



The analysis of the outcome of the negotiations concerning the Partnership Agreements and ESF Operational Programmes, for the programming period 2014-2020

Final report: EU28 Analysis

This report was prepared by Fondazione G. Brodolini with the support of CEPS and COWI

September 2016

EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion

Unit F1: ESF and FEAD Policy and Legislation

Contact: Maeva Roulette

E-mail: Maeva.ROULETTE@ec.europa.eu

European Commission

B-1049 Brussels

**The analysis of the outcome
of the negotiations
concerning the Partnership
Agreements and ESF
Operational Programmes, for
the programming period
2014-2020**

Final report: EU28 Analysis

Europe Direct is a service to help you find answers to your questions about the European Union.

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

This document has been prepared for the European Commission however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

Luxembourg: Publications Office of the European Union, 2016

ISBN: 978-92-79-62769-9

doi: 10.2767/90132

© European Union, 20116

Reproduction is authorised provided the source is acknowledged.

TABLE OF CONTENTS

ACRONYMS AND ABBREVIATIONS	
LIST OF TABLES AND FIGURES	
EXECUTIVE SUMMARY	i
RESUME ANALYTIQUE	vii
INTRODUCTION.....	1
1 BACKGROUND OF THE STUDY	2
1.1 Policy background	2
1.2 Aims and objectives.....	4
1.3 Methodology for data collection	5
2 SETTING THE SCENE: OVERVIEW OF ESF PROGRAMMING	1
2.1 Programming and OPs architecture.....	1
2.2 Financial architecture	2
2.2.1 Financial allocation across countries	2
2.2.2 Share of ESF in cohesion policy	4
Financial allocation across thematic objectives and objective regions	5
2.2.3	5
2.3 Selection of indicators and target values	9
2.3.1 Output indicators	10
2.3.2 Result indicators	11
2.3.3 Performance framework	16
3 ESF INVESTMENT IN PROMOTING SUSTAINABLE AND QUALITY EMPLOYMENT AND SUPPORTING LABOUR MOBILITY (TO8)	18
3.1 Policy context	18
3.2 Overview of investment per IP for TO8.....	21
3.3 Alignment between CSR and the selected IP across MS	24
3.4 Specific objectives, actions and target groups supported	27
3.4.1 Specific Objectives	27
3.4.2 Actions and target groups	29
3.5 Performance of ESF investment in TO 8.....	34
3.5.1 Output indicators	34
3.5.2 Result indicators	37
4 ESF INVESTMENT IN PROMOTING SOCIAL INCLUSION, COMBATING POVERTY, AND DISCRIMINATION (TO9).....	40
4.1 Policy context	40
4.2 Overview of investment per Investment Priority for TO9.....	43
4.2.1 Relative share of total ESF budget allocated to promoting social inclusion 43	
4.3 CSRs that are addressed related to TO9	46
4.4 Specific objectives, actions and target groups supported	49
4.4.1 Specific Objectives	49
4.4.2 Actions and target groups	51
4.5 Performance of ESF investment in TO 9.....	54
4.5.1 Output indicators	54
4.5.2 Result indicators	55

5	ESF INVESTMENT IN EDUCATION, TRAINING AND VOCATIONAL TRAINING FOR SKILLS AND LIFELONG LEARNING (TO10)	57
5.1	Policy context	57
5.2	Overview of investment per Investment Priority for TO10	60
5.3	CSRs that are addressed related to TO10	63
5.4	Specific objectives, activities and target groups	66
5.4.1	Specific objectives	66
5.4.2	Actions and target groups	67
5.5	Performance of ESF investment in TO 10	71
5.5.1	Output indicators	71
5.5.2	Result indicators	73
6	ESF INVESTMENT IN ENHANCING INSTITUTIONAL CAPACITY OF PUBLIC AUTHORITIES AND STAKEHOLDERS AND EFFICIENT PUBLIC ADMINISTRATION (TO11)	75
6.1	Policy context	76
6.2	Overview of investment per IP for TO11	76
6.3	CSR that are addressed related to TO11	77
6.4	Specific objectives, actions and target groups supported	80
6.4.1	Specific objectives	80
6.4.2	Actions and target groups	81
6.5	Performance of ESF investment in TO 11	83
6.5.1	Output indicators	83
6.5.2	Result indicators	85
7	KEY FINDINGS: APPLICATION OF THE CORE ASPECTS IN THE REGULATIONS ...	87
7.1	Political strategic orientations of ESF	87
7.2	Application of the different financial (concentration) features of the regulations	89
7.3	Intervention logic	92
7.4	Specific areas of interest	93
7.5	Result-orientation	97

ANNEX I. METHODOLOGICAL NOTE (separate document)

ANNEX II. STATISTICAL APPENDIX (separate document)

ACRONYMS AND ABBREVIATIONS

CPP/PP	Commission Position Papers
CPR	Common Provisions Regulation
CSR	Country Specific Recommendations
ESL	Early school leaving
ERDF	European Regional Development Fund
ESF	European Social Fund
ESF OP DB	Database for the screening of ESF/multi-fund OPs developed by FGB on the basis of information on latest OPs/SFC2014
IL	Intervention logic
IP	Investment Priorities
MS	Member States
NRP	National Reform Programmes
OI	Output indicators
OP	Operational Programmes
PA	Priority Axis
RI	Result indicators
SO	Specific Objectives
TO	Thematic Objectives

LIST OF TABLES AND FIGURES

Table 2.1. Distribution of national/regional ESF and ESF multi-fund OP	2
Table 2.2. Total ESF budget per MS (including ESF YEI matching support) and MS relative share of total ESF budget and EU population (%)	3
Table 2.3. Share of ESF (including TA and ESF YEI matching support) on structural fund allocation	5
Table 2.3. Distribution of ESF budget by regions.....	7
Table 2.5. Relative frequency of results indicators by category and Thematic Objectives (as % of total result indicators)	13
Table 2.6. Aggregation of target values of result indicators expressed in absolute values.....	16
Table 3.1. Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue).....	25
Table 3.2. Distribution of OI target values within TO 8	36
Table 3.3. RI target values in absolute values for TO8 (absolute values).....	38
Table 3.4. Distribution of YEI RI target values (ESF Annex II indicators, abs values)	39
Table 4.1. Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue).....	47
Table 4.2. Aggregation of Output Indicator target values within TO 9	55
Table 4.3. Aggregation of target values of result indicators for TO9 (abs values)	56
Table 5.1 Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue).....	64
Table 5.2 Distribution of Output indicators values in TO10.....	73
Table 5.3 Result Indicators target values in absolute values for TO9 (abs values)	74
Table 6.1. Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue)	
Table 6.2. Overview of the groups and financial allocation	
Table 6.3. Broadness of challenges and MS response in the OP intervention logic	
Table 6.4. Aggregation of target values of result indicators for TO11, absolute numbers and frequency	
Figure 2.1. Distribution of ESF budget by country and Thematic Objective (%).....	6
Figure 2.2. Budget share of five largest Investment Priorities per OP	8
Figure 2.3. Average % of ESF budget allocated to five largest Investment Priorities per OP	9
Figure 2.4. Share of common output indicators over total, by country	11
Figure 2.5. Share of ESF budget, number of result and output indicators by country (measured in %)	12
Figure 2.6. Share of result indicators whose targets can be expressed in absolute values, by country	15
Figure 2.7. Financial milestones (2018) as a relative share of total ESF budget	17
Figure 3.1. MS performance on EU2020 national targets - employment rate (difference in percentage points, 2013).	19

Figure 3.2. Percentage of total ESF budget allocated to TO 8 and related IPs (including ESF matching of YEI, without TA)	22
Figure 3.3. Overview budget share per Investment Priority – TO8	II
segnalibro non è definito.	
Figure 3.4. Total budget allocated to youth employment policies	23
Figure 3.5. Actions supported by IP selected under TO 8	30
Figure 3.5. Target groups supported by Investment Priority selected under TO8	33
Figure 4.1. MS performance on EU 2020 national targets - People at risk of poverty (percentage of the total population, 2013).....	41
Figure 4.2. Budget share allocated to Social Inclusion (%).....	43
Figure 4.3. Percentage of total ESF budget allocated to TO 9 and related IPs	44
Figure 4.4. Overview budget share per Investment Priority – TO9	45
Figure 4.5. Actions supported by Investment Priority selected under TO9	51
Figure 4.6. Target groups supported by Investment Priority selected under TO 9	54
Figure 5.1 MS performance on EU2020 national targets – Early School Leaving (difference in percentage points, 2013)	59
Figure 5.2 MS performance on EU2020 national targets –tertiary education (difference in percentage points, 2013)	59
Figure 5.3 Percentage of total ESF budget allocated to TO 10 and related IPs.....	61
Figure 5.3 Overview of budget share per Investment Priority – TO10	62
Figure 5.4 Distribution of selected actions across the Investment Priorities in TO10 .	68
Figure 5.5 Distribution of target groups in TO10	70
Figure 6.1. Overview budget share per Investment Priority – TO11	77
Figure 6.2. Typologies of actions selected under TO11, frequency.....	82
Figure 6.3. Target groups supported under TO11, frequency	83
Figure 6.4. Number and types of output indicators selected MS, TO11, frequency	85

EXECUTIVE SUMMARY

This report analyses the outcomes of the negotiations concerning the Partnership Agreements and the European Social Fund Operational Programmes, including multi-fund programmes, for the programming period 2014-2020.

(1) Policy context

Cohesion policy has undergone a far-reaching reform for the 2014-2020 programming period. This is based on the recognition that cohesion policy is the EU's main instrument for achieving the Europe 2020 objectives (strategy for smart, sustainable and inclusive growth) and that it places a strong emphasis on increased effectiveness and result orientation. Core elements of the reform, which have been expressed by the Common Provisions Regulation (CPR) and ESF regulation, are amongst else:

- In order to stop the gradual decrease of the ESF allocation within Cohesion Policy funding, a minimum guaranteed share of the ESF has been set. This share varies within the cohesion policy funding in each Member State, but should not fall below 23.1% at EU level.
- Strengthening the link with the European Semester and the support to achieve the relevant Country Specific Recommendations (CSR), and tackle their underlying challenges.
- Establishing a minimum allocation of at least 20% of ESF resources to social inclusion.
- A greater emphasis on combating youth unemployment and supporting an initiative dedicated to youth employment (YEI).
- Focusing interventions on a limited number of priorities, in order to ensure a sufficiently high critical mass of funding and make a real impact in addressing Member States' key challenges.
- Strengthening a more robust monitoring of financial and physical implementation, which includes the establishment of common indicators for outputs and results, based on common definitions that will be reported for all investment priorities.

All of these elements shall contribute to strengthening the programmes' 'intervention logic', which begins with the identification of the most important development needs, as well as the changes that the programmes are expected to bring about. Following this, there will be a consideration of how these changes will meet the most important development needs and a demonstration of how the planned spending contributes to achieving this (by setting clear specific objectives and corresponding result indicators, as well as dedicated activities to achieve the results with clear output indicators).

(2) Aims of the study and methodological approach

The aim of the present study is to provide an evidence-based review of Member States' strategic choices in the programming of the European Social Fund; this will be achieved by mapping the content of Partnership Agreements and ESF Operational Programmes (including ESF multi-fund OPs) and analysing the extent to which the main innovations, introduced by the ESF Regulation and the relevant CPR, have been integrated into the programming documents. There will be a particular focus on the provisions concerning strategic programming and result orientation. The present study addresses four main areas:

- the political strategic orientation on how programmes address relevant challenges and the focus of programmes in terms of selected thematic objectives, investment priorities and specific objectives;
- how programmes support more specifically youth employment, institutional capacity and public administration, and investment in active labour market policies (ALMPs);
- how programmes and countries have allocated financial resources across thematic objectives and Investment Priorities, and how they address and comply with thematic concentration and financial allocation requirements;
- the adequacy of the intervention logic (i.e. assessing the extent to which selected investment priorities and specific objectives are likely to bring about the achievement of desired changes);
- the set of output and result indicators selected, their relevance and overall target values.

This study analysed information collected from the 28 Partnership Agreements and the 184 ESF programmes (mono and multi fund) across the 28 Member States (as part of task 1). The three Technical Assistance programmes in France, Greece and Spain were only included in the analysis of total ESF spending. Information was collected, categorised (according to standard ID categories for the purposes of analysis and aggregation on country and EU level) and stored in an online database, feeding the production of country factsheets (as part of task 2) and the EU level synthesis (the present report, as part of task 3).

(3) Key findings

The findings of the study are organised along the following topics: (a) political strategic orientation; (b) financial allocation; (c) programme intervention logic; (d) ESF investment in specific themes; and (e) the performance of ESF.

a. Political strategic orientation of ESF

This study concludes that there is a strong alignment between the relevant Country Specific Recommendations of 2013/2014 and selected Investment Priorities, thus demonstrating that ESF programming is informed by the CSR and can contribute to the achievement of the ESF-relevant Europe 2020 strategy targets.

- With regards to the political strategic orientation of ESF, the study concludes that the Investment Priorities for ESF are strongly interlinked with the Europe 2020 Strategy for smart, sustainable, and inclusive growth, as well the employment package, the Youth Employment Package, the Social Investment Package and the Education & Training 2020 framework.
- The ESF programmes assessed are generally well informed by the relevant CSRs, and are therefore expected to contribute to their implementation. In most cases, programmes have a dedicated Investment Priority (at least on country level) that is completely or partly addressing the relevant CSRs. Moreover, generally, there is also a large share of ESF budget for each IP that is linked to a CSR, while the majority of the relevant CSR are addressed by a dedicated IP. Upon inspection of the different Thematic Objectives and Investment Priorities, one sees that IPs show a strong alignment with CSR in most cases; this is especially the case for IP 8.i Access to employment, 8.ii Youth employment, while IPs related to TO 9 (Social Inclusion), 10 (Education) and 11 (Institutional Capacity) all have a strong alignment. Only the CSRs concerning IP 8.iii Entrepreneurship development and 8.vi Active ageing are not always addressed through ESF funding. "Allocating" IPs to CSRs enables us to assess how much budget is allocated to (overcoming) a certain challenge and to monitor the ESF contribution towards implementing the CSR over time. This linkage is not always possible, however. Sometimes CSR are described in

rather broad terms, hampering the identification of a clear link between CSR and IP. In other cases, OPs addressed CSRs horizontally across programming, following a mainstreaming approach; this was the case for reducing discrimination, active ageing and youth unemployment.

b. Financial allocation

This study concludes that thematic concentration (as defined by article 4 of the ESF regulation) and the setting of a minimum share for social inclusion (article 4(2) of the ESF regulation) were respected during the programming, and resulted even in a higher allocation of budget to certain policy themes, as well as to better concentration of ESF budget.

- The analysis of financial data concerning the *ESF minimum share* shows that all MSs complied with this requirement and even allocated more budget to ESF than requested, indicating a strong commitment to improving human capital and social investment. 18 MSs decided to allocate more budget to ESF than the minimum requested, of which four countries even allocated 5 to 7 percentage points more than the minimum requested. 10 MS decided to allocate exactly the minimum share of budget to ESF (BE, CY, DK, FI, FR, LU, NL, MT, RO, UK).
- With regards the application of the *thematic concentration*, this study concludes that all OP comply with this requirement, focussing a dedicated share of ESF allocation (depending on the level of development of the region) to five IPs. The analysis shows that MS did not merely aim to go for the minimum concentration requested, but instead designed ESF OPs with a substantial thematic concentration of their budgets, which was in line with the ambition of the new regulation to bring more focus in programming.
- With regards to the 20% minimum allocation of total ESF towards social inclusion, the analysis shows that a majority of MS (20) have allocated between 20% and 30% of their ESF budgets to Thematic Objective 9. While only two MS exactly comply with the minimum request of 20% (Finland and Lithuania), there are 8 MS that allocated more than 30% of their ESF budget to social inclusion (the Netherlands, Latvia, Ireland, Belgium, Germany, France, Austria, and Malta). Around a quarter of total ESF budget (25.6%) at EU level is allocated to Thematic Objective 9. As a result, most MS allocate even more budget to social inclusion than the minimum requirements, showing a strong emphasis on reducing (the risk of) poverty and social exclusion with ESF programming.

b. Intervention logic

This study concludes that there is a strong consistency between selected specific objectives and IPs, between selected actions and specific objectives, and between selected target groups and specific objectives.

- The introduction of Investment Priorities and further operationalisation through Specific Objectives seems to be positively linked to an improvement in the strategic programming, result orientation of ESF OPs and intervention / programme logics. Working with a fixed set of IPs across OPs and countries also allows for better comparison among programmes for monitoring and evaluation at EU level.
- Overall, the majority of Specific Objectives are considered to narrow down the scope of the IP and capture the direction of change. Nevertheless, it was indicated that, in some cases, Specific Objectives are still relatively generally described (closely related to the wording of the IP).
- Upon inspecting all of the actions supported, one sees that the strongest focus is on interventions for individuals and the provision of training, individualized

assistance, and lifelong learning systems. Less pronounced and frequent are interventions addressing the sustainability of job creation, the management of labour market dynamics and the overall improvement of governance. Especially for Thematic Objective 11, the actions are largely focused on human resources development, rather than the direct support to structures and processes (with the exception of e-governance), with less attention being paid to service delivery and citizen satisfaction.

- Actions and target groups chosen by the OPs, as a rule, have been assessed as enablers of change, in the direction auspicated by the Specific Objectives. This is more straightforward in the case of TO8 and TO10 where the focus is on individual achievements (e.g. "better" employment or higher qualification). For TO9 and especially TO11, the coherence may be slightly weaker due to the stronger role of entities and systemic influence factors. For example, many TO11 actions focus on improving the skills of civil servants based on the assumption that this leads to better governance as an immediate consequence. Nevertheless, actions and target groups identified in the OPs are still sometimes described in general terms. In these cases, OPs could still improve their intervention logic by better defining the actions and target groups selected, and explaining how these actions will contribute to achieving the specific objectives. The European Commission could support this stronger focus in future programming; a list of potential Specific Objectives, actions and related output and result indicators could be provided to steer the process. At the same time this list should not be a strait jacket for OP, but seen as a toolbox for programming, since MS deal with different challenges that require different responses.
- Output indicators are well chosen to measure the progression of selected activities towards specific objectives. In the few cases where output indicators do not sufficiently reflect the scope of the activities implemented, it is often due to a lack of detail in the definition of the indicator (like referring to a specific target group or type of interventions) or, more problematically, too much detail. The analysis shows that the vast majority of result indicators are well aligned with corresponding specific objectives and are likely to positively contribute to reaching the expected goals. Only a few exceptions were given where this was not the case.

c. *Specific areas of interest*

With regards to the ESF contribution to youth employment, Active Labour Market Policies and support of public administration, the following can be concluded:

- *Youth employment policies* play an integral role in ESF programming in almost all Member States (only in a few countries the relevant IP 8.ii was not selected) and a significant share of ESF budget is allocated to young people by means of IP 8.ii and the ESF matching of YEI. The total budget under IP 8.ii is 12.5 bn EUR which includes 6.5 bn of YEI (ESF matching and YEI specific allocation). When selected, the relevant IP is closely aligned with the relevant CSR. ESF supports the following types of actions across OPs and MS: individual guidance and career support of young people; support to apprenticeships; vocational training; traineeships; basic skills training, employment incentives for employers; start up incentives; and integrated approaches. Specific reference is made to individualised approaches, which are based on a diagnosis of an individual's exact needs; most of these actions are in line with those mentioned in the Council Recommendation on establishing a youth guarantee and are therefore considered appropriate for achieving the relevant specific objectives. When aggregating the output and result indicators (including the YEI indicators) for the relevant IP, significant achievements are planned. Overall, having a dedicated IP for youth employment, together with the additional budget provided through the YEI, improved the relevance of programming for

the target groups concerned; monitoring is also likely to be strengthened thanks to the selection of a set of relevant output and result indicators;

- *Support to public administration and good governance* has been explicitly mentioned in the CSR of 20 Member States, showing close alignment with the countries that selected IP 11.i and 11.ii. The highest allocations (between 8 and 15% of the ESF budget) are found in countries where there is also a greater need for public administration support and reform. These are also the countries where this theme has fully dedicated OPs. Actions (studies, development of tools, change management interventions and training), target groups (public bodies, civil society organisations and their personnel), and output and result indicators have been deemed coherent and similar across MS. Aggregation of outputs and results is difficult (although typologies are also similar), due to the lack of a standard unit of reference for most of them.
- *Support to Active Labour Market Policies* is a topic that naturally receives great attention in the European Semester and is addressed by several IP within TO8, although relevant IP could also be identified under TO9 (related to the employment situation of vulnerable and marginalised groups). The IPs under TO8 receive the largest share of ESF budget (37.2% of the overall ESF budget is allocated to TO8 (including ESF share YEI)). ESF supports ALMP in three different ways: interventions concerning the ability of labour market institutions and enterprises to anticipate and manage the challenges (i.e. a capability element); interventions related to improving targeting, outreach, coverage and efficiency of labour market actions (i.e. a delivery element); and provision of support to specific groups (i.e. an adaptation element). The last element received the highest attention in programming in terms of both monitoring and budget. As a result, most actions within TO8 relate to individual guidance, integrated approaches, vocational training, and self-employment / start-ups; these are all considered to be the mainstream types of interventions for pathways to employment (in line with standard ALMP categories). Under the ALMP-relevant IPs (8i, 8ii, 8v and partly 8iii), a significant number of unemployed are targeted as well as employed (including the self-employed), young people, and those with a lower education level. It is expected that the largest outputs are expected to be achieved within IP 8.i, which is also receiving the largest share of ESF budget, followed by IP 8.ii (in terms of unemployed participants as well as young people). IP 8.v (employed and unemployed participants) also receives a large share of ESF budget. With regards to results, a significant number of participants are expected to be in employment upon leaving, along with those gaining a qualification upon leaving or those who are in job searching/ education upon leaving. Furthermore, a significant share of participants is expected to be in employment six months after leaving the intervention.

d. Result orientation

Member States made different choices concerning the selection of indicators, both in terms of the number of indicators selected per IP and in terms of the typologies of indicators. The analysis shows however that some common trends emerge in ESF programming in this respect:

- The highest target value for standard categories of output indicators (not necessarily matching the common indicators in Annex I of ESF Regulation) across ESF OPs refers to the number of unemployed individuals that will benefit from ESF actions, totalling approximately 15 Million participants over the whole programming period. Other types of indicators with high output target values include: 9.9M individuals with very low education (including primary school pupils); 7.5 M disadvantaged; 7.2M employed, including self-employed and

staff of organisations benefiting from ESF support (e.g. those in schools, PES, public administration offices); and 6.2M young people.

- The highest target values for standard categories of result indicators (not necessarily matching the common indicators in Annex I of ESF Regulation) are related to participants gaining a qualification after leaving (8.9 M), concentrated across thematic objectives 8 and 10, and then followed by individuals gaining employment (7.4M upon leaving and 2.2M six months after leaving). Aggregation of results has only been possible for the indicators that could be expressed in absolute values, or for percentages where such a value could be calculated on the basis of a reference output indicator (approximately 60% of all result indicators).
- Considerable efforts have been made by Managing Authorities to set meaningful and realistic targets, and ensure that the cumulative experience of past programming plays an important role in improving result-orientation (making use of historical ESF data).
- For the further monitoring of ESF it is important to clearly link the budget to individual output and result indicators allowing the measurement of the cost per output and result. Moreover, within SFC preferably all result indicators that are measured in percentages should have a clear reference to an output indicator, allowing reporting on absolute values.

Finally, one of the main innovations of the 2014-2020 programming period is the introduction of the so called performance framework, which calls upon each Member State/Managing Authority, to set milestones at the level of the priority axes, both in terms of physical and financial indicators. In essence, these are mid-term goals to be achieved by the end of 2018, together with targets to be reached at the end of 2023. Concerning the analysis of output indicators selected for the Performance Framework, it has been estimated that, out of the 4,786 output indicators, 28.4% have been included in the performance framework. In terms of financial outputs, it has been calculated that MS expect to have spent 25.1% of overall final targets by the end of 2018. This figure hides some differences across MS with some countries planning to spend between 30 and 51% before 2018, while the majority of countries plan to spend between 20 and 30% of their ESF budget.

RESUME ANALYTIQUE

Ce rapport analyse les résultats des négociations sur les Accords de Partenariat et les Programmes Opérationnels (PO) du Fonds Social Européen (FSE), incluant les programmes pluri-fonds, pour la période de programmation 2014-2020.

(1) Contexte politique

La politique de cohésion a fait l'objet d'une réforme de grande ampleur pour la période de programmation 2014-2020. Cela dérive du fait que la politique de cohésion est considérée comme le principal instrument pour atteindre les objectifs de l'Union européenne dans le cadre de la stratégie Europe 2020 pour une croissance intelligente, durable et inclusive, mettant l'accent sur une efficacité renforcée et une orientation vers les résultats. Les éléments clés de la réforme, qui ont été exprimés par le Règlement portant les dispositions communes (RPDC) (Règl. CE 1303/2013) et le Règlement FSE (Règl. CE 1304/2013), sont entre autres:

- L'établissement d'un pourcentage minimal garanti pour la dotation du FSE, afin d'arrêter la diminution progressive de l'allocation du FSE dans le cadre de la Politique de Cohésion -- ce pourcentage varie dans chaque État membre, mais ne peut pas descendre en-dessous de 23.1% au niveau de l'Union Européenne;
- Le renforcement du lien avec le Semestre européen et les Recommandations par pays, afin de relever les défis identifiés;
- L'établissement d'un montant minimum à dédier à l'inclusion sociale, à hauteur du 20% des ressources totales du FSE pour chaque Etat membre;
- Le renforcement de la lutte contre le chômage des jeunes et le soutien de l'Initiative pour l'emploi des jeunes (IEJ);
- La concentration des allocations financières sur un nombre limité de priorités d'investissement afin de garantir une masse critique de financement et avoir un impact réel pour relever les défis clés des États membres;
- La consolidation d'un système de suivi pour la mise en œuvre financière et physique des programmes, qui inclut l'adoption d'indicateurs communs de réalisation et de résultat.

Tous ces éléments contribuent au renforcement de la « logique d'intervention » des programmes qui prévoit un processus portant sur l'identification des besoins de développement et les changements attendus, un examen de la façon dont ces changements répondent aux besoins de développement les plus importants et une démonstration de comment les ressources allouées contribuent à la réalisation de ces changements (en fixant des objectifs clairs et des indicateurs de résultat correspondants, ainsi qu'en indiquant les activités à mettre en place pour atteindre les résultats).

(2) Objet de l'étude et approche méthodologique

L'objet de la présente étude est de fournir une analyse détaillée des choix stratégiques des Etats membres en matière de programmation du FSE ; cette analyse a été réalisée à travers un examen du contenu des Accords de Partenariat et des Programmes Opérationnels FSE (y compris les programmes multi-fonds) 2014-2020 et une analyse de la façon dont laquelle les innovations introduites dans le RPDC et dans le règlement FSE ont été prises en compte, avec une attention particulière à la programmation stratégique et à l'orientation vers les résultats.

L'étude aborde quatre thèmes principaux:

- l'orientation stratégique politique en termes d'objectifs thématiques et de priorités d'investissement sélectionnés, aussi que des objectifs spécifiques identifiés;
- Une analyse thématique portant sur la façon dont les programmes soutiennent les politiques pour l'emploi des jeunes; le renforcement des capacités institutionnelles et des administrations publiques; et l'investissement dans les politiques actives du marché du travail;
- La façon dont les programmes et les Etats membres ont alloué les ressources financières aux différents objectifs thématiques et priorités d'investissement et la façon dont ils se conforment aux règles en matière de concentration thématique et d'allocation financière;
- La cohérence de la logique d'intervention (par exemple en analysant la façon selon laquelle les priorités d'investissement et les objectifs spécifiques sélectionnés sont susceptibles de contribuer aux changements attendus) ;
- L'ensemble des indicateurs de réalisation et de résultat sélectionnés, leur pertinence et les valeurs cible.

L'étude a analysé les informations recueillies dans 28 Accords de Partenariat et 184 programmes FSE (mono et multi-fonds) au sein des 28 Etats-membres (tâche 1). Les trois programmes d'assistance technique prévus en France, en Grèce et en Espagne ont été inclus uniquement dans l'analyse du total de dépenses du FSE. Toutes les informations ont été collectées et classifiées (conformément à des «catégories standards» ou «ID Categories» aux fins de l'analyse et de l'agrégation au niveau des Etats membres et de l'Union) et enfin enregistrées dans une base de données en ligne permettant la rédaction de 28 fiches pays (tâche 2) et du rapport de synthèse au niveau de l'Union (le présent rapport, tâche 3).

(3) Principales conclusions

Les conclusions de l'étude s'articulent autour des thèmes suivants: a) l'orientation politique stratégique, b) l'allocation financière, c) la logique d'intervention des programmes, d) l'intervention du FSE sur des thèmes spécifiques et e) la performance du FSE.

a. L'orientation stratégique politique du FSE

L'étude conclut qu'il y a un fort alignement entre les Recommandations par pays 2013/2014 et les priorités d'investissement sélectionnées par les différents PO, ce qui démontre que le FSE peut contribuer à l'atteinte des objectifs de la stratégie Europe 2020 en matière d'emploi, lutte à la pauvreté et éducation.

- En ce qui concerne l'orientation stratégique politique du FSE, l'étude a montré que les priorités d'investissement concernant le FSE sont fortement liées à la stratégie Europe 2020 pour une croissance intelligente, durable et inclusive, au Paquet emploi, au Paquet pour l'emploi des jeunes, au Paquet sur l'investissement social et au Cadre 2020 pour l'Education et la Formation.
- Les programmes FSE examinés sont généralement bien alignés aux Recommandations par pays et peuvent donc contribuer à relever les défis y énoncés. Dans la plupart des cas, les programmes ont sélectionné des priorités d'investissement (au moins au niveau du pays) qui répondent totalement ou partiellement aux Recommandations par pays. En général, un pourcentage important du budget du FSE est lié à une ou plusieurs Recommandations par pays. Les priorités d'investissement montrent un fort alignement avec les Recommandations, particulièrement pour la priorité 8.i accès à l'emploi, 8.ii emploi des jeunes, ainsi que celles relatives à l'inclusion sociale - Objectif Thématique (OT) 9, à l'éducation - OT 10, et à la capacité institutionnelle - OT 11. Seules les Recommandations relatives à

la priorité d'investissement 8.iii entrepreneuriat et 8.vi vieillissement actif ne sont pas toujours prises en compte dans la programmation FSE.

- Le fait de lier les priorités d'investissement aux Recommandations par pays permet d'estimer la part du budget qui est allouée à (surmonter) un certain défi et de faire un suivi de la contribution du FSE à la mise en œuvre des Recommandations par pays au cours de la programmation. Cependant, ce lien n'est pas toujours possible. Parfois, les Recommandations sont décrites en termes généraux, ce qui rend difficile l'identification d'un lien clair avec la priorité d'investissement. Dans d'autres cas les PO s'adressent aux Recommandations de manière horizontale, comme par exemple pour les interventions dédiées à la lutte contre la discrimination, au vieillissement actif et à l'emploi des jeunes.

b. Allocations financières

L'étude conclue que la concentration thématique (telle que définie à l'article 4 du règlement FSE) et l'identification d'un pourcentage minimum de la dotation financière pour l'inclusion sociale (article 4(2) du règlement FSE) n'ont pas seulement été respectées mais elles ont même donné lieu à une concentration financière plus élevée par rapport à celle requise par les règlements.

- L'analyse des données financières relatives au pourcentage minimal du FSE témoigne un fort engagement envers le capital humain et l'investissement social des Etats membres, grâce au soutien du FSE. Dix-huit Etats membres ont alloué une somme supérieure par rapport au minimum requis, parmi lesquels quatre d'entre eux ont augmenté de 5 à 7% le montant exigé (IT, HU, EE, IE). Dix Etats membres ont alloué la part prévue (BE, CY, DK, FI, FR, LU, NL, MT, RO, UK).
- Concernant l'application de la concentration thématique, l'étude conclut que tous les Programmes Opérationnels se sont conformés à la disposition qui prévoit d'allouer un pourcentage fixé (selon le niveau de développement de la région/Etat membre) sur cinq priorités d'investissement. L'analyse a montré que les Etats membres ont alloué un pourcentage majeur par rapport à celui fixé, en accord avec les ambitions des nouvelles dispositions.
- Concernant le pourcentage minimum à dédier à l'inclusion sociale, l'analyse montre qu'une majorité d'Etats membres (20) ont alloué entre 20 et 30% du montant de leur budget FSE à l'OT 9. Alors que seulement deux Etats membres se sont limités au 20% (Finlande et Lituanie), huit autres ont consacré plus de 30% à l'inclusion sociale (AT, BE, DE, FR, IE, LV, MT et NL). En moyenne, au niveau de l'Union, plus d'un quart du budget FSE est alloué à l'objectif thématique 9 (25.6%). Ceci démontre l'attention que les Etats membre dédient à la réduction de la pauvreté et du risque d'exclusion sociale à travers de la programmation FSE.

c. La logique d'intervention

L'étude a conclu qu'il y a une forte cohérence entre les objectifs spécifiques sélectionnés et les priorités d'investissement, entre les actions et les objectifs spécifiques et enfin entre les groupes cibles sélectionnés et les objectifs spécifiques.

- L'introduction des priorités d'investissement et leur opérationnalisation à travers les objectifs spécifiques semble avoir conduit à une amélioration de la programmation stratégique, de l'orientation vers les résultats des Programmes Opérationnels FSE, ainsi que des logiques d'intervention des programmes. Cela a permis aussi une meilleure comparaison entre les programmes pour le suivi et l'évaluation au niveau de l'Union.
- Dans l'ensemble, l'étude démontre que la majorité des objectifs spécifiques contribuent à une meilleure opérationnalisation de la priorité d'investissement

et capturent la direction du changement envisagé. Néanmoins, il a été indiqué que, dans certains cas, les objectifs spécifiques sont encore décrits de manière générale.

- L'analyse des actions envisagées par les PO montre une forte attention du FSE aux interventions dédiées aux individus, l'offre de formation, l'assistance personnalisée et les systèmes de formation tout au long de la vie. En revanche, les interventions qui s'adressent à soutenir la création d'emplois durables, la gestion des dynamiques du marché du travail et l'amélioration de la gouvernance sont moins fréquentes. Spécifiquement en ce qui concerne l'OT 11, les actions sont largement concentrées sur le développement des ressources humaines, un peu moins sur le support des structures et des processus (à l'exception de l'e-gouvernance) et sur l'amélioration de la prestation de services et la satisfaction du citoyen.
- Les actions et les groupes cible choisis dans les Programmes Opérationnels sont en général cohérents avec les changements souhaités par les objectifs spécifiques.

Ceci est particulièrement évident dans le cas des OT 8 et OT 10 où l'attention porte sur les accomplissements individuels (par exemple, un meilleur emploi ou une qualification supérieure). Par contre, pour l'OT 9 et plus spécialement pour l'OT 11, la cohérence peut apparaître plus faible car ces objectifs sont focalisés davantage sur des « actions de système » est sur celles ciblées sur les organisations. Par exemple, un grand nombre d'actions de l'OT 11 ciblent l'amélioration de la qualification des fonctionnaires des organismes publics, considérant que cela devrait conduire à plus long terme à une meilleure gouvernance.

Même si les actions et les groupes cibles sont cohérents en termes d'objectifs spécifiques, leur description est, parfois, encore trop générale. Dans ces cas, les Programmes Opérationnels devraient améliorer leurs logiques d'intervention en définissant mieux les actions et les groupes cible sélectionnés et en expliquant comment les actions vont contribuer à atteindre les objectifs spécifiques. La rédaction d'une liste des objectifs spécifiques potentiels ainsi que des actions au niveau de l'Union pourrait renforcer ce processus. Cette liste ne devrait être considérée comme trop rigide, puisque les Etats Membres relèvent différents défis qui nécessitent différentes réponses, mais plutôt être considérée comme un « ensemble d'outils » pour la programmation.

- Les indicateurs de résultat ont été bien choisis pour mesurer la progression des activités sélectionnées et pour mesurer le progrès vers les objectifs spécifiques. Dans quelques cas, les indicateurs de réalisation ne reflètent pas suffisamment la portée des activités mises en œuvre, ce qui est souvent dû à un manque de précision dans la définition de l'indicateur (par exemple par rapport à un groupe cible particulier ou à un type d'intervention) ou, ce qui est plus problématique, a trop de précision.

d. Domaines spécifiques d'intérêt (analyse thématique)

Les principales conclusions en ce qui concerne la contribution du FSE aux politiques concernant l'emploi des jeunes ; les politiques actives du marché du travail ; et le renforcement des capacités institutionnelles et administratives sont:

- Les Politiques pour l'emploi des jeunes jouent un rôle fondamental dans la programmation du FSE dans presque tous les Etats membres (seulement un nombre limité de PO n'a pas sélectionné la priorité d'investissement correspondante dédié à l'emploi de jeunes, 8.ii). Un montant significatif du FSE est dédié aux jeunes dans le cadre de la priorité d'investissement 8.ii et de l'IEJ qui est partiellement financée par le FSE et dont la dotation totale est de 6.5M Euro. En général, tous les Etats membres qui ont reçu une Recommandation par pays sur l'emploi des jeunes ont sélectionnés la priorité d'investissement

8.ii. Les principales typologies d'intervention du FSE dans ce domaine sont les suivantes: accompagnement individuel et soutien professionnel pour les jeunes; soutien à l'apprentissage; formation professionnelle; stages; formation professionnelle de base; soutien aux employeurs pour la création d'emplois; aide à la création des start-up; approches intégrées. Une attention particulière est dédiée aux approches individualisées (c'est à dire basées sur un diagnostic des besoins réels de l'individu) et la plupart des actions tiennent compte de la Recommandation du Conseil sur l'établissement d'une garantie jeunesse et peuvent donc être considérées comme appropriées pour atteindre les objectifs spécifiques. Analysant l'agrégation des valeurs cible des indicateurs sélectionnés pour la priorité d'investissement correspondante, des résultats et des réalisations significatifs sont prévus. Le fait d'avoir une priorité d'investissement pour l'emploi des jeunes, avec un budget additionnel au travers de l'initiative pour l'emploi des jeunes a amélioré la pertinence de la programmation pour les groupes cible concernés. Le suivi en sera aussi probablement renforcé grâce à la sélection d'un ensemble d'indicateurs de réalisation et de résultat communs dédiés à l'IEJ.

- Le soutien à l'administration publique et à la bonne gouvernance a été explicitement mentionné dans les Recommandations par pays de 20 Etats, en conformité avec les pays ayant sélectionné les priorités d'investissement 11.i et 11.ii. On trouve les dotations les plus élevées (entre 8 et 15% du montant FSE) dans les pays où il y a un plus grand besoin de renforcement institutionnel. Les actions (études, développement d'outils, interventions en faveur de la gestion du changement, formation), les groupes cible (organismes publics, société civile, ainsi que le personnel de ces organismes) ainsi que les indicateurs de réalisation et de résultat ont été considérés particulièrement adaptés et sont similaires entre les Etats membres. L'agrégation des indicateurs de réalisation et de résultat est difficile (bien que les typologies soient semblables) du fait d'un manque d'unité de référence pour la plupart d'entre eux.
- Le soutien aux politiques actives de l'emploi est une thématique qui rencontre naturellement beaucoup d'attention et est intégrée par plusieurs priorités d'investissement au sein de l'OT 8, bien que des investissements similaires peuvent aussi se retrouver sous l'OT 9 (relatif à la situation de l'emploi des groupes marginalisés et vulnérables). Les priorités d'investissement incluses dans l'OT 8 reçoivent le plus grand pourcentage du budget FSE (34% du montant total est alloué à l'OT 8; 37,2% si l'on ajoute la part FSE de l'IEJ). Le FSE soutient les politiques actives de l'emploi dans trois directions: des interventions relatives à la capacité des institutions du marché du travail et des entreprises à anticiper et gérer les changements, des interventions permettant d'améliorer le ciblage, la diffusion, la couverture, l'efficacité des actions du marché du travail et l'apport de soutien à des groupes spécifiques; ce dernier élément ayant été l'objet de beaucoup d'attention dans la programmation. En matière de résultats, la plupart des actions au sein de l'OT 8 ont trait à l'orientation individuelle, les approches intégrées, la formation professionnelle et l'entreprise individuelle/start-up; toutes sont considérées comme étant des moyens d'accéder à l'emploi (en lien avec les catégories standard des politiques actives de l'emploi). Sous les priorités d'investissement correspondantes aux politiques actives de l'emploi (8i, 8ii, 8v et partiellement 8iii), un nombre significatif de personnes sans emploi ont été ciblées, ainsi que les employés, y compris les travailleurs indépendants, les jeunes et les personnes avec un faible niveau d'éducation. Les plus importantes réalisations attendues relèvent de la priorité d'investissement 8.i qui reçoit le pourcentage le plus significatif du budget FSE sous l'OT 8, suivi par la priorité d'investissement 8ii (en termes de participants chômeurs et de jeunes) et la priorité 8v (chômeurs et personnes employées) qui reçoit aussi un pourcentage important du budget FSE. En ce qui concerne les résultats, on attend qu'un nombre significatif de participants

trouve un emploi, une qualification ou soit en recherche d'emploi ou de formation au terme de, ou six mois après, l'intervention.

e. L'orientation sur les résultats

Les Etats membres ont fait des choix différents en matière de sélection des indicateurs, soit en termes de nombre d'indicateurs sélectionnés par priorité d'investissement soit en termes de typologies d'indicateurs. L'analyse a montré, cependant, des traits communs dans la programmation du FSE sur cette question :

- La plus haute valeur cible parmi les différentes catégories d'indicateurs de réalisation identifiées (pas nécessairement correspondantes aux indicateurs communs de l'annexe 1 du règlement FSE) dans les Programmes Opérationnels FSE fait référence au nombre de chômeurs qui bénéficieront des actions FSE, totalisant environ 15 millions de participants pendant la période de programmation. D'autres types d'indicateurs avec de valeurs cibles de réalisation élevées correspondent aux 9.9 millions de personnes avec un très faible niveau d'éducation (y compris les élèves de l'école primaire); 7,5 millions de travailleurs défavorisés; 7,2 millions des salariés, y compris les travailleurs indépendants, ainsi que le personnel des organisations qui bénéficient du soutien du FSE (telles que les écoles, les administrations publiques); 6,2 millions de jeunes.
- Les plus hautes valeurs cibles pour les catégories standard d'indicateurs de résultat (pas nécessairement correspondant aux indicateurs communs de l'annexe 1 du règlement FSE) concernent les participants obtenant une qualification au terme de leur participation (8,9 millions), dans le cadre des OT 8 et 10, suivis par ceux exerçant un emploi (7,4 millions au terme de leur participation et 2,2 millions six mois après). L'agrégation des résultats a été possible seulement pour les indicateurs exprimés en valeur absolue ou pour ceux dont la valeur a pu être calculée sur la base des indicateurs communs de référence (environ 60% des indicateurs de résultat).
- Des efforts importants ont été faits par les Autorités de gestion pour établir des cibles réalistes et significatives. L'expérience acquise lors de la précédente période de programmation a joué un rôle important dans l'amélioration de l'orientation vers les résultats et les valeurs cibles, en permettant d'utiliser les données historiques du FSE pour calculer les valeurs cible pour la programmation 2014-2020.
- Pour améliorer le suivi du FSE il est important de pouvoir établir un lien clair entre le budget et les indicateurs de réalisation permettant ainsi d'appréhender le montant des coûts par réalisation et par résultat. Tous les indicateurs de résultat mesurés en pourcentage devraient être liés à des indicateurs de réalisation de référence, permettant ainsi de les rapporter en valeur absolue.

Enfin, une des principales innovations de la période 2014-2020 a été l'introduction de ce que l'on appelle le cadre de performance qui demande à chaque Etat Membre/Autorité de Gestion d'inclure des jalons au niveau des axes prioritaires (à la fois en termes physiques et en indicateurs financiers), c'est à dire les objectifs à mi-parcours à atteindre à la fin de l'année 2018, ensemble avec les cibles prévues pour 2023. A travers l'analyse des indicateurs de réalisation sélectionnés dans le cadre de performance, on a estimé que, parmi les plus de 4,700 indicateurs sélectionnés, 28,4% ont été inclus dans le cadre de performance. En termes de consommation financière, les Etats membres envisagent de dépenser plus de 25,1% à fin 2018. Toutefois on observe des différences étant donné que certains pays envisageant de dépenser entre 30 et 51%, tandis que la majeure partie se situe plutôt entre 20 et 30% de leur budget FSE.

INTRODUCTION

This report illustrates the main outcomes for the service "The analysis of the outcome of the negotiations concerning the Partnership Agreements and European Social Fund Operational Programmes, for the programming period 2014-2020" (contract VC 2015 0238) prepared by Fondazione G. Brodolini with the collaboration of the Center for European Policy Studies and COWI Denmark within the framework of the Multiple Framework Contract related to the evaluation, evaluative studies, analysis and research work, including support for impact assessment - Lot n. 2.

