAL: SOME EXAMPLES

Crossing borders, expanding horizons

In the global economy the importance of reaching out and connecting with international partners cannot be overestimated. Today, many companies are actively seeking young graduates with a global perspective. The INOV-Contacto programme of internships is placing young workers in multinational enterprises abroad in sectors which are strategic to the Portuguese economy and that can foster Portuguese's exports and increase foreign investment in Portugal. The aim of this programme is to train a new generation of qualified young Portuguese, who are more outwardly oriented, with real experience that can be as beneficial for their professional careers as for Portugal's growth prospects.

Building confidence in immigrant communities

The Amadora district of the Portuguese capital Lisbon is home to many immigrants from former colonies seeking a better life in the city – yet the district suffers from high levels of poverty and unemployment. In response, the cultural association Moinho da Juventude launched a series of training programmes to promote the employment and social inclusion of adults, young people and children from the South Atlantic Cape Verde Islands. With the help of local businesses, this operation was successful and a number of trainees went on into work.



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