The report is organised in seven chapters:

- Chapter 1 presents the policy background to the study, its aim and scope as well as the overall methodological approach followed;
- Chapter 2 provides an introductory overview of ESF programming across the different thematic objectives in terms of ESF architecture, financial allocation (including analysis of ESF minimum share, ring fencing for social inclusion and thematic concentration), and overview of selected output and result indicators and relevant targets;
- Chapters 3 to 6 analyse ESF programming for each of the four ESF-relevant Thematic Objectives (Employment, Social Inclusion, Education and Institutional capacity building) in terms of policy context, links with the Europe 2020 strategy and alignment between relevant CSR and the selected IPs, financial allocation, specific objectives, actions and result orientation (outputs and results indicators);
- Chapter 7 presents the overarching findings concerning the application of the core innovative aspects of the new regulations for the 2014-2020 programming period; the chapter provides a number of conclusions on the strengths and weaknesses of ESF programming by MS, taking into account the research questions defined for this study, including information on: assessing the link between OP and CSR; financial allocation and application of concentration mechanisms; overview of the programme intervention logic; overview of ESF investments on three special themes (youth employment policies, Active Labour Market Policies, and Strengthening institutional capacity); and finally the performance of ESF in terms of outputs and results.

1 BACKGROUND OF THE STUDY

1.1 Policy background

Cohesion policy represents a key instrument for achieving the Europe 2020 objectives and targets. Europe 2020 was launched in 2010, identifying the key areas to boost Europe's potential for growth and competitiveness. Europe 2020 has been focusing on five key targets covering employment, education, research and innovation, social inclusion and poverty reduction, and climate/energy. All Member States (MS) have committed to achieving the Europe 2020 targets and have translated them into national targets.

The achievement of the Europe 2020 goals is pursued through a dialogue between MS and the EU institutions structured around the European Semester, which is a yearly cycle of economic policy coordination, through which the MS present their National Reform Programmes (NRP). Member States highlight the measures to make progress towards smart, sustainable and inclusive growth in areas such as employment, education, research, innovation, energy or social inclusion. Following this, the European Commission publishes Country Specific Recommendations adopted by the Council, which provide tailor-made policy advice to Member States in areas deemed to be priorities for the following 12-18 months.

For the programming period 2014-2020 the European Parliament and the Council adopted the Common Provisions Regulation (CPR), which included provisions concerning, inter alia, the tasks, priority objectives and organisation of the European Structural and Investment Funds, as well as the financial resources available. These provisions apply to the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund.

The Common Strategic Framework (CSF) provided the strategy to be followed by national and regional authorities while drafting the Partnership Agreements for meeting Europe's growth and jobs targets for 2020.

The CPR focuses on aligning Cohesion Policy objectives with the Europe 2020 strategy, strengthening the programming process and enhancing result orientation. The key innovative elements introduced by the Regulation, considered in the present study, include:

- Ensuring that Cohesion Policy is better linked to the European Semester and the wider EU economic governance: programmes must be consistent with National Reform Programmes and should address the relevant challenges identified through the Country Specific Recommendations in the European Semester.
- In order to contribute to the Union strategy for smart, sustainable and inclusive growth, as well as to the Fund-specific missions, the CPR introduced 11 thematic objectives on which the Funds should focus their support.
- The minimum guaranteed share of the ESF within the cohesion policy funding: in order to counterbalance the decreasing trend in ESF allocation and to ensure sufficient investment is targeted at youth employment, labour mobility, knowledge, social inclusion, combating poverty, and institutional capacity; the share of the ESF, as a percentage of total combined resources for the Structural Funds at Union level, is no less than 23,1 %.
- Fixing clear, transparent and measurable aims and targets for accountability and results: Member States and regions are requested to clearly state the objectives they intend to achieve with available resources and indicate how progress towards these goals will be measured (Performance Framework), thus allowing for regular monitoring and debate on how financial resources are to be used.

The CPR and the European Social Fund (ESF) Regulation (EC 1304/2013) both lay down provisions reinforcing the role of the ESF, as the EU's main financial instrument to achieve the Europe 2020 targets for employment, social inclusion and education. As a matter of fact, the ESF shall support the design and implementation of policies and actions in connection with its missions, taking into account the relevant country-specific recommendations and National Reform Programmes, as well as the relevant Integrated Guidelines and other national strategies and reports. The main innovative features of the ESF regulation for 2014-2020, which will be considered in the present service contract, relate to the thematic concentration or ring fencing of ESF resources and can be listed as follows:

- The ESF Regulation introduces 19 Investment priorities that selected actions must align with. Thus, the ESF can be framed in pursuit of one or more of the investment priorities. The list of investment priorities is exhaustive in the sense that any action must fall within one or more defined investment priorities.
- Thematic concentration: the ESF will focus its interventions on a limited number of Investment Priorities under the ESF-relevant Thematic Objectives¹ (8, 9, 10 and 11), in order to ensure a sufficiently high critical mass of funding to make a real impact in addressing Member States' key challenges. Operational Programmes are therefore focusing on a limited number of investment priorities (out of the 19 foreseen in the Regulation), according to the following criteria:
 - More developed regions: 80% of the ESF allocation to each operational programme must be concentrated on up to five of the investment priorities
 - Transitional regions: 70% of the ESF allocation to each operational programme must be concentrated on up to five of the investment priorities
 - Less developed regions: 60% of the ESF allocation to each operational programme must be concentrated on up to five of the investment priorities.
- For each Member State at least 20% of ESF funds are to be allocated to promoting social inclusion and combating poverty (Thematic Objective 9)².

In 2012 the Commission issued, for each Member State, a Position paper on the challenges identified as relevant to be addressed in the Partnership Agreements and Operational Programmes for the period 2014-2020. The position papers informed Member States on the Commission's views concerning the main challenges and funding priorities, and then established a framework for dialogue between the Commission and each Member State on the preparation of the Partnership agreement and programmes, which formed the basis for delivering the ESI Funds. National authorities' plans on how best to use funding from the European Structural and Investment Funds between 2014 and 2020 are set out in Partnership agreements between the European Commission and individual countries. Partnership Agreements outline each country's strategic goals, linking them to the overall aims of the Europe 2020 Strategy. The Partnership Agreement of a Member State determines which Thematic Objectives are to apply for each of the ESI Funds of the country used for preparation of the Operational Programmes.

¹ These are: TO 8. Promoting sustainable and quality employment and supporting labour mobility; TO 9. Promoting social inclusion, combating poverty and any discrimination; TO 10. Investing in education, training and vocational training for skills and lifelong learning; TO 11. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration.

² For the purposes of the calculation of the thematic concentration of ESF, Technical Assistance allocation shall not be considered, nor resources allocated to Priority Axes focusing on Social Innovation and Transnational Cooperation; furthermore, only the ESF matching allocation of YEI will be considered

Operational Programmes are the essential instrument for establishing a close link between the ESF and the strategy for smart, sustainable and inclusive growth (Europe 2020). OPs break down the overarching strategic objectives, which have been agreed in the Partnership Agreement, into investment priorities, specific objectives and further into concrete actions. They also identify indicative financial allocations for each Investment Priority through both the intervention fields of the categorization system and the relevant indicators and target values. OPs are built around Priority Axes; each Priority Axis shall, as a rule, correspond to one thematic objective, as defined in the CPR; for the ESF however, a Priority Axis may combine IPs from different Thematic Objectives in order to facilitate their contribution to other Priority Axes, and implement social innovation and transnational cooperation³. In addition to the Fund specific OPs implemented during the 2014-2020 programming period, multi-fund OPs covering the ESF and the European Regional Development Fund (ERDF) are also possible, along with the Cohesion Fund in some cases (CF).

The total number of ESF and YEI OPs for 2014-2020 is 187, of which 92 are multi-fund and three are OPs dedicated to Technical Assistance (France, Greece and Spain). The current study covers all 184 ESF Operational Programmes (both mono-fund and multi-fund) apart from those dedicated to TA.

1.2 Aims and objectives

The aim of the present study is to provide an evidence-based review of Member States' strategic choices relating to the programming of the European Social Fund (ESF) by:

- mapping the content of Partnership Agreements and ESF Operational Programmes, including ESF multi-fund OPs, and
- analysing the extent to which the main innovations introduced by the ESF Regulation and the relevant CPR have been integrated into the programming documents, with a particular focus on the provisions concerning strategic programming and result orientation.

The present study thus addresses five main areas:

- the political strategic orientation of how programmes address relevant challenges and the focus of programmes in terms of selected thematic objectives, Investment priorities and specific objectives;
- how programmes support more specifically youth unemployment and the YEI, Institutional capacity and public administration, and active labour market policies (ALMPs);
- how programmes and countries have allocated financial resources across TOs and IPs, as well as how they address and comply with thematic concentration requirements;
- the adequacy of the intervention logic (this means assessing the extent to which selected investment priorities and specific objectives are likely to lead to the achievement of the change foreseen);
- the set of output and result indicators, along with and the relevance and measurability of adequate output and result indicators.

The findings of the analysis are further elaborated to carry out an assessment of the main strengths and weaknesses of the programming by MS and of the overall effectiveness or limits of the ESF regulation and relevant articles of the CPR.

Although the 28 Country Factsheets (CFS), which were developed under Task 2 of the service contract, have provided the basis for this report, the added value of the

³ Art.96(1)(d) CPR

present study lies in a new and useful perspective of analysis that goes beyond presenting information in separate country factsheets. The analytical approach used for the present study is twofold:

- A summary analysis that aims to aggregate the variables collected in the country factsheets in order to provide EU level figures;
- A cross-country analysis that aims to compare the solutions adopted by Member States and clusters of Member States and regions, as well as identifying the main trends across the EU. It is crucial to understand how and why countries differ in their ESF programming. An important question that the Report will try to answer is whether or not countries adopt similar policies when they are facing similar challenges, and to then capture their main trends as registered in programming activities.

1.3 Methodology for data collection

This study analyses, at EU28 level, the information screened on country level during Task 1 (screening of Partnership Agreements and OPs) and Task 2 (drafting 28 Country Factsheets) of the project. It is based on information extracted from an online database (ESF OP DB), which has been developed for the purpose of this study, filled-in by a pool of national experts and then quality checked by the core team. This database stores quantitative and qualitative information from the 28 Partnership Agreements and all 184 ESF (mono and multi-fund) Operational Programmes across the 28 Member States (excluding three Technical Assistance Operational Programmes in France, Greece and Spain, apart for their financial allocation).

Data collected refer to the latest approved OP version available at the time of the data entering process, which took place between August and September 2015. Data collection was postponed for OPs that were approved at a later stage, which was until mid-January 2016 at the latest⁴.

Quantitative information refers mostly to the financial allocation to OPs and Investment Priorities (always considering EU funding), along with target and baseline values of indicators; qualitative/descriptive information refers to text entries (either extracted directly from the OP, such as for the description of specific objectives, actions and target groups, or through the justification of assessment scores).

All qualitative information in the database was standardised according to common categories, called "ID categories", allowing for the aggregation of data at the country and EU 28 level and which covered the following features of each Partnership Agreement and OP:

- Issues/challenges, as expressed in the relevant CSR and CPP (qualitative information; 17 standard categories);
- Investment Priorities (19 standard categories)⁵;
- Specific Objectives (qualitative information; 27 standard categories);
- Actions (qualitative information; 24 standard categories)
- Target groups (qualitative information; 15 standard categories);
- Result indicators (titles; 15 standard categories)
- Output indicators (titles; 17 standard categories)
- Methodology for target setting in the case of Output and Result Indicators (qualitative information; 4 standard categories)

Next to this factual information from the Partnership Agreement and the Operational Programmes, the screening process also included a normative assessment on how

⁴ See Annex I "Methodological note on data collection and categorisation used for drafting the final report" for a detailed methodology of data collection and categorisation

⁵ Regardless of its allocation to one or more Priority Axes within the same OP

each of the above elements correspond and form a coherent intervention logic, explaining a clear link between the challenges identified, Investment Priorities, Specific Objectives, Actions, target groups, output / result indicators and target values selected:

- assessment of coherence between IPs and relevant challenges;
- assessment of coherence between Specific Objective (or Specific Objectives) and relevant IP;
- assessment of coherence between result indicators and relevant Specific Objective (SO)
- assessment of coherence between actions and relevant Specific Objective;
- assessment of coherence between target groups and relevant SO;
- assessment of coherence between output indicators and actions;
- assessment of methodology used for target setting.

In order to ensure a homogeneous and transparent assessment across different MS and OPs, ordinal (likert) scales have been developed for categorising and “ranking” various types of assessments that investigate the intervention logic of the Operational Programmes (from “not at all”, “partly” and “very” coherent). Every assessment score made by the expert was accompanied by a descriptive entry justifying the attributed score, allowing for consistency checks to be carried out across all assessments made. All of the above categories and definitions are presented in Annex 1.

Country experts were guided by a note, which provided step-by-step guidance on the data to be collected (including reference to specific sections/tables of the OPs, and categories of information). Country experts received ad hoc support by the Core Team during the data-entering phase (including answers to Frequently Asked Questions). Database entries were further quality checked by the Core Team on the basis of the justifications provided by Country experts, and also following an iterative process of fine-tuning and standardising information.

As for the information at Partnership Agreement level, the national experts entered information on the total ESIF and ESF budget; the relative position of the Member State vis à vis Europe 2020 targets, as specified in the Partnership Agreement; the overall coherence of the ESF programming with the national development challenges, as expressed in the relevant Country Specific Recommendations; and the Commission Position Papers. Challenges were linked to the ESF Thematic Objectives (TO8, 9, 10 or 11).

The information collected was used to draft the country factsheets and the current report. Country Factsheets include an analysis of strategic planning (assessing the relationship between Europe2020 targets, country challenges, and thematic objectives/investment priorities), financial allocation (concentration on IP and relative share of total cohesion policy spending), intervention logic and result orientation (assessing relationship between Investment Priorities, specific objectives, activities, and output and result indicators), as well as a focus on the specific themes of youth employment policies, active labour market policies and capacity building.

2 SETTING THE SCENE: OVERVIEW OF ESF PROGRAMMING

Key findings

- For the 2014-2020 period, 187 ESF OPs have been adopted by 28 MS, including mono and multi-fund programmes. Almost 50% of the adopted OPs (92) are multi-fund. Regional OPs represent the majority of ESF OPs (136).
- The EU funding of ESF 2014-2020 for TO8, 9 10 and 11 amounts to EUR 80,730,208,822 including the ESF matching support of the YEI. The further YEI specific allocation amounts to an additional €3.2 billion.
- 18 Member States have decided to allocate additional funds to the ESF beyond the minimum share with four countries (Italy, Hungary, Estonia and Ireland) allocating 7 to 5 percentage points above the minimum requested.
- MS have made considerably different choices in setting their ESF priorities, but the thematic objectives are selected in a relatively balanced way overall. In the case of all MS, considerable attention (37.2% of ESF budget if considering ESF matching of YEI and 34.6% without ESF matching – TA excluded) has been focused on investing in the promotion of sustainable and quality employment, the support of labour mobility, and youth employment policies through the ESF matching support to YEI (TO8), followed by investment in education (TO10)
- ESF OPs selected 4,787 output indicators. In order to allow for aggregation and cross-country comparison, all output indicators have been classified according to 26 standard categories. According to this categorisation, the most frequently selected indicator refers to employed participants, followed by unemployed, disadvantaged individuals and young people. The highest aggregated target value for output indicators across ESF OPs refers to the number of unemployed individuals that will benefit from ESF actions (15 M participants). Other types of indicators with high output target values are: individuals with a low qualification level, which also include primary school pupils (9.9M); disadvantaged (7.5 M); employed, including self-employed and staff of organisations benefiting from ESF support, such as schools, PES, public administration offices) (7.2M); and young people (6.2M).
- In total 4,800 result indicators have been selected, including YEI result indicators. Aggregation has only been possible in the case of indicators that have been expressed in absolute values, or whose absolute values could be calculated on the basis of a reference common indicator (with the indication of such indicator not being binding for MS); these indicators represent 62% of result indicators for which a target was set. The highest values for Result indicators (8.9 M) are focused on participants gaining a qualification after leaving and are distributed across TO8 and TO10 almost equally. The second largest target value relates to individuals gaining employment (7.4M upon leaving and 2.2M six months after leaving).

This chapter presents an overview of the main programming elements at the EU28 level. More in-depth policy analyses are presented in the following chapters (3 to 6), focusing on each of the Thematic Objectives.

2.1 Programming and OPs architecture

Overall for the 2014-2020 period, 187 ESF OPs have been adopted by the 28 MS, including mono and multi-fund programmes. Three of these OPs (France, Greece and Spain) are dedicated to Technical Assistance. Regional OPs represent the majority of ESF OPs, with 136 OPs. With the exception of Belgium and the United Kingdom, national OPs have been selected by all Member States. When more than one national OP is selected by a country, these have a thematic nature: they cover specific themes within the broader framework of ESF field of intervention, such as Institutional Capacity, Human Resources Development, Social Inclusion, Science and Education. This is the case, for example, in Italy, Hungary, Bulgaria and Greece. Italy is the country with the highest number of National OPs (8). Out of the 184 ESF OPs, almost 50% (92) are multi-fund OPs, showing that MSs made wide use of this possibility that was re-introduced by the new regulation.

Table 2.1. Distribution of national/regional ESF and ESF multi-fund OP

Countries	ESF		Multifund		Number	Number TA OPs
	Regional	National	Regional	National	OPs	
Austria		1			1	
Belgium	4				4	
Bulgaria		2		1	3	
Croatia		1			1	
Cyprus		1			1	
Czech Rep.		1	1	1	3	
Denmark		1			1	
Estonia				1	1	
Finland			1	1	2	
France	4	2	26		32	1*
Germany	15	1	1		17	
Greece		1	13	2	16	1*
Hungary			1	4	5	
Ireland		1			1	
Italy	18	3	3	5	29	
Latvia				1	1	
Lithuania				1	1	
Luxembourg		1			1	
Malta		1			1	
Netherlands		1			1	
Poland		1	16		17	
Portugal		2	7	1	10	
Romania		2			2	
Slovakia		1		1	2	
Slovenia				1	1	
Spain	20	2			22	1**
Sweden		1		1	2	
UK	6				6	
EU28	67	27	69	21	184	3

Source: SFC2014

* Multi-fund

** Mono fund

The countries with the highest number of OPs are France (32 + 1 TA), Italy (29), and Spain (22 + 1 TA), followed by Greece, Germany and Poland (17).

2.2 Financial architecture

2.2.1 Financial allocation across countries

As of January 2016 EU funding of ESF 2014-2020 for TO8, 9, 10 and 11 amounts to EUR 82,730,208,822, including the ESF matching support of the YEI. An additional EUR 3,657,218,601 have been allocated for Technical Assistance. The overall YEI allocation is of 6,472,430,810,000 of which EUR 3,211,215,405 is the YEI specific allocation (and as such is not counted under ESF budget, although YEI is programmed within the ESF Operational Programmes).

Table 2.2. Total ESF budget per MS (including ESF YEI matching support) and MS relative share of total ESF budget and EU population (%)

MS	ESF (incl. ESF share YEI)	Percentage of total ESF budget (incl. ESF share YEI)	Percentage of total EU population (at 31.12.2014)	Difference in p.p. (share of ESF budget minus share of EU po)
AT	€ 415,787,862	0.5%	1.7%	-1.2%
BE	€ 992,133,046	1.2%	2.2%	-1.0%
BG	€ 1,387,805,457	1.7%	1.4%	0.2%
CY	€ 127,555,000	0.2%	0.2%	0.0%
CZ	€ 3,337,197,878	4.0%	2.1%	2.0%
DE	€ 7,195,788,757	8.7%	15.9%	-7.2%
DK	€ 197,008,205	0.2%	1.1%	-0.9%
EE	€ 586,977,010	0.7%	0.3%	0.4%
ES	€ 7,385,944,807	8.9%	9.2%	-0.2%
FI	€ 499,778,000	0.6%	1.1%	-0.5%
FR	€ 5,773,092,063	7.0%	13.0%	-6.0%
GR	€ 3,546,863,314	4.3%	2.2%	2.1%
HR	€ 1,436,032,760	1.7%	0.8%	0.9%
HU	€ 4,712,139,976	5.7%	1.9%	3.7%
IE	€ 532,436,561	0.6%	0.9%	-0.3%
IT	€ 10,106,764,080	12.2%	12.0%	0.2%
LT	€ 1,101,471,894	1.3%	0.6%	0.8%
LU	€ 18,852,849	0.0%	0.1%	-0.1%
LV	€ 617,135,388	0.7%	0.4%	0.4%
MT	€ 99,540,000	0.1%	0.1%	0.0%
NL	€ 487,025,499	0.6%	3.3%	-2.7%
PL	€ 11,975,867,122	14.5%	7.5%	7.0%
PT	€ 7,418,278,870	9.0%	2.1%	6.9%
RO	€ 4,476,717,938	5.4%	3.9%	1.5%
SE	€ 741,609,618	0.9%	1.9%	-1.0%
SK	€ 2,077,857,259	2.5%	1.1%	1.4%
SL	€ 704,056,926	0.9%	0.4%	0.4%
UK	€ 4,778,490,683	5.8%	12.7%	-6.9%
EU total	€ 82,730,208,822	100%	100%	

Source: SFC2014, Eurostat (population at 31.12.2014)

The table above shows that the countries receiving the highest funding are Poland and Italy (14.5 and 12.2% of total ESF budget respectively), followed by Portugal, Spain and Germany (above 8% of total budget), and then France (7%). UK, Hungary, Romania, Greece and the Czech Republic receive between 6 to 4% of total budget and Slovakia just above 2%. All remaining countries receive between 1 and 0.02% of the budget. When comparing the allocation of ESF resources with population size, one clearly sees that countries with a large population generally also receive a larger share of ESF budget at EU level, and especially MS covering less developed regions. A few MS receive a relatively higher share of ESF budget compared to their share in total EU

population (e.g. Bulgaria, Cyprus, the Czech Republic, Greece, Croatia, Hungary, Italy, Lithuania, Latvia, Malta, Poland, Portugal, Romania, Slovak Republic, and Slovenia) while the other MS receive relatively a lower share of total ESF budget at EU level.

2.2.2 Share of ESF in cohesion policy

In order to stop the gradual decrease of the share allocated by Member States to the ESF, the CPR introduces through Art. 92 (4) a new requirement for the setting of a minimum guaranteed share of the ESF within the cohesion policy funding in each Member State; this is based on several parameters and takes into account, inter alia, the specific country's share over the past programming period. At the EU 28 level, this share shall be higher than 23.1%. This EU level minimum share is further broken down for each Member State. As can be seen in the table 2.2 below, 18 Member States have decided to allocate additional funds to the ESF beyond their respective minimum share with four countries (Italy, Hungary, Estonia and Ireland) allocating 7 to 5 percentage points above the minimum requested. For the purposes of this analysis the ESF share at country level is calculated as the share of ESF (including TA and ESF YEI matching support) over the sum of ESF and ERDF budgets⁶.

⁶ Budget figures in Table 2.3 are based on SFC extracts at 16 February 2016 provided by the EC. They present some discrepancies with those in the ESF OP DB and used as the basis for the present report: these are due to differences in choices in IP allocations, cut-off date for collection, and rounding of figures.

Table 2.3. Share of ESF (including TA and ESF YEI matching support) on structural fund allocation

Country	ESF €	ESF share %	minimum share %	distance to target (p.p.)
Italy	10,468,389,895	33.6	26.5	7.1
Hungary	4,712,139,925	30.5	24.0	6.5
Estonia	586,977,010	23.8	18.0	5.8
Ireland	542,436,561	57.0	51.7	5.3
Slovenia	716,924,970	34.0	29.3	4.7
Germany	7,495,616,321	41.0	36.8	4.2
Greece	3,683,662,731	31.1	28.1	3.0
Portugal	7,543,112,269	41.1	38.5	2.6
Sweden	774,349,654	45.0	42.5	2.5
Slovakia	2,167,595,080	22.7	20.9	1.8
Austria	442,087,353	45.2	43.5	1.7
Croatia	1,516,033,073	26.0	24.6	1.4
Bulgaria	1,521,627,776	29.9	28.7	1.2
Poland	13,192,164,238	24.7	24.0	0.7
Spain	7,589,569,137	28.1	27.7	0.4
Latvia	638,555,428	21.0	20.7	0.3
Czech Republic	3,430,003,238	22.3	22.1	0.2
Lithuania	1,127,284,104	24.3	24.2	0.1
Finland	515,357,139	39.5	39.5	0.0
Belgium	1,028,719,649	52.0	52.0	0.0
France	6,026,907,278	41.7	41.7	0.0
United Kingdom	4,942,593,693	45.9	45.9	0.0
Cyprus	128,988,887	30.7	30.7	0.0
Denmark*	206,615,841	50.0	50.0	0.0
Netherlands	507,318,228	50.0	50.0	0.0
Romania	4,774,035,918	30.8	30.8	0.0
Malta	105,893,448	21.6	21.6	0.0
Luxembourg	20,056,223	50.7	50.7	0.0
EU level	86.405.015.067	24.8	23.1	1.7

Source: SFC2014

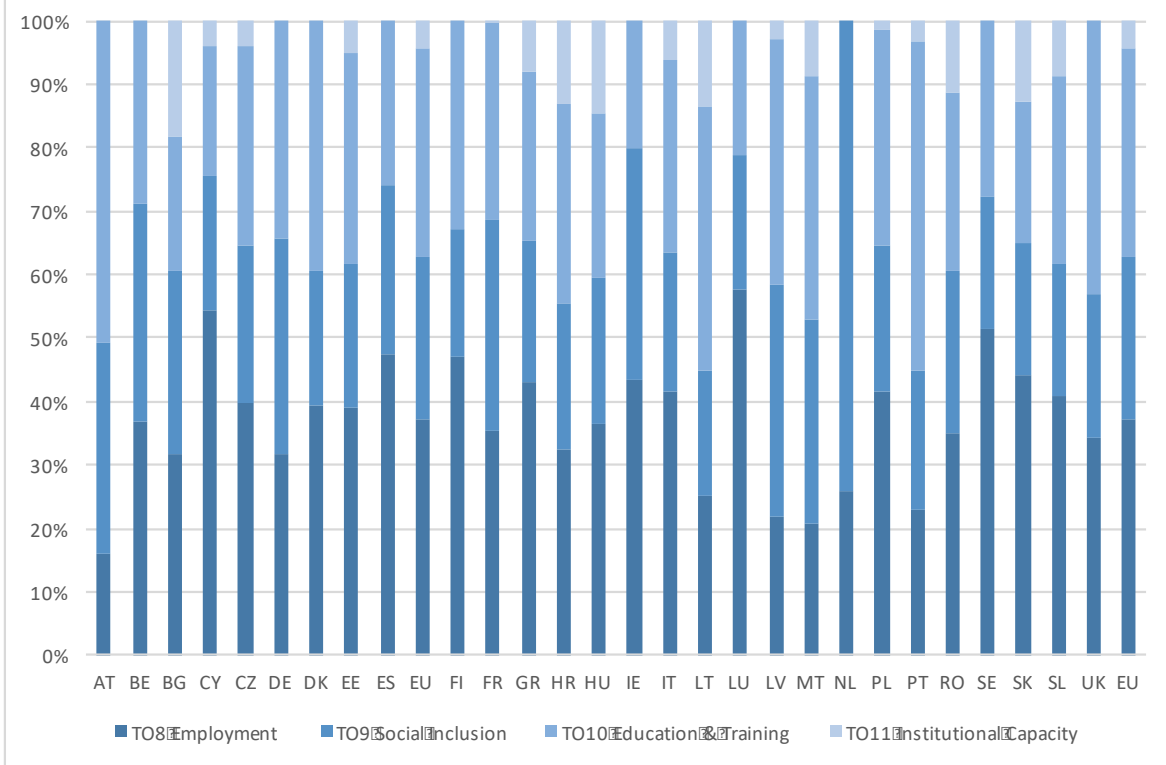
2.2.3 Financial allocation across thematic objectives and objective regions

Financial allocation per Thematic Objective

Based on the challenges identified by the strategic documents, Member States have defined their ESF programming. All programmed ESF investments can be linked back to the Investment Priorities⁷, which can then be aggregated at the TO level, as defined in the ESF Regulation, which allows for the aggregation of these investments across Operational Programmes for comparison between MS at the EU level. The figure below summarizes the share of ESF investments across all of the analyzed OPs in the EU, focusing on the four Thematic Objectives set out by Article 3 of the ESF Regulation.

⁷ It should be noted that in the OPs allocations to IPs are indicative, while amounts per TO are fixed and covered by a decision of the European Commission

Figure 2.1. Distribution of ESF budget by country and Thematic Objective (%)



Source: SFC2014, includes YEI ESF matching support

The figure above shows that MS have made considerably different choices in their ESF priorities, but that overall the thematic objectives have been selected in a relatively balanced way. Across all MS, considerable attention (37.2% of ESF budget when considering the ESF matching of YEI and 34.6% not considering it – TA not included) has been paid towards investing in the promotion of sustainable and quality employment and the support of labour mobility, together with youth employment policies (also including the ESF matching support to YEI) (TO8). Apart from a small number of MS (Austria, Latvia, Malta, and Portugal), ESF investments related to this thematic objective represent at least 25% of the overall ESF budget in each country. Investment in Social Inclusion (TO9) receives 25.6% of the overall budget. The allocation of ESF budget towards social inclusion at MS level is in full compliance with the ESF regulation provision that each Member State shall invest at least 20% of its ESF budget on this theme (not including allocations dedicated to social innovation and transnational cooperation priority axes). Furthermore, considerable differences can be observed for other thematic objectives. While the overall allocation of ESF budget to 'investing in education, training and vocational training for skills and life-long learning' (TO10) at EU level is 32.8%, more than half of the entire ESF budget is dedicated to this objective in Austria and Poland, while the Netherlands does not reserve any funding for investments in education. Ireland, Cyprus, Bulgaria, Luxembourg, and the Slovak Republic commit less than 25% to this thematic objective. The figure shows that the allocation of investments to 'enhancing institutional capacity of public authorities and stakeholders and efficient public administration' (TO11) received approximately 4.4% of ESF resources. Unsurprisingly, it is mostly concentrated in MS with OPs covering less developed regions, as one of the two Investment Priorities under this objective, which is the most significant in terms on financial allocation, is applicable to only these regions.

The patterns observed in investing under the different TOs are discussed separately, and in more detail, in the following chapters.

Financial allocation per objective region

Financial allocation can be also analysed by considering the share of ESF budget allocated to the different categories of regions: the highest share of EU ESF budget

goes to OPs covering less developed regions (32.5%), while more developed and transition regions receive 14.5% and 5.6% respectively. The remaining budget is allocated to OPs covering different categories of regions.

Table 2.4. Distribution of ESF budget by regions

Categories of regions	ESF budget	
	€	%
OPs covering Less developed regions	26,920,184,281	32.5
OPs covering More developed regions	11,975,171,144	14.5
OPs Transition	4,605,665,694	5.6
OPs covering More developed/less developed regions	14,828,616,929	17.9
OPs covering More developed/Transition regions	7,870,967,623	9.5
OPs covering More developed/Transition/Less developed	16,325,896,837	19.7
Ops covering Transition/Less developed regions	203,706,315	0.2
TOTAL	82,730,208,822	100.00

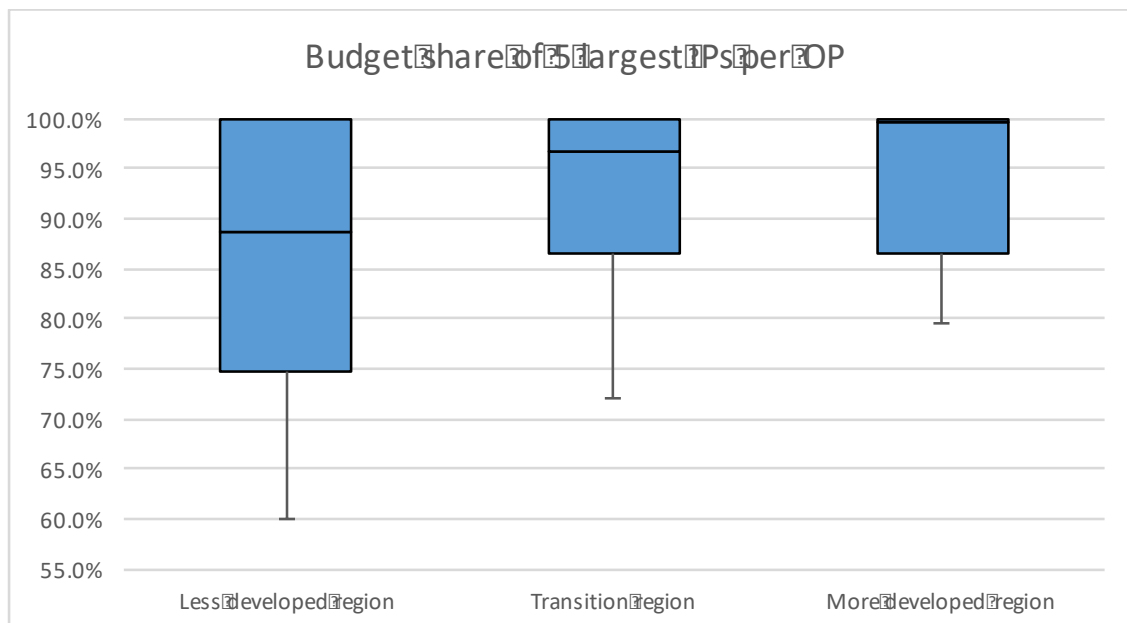
Source: SFC2014, ESF OP DB

2.2.4 Thematic concentration

Article 4 of the ESF Regulation introduces one of the new requirements of ESF in 2014-2020, and calls for a thematic concentration within Operational Programmes. To ensure a sufficiently high critical mass of funding that will make a real impact in addressing Member States' key challenges, the ESF regulation requires MS to focus their interventions on a limited number of priorities. In the figure below, an overview is provided of how OPs complied with this requirement, according to the category of regions covered⁸. The box plots present the median share of the percentage of budget allocated to five largest IPs across OPs (black line in the middle of each 'box'). Each box represents 50% of the OP, while the lower and upper lines represent the upper and lower 25%. Outliers are positioned on the black line below the blue box⁹.

⁸ MS are required to have at least 60% of each OP budget allocated to the five largest investment priorities in less developed regions. For transition regions, a minimum of 70% of thematic concentration of the ESF budget in the five largest investment priorities is required. More developed regions are required to allocate at least 80% of the entire budget to the five largest investment priorities. In case OPs address different categories of regions at the same time, allocation is made to the OP in the lowest category (example: an OP that is covering a transition and more developed region, is allocated to the category transition region).

⁹ Values are considered outliers if these lie outside the commonly accepted range of 1.5 times the interquartile range, which is represented by the blue box (See Tukey 1977). See the annex for the full table of values that forms the basis for this figure.

Figure 2.2. Budget share of five largest Investment Priorities per OP

Source: SFC 2014, ESF OP DB

Unsurprisingly, all OPs comply with this requirement. The figure above shows that for the less developed regions (minimum concentration being 60% of budget on the five largest IPs) the concentration is, at its lowest, equal to 60% for the OP Human Capital in Romania. In total, 11 OPs focus between 60-70% of their ESF budget on five IP (in RO, IT, PL and HR), while 16 OP do this for 70-80% of their ESF budget. In total, 14 OPs focus between 80-90% on five IP, while 12 OPs allocate between 90-100% of their ESF budget to 5 IP. In total, 25 OPs focus their whole ESF budget on the five IP (100%).

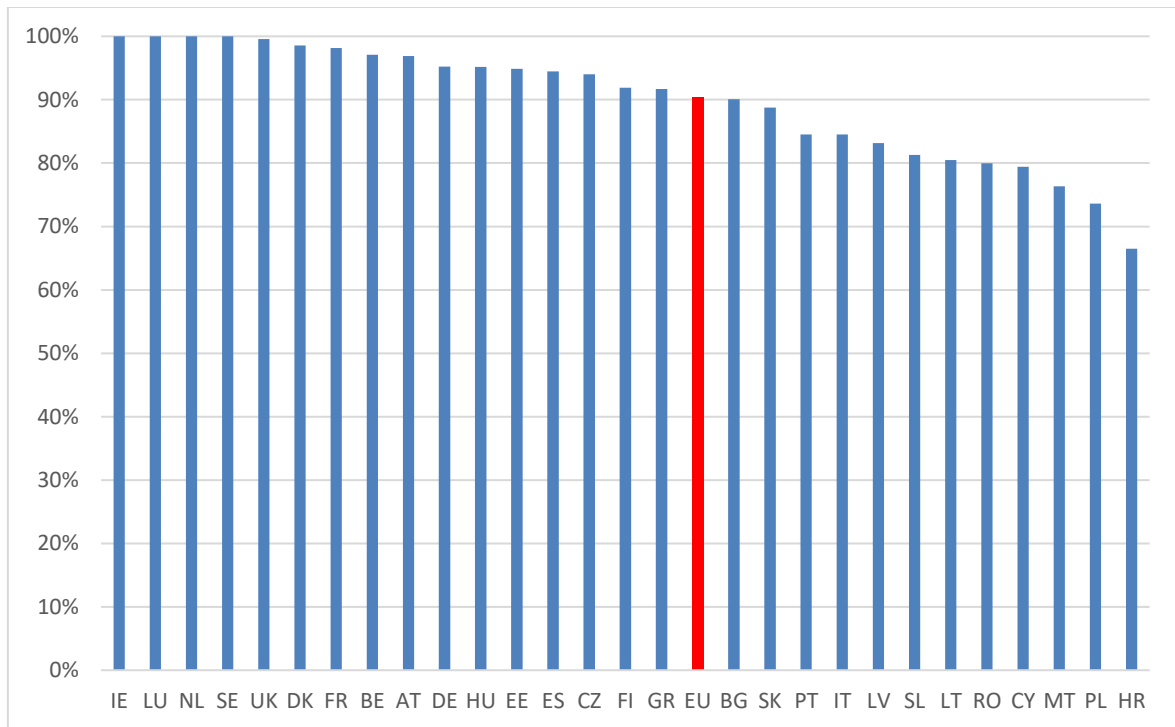
As for the OPs covering transition regions, only three OPs focus 70-80% of their ESF allocation on five IP (in Italy, Portugal, and Malta), 10 OP focus 80-90% of their ESF budget on five IPs, while 11 OPs focus between 90-100% of their ESF budget. 15 OPs focus their ESF budget completely on the five largest IPs. The lowest level of concentration is equal to 72% for the regional OP Sardinia in Italy.

In developed regions, 23 OPs allocate between 80-90% of their ESF budget to five IPs with 11 other OP committing between 90-100%. Those that make up the largest group of OPs in the developed regions (33) allocate their entire ESF budget to five IPs. This is particularly the case for OPs receiving a smaller amount of ESF contribution and those with a thematic focus, which both show a higher concentration of their budget, while the larger OPs in less developed regions have a lower concentration and thus a broader orientation. The figure also shows that MS did not merely aim to meet the minimum concentration requested, instead designing their ESF OPs with a substantial thematic concentration of their budgets, in line with the ambition of the new regulation to bring more focus in programming.

Analysing the average percentage of ESF budget allocated to the five largest IPs (across OPs) at MS level (see figure 2.3), one sees that four MS concentrate (on average) their entire ESF budget on five IPs (IE, LU, NL and SE), followed by seven countries that on average concentrate 95% or more of their budget on five IPs (United Kingdom, Denmark, France, Belgium, Austria, Germany, Hungary- see figure below). These are all MS receiving either a relatively small ESF budget – providing an incentive for focusing their programming on a limited number of areas - or countries that have selected regional and thematic OPs that support the concentration of budgets. MSs that have more recently accessed the Union, and the MS that receive larger ESF budgets, are distributing their ESF budgets across more IPs; these countries include HR, PL, MT, CY, RO, LT, SL, LV, IT, PT, SK, and BG which all score lower than the EU average of 90.5% (average of percentages per OP). This is likely to

be down to the fact that the regulation allows for a more widespread allocation of ESF resources and reflects the fact that the challenges these countries must tackle call for greater flexibility in resource allocation.

Figure 2.3. Average % of ESF budget allocated to five largest Investment Priorities per OP



Source: SFC 2014, ESF OP DB

2.3 Selection of indicators and target values

In order to support the increased focus on results in the programming period 2014-2020, the identification of indicators and the arrangements for monitoring and data collection represent a key element of programming. Article 27(3) of CPR requires that each priority axis shall establish output and result indicators "to assess progress of programme implementation towards achievement of objectives as the basis for monitoring, evaluation and review of performance". In order to capture the change generated by the programme, they should correspond with the specific objectives within the investment priorities. Output indicators measure what is directly produced/supplied through implementing the supported operations. Output indicators should be relevant to the actions that are to be supported, while the intended output should contribute to the change in result indicators. Result indicators capture the expected effects brought about by ESF-funded interventions. In order to minimise external factors influencing the value reported under the result indicators, it is advisable to set indicators which are as close as possible to the activities conducted under the respective investment priority¹⁰. Annex I and II of the ESF regulation lay down common indicators for both the ESF and YEI respectively. Member States can further select programme specific indicators. The CPR recommends limiting the number of programme-specific result indicators and focusing them on the main objectives of the programme. Throughout the programming period, MS will have to

¹⁰ See EC (2015), Monitoring and Evaluation of European Cohesion Policy and EC (2014), Guidance document on ex ante evaluation

report on all common indicators (irrespective of whether or not they selected them in the OP) in addition to their programme specific indicators.

2.3.1 Output indicators

Types and frequency

ESF OPs selected 4,787 Output Indicators overall. The countries with the highest number of indicators are Poland with 1,033, followed by Italy (828). This is partly explained by the fact that these two countries also have the highest ESF budget and number of OPs, respectively. However, countries with a relatively high ESF budget, such as Spain, Germany or Portugal (with an average budget totaling roughly 70% of Poland's or Italy's), have selected a relatively lower number of indicators with respect to their budget.

In order to allow aggregation and cross-country comparison, all output indicators, including programme-specific indicators, have been classified according to standard categories that are similar to, but do not match with, the Common Output indicators of Annex I in the ESF regulation. According to this categorisation, the indicator that has been most frequently selected refers to employed participants (selected 510 times), followed by unemployed (491), disadvantaged individuals (313) and young people (212). With regards to entities, the most frequently selected indicator refers to the number of projects targeting public authorities (approximately 10%).

Approximately 20% of the Output indicators selected by the Operational Programmes could not be classified under any of the 26 standard categories selected, with all of those indicators being programme-specific (for a detailed distribution of the frequency of Output indicators by types and countries, see Annex 2). This group consists of a wide diversity of indicators, such as those that do not belong to the participants / entity type: number of hours spent, number of tools developed, number of platforms, etc. However, an important share of this non categorisable indicators also encompasses indicators that count the total number of participants in the different interventions.

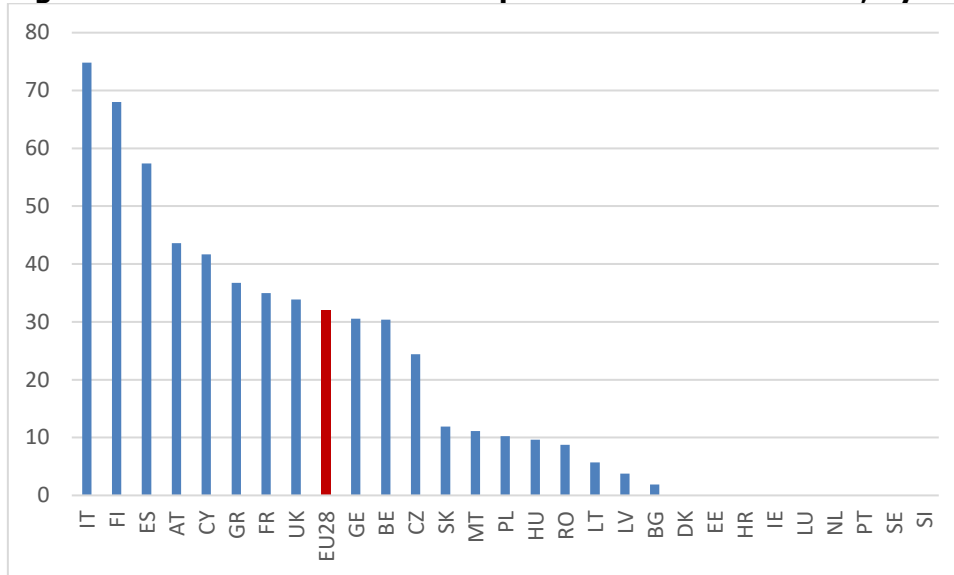
The distribution of types of output indicators has also been analysed for each of the MS. Unsurprisingly, all MS have selected output indicators falling into the category unemployed (including long-term unemployed).

On the basis of the distribution of indicators across the various TOs selected, as presented in the previous section, the analysis now turns to the specific target setting for each of these 4,787 output indicators. Annex II Statistical Appendix sums the various targets defined for each of the standard categories.

Common versus Programme specific indicators

The screening exercise also considered the extent to which MS made use of programme specific indicators versus common indicators. According to the analysis, the great majority of these are programme specific, with only 32% of all indicators (1,505) being common indicators, as per Annex I of the ESF Regulation. Significant differences emerge across MS with Italy and Finland having a respective share of common indicators that are equal to 75 and 68% of all selected output indicators, followed by Spain (57.4%). Poland, whose number of output indicators amounts to almost one-fifth of all selected output indicators, makes relatively limited use of common indicators (10.3%).

Figure 2.4. Share of common output indicators over total, by country



Source: ESF OP DB

Target values

The highest target value for Output indicators across ESF OPs refers to the number of unemployed individuals that will benefit from ESF actions, which amounts to approximately 15 million participants. Other types of indicators with high output target values are: individuals with low qualification level (including primary school pupils) (9.9 million); 7.5 million disadvantaged; 7.2 million employed, including self-employed and staff of organisations benefiting from ESF support (such as schools, PES, public administration offices); and young people (6.2 million). It should be mentioned that two different Output indicators under the same Investment Priority or Specific Objective of a given OP might cover the same individual¹¹; therefore, it is not possible to sum all of the target values of output indicators related to individuals or entities in order to obtain the total number of participants.

The total distribution, of aggregated output indicators and target values across the thematic objectives, shows that the output indicators set for interventions under TO8 are mostly targeting unemployed and employed individuals, followed by young people and inactive. TO9, being concerned with tackling social exclusion and poverty, mainly targets disadvantaged, long-term unemployed, and inactive. TO10 is mainly focused on young people and people with low qualification levels, while TO11 is focused on improving the capacity of public institutions, which covers approximately two thirds of total number of projects targeted to public organisations and staff (categorised as “employed”). Full details by country are shown in Annex 2.

2.3.2 Result indicators

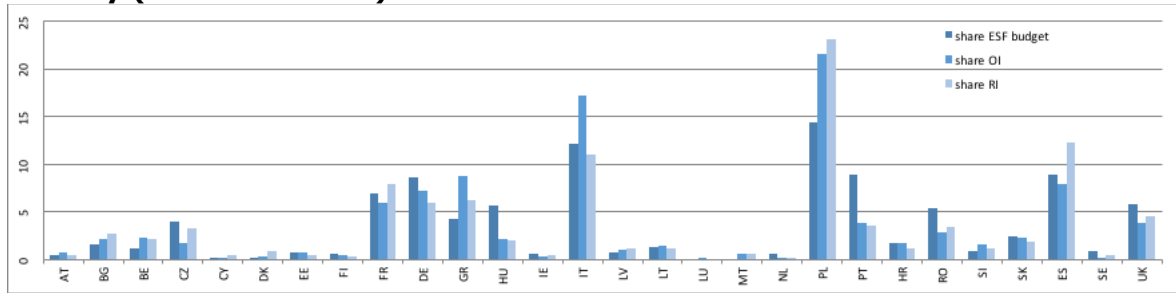
Types and frequency

The 184 OPs selected 4,800 result indicators, including those selected for the YEI (for which 388 indicators have been selected and will be analyzed separately in the next chapter devoted to Thematic Objective 8). As is the case for Output Indicators, these are concentrated in a few countries. Four MS account for more than 50% of the total number of indicators selected: Poland (23.1%), Spain (12.2%), Italy (11%), and France (7.8%).

¹¹ For instance, an IP with two indicators, one counting the number of young people and one counting number of unemployed: such numbers cannot be summed up to obtain grand total of participants as we have no guarantee that some young participants are also counted under the unemployed indicator and therefore in this case would be counted twice.

It is interesting to note the different approaches that MSs and Managing Authorities adopt in selecting the number of Output and Result Indicators. The figure below compares the relative share of total Output and Result indicators per MS, with the relative share of total ESF budget. We can see that Poland makes a relatively large use of Outputs and Result indicators compared to its budget allocation, and so do Italy, Bulgaria and Greece for example. Countries such as Hungary, Portugal and Romania use a reverse approach, selecting a relatively small number of indicators compared to their budget. These differences in numbers are partly explained by the number of OPs per country. It is also interesting to notice the different approaches in selecting the number of output versus result indicators: Italy and Greece make a relatively larger use of Output Indicators, while countries such as Poland, France, Spain and the UK tend to use more Result Indicators.

Figure 2.5. Share of ESF budget, number of result and output indicators by country (measured in %)



Source: ESF OP DB

In terms of the distribution of Result Indicators across thematic objectives, the majority can be found under TO8 (36.2% of all Result indicators and with YEI indicators accounting for an additional 8.1%), followed by TO10 (25.9), TO 9 (23) and TO11 (7.3).

78% of the 4,800 result indicators selected by the ESF OPs have been categorized under one of the 14 ID categories of indicators. Their frequency and distribution across Thematic Objectives is shown in the table below. The most often selected type of indicator used in measuring the results of ESF programming is that of obtaining a qualification upon leaving (17.8%), followed by people in employment upon leaving (12.4).

Table 2.5. Relative frequency of results indicators by category and Thematic Objectives (as % of total result indicators)

Categories of Result Indicators	TO8	TO9	TO10	TO11	Total
Job searching upon leaving	2.62	0.78	0.23	0.00	3.63
In education upon leaving	1.29	0.65	5.89	0.11	7.94
Qualification upon leaving	5.28	2.05	9.74	0.74	17.82
In employment upon leaving	8.43	3.29	0.72	0.00	12.44
Disadvantaged in job search. training. employment upon leaving	2.13	3.44	0.08	0.02	5.68
In employment 6 months after leaving	6.48	0.95	0.87	0.00	8.30
Improved LM situation 6 months after leaving	1.71	0.63	0.34	0.34	3.02
Participants 54+ in employment 6 months after leaving	0.19	0.06	0.15	0.00	0.40
Disadvantaged in employment 6 months after leaving	0.23	0.80	0.11	0.00	1.14
Improved capacity -institutions	1.82	2.58	2.13	3.95	10.56
Improved capacity - CSO	0.23	0.25	0.11	0.21	0.80
Improved capacity – companies/economic operators	2.62	0.93	0.17	0.02	3.74
Improved capacity of special groups	0.13	0.97	0.15	0.02	1.27
Improved awareness	0.44	0.23	0.00	0.06	0.87
Other	9.90	5.26	5.07	1.71	22.39
EU28	43.51	22.89	25.74	7.18	100.00

Source: ESF OP DB

In terms of the distribution across different Thematic Objectives, the table shows that employment-related result indicators are mostly found under thematic objective 8 and 9. As such, it underlines the relevance of labour market measures for social inclusion objectives as well. At the same time, for result indicators that measure obtaining a qualification, the table shows that the distribution is more cross-cutting. These types of results are measured for thematic objective 10, which revolves around education, but is also often used to measure results of labour market (TO8) or social inclusion (TO9) related interventions. Almost half of the indicators measuring an improvement of the situation of disadvantaged groups can be found under TO9. With regards to indicators measuring improved capacity of institutions, these are used across different TOs, other than TO11. This shows the importance of structural improvements to MS' capacities, in addition to measures that focus on short-term results for individuals.

As the table shows, a considerable number of result indicators (22.4%) could not be classified among the main 14 categories. This group consists of various result indicators, such as the number of instruments/tools developed, the number of successful projects, or various scores on scales that are not easily compared. This difficulty in aggregation reflects the wide variety in expected results and specific objectives set by the different OPs that cannot be captured by a relatively limited number of standardised categories. When looking at the figures in more detail, we see that the relative number of indicators that cannot be aggregated against the total number of indicators per Thematic Objective is similar (between 19.6 and 22%).

Common versus Programme specific indicators

The screening exercise also considered the extent to which MS made use of programme specific indicators versus common indicators. According to the analysis, the great majority of these are programme specific, with only 28% of all indicators (1,346) being common indicators, as per Annex I and II of the ESF Regulation. Differences can be observed with countries like Spain, Cyprus, Ireland, France and Belgium, making a large use of common indicators (above 50%). Other countries above the EU average are the Czech Republic, Finland, Italy, Latvia and Lithuania. At the other end of the spectrum, we have countries that have made virtually no use of Common Indicators (outside of YEI-related IPs): Bulgaria, Denmark, Luxembourg, Malta, Portugal, Croatia, Slovenia and the Netherlands. On the basis of the information

collected, it is not possible to assess whether the choices made by the latter mentioned MSs are justified. However, it could be argued that there is room for decreasing the number of selected programme specific indicators in those countries, which made the least use of them. At the same time, it should be observed that the list of common indicators could be expanded, especially for indicators under TO11, TO9 and TO10.

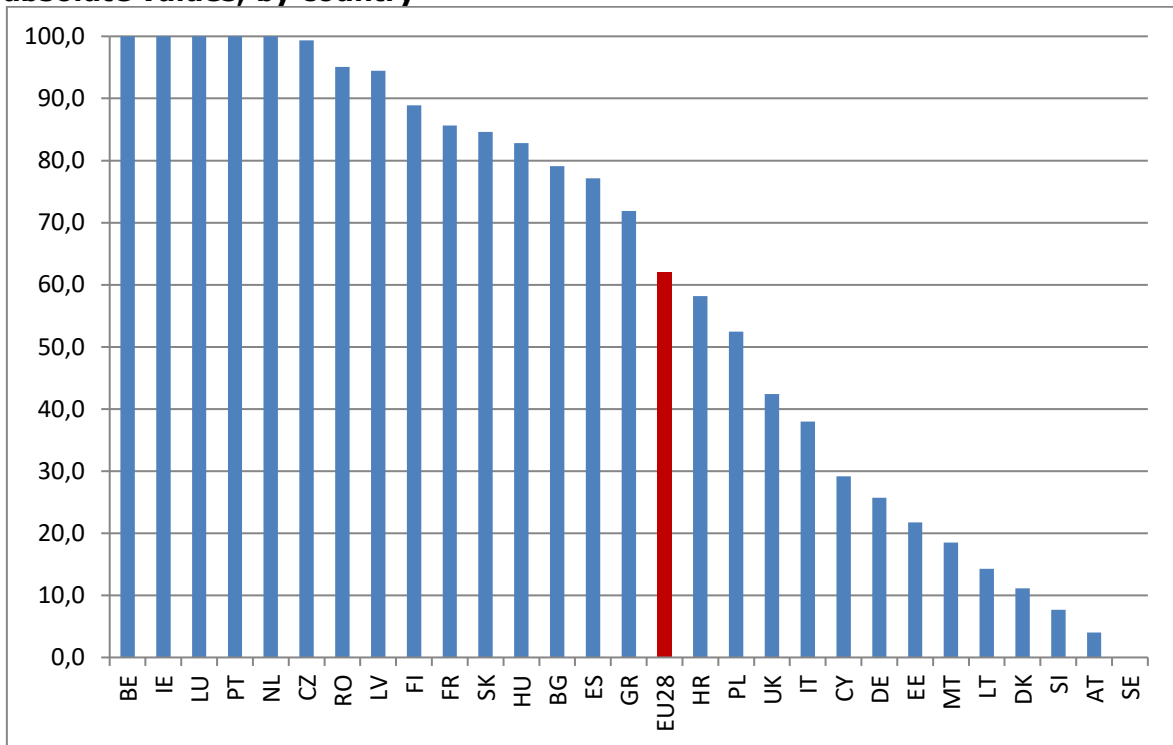
Target values: absolute figures and percentages

Result indicators express the expected success rate of an intervention, such as employment achieved or qualifications gained; they can also relate to the success rate in the short (upon leaving) or longer term (e.g. six months upon leaving). By this logic, the expected success rate of a programme determines the result indicator, which is then often defined as a percentage of the output indicator (measured in terms of the percentage of participants / entities). This study shows that this logic is indeed followed by many MS, as across most OPs there is a relatively high number of Result indicators' targets that have been expressed in percentage values (slightly above 60% - see Figure 2.6). However, in order to know how many of the participants achieved a result, percentages should be transferred into absolute values. Since the measurement of results is closely linked with the relevant outputs, whenever these are clearly identified, it will be possible to calculate the absolute values of results targets, even when they are expressed in percentage form. This allows for the country and EU level aggregation of targets set out for result indicators that have been categorized under the same typology. Thus, for the purposes of the current analysis, all percentage values with a reference common output indicator having been identified were converted into absolute values¹². However, it should be noted that the indication for a reference indicator was not binding for MS; nevertheless, the ESF Monitoring and Evaluation guidance requested MS to name the programme specific result indicator in a way that enables the identification of the reference output indicator.

In the figure below, we provide an overview of the number of result indicators expressed in absolute numbers (including the indicators expressed in percentage form and converted into absolute values). These figures refer to the latest approved versions of the OP, as of September 2015 (the cut-off date for the collection of data), with the exception of those OP that were approved at a later stage (in this case, the cut-off date is December 2015). As a whole, 62% of targets can be expressed in absolute values. The coverage is complete for some countries, such as Belgium, Portugal, Ireland, Luxembourg and the Czech Republic. For some others, it is above 80%, such as France, Slovakia and Hungary. In MS accounting for the highest concentration of ESF budget, result indicators expressed in absolute values are mostly found to be below the EU average (PL, DE, IT), with the exception of Spain, for which over 70% of result indicators are expressed in numbers.

¹² In addition, as a pilot exercise, in two countries (Belgium and Portugal) the conversion exercise was also carried out for those indicators for which no common indicator was identified, but for which the identification could be made

Figure 2.6. Share of result indicators whose targets can be expressed in absolute values, by country



Source: ESF OP DB

In the table below, we present an overview of the main aggregation of target values across thematic objectives on the basis of the categorization of Result indicators, according to 14 standard categories developed for the purpose of this analysis (for a full list and explanation of the categories, see Annex I and for the full set of data, refer the statistical appendix in Annex II). The aggregation does not include YEI indicators, which are discussed separately in the following chapter. As explained above, the aggregation can only be made for those indicators expressed in absolute values¹³.

As can be seen from the table, the highest values for Result indicators (8.9 M) are focused on participants gaining a qualification after leaving and are almost equally distributed across TO8 and TO10. The second largest value of target values relate to individuals gaining employment (7.4M upon leaving and 2.2M six months after leaving). The aggregation of indicators focused on improving the capacities of entities (such as enterprises, entities, Civil society organizations) is more difficult to interpret as they refer to both the number of persons and to institutions/projects.

¹³ It should be noted that in those countries where the share of Result Indicators expressed in absolute numbers is high, the aggregation of target values could be considered representative of the overall expected achievements in the country and the relative figures are reported and analysed in the Country Factsheets.

Table 2.6. Aggregation of target values of result indicators expressed in absolute values

Result Indicators categories	TO8	TO9	TO10	TO11	EU28
Job_searching upon leaving	473,354	112,489	84,556		670,399
In education upon leaving	328,856	259,193	665,677		1,253,726
Qualification upon leaving	3,786,143	596,538	4,395,938	171,047	8,949,666
In employment upon leaving	3,772,542	757,222	215,199		4,744,963
Disadvantaged in job search, training, employment upon leaving	324,074	1,275,064	336	1	1,599,475
In employment 6 months after leaving	1,979,110	138,234	141,324		2,258,667
Improved LM situation 6 months after leaving	220,903	257,123	12,004	2,938	492,968
Participants 54+ in employment 6 months after leaving	73,384	1,871	28,942	0	104,197
Disadvantaged in employment 6 m after leaving	42,665	22,388	50	0	65,103
Improved capacity -institutions	161,721	448,771	43,574	302,510	956,576
Improved capacity - CSO	76,299	1,872	403	10,014	88,588
Improved capacity - companies/economic operators	203,862	5,053	790	8	209,713
Improved capacity of special groups	8,488	108,606	0	0	117,094
Improved awareness	10,376	1,605	0	0	11,981

* YEI indicators not included

Source: ESF OP DB

2.3.3 Performance framework

One of the main innovations of the 2014-2020 programming period is the introduction of the so called performance framework, which requires setting milestones at the level of the priority axes (both in terms of physical as well as financial indicators) that are mid-term goals to be achieved by the end of 2018, together with targets to be reached at the end of 2023. Performance against these goals is linked to the performance reserve¹⁴. This allows for regular monitoring and debate on how financial resources are used.

Although the analysis conducted for the purpose of this study is at the Investment Priority level (while the Performance Framework calls for setting targets at the level of the Priority Axes), an analysis has been carried out to explore how the different OPs have integrated the new provisions concerning this innovative tool; this has been achieved by looking at the types of indicators selected for the performance framework and by collecting information on financial milestones for all OPs, as per Table 6 under section 2.A.8 of the Operational Programmes.

Concerning the analysis of output indicators selected, it has been calculated that, out of the 4,786 output indicators, 28.4% have been included in the performance framework. The most commonly represented categories of indicators are those relating to unemployed, employed and disadvantaged individuals, as well as to public entities (full data are presented in Annex II).

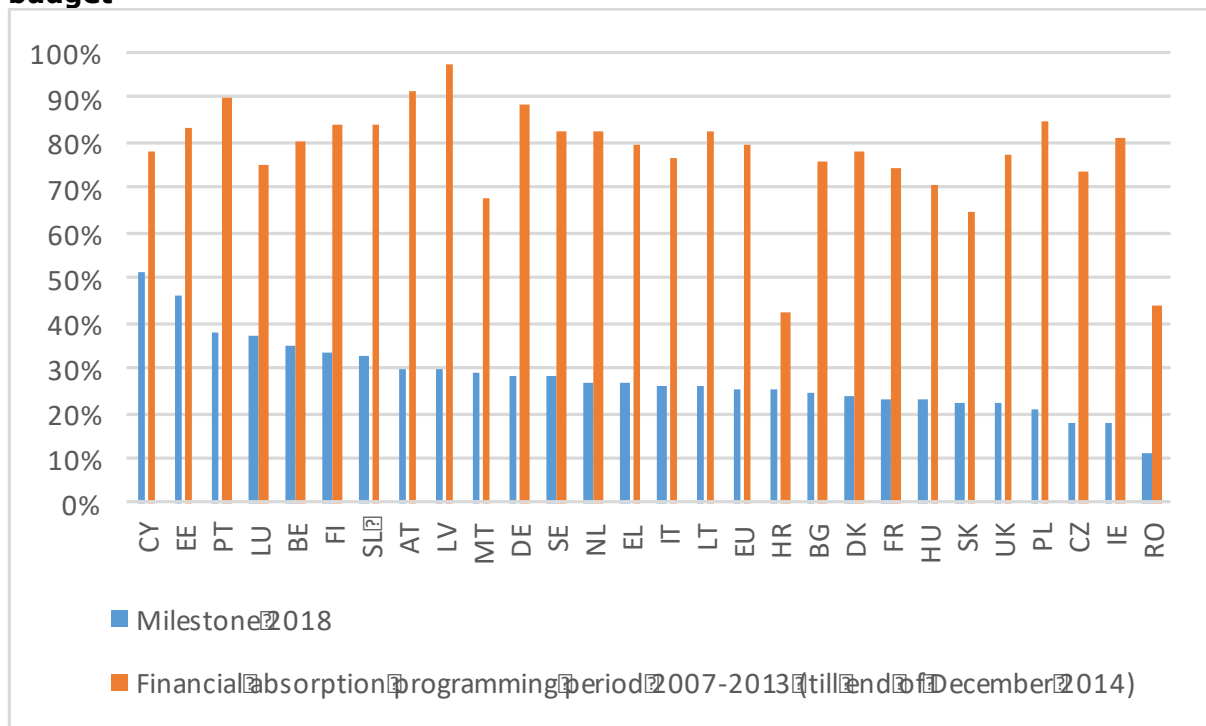
In terms of financial outputs, it is calculated that MS expect to have spent 25.1% of their overall financial targets by the end of 2018 (see figure below). This figure hides important differences across MS with some countries planning to spend between 30

¹⁴ See EC (2014), Guidance Fiche on Performance Framework Review and Reserve

and 51% by 2018 (AT, SI, FI, LU, PT, EE, CY), while the majority of countries plan to spend between 20 to 30%. In relative terms, Ireland is the country with the lowest cumulative financial target (17.6). Full data are presented in Annex II.

Finally, in order to provide a benchmark to assess the absorption rate foreseen by financial milestones, the absorption rate at MS level of the previous programming period (the end of December 2014) is presented, although the two figures clearly cannot be compared. No clear link emerges from the two figures, although it could be noted how some countries that reported a relatively low absorption rate in 2014 have also planned a lower take up in financial spending (such as Romania and Croatia).

Figure 2.7. Financial milestones (2018) as a relative share of total ESF budget



Source: own calculations based on SFC2014 and SFC2007

3 ESF INVESTMENT IN PROMOTING SUSTAINABLE AND QUALITY EMPLOYMENT AND SUPPORTING LABOUR MOBILITY (TO8)

Key findings

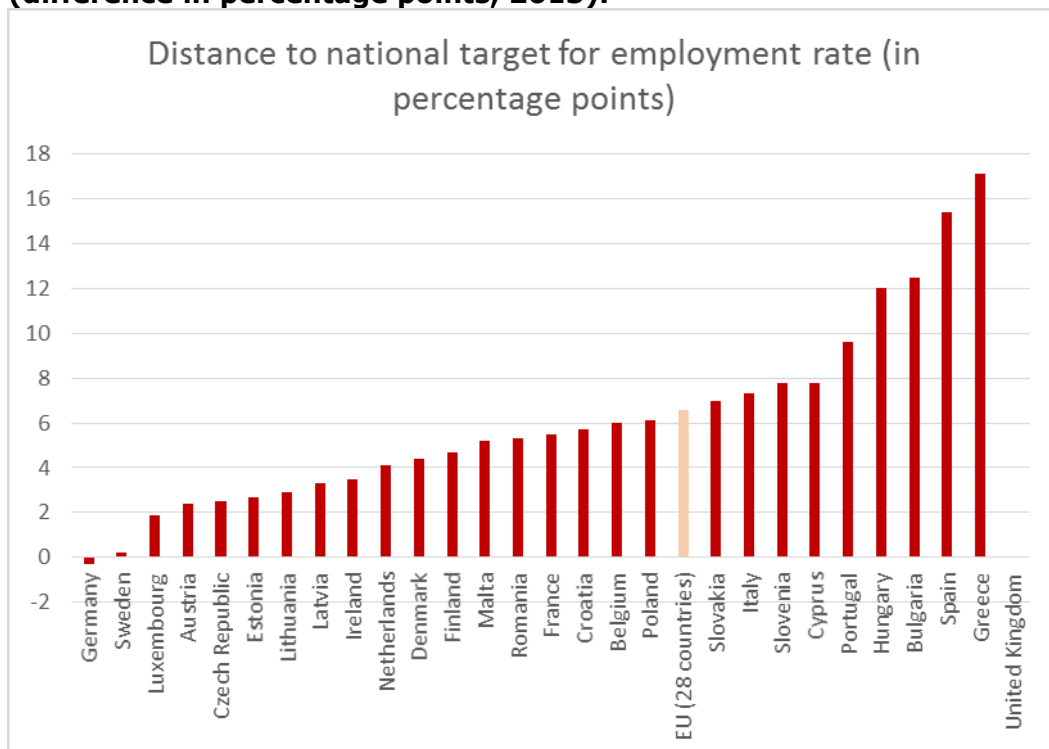
- Overall, with a few exceptions, the IPs selected under TO8 address the challenges as identified in the relevant CSR (82% of ESF budget of TO 8 is allocated to a CSR).
- IP 8.i (with the exception of Denmark) and IP 8.ii (with the exception of Austria, Denmark, Estonia, and the Netherlands,) receive general ESF support in almost all the MS. Other IPs are selected in a limited number of MS (like IP 8.iii in 11 MS; IP 8.iv in 12 MS; IP 8.v in 16 MS; IP 8.vi in 6 MS, and IP 8.vii in 13 MS).
- Specific Objectives are generally considered to be specific and capture the change sought, which demonstrates a strong result orientation of the programme with a clear intervention logic within TO 8. In a minority of cases, the SOs are relatively broadly formulated, or they include several objectives at the same time, and the “means- end” relationship is not always emphasised. Some SOs are selected across IPs within TO 8.
- Most actions within TO8 relate to individual guidance, integrated approaches, vocational training, and self-employment / start up; these are all considered to be the mainstream types of interventions for pathways to employment (see standard ALMP categories).
- The actions selected are, in most cases, fully appropriate and can contribute to the achievement of the specific objective. Some IPs have a more demarcated set of actions (like IPs 8.ii, 8.iii, 8.iv, and 8.vi), while others report a more diverse set of supported actions (IP 8.i, IP 8.v, and IP 8.vii). Nevertheless, actions are still described in broad terms (including “long list” of elements) and it is not specified how these actions lead to the expected change in a large number of cases.
- The target groups addressed in most IPs under TO8 are the unemployed, enterprises, women, employees, young unemployed, long term unemployed, disadvantaged people, older workers, NEETS, inactive, employees at risk, and employment services.
- Output and result indicators are considered to be appropriate in measuring the output and result of the SO. The output indicators mainly address the most important target groups, as identified in the CSR.
- Within TO8, a significant number of unemployed (including long term unemployed) are targeted (total 12.5 million) as well as employed, including the self-employed (total 3.5 million). Also a large amount of young people is targeted (total 2.4 million), and those having a lower education level (1.5 million). The largest outputs are achieved within IP 8.i that is also receiving the largest share of ESF budget, followed by IP 8.ii (in terms of unemployed participants as well as young people), and IP 8.v (employed and unemployed participants) receiving a large share of ESF budget as well.
- With regards the result of ESF within TO8 around 3.77 million participants are expected to be in employment upon leaving, while the same amount of 3.77 million participants will gain a qualification upon leaving. It is expected that half a million participants are in job searching after leaving, while around 328,856 participants are foreseen to be in education after leaving and almost the same amount of disadvantaged individuals are expected to participate in job searching, training, or employment upon leaving (324,074). Looking at the more sustainable results, the aggregations show that 1.98 million participants are expected to be in employment six months after leaving the intervention.
- With regards the specific set of YEI indicators, one sees around 1.1 million unemployed are expected to complete the intervention, while around 0.5 million unemployed are expected to receive an offer after completing the intervention, and another 600,000 unemployed to find employment, re-enter education or training or gain a qualification. A total of 529,735 long term unemployed are expected to complete the intervention, while 276,520 are expected to receive an offer, and 315,502 persons to find employment, re-enter education or training or gain a qualification. 418,456 inactive persons expected to complete the intervention, while 208,640 expected to receive an offer, and 353,298 to find employment, re-enter education or training or gain a qualification.

3.1 Policy context

TO 8 closely corresponds to the objectives set for the Europe 2020 strategy for smart, sustainable and inclusive growth; the setting of a 75% target for the share of 20-64 years old in employment by 2020 demonstrates this correspondence. When assessing MS performance on their progress towards reaching the national target for the

employment rate (see figure 3.1), one sees that countries can be clustered into two main groups. First of all, there is the group that is still far from reaching the national targets; this group includes Greece, Spain, Bulgaria, Hungary, Portugal, Cyprus, Slovenia, Italy, and Slovakia. Countries in this group are all still 7 percentage points, below the national target, while the distance to the target on EU level is 6.6pp. The second group consists of countries that are closer to the national targets, such as Poland, Belgium, Croatia, France, Romania, Malta, Finland, Denmark, the Netherlands, Ireland, Latvia, Lithuania, Estonia, the Czech Republic, Austria and Luxembourg. Finally, Sweden has almost reached the target, while Germany already has¹⁵.

Figure 3.1. MS performance on EU2020 national targets - employment rate (difference in percentage points, 2013).



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)

Prospects for employment growth depend, to a large extent, on the EU's capacity to generate economic growth through appropriate macroeconomic, industrial and innovation policies (going beyond the scope of ESF support). At the same time, the strengthening of job-rich growth calls for employment policies that generate favourable conditions for job creation, facilitate positive transitions, increase the labour supply, and improve the geographic and skills matching with labour market needs. Different strategic documents, which were important when drawing up the different ESF programmes (like the annual growth strategy and employment package), address the fact that Member States should do more to fight unemployment, improve employability and support access to jobs or a return to the labour market; this is particularly the case for long-term unemployed and young people. Measures include:

- To boost public employment services and active labour market measures, such as skills upgrading, individualised job seeking assistance, support for entrepreneurship and self-employment, and mobility support schemes (to match the number of job seekers)

¹⁵ For the UK no data is reported in Eurostat concerning this target

- Support the transition between school and work (supporting quality traineeships, apprenticeships and other practical work based learning), and develop and implement youth guarantee schemes
- To facilitate labour market participation and access to jobs for second earners, along with access to adequate tax benefit incentives and the provision of quality affordable childcare.
- Facilitate lifelong learning throughout working life (including older workers), by strengthening partnerships between institutions involved in the provision of training activities.
- To facilitate cross border labour mobility, by removing obstacles and facilitating recognition of professional qualifications and experiences, and to promote cooperation of public employment services across borders (EURES platform)
- Improving the governance of employment policies, making ALMP more effective and efficient

The ESF support addresses the aforementioned challenges within thematic objective 8: promoting employment and supporting labour mobility, which was further operationalised through 7 Investment Priorities¹⁶

- i. access to employment for job-seekers and inactive people, including local employment initiatives and support for labour mobility.
- ii. sustainable integration of young people not in employment, education or training into the labour market.
- iii. self-employment, entrepreneurship and business creation.
- iv. equality between men and women and reconciliation between work and private life.
- v. adaptation of workers, enterprises and entrepreneurs to change.
- vi. active and healthy ageing.
- vii. modernisation and strengthening of labour market institutions, including actions to enhance transnational labour mobility.

Most of these IPs, falling under TO8, are closely linked to regular active labour market policies (ALMP) that are implemented by PES and other labour market institutions across countries, providing labour market services, training, employment incentives, supported employment and rehabilitation, and start up incentives. Investments falling within the scope of the ERDF include the support to the development of business incubators and self-employment, micro enterprises, and business creation, as well as support to the development of endogenous growth as part of territorial strategies for specific areas, support to local development initiatives, and investing in infrastructure for employment services. EAFRD will support economic development in rural areas, with a specific focus on facilitating diversification, creation of new small enterprises and job creation.

Closely related to TO8 are EU-investments for implementing **youth guarantee schemes**. The Council adopted a Recommendation on establishing a Youth Guarantee in April 2013. Member States committed themselves to ensure that all young people aged up to 25 receive a good quality offer of employment, continued education, an apprenticeship, or a traineeship within four months of leaving formal education or becoming unemployed. In addition to national efforts, Member States can draw on support from the ESF and the resources of the Youth Employment Initiative (YEI) during the 2014-2020 programming period to support the implementation of the YG¹⁷. The YEI will finance measures that directly help young people who are not in

¹⁶ As defined in Article 3 of the ESF regulation.

¹⁷ The Council adopted a Recommendation on establishing a Youth Guarantee in April 2013. Member States committed to ensure that all young people aged up to 25 receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within four months of leaving formal education or becoming unemployed.

employment, education or training (NEETs)¹⁸. YEI resources are integrated within the programming of the ESF: the YEI can be programmed in a dedicated OP, a dedicated PA, or as part of one or more PAs¹⁹. It was decided that resources allocated to the YEI should be committed (frontloaded) in the first two years of the 2014-2020 period, to allow speedy and substantial mobilisation of youth measures, and for immediate results.

The ESF regulation does not specify which activities are eligible under YEI, although Annex II of the ESF regulation provides a clear focus on the types of outcomes of the YEI (by presenting result indicators for YEI). Nevertheless, the Recommendation on establishing a Youth Guarantee, indicate that the focus of YEI support is on supporting individuals, instead of structures or systems, by providing them with pathways / packages of measures with the objective of active labour market integration and providing individual approaches, including a wide range of interventions²⁰. Independently of YEI, Member States are also entitled and encouraged to programme measures for the same age groups under the same ESF investment priority, or under other relevant ESF investment priorities, including, for example, those concerning access to employment, active inclusion, early school leaving prevention, or life-long learning. In case MS benefit from YEI, it is expected that it will concentrate the measures targeting young persons by programming them under the IP relevant to young people (Article 3(1)(a)(ii)), in order to avoid excessive dispersion of actions for young people²¹.

3.2 Overview of investment per IP for TO8

Across all investments in Thematic Objectives, MSs allocate the largest share of ESF budget overall to TO8 (34.6% of overall budget of ESF at EU level, excluding Technical Assistance; and 37.2% including ESF share YEI). Figure 3.2 below provides an overview of the percentage of total ESF budget allocated to TO8 and related IPs, followed by a box plot in figure 3.3. The box plots present the median share of total budget allocation to each IP across MS (black line in the middle of each 'box'). Each box represents 50% of the MS, while the lower and upper represent the upper and lower quartile of the MS. Outliers are presented separately, and identified with a respective label²².

¹⁸ According to article 16 ESF regulation, the YEI shall target "all young persons under the age of 25 not in employment, education or training, residing in eligible regions, who are inactive or unemployed including the long term unemployed, and whether or not registered as seeking work". On a voluntary basis MS may decide to extent the group to include young persons under the age of 30.

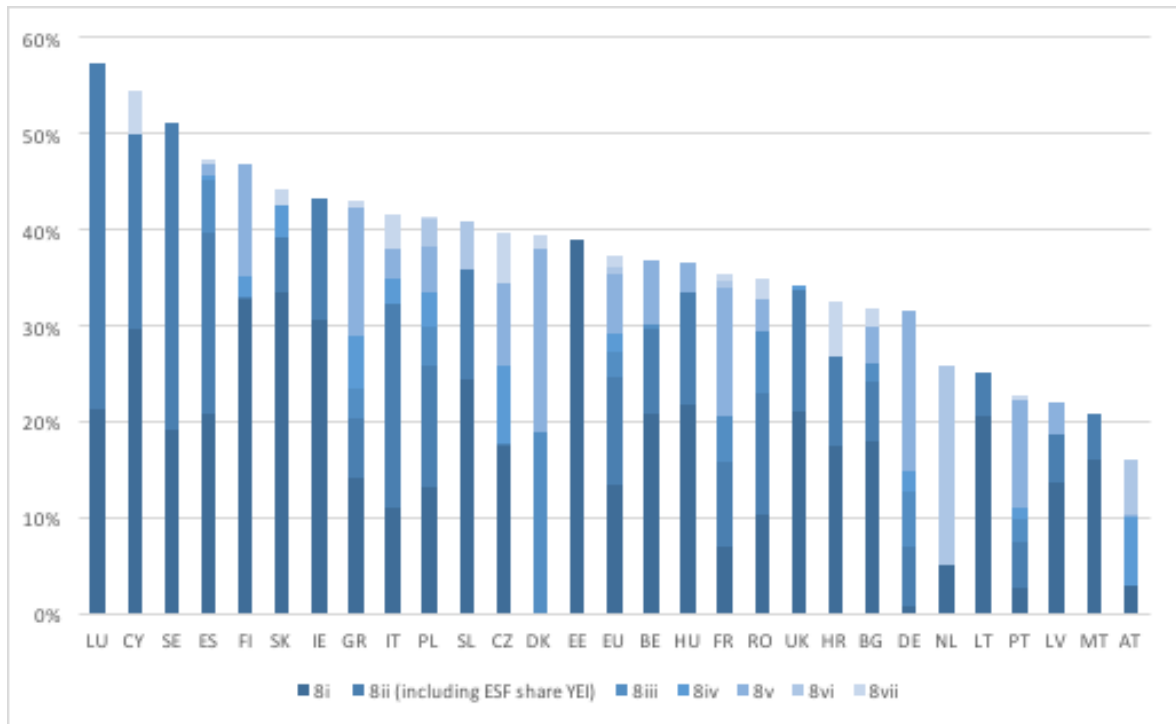
¹⁹ European Commission (2014). Guidance on implementing the Youth Employment Initiative, European Social Fund thematic paper.

²⁰ Such as the provision of traineeships and apprenticeships; providing first job experience; reduction of non-wage labour costs; wage in recruitment subsidies; job and training mobility measures; start-up support for young entrepreneurs; vocational education and training courses; second chance programs for early school leavers)

²¹ See European Commission (2014). Guidance on implementing the Youth Employment Initiative, European Social Fund thematic paper.

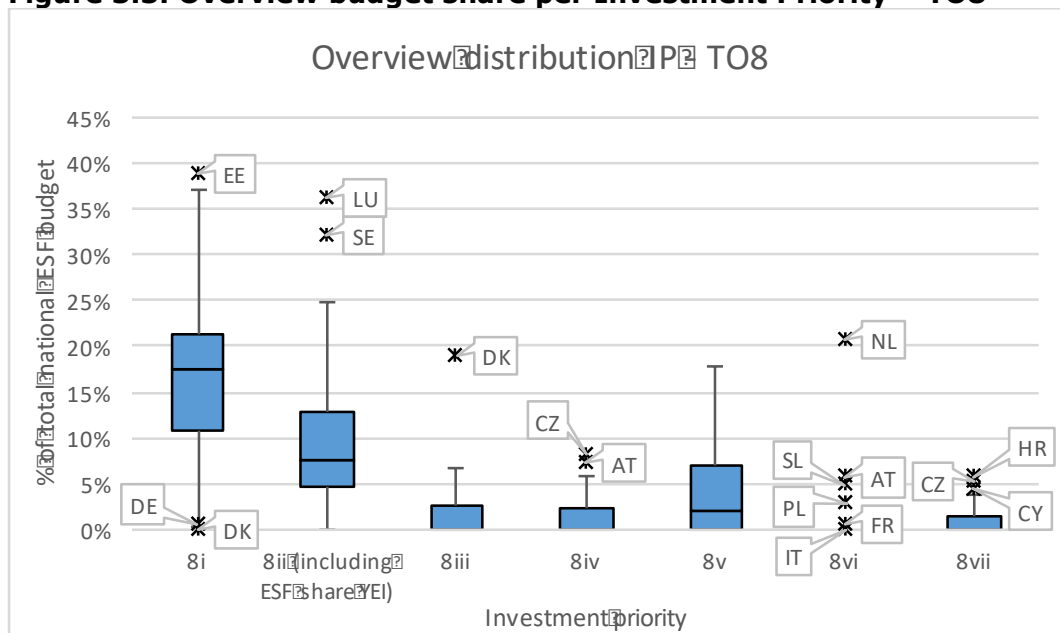
²² Values are considered outliers if these lie outside the commonly accepted range of 1.5 times the interquartile range, which is represented by the blue box (See Tukey 1977). See the annex for the full table of values that forms the basis for this figure.

Figure 3.2. Percentage of total ESF budget allocated to TO 8 and related IPs (including ESF matching of YEI, without TA)



Source SFC 2014, ESF OP DB

Figure 3.3. Overview budget share per Investment Priority – T08



Source SFC 2014, ESF OP DB

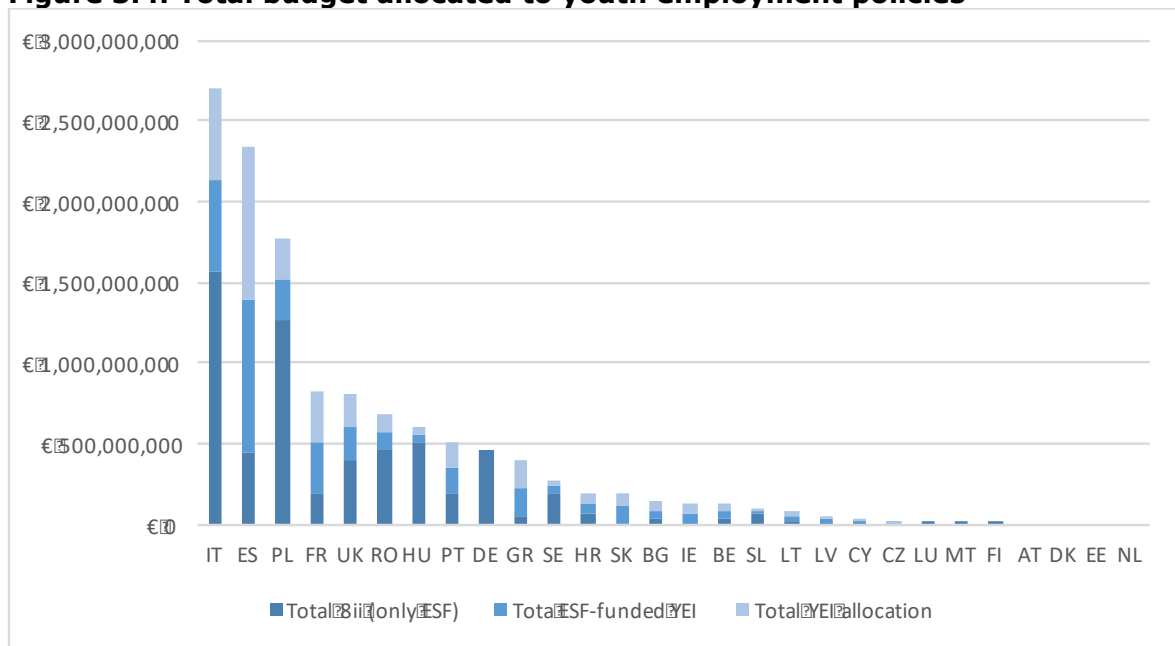
The two figures above show that IP 8.i receives the largest share of total ESF budget, excluding Technical Assistance (total 13.5%). Luxembourg, Cyprus, Sweden, Spain, Finland, Slovakia, Ireland, Greece, Italy, Poland, Slovenia and the Czech Republic spend relatively a large share of their ESF budget TO8 related interventions (40% and above), while Austria, Malta, Latvia, Portugal, Lithuania, and the Netherlands are relatively spending less on TO8 (below the 30% of total ESF budget). The box plot shows that IP 8.i is one of the IP that show the largest variance between MS.

Three quarters of all MSs (22 MS) invest at least 11.3% of their entire ESF programmatic budget to IP 8.i. With 38.9% allocated to IP 8.i; Estonia invests the largest share of its ESF budget on this priority, while Denmark does not allocate

money to this IP (and Austria, Germany, the Netherlands, Portugal only a small percentage).

When looking in more detail at the ESF investment in sustainable integration of young NEETs into the labour market (IP 8.ii), it is important to mention that additional funding is allocated under IP 8.ii to youth through the Youth Employment Initiative (YEI). The European Council allocated €6.4 billion Euros to this initiative to fight youth unemployment, of which €3.2 billion comes from the dedicated budget line (YEI specific allocation), and at least another €3.2 billion from corresponding Member States' ESF allocations (ESF matching of YEI)²³. The figure below provides an overview of the total budget allocated to young people (8ii + YEI).

Figure 3.4. Total budget allocated to youth employment policies



Source: SFC2014

The figure above shows the considerable difference among MS in how youth unemployment is addressed. Three (Czech Republic, Ireland, and Slovak Republic) MS fully depend on the YEI related investments to fight youth unemployment, and CZ and IE did not allocate additional non-YEI investments under IP8ii. Slovakia is the only MS that dedicated more than the minimum required level of corresponding ESF funds to YEI; an additional €50 million of ESF budget was allocated to the YEI²⁴. Among 16 MSs, YEI investments are complemented with additional ESF (IP8ii) investments to fight youth unemployment. A third group of four MSs was not eligible for YEI support, but allocated ESF budget to IP8ii to fight youth unemployment (Germany, Finland, Luxembourg, Malta). Finally, another four MSs were not eligible for YEI and did not reserve ESF investments to fight youth unemployment specifically (Austria, Denmark, Estonia, and the Netherlands). In line with what can be expected from a coherence perspective, MSs in this last group face comparatively low youth unemployment rates (below 15%). Particular outliers are Luxembourg and Sweden, which invest 36.2% and 32.1% of their entire ESF budget to this IP8.ii respectively, which is fully aligned with the CSR for these countries.

²³<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:120:0001:0006:EN:PDF>

²⁴Note that two regional OPs in France also include higher ESF allocations than the separate YEI budget. These differences are however only marginal, and do not significantly contribute to the overall available budget.

When considering the other IPs falling under TO8, one sees that these are not always selected by a majority of MS. When taking a closer look at IP 8.iii, which is related to self-employment, entrepreneurship, and business creation, one sees that this IP is only selected in 11 MS (and receiving 2.7% of total ESF budget at EU level, excluding TA). Especially Denmark, Romania, Spain and France are positive outliers in their planned expenditure on IP 8.iii, with 19%, 6.3%, 5.3%, and 4.9% of the entire ESF budgets respectively. With regards to the investment on improving the labour market situation of women and equal payment (IP 8.iv), one sees that only 12 MS have selected IP 8.iv (Austria, the Czech Republic, Denmark, Spain, Finland, Greece, Hungary, Italia, Poland and Portugal, Slovakia, and the UK). While only 1.9% of EU budget is allocated to this IP, Czech Republic (8.1%), Austria (7.2%), and Greece (5.5%) are positive outliers in terms of their selection of investments in equality between men and women (IP8iv).

The adaptation of workers, enterprises and entrepreneurs is a slightly more 'popular' Investment Priority (IP 8.v), receiving 6.1% of total EU budget (excluding TA) across countries with the majority of MSs investing in this priority (this IP was not selected for only 12 MSs). Although no outliers could be found, Denmark (19.0%) and Germany (16.6%) allocate the largest shares of their ESF budgets to this priority.

A very small percentage of 0.7% (excluding TA), which represents 539,893,784 Euro, is allocated to IP 8.vi, addressing active and healthy ageing. Only six MSs have dedicated investments to this IP; the Netherlands, in particular, invests substantially in this priority, by allocating 20.7% of its budget. However, the other five MSs (Slovenia, Austria, Poland, France, and Italy) can also be considered statistical outliers and spend between 0-5% of their national budget on this priority. Only 1.2% of total ESF budget (excluding TA) at EU level is allocated to the modernisation of labour market institutions (IP 8.vii). Less than half of the MSs explicitly invest ESF resources to the modernisation of labour market institutions, such as public and private employment services. These investments are relatively small compared to their entire budget and are not larger than 6%. Croatia, Czech Republic, and Cyprus invest the most (5.7%, 5.2% and 4.5% of their budgets respectively).

While discussing the role of ESF, one can conclude that volume effects of ESF ('mirroring' or 'boosting' existing national policies) are mainly achieved by investments in IP 8.i, receiving the largest share of ESF budget within TO 8 (mainly selected in the countries with less developed regions). Scope and role effects are more closely related to the nature of IP 8.ii, 8.iii, 8.iv, and 8.vi, addressing specific target groups (like young people, entrepreneurs/ self-employed, women, older workers). Some countries in receipt of a relatively limited ESF budget specifically use ESF for reaching scope and role effects, by investing in policy areas and target groups that would otherwise not be supported. This does not mean, however, that scope and role effects are not foreseen in the first group of countries, which generally have broad ESF programmes allocating budget to (almost) all IPs (as is the case for France, Greece, Italy, Poland, and Portugal where a minimum of 6 out of 7 IP are supported). Process effects are mainly foreseen in the countries where IP 8.v and IP 8.vii are selected.

3.3 Alignment between CSR and the selected IP across MS

In order to assess the extent to which programming helps the EU in achieving the Europe 2020 targets and, more specifically, responding to the CSRs and their underlying challenges, we mapped all CSRs and identified whether these were addressed by an IP or not. In the table below, the IP that represents a relevant CSR across different MS are coloured blue. If the cell is coloured blue, and at the same time budget is allocated to this IP, this means that an IP is responding to a CSR. In the case where no budget is included, the CSR is not addressed, or vice versa when the cell is not coloured blue and the IP is receiving budget, it is not addressed by a CSR.

Table 3.1. Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue)

Countries	CSR related to access to employment + allocation to IP 8,i	CSR related to the employment situation of young people + allocation to IP 8,ii (+ ESF share YEI)	CSR related to self-employment / entrepreneurship + allocation IP 8,iii	CSR related to the labour market situation of women and equal payment + allocation to IP 8,iv	CSR related to adaptability of workers and enterprises + allocation IP 8,v	CSR related to Active and Healthy Ageing + allocation IP 8,vi	CSR related to improving ALMP systems + allocation IP 8,vii
AT	€ 12,065,638			€ 29,983,336	€ 948,375	€ 23,700,000	
BE	€ 206,411,149	€ 88,317,172	€ 5,044,000		€ 65,315,561		
BG	€ 248,172,000	€ 86,988,050	€ 26,899,000		€ 53,979,000		€ 25,000,000
CY	€ 37,759,399	€ 26,020,101					€ 5,720,500
CZ	€ 580,900,000	€ 13,599,984		€ 269,029,852	€ 289,050,000		€ 172,875,000
DE	€ 49,123,353	€ 457,948,029	€ 405,216,827	€ 162,320,514	€ 1,194,046,533		
DK			€ 37,433,614		€ 37,433,614		€ 2,892,622
EE	€ 228,122,335						
ES	€ 1,543,535,726	€ 1,387,828,863	€ 398,657,234	€ 50,123,377	€ 88,346,787		€ 35,018,912
FI	€ 164,155,000	€ 200,000		€ 11,887,000	€ 58,433,000		
FR	€ 398,806,170	€ 511,163,401	€ 280,590,000		€ 768,273,000	€ 37,795,000	€ 49,280,000
GR	€ 502,376,729	€ 221,517,029	€ 110,594,311	€ 195,831,000	€ 470,584,870		€ 25,009,681
HR	€ 250,085,000	€ 134,833,760					€ 81,837,000
HU	€ 1,025,438,000	€ 552,833,056		€ 1,689,000	€ 144,019,000		
IE	€ 162,784,784	€ 68,145,419					
IT	€ 1,124,975,270	€ 2,136,109,092	€ 11,120,000	€ 257,929,220	€ 302,297,064	€ 6,920,159	€ 354,597,895
LT	€ 226,269,000	€ 49,235,403					
LU	€ 4,011,244	€ 6,819,115					
LV	€ 83,657,058	€ 32,000,000			€ 19,753,730		
MT	€ 16,000,000	€ 4,800,000					
NL	€ 25,000,000					€ 101,000,000	
PL	€ 1,578,393,000	€ 1,524,025,822	€ 486,414,000	€ 428,125,500	€ 570,948,000	€ 335,998,000	€ 41,254,000
PT	€ 194,882,000	€ 354,639,870	€ 186,608,000	€ 82,700,000	€ 832,354,000		€ 40,843,000
RO	€ 459,923,000	€ 572,242,302	€ 284,011,000		€ 147,872,000		€ 99,883,000
SE	€ 142,161,000	€ 238,080,618					
SK	€ 694,425,000	€ 122,175,259		€ 66,500,000			€ 35,000,000
SL	€ 171,044,441	€ 82,211,536				€ 34,480,625	
UK	€ 1,004,576,000	€ 601,964,683		€ 26,352,000			
EU28	€ 11,135,052,296	€ 9,273,698,564	€ 2,232,587,986	€ 1,582,470,799	€ 5,043,654,533	€ 539,893,784	€ 969,211,610
CSR relevant budget (% of total ESF budget)	99.9%	95.0%	17.9%	89.2%	39.1%	98.7%	92.9%

Source: CSR 2013/2014, SFC 2014, ESF OP DB

When overviewing the different CSRs, and how these are subsequently addressed by ESF programming, one sees that in most cases CSR have a dedicated IP completely addressing (or only a side aspect of) the CSR (80 out of 102 blue coloured cells). As a result, the majority of ESF budget (81.7%) is contributing to tackling the relevant challenges as identified in the CSR. This is especially the case for IP 8.i and IP 8.ii, with the majority of countries receiving a specific CSR that also have a dedicated IP to this CSR (and represent respectively 99.9% and 95.0% of ESF budget for these IPs)²⁵.

The relationship between CSR and the IP is not always clear cut. This is strongly related to the level of detail of the CSR. In some cases, CSR are broadly formulated, like addressing labour market segmentation in general or decreasing unemployment / increasing employment. In other cases, reference is made to specific target groups, such as the disadvantaged, or even more specific target groups (like young people, women, older people, low skilled, migrants etc.), which allows one to make a clearer link between the CSR and IP.

In only 22 cases are CSR not directly addressed by an IP. This is especially the case for IP 8.iii (self-employment), IP 8.v (adaptability of enterprises and workers), IP 8.vi (active ageing), and IP 8.vii (Improving ALMP systems) . With regards to IP 8.iii (self-employment), it is interesting to see that self-employment / stimulating entrepreneurship is addressed by a limited number of CSR, compared to the number of countries that have allocated ESF money to the related IP 8.iii²⁶. An explanation for this is that self-employment is often considered as a means for realising access to employment, and it is therefore implicitly addressed by most of the CSR that are addressing the labour market integration of the unemployed and inactive. Nevertheless, there is still a relevant number of countries that allocate ESF money to this IP. Several countries receive a CSR relevant for IP 8.iv (labour market participation of women) and, in most cases, these countries also selected the designated IP (with a few exceptions such as Estonia, Malta, and Slovenia)²⁷. IP 8.v (adaptability)²⁸ and IP 8.vi (active ageing) are often addressed by a CSR from the perspective of increasing employability during the life course and the need for working longer by increasing the pension age (the CSR relevant for these IP are often broadly formulated). IP 8.v and 8.vi are not always aligned with a CSR. Some MS have not selected these IP, despite of having a CSR related to this IP (such as for IP 8.v in Cyprus, Luxembourg and Slovenia, and for IP 8.vi in Belgium, Cyprus, Czech Republic, Finland, Croatia, Lithuania, Luxembourg, Malta and Romania), while other MS selected these IPs without having a relevant CSR (such as for Italy for IP 8.v and Bulgaria, Denmark and Poland for IP 8.vi). Most of the MS receiving a CSR on improving the

²⁵ CSR that are considered relevant for IP 8.i are generally referring to increasing employment, reducing labour market segmentation or strengthen ALMP and outreach to certain groups. In some case specific reference is made to disadvantaged groups in general or in other cases to specific target groups (long term unemployed, young people, women, older people, low skilled, migrants). CSR that are considered relevant for IP 8.ii are those that specifically address youth unemployment in the broadest sense. Some CSR are more specific, referring to tailoring PES services for the non-registered youth, or to increase availability to of apprenticeships and work based learning, or strengthening cooperation between schools and employers. In some case specific reference was made in the CSR on the implementation of Youth Guarantee Schemes.

²⁶ CSR that are considered relevant for IP 8.iii are often very broad referring to measures for fostering economic development and entrepreneurship, or reduce barriers for individuals and companies to start up an enterprise or reduce entry requirements for regulated professions / markets.

²⁷ CSR relevant for IP 8.iv are often addressing the challenge of increasing the labour market situation of women, in particular by investing in affordable quality childcare and pre-school education, and by ensuring stable funding and qualified staff. Only one country specifically refers to the gender pay gap.

²⁸ CSR that are relevant for IP 8.v are only addressed in a few countries, addressing the need to work on the employability of low skilled and older workers, and to adapt the working environment to longer working life. The CSR that are relevant for IP 8.vi are more often made and closely related to those made for IP 8.v, but are specifically addressing the employability of older workers (in the context of pension reform and increasing pension age) by working on health on the work place, encouraging lifelong learning, and providing guidance.

effectiveness and efficiency of labour market institutions and ALMP policies, also allocated money to IP 8.vii (with a few exceptions like Estonia, Hungary, Luxembourg, and Latvia)²⁹.

One could conclude that the majority of IPs under TO8 are explicitly coherent with CSR, meaning that the programming has been informed by the CSRs and consequently contributes to reaching the European 2020 targets and their underlying challenges for TO8. Only in a few cases we see that the CSRs are limited or not directly addressed, and priority is given to other IPs, or the CSR is addressed indirectly by another IP. In 29 cases IPs were selected without directly referring to a CSR. This does not mean that the selection of the IP is not justified; this is because, most of the time, reference is made to another strategic document, ensuring a clear alignment with the needs in a specific MS.

3.4 Specific objectives, actions and target groups supported

3.4.1 Specific Objectives

Specific objectives should narrow down the scope of the IP and capture the direction of changes which the Member States seek to achieve with EU support. Overviewing the different specific objectives per IP, a diverse picture of SO emerges:

- For IP 8.i, one sees that, on average, 1.9 SOs are selected per IP (201 SOs out of 108 IP). Most of the SOs falling under this IP are quite uniform across OPs and MS, addressing the broad objective of improving the labour market situation of the unemployed. In these cases, the SOs are not so different from the description of the IP. In other cases, the SOs are more precise in addressing a specific target group (like long-term unemployed, older workers, young people, people with special needs, women, and migrants) or referring to specific activities (like increasing self-employment, providing training, professional guidance, increase professional experience, employer's incentives, improving the effectiveness of public employment services and making it more result orientated, or raising understanding of the society, business and public sector on principles of equality between men and women and non-discrimination). Several of these SOs could easily reside under another IP, making the allocation of SO to IP sometimes blurred (e.g. in the case of SOs falling under IP 8.1, addressing older workers, women, self-employment, or improving ALMP). Nevertheless, the majority of the selected SOs narrow down the scope of the IP and capture the direction of the change which the MS seeks to achieve with EU support. Only in a few cases, the SO could still be more specific, better describe the target groups it addresses, or operationalise what is intended with improving the labour market situation or employability and by better describing the "means-end" relationship.
- For IP 8.ii, one sees that 1.3 SO are selected on average (109 SO out of 85 IP). Most of the SOs falling under this IP are quite uniform across OPs and MS. Most of the SOs are directly referring to the increase of youth employment (or reduction of youth unemployment), which is closely aligned with the description of the IP, albeit in different wording: increasing employment (including self-employment), improving skills of young people, labour market integration of NEETs, promoting entrepreneurship of young people, or reducing the number of NEETs. Other examples of SOs are related to stimulating the demand side of the labour market by increasing open-ended hiring for non-employed youth

²⁹ CSR related to IP 8.vii are most of the times broadly formulated (e.g. "dealing with shortcomings of the current system of ALMP") while other are most specific addressing the quality of PES or improving employment policies.

and NEETs, through intermediation and economic incentives. Since most of the SO falling under this IP relate to an increase employment / improve the labour market situation of young people, the SOs are generally considered to be specific and capture the direction of the change.

- For IP 8.iii one sees that 1.1 SO are selected on average (85 SOs out of 79 IPs) indicating a close alignment between IPs and SOs. This is confirmed by the fact that most SOs directly address self-employment, entrepreneurship and business creation, and are quite uniformly defined across OPs and MS. Nevertheless, some variation in the wording of the SOs are noted, referring to supporting innovative enterprises, or, more specifically, promoting self-employment in sectors that are addressed in the region's specialisation strategy or considered priority sectors for the regional economy. Other SOs relate to supporting the conditions for business creation, and strengthening and sharing best practices of supporting business creators and purchasers in order to improve quality. While the majority of the SO are considered specific and capturing the change, only a few SOs were considered less specific, such as one SO in Greece that supports local employment initiatives and integrated territorial investment without making the direction of change sufficiently clear. Another concerns is illustrated by one of the Spanish SOs addressing multiple objectives in one SO; there is a clear need for several output and result indicators (SOs related to improving the entrepreneurial skills and increasing the number of start-ups and self-employment initiatives, facilitating their access to funding and support services).
- For IP 8.iv one sees that 1.2 SOs are selected per IP on average (82 SO out of 66 IP). When taking a closer look at the SOs falling under this IP, these focus mainly on increasing female employment or increasing the employment possibilities of people with care responsibilities. Other selected SOs focus mainly on increasing (the quality of) childcare facilities or encouraging a family friendly staffing policy (improving the conditions for reconciling private and working life). Most of the SOs effectively narrow down the scope of the IP and fully capture the direction of change sought. Nevertheless, some of the SOs only refer generally to increasing female employment or improving equality between sexes, which is not very distinct to the description of the IP and further specifies the means end relationship.
- For IP 8.v, one sees that 1.5 SOs are selected per IP on average (140 SOs out of 93 IP). Most SOs address the upskilling of professionals in companies in general terms. For some SOs, specific sectors are mentioned, or types of competences needed for the knowledge based society (smart specialisation), such as new techniques, technologies, or labour safety aspects. Other SOs are more focused on modernising and improving the operations and competitiveness of enterprises or raising awareness on innovation and creativity (by awareness raising campaigns or networking). A limited number of SOs are more specific, referring to improving the labour market accessibility of those who are redundant within a period no longer than 6 months, or at risk of redundancy through participation in outplacement support. A few SOs refer to improving networking and the development of concepts, such as better linking academic research and economy. All SOs are considered to narrow down the scope of the IP, although a few SOs are hardly distinct compared to the description of the IP, adaptation of workers, enterprises and entrepreneurs to change.
- For IP 8.vi, one sees that 1.3 SOs are selected per IP on average (31 SO out of 24 IP). The SOs falling under IP 8.vi are quite diverse, having some SOs aimed at prolonging professional activity of people older than 50 years or the employment of older workers in general. Other SOs are more specific: improving the access to health programmes of older workers; addressing the establishment of actions within enterprises to improve working conditions; providing professionals with guidance; and integrating older workers into the

daily operations after long-term sick leave. Most of the SOs are considered to narrow down the scope of the IP and capture the (direction of) change, but a lot of SOs are still formulated quite broadly, like increasing the employment rate of those older than 50 years old.

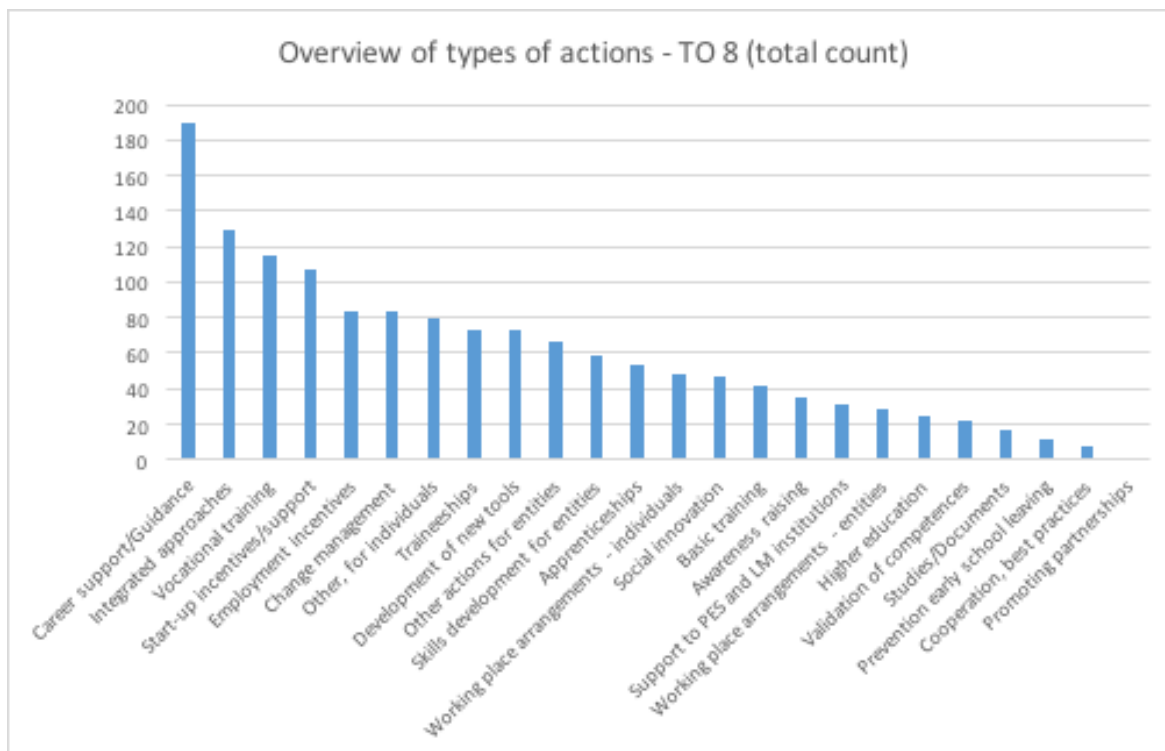
- Finally, for IP 8.vii, one sees that 1.1 SO are selected per IP on average (out of 50 IP; 55 SO). The majority of the SOs related to IP8.vii are still broadly formulated, such as to modernise and improve the quality and effectiveness of employment services. Others are more specific, such as piloting new kind of services or methodologies for job seekers and enterprises, enhancing social partners or other stakeholders to participate in labour market interventions, improving services to increase transnational mobility, increase the skills of PES staff, or improving the labour market information system. Other SOs directly relate to the result of modernisation and the improvement of PES, such as increasing the number of unemployed individuals who use the PES services or increasing the satisfaction of PES clients. All SOs are considered to effectively narrow down the scope of the IP, and fully capture the change.

Overall, the majority of SOs are considered to narrow down the scope of the IP and capture to direction of the change. Nevertheless, it was indicated that the SOs are still relatively broadly formulated in a few cases. In other cases, the SOs include several objectives at the same time, thus making it difficult to capture the expected change and evaluate the specific objective (like "Adapt the qualification of workers to the labour market needs, as well as improve their contractual situation in order to ensure the preservation of their jobs and allow the development of their careers). In other cases, the SO was not always clear and therefore difficult to evaluate (like "more efficient lifelong career orientation" and "Longer labour market activity"). In several cases, the "means- end" relationship could be better emphasised in the description of the SO (e.g. "emphasising the development of health programmes, without being specific for which goal"). For a number of cases, the SO was not considered to be more specific than the description of the IP (like "increasing female employment"). This was mainly the case for SOs falling under IP that are already quite specific in their wording like 8.ii (sustainable integration of young people), IP 8.iii (increase self-employment, entrepreneurship and business creation), and IP 8.v (active and health ageing). It was reported that the SOs could belong to another IP as well in some other cases (such as the case for SOs falling under IP 8.i related to female employment, young people, older workers, and self-employment falling under IP8.i).

3.4.2 Actions and target groups

When taking a closer look at the actions selected under TO8, one sees that most actions relate to individual guidance, integrated approaches, vocational training, and self-employment / start up; these are all considered to be the mainstream types of interventions for pathways to employment (see standard ALMPs categories). It is worth noting that ESF support is less focused on stimulating the demand side of the labour market (by supporting hiring incentives and job creation). The least mentioned actions are those contributing to transnational cooperation, reducing early school leaving, actions for knowledge base improvement and documentation (studies /labour market analysis), and validation of prior learning. This is not surprising since these actions are also addressed by other thematic objectives as well, and do not form the core of TO8.

Figure 3.5. Actions supported by IP selected under TO 8



Source: ESF OP DB

When taking a closer look at the actions supported across the IPs falling under TO 8 the following emerges:

- For IP 8.i most actions relate to the mainstream type of ALMP activities such as providing individual guidance to job seekers, providing integrated approaches, VET training, and providing hiring incentives to employers or supporting apprenticeships / traineeships and self-employment. To a lesser extent, activities are mentioned including training for basic skills, accreditation of prior learning, and arrangements at the work place for individuals, and support to PES and labour market institutions, and the development of tools and instruments. For most SOs, different activities are combined in an integrated manner (guidance, training, accreditation prior learning, job searching and matching etc.), ensuring that ESF does not only simply support isolated operations, but supports actions that feed into an individual, tailor-made plan for participants. In a limited number of cases, supply side (increasing the qualification and skills of job seekers) and demand side measures (incentives to hire job seekers as well as providing work experience places) are combined. In several cases, ESF is used to support accompanying measures in addition to regular employment measures (providing individual diagnosis, guidance and training on top of the job matching activities). In several cases, the actions are still very generally described (providing examples of a various number of activities than can be supported), thus allowing flexibility in supporting and accommodating the specific needs of the job seekers. Some SOs in IP 8.i include several actions that could also be supported by other IPs (like vouchers and tools supporting reconciliation of private and working life, or the support for self-employment), making the demarcation between IPs sometimes blurred across programmes.
- For IP 8.ii similar types of actions are supported across OPs, often in combination. Most actions relate to: individual guidance and career support of young people; support to apprenticeships; vocational training; traineeships; basic skills training, employment incentives for employers; start up incentives; and integrated approaches. Some IPs refer specifically to the fact that

approaches are individualised (based on a diagnosis of the exact needs of an individual). Most of these actions are in line with those mentioned in the Council Recommendation on establishing a youth guarantee and are therefore considered appropriate for achieving the specific objectives.

- IP 8.iii mainly supports actions to support start-ups / self-employment (financial support, guidance and training), followed by career support and guidance for individuals, social innovation, and the development of new programmes, tools and instruments.
- IP 8.iv mainly supports the provision of quality childcare, individual guidance for women, vocational training, arrangement at the work place to reconcile work and private life, development of tools and instruments, awareness raising programmes for employers, change management in organisations, and financial incentives. Most of the time, different actions are combined following an integrated approach. Employers are generally supported to develop gender sensitive human resource management, promoting company welfare and supporting a better work life balance (by supporting financial incentives for employers and individuals, such as vouchers, supporting awareness raising programmes, networks for knowledge sharing, and award / reward examples of good practices). Other actions relate to improving the quality and accessibility of childcare facilities and services (and other care services) and reducing gender based discrimination in the labour market and gender pay gaps (for example by supporting women in their return to the labour market after their maternity leave or support for companies developing and implement gender quality plans). Other actions relate to reducing gender differences in competence and educational attainment, especially for certain subjects and occupations where women are underrepresented. In a limited number of cases, actions are promoted for (potential) women in leadership functions and female entrepreneurship (by providing information, training and mentoring / guidance). In some individual IPs, actions were proposed to monitor the progress of the implementation of the national action plan for equal treatment, or improve the gender mainstreaming in policies and measures and improving monitoring data on gender aspects. In some cases, specific reference was made to actions that aim to increase female employment in rural areas and specific economic sectors.
- IP 8.v includes a wide diversity of actions addressing employers (and managers of enterprises) on the one hand and employees on the other. With regards to the employers, ESF mainly supports actions that facilitate the introduction and management of change in organisations to prevent or mitigate the consequences of economic restructuring (e.g. guidance and training support making the diagnosis and developing restructuring / action plans for introducing more innovative, more productive and greener models of labour organisation, including safe and healthy working conditions, managing the changing demographic structure of the company). Moreover, ESF supports entrepreneurship and SMEs in particular (by training entrepreneurs and managers on issues like innovation management and technology, internationalisation, cooperation and networking, financing, marketing, HR management and more). Furthermore, ESF investments support PES and other labour market institutions (including social partners) to support practices promoting occupational and geographical mobility of employees. Furthermore, ESF supports social innovation and provides employment incentives for employers to hire staff. Moreover, ESF supports the development of programmes, tools and instruments (like cooperation training programmes, outplacement programmes, or instruments to support social dialogue between employers and employees) and supports networking between employers, and training and research institutes in order to promote further education (or skills

validation), as well as innovation power (sharing knowledge and stimulate mobility of PhDs). Networking between employers is also supported to develop tools, instruments and good practices for managing economic and demographic change, and employing ageing workers and secure skilled workers (e.g. establishing a regional mechanism to record labour market needs in training, skills development and research). In some cases, actions were supported to support future relevant sectors, branches and occupations, especially in the green sector or other sectors that are prioritised within the regional economy. With regards to individuals, ESF supports career guidance for individuals, traineeships, vocational training of individuals (upscaling technical competences and qualifications according to labour market needs, but also basic skills when needed), support arrangements at the workplace individuals (like individual training plans), and self-employment incentives, and subsidised employment. These actions are usually combined in an integrated and individualised approach (as defined for outplacement programmes)

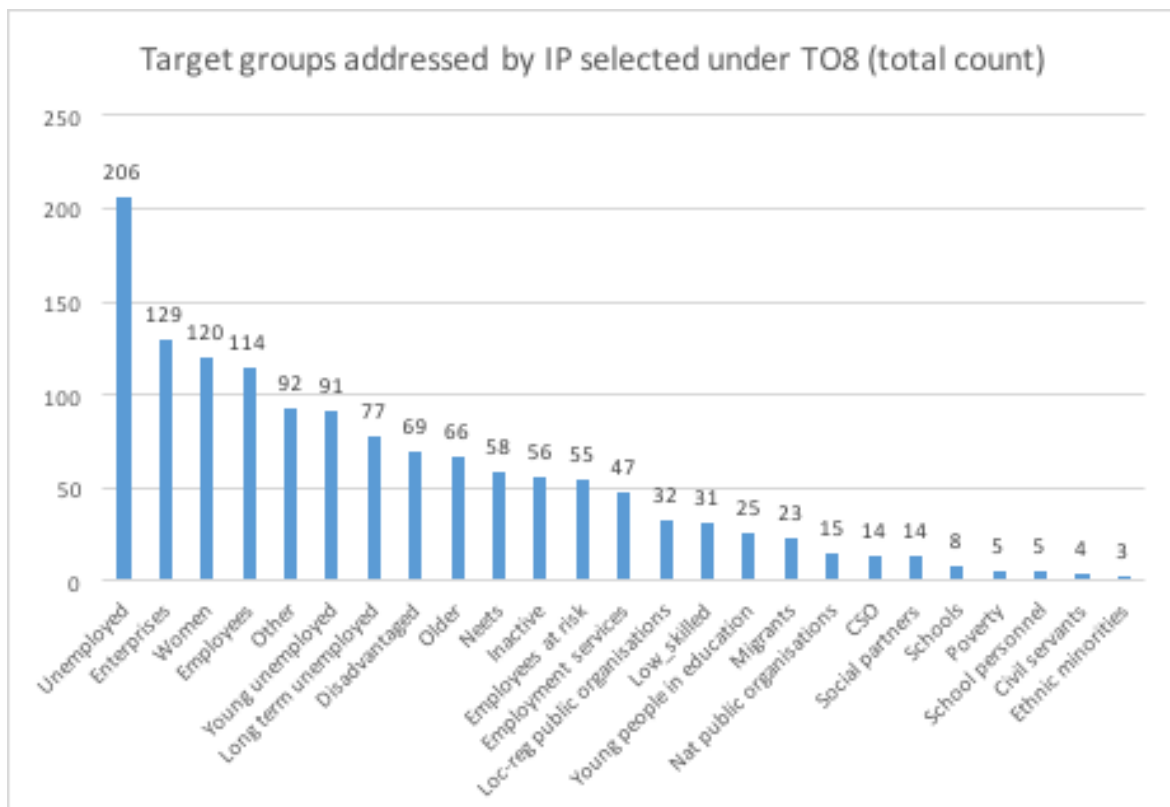
- IP 8.vi mainly supports the development of tools and instruments for organisations, raising the awareness of healthy ageing and providing incentives for companies to hire older workers. Most support is given to consultancy activities, helping companies and sectors develop active ageing policies, action plans, tools and work forms, for managing health risk factors in companies. These activities include promoting the concept of healthy ageing, guidance and advice in career changes, and the training of employers and older workers on concepts and healthy working styles. ESF also supports hiring incentives for older workers on the national level and the promotion of new forms of organisation in employment and flexible employment (such as part-time, telework, etc.), and intergenerational learning at the work place (where seniors are mentoring a younger employee). Actions are also supported that aim to lead to a better cooperation between specialised health centres doing research and developing (preventing) health programmes / packages for (older) workers, thus contributing to healthy ageing (preventing, early detection and rehabilitation for return to work). ESF supports, national and regional health programmes in a number of cases. These health programmes focus on implementing activities that are tailored to the needs of particular groups of workers and professionals, so as to, amongst other things: limit the risk factors for lifestyle and workplace-related diseases; preventive examinations; programs of rehabilitation to facilitate the return to work and preventing disability; and retraining those working in conditions with a negative impact on health, to continue working in other, less harmful jobs. In addition to the aforementioned measure, actions have been undertaken to promote and raise awareness of healthy lifestyle.
- Finally, IP 8.vii supports a wide variety of activities, such as labour market studies and monitoring activities (including supporting new innovative tools to monitor labour supply and demand and forecast for the future). Furthermore, it supports monitoring and evaluation arrangement of PES, and the development of innovative job matching instruments and the improvement career guidance (including online instruments, new diagnosis tools, improved mediation and individualised support). Other actions relate to increasing the quality and efficiency of PES services (by introducing minimum and common standards of PES by establishing ad hoc task forces, and facilitating new working processes and ALMP instruments, training of staff, improve ICT infrastructure, introduce performance based systems of PES). Moreover, ESF supports the cooperation between labour market institutions and employers on regional as well as sectoral level (creating platforms for sharing experience and knowledge) and facilitate events for knowledge sharing between different labour market actors. Also related this IP is addressing the transnational exchange of good practice and experience (also by enhancing the EURES network and integrate these in the employment service), as well as supporting transnational mobility of job seekers (by supporting information events, job fairs, language training and

intercultural competences, and more). In a few cases, it was mentioned that ESF was used to support the development of a framework for social economy and social entrepreneurship, as well as to implement the mechanisms and systems created by social partners in the previous ESF period. In a limited number of cases, ESF was also used to support projects focusing on the: strengthening of professional and analytical capacities of social partners; building of infrastructure and of communication platform of social dialogue; and development of social partnerships on national and international levels

Actions selected are, in most cases, fully appropriate and can contribute to the achievement of the specific objective. Nevertheless, in a large number of cases, actions are still described in broad terms (in the sense that they are often expressed as a “long list” of elements) and not enough clear evidence is included to explain why these actions lead to the expected change (and whether they are most effective). In a very limited number of cases, a description of actions is missing, but only a further operationalisation of the specific objective (referring to decrease of work-related pressures, retaining older employees in the labour market, more autonomy at work etc.) without being specific on the types of actions to be supported (e.g. only making reference to providing support to those who are being made redundant). Nevertheless, in most cases, the actions are considered appropriate and can contribute to the achievement of the specific objective/s.

The target groups addressed in most IPs falling under TO8 are also those that one expects under this TO, namely the unemployed, enterprises, women, employees, young unemployed, long term unemployed, disadvantaged people, older workers, the NEETS, inactive, employees at risk, and employment services (see figure 2.5 below)

Figure 3.6. Target groups supported by Investment Priority selected under TO8



Source: ESF OP DB

Target groups of IPs falling under TO8 greatly differ. IP 8.i generally shows the most diverse range of target groups by supporting the: unemployed in general; long term

unemployed; disadvantaged; older persons; inactive; women; young unemployed; low skilled; employment services; migrants; and enterprises. IP 8.ii naturally focuses more on the target groups that include young unemployed, NEETs, disadvantaged, young people in education, low skilled, and inactive. When considering the target groups addressed by IP.8.iii, the interventions focus on the unemployed (starting up their own enterprise), women, disadvantaged, enterprises, long term unemployed, older workers, the inactive, young unemployed and workers. IP 8.iv shows that the interventions mainly target women, the unemployed, enterprises and employees. IP 8.v focuses more on enterprises, employees, employees at risk, and the unemployed, while IP8.vi focuses on almost similar target groups (employees, older workers, employees at risk, enterprises). Finally, IP 8.vi focuses on entities (such as employment services, local / regional and national public organisations, enterprises, and social partners) and, albeit indirectly, individuals like the unemployed and employees. All selected target groups are considered as relevant for reaching the specific objective. Nevertheless, the target groups are still broadly formulated, but are generally appropriate in light of the SOs.

3.5 Performance of ESF investment in TO 8

3.5.1 Output indicators

Within TO8 1,616 output indicators are selected for measuring the performance of the programme. Most of the output indicators belong to IP8.i, IP8.ii and IP8.v (see table 2.1 in the Annex with a distribution of the number of output indicators across IP). Most indicators address the number of unemployed (including the long term unemployed) participants, being close to the nature of TO8, followed by indicators relating to the employed (including self-employed), number of projects targeting (public administration or public services at national, regional or local level), number of supported SMEs, number of supported enterprises, and the number of older people, young people, inactive, long term unemployed, women, NEETS, and low skilled. Some indicators are only selected in a few cases, such as number of civil society organisations, Participants who live in a single adult household with dependent children, NEETS above 54 years of age, Participants who live in jobless households, and persons from rural areas.

A large majority of output indicators represent the scope of the activities implemented. This shows that, overall, the output indicators are well chosen to measure the progression of selected activities towards the specific objectives. In the few cases where output indicators do not sufficiently reflect the scope of the activities implemented, it is often due to a lack of detail in the definition of the indicator (like referring to a specific target group or type of interventions) or, more problematically, too much detail.

Most of the time, targets for output indicators are based on historical ESF data (40 % of output indicators are based on historical cost data, while another 30% builds on historical placement data). Subsequently, 20% of the indicators were based on benchmarking with relevant statistical or administrative data; 10% were determined on the basis of an expert's assessment/educated guess. The targets of indicators that are set on the basis of expert assessment generally include considerations on cost per unit, even though this is not always explicitly specified in the programming documents.

The table below provides an overview of the total aggregations of target values per common output indicator, spread over the different IPs falling under TO 8. Overlooking this table one should take into account that a number of output indicators could not be included in the aggregation, since these could not be labelled by one of the categories or are not measured in numbers. A significant number of unemployed (including long term unemployed) are targeted, (total 12.5 million) as well as employed (including self-employed; total 3.5 million). Also a large number of young people is targeted (total 2.4 million), and those having a lower education level (1.5

million). The largest outputs are achieved within IP 8.i that is also receiving the largest share of ESF budget, followed by IP 8.ii (in terms of unemployed participants as well as young people), and IP 8.v (employed and unemployed participants) receiving a large share of ESF budget as well.

Table 3.2. Distribution of OI target values within TO 8

#	OI categories	8i	8ii	8iii	8iv	8v	8vi	8vii	Total
1	Unemployed, incl. LTU	6,613,685	3,012,878	729,148	375,573	1,469,957	2,860	333,460	12,537,561
2	Long-term unemployed	680,699	701,849		10,324		190	720	1,393,782
3	Inactive	504,072	522,395	1,732	28,626			480	1,057,305
4	NEET	13,485	1,743,753		935			165	1,758,338
5	Employed, self-employed	206,857	200	83,320	126,879	2,645,854	424,665	7,864	3,495,639
6	Young people	1,070,674	1,233,981	6,308	1,423	116,456		410	2,429,252
7	Above 54 y.o.,	522,703			1,650	149,100	42,905	155	716,513
8	Above 54 y.o., unempl, NEET	390				850	1,890	25	3,155
9	Low education	559,031	944,290		580	42,475	570	345	1,547,291
10	Secondary/post-sec education	8,425	367,760		1,855	31,700	1,330	890	411,960
11	Tertiary education	4,017	175,103		865	41,495		1,165	222,645
12	in jobless hh	1,320	2,489		295	168,980	170	215	173,469
13	in jobless hh with children	950	810		215		125	155	2,255
14	in single_hh_with children	101,770	9,555		9,055	5,600	150	190	126,320
15	marginalised, migrants	191,872	40,460		385	25,301		360	258,378
16	disabled	229,941	61,162						291,103
17	Other disadvantaged	74,914	56,300	760	1,840	2,835		15,000	151,649
18	homeless								
19	Rural areas	8,425	367,760		1,855	31,700	1,330	890	411,960
20	projects social_partners	4,017	175,103		865	41,495		1,165	222,645
21	N projects women	1,320	2,489		295	168,980	170	215	173,469
22	N projects PA	950	810		215		125	155	2,255
23	N micro SMEs	101,770	9,555		9,055	5,600	150	190	126,320
24	N organisations	191,872	40,460		385	25,301		360	258,378
25	N CSO	229,941	61,162						291,103
26	N enterprises/operators	74,914	56,300	760	1,840	2,835		15,000	151,649

Source: SFC 2014, ESF OP DB

3.5.2 Result indicators

When taking a closer look at the result indicators selected for TO8 one sees that the most commonly used result indicator for TO8 is the number of persons in employment 6 months after leaving; this is followed by the number of persons in employment upon leaving and the number participants gaining a qualification upon leaving, and indicators related to improving the capacities/ competences of enterprises / economic operators. The least commonly selected result indicators for TO8 are those relating to improved capacity / competences of special groups (migrants / refugees etc.), improved awareness, participants above 54 years old in employment six months after leaving, and disadvantaged participants in employment six months after leaving. In terms of distribution across different investment priorities, the table shows that all employment related result indicators are mostly found under IP 8.i, 8.ii and 8.v. Our analysis shows that the vast majority of result indicators are well aligned with corresponding specific objectives and are assumed to positively contribute to reaching the expected goals. Only a few exceptions were given where this was not the case.

For most of the result indicators, the methodology for target setting was justified. In most cases, target setting was based on the previous ESF data. A smaller group of targets of results indicators was based on benchmarking with relevant administrative or statistical data, and only for a minority of result targets are based on the estimation or educated guess of an expert. The table below provides an overview of the aggregation of result indicators. In order to aggregate these values for similar RI categories and conduct cross-country comparisons, RIs expressed in percentages were transformed into absolute values whenever a reference to a Common Output Indicator was provided in the OP or in certain instances where the reference OI could be directly identified, even if not explicitly mentioned. In total, absolute values of RIs were provided or were additionally calculated for 55% of the result indicators selected at the EU level. As a result, the total aggregation is only representing 55% of the result indicators selected, and the actual target results are much higher. The aggregated results are presented in the table below, where the targets are presented as the sum within each category.

Table 3.3. RI target values in absolute values for T08 (absolute values)

RI categories	8i	8ii	8iii	8iv	8vi	8vii	Total
Job searching upon leaving	249,880	192,632	4,520	1,322		25,000	473,354
In education upon leaving	207,959	75,438	8,043	2,070			328,856
Qualification upon leaving	1,900,555	65,414	83,626	7,653		55,856	3,774,768
In employment upon leaving	1,996,771	128,533	1,395,113	38,429	136,689	32,926	3,772,542
Disadvantaged in job search, training, employment upon leaving	138,862	183,983		1,229			324,074
In employment 6 months after leaving	1,010,491	348,924	87,768	12,307		365	1,979,109
Improved LM situation 6 months after leaving	8,645	17,321	760	25,417		1,600	220,903
Participants 54+ in employment 6 months after leaving	38,140			44	35,200		73,384
Disadvantaged in employment 6 months after leaving	41,000		1,533	132			42,665
Improved capacity -institutions	14,667	66,945	7,858	23,322		28,382	161,721
Improved capacity - CSO				5,514		70,202	76,299
Improved capacity – companies/economic operators		8	153,209	2,454		384	203,862
Improved capacity of special groups	6,930			1,558			8,488
Improved awareness				376			10,376

Source: SFC 2014, ESF OP DB

The table above foresees that around 3.77 million participants are in employment upon leaving, while the same amount of 3.77 million participants will gain a qualification upon leaving. Another half a million participants is expected to be in job searching after leaving, while around 328,856 participants will be in education after leaving and almost the same amount of disadvantaged individuals will participate in job searching, training, or employment upon leaving (324,074). Looking at the more sustainable results, the aggregations show that around 1.98 million participants is expected to find employment six months after leaving the intervention.

The table below displays the common indicators and targets set for the YEI. Around 1.1 million unemployed is expected to complete the intervention, while around half a million unemployed are expected to receive an offer after completing the intervention, and another 600,000 unemployed to be activated. A total of 529,735 long-term unemployed will complete the intervention, while 276,520 will receive an offer, and 315,502 persons will be activated. 418,456 inactive persons will complete the intervention, while 208,640 is expected to receive an offer, and 353,298 will be activated. Finally, 291,150 participants will be in education & training after six months, 393,701 in employment after six months, and 57,615 in self-employment after six months.

Table 3.4. Distribution of YEI RI target values (ESF Annex II indicators, absolute values)

Result Indicators	Value
YEI-CR01 – total unemployed completing the intervention	1084,444
YEI-CR02 – unemployed receiving an offer	552,645
YEI-CR03 – unemployed activated	601,320
YEI-CR04 – total long term unemployed completing the intervention	529,735
YEI-CR05 – long term unemployed receiving an offer	276,520
YEI-CR06 – long term unemployed activated	315,502
YEI-CR07 – total inactive completing the intervention	418,456
YEI-CR08 – inactive receiving an offer	208,640
YEI-CR09- inactive activated	253,298
YEI-CR10 – participants in education & training after six months	291,158
YEI-CR11 – participants in employment after six months	393,701
YEI-CR12 – participants in self-employment after six months	57,615

Source: SFC 2014, ESF OP DB

4 ESF INVESTMENT IN PROMOTING SOCIAL INCLUSION, COMBATING POVERTY, AND DISCRIMINATION (TO9)

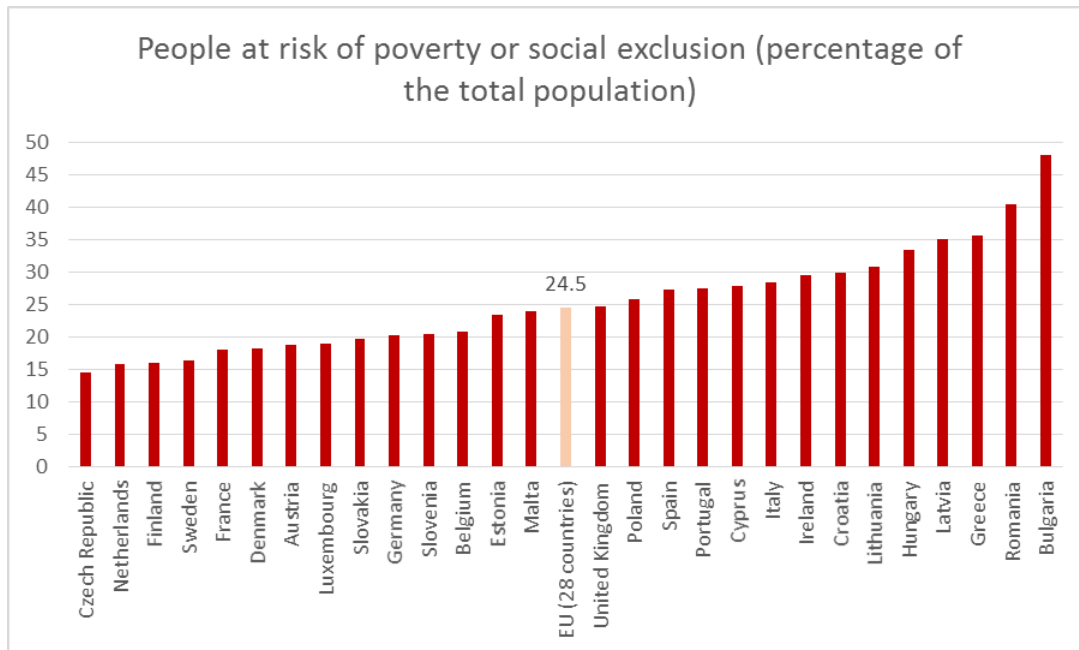
Key findings

- Overall, with a few exceptions, the IPs selected under TO9 address the challenges as identified in the CSR (85% of ESF budget of TO 9 is allocated to a CSR).
- Specific Objectives are generally considered specific and capturing the change, highlighting a strong result orientation of the programme with a clear intervention logic within TO 9.
- By examining all of the actions supported, one sees that a broad set of supported actions are aligned with the broad scope of IPs falling under TO9, sometimes showing a significant overlap between IPs. There is a fair balance between interventions supporting individuals through the life cycle, and those related to entities. Much attention is given to prevention by investing in: the quality of childcare and education; the prevention of early school leaving; training and job search assistance; housing support; and accessible healthcare. Furthermore, policies and capacities of social services are strengthened by supporting: networks; partnerships; training of staff; and developing new programmes, tools and instruments. All of these types of actions are closely aligned with the ones indicated in the Social Investment Package, and the majority of actions selected under TO9 supports the achievement of the specific objective.
- The target groups addressed in most IPs falling under TO9 are also those that one should expect: the disadvantaged; people at risk of social exclusion and poverty; the unemployed (including long-term unemployed); women; Roma people; enterprises; migrants; local regional public organisations and entities.
- Output and result indicators are considered to be appropriate in measuring the output and result of the SOs. The output indicators mainly address the most important target groups identified in the CSR.
- A significant number of unemployed (including long term unemployed) are targeted (1,132,725), as well as the long term unemployed (1,570,606), and inactive people (1,049,002).
- A high number of results are foreseen for TO9, especially for the disadvantaged in job search, training, or employment upon leaving (1,275,064 participants), participants in employment after leaving (757,222 persons). Moreover, a high number of institutions will be reached that improve their capacities (448,771). Looking at the aggregated target values of the indicators that measure result on mid-term, one sees that 257,123 participants are expected to improve their labour market situation 6 months after leaving, and 138,234 participants to be in employment 6 months after leaving.

4.1 Policy context

The Europe 2020 Strategy for smart, sustainable and inclusive growth sets targets on poverty reduction by aiming to lift at least 20 million people out of the risk of poverty. The flagship initiatives of the Europe 2020 Strategy, including the European Platform against Poverty and Social Exclusion, as well as the Social Investment Package support efforts to reach these targets. EU MS can be divided into countries that perform well (with the best performing countries like the Czech Republic, the Netherlands, Finland, and Sweden - up to 16.4% of the population) and countries that perform less well, with the highest percentages reported for Greece, Romania, and Bulgaria.

Figure 4.1. MS performance on EU 2020 national targets - People at risk of poverty (percentage of the total population, 2013)



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)

Different strategic documents on EU level emphasize the need for additional efforts to ensure the effectiveness of social protection systems, in order to counter the effect of the economic crisis, to promote social inclusion and to prevent poverty by activating inclusion strategies (including efficient and adequate income support, measures to tackle poverty, as well as broad access to social services). Currently, EU Member States spent different shares of GDP on social protection, and also achieve different results in terms of reducing poverty.

Although higher social spending is generally associated with stronger poverty reduction, important differences exist, suggesting scope for efficiency gains. On the other hand, the link between social assistance and activation measures should be strengthened through more personalised services and efforts to improve the uptake of measures by vulnerable groups. The Social Investment Package (SIP) outlines the reform needed in MS to secure more adequate and sustainable social policies, through investing in people’s skills and capabilities³⁰. The SIP concludes that this needs better performing active inclusion strategies and a more efficient and effective use of social budgets. Better support is also needed for individuals by strengthening their skills and capabilities and providing incentives for their participation in society and the economy in all stages of their lives.

At the same time the SIP indicates that demographic change increases the need to modernise social policies to optimise their effectiveness and efficiency, and the way they are financed. It also increases the need to develop new approaches and strategies in the provision of (social) services, according to demographic changes and the current and future needs of society. Other EU official reports and documents state that an adequate social protection system is needed as a pre-condition to prevent people from falling into poverty. Moreover, housing appears to be a new factor of exclusion along with the increasing detrition of public services leading to problems of accessibility and the degradation of public systems by excluding people from accessing

³⁰ European Commission (2013), Communication from the Commission to the European Parliament, the Council, The European Economic Committee and the Committee of the Regions. Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2012.

general services. Moreover, child poverty and social exclusion is a growing concern, which can hamper children's development and may have further long term consequences. Finally, there are several risk factors linked to being at risk of in-work poverty, such as low education level, household composition (lone parents with dependent children), and occupational factors (e.g. low pay, uncertain and bad quality of employment and part time work, being self-employed). All of these pose important challenges for EU MS. The SIP delivers some key messages that should be taken into account when modernising social policies, in order to overcome many of the challenges described above.

- Simplification of social services in order to gain efficiency, including simplified access and integrated delivery of social services (one-stop-shop approach)
- Effective public administration reforms in order to enhance access to affordable, sustainable and high quality services, adapted to the life cycle of individuals and by taking into account those who are suffering multiple disadvantages or at a higher risk of exclusion (reforms should focus on access to the basic services like health care and social services of general interest). There is a need for deinstitutionalization, resulting in the transition of people from institutional to community-based care.
- Modernisation of social policies by following result orientation, focusing on activation measures, targeted and personalised approaches, simplification of the social protection systems, and orientation towards results.
- Innovation as an essential element of the social investment policy: Social policies require constant adaptation to new challenges by testing new policy approaches and selecting the most effective ones.
- Support through the life cycle: This requires enhancing people's opportunities, throughout the life cycle, to participate in society by accompanying the access to the labour market with adequate social protection. SIP insists on the need to ensure that social protection systems respond to people's needs at critical moments throughout their lives: children, youth, working age population and older people.
- Early and preventive interventions: Prevention is to be considered to be the most efficient investment. Prevention is related to: affordable quality childcare and education; prevention of early school leaving; training and job-search assistance; housing support; and accessible health care. These are all policy areas with a strong social investment dimension.
- Greater focus of the policies by focusing on (child) care, education, training, active labour measures as well as rehabilitation and targeting services for people in need.

Furthermore, social policies (just like other EU policies) should comply with horizontal principles, such as equality between men and women, and non-discrimination. Furthermore, Active inclusion policy should take into account the need for better coordination between health, social protection systems and labour market policies to ensure a smooth transition to the labour market. Efforts are needed to address the territorial dimension of poverty, and support community-based development.

ESF shall support the following investment priorities for promoting social inclusion and combating poverty through:

- i. Active inclusion;
- ii. Integration of marginalised communities, such as the Roma;
- iii. Combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age, or sexual orientation;
- iv. Enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest;
- v. Promoting the social economy and social enterprises;
- vi. Community-led local development strategies;

In order to ensure sufficient share of resources is allocated to promoting social inclusion and combating poverty; Article 4(2) of the ESF regulation requests that at

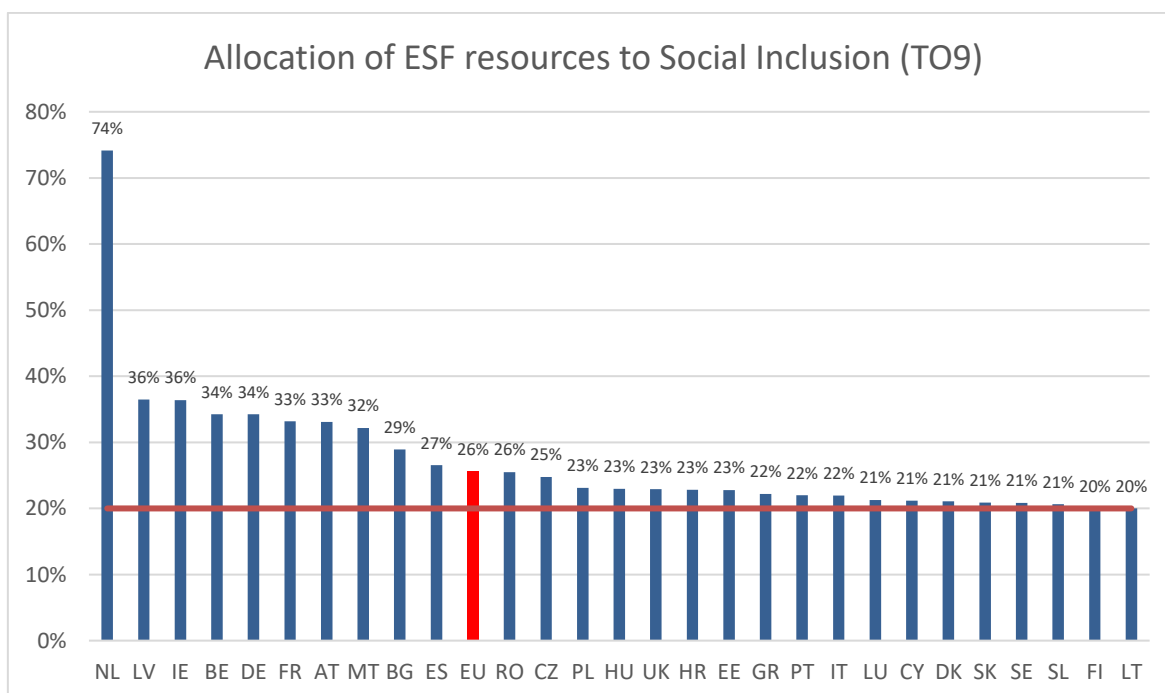
least 20 % of the total ESF resources in each Member State shall be allocated to this thematic objective.³¹ That does not mean that TO9 is the only TO contributing to achievement of the aforementioned policy objectives in the field of social inclusion. As already addressed in the SIP, the risk of poverty and social exclusion is also addressed by relevant intervention in the field of employment and human capital, addressed by IPs under TO8 and 10, especially if these IPs are dealing with increasing the access and participation in work, education and training for disadvantaged groups. A strict demarcation between TO9 and TO8 / TO10 is not provided; this is because it is more or less a gradual distinction that is based on the objectives of social policies and target groups, as well as between social investment and social protection. For example, increasing access to early childhood education and care contributes to increasing the participation of women in the labour market (TO8), access to social services and social investments (TO9), and the access to a quality education system (TO10).

4.2 Overview of investment per Investment Priority for TO9

4.2.1 Relative share of total ESF budget allocated to promoting social inclusion

Article 4(2) of the ESF regulation requests that at least 20% of the total ESF resources in each Member State shall be allocated to the thematic objective "promoting social inclusion, combating poverty and any discrimination". Based on an analysis of all OPs in 28 MSs, the figure below summarizes the extent to which Member States have taken this requirement into account.

Figure 4.2. Budget share allocated to Social Inclusion (%)



Source: SFC 2013, ESF OP DB

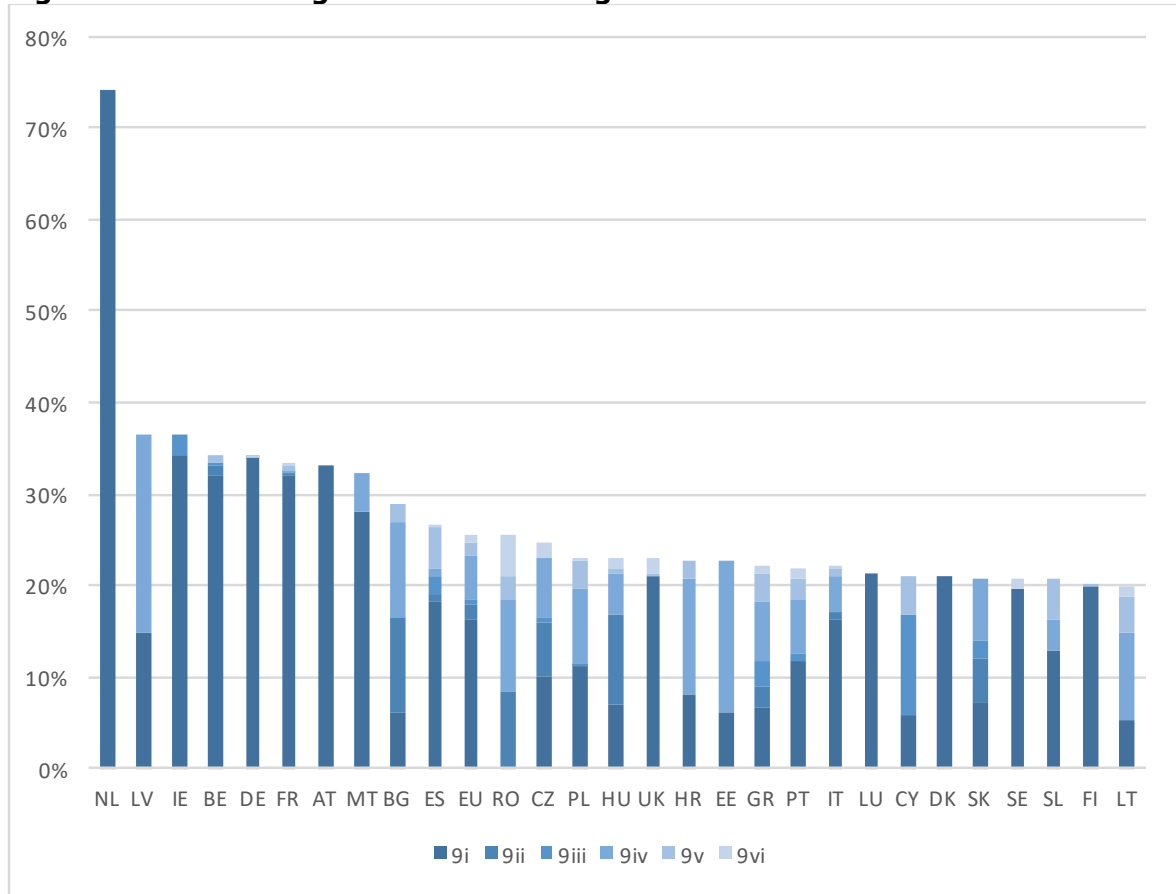
The percentages in the figure above are based on an aggregation of the financial allocations across all OPs in each MS. In comparative terms, particularly the high allocation to social inclusion in the Netherlands is remarkable (74.1%, against an aggregated allocation of 25.6% at EU level), especially since similar interventions

³¹ This share of total ESF resources is calculated by dividing the budget allocated to the IP falling under TO 9 by total ESF budget (excluding TA and including ESF share YEI)

were labelled as Access to Employment in the previous programme. The figure shows that Finland and Lithuania have the lowest share of ESF allocated to Social Inclusion priorities in its ESF programming; it allocates the exact minimum, required by the ESF Regulation (20%), to this priority. The figure makes it clear that a majority of MSs (20) have allocated between 20% and 30% of their ESF budgets to Social Inclusion. No clear pattern can be observed between the allocations of ESF budgets to social inclusion across different Member States. While many Member States that are entitled to the Cohesion fund (less than 90% of EU average GDP) can be found in the range of 20%-30%; these are not found here exclusively. In Latvia, Malta and Bulgaria (who are also entitled to the CF), allocation to Social Inclusion priorities are above the European average.

The question is, how do MSs focus the ESF money across all investments in Thematic Objective 9. The figure below further specifies the share of total ESF-budget allocation to each IP under TO 9 in all MS. Moreover, the box plots present the median share of total budget allocation to each IP across MS (black line in the middle of each 'box'). Each box represents 50% of the MS, while the lower and upper line represent the upper and lower 25%. Outliers are presented separately, and identified with a respective label³².

Figure 4.3. Percentage of total ESF budget allocated to TO 9 and related IPs³³

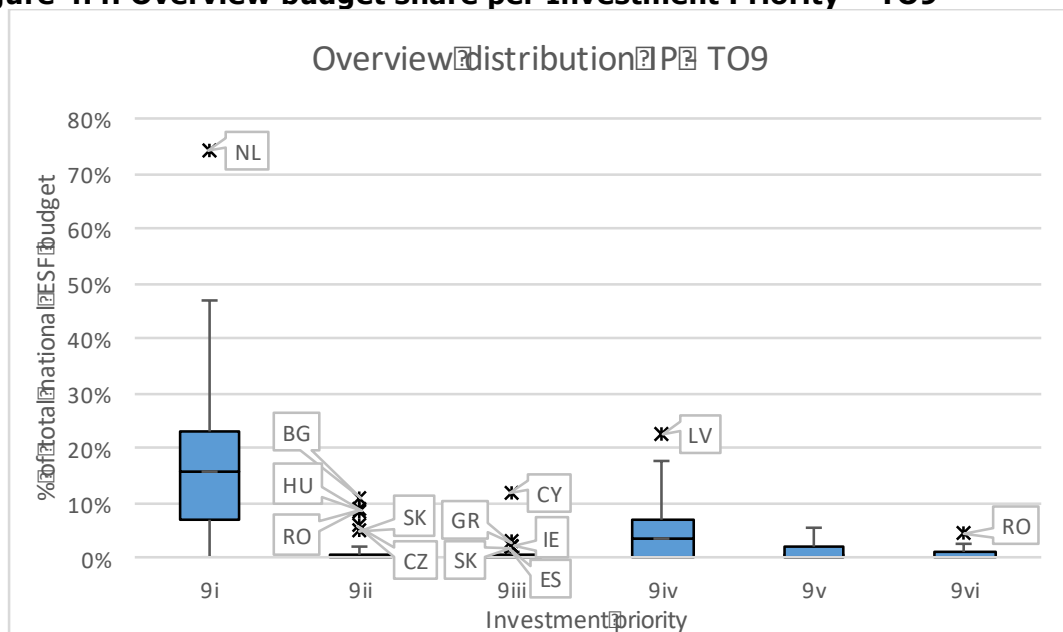


Source: SFC2014, ESF OP DB

³² Values are considered outliers if these lie outside the commonly accepted range of 1.5 times the interquartile range, which is represented by the blue box (See Tukey 1977). See the annex for the full table of values that forms the basis for this figure.

³³ Total ESF budget includes ESF share for YEI, without TA

Figure 4.4. Overview budget share per Investment Priority – T09



Source: SFC2014, ESF OP DB

The figure above provides a more detailed insight into the particular choices made by the various MSs for the different investment priorities. Most MSs concentrate their investments under Thematic Objective 9 on 'active inclusion' (IP9i); at EU level 16.2% of the ESF budget is allocated to this IP, while three quarters of all MSs spend more than 7% of their budgets on this priority. A notable outlier under this IP is the Netherlands, where no less than 74.1% of the total ESF budget is reserved for this Investment Priority³⁴. The EU15 countries, in particular, consistently invest the largest part of their T09 budgets to this priority. In AT, DK, FI, LU, and NL, the ESF programmes invest exclusively in 'active inclusion', being one of the broader IP allowing the support of a wide diversity of interventions. In the entire EU, Romania is the only MS that does not allocate ESF budget to this Investment Priority.

Only 11 MS allocated budget towards IP9.ii covering 1.8% of total ESF budget at EU level. Bulgaria, Hungary, Romania, Czech Republic and Slovakia invest considerably in the socio-economic integration of marginalised communities, such as Roma (4.8% of total ESF budget and above).

11 MSs dedicated budget to combatting all forms of discrimination and promoting equal opportunities (IP9iii); where selected, these investments make up a relatively small part of the ESF budget (0.5% of total ESF budget at EU level). Cyprus dedicates the largest part of its budget (10.9%) to this priority, while other outliers spend considerably smaller proportions (Greece – 2.8%, Ireland – 2.0%, Spain – 2.0% and Slovakia – 1.9%).

At EU level in total 4.7% of ESF budget is allocated to the enhancement of access to affordable, sustainable and high-quality services (IP9iv) 18 MSs allocated budget, and the majority (11 MS) spends more than 5% of their budget on this priority.

A relatively small amount of ESF budget is allocated to the promotion of social entrepreneurship and vocational integration in social enterprises in order to facilitate access to employment (IP9v) (1.6% of ESF budget at EU level). In 16 MS this

³⁴ In the previous ESF programme 2007-2013 of the Netherlands similar interventions were selected, that are now financed under the T09 budget, but in the previous programming period labelled as Access to Employment. This shows that similar types of interventions are sometimes labelled differently across OP and countries and between programme periods.

investment priority is selected, while in Spain, Cyprus, Slovenia, Lithuania, Poland and Greece the allocated budget is between 3 and 5% of their ESF budget at MS level.

Finally, investments in community-led local development strategies (IP9vi) are found in 13 MS, and are allocated comparatively small portions of the budget. Compared to other MSs, Romania allocates the largest share of its budget (4.5%) to this priority. Around 0.8% of ESF budget is allocated to this IP at EU level.

4.3 CSRs that are addressed related to T09

In order to assess the extent to which programming helps the EU in achieving the Europe 2020 targets and, more specifically, responding to the CSRs and their underlying challenges, we mapped all CSRs and identified whether these were addressed by an IP or not. In the table below, the IP that represents a relevant CSR across different MS are coloured blue. If the cell is coloured blue, and at the same time budget is allocated to this IP, this means that an IP is responding to a CSR. In the case where no budget is included, the CSR is not addressed, or vice versa when the cell is not coloured blue and the IP is receiving budget, it is not addressed by a CSR.

Table 4.1. Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue)

Countries	CSR related to risk of poverty and social exclusion + allocation to IP 9i	CSR related to social integration of marginalised groups + allocation to IP 9ii	CSR related to combating discrimination + allocation to IP 9iii	CSR related to access to healthcare, social services of general interest + allocation to IP 9iv	CSR related to promotion of the social economy and social enterprises + allocation IP 9v	CSR related to Community-led local development strategies + allocation IP 9vi
AT	€ 137,642,139					
BE	€ 318,165,877	€ 10,214,000	€ 3,643,287		€ 7,575,000	
BG	€ 84,587,000	€ 143,118,782		€ 145,414,000	€ 28,211,000	
CY	€ 7,400,000		€ 13,900,000		€ 5,700,000	
CZ	€ 333,246,000	€ 200,000,000	€ 21,740,000	€ 213,507,000		€ 57,201,000
DE	€ 2,434,857,262		€ 1,501,000	€ 6,444,399		€ 20,000,000
DK	€ 41,477,689					
EE	€ 36,106,915			€ 97,646,189		
ES	€ 1,351,360,853	€ 47,569,194	€ 144,608,694	€ 67,011,854	€ 340,168,875	€ 9,300,000
FI	€ 99,756,000				€ 200,000	
FR	€ 1,851,805,000	€ 8,231,000	€ 7,733,000	€ 13,722,000	€ 25,360,492	€ 8,000,000
GR	€ 240,001,173	€ 73,066,761	€ 99,055,707	€ 235,719,322	€ 105,872,226	€ 33,502,026
HR	€ 116,000,000			€ 180,000,000	€ 32,000,000	
HU	€ 322,308,289	€ 470,287,033		€ 215,210,094	€ 27,311,000	€ 46,229,504
IE	€ 182,948,869		€ 10,858,915			
IT	€ 1,654,310,128	€ 71,314,270		€ 400,002,845	€ 75,493,318	€ 18,711,000
LT	€ 57,924,006			€ 106,904,236	€ 41,126,042	€ 14,340,102
LU	€ 4,011,245					
LV	€ 92,040,832			€ 133,119,918		
MT	€ 28,000,000			€ 4,000,000		
NL	€ 361,025,499					
PL	€ 1,334,185,600	€ 19,330,000	€ 19,330,000	€ 964,799,100	€ 367,008,000	€ 65,214,600
PT	€ 875,003,000		€ 51,200,000	€ 454,943,000	€ 154,960,000	€ 94,684,000
RO		€ 371,932,000		€ 457,100,000	€ 111,473,000	€ 201,100,000
SE	€ 146,527,000					€ 8,010,000
SK	€ 152,214,000	€ 99,000,000	€ 40,000,000	€ 142,485,000		
SL	€ 90,152,585			€ 25,047,323	€ 30,049,677	
UK	€ 1,009,182,000				€ 11,000,000	€ 73,963,000
EU	€ 13,362,238,961	€ 1,514,063,040	€ 413,570,603	€ 3,863,076,280	€ 1,363,508,630	€ 650,255,232
CSR relevant budget (% of total ESF budget)	95%	68%	27%	94%	28%	2%

Source: SFC 2014, ESF OP DB

Assessing the CSRs that are relevant for TO9 and how these are addressed by selected IPs across MSs, one sees that, in most cases, CSRs have a dedicated IP completely aimed at addressing (or a side aspect of) the CSR, (57 out of 59 CSRs have a dedicated IP). As a result, the majority of ESF budget for TO9 is closely aligned with the relevant challenges, as identified in the CSR. All together 85% of ESF budget allocated to IP that belong to TO9, is linked to a CSR³⁵. The strongest alignment is reported for IP 9.i³⁶ and IP 9.iv³⁷, for which 95 and 94% of ESF budget is linked to a CSR. 68% of ESF budget allocated to IP 9.ii³⁸ is related to a CSR, while this level is 27% for IP 9.iii, 28% for IP 9.v and 2% for IP 9.vi. The latter three groups include the IPs that receive a limited number of CSRs.³⁹

The relationship between CSR and IP is however not always clear cut. This is much more related to the level of detail in the CSR. In some cases, CSRs are broadly formulated, like the development of comprehensive (national) social inclusion and/or poverty strategies and measures, which could cover more IPs, while others are more specific, such as improving access to healthcare services. On the other hand, the IPs belonging to TO9 are closely connected in most cases and are thereby not always distinctive and clearly demarcated.

Overall, the majority of IPs under TO9 is explicitly coherent with the CSR, which means that the programming has been informed by the CSRs and consequently contributes to reaching the European 2020 targets and their underlying challenges. Only in a few cases we do see that the CSRs are not addressed, or only a side aspect of

³⁵ This calculation is based on dividing the budget that addresses a CSR by the total ESF budget allocated to TO9.

³⁶ CSRs that are considered relevant for IP 9.1 are directly referring to reducing (the risk) of (child) poverty (like for CY, EL, IT, LV, RO, UK), or in specific cases reducing the risks of financial depths, caused by high mortgages and loans (SE and the UK). In other cases, specific reference is made in the CSR to the development of comprehensive (national) social inclusion and/or poverty strategies and measures (BE, BG, ES, HU, IE, IT, LT, LV, RO). In a few cases CSRs are provided on the improvement of efficiency and cost effectiveness of family policies (EE, ES, IT). Other CSRs specifically refer to improving the accessibility and effectiveness of social transfers and services (BG, ES, IT, RO) or refer to enhancing the efficiency of the social security protection system, while protecting the vulnerable groups (CY). A few CSRs relate to increasing the administrative capacity and coordination between employment and social services in order to provide integrated pathways for support those at risk, and boost the transitions between minimum income schemes and the labour market (ES), strengthening the link to activation (HU, LT, LV, RO, SK, UK) and improve access and targeting of social policies (PL, PT). Other CSRs specifically address the reduction of taxes and social security contributions for low wage earners (in-work poverty), or facilitating the transition for non-standard employment, such as mini jobs, to more sustainable forms of employment (DE, PL, RO, SK,). In one case a CSR was related to take decisive steps against the shadow economy and undeclared work (IT).

³⁷ CSRs, that are more closely aligned with IP 9.iv, address the accessibility of social services in general interest like referring to inclusive education for disadvantaged children of (BG, CZ, DK, IE, IT, RO, SK, UK) and access to (long term) healthcare (BE, BG, DE, ES, FI, IT, LV, NL, PL, RO, SK), or CSR that challenges the country to focus social housing programmes on those most in need (NL). One specific CSR was given on refocusing care provision from institutional to home care (SL). One CSR specifically refers to finalising and implementation of a national literacy strategy to improve the basic skills of disadvantaged persons (MT).

³⁸ More close to IP 9.ii, a CSR was provided for Greece and Cyprus, specifically referring to combating discrimination against ethnic minorities. For some countries this is implicitly done by the CSR while referring to the national action plan on social inclusion (such as for ES, IER). In most of the other countries receiving budget under IP 9.iii specific reference was made to labour market situations and educational enrolments of Roma and migrants (AT, CZ, IE, SK).

³⁹ More close to IP 9.iii, a CSR was provided for Greece and Cyprus, specifically referring to combating discrimination against ethnic minorities. For some countries this is implicitly done by the CSR while referring to the national action plan on social inclusion (such as for ES, IER). In most of the other countries receiving budget under IP 9.iii specific reference was made to labour market situations and educational enrolments of Roma and migrants (AT, CZ, IE, SK). In relation to IP 9.v, only for one country a CSR was made for promoting social entrepreneurship (CY). Finally, only for three countries a reference was made in the CSR related to deprived urban, rural and isolated communities are addressed (in CY, EL and RO)

the CSR. In other cases, IP are selected that are not referring to a CSR. This last case, does not mean that the selection of the IP is not justified, one reason amongst others being that most of the time the CSR only address a small selection of challenges.

4.4 Specific objectives, actions and target groups supported

4.4.1 Specific Objectives

Specific objectives should narrow down the scope of the IP and capture the direction of changes that the Member States seek to achieve with EU support. When examining the different specific objectives per IP, one sees a diverse picture of SO:

- For IP 9.i, one sees that, on average, 1.8 SOs are selected per IP (244 SOs out of 134 IP). A wide variety of SO are selected under this IP, but the majority relates to reducing barriers to employment and integration for groups at the margins of the labour market, or those at risk of poverty and social exclusion; these groups are closely related to the IPs falling under TO8. In most of these cases, the SO does not make clear what the exact target group is, by generally referring to disadvantaged or marginalised groups. Nevertheless, in some cases SOs provide further explanations on the target group, like individuals that are responsible for the care of children in households at risk of poverty and social exclusion. In other cases, older people, the (long term) unemployed, inactive, young people, people with a disability, migrants, single parents, low income households or those having complex multiple barriers to employment, are mentioned in the SOs. Some SOs focus more on improving employability, rather than employment directly, by stimulating learning and improving skills and competences for participating in society. In other cases, SOs refer to accessing education for disadvantaged groups, partly overlapping with SO selected for TO10. Some SOs address social contribution to households, to increase their financial capacity or to increase social participation of family and youth. Other SOs address policy learning between countries on social inclusion policies and ways to combat poverty or the development and testing of social activation models (social innovation solutions). A limited number of SOs also address the strengthening of local civil (non-governmental) community, including social (third sector) enterprises. Other SOs relate to stimulating the demand side of the labour market, activating enterprises for hiring the aforementioned groups. Some SOs are still very broadly formulated, such as "creating opportunities for all".
- For IP 9.ii one sees that, on average, 1.3 SOs are selected per IP (38 SO out of 30 IP). Upon closer inspection of the SO selected, one sees that most of them refer to improving access of marginalised groups to education, employment and social life (socio economic integration). Others directly refer to improving life quality of marginalised groups. Some SOs make specific reference to the members of the Roma community, migrants, homeless, and ethnic communities. The final aim is to increase the quality of life, employability, education level, employment, social activities, as well as reducing financial or ICT illiteracy. The distinction between the SOs falling under IP 9.ii are not always clear since sometimes these address similar objectives.
- For IP 9.iii one sees that, on average, 1.1 SOs are selected per IP (34 SO out of 30 IP). The description of the SO demonstrates that these are relatively close to the description of the IP, aiming to reduce discrimination against vulnerable groups (ranging from labour market, education, and everyday life). In some cases, specific reference is made in the SO to target groups, like women, low skilled individuals, or persons with a disability. In other cases, specific reference has been made to the role of public and private entities, to increase their efficacy by raising awareness and training of key actors for the

prevention and combating of discrimination, domestic violence, gender violence and human trafficking. SOs also focus on strengthening and improving the labour market position of vulnerable population groups or preventing the social exclusion of vulnerable groups, close to the SOs already mentioned for the other IPs falling under TO9. This IP also includes SOs that promote access to health care and public health, including preventive care and health education, increased hygiene and standards of living. Other SO relate to policies aiming to reduce discrimination and to promote gender equality.

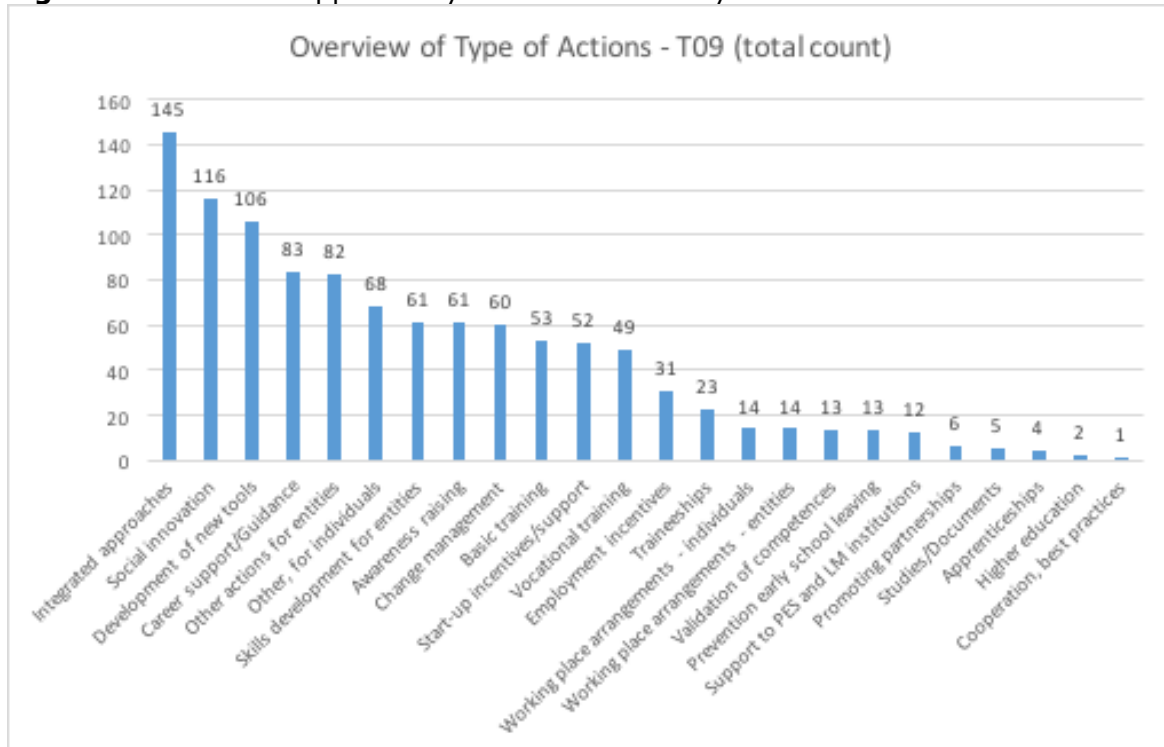
- For IP 9.iv one sees that, on average, 1.7 SOs are selected per IP (128 SO out of 75 IP). One sees that there is also a wide diversity of SOs, but all of them are focused on increasing the access of social and public services for disadvantaged groups or people living in poverty (by providing access and remove institutional, situational and psychological barriers). Some SO are addressing the ultimate goal of decreasing the number of households at risk of social and financial exclusion in precarious housing conditions. In some cases, specific reference was made to social services in deprived areas. A wide range of services are mentioned, sometimes being general, but in other cases specifically referring to health and care services or schools. Some SO specifically address improving quality of social and public services including the staff working for these organisations (like childcare services) by introducing innovative working practice (like by introducing instruments/procedures/mechanisms or ICT, like e-health programmes), and better monitoring and evaluation of activities. Some SO specially refer to the transition from institutional to community-based care. Also policy learning and transnational cooperation is addressed by a few SO.
- For IP 9.v one sees that, on average, 1.1 SO are selected per IP (66 SO out of 59 IP). Having a closer look on the SO one sees that most stimulate social entrepreneurship, as a mean to improve the labour market integration of vulnerable groups. This means supporting start-ups as well encourage social economy enterprises to hire unemployed.
- For IP 9.vi, one sees that, on average, 1 SO is selected per IP (26 SOs out of 25 IPs). The SOs falling under this IP are mostly very broad, facilitating the labour market participation and quality of life for special population groups in general; this is not very different to many of the other SOs falling under the other IPs. Other SOs are broad, but also concrete, like decreasing the number of people living in or at risk of poverty and social exclusion in marginalised communities with a population of less than 2000 inhabitants from rural and urban areas. Nevertheless, other SOs focus on capacity building and networking between local organisations on the formulation of local development strategies and partnerships, thus contributing to social inclusion. All of the SOs falling under this IP are considered as very broad and less result specific.

Overall, the majority of SOs are considered to narrow down the scope of the IP and capture the direction of the change sought. Nevertheless, for a few cases, it was still noted that the SO was still relatively broadly formulated. In other cases, the SOs consisted several objectives at the same time, which made it difficult to capture the expected change and evaluate the specific objective (In several cases the means end relationship was not emphasized in the description of the SO (e.g. “emphasizing the development of health programmes, without being specific for which goal”). For a number of cases, the SO was not considered to be more specific than the description of the IP and there was overlap between SOs falling under different IPs, as well as with the SOs that belong to TO8.

4.4.2 Actions and target groups

When looking more closely at the actions selected under TO9, one sees that most actions under TO9 relate to integrated approaches, social innovation, development of new tools, career support and guidance and other actions for entities and individuals.

Figure 4.5. Actions supported by Investment Priority selected under TO9



Source: ESF OP DB

When considering the actions supported across the IPs under TO 9, the following picture becomes visible.

- IP 9.i is one of the IPs that includes a wide variety of actions, in line with the broad formulation of the objective of the IP (active inclusion); it therefore also shows the largest overlap with other IPs (within and between TO). IP 9.i mostly supports interventions concerning pathways to employment, including integrated individualised approaches (combining needs assessments / diagnosis, individual counselling, accreditation of prior learning and working experience, basic education, training, work experience places, job counselling, anti-discrimination measures and information / awareness raising activities, hiring support for companies, job coaching/ support on the work floor). For a few IPs, flanking measures were also proposed (such as in relation to health, socio-pedagogical assistance, housing, financial guidance and instruments, childcare / care for dependents, language support, and more). Although several IPs broadly refer to actions for disadvantaged people, some also make direct reference to specific target groups (such as persons with a physical and mental disability, migrants / refugees, long term unemployed, (ex) offenders / prisoners, drug addicts, disadvantaged women and young people, people with multiple restraints / disadvantages, people at risk of discrimination, and more)⁴⁰. Other regularly mentioned actions are those related to developing

⁴⁰ For several IPs, actions were proposed for families with children that are living in, or at risk of, poverty (providing family counselling and abandonment prevention). Other actions focus on supporting outreach activities, to identify individuals that are socially excluded and living in poverty. A large number of IPs also refer to the support of ex offenders / prisoners in their reintegration, as well as the activation and empowerment of persons that leave foster care or

local/regional partnerships and networks; sharing good practice amongst different stakeholders on local/ regional levels (including PES, social partners and civil society organisations); or developing territorial pacts/programmes/projects for social development. Improving the coherence among housing, employment, social work and healthcare policies (promoting social partnership) and develop local approaches were also addressed under this IP. Other actions relate to the development of new tools and methods (such as for inclusive education, social activation, or employability of disadvantaged groups). In a very limited number of cases, actions are proposed to train professionals working in social integration institutions or social services. Interestingly, this IP also supports actions that could belong to other IPs within the same TO or even other TOs, such as increasing access to social care services (education, healthcare, childcare etc.) (IP 9.iv) and the development of social enterprises / third sector (IP 9.v), or actions where specific reference is made to the marginalised groups and discrimination (IP 9.ii). This provides evidence that the demarcation between IPs is not always crystal clear and that MSs make different choices when defining actions under each IP.

- IP 9.ii mostly supports similar interventions, as in other IP falling under this TO, but with a specific focus on marginalised groups (such as Roma, migrants, and the homeless) by addressing the improvement and accessibility in educational provision (including measures to strengthen methods and teachers on inclusion), as well as improving employment, social and health services, and housing, along with reducing existing segregation practice. Other actions relate to overcoming negative stereotypes of marginalised groups by raising awareness for better inclusion of certain target groups. Other actions support the development of local / regional / territorial policies and cooperation between all stakeholders, as well as the development of one stop shops / community centres that are targeted at marginalised groups.
- IP 9.iii mainly addresses actions supporting the promotion of equal opportunities and fighting all types of discrimination by supported entities in charge, to combat discrimination and develop awareness raising programmes and training amongst a variety of stakeholders (amongst other labour market actors and professionals working in education and the social sector). Moreover, actions are supported creating inclusive schools (curriculum, methods, learning styles and the specific role of teachers, as well as the behaviour of pupils / students), including special provision for students with a disability. Moreover, specific actions are supported for individuals with disabilities (developing tools/instruments/studies/integrated care). Furthermore, services are supported that target people who have faced discrimination (women who have been victims of abuse / human trafficking, and children), including counselling services as well as support shelters. A few IPs specifically address actions to reduce gender inequality and diversity in the workplace (closely aligned with TO 8.iv).
- IP 9.iv mostly supports actions for entities (social service providers in the field of education, employment, healthcare, and others) adjusting their policies and working arrangement and developing programmes, tools and instruments. In a limited number of cases, actions are supported that are directly related to individuals. A wide range of actions are supported across the OPs, improving the access, quality and cooperation of different types of social services for a wide variety of disadvantaged groups (early childcare, elderly care, youth care, family care, health care, employment services, community centres and other social services). Furthermore, several measures are proposed to stimulate the demand side of social services by supporting vouchers for care services (such

other institutional forms of alternative care. In a few cases, actions were selected for people in social therapy centres, similar to the specific actions for the homeless people.

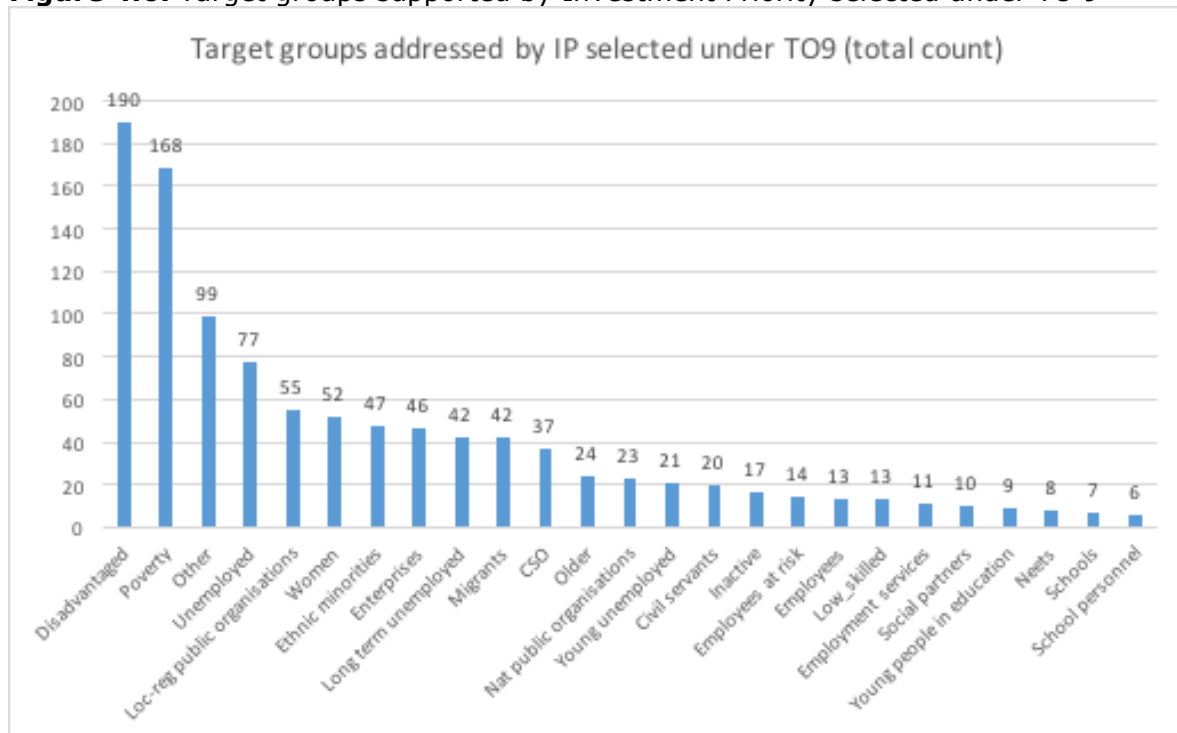
as for child care services). Several actions are supported to better interlink all of these social services, creating a network of social and community services (preferable in one-stop shop). In several cases, specific activities are supported in rural and deprived regions. This IP include actions that are strongly aligned with the IP, and do not overlap with other IPs.

- IP 9.v mainly supports actions for start-ups in the field of social entrepreneurship (by means of subsidizing operation costs, micro credits, wage subsidies employees, developing business plans, mentoring, providing legal and accounting support, and more). Management and supporting staff of social enterprises are also trained to improve their capacity for effective management of social enterprises. Support is also provided to training and guidance programmes for those who are employed in social enterprise, in the same fashion as support for equipment and adaptation of workplaces. ESF is also supporting the development of (regional) partnership between actors in the social economy, sharing good practices and supporting information exchange, networking and developing local/regional development plans for the social economy (to assure a supportive business environment for social enterprises). Actions are also supported to increase the (public) awareness of the social economy, social enterprises and the role of the third sector (campaigns as well as training modules for professionals).
- IP 9.vi mainly supports collaboration activities at the local level with the aim of solving local unemployment, supporting SME and social enterprises, providing education possibilities for the disadvantaged, access to social services, community based social work and more; this will be carried out in an integrated manner and will develop territorial strategies, plans and instruments. Most of the OPs are not very specific about the exact actions supported and in several cases it was indicated that the actions will be determined by the local communities. Nevertheless, in most cases it was mentioned that ESF will support the development of plans to provide: guidance and training to vulnerable groups (guidance, training); networking activities; awareness raising activities; and support for preparing local development strategies and managing the capacity of local development plans. In this case, specific actions are mentioned that directly support individuals, there is a great deal of overlap with other IPs falling under TO9, mainly IP 9.i and IP9.ii.

When examining all of the actions supported, one sees that the actions are generally well aligned with the broad scope of IPs falling under TO9. Nevertheless, at the same time these actions sometimes show great deal of overlap between IPs within TO9 and other TOs (mainly TO8 when interventions focus on improving employability and TO10 when interventions focus on access to education). There is a fair balance between actions supporting individuals through their life cycle and interventions focused on the development of instruments and tools and support of entities. A large amount of attention is paid to prevention by investing in the quality of childcare and education, prevention of early school leaving, training and job search assistance, housing support and accessible healthcare. Furthermore, policies and capacities of social services are strengthened by supporting networks, partnerships, staff training, and the development of new programmes, tools and instruments. All of these types of actions are closely aligned with the ones indicated in the Social Investment Package, and the majority of actions selected under TO9 support the achievement of the specific objective.

The target groups addressed in most IPs falling under TO9 are also those that one should expect, which includes in order of total counts: the disadvantaged, people at risk of social exclusion and poverty, the unemployed (including long-term unemployed), local/regional public organisations, women, Roma people, enterprises and migrants (see figure 3.5 below)

Figure 4.6. Target groups supported by Investment Priority selected under TO 9



Source: SFC 2014, ESF OP

All of the selected target groups are considered as relevant for reaching the specific objective. Nevertheless, also the target groups are still broadly formulated in some cases, but are generally appropriate in light of the SOs.

4.5 Performance of ESF investment in TO 9

4.5.1 Output indicators

Within TO9, 1,195 output indicators were selected for measuring the performance of the programme. Most of the output indicators belong to IP 9.i, IP 9.iiv and IP 9v.

The large majority of output indicators represent the scope of the activities implemented. This shows that, overall, the output indicators are well chosen as a measurement of the activities' progression towards the specific objectives. In the few cases where output indicators insufficiently reflected the scope of implemented activities, it was often a lack of detail in defining the indicator, or, more problematically, too much detail.

Targets for output indicators are mostly based on historical ESF data (40 % of output indicators are based on historical *cost* data, while another 30% builds on historical *placement* data). Subsequently, 20% of the indicators were based on benchmarking with relevant statistical or administrative data and 10% were determined on the basis of an expert's assessment/educated guess. The targets of indicators that are set on the basis of expert assessment generally include considerations on cost per unit, despite this not always being explicitly specified in the programmatic documents.

The table below provides an overview of the total aggregations of target values per common output indicator, spread over the different IPs falling under TO 9. This table only includes the output indicators that could be clustered according to the common output indicators as defined in Annex 1 of the ESF regulation. As a result, a significant share of the indicators could not be included in the aggregation (that could not be clustered as common output indicator or in cases no absolute target value was reported). A significant number of unemployed (including long term unemployed) are

targeted (1,132,725), as well as the long term unemployed (1,570,606), and inactive people (1,049,002).

Table 4.2. Aggregation of Output Indicator target values within TO 9

Category of indicator	9i	9ii	9iii	9iv	9v	9vi	Total
Unemployed, incl, LTU	1,073,180			12,565	15,249	31,731	1,132,725
Long-term unemployed	1,563,142				7,464		1,570,606
Inactive	1,034,892				3,010	11,100	1,049,002
NEET	235,565				570		236,135
Employed, self-employed	56,330		1,265	220,691	2,630	6,404	287,320
Young people	496,101	30,700		7,110	760		534,671
Above 54 years old	87,014			17,869	6,115	7,750	118,748
Above 54 years old, unemployed, NEET	2,127				85		2,212
Low education	43,105	6,219	12,000	6,100	950		68,374
Secondary/post-sec education	18,740				1,330		20,070
Tertiary education	2,795			871	1,520		5,186
in jobless household	176,531			40,840	340		217,711
in jobless hh with children	38,720			2,761	245		41,726
In single household_with children	4,530			15,613	305		20,448
marginalised, migrants	303,470	143,172	137,337	2,841	840	8,200	595,860
disabled	702,628		29,618	104,974	6,918	9,900	854,038
Other disadvantaged	3,350,261	271,363	190,656	2,534,700	202,816	135,767	6,685,563
homeless		12,312		2,071			14,383
Rural areas	5,205	8,839		3,432	350	171	17,997
projects social partners	1,934	22	22	6,063	678	280	8,999
in projects/women	1,000,841		102,119				1,102,960
N, projects PA	42,019	2	30	9,126	13	4,284	55,474
N, micro SMEs	3,647				16,780		20,427
N, organisations	61,917	65		3,204	5,128	824	71,138
N, CSO	7			45			52
N, enterprises/operators	2,600			1,073	3,284		6,957

Source: ESF OP DB

4.5.2 Result indicators

Result indicators facilitate an assessment of whether or not specific objectives have been attained, and are a crucial element for the monitoring and evaluation of ESF programmes. In total, 1085 result indicators were identified. Most indicators relate to

(1) disadvantaged participants engaged in job searching, education/training, gaining a qualification, in employment, including self-employment upon leaving; (2) Improved capacity/competence of Institutions/ Organisations; and (3) in employment directly after leaving.

For most of the result indicators target setting was justified. In most cases, target setting was based on the previous ESF data. A smaller group of targets of result indicators was based on benchmarking, with relevant administrative or statistical data, and only for a minority of result targets they were based on the estimation or educated guess of an expert. The table below provides an overview of the aggregation of result indicators (that could be labelled as common result indicators and for which absolute target values where available). In order to aggregate these values for similar RI categories and conduct cross-country comparisons, RIs expressed in percentages were transformed into absolute values whenever a reference to a Common Output Indicator was provided in the OP, or in certain instances where the reference OI could be directly identified, even if not explicitly mentioned. In total, absolute values of RIs were provided or were additionally calculated for 55% of the result indicators selected at the EU level. These are presented in the table below, where the targets are presented as the sum within each category.

Table 4.3. Aggregation of target values of result indicators for TO9 (absolute values)

RI categories	9i	9ii	9iii	9iv	9v	9vi	Total
Job searching upon leaving	111,226			333	930		112,489
In education upon leaving	244,710	7,303	7,161			19	259,193
Qualification upon leaving	245,393		62,970	276,329	6,311	5,345	596,348
In employment upon leaving	727,223	1,683			19,763	8,553	757,222
Disadvantaged in job search, training, employment upon leaving	1,001,516	207,342	2,614	8,875	230	54,487	1,275,064
In employment 6 months after leaving	135,526			322		2,386	138,234
Improved LM situation 6 months after leaving	39,682		50,059		192	167,190	257,123
Participants 54+ in employment 6 months after leaving	248					1,623	1,871
Disadvantaged in employment 6 months after leaving	18,155		14		1,754	2,465	22,388
Improved capacity -institutions	425,902	30	600	19,288	2,951	0	448,771
Improved capacity - CSO	1,296			45	531		1,872
Improved capacity – companies/economic operators	1,300	400		490	2,269	594	5,053
Improved capacity of special groups	554	70,238		37,799	15		108,606
Improved awareness	1,540			50	15		1,605

Source: ESF OP DB

The table above shows that, overall, a high number of results is expected to be achieved under TO9, especially for the disadvantaged in job search, training, or employment upon leaving (1,275,064 participants), participants in employment after leaving (757,222 persons). Moreover, a high number of institutions will be reached to improve their capacities (448,771). Looking at the aggregated target values of the indicators that measure result on mid-term, one sees that 257,123 participants are expected to improve their labour market situation 6 months after leaving, and 138,234 participants are in employment 6 months after leaving.

5 ESF INVESTMENT IN EDUCATION, TRAINING AND VOCATIONAL TRAINING FOR SKILLS AND LIFELONG LEARNING (TO10)

Key findings

- All MS have selected an IP under TO10 except the Netherlands. With exception of the Netherlands and Czech Republic, all of the countries selected IP 10.iii, while only 19 MS selected IP 10.i, 17 MS selected IP 10.ii, and lastly, 21 MS selected IP 10.iv. The country which invests the least of all the MSs into TO10 is Ireland, with a share of 20.2% out of its total budget
- With regard to the EU2020 target of reducing early school leaving, all of the countries which have yet to decrease early school leaving to a level below 10% invest into IP 10.i. Moreover, with regard to the second EU2020 target in education, which aims to increase tertiary education attainment, all of the countries that have yet to reach the 40% target (Italy, Romania, Malta, Slovakia, Czech Republic, Portugal, Germany, Croatia, Hungary, Greece, Latvia, Bulgaria) also selected the investment priority IP 10.ii
- Across the EU, in most cases, CSR have a dedicated IP. As a result, the majority of ESF budget for this TO10 (91.0%) is contributing to tackling the relevant challenges as identified in the CSR.
- Approximately, less than 2 Specific Objectives were chosen for an Investment Priority under TO10 across the member states. Specific Objectives within TO 10 are considered to be defined specifically enough and supporting the foreseen changes. As a result, strong result orientation within TO 10 can be noticed. Only in a small amount of cases the SOs were formulated quite broadly and following the general wording of the IP.
- The actions under TO10 are chosen appropriately with regard to the goals followed by Investment Priorities. IPs 10.ii, 10.iii and 10.iv selected mostly one set of similar actions with which they plan to achieve their goals (IP 10.ii - training for individuals in higher education, 10.iii -development of vocational skills for individuals, 10.iv - development of individual vocational skills), while IP 10.i had actions distributed more evenly between multiple categories of actions in order to achieve the specific objectives (career guidance for individuals, training for individuals in vocational skills, developing the basic skills for individuals and also measures helping reducing early school leaving). The chosen actions are highly coherent with their Specific Objective.
- Across all of the IPs under TO10, it can be noted that there is an overlapping selection of actions supporting the improvement of vocational training and the increase of labour market relevance in the educational process. Additionally, Member States often further focus on the most vulnerable groups on the labour market, which are disadvantaged, disabled, low-income participants, migrants and women
- The overwhelming majority of target groups consist of young people in education. The other frequently targeted groups are schools, low skilled individuals and school personnel. The distribution of target groups in IPs 10.i, 10.ii and 10.iv is very similar to the general trend in TO10. The most selected target groups under IP 10.iii are slightly different. The most targeted groups under this IP are low skilled individuals, unemployed, employees, disadvantaged people, and young people, respectively. Finally, the overall coherence between target groups and specific objectives in this TO is very high.
- While aggregating the target values of output indicators the highest targets are reported for the low skilled individuals – ISCED2max (8.3 million), followed by people younger than 25 years (3.25 million) and employed (2.46 million). Furthermore, also those with upper secondary education – ISCED3-4 are addressed in a large share (1.46 million) along with unemployed (1.42 million). The selected output indicators are well chosen as measurement of the selected activities towards the specific objectives.
- Aggregating the targets set for result indicators (only those measured by an absolute value), high target values are set in terms of participants gaining qualifications upon leaving (4,395,937), followed by people in education upon leaving (665,677), and in employment after leaving (215,199).

5.1 Policy context

ESF investment in Thematic Objective 10 plays a key role in the Europe 2020 Strategy, and more specifically in achieving its education and training related targets.

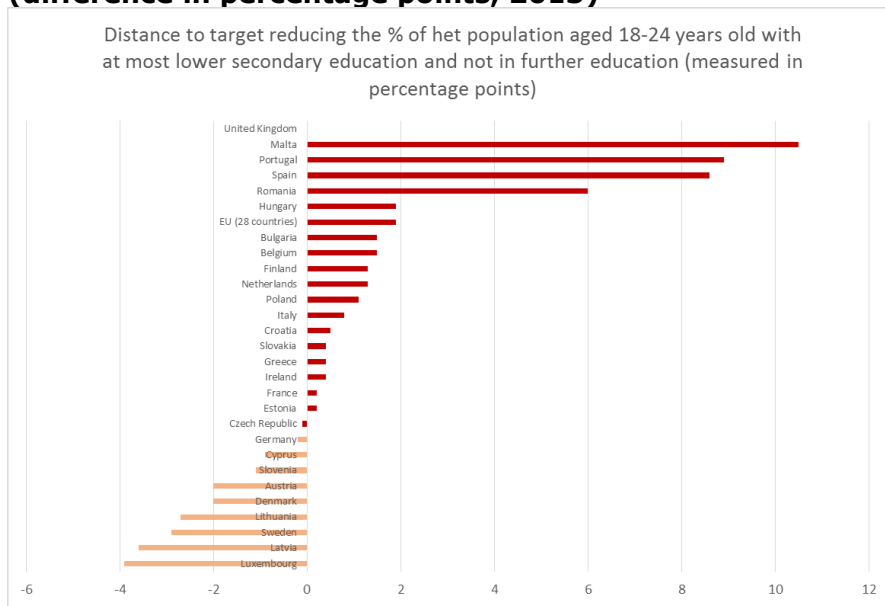
These are directly interconnected with the Thematic Objective 10 through two of its Investment priorities: IP 10i targeting early school leaving and IP 10ii that is contributing to increasing tertiary education attainment.

When assessing the performance of MSs in relation to early school leaving⁴¹ in the field of education, one sees that a number of countries already reached their targets, such as Luxembourg, Latvia, Sweden, Lithuania, Denmark, Austria, Slovenia, Cyprus, Germany, and the Czech Republic (see table below). Another group of MS is made up of countries that are close to reaching their targets, such as Estonia, France, Ireland, Greece, Slovakia, Croatia, Italy, Poland, Finland, Belgium, Bulgaria, and Hungary. A third of countries are still far from reaching their national targets, including Romania, Spain, Portugal, and Malta, which are all more than 6 percentage points away from their national target.

Likewise, taking a closer look at countries performance and national targets on tertiary educational attainment for the 30-34 age group, one sees a group of countries that have already reached their national targets (Sweden, Latvia, Denmark, the Netherlands, Finland, Greece, Lithuania, Estonia, Hungary, Cyprus and Slovenia); a second, large group is close to reaching their national target. Only Austria, Slovakia and Luxembourg still need to increase educational attainment as they are more than 10 percentage points from their national target.

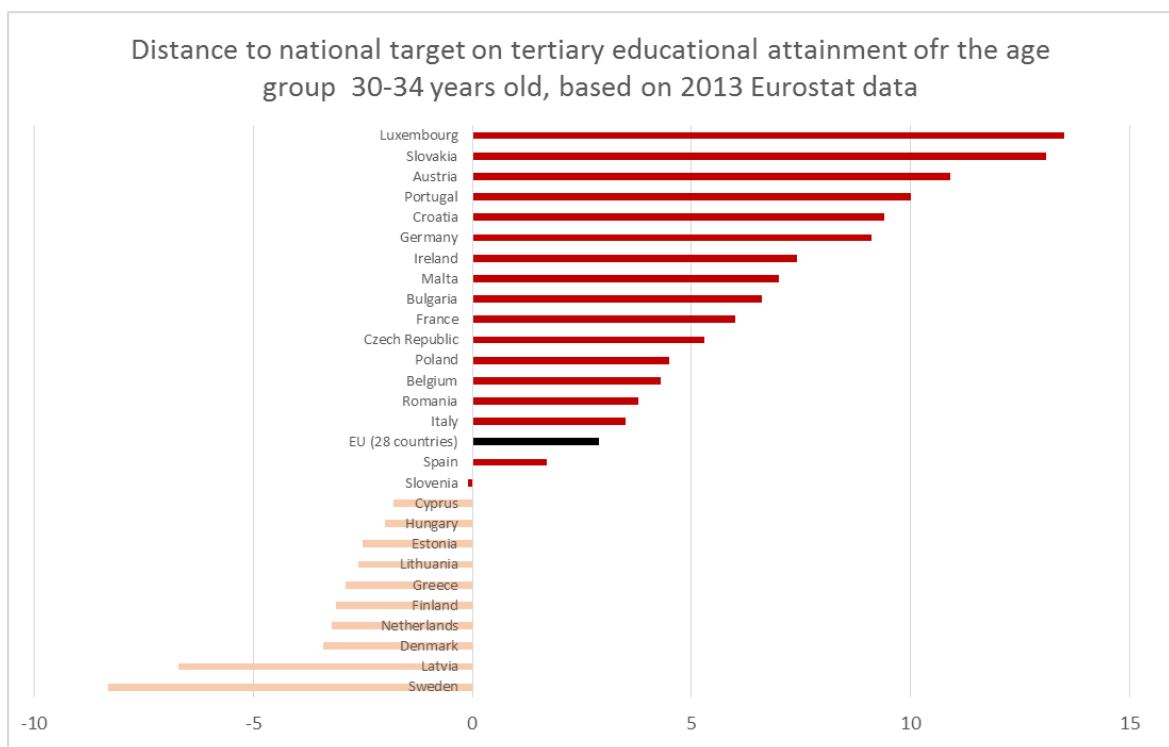
⁴¹ Early School Leaving is defined by the percentage of the population aged 18-24 with, at most, lower secondary education and who are not in further education or training;

Figure 5.1 MS performance on EU2020 national targets – Early School Leaving (difference in percentage points, 2013)



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)

Figure 5.2 MS performance on EU2020 national targets –tertiary education (difference in percentage points, 2013)



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)

In addition to the EU2020 goals on education (that remain the cornerstone of European strategy in this field), "Education and Training 2020" (ET 2020) provides complementary common strategic objectives for Member States, including a set of principles for achieving these objectives, as well as common working methods with

priority areas for each periodic work cycle⁴². In 2009, the ET 2020 set four common EU objectives to address challenges in education and training systems by 2020:

- Making lifelong learning and mobility a reality;
- Improving the quality and efficiency of education and training;
- Promoting equity, social cohesion, and active citizenship;
- Enhancing creativity and innovation, including entrepreneurship, at all levels of education and training.

The following EU benchmarks for 2020 have been set for education, which relate to: participation in early child education; skills in reading, mathematics and science; the rate of early leavers from education and training; education attainment in higher education; higher education graduates spending some time studying or training abroad; and the share of employed graduates. Only the indicators on educational attainment of 30-34 year-olds and the one on early school leaving are integral parts of the Europe 2020 indicators.

Thus TO10 targets all issues listed in the EU 2020 as well as the ET2020 (although it should be noted that the CPR does not make a direct reference to the ET2020) through its investment priorities:

- IP 10.i, Reducing and preventing early school leaving and promoting equal access to good quality early childhood, primary and secondary education, including formal, non-formal and informal learning pathways for reintegrating into education and training
- IP 10.ii, Improving the quality and efficiency of, and access to, tertiary and equivalent education with a view to increasing participation and attainment levels, especially for disadvantaged groups.
- IP 10.iii, Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences.
- IP 10.iv, Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality. This is carried out through mechanisms for skills anticipation, adaptation of curricula and the establishment and development of work based learning systems, including dual learning systems and apprenticeship schemes.

All IPs are contributing to the objectives of the ET2020 framework while the EU 2020 education targets of educational attainment and reducing ESL are directly targeted by the investment priorities 10.i and 10.ii. The other two investment priorities 10.iii and 10.iv are contributing to the remaining ET2020 targets. To summarize, all of the investment priorities under thematic objective 10 have a strong foundation in the European strategic documents.

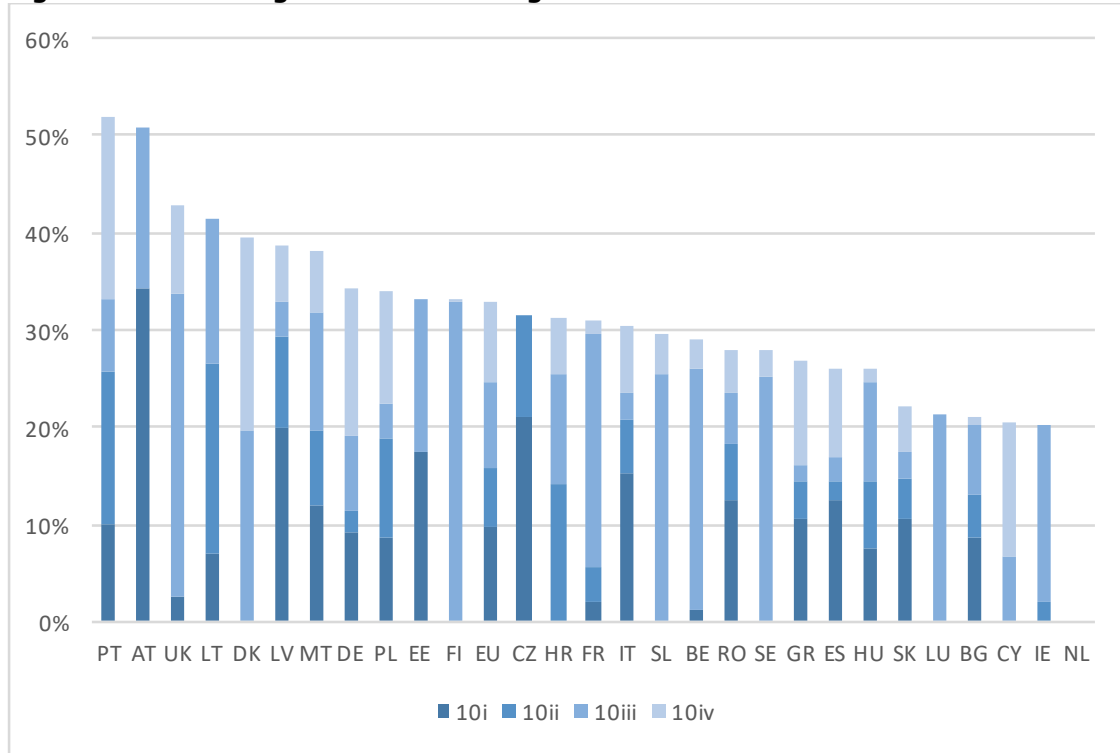
5.2 Overview of investment per Investment Priority for TO10

The importance of the ESF for investments in education, training and vocational training are once more underlined in the figures below. The figures below further illustrate the share of total ESF-budget allocation to each IP under TO 10 in all MS. Moreover, the box plots present the median share of total budget allocation to each IP across MS (black line in the middle of each 'box'). Each box represents 50% of the MS,

⁴² It should be mentioned however that the CPR is not directly linked to the ET2020 strategy

while the lower and upper line represent the upper and lower 25%. Outliers are presented separately, and identified with a respective label⁴³.

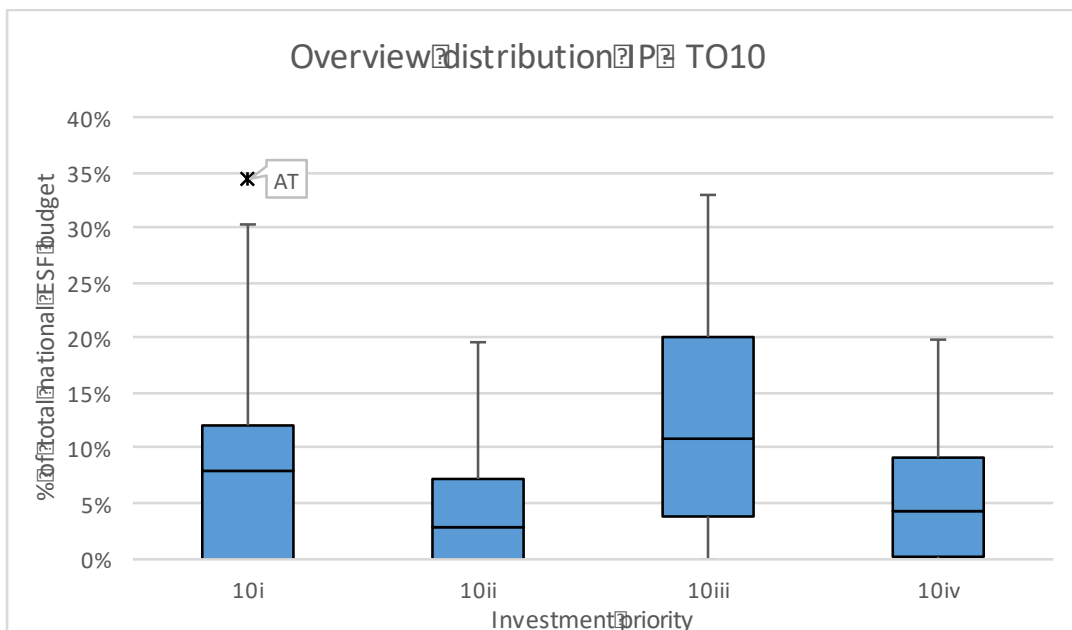
Figure 5.3 Percentage of total ESF budget allocated to TO 10 and related IPs⁴⁴



Source: SFC 2014, ESF OP DB

⁴³ Values are considered outliers if these lie outside the commonly accepted range of 1.5 times the interquartile range, which is represented by the blue box (See Tukey 1977). See the annex for the full table of values that forms the basis for this figure.

⁴⁴ Total ESF budget includes ESF share for YEI, without TA

Figure 5.4 Overview of budget share per Investment Priority – TO10

Source: SFC 2014, ESF OP DB

The figures above show that 32.8% of all ESF budget (including the ESF share the YEI, excluding TA) is allocated to TO10. Portugal, Austria, the United Kingdom, Lithuania allocate relatively a large share of their total ESF budget on TO10 (all above the 40%), while Ireland, Cyprus, Bulgaria, Luxembourg, and Slovakia allocate a relative lower share of budget towards TO10 (between 20.2 and 22.1 %). The Netherlands is the only MS not allocating any budget towards TO10.

Having a closer look on the individual IPs one see that almost two thirds of all MS (19) invest ESF budget in the measure aimed to reduce and prevent early school-leaving (IP10i), although with considerable variation. Austria invests the largest share of its budget to this priority (34.3%). Other MS that can be found among the highest quartile are the Czech Republic (21.0%), Latvia (20.0%), Estonia (17.4%), Italy (15.3%), Spain (12.5%) Romania (12.5%), Spain (12.5%), and Malta (12.1%).

More than half of MSs (17) invest ESF budget in improving the quality and efficiency of tertiary education (IP10ii). MSs that invest the largest share of their ESF budgets Lithuania (19.5%), Portugal (15.5%), Croatia (14.3%), and the Czech Republic (10.5%). On the other hand, Greece invests only 3.8% of its budget on this IP despite being explicitly advised by its CSR to increase tertiary education attainment. Spain, Ireland, Germany, and France allocate only a small share.

The enhancement of equal access to lifelong learning for all age groups is targeted by IP10iii. Only the Czech Republic and the Netherlands have not dedicated budget to this investment priority. The investments allocated to this priority also generally take up substantial shares of the ESF budgets; 50% of all MSs spend at least 10.3% of their budget on this IP. The highest budget shares allocated to this priority can be found in Finland (33%), the United Kingdom (31.1%), but also the investments in Slovenia (25.4%), Sweden (25.1%), Belgium (24.9%) and France (23.8%) are substantial. Lowest spending is reported for Greece (1.6%), Spain (2.5%), Slovak Republic (2.7%), Italy (2.8%), Poland (3.7%), and Latvia (3.7%).

The labour market relevance of education and training systems attracts considerable budget allocations as well (10iv); three quarters of all MSs (21) select this as an investment priority. Comparatively, Denmark (19.7%) and Portugal (18.6%) invest the largest share of their budget to this priority. Other countries invest less than 15% of their allocated budget. Denmark is investing such a large portion because of its low number of young people who seek vocational education and the share of those who

complete such education is low. The share of unskilled individuals continues to be high and the demand for skilled workers in Denmark is expected to increase.

5.3 CSRs that are addressed related to TO10

In order to assess the extent to which programming helps the EU achieve the Europe 2020 targets, in relation to education and training, and more specifically respond to the CSRs and their underlying challenges, this study mapped all CSR and identified whether these are addressed by an IP or not. In the table below, it is indicated whether an IP address a CSR across different MS (the blue cells). In the case where the cell is coloured blue and at the same time budget is allocated to this IP, this means that an IP is responding to a CSR. In case no budget is included, the CSR is not addressed, or, vice versa, when an IP is receiving budget, but not addressed by a CSR.

Table 5.1 Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue)

Countries	CSR related to early school leaving and promoting access to quality ECEC, primary and secondary education + allocation to IP 10i	CSR related to improving the access, participation and quality of tertiary education + allocation to 10ii	CSR related to access and participation in LLL and upgrading the competences of the workforce + budget allocated to 10iii	CSR related to improving the labour market relevance of E&T systems + allocation to 10iv
AT	€ 142,793,903		€ 68,654,471	
BE	€ 12,332,000		€ 246,841,000	€ 28,274,000
BG	€ 121,687,468	€ 60,192,837	€ 99,045,273	€ 13,037,942
CY			€ 8,619,000	€ 17,381,000
CZ	€ 701,124,042	€ 350,610,000		
DE	€ 672,452,487	€ 153,548,000	€ 558,054,051	€ 1,080,276,302
DK			€ 38,885,333	€ 38,885,333
EE	€ 102,294,023		€ 92,595,748	
ES	€ 921,906,358	€ 153,893,880	€ 182,310,936	€ 664,303,264
FI			€ 164,714,000	€ 433,000
FR	€ 124,723,000	€ 205,269,000	€ 1,374,084,000	€ 88,052,000
GR	€ 378,957,800	€ 135,408,438	€ 55,040,440	€ 381,499,735
HR		€ 205,000,000	€ 160,000,000	€ 85,000,000
HU	€ 350,561,000	€ 329,349,000	€ 485,431,000	€ 56,618,000
IE		€ 11,200,000	€ 96,498,574	
IT	€ 1,550,150,866	€ 540,473,128	€ 278,956,156	€ 710,810,355
LT	€ 77,774,079	€ 214,554,610	€ 162,985,232	
LU			€ 4,011,245	
LV	€ 123,704,587	€ 56,657,333	€ 22,979,380	€ 35,159,193
MT	€ 12,000,000	€ 7,540,000	€ 12,000,000	€ 6,400,000
NL				
PL	€ 1,032,193,700	€ 1,218,473,000	€ 440,703,200	€ 1,377,168,600
PT	€ 753,176,000	€ 1,151,561,000	€ 564,123,000	€ 1,376,906,000
RO	€ 557,981,000	€ 261,084,000	€ 239,807,000	€ 198,229,000
SE			€ 186,148,000	€ 20,683,000
SK	€ 221,453,000	€ 84,553,000	€ 55,071,000	€ 97,670,000
SL			€ 178,632,859	€ 30,363,900
UK	€ 125,115,000		€ 1,487,489,000	€ 438,849,000
Total EU	€ 7,982,380,313	€ 5,139,367,226	€ 7,263,679,898	€ 6,745,999,624
CSR relevant budget (% of total ESF budget)	99%	95%	86%	84%

Source: CSR 2013/2014, SFC 2014, ESF OP DB

By overviewing the different CSR and how these are subsequently addressed by ESF programming, one can see that, in most cases, CSR have a dedicated IP addressing (or only a side aspect) of the CSR, clearly indicating an alignment by programmes with the CSR (74 out of 82 CSR). Only for 8 CSR there was no IP selected (like for Austria, the Czech Republic, Denmark, Estonia, Hungary, Lithuania, and Luxembourg) For the Netherlands, no specific CSR was defined that related to Human Capital, and consequently no IP was selected. In a number of countries, IPs are selected without having a related CSR (in 9 cases, covering 8 countries). As a result, the majority of ESF budget (91.0%) is contributing to tackle the relevant challenges identified in the CSR. This counts especially for IP 10.i⁴⁵ and IP 10.ii⁴⁶, for which almost all countries address the CSR with a dedicated IP (allocating 99% and 95% of ESF budget respectively). IP 10.iii⁴⁷ and 10.iv⁴⁸ also report a high level of CSR relevant spending with respectively 86% and 84% of ESF budget that is addressing a CSR. The relationship between CSR and the IP is however not always clear cut. This is strongly related to the level of detail of the CSR. In some cases, CSR are broadly formulated, like addressing the need to improve the education and training system in general that could apply to all IPs, such as the CSR for Romania, which addresses the increase of quality and access to vocational education and training, apprenticeships, tertiary education, and lifelong learning, and adapt them to the labour market needs. In other cases, the CSR is quite specific: improving the quality of teachers in pre-schools, only covering a specific element of the IP.

⁴⁵ CSR that are considered relevant for IP 10.i are generally referring to improving the access and participation to education, and especially for the disadvantaged groups, sometimes referring to the concept of inclusive education (such as for BG, CZ, DE, HU, SE, SK) or to better respond to children with special education needs (CZ). Other countries receive a CSR related to raising the education achievement of disadvantaged target groups (AT, DE, DK, ES, EL, SK) and more specifically the access and quality of Early Childhood Education and Care (like for AT, DE, EE, FR, EL, HU, IE, IT, MT, PL, RO, SK, UK). A relatively large number of countries receive a CSR specifically referring to the challenge to reduce early school leaving (such as for BE, DK, ES, FR, EL, HU, IT, MT, PT). Other countries receive a CSR that generally refer to improving the quality, efficiency and effectiveness of VET (like in BG, DK, ES, FR, EL, HR, LV, PT, RO, SK). Some countries refer to improving the overall quality of the education system (like for EL, IT, SK), while other countries receive more specific CSR like increasing the attractiveness of the teacher profession (such as for CZ, IT, PL).

⁴⁶ Only for a few countries a CSR is made related to IP 10.ii. For some countries an overarching recommendation is provided on increasing the quality and access to tertiary education (RO, SK). Other CSR refer to improved strategic planning in higher education (AT) or implementing reforms (BG, EL, HU, IE, LV). Some CSR refer to increasing participation of disadvantaged groups (EL, RO, SK) and reduce drop outs in tertiary education (DK). Other CSR relate to improving the quality of researchers in the high tech field (CZ), while other address the importance for improving the cooperation higher education, research institutes, and business enterprises in research (BG, EE, PL, PT, SK). Only a few CSR refer to more funding to and improving quality of HE and guidance for students in higher education (IT, PT) and only one country receives a CSR in relation to internationalisation of higher education (LV).

⁴⁷ CSR related to lifelong learning and upgrading of the workforce are widespread across MS. Specific reference was made to increasing access and participation to lifelong learning in the CSR for BE, BG, CY, EE, ES, FI, FR, HU, IE, LT, LU, PL, RO). In other countries specific reference was made to improve the employability of works, mostly from the perspective of raising pension age and longer working life (see the CSR for see the CSR for AT, BG, CY, CZ, DE, ES, FI, FR, LT, LU, LV, MT, PL, RO, SK, SL, UK)

⁴⁸ In many countries CSR refer to increasing the labour market relevant relevance of education and training systems (BG, CY, EE, ES, FI, EL, HR, HU, LT, MT, PT, SL). A number of CSR specifically refer to reducing skills mismatches in the labour market (BE, IE, LU, PT, SL, UK). In most of these countries specific reference was made to improving the transition from education to the labour market by stimulating apprenticeships and work based learning (like for DK, FR, HR, HU, IE, IT, LT, MT, PL, RO, SE, SK, UK). Other CSR refer to improving the partnership between schools and the private sector (LT, PL, PT, UK). Only one CSR relate to improving the guidance and counselling services (PT) and for one country a CSR was provided on creating more job-oriented bachelors programmes in higher education (SK).

One could conclude that the majority of all IPs under TO10 are explicitly coherent with CSR, meaning that the programming has been informed by the CSRs and consequently contributes to reaching the European 2020 targets and their underlying challenges for TO10.

5.4 Specific objectives, activities and target groups

5.4.1 Specific objectives

In theory, the specific objectives of an IP should effectively narrow down the scope of the IP and fully capture the (direction of the) change that the Member State seeks to achieve with the EU support. Moreover, the specific objectives should be specific enough to be quantitatively evaluated. All Specific Objectives across the different OPs were carefully assessed in this respect.

- For IP 10.i, there is 1.8 Specific Objective selected on average. Furthermore, half of the OPs with IP 10.i across the countries have only 1 SO selected. Most of the SOs in this IP focus directly on early school leaving in quite a broad manner. Additionally, there are also countries which aim to decrease the level of early school leaving among specific groups, such as in Hungary, for instance, where there is a focus on early school leaving of disadvantaged pupils. Furthermore, Italy and France are also addressing school drop outs. Many SOs are also targeting educational attainment (mainly improvement of students' competencies) and access to education (focusing mainly on pre-school education). Latvia and Germany also have SOs focusing on the interconnection between education and work, which could also fall under a different IP. Overall, there is high coherence between selected SOs and the goals of the IPs and there was no case of incoherent SOs in relation to their IP.
- In IP 10.ii, member states selected approximately 1.6 Specific Objectives. Most of the SOs in this IP focus on tertiary education attainment, followed by specific objectives trying to improve education access. Consequently, MS strive to increase participation in education and the competencies of students. A high number of member states also try to specifically engage disadvantaged and low-income participants in tertiary education. Furthermore, an emphasis is also placed on increasing educational services, including staff and infrastructure to attract more students. Some countries follow more specific goals in addition to the general focus on tertiary education attainment; for instance, Poland addresses specific educational institutions like medical universities while France is trying to encourage bachelors to commit to further studies and Bulgaria is trying to engage its PhD students in research. Almost all off the SOs in this IP effectively narrow down the scope of the IP and fully capture the direction of the change to be achieved by targeting relevant aspects connected to tertiary education.
- On average, 1.7 Specific Objectives were selected in IP 10.iii. The highest number of SOs in this IP target lifelong learning of adults and unemployed. Most of these SOs are broadly defined and follow the wording of the IP; however, there are a few SOs that focus on more specific target groups like Bulgaria trying to improve qualification of employees over 54 or UK trying to improve technical skills of participants. Furthermore, Spain and Poland also put emphasis on language skills acquisition. Furthermore, the next most selected SOs focus on increasing educational attainment among the adult population and securing occupational orientation, providing education for active people of working age. Finally, the majority of SOs only mention the goal of improving access to lifelong learning, educational attainment and increasing education's labour market relevance in general; however, in a similar way to other IPs, all of the SOs under this IP are considered to effectively narrow down the scope of the IP and contribute to reaching the goals.

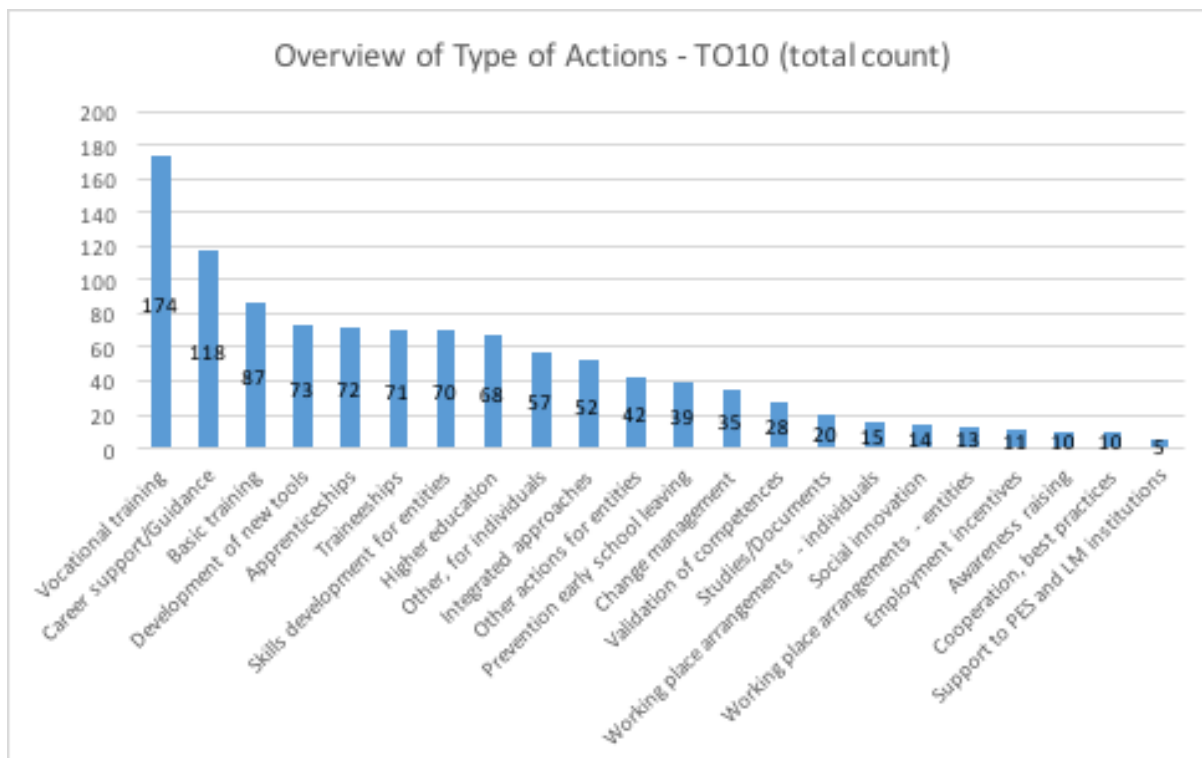
- Regarding IP 10.iv, an average of 1.6 Specific Objectives were selected. Most of the SOs selected under this IP aim to increase the labour market relevance of education by raising quality of vocational training. The second most targeted issue under this IP is educational attainment and in smaller rates also access to education and improvement of educational services are also targeted. Furthermore, SOs under this IP, apart from improvement of vocational education, also emphasise the need for: creating a stronger link between enterprises and higher education institutions; greater participation in informal education; promoting the mobility and reintegration of the workforce; and engaging SMEs. Finally, we can notice that strong emphasis is placed on the improvement of vocational training of participants across all of the member states under this IP. The SOs are defined in a quite broad way, although there are also very specific SOs, as is the case in Spain, aiming to update the national catalogue of qualifications and create new training plans to ensure a smoother transition from education to the labour market. All of the SOs under this IP are very coherent with the corresponding IP and reflect the changes foreseen; however, there are some cases of broadly defined SOs which could be more specific.

As can be seen above, on average, less than 2 Specific Objectives are selected under every investment priority in TO10. Generally, we can notice that most of the specific objectives under each investment priority are defined quite broadly. However, there are also some exceptions which target very specific groups, but these form the minority of cases. On the other hand, there were no cases of incorrectly selected SOs and all of the selected SOs capture the scope of the corresponding IP and contribute to the changes that are sought to be achieved. Overall, we can notice a strong link between selected SOs and the challenges identified in the CSRs. SOs under IP 10.i are focused on early school leavers and the improvement of access to education. Strong emphasis is placed on disadvantaged groups. SOs in 10.ii are partially interconnected with those in 10.i, because SOs in 10.ii are aiming to improve access to education as well; however, with a focus on tertiary education. We can also notice strong emphasis on disadvantaged groups, which is in alignment with the CSRs. SOs in IP 10.iii fully correspond with CSRs, albeit with smaller variations across the MS (like more detailed focus on attainment of technical skills). Finally, SOs in 10.iv directly reflect CSRs in all MS that have activated this IP, by targeting the implementation of better training, apprenticeships and VETs with goal of increasing labour market relevance.

5.4.2 Actions and target groups

When looking at the selection of actions in the TO10, it can be noted that most of the selected actions were connected with providing individual vocational training, followed by actions aimed at supplying individual guidance and individual career support. As can be noted, the most frequently selected actions emphasise the need for greater engagement of individuals in active labour market preparation. Consequently, we can observe that more ESF support in this TO is focused on individuals instead of entities. The least selected actions under this TO are aimed at providing public employment services and transnational cooperation. This fact does not come as striking as these actions are more frequently used in other TOs.

Figure 5.5 Distribution of selected actions across the Investment Priorities in TO10



Source: ESF OP DB

Upon closer inspection of the actions supported across the IPs under TO10, one sees that:

- IP 10.i is copying the trend observed in the general selection of the first 3 actions across the whole TO10. The most selected types of actions are those focusing on: career guidance for individuals; training for individuals in vocational skills; developing the basic skills for individuals; and on measures helping to reduce early school leaving. As has been noted, most of the actions under this IP focus on individual support to prevent early school leaving and drop outs, but also combine these measures with actions focused on improving the quality of educational processes (including labour market relevance, especially by implementing vocational trainings), educational staff or school infrastructure. More of the countries also put special emphasis on the most vulnerable groups like disadvantaged, low-income participants or migrants. For instance, this is the case in Italy, Spain and Germany. We can also notice an emphasis on pre-school education in many member states, especially in Poland. Finally, specialised school staff to prevent early school leaving and drop outs are also supported under this IP. The coherence of the actions with the Specific Objective in this IP is very high overall. All of the OPs had appropriately chosen actions in IP 10.i, which will contribute to the achievement of their specific objectives.
- IP 10.ii is heavily focused on the actions providing training for individuals in higher education. Overall, there are 40 selections of these actions in the IP 10.ii. Other actions are selected much less frequently. The second most used action, (nominated in 15 cases) emphasises the importance of creating new programmes, tools and instruments from public and private entities. In the majority of MS we can see that actions are focused primarily on developing the education process at universities, focusing heavily on labour market relevance in the educational process. Moreover, member states often aim to: increase the attractiveness of technical paths at universities; improve access to tertiary education, especially for disabled, disadvantaged and low-income students (mainly through special incentives); and increase research capacities through

special support for PhD students, which is prominent in a number of member states. As has already been demonstrated, the selection of actions is congruent with the goals of SOs and IP because they are targeting a variety of relevant aspects in higher education attainment. Almost all of the OPs that selected this IP, chose actions sufficiently appropriate for contributing to the goals of their SOs.

- The most selected actions in the IP 10.iii were actions focusing on the development of vocational skills, followed by those training individuals' basic skills and providing career guidance for individuals. The actions under this IP were almost entirely aimed at an individual approach across all of the member states. Specific actions under this IP include the implementation of various apprenticeships, training, and educational courses for mainly adult populations (in some instances, young population is targeted as well). Furthermore, in a similar way to other IPs, the most vulnerable groups and least employable groups are specifically targeted very often. Special focus is also placed on ICT and foreign language training in many countries. Finally, support for the improvement of managing skills can also be found occasionally in the selected actions across the member states. All of the selected actions under IP 10.iii in the selected OPs show generally high coherence with their SOs. All of the actions selected are sufficiently appropriate and will contribute to the achievement of their specific objectives.
- The most commonly selected actions under IP 10.iv are those promoting the development of individual vocational skills, creating workplace programmes – apprenticeships and traineeships – and providing individual career guidance. As was implied, actions within this IP are mainly focused on labour market relevance, as in other IPs. Most of the countries focus on vocational training and transition from education to the labour market. Moreover, support for various apprenticeships, dual vocational training and informal learning can be noticed as well. In some countries, like Germany and Italy, we can observe specific focus on migrants in their specific actions. Furthermore, a large proportion aims their actions (mainly connected with vocational trainings) at vulnerable groups like disadvantaged and disabled people to smoothen the process of transition from education to labour market. Additionally, Germany and Italy place special emphasis on skills acquisition for women. The selection of actions is congruent with the goal of the SOs and ultimately the IP, which aims to create a stronger bond between workplaces and schools. Selected actions were, as in previous investment priorities, highly coherent with the corresponding SOs. These SOs will contribute to the fulfilment of their specific objectives.

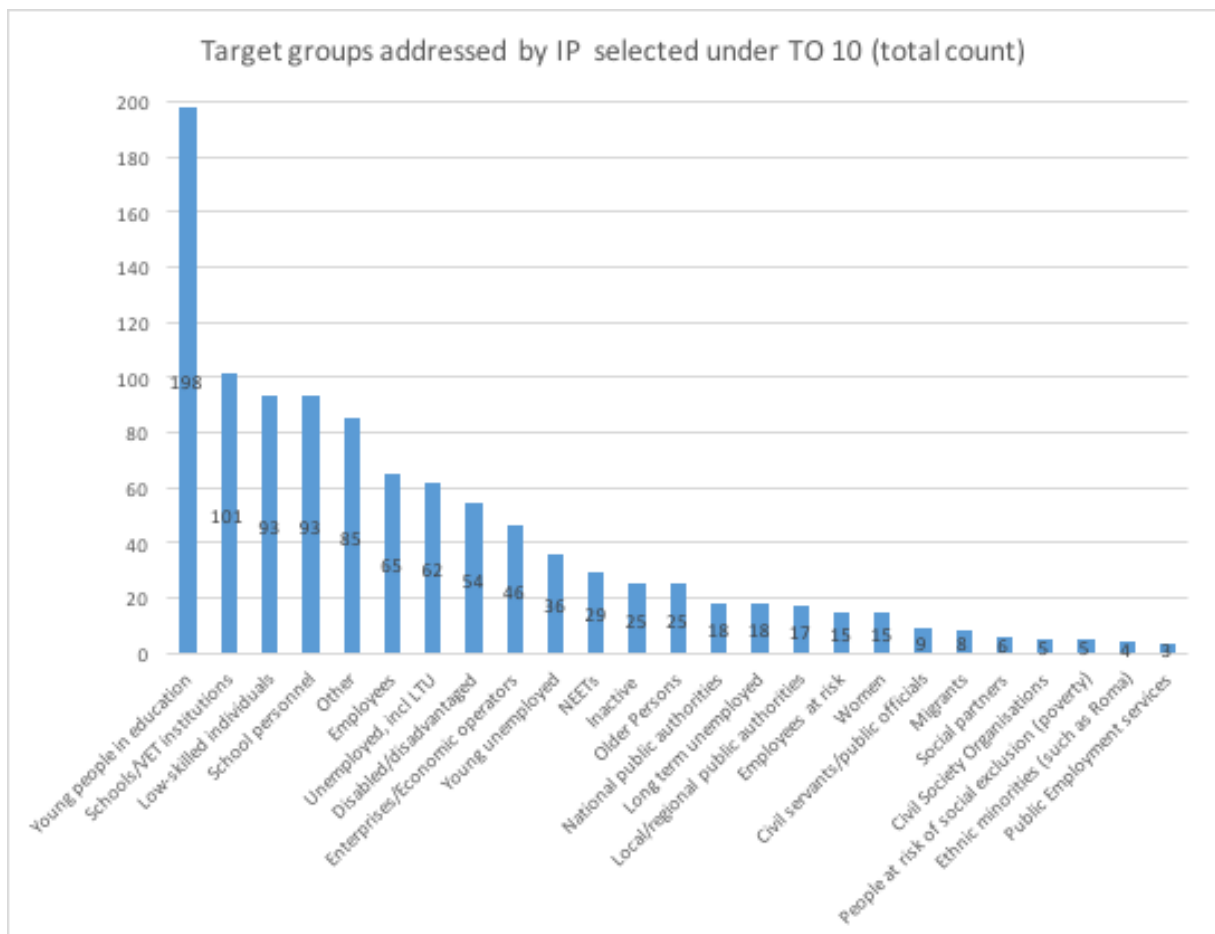
IPs 10.ii, 10.iii and 10.iv selected mostly one and the same set of actions with which they plan to achieve their goals (IP 10.ii - training for individuals in higher education, 10.iii -development of vocational skills for individuals, 10.iv - development of individual vocational skills), while IP 10.i had actions distributed more evenly between multiple categories of actions in order to achieve the specific objectives (career guidance for individuals, training for individuals in vocational skills, developing the basic skills for individuals and also measures helping reducing early school leaving). Across all of the IPs under TO10, it can be noted that there is an overlapping selection for actions supporting the improvement and development of vocational training and increasing the labour market relevance in the educational process. Actions dedicated to the listed issues, can frequently be found across all of the IPs. Additionally, Member States often focus further on the most vulnerable groups in the labour market: disadvantaged, disabled, low-income participants, migrants and women's participation in labour market as well.

As can be seen from the analysis above, there is a very high coherence between actions in this TO and their specific objectives. It is expected that all of the specific objectives should be met through the operationalisation of the selected actions.

Finally, as described above, selected actions closely follow the goals stated in the Specific Objectives and, consequently, are closely connected to the CSRs. Actions in 10.i target ESL with an emphasis on disadvantaged people; 10.ii focused mainly training of individuals in higher education; 10.iii focuses on qualification gaining among the adult population; 10.iv is focused on development of vocational skills, which is a widespread challenge in most of the MS' CSRs. There were no instances where MS would not follow its CSR in a sufficient way. In all of the MSs, we can notice the general focus on increasing labour market relevance (mainly vocational trainings) with an emphasis on the most vulnerable groups, which directly stems from the challenges identified in the CSRs.

Selection of the targeted groups should also be carefully made with regard to the specific objectives. Target groups should effectively contribute to accomplishment of the SOs and ultimately the goals set up in the IP. In the figure below, one can see the distribution of the target groups in the TO 10. For each IP, up to four target groups could be selected.

Figure 5.6 Distribution of target groups in TO10



Source: ESF OP DB

As can be seen, the overwhelming majority of the targets consist of young people in education. The other frequently targeted groups are schools, low skilled individuals and school personnel. The group of "other" which is the fifth biggest category consists of various participants like persons from relevant industries, highly specialised staff, parents, public servants, etc. As a consequence, these targets are congruent with the general focus of TO10 on education. Together, these targets represent almost half of all the targets in this thematic objective.

The distribution of target groups in IPs 10.i, 10.ii and 10.iv is very similar to the general trend in TO10, presented in the paragraph above. In all of these investment

priorities, the most targeted group is represented by young people in education. In the IP 10.iv, the target group of enterprises (employers, companies, and organisations) is also one of the most targeted groups, along with the three that have already been listed. This is in full accordance with the goals of the IP since this investment priority aims to increase the linkage between the needs of employers in the labour market and the educational system; thus, employers, schools, teachers and young students are the most commonly targeted groups.

The targets in IP 10.i and 10.ii are also fully congruent with the goals stated in the IP, which try to reduce early school leaving and higher education attainment by targeting mainly young people in education as well as schools and school personnel. Next, the observed trend in targeting under IP 10.iii is slightly different from other investment priorities in TO10. The most targeted groups are low skilled individuals, unemployed, employees, disadvantaged people, and young people, respectively. Since this IP aims to promote lifelong learning, targeting the most at risk groups is fully congruent with the goals that are planned to be achieved within the IP.

Finally, the overall coherence between target groups and specific objectives in this TO is very high. All of the selected investment priorities under the analysed OPs include target groups, which are relevant for reaching the specific objective. There were no registered cases of target groups being irrelevant to the specific objectives or insufficient in inducing the changes foreseen. It is expected that all foreseen targets should be fulfilled. As a result, the selected target groups are appropriate in reaching the challenges identified in the CSRs and support the selected actions and Specific Objectives.

5.5 Performance of ESF investment in TO 10

5.5.1 Output indicators

This section explores the types of indicators that are used across the various investment priorities under TO10. While discussing the output indicators, considerable number of output indicators (29.5%) could not be classified in the main 26 categories. As such, this group consists of a wide variety of indicators, such as those that do not belong to the participants / entity type (for instance, number of hours spent, number of tools developed, number of platforms, etc.). The group of the "other" category represents indicators that did not fall under the common categories of indicators. As a consequence, we will be focusing our analysis on indicators falling under 26 common typologies of Output indicator.

When the category of "others" is excluded, it can be noted that most of the selected categories were targeting employed individuals (16.5%), persons below 25 years of age (11.8%), people with primary or lower secondary education (11.1%), and number of projects targeting public administrations or public services at national, regional or local level (10%). When looking at the country level distribution, it can be seen that another one of the most targeted groups was employed individuals, who were selected the most by 8 countries in total (Belgium, Hungary, Italy, Luxembourg, Malta, Poland, Slovenia, and Sweden). This Output indicator includes teachers engaged in the programmes and also employees, for instance, participating in life-long learning. In addition, Luxembourg had only 2 Output indicators selected in TO10 and both were targeting employed individuals. The second most targeted group were institutions and organisations, which were selected by 6 countries (BG, CZ, EE, EL, LV, and SK). Other frequently targeted groups, by 5 and 4 countries, respectively, were participants with tertiary education (CY, LT, PT, CR, SK) and participants with primary or lower secondary education (DK, FI, ESP, UK).

On IP level, as can be seen, the most targeted groups in IP 10.i are employed, younger than 25, and people with lower educational attainment. In the IP 10.ii, people with tertiary education are targeted; IP 10.iii focuses on employed, people with lower

education and individuals older than 54. Finally, IP 10.iv is primarily aimed at people younger than 25, employed individuals and people with higher secondary education. To conclude, these targets clearly reflect the goals pursued by the corresponding investment priorities.

The table below shows the distribution of target values across the TO10. As can be noted, IP10.i focuses primarily on people with lower education in order to prevent ESL (5 200 000+ targets), and also focuses on people aged below 25 years (1 400 000+ targets). When looking at the country level, 6 out of the 19 member states who have selected this IP are primarily targeting individuals younger than 25 years (AT, BG, FR, DE, HU, PT); 4 are focusing mainly on people with lower education (EE, IT, PL, ESP). This selection of Output indicators can be mainly explained by the need to decrease early school leaving under this IP.

In IP 10.ii, dealing with tertiary education attainment, most targets are aimed at people with tertiary education (380 000+ targets). This trend corresponds with the data at the country level; in, 6 out of 16 countries, the majority of target values are assigned to people with tertiary education (BG, HU, LT, PL, PT, ESP), while in 4 countries the most target values are clustered among people with higher secondary education (FR, DE, IT, MT).

Overall, in IP10.iii the majority of target values are focused on the lower educated (1 700 000+ targets) and employed (1 100 000+ targets). People with lower education are the most targeted groups on the country level in 7 Member States (AT, DK, FI, HU, PT, ESP, UK), while employed are most targeted in 5 Member States (BE, DE, LU, SL, SE). Other targets are targeted by few countries. The frequency of the selection of these target values can also be explained by the general goals of this IP, to improve life-long learning, since these programmes are mainly focused on the active (employed) population with lower qualifications, which needs to be increased.

Finally, the most targeted individuals in IP10.iv are those aged below 25 (1,600,000+ targets) with lower education (1,300,000+ targets). The trend on the country level is slightly different. Overall, 21 MSs selected this IP. The three most targeted groups among countries are people aged below 25 (7 MS: BG, FR, DE, IT, PL, PT, UK), employed (4 MS: HU, LV, MT, SL), and people with lower education (3 MS: DK, SK, ESP).

The Output indicator category of "other", under this TO, includes, for example, the number of classes opened, number of scholarships granted, hours of training completed, number of apprenticeship contracts received, etc.

Finally, it can be stated that all of these Output indicators contribute to reaching the established goals. The overwhelming majority of all the analysed Output indicators in TO10 represent the scope of the activities implemented to a large extent, while only a few of the Output indicators represent the scope of the activities implemented in a limited way. This shows that, overall, the output indicators are well chosen as a measurement of the selected activities towards the specific objectives. In the few cases where output indicators do not sufficiently reflect the scope of the activities implemented, it is often due to a lack of detail in the definition of the indicator.

Table 5.2 Distribution of Output indicators values in TO10

#	Category of indicator	10i	10ii	10iii	10iv	Grand Total
#	OI categories	2,594	3,660	823,473	591,669	1,421,396
1	Unemployed, incl. LTU			245,791	75,513	321,304
2	Long-term unemployed	130,840	10,836	263,069	176,203	580,948
3	Inactive	116167		10,985	20,385	147,537
4	NEET	771,282	150,240	1,183,529	353,018	2,458,069
5	Employed, self-employed	1,419,969	550	186,446	1640,248	3,247,213
6	Young people			332,613	17,199	349,812
7	Above 54 y.o.,			2,652		2,652
8	Above 54 y.o., unempl, NEET	5,219,221		1,729,960	1,345,476	8,294,657
9	Low education	90,277	92,320	885,702	393,940	1,462,239
10	Secondary/post-sec education		382,112	34,578	63,630	480,320
11	Tertiary education	3,535			3,025	6,560
12	in jobless hh	2,555			2,185	4,740
13	in jobless hh with children	3,145		46,240	2,690	52,075
14	in single_hh_with children	3,3150		156,735	2,930	192,815
15	marginalised, migrants	730	2,382	78,343		81,455
16	disabled	193,015	227,749	141,842	27,046	589,652
17	Other disadvantaged	38,285		6,270	12,690	57,245
18	homeless			184	429	613
19	Rural areas		284	1	10	295
20	projects social_partners	76,905	5,621	84,763	25,221	192,510
21	N projects women		80	1,074	25,092	26,246
22	N projects PA	22,617	184	2,975	4,744	30,520
23	N micro SMEs	55		1,470		1,525
24	N organisations	440		1,280	1,051	2,771

green highlight represents the most targeted category in the IP, light green highlight represents second most targeted category in the IP

Source: ESF OP DB

While aggregating the target values of output indicators the highest targets are reported for the low skilled individuals – ISCED2max (8.3 million), followed by people younger than 25 years (3.25 million) and employed (2.46 million). Furthermore, also those with upper secondary education – ISCED3-4 are addressed in a large share (1.46 million) along with unemployed (1.42 million). The selected output indicators are well chosen as measurement of the selected activities towards the specific objectives.

5.5.2 Result indicators

Result indicators facilitate an assessment of whether, or not, specific objectives have been attained; they are a crucial element for the monitoring and evaluation of ESF programmes. In the following section, we present an analysis of the various result indicators defined for ESF programming and the related targets.

The most frequently used indicator for TO10 is the number of persons gaining a qualification upon leaving, followed by participants in education upon leaving. In terms of distribution across different investment priorities, the table shows that result indicators connected with education and qualification gaining constitute approximately half of all the selected result indicators, in all of the investment priorities under TO10. Since IP 10.iii is primarily focused on lifelong learning, the majority of selected result indicators are aimed at the category of persons gaining a qualification, while in other investment priorities, the majority of result indicators focus on persons in education.

When looking at the country level, the distribution of selected result indicators is very similar to that of the TO level. Two of the most commonly selected groups of result

indicators are those already listed: participants in education and participants in qualification upon leaving. Result indicators concerning persons in qualification are the most selected indicators in 11 member states (Belgium, Germany, Ireland, Italy, Luxembourg, Malta, Poland, Portugal, Slovenia, Spain, and UK). In the cases of Luxembourg and Ireland, these are the only result indicators selected. The second group of most frequently selected result indicators is constituted by Result indicators concerning persons in education upon leaving, which was the most selected Result indicator in 9 member states (Austria, Bulgaria, Belgium, Czech Republic, Denmark, Finland, France, Hungary, and Romania). In the case of Austria, its only selected result indicator is aimed at education. Some countries have chosen the same amount of indicators in more categories; Belgium is therefore situated in both of these most frequently used groups. The average amount of selected categories of result indicators is 4.4. The most versatile countries in this respect are France, Germany and Italy, which have selected 11, 10, and 10 result indicator categories, respectively. However, as has been said, the overwhelming majority of member states focus their result indicators on the issue of education or qualification gaining.

The category of "other" includes indicators measuring number of innovative practices, number of successful cooperations, tests finished, satisfaction levels of customers, rate of third party funds, number of registered training/apprenticeship programmes, etc.

To conclude, our analysis shows that the vast majority of result indicators is well aligned with the corresponding specific objectives and are assumed to positively contribute to reaching the expected goals. All of the Result indicators are expected to contribute to reaching the selected goals.

The table below provides an overview of the aggregation of target values of result indicators.

Table 5.3 Result Indicators target values in absolute values for TO9 (absolute values)

Result Indicators categories	10i	10ii	10iii	10iv	Total
Job searching upon leaving		20	84,536		84,556
In education upon leaving	291,771	196,701	75,521	101,684	665,677
Qualification upon leaving	728,886	195,913	2796,383	674,756	4,395,937
In employment upon leaving		2,944	194,739	17,516	215,199
Disadvantaged in job search, training, employment upon leaving	336				336
In employment 6 months after leaving	6,320	6,290	92,341	36,373	141,325
Improved LM situation 6 months after leaving			8,691	3,313	12,004
Participants 54+ in employment 6 months after leaving			27,468	1,474	28,942
Disadvantaged in employment 6 months after leaving			50		50
Improved capacity -institutions	41,555	1,916	80	23	43,574
Improved capacity - CSO				403	403
Improved capacity - companies/economic operators				790	790
Improved capacity of special groups					
Improved awareness					

Source: ESF OP DB

Aggregating the targets set for result indicators (only those measured by an absolute value) one can see that high values are reached in terms of qualifications upon leaving (4,395,937), followed by persons in education upon leaving (665,677), and in employment after leaving (215,199).

6 ESF INVESTMENT IN ENHANCING INSTITUTIONAL CAPACITY OF PUBLIC AUTHORITIES AND STAKEHOLDERS AND EFFICIENT PUBLIC ADMINISTRATION (TO11)

Key findings

- Support of good governance (including capacity building, organisational adequacy, accountability and transparency) has been explicitly addressed in a CSR for 20 Member States; 17⁴⁹ Member States invest in TO11; there were a few cases where institutional capacity has been also mentioned but in the framework of other TOs (e.g. related to PES and TO8).
- Most TO11-relevant CSR are expressed in quite broad terms referring to the quality and efficiency of public administration and elicited broadly coherent responses by the OPs, although in some cases more targeted recommendations were also made (e.g. regarding the judiciary or specific public welfare departments).
- IP11i has been selected in OPs in Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovenia and in the Slovak Republic pursuant to Regulation (EU) No 1304/2013, Art.3 (1)(d). A few member states, namely Croatia, France, Italy, Malta, Portugal, Slovenia have selected (also) IP11ii.
- Smaller Member States usually cover TO11 through dedicated Priority Axes. Bulgaria, Greece, Hungary, Italy, Romania and the Slovak Republic have separate Operational Programmes dedicated entirely to TO11.
- In the case of the TO11 specific objectives are almost equally divided among those that target institutional competences (54 cases out of 107) and good governance (47 cases out of 107).
- Challenges were very broadly formulated; specific objectives followed suit, (at least in comparison to the other ESF TOs). Specific Objectives are highly coherent with the logic of the Investment Priority (which is also broad and for practical purposes overlapping) and capture the change sought by the MS. Actions and target groups are coherent to the Specific Objectives and serve the achievement of the latter.
- Actions are oriented towards entities and institutions. They relate to tools and instruments, competence improvements, change management followed by a number of less frequent action types. Actions related to individuals focus on integrated approaches and vocational training. Actions are considered to be the mainstream types of interventions for institutional capacity development in the public sector.
- Target groups are civil servants, national and local public organisations, CSO, social partners schools etc. These are the classic "clients" of good governance interventions.
- Output indicators closely follow actions and target groups, number of projects, number of involved institutions and number of "employed, including self-employed" persons are dominating. The choice for the first two is self-explanatory; "employed, including self-employed" are the civil servants engaged in one of the actions focussed on "vocational training" and "integrated approaches". The last one is also the only indicator that can be safely aggregated at EU level; a total of 937.580 persons will be involved. The other indicators do not have a common methodology of what constitutes a project; some indicators cluster "projects" into larger aggregates, others consider even the smallest action an independent operation.
- Result indicators relate to improved capacity/competence of institutions and social society organisations and participants (i.e. civil servants) gaining a qualification upon leaving. Beyond this, result indicators are strongly context-related. There is also a rather large number of indicators (app. one third) that refer to performance rather than capacity. Quantification and aggregation suffers from the same problems as in the case of the output indicators. However, when neglecting the quantification, the overall group of selected and defined result indicators adequately capture the nature of the interventions and the intentions of the OPs.
- Comparison of OPs and approaches among member states is difficult; there are no common frameworks. Hence the details of each OP are very context specific. What is common however is the fact that the overall approach of the Member States is comprehensive but also conventional.

⁴⁹ Bulgaria, Czech Republic, Croatia, Cyprus, Estonia, France, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovenia, Slovakia.

6.1 Policy context

Good public administration significantly impacts upon the economic environment and is therefore crucial to stimulate sustainable growth. Reform of public administrations was listed as a key priority for the successful implementation of the Europe 2020 Strategy.

The Annual Growth Survey 2014 and 2015, the Economic Adjustment Programmes and other frameworks of Financial Assistance in EU Member States highlight the need for Member States to increase the efficiency and effectiveness of public services, as well as the transparency and quality of public administration, including the judiciary.

“Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration” is included as a separate thematic objective (thematic objective 11 or "TO11") in the Common Provisions Regulation for the 2014-2020 programming period (Regulation (EU) 1303/2013, Art.9). While both the ESF and ERDF should contribute to this TO11, their role is quite different. ERDF has a narrow scope of either supporting ESF TO11 interventions with infrastructure or in focusing on the ERDF implementation per se.

In the case of ESF the effectiveness and efficiency of public administration is crucial in order to achieve the results under all other TOs. Institutional capacity is thus not just a narrow, technical question of upgrading civil servants’ skills; it relates to how public authorities define their scope, how they interact with businesses and citizens, and how they deliver services to these groups.

Institutional capacity and efficiency of public administration and stakeholders is therefore a horizontal element. This notion is substantiated by the fact that TO11 is not directly related to any of the Europe 2020 headline targets; it is a condition sine qua non.

The ESF support is delivered through two investment priorities:

- i. Investment in the institutional capacity and efficiency of public administrations and public services; this is carried out at national, regional and local levels with a view to reforms, better regulation and good governance;
- ii. Capacity building for all stakeholders delivering education, lifelong learning, training and employment, and social policies; this includes sectoral and territorial pacts to mobilise reform at the national, regional and local levels.

Possible actions of support are categorised according to three broad dimensions:

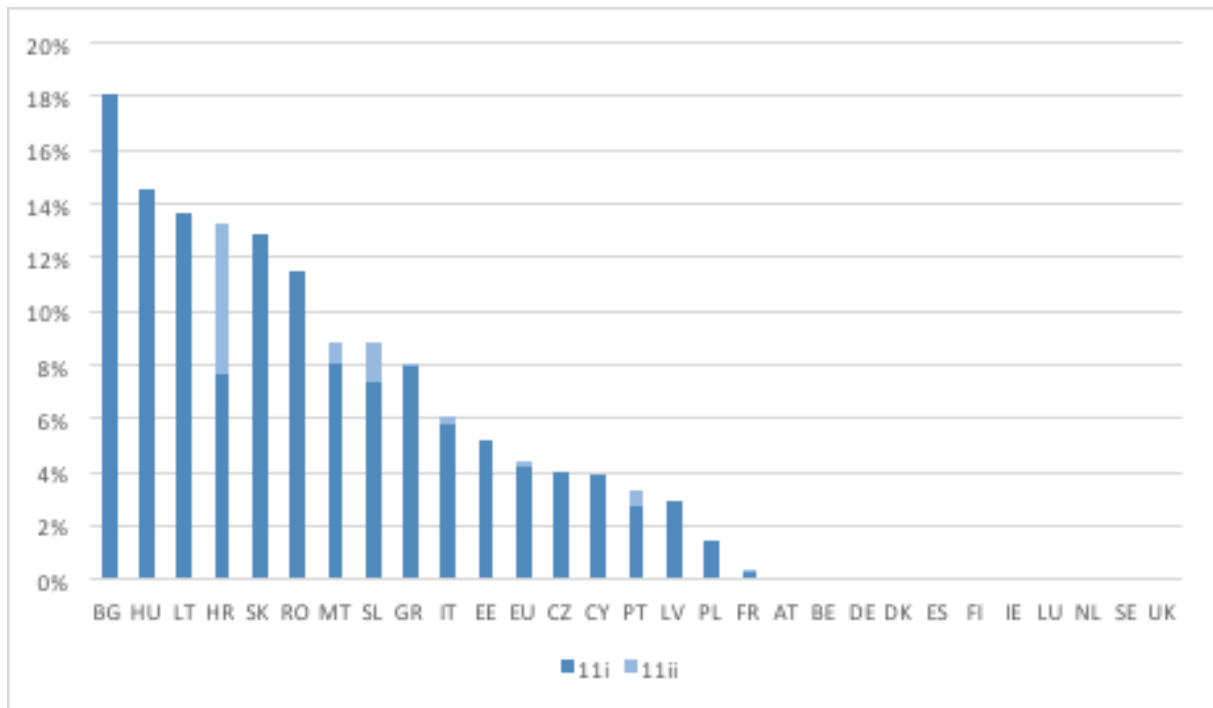
- Structures and processes: e.g. legal, regulatory and constitutional changes; public participation initiatives; process reviews; introduction of new business models and management practices; de-centralisation; devolution or re-structuring of institutions; impact assessment; evaluation, monitoring and audit etc.
- Human resources: e.g. modernising recruitment and incentive policies; better management of human resources, including division of tasks and responsibilities; retention, appraisal, motivation, empowerment, career development and incentives for personal development etc.
- Service delivery: e.g. optimising and re-engineering business processes, diversification of the channels for the delivery of services, systems and tools related to e-government, service benchmarking and ombudsman procedures.

6.2 Overview of investment per IP for TO11

Overviewing the ESF budget allocation to relevant Investment Priorities within TO11, one sees that in 17 countries relevant IP are selected (Bulgaria, Hungary, Lithuania, the Republic of Croatia, the Slovak Republic, Romania, Malta, Slovenia, Greece, Italy, Estonia, the Czech Republic, Cyprus, Portugal, Latvia, Poland and France), allocating ESF budget to TO11 ranging from 18.1% (for Bulgaria) to 0.3% (for France) of total

ESF budget (see figure 6.1). Capacity building for all stakeholders (IP11ii) is selected by a smaller number of MS (namely Croatia, Slovenia, Malta, Portugal, Italy, France, and Greece).

Figure 6.1. Overview budget share per Investment Priority – T011



Source: SFC 2014, ESF OP DB

6.3 CSR that are addressed related to T011

In a similar way to the other TOs, an attempt was made to establish a connection between the Europe 2020 strategy, in general (since no relevant targets exist), and the response to the CSR challenges. However, the latter were rather broad and universal, and therefore difficult to make a differentiation between IP11i and 11ii; in most cases the difference is in the formulation of the target groups rather than the approach. In the table below, it is indicated whether an IP address a CSR across different MS (the blue cells). In the case where the cell is coloured blue and at the same time budget is allocated to this IP, this means that an IP is responding to a CSR. In case no budget is included, the CSR is not addressed, or, vice versa, when an IP is receiving budget, but not addressed by a CSR.

Table 6.5. Overview of selected IP, budget allocated and alignment with CSR (relevant CSR are coloured blue)

Countries	CSR related to strengthening institutional capacity of public administration and services + allocation to IP 11i	CSR related to capacity building for all stakeholders delivering education, lifelong learning, training and employment, and social policies + allocation to 11ii
AT		
BE		
BG	€ 251,473,105	
CY	€ 5,055,000	
CZ	€ 134,315,000	
DE		
DK		
EE	€ 30,211,800	
ES		
FI		
FR	€ 14,656,000	€ 5,549,000
GR	€ 281,126,067	€ 1,700,000
HR	€ 109,977,000	€ 81,300,000
HU	€ 684,856,000	
IE		
IT	€ 580,714,455	€ 31,878,861
LT	€ 150,359,184	
LU		
LV	€ 18,063,357	
MT	€ 8,000,000	€ 800,000
NL		
PL	€ 172,303,000	
PT	€ 199,901,000	€ 49,795,000
RO	€ 514,080,636	
SE		
SK	€ 267,311,000	
SL	€ 52,058,607	€ 10,015,373
UK		
Total EU	€ 3,474,461,211	€ 181,038,234
CSR relevant budget (% of total ESF budget)	100%	100%

Source: CSR 2013/2014, SFC 2014, ESF OP DB

Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration was addressed by a CSR in 20 Member States; 17 of them activated TO11 (Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, France⁵⁰, Greece,

⁵⁰ France is a special case: the CSR refer to tax burden on labour, efficiency of the tax system and employer social security contributions. However, France does not address the issue in OPs

Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovenia and in the Slovak Republic). The challenge was broadly defined by the capacity, quality and efficiency of the public administration, which included issues relating to administrative reform on national and local levels, judicial reform, and e-governance. Expected benefits target both citizens and businesses.

However, there are also some secondary aspects of the challenges that have been defined more specifically, among which:

- Capacity of local government (Estonia);
- Capacity of PES (Slovakia and Greece);
- Capacity of the labour inspectorate and the abatement of undeclared work (Greece);
- Capacity of the welfare benefits agency (Cyprus);
- Quality of the health System (Bulgaria);
- Ensuring the efficiency and impartiality of the judicial system, and the reduction of corruption (Croatia, Italy, Latvia);
- Reduction of judicial backlog (Italy and Latvia);
- Improving EU funds management and absorption (Bulgaria, Italy, Romania, Slovak Republic);
- Improving ICT support, e-governance and competence building (Slovenia).

As a general observation, the specific theme has been given due attention in those countries where it has been considered relevant. Some MS have allocated considerable funds (e.g. Hungary, Italy, Romania and Greece) and have wrapped up the interventions in "good governance"-dedicated OPs and other OPs (6 out of 16 MS). The remaining 10 (excluding France) MS have interventions integrated into ESF-OPs or multi-fund OPs, especially in the smaller MS, with a limited number of OPs.

The following groups of countries (out of the 28 Member States) can be identified by overviewing the OP response to challenges, such as enhancing institutional capacity, as indicated by the CSR:

- **Group 1:** MS where the theme is not addressed in the CSR, and where it is not considered to be a challenge or is not dealt with in the OPs, since the MS is not eligible for the TO11 (in accordance to Reg. 1304/2013, Article 3) (11 MS). There are, however, MS where the theme is peripherally addressed in the challenges; these cases usually relate to the performance of public authorities relevant to TO8 and the partnerships between public authorities, public employment services and education institutions (e.g. in Belgium and Denmark). They are not dealt with in this report;
- **Group 2:** Countries where institutional capacity of public authorities is clearly addressed in the CSR, where IP under TO11 are selected under one of the Priority Axes and usually allocated with 2-5% of the ESF Funds (Cyprus, Czech Republic, Estonia, Latvia, Malta, Poland, Portugal, Slovenia). This is the case in two other cases, but with significantly more funds (Croatia and Lithuania);
- **Group 3:** Countries where institutional capacity of public authorities is clearly addressed in the CSR and where entire OPs, coupled with interventions from other multi-thematic OPs in some cases, are dedicated to the issue with a budget range of a few percentage points up to 15% (Bulgaria, Greece, Hungary, Italy, Romania and the Slovak Republic).

Table 6.6. Overview of the groups and financial allocation

Special Theme:	Enhancing Institutional Capacity (IP 11i and 11ii)		
	No challenge and IP not activated	IP activated and dealt within an Priority Axis	IP activated and dealt within a dedicated OP
IP not activated or very limited funds	AT, BE, DE, DK, IE, FI, FR, LU, NL, SE, UK		
Budget allocated to IP11i/11ii between 1% and 10% of total ESF allocation		CY, CZ, EE, LV, MT, PL, PT, SI	GR, IT ⁵¹
Budget allocated to IP11i/11ii between 11% and 15% of total ESF allocation		HR, LT	BG, HU, RO, SK

Source: ESF OP DB

One can conclude that the all MS are demonstrating coherence between CSR recommendations (or lack thereof) and activation of TO11. In praxis differentiation between IP11i and 11ii has been minimal, so both IPs are treated as one. However, the rationale for TO11 actions is much broader than the one contained in the CSR. This rationale is not always visible in the OP; contextual information is needed in the analysis (e.g. for those countries with an economic adjustment programme).

Where TO11 is activated, a contribution to the prerequisites for implementing the Europe 2020 Strategy is given. In some rare cases, topics relevant to TO11 might also be treated under other TOs, especially in relation to the capacity and performance of institutions in other TOs (e.g. PES and TO8, social services in TO9, or governance of the education and training systems in TO10).

As a final remark, it should be mentioned that, due to the broadness of the challenges, it would have been almost impossible to have TO11 interventions that are, if not fully coherent, at least not aligned with them.

6.4 Specific objectives, actions and target groups supported

6.4.1 Specific objectives

Specific objectives should narrow down the scope of the IP and capture the direction of changes which the Member States seeks to achieve with EU support.

In the case of the TO11 specific objectives are almost equally divided among those that target institutional competences (54 cases out of 107) and good governance (47 cases out of 107).

Due to the very broad nature of the challenges related to good governance, the uniform approach of most MS in distinguishing between IP11i and IP11ii and the inevitable broad formulation of objectives (at least in comparison to the other ESF TOs), the analysis of objectives deviates from the other chapters.

Instead a clustering of topics has been attempted based on:

- Broadness of challenges (broad, i.e. the challenges refer to quality and efficiency of public administration in general, medium i.e. as the broad category but also explicitly including specific topics e.g. judiciary process and narrow, i.e. Cyprus where a very specific topic is addressed);
- Thematic scope of the intervention logic and the specific objectives based on five categories (loosely based on the types of intervention defined in chapter

⁵¹ In addition to the interventions of the dedicated national OP, OT 11 is also addressed by regional OPs and other national OPs.

Errore. L'origine riferimento non è stata trovata. and ESF key actions as defined in the TO11 Thematic Guidance Fiche) and

- Budget in absolute and relative terms.

The following picture emerges:

Table 6.7. Broadness of challenges and MS response in the OP intervention logic

Broadness of challenges	Member State	Reform	Human Resources	Efficiency of the PA	Capacity building	Participation	Total allocation in EUR million	Share of total ESF allocation
Broad (challenges and objectives address of good governance and capacity building in general)	Croatia	X		X	X		191.28	13%
	Czech Republic	X		X			134.32	4%
	Estonia	X	X	X	X		30.21	5%
	Lithuania	X	X	X		X	150.36	14%
	Poland						172.30	1%
	Portugal	X	X	X	X		249.70	3%
	Bulgaria	X		X	X		251.47	18%
	Greece	X		X	X	X	282.83	8%
	Hungary	X	X	X			741.17	16%
	Italy	X	X		X		598.20	6%
Medium (as in "broad" but with individual references to specific topics)	Latvia	X	X	X			18.06	3%
	Malta	X	X		X		8.80	9%
	Romania	X	X	X			514.08	11%
	Slovenia	X	X	X	X	X	62.07	9%
	Slovak Republic	X	X	X			267.31	13%
	Narrow	Cyprus ⁵²	X	X	X			5.06

Source: ESF OP DB

The distinction between the approaches of IP11i and IP11ii is minimal. Overall, the Specific Objectives are highly coherent with the logic of the IP (which is also broad and for practical purposes overlapping) but not very specific.

With the exception of Cyprus (where scope is on par with the funds allocation), there is no rule detectable along the three clustering dimensions (although the bigger budgets are in the medium category). This is coherent with the fact that no common reference framework, approach or benchmarks exist in the field of TO11 (as it might be the case under other TOs). Instead, interventions are very context specific.

6.4.2 Actions and target groups

Having a closer look on the actions selected under TO11 (see figure 6.2), one sees that they are mainly related to entities (tools and instruments in 13 MS⁵³, competence improvements in 12 MS, change management in 11 MS followed by partnerships, studies, awareness actions and other non-categorisable actions). Actions related to individuals focus on integrated approaches and vocational training. This approach is coherent with the three broad dimensions suggested by the EC Guidance Fiche. The overall structure of actions reflects mainstream approaches, such as, for example, the one proposed by the World Bank that was split into "...skills upgrading (who),

⁵² In the case of Cyprus there is strong focus on improving the welfare benefit system for the most marginalised groups; improving public administration services is also addressed but in as a background issue.

⁵³ The variable used here is frequency rather than absolute number, since MS quantify actions very inconsistently. For example one MS can consider vocational training as one comprehensive action whereas others might break-it down in smaller units. In both cases the intention of the MS is however similar.

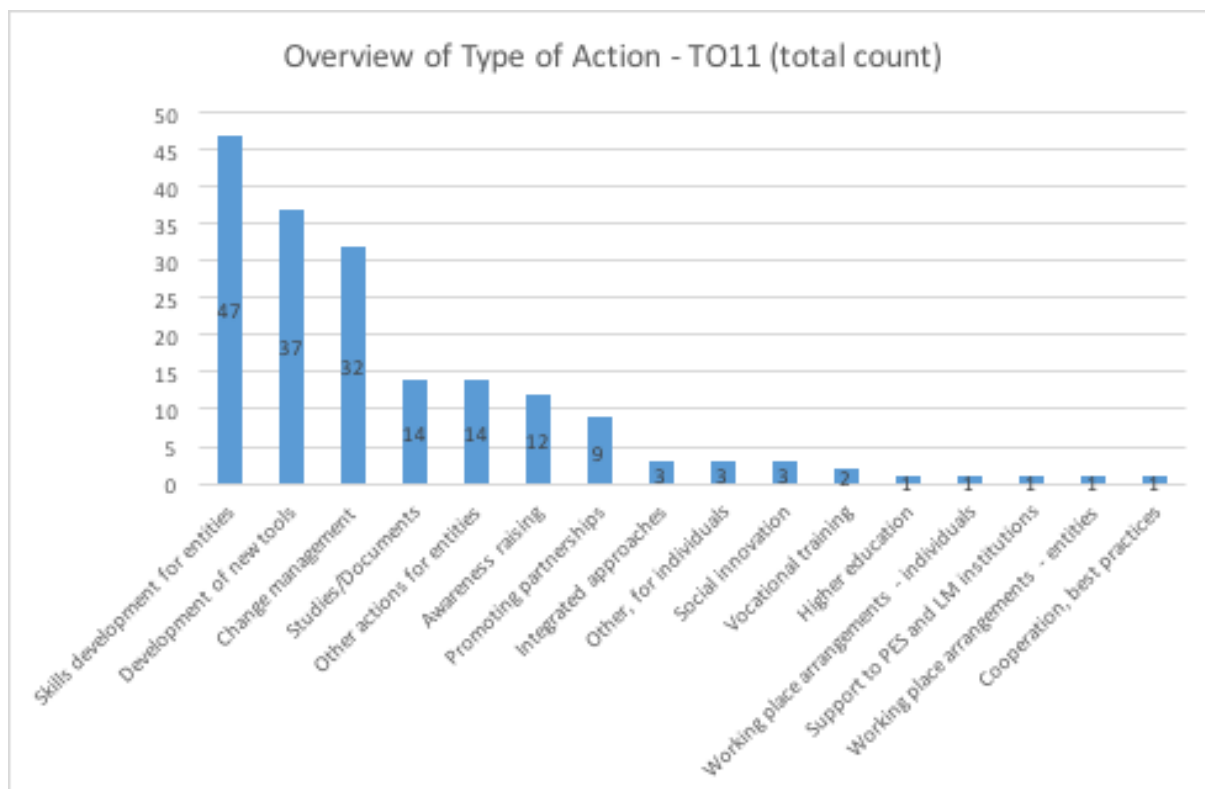
procedural improvements (how), and organizational strengthening (what system)”⁵⁴. This approach included the development and execution of training programmes, planning, managing and adapting policies, improving coordination between institutions, improving capacities for analyses, research and forecasts, ICT-based platforms, networks etc.

All of these actions are considered to be the mainstream types of interventions for institutional capacity development in the public sector; at the same time, innovation is scarce, at least from what can be seen in the OPs. In some cases, innovative elements are to be found under the category other; these are related to the promotion of the involvement of the society and of local government into the public administration processes, introducing quality management systems, introducing professional ethics and codes of conduct, enhancing transnational cooperation, and fostering social innovation etc.

Reflecting on the earlier discussion of the broadness of challenges and objectives, the actions can be considered as appropriate and able to contribute to the achievement of specific objectives.

The most diverse portfolios of actions (based on the typology and categorisation followed with the present study) were detected in Italy (11), Bulgaria (7), and Portugal and Slovenia (each 6). The narrowest approaches were in Greece and Latvia (with a focus on change management and tools in Greece and partnerships and numerous, but not categorisable, actions in Latvia).

Figure 6.2. Typologies of actions selected under TO11, frequency



Source: ESF OP DB

The defined actions also correspond well with the target groups. These are ranked in order of frequency: local regional public authorities, civil servants, national public organisations, social partners, civil society organisation and, to a lesser extent, enterprises, employees, PES, schools etc. These are the classic “clients” of good governance interventions. Only in MS with a more detailed challenge set and specific

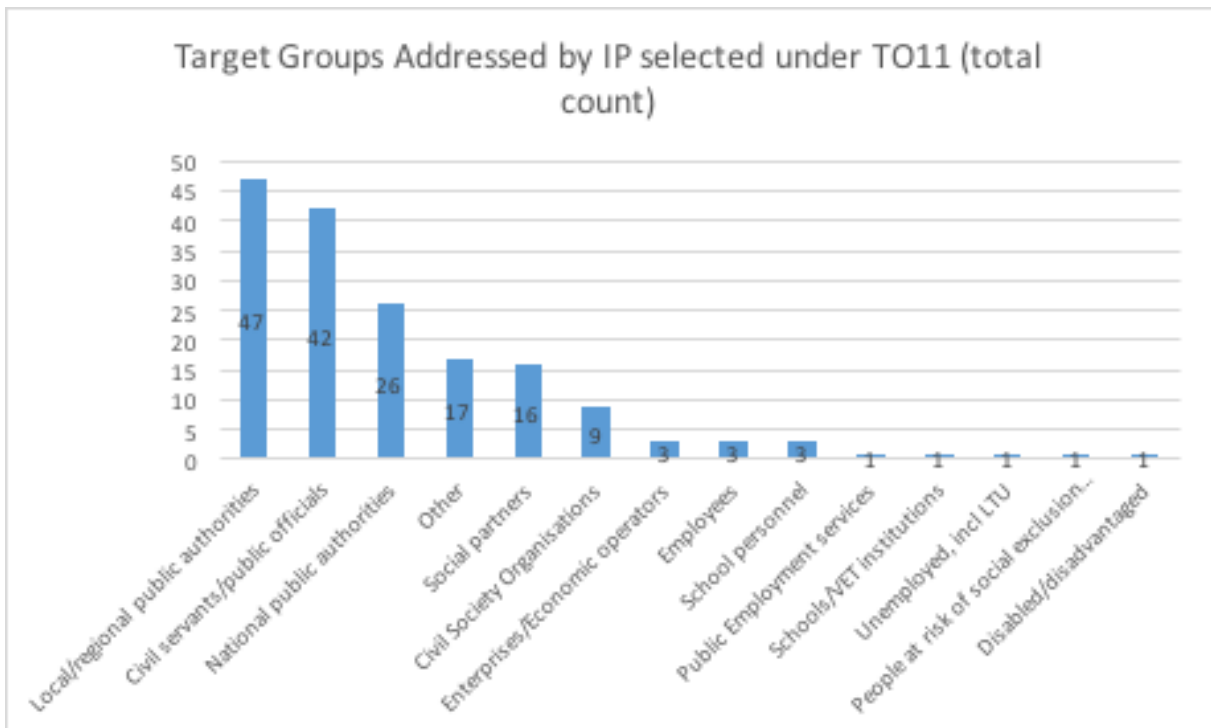
⁵⁴ EC (2014), Guidance Document on Indicators of Public Administration Capacity Building

intervention logic are there target groups that are as closely linked to the actions (e.g. school personnel, enterprises and civil society organisations in Malta).

In rare cases, there are also references to “outsiders” (e.g. unemployed, people in or at risk of poverty and disadvantaged groups or more general “citizens”). In these cases there is some confusion over definition; it is unclear as to whether the OP includes them as direct target groups of the OP action or as “distant” beneficiaries of the OP effect. The impression is that the latter is the case for most OPs. This assumption is also strengthened by the fact that participation is not explicitly mentioned in the objectives or actions of the majority of the Ops (just like the programme specific output and result indicators).

The broadest scopes of target groups (based on the typology and categorisation followed with the present study) were detected in Italy (10), Croatia and Malta (5 each). The narrowest approaches were found in Cyprus, Czech Republic, Greece and Latvia (only 1 in each case, national and local authorities or in the case of Cyprus persons in poverty risk).

Figure 6.3. Target groups supported under TO11, frequency



Source: ESF OP DB

6.5 Performance of ESF investment in TO 11

6.5.1 Output indicators

The most common output indicators used under TO11 are, as expected, “Number of projects targeting public administrations or public services at national, regional or local level”, “No. of involved Institutions/Organisations”, and “Employed, including self-employed”, see figure 6.3.

The choice for the first two is self-explanatory; “employed, including self-employed” are the civil servants engaged in one of the actions focussed on “vocational training” and “integrated approaches”. This is the only indicator that can be safely aggregated at EU level; a total of 937.580 persons will be engaged. Only Cyprus, Czech Republic, Latvia, Slovenia and Slovakia did not make use of this indicator.

All of the other indicators must be considered with caution as far as the absolute values are concerned. The quantification applied by the MS is very diverse; for example, Bulgaria has a total of over 200,000 "projects targeting public administrations or public services at national, regional or local level" (obviously an outlier referring to number of people involved in projects), while Cyprus has only two.

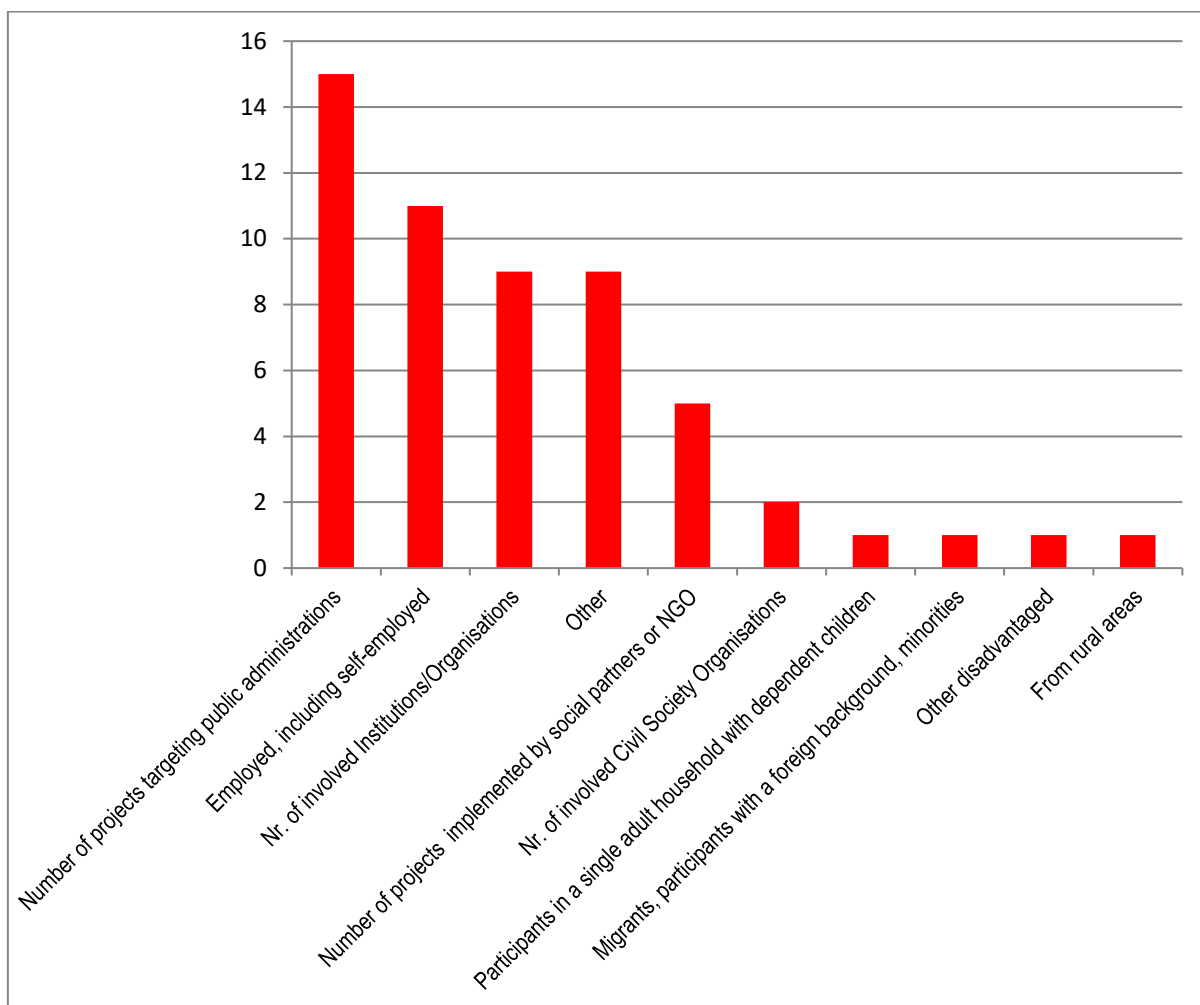
Another frequently selected category was "other" (i.e. many outputs were defined using programme specific output indicators). Examples of actions in this category include support schemes addressing NGO capacity, number of cases of irregularities reporting (which is rather a result), the number of IT systems, and the number of e-deliverables etc. This is consistent with the overall divergent approach to TO11 in comparison with TO8-TO10.

The broadest sets of output indicators were detected in Bulgaria (9), and in Croatia, Greece and Italy (5 each); the narrowest sets were found in Cyprus and Latvia (1 each). In lack of a common reference framework it is not possible to say that a broad set of indicators is a sign of an integrated approach; it might rather be merely an administrative peculiarity.

definition of output indicators is in line with the actions outlined and the target groups; they are able to measure the progress of the activities and indicate whether the specific objective will be met.

The target setting for output indicators (in or outside the performance framework) should be considered in the light of the TO11 specificities. Targets relating to the number of employees are based on a methodology and projection of historical values. For other types of outputs (e.g. number of projects), the approach is normative as defined by the OP.

Figure 6.4. Number and types of output indicators selected MS, TO11, frequency



Source: ESF OP DB

6.5.2 Result indicators

Result indicators under TO11 are affected by the same “problem” as output indicators; the benchmark of quantification is unknown. However, there is an assumption that results are linked to individual civil servants in some cases (e.g. under “participants gaining a qualification upon leaving”, and “participants with an improved labour market situation six months after leaving”), although it is not possible to follow how quantified outputs translate into quantifiable results. For the rest of the aforementioned indicators, only frequency can be trusted to indicate the direction of the effect.

Table 6.8. Aggregation of target values of result indicators for TO11, absolute numbers and frequency

RI categories	Sum	Frequency
Result indicator related to improved capacity/competence of Institutions/Organisations	287,893.66	12
Participants gaining a qualification upon leaving	127,648.00	7
Other	205,345.00	5
Result indicator related to improved capacity/competence of Civil Society Organisations	10,015.00	4
Participants with an improved labour market situation six months after leaving	283,432.00	2
Result indicator related to improved capacity/competence of Enterprises/Economic operators	9,546.00	2

Source: ESF OP DB

However, when neglecting the quantification, the overall group of selected and defined result indicators adequately capture the nature of the interventions and the intentions of the OPs.

As a general observation, it should be mentioned that TO11 result indicators are strongly context-related (e.g. in Member States implementing a financial support programme, there is a tendency to focus on the implementation of “prerequisites” for the aforementioned programme rather than on needs defined by the national public administration in its own initiative). There is also a rather large number of indicators (approximately one third) that refer to performance rather than capacity (the EC Guidance considers the former to be an impact rather than a result and hence discourages its use). Last but not least, there are also some very specific indicators that are related to alternative dispute resolution and judicial transparency.

7 KEY FINDINGS: APPLICATION OF THE CORE ASPECTS IN THE REGULATIONS

On the basis of the data collected in the course of this study and the analysis carried out, this chapter provides a number of conclusions on the strengths and weaknesses of ESF programming, taking into account the research questions as defined for this study. This section includes information on:

- Overview of **political strategic orientation**, assessing the link between OP and Country Specific Recommendations
- **Financial allocation**, including the minimum share of ESF, earmarking of social inclusion, and application of concentration mechanisms.
- Overview of the **programme intervention logic** (specific objectives, actions, target groups, and output and result indicators selected and their coherence).
- Overview of **ESF investments in special themes** (youth employment policies, Active Labour market policies, and enhancing institutional capacity).
- The **performance of ESF** in terms of output and results.

7.1 Political strategic orientations of ESF

Key findings

- There is a strong alignment between Country Specific Recommendations and selected Investment Priorities, showing that ESF programming is informed by the CSR and can contribute to the achievement of the ESF-relevant Europe 2020 strategy targets.
- Especially IP 8.i Access to employment, 8.ii Youth employment, and all IPs related to TO 9 Social Inclusion, 10 Education and 11 Institutional Capacity show a strong alignment. Only the CSR related to IP 8.iii Entrepreneurship and 8.vi Active ageing are not always addressed by ESF.

Lessons learned

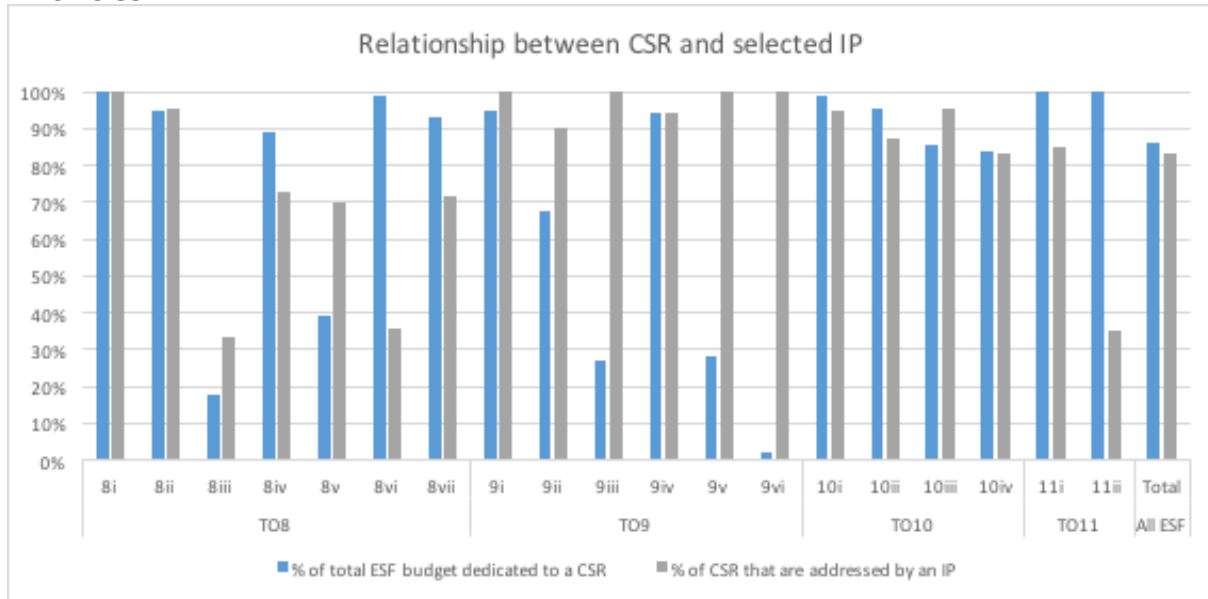
- Since CSR are often described in rather broad terms, the link of each challenge to one specific IP is not always clear-cut. Likewise, also Investment Priorities are described in a rather general way within the regulation (especially IP8.i, IP9.i, IP10.i, IP 11.i and IP11.ii) and overlapping with other IP. This allows MS to attribute a wide diversity of types of actions under one IP. This would point to the need for a better description on the distinguishing features across IP, guiding future programming. Among IP, sometimes similar objectives are proposed and groups targeted.

This study observes that the nature of the Investment Priorities falling under the different Thematic Objectives is strongly interlinked with the Europe 2020 Strategy for smart, sustainable, and inclusive growth as well the employment package setting out the way forward for a job rich recovery, the Youth Employment Package, the Social Investment Package, as well as the Education & Training 2020 framework.

Programming should contribute to the achievement of the Europe 2020 targets by tackling the challenges identified by the relevant CSRs. This study shows that the programmes are generally well informed by the CSR, and therefore expected to contribute to their implementation. Figure 7.1 below shows the outcomes of the assessment made on how much of total ESF budget (without TA) is allocated to a CSR (by identifying whether a selected IP address a CSR or not and aggregating total budget of those IP that address a CSR). Figure 7.1, clearly shows that in most cases relevant CSR have a dedicated IP (at least on country level), completely or partly addressing the CSR. Moreover, generally, also a large share of ESF budget for each IP is linked to a CSR (in total 86.2%) and on total 88% of the relevant CSR are addressed by an IP.

Nevertheless, some differences can be noted across TO and IP as further explained in the text below the figure.

Figure 7.1 Relationship between CSR (2013/2014) and selected Investment Priorities



Overviewing the different TO and IP one sees that in most cases IP show a strong alignment with CSR (especially for IP 8.i, 8.ii, and all IP related to TO 9, 10 and 11 have a strong alignment). Only for IP 8.iii, 8.vi and IP 11.ii CSR are not always addressed.

- Assessing the CSR that are relevant to TO8 (policy theme employment) one sees that there is strong alignment between IP8.i and the CSR that have been made. Also the CSR addressing youth unemployment and the special situation of young NEETs are well addressed by all countries, having a dedicated IP8.ii or investment via YEI. Only Estonia does not have a dedicated IP8.ii and YEI (contribution), despite of having a CSR addressing the situation of high unemployment of young people. Nevertheless, young people in Estonia are addressed by IP 8.i, 9.i, 10.i and 10.iii. With regards to IP 8.iii (self-employment), it is interesting to see that self-employment / stimulating entrepreneurship is addressed by a limited number of CSR, compared to the number of countries that have allocated ESF money to the related IP 8.iii. An explanation for this is that self-employment is often considered as a means to access to employment, and it is therefore implicitly addressed by most of the CSR that are addressing the labour market integration of the unemployed and inactive. Generally, the CSR related to participation of women in the labour market, adaptability of workers and employers, active ageing and modernisation and strengthening of labour market institutions are followed up with a dedicated IP.
- Having a closer look at the CSR in relation to TO9, one sees that especially the first IP 9.i (active inclusion) responds to many different CSR types, also given the broad nature of this IP. Also IP 9iv (access to social services) shows a strong alignment with the relevant CSR, just like IP9.ii (addressing marginalised groups) where CSR are in most cases addressed by a selected IP. A limited number of CSRs are provided related to combating discrimination (relevant to IP9.iii), while a larger number of MS have selected this IP9.iii (total 11 MS). Nevertheless, in the two countries that receive a CSR in relation to combating discrimination, namely Greece and Cyprus, this IP is selected. Anti-discrimination and equal opportunities is often taken into account in programming as horizontal principle. A limited number of CSR are provided for promoting the social economy (only for Cyprus, Spain, and Lithuania) and community led local development strategies (only for Lithuania), while the related IP are selected in a larger number of MS.

- Analysing the link between CSR that are relevant for TO10 (education and training), in most cases, CSR have a dedicated IP addressing (fully or only a side aspect of) the CSR, clearly indicating an alignment by programmes with the CSR. As a result, the majority of ESF budget is contributing to tackle the relevant challenges identified in the CSR. This counts especially for IP 10.i and IP 10.ii, for which almost all countries address the CSR with a dedicated IP. IP 10.iii and 10.iv also report a high level of CSR relevant spending.
- Finally, the CSR related to TO 11 (enhancing institutional capacity) are all addressed. Some MS have allocated considerable funds (e.g. Hungary, Italy, Romania and Greece) and have programmed the relevant interventions either through dedicated OPs (6 out of 16 MS). The remaining 10 (excluding France) MS have interventions integrated into ESF-OPs or multi-fund OPs, especially in the smaller MS, with a limited number of OPs.

Since CSR are often described in rather broad terms, the link of each challenge to one specific IP is not always clear-cut, leading to a situation in which more IPs address a specific challenge (or even one IP addressing more than one challenge at the same time). An example is the CSR for Romania relating to the increase of quality and access to vocational education and training, apprenticeships, tertiary education, and lifelong learning, and adapting them to the labour market needs, almost addressing all relevant IP under TO10 at the same time.

In other cases, the CSR are more specific, enabling the establishment of a unique link between a specific challenge and a selected IP, or even a specific objective (such as the case for the CSR improving the quality of teachers in pre-schools, only covering a specific element of the IP), like for Italy and the Slovak Republic. Establishing such a link also allows to assess how much budget is allocated to (overcoming) a certain challenge and to monitor the contribution of ESF towards implementing the CSR over time. It should be noted that also IPs are described in a rather general way within ESF programming (especially IP8.i, IP9.i, IP10.i, IP 11.i and IP11.ii) and overlapping with other IPs. This would point to the need for a better description on the distinguishing features across IP, guiding future programming. Among IP, sometimes similar objectives are proposed and groups targeted.

7.2 Application of the different financial (concentration) features of the regulations

Key findings

- The minimum guaranteed share of the ESF within the cohesion policy funding in each Member State stopped the gradual decrease of ESF share and even made MS invest more in human capital and social investments than required (above the minimum share).
- The thematic concentration (as defined by article 4 of the ESF regulation) and the setting of a minimum share for social inclusion (article 4(2) of the ESF regulation) resulted even in a higher allocation of budget to certain policy themes, as well as to a better concentration of ESF budget.
- Nevertheless, MS strongly differ in their thematic focus and budget allocation to social inclusion. MS receiving a relatively small amount of ESF contribution and countries that have regional and thematic OP, are both fostering concentrating budgets. The new MS, and the MS that receive larger ESF budgets, are distributing their ESF budgets across more IPs.

Lessons learned

- Although evidence is provided that MS comply with the concentration principles, as well as the minimum budget allocation towards social inclusion, MS in some instances adopt different criteria in selecting certain IPs and sometimes IP labelling of ESF support can be "politically driven" (especially when selecting

between access to employment and social inclusion IPs/interventions/objectives). A clearer demarcation of the distinguishing features of the different IPs, in terms of specific objectives, target groups and actions, could thus promote a stronger alignment and enhance comparability among MS and OPs, guiding MS in future programming.

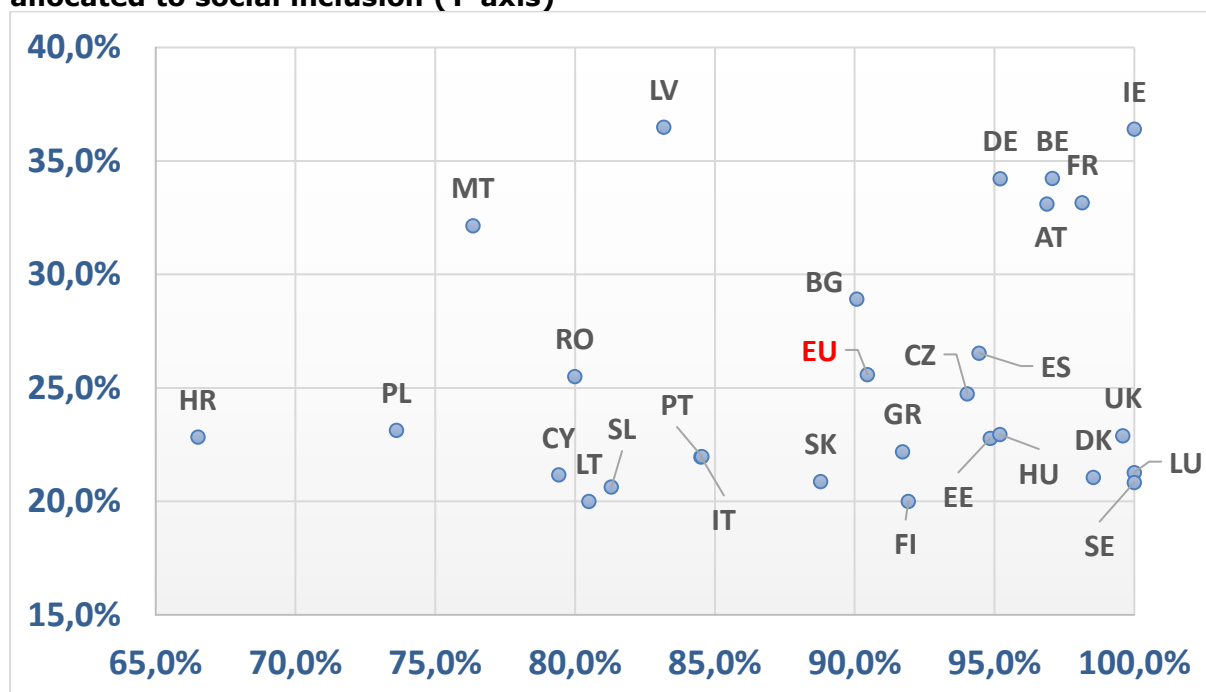
The Common Provisions Regulation and the ESF Regulation address some relevant features to assure that sufficient budget is focused on the most relevant challenges (asking that the largest share of ESF budget is allocated to the five largest IP in an OP; and assuring there is sufficient budget allocated to social inclusion on MS level). On top of that, the CPR required that a minimum share of cohesion policy funding should be allocated to ESF, in order to reverse the negative trend of decreasing share of EU resources allocated by Member States on employment, human capital development, and social policies.

- **ESF minimum share:** in order to stop the gradual decrease of the ESF share, the CPR (Art 92(4)) introduces a new requirement concerning the setting of a minimum guaranteed share of the ESF within cohesion policy funding, in each Member State and at the EU28 level. Each country shall meet a different target, based on several parameters. On average 24.8% of cohesion budget is allocated to ESF versus a minimum required share of 23.1% at Union level, pointing to an increasing share of ESF in cohesion policy. Analysing the relative share per MS, 18 Member States have allocated additional funds to the ESF beyond their minimum share, with four countries (Italy, Hungary, Estonia and Ireland) allocating 7 to 5 percentage points above the minimum requested. Ten MS allocated exactly the requested minimum share to ESF (Finland, Belgium, France, United Kingdom, Cyprus, Denmark, the Netherlands, Romania, Malta and Luxembourg). As a result, the minimum requirement provision would seem to have achieved its goal, with MS increasing or maintaining, with respect to the previous programming period, their relative ESF investment.
- **Thematic concentration:** concerning thematic concentration (as defined by Article 4 of the ESF Regulation) all OP comply with the requirement to focus a minimum share of ESF allocation to the five largest IP (60% for OP in less developed region, 70% for transition regions, and 80% for more developed regions). The analysis shows that MS did not merely aim at the minimum concentration allowed, and instead designed ESF OP with a substantial thematic concentration, in line with the ambition of the new regulations to bring more focus in programming. For a number of MS, OP concentrate their whole ESF budget on the largest five IP (such as for IE, LU, NL and SE), followed by countries like the United Kingdom, Denmark, France, Belgium, Austria, Germany, Hungary, Estonia and Spain. These are all MS receiving a relatively small amount of ESF contribution or are the countries that have regional and thematic OP, both fostering concentrating budgets. Especially the new MS, and the MS that receive larger ESF budgets, are distributing their ESF budgets across more IP (such as for HR, PL, MT, CY, RO, LT, SL, LV, IT PT, SK, and BG score lower than the EU average of 90.5%).
- **Investment in social inclusion:** Article 4(2) of the ESF regulation requests that at least 20% of the total ESF resources in each Member State shall be allocated to the thematic objective "promoting social inclusion, combating poverty and any discrimination" in order to better balance investments in the social field. The analysis shows that a majority of MS (20) have allocated between 20% and 30% of their ESF budgets to Social Inclusion. While only two MS exactly comply with the minimum request of 20% (Finland and Lithuania), 8 MS allocated more than 30% of their ESF budget to social inclusion (TO9), namely the Netherlands, Latvia, Ireland, Belgium, Germany, France, Austria, and Malta (while the share on EU level is 25,6%). As a result, most MS allocate even more budget to social inclusion than the minimum requirements, showing a strong emphasis on reducing

(the risk) of poverty and social exclusion with ESF programming. Especially the Netherlands is allocating a large share of 74.1 % of ESF to social inclusion. Nevertheless, sometimes the labelling can be politically driven, having MS that label certain type of ESF supported intervention in one programme period as Access to Employment, while they call it Social Inclusion in the next programme. A closer look on the selected IPs related to SI, shows that particularly the EU15 countries consistently invest the largest part of the TO9 budgets on 'active inclusion'. The newer MS invest in more specific priorities, such as integration of minorities, combating discrimination or enhancing access to affordable health care and social services.

Based on the above we can conclude that the CPR and ESF regulations in relation to ESF share, thematic concentration and minimum share for social inclusion, was respected in programming. MS even decided to allocate a higher share towards social inclusion and concentrated their budget even more than requested. Clustering MS along the dimension of thematic concentration versus percentage of ESF budget dedicated to social inclusion, different clusters of countries emerge (see figure 7.2 below). We can identify a group of countries that score relatively well on the thematic concentration principle and percentage allocated to social inclusion, namely the Netherlands, Ireland, Belgium, France, Germany, Austria, and Spain (mainly "old" MS scoring higher than the EU average on both indicators). A second group of MS score relatively well on social inclusion (above the EU average), while they are scoring below EU average on thematic concentration (Latvia, Malta, and Bulgaria). A third group of MS perform well on the variable thematic concentration (above EU average) and less well on the relative share allocated to social inclusion (namely Sweden, Luxembourg, United Kingdom, Denmark, Estonia, Hungary, Czech Republic, Greece, Finland,). Remaining MS score lower than EU average on both dimensions (namely Croatia, Poland, Cyprus, Romania, Lithuania, Slovenia, Portugal, Italy, and Slovakia).

Figure 7.2 MS performance on thematic concentration (X-axis) and % of budget allocated to social inclusion (Y-axis)



Source: SFC 2013, ESF OP DB

7.3 Intervention logic

Key findings

- This study concludes that there is a strong consistency between selected specific objectives and IPs, between selected actions and specific objectives, and between selected target groups and specific objectives
- In the majority of cases output indicators represent the scope of the activities implemented. This shows that, overall, the output indicators are well chosen to measure the progression of selected activities towards the specific objectives.

Lessons learned

- Intervention logics have strongly improved, although Specific Objectives (SO) are still often described in general terms, just like actions and target groups addressed.
- In the few cases where output indicators do not sufficiently reflect the scope of the activities implemented, it is often due to a lack of detail in the definition of the indicator (such as referring to a specific target group or type of intervention) or, more problematically, too much detail.

This study concludes that there is a strong consistency between selected specific objectives and IPs, between selected actions and specific objectives, and between selected target groups and specific objectives. The introduction of Investment Priorities and the further operationalization through Specific Objectives would seem to be positively linked to an improvement in strategic programming and result orientation of ESF OPs and improved intervention / programme logics. Working with a fixed set of IP across OP and countries also allows better comparison between programmes for monitoring and evaluation on EU level.

Overall, the majority of Specific Objectives are considered to narrow down the scope of the IP and capture the direction of the change. Nevertheless, it was indicated that in a few cases, Specific Objectives are still relatively generally described (closely related to the wording of the IP). In other cases, the SOs include several objectives at the same time, thus making it difficult to capture the expected change and evaluate the specific objective (like "Adapt the qualification of workers to the labour market needs, as well as improve their contractual situation in order to ensure the preservation of their jobs and allow the development of their careers"). In other cases, the SO was not always clear and therefore difficult to evaluate (like "more efficient lifelong career orientation" and "Longer labour market activity"). In several cases, the "means- end" relationship could be better emphasised in the description of the SO (e.g. "emphasising the development of health programmes", without being specific for which goal or "developing networks and partnerships" without referring to the goal of these networks and partnerships). For a number of cases, the SO was not considered to be more specific than the description of the IP (like "increasing female employment"). This was mainly the case for SOs falling under IP that are already quite specific in their wording like 8.ii (sustainable integration of young people), IP 8.iii (increase self-employment, entrepreneurship and business creation), and IP 8.v (active and health ageing). It was reported that the SOs could belong to another IP as well in some other cases (such as the case for SOs falling under IP 8.i related to female employment, young people, older workers, and self-employment).

Overviewing all actions supported one sees that the strongest focus is on interventions for individuals and the provision of training, individualized assistance. Less pronounced and frequent are interventions addressing the sustainability of job creation, the management of the labour market dynamics and the overall improvement of governance. Especially in TO11 it is evident that there is strong emphasis on HR enhancement, somehow less attention to the improvement of structures and processes (with the exception of e-governance) and even less on service delivery and citizen satisfaction.

Actions and target groups chosen by the OPs have been assessed as enablers of change, in the direction auspicated by the Specific Objective. This is more straightforward in the case of TO8 and TO10 where the focus is on individual achievements (e.g. "better"

employment or higher qualification). For TO9 and especially TO11 the coherence might be slightly weaker due to the stronger role of entities and systemic influence factors. For example, many TO11 actions focus on improving the skills of civil servants, assuming that this leads to better governance as an immediate result.

Nevertheless, actions and target groups identified in the OPs are still sometimes described in general terms (in the sense that they are often expressed as a “long list” of elements): this ensures enough flexibility in the implementation of ESF but also makes it difficult to reconstruct the intervention logic and assess how actions contribute to realising the specific objectives. In these cases, OPs could still improve their intervention logic by better defining the actions and target groups selected, and explaining how these actions in theory should contribute to achieving the specific objectives. The Commission could steer more on this in future programming, by means of the common provisions regulation or by providing better guidance to MS. A list of potential Specific Objectives, actions and related output and result indicators could be provided. At the same time this list should be interpreted in a flexible way, as a toolbox for programming, since MS are deal with different challenges asking for different responses.

In the majority of cases output indicators represent the scope of the activities implemented. This shows that, overall, the output indicators are well chosen to measure the progression of selected activities towards the specific objectives. In the few cases where output indicators do not sufficiently reflect the scope of the activities implemented, it is often due to a lack of detail in the definition of the indicator (like referring to a specific target group or type of interventions) or, more problematically, too much detail.

Our analysis shows that the vast majority of result indicators are well aligned with corresponding specific objectives and are assumed to positively contribute to reaching the expected goals.

7.4 Specific areas of interest

Key findings

- Youth employment policies play an important role in ESF programming in almost all Member States. Altogether, having a dedicated IP related to youth employment improved programming for this relevant target group and monitoring, having a set of clear objectives, output and result indicators. The same applies for the YEI.
- OPs offer an adequate response to the CSR challenges on public administration reform, and offer coherent intervention logic. This coherence is however facilitated by the broad scope of the CSR challenges, the TO11 logic and the abstraction of the relevant Specific Objectives. Aggregation of outputs and results however is difficult (although typologies are also similar) due to the lack of a standard unit of reference for most of them.
- ALMP is addressed by several IP (mainly within TO8, as well as TO9 related to the employments situation of vulnerable and marginalised groups) and receive the largest share of ESF budget. Nevertheless, ALMP (8i, 8ii, 8v and partly 8iii) is hard to earmark since it is covering more IPs at the same time all having a different focus, addressing different target groups.

Lessons learned

- Clearly labeling a specific area of interest by means of a dedicated IP, helps programming and attention for a particular topic (such as for youth). Some specific areas such as Active Labour Market Policy (8i, 8ii, 8v and partly 8iii) is hard to earmark since it is covering more IPs at the same time all having a different focus, addressing different target groups. Moreover, output and results of public administration reform are not always captured in a coherent manner between programmes, hampering cross OP / country comparisons and EU aggregation.

Youth employment policies play an important role in ESF programming in almost all Member States. The challenge to reduce the number of young NEETs is addressed in CSRs for almost all MSs (only for Denmark and Malta the CSR is not specifically addressing this challenge). CSRs that are considered relevant for IP 8.ii are those that specifically address youth unemployment in the broadest sense. Some CSRs are more specific, referring to tailoring PES services for the non-registered youth, or to increase availability of apprenticeships and work based learning, or strengthening cooperation between schools and employers. In some cases specific reference was made in the CSR on the implementation of Youth Guarantee Schemes. ESF is strongly aligned with these CSR allocating a relevant IP and budget to reducing youth unemployment (whether by IP 8.ii or YEI contribution). IP 8.ii is not selected in Austria, Denmark, Estonia and the Netherlands (while Austria, Denmark, and the Netherlands do not have a CSR on reducing youth unemployment). The total budget under IP 8.ii is 12.5 bn EUR which includes 6.5 bn of YEI (ESF matching and YEI specific allocation).

Most of the Specific Objectives falling under IP 8.ii are quite uniform across OPs and MS. Most of the Specific Objectives are directly referring to the increase of youth employment (or reduction of youth unemployment), which is closely aligned with the description of the IP, albeit in different wording: increasing employment (including self-employment), improving skills of young people, labour market integration of NEETS, promoting entrepreneurship of young people, or reducing the number of NEETS. Other examples of SOs are related to stimulating the demand side of the labour market by increasing open-ended hiring for non-employed youth and NEET, through intermediation and economic incentives. Since most of the SO falling under this IP relate to an increase employment / improve the labour market situation of young people, the SOs are generally considered to be specific and capture the direction of the change.

ESF intervention for reducing youth unemployment, show similar types of actions across OPs, often in combination. Most actions relate to: individual guidance and career support of young people; support to apprenticeships; vocational training; traineeships; basic skills training, employment incentives for employers; start up incentives; and integrated approaches. Some IPs refer specifically to the fact that approaches are individualised (based on a diagnosis of the exact needs of an individual). Most of these actions are in line with those mentioned in the Council Recommendation on establishing a youth guarantee and are therefore considered appropriate for achieving the specific objectives.

Aggregating the target values of selected output indicators within the relevant IP 8.ii for addressing youth employment, one sees that ESF is planning to assist 3 million young unemployed, 0.7 million long term unemployed, and 0.5 million inactive, 1.7 million NEETS, 1.2 million young people, and 0.9 million lower educated, and 0.4 million people in rural areas. Moreover, a high number of projects are supported, just like the number of SME, organisations, and enterprises that will be supported (around 0.6 million). The analysis made of the result indicators show that around 200 thousand participants are expected to be in job search upon leaving, while 75 thousand are in education, and 65 thousand have a qualification upon leaving. Approximately 129 thousand participants are in employment upon leaving. Furthermore, programmes estimate that 350 thousand participants will improve their labour market situation 6 months after leaving. On top of that, around 67 thousand institutions will improve their capacities with the help of IP8.ii.

Having a closer look on the specific indicators for YEI, one sees that around 1,1 million unemployed are expected to complete the intervention, and around half a million unemployed to receive an offer after completing the intervention, and another 600 thousand unemployed to be activated. A total of 530 thousand long-term unemployed will complete the intervention, while 277 thousand will receive an offer, and 316 thousand persons will be activated. 418 thousand inactive persons will complete the intervention, while 209 thousand will receive an offer, and 358 thousand will be activated. Finally, 291 thousand participants will be in education & training after six months, 394 thousand in employment after six months, and 58 thousand in self-employment after six months.

Altogether, having a dedicated IP related to youth employment improved programming for this relevant target group and monitoring, having a set of clear objectives, output and result indicators.

Support to public administration and good governance have been explicitly addressed in the CSR of 20 Member States, while IP11i has been selected in Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovenia and in the Slovak Republic. A few member states, namely Croatia, France, Greece, Italy, Malta, Portugal and Slovenia selected IP 11ii (dependent on the eligibility criteria as defined in the ESF regulation). Hence the Member States responded to the challenges identified by the CSR paying due attention to the specific theme.

Most challenges were relatively broad although more specific indications were also included for some Member States. Consequently, broad, yet coherent with the CSR and the TO11 logic, were the strategic responses of the Member as expressed through the OP Specific Objectives. Actions (studies, tools, change management and trainings), target groups (public bodies, civil society organisations and their personnel), output and result indicators are also coherent at the level of the observations possible within the present study.

Actions and target groups types are also very similar among Member States e.g. tools, competences, change management and trainings are the mainstay; some Member States have broader actions sets, especially at the individual civil servants' level, but they can all be summarised under "training".

The interventions in public administration reform are highly country-context specific. For example, the need to meet prerequisites in the frame of financial support programmes or anti-corruption and judicial transparency actions can only be understood in their national or regional settings. In any case these are important drivers of designing public administration reform that can only be assumed but are not very visible in the OP texts. At any rate the interventions also follow the "beaten track"; they are conventional approaches in the sense of the guidelines suggested by the EC or the World Bank. Innovation is sparse. This however need not be negative; the choice of actions must be seen in the national level context.

The architecture of the OPs is rather driven by the size of the ESIF envelope and the management constraints in the Member States rather than an indication of the attention paid to the TO11 topic. Thus, smaller Member States included TO11 in a Priority Axis in their multi-fund or multi-TO OPs whereas Member States with a higher ESIF allocation deal with TO11 in stand-alone OPs (Bulgaria, Greece, Hungary, Italy, Romania and the Slovak Republic).

Highest allocations (between 8 and 18% of the ESF budget) are reported in countries where there is greatest need in public administration reform. In most of these countries a dedicated OP is programmed. Croatia and Lithuania (with a multi fund OP) also have large TO11 allocations.

As a general conclusion OPs offer an adequate response to the CSR challenges and offer coherent intervention logic. This coherence is however facilitated by the broad scope of the CSR challenges, the TO11 logic and the abstraction of the relevant Specific Objectives. Actions and target groups are very similar (at the level of abstraction used in the methodology of the present study). Aggregation of outputs and results however is difficult (although typologies are also similar) due to the lack of a standard unit of reference for most of them. For example indicators referring to individuals (e.g. civil servants) are possible to aggregate, while indicators like the "number of projects" show a large dispersion of values (that cannot be explained by financial allocation) since there is no standard unit of reference of what a project is.

Active Labour Market Policies (ALMP) is a topic that receives a lot of attention in the CSR, generally referring to the challenge of increasing employment, reducing labour

market segmentation, or strengthen ALMP and outreach to certain groups⁵⁵. In some case specific reference is made to disadvantaged groups in general or in other cases to specific target groups (like long term unemployed, young people, women, older people, low skilled, migrants). Furthermore, CSR address the need to work on the employability of low skilled and older workers, and to adapt the working environment to longer working life. Only in a few cases CSR are provided in relation to improving labour market institution, and when this is the case these are often formulated in a broad manner (e.g. "dealing with shortcomings of the current system of ALMP" or "improving the quality of PES or improving employment policies).

ALMP is addressed by several IP (mainly within TO8, as well as TO9 related to the employments situation of vulnerable and marginalised groups) and receive the largest share of ESF budget (37.2% of overall budget of ESF is allocated to TO8; including ESF share of YEI). ESF supports ALMP in three different ways: interventions related to the ability of labour market institutions and enterprises to anticipate and manage the challenges (i.e. a capability element), interventions related to improving targeting, outreach, coverage and efficiency of labour market actions (i.e. a delivery element) and provision of support to specific groups (i.e. an adaptation element), while the last element receive most attention in programming (budget and monitoring). As a result, most actions within TO8 relate to individual guidance, integrated approaches, vocational training, and self-employment / start up; these are all considered to be the mainstream types of interventions for pathways to employment (see standard ALMP categories). It is worth noting that ESF support is less focused on stimulating the demand side of the labour market (by supporting hiring incentives and job creation). Mainly in the new MS, ESF reach volume effects increasing the number of unemployed that receive support, while scope and role effects are often seen in countries receiving small amount of ESF budgets (mainly the old MS), focusing ESF on certain type of interventions and target groups (like young people, entrepreneurs/self-employed, women, older workers). Process effects are mainly foreseen in the countries where IP 8.v and IP 8.vii are selected (while IP Vii is selected most of the time in the new MS).

Under the relevant ALMP-related IP, a significant number of unemployed (including long term unemployed) (total 12.5 million) as well as employed, including the self-employed (total 3.5 million) is targeted. Also a large number of young people is targeted (total 2.4 million), and those having a lower education level (1.5 million). The largest outputs are achieved within IP 8.i that is also receiving the largest share of ESF budget, followed by IP 8.ii (in terms of unemployed participants as well as young people), and IP 8.v (employed and unemployed participants) receiving a large share of ESF budget as well. With regards the result of ESF within TO8 around 3.77 million participants will be in employment upon leaving, while the same amount of 3.77 million participants gain a qualification upon leaving. Another half a million participants are in job searching after leaving, while around 328,856 participants are in education after leaving and almost the same amount of disadvantaged individuals are participating in job searching, training, or employment upon leaving (324,074). Looking at the more sustainable results, the aggregations show that around 1.98 million participants will find employment six months after leaving the intervention.

⁵⁵ Active Labour Market Policy are addressed by 8i, 8ii, 8v and partly 8iii.

7.5 Result-orientation

Key findings

- The frequency of the typologies of indicators is in line with the different nature of the activities implemented, and results expected, across the different TOs.
- Analysing the overall intervention logic shows that indicators are coherent with the relevant actions (outputs) and the specific objectives (results).
- Considerable efforts have been made by Managing Authorities to set meaningful and realistic targets, using appropriate methodologies.
- The performance framework improved the result orientation of the programme, putting more emphasis on setting realistic targets.

Lessons learned

- There is room for decreasing the number of selected programme specific indicators in those countries that selected them most often. The use of common indicators for measuring the progress made in achieving the specific objectives should be further stimulated improving the opportunities for aggregation across OP
- The list of common indicators could be expanded, especially for indicators under TO11, but also TO9 and 10.
- For the further monitoring of ESF it is important to clearly link the budget to individual output and result indicators allowing the measurement of the cost per output and result (especially in case multiple indicators are selected for one IP / SO).
- Preferably all result indicators, that are measured in percentages, should have a clear reference to an output indicator, which is currently not the case for all, allowing reporting on absolute values.
- It should be flagged which output and result indicators could be used for aggregation purposes (avoiding double counting, including sub indicators related to a sub group of another indicator).

In the previous chapters we provided an overview on the numbers and the most frequent categories of output and result indicators that have been selected by the different Operational Programmes at the EU28 level, across Thematic Objectives and the different Investment Priorities under each objective. An important disclaimer is that for aggregation purposes this study could only include output and result indicators that have a similar definition and unit of measurement (aligned with the common outputs and result indicators as defined in the ESF regulation) and those that are measured in absolute values (or target values measured in percentages that can be recalculated to an absolute value using the reference output indicators). As a result, the contribution of ESF is under reported, since a share of selected output and result indicators are not included in the further analysis.

We have seen that overall the frequency of the typologies of indicators is in line with the different nature of the activities implemented, and results expected, across the different TOs. Analysing the overall intervention logic, we have also explained that indicators are coherent with the relevant actions (outputs) and the specific objectives (results).

MS have made different choices concerning the selection of the number of indicators selected at the level of each investment priorities, with some MS making a wider use of indicators, independently of the allocated budgets.

Also concerning the selection of common versus specific indicators MS have made different choices, with some OPs selecting a limited number of common result indicators. While the selection of programme specific indicators ensures the coherence of indicators to actions and Specific Objectives this also represents a limitation to aggregation and comparison at the Country and EU level. On the basis of the collected information it is not possible to assess whether the choices made by these latter MS are justified. However, it could be argued that there is room for decreasing the number of selected

programme specific indicators in those countries that made the least use of them. At the same time, it should be observed that the list of common indicators could be expanded, especially for indicators under TO11, but also TO9 and 10.

Using the categorisation developed for the purposes of this analysis (26 categories for Output indicators and 14 for Result indicators), the report also presents the aggregated values of the targets set for output and result indicators across Thematic Objectives and Investment Priorities. The highest target value for output indicators across ESF OPs refers to the number of unemployed individuals that will benefit from ESF actions, totaling approximately 15 M participants. Other types of indicators with high output target values are individuals with very low education (including primary school pupils) (9.9M), 7.5 M disadvantaged, employed, including self-employed and staff of organisations benefiting from ESF support (such as schools, PES, public administration offices) (7.2M) and young people (6.2M).

The highest target values for result indicators are related to participants gaining a qualification after leaving (8.9 M), concentrated across thematic objectives 8 and 10, followed by individual gaining employment (7.4M upon leaving and 2.2M six months after leaving). It should be mentioned that aggregation of results targets has only been possible for those indicators expressed in absolute values or for which such a value could be calculated on the basis of common reference output indicators. This was only possible for approximately 60% of all result indicators and as such the representativeness of these targets only covers a portion of the expected results.

In addition, it should be mentioned that target values of the different output indicator categories, referring to both common and programme specific indicators alike, are not necessarily mutually exclusive and it is thus not possible to aggregate the target values of output/results indicators in order to obtain the grand total of individual or entities that are expected to benefit from ESF investment or for which a change in their situation will be achieved. This also poses problems for calculating costs per outputs and results as it is not possible to link back for single indicators the available budget at the level of the Investment Priority.

In order to provide additional indications concerning the relevance and clarity of result-orientation of the 2014-2020 programming, indicators were also categorized according to the methodology used for setting the targets, on the basis of information provided in the OPs or in methodological annexes. It was found that for output and result indicators alike MS have made wide use of past ESF monitoring data: approximately 70% of output indicators and above 50% of result indicators' targets were selected following this methodology; this has been used both considering costs as well as placement data. Concerning result indicators' targets, the majority of those were selected according to historical data, the majority were supported by detailed explanations or modelling examples of quantifications. Finally, for 35% of the results indicators benchmarking with relevant administrative or statistical data was used to set result targets and for 14%, result targets are based on estimation or educated guess of an expert. This goes to show that considerable efforts have been made by Managing Authorities to set meaningful and realistic targets and that the cumulated experience of past programming might play an important role in improving result-orientation.

For the further monitoring of ESF it is important to clearly link the budget to individual output and result indicators allowing the measurement of the cost per output and result. Currently, several indicators are selected per Specific Objective, making it difficult to assess which part of the ESF budget is covered by each indicator, in case of multiple indicators. Moreover, within SFC preferably all result indicators, that are measured in percentages, should have a clear reference to an output indicator, which is currently not the case for all, allowing reporting on absolute values.

HOW TO OBTAIN EU PUBLICATIONS

Free publications:

- one copy:
via EU Bookshop (<http://bookshop.europa.eu>);
- more than one copy or posters/maps:
from the European Union's representations (http://ec.europa.eu/represent_en.htm);
from the delegations in non-EU countries
(http://eeas.europa.eu/delegations/index_en.htm);
by contacting the Europe Direct service (http://europa.eu/eurodirect/index_en.htm)
or calling 00 800 6 7 8 9 10 11 (freephone number from anywhere in the EU) (*).

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

Priced publications:

- via EU Bookshop (<http://bookshop.europa.eu>).

Priced subscriptions:

- via one of the sales agents of the Publications Office of the European Union
(http://publications.europa.eu/others/agents/index_en.htm).



Publications Office