



The European Social Fund in Bavaria, Germany, 2007-2013

Bavaria has the highest gross domestic product (GDP) per capita and the highest growth rate of any Western German Federal State. The labour force participation rate is in the range of 75%, considerably higher than the Federal German and EU average. At the same time, there are serious differences between regions. Bavaria is keen to reduce these differences, with the help of the European Social Fund. One particular objective is to reverse the sharp rise in youth unemployment that has emerged over the past few years.

The European Social Fund in brief

The European Social Fund, created in 1957, is the European Union's main financial instrument for investing in people. It supports employment and helps people enhance their education and skills. This improves their job prospects.

Member States and regions devise their own ESF Operational Programmes in order to respond to the real needs 'on the ground'. Over the period 2007-2013, the ESF will spend over 10 billion euros per year across all Member States. This represents more than 10% of the European Union's total budget.

These are the five priorities of ESF funding at EU level:

- Helping workers and enterprises adapt to changing circumstances in the economy
- Enhancing access to employment and participation in the workforce
- Improving training and skills, both for individuals and through better education and training systems
- Promoting partnerships between actors such as employers, trade unions and non-governmental organisations, for reform in the fields of employment and inclusion in the labour market
- Reinforcing the social inclusion of disadvantaged people and combating discrimination in the labour market

In some Member States and regions, the ESF can also support actions to improve the capacity and effectiveness of public administrations and public services.



The socio-economic and employment situation in Bavaria

Bavaria has the highest gross domestic product (GDP) per capita and the highest growth rate of any Western German Federal State, although there are considerable regional differences within the state. Bavaria enjoyed buoyant growth in the early part of the decade, which continued until the onset of the financial crisis when, in 2008, it slowed before falling by 5% in 2009 – when productivity also fell by 2.1%. Employment growth was strong in 2008 at 2.4%, taking the number of people in work to 75.3% – well above the EU target of 70%. Women fared better than men in finding employment, and the growth in the number of self-employed continued its upward trend.

After three years of falling unemployment, the unemployment rate rose by 15.5% in 2009 – although the overall rate of 5.5% is still below that for 2005 (8.9%) and is the lowest among the German federal states. Even so, the young and older workers were hit harder than others and the number of unemployed foreigners remains high at 12.8%.

The unemployment rate amongst young people rose by 3.6% in 2009. The situation on the apprenticeship training market has deteriorated since 2000. Approximately 70 out of every 100 applicants secure an apprenticeship training position.

Although Bavaria has a high-performance education system, nonetheless pupils' competencies vary considerably based on their social background; one in every 12 school leavers leaves without qualifications, a figure that rises to one in five amongst children of immigrant parents. This exacerbates the lack of skilled workers currently emerging in the labour market. Although the number of training places on offer fell in 2009, so did the demand from young people – so the competition for qualified recruits is expected to rise in the future.

Overall, while the financial crisis has had an impact, Bavaria is coping well and has not revised its ESF priorities in the light of the crisis.

Bavaria's ESF priorities

The three strategic objectives of Bavaria's ESF programme are focused on improving the adaptability of employees and enterprises, human capital, access to employment and including disadvantaged people in the labour market.

Priority 1: Increasing the adaptability and competitiveness of employees and enterprises

In view of the differences in economic performance between enterprises and the frequently limited financial means of small and medium-sized enterprises (SMEs), Bavaria has chosen to give this group priority in terms of providing support during the current period.

Technical and economic change means that the labour force continually needs further training, and employees in SMEs in the border regions need particular support in this regard – one of the focal points here is on Bavaria's ESF projects. The goal is to bolster the state's potential for innovation and for the future. Founding and taking over businesses will continue to be encouraged. Most of all, providing intensive information and support

during the pre-founding phase should improve the stability, economic durability and chances of survival of new businesses. Additional measures planned include consulting and awareness measures for a family-friendly workplace, plus consulting and qualification measures and measures to develop and implement concepts to ensure equal opportunity in the workplace.

Priority 2: Improving human capital

This is the main focus of Bavaria's ESF programme, with 52% of the programme's funds devoted to it. Almost half of these funds are allocated to actions in favour of young people (more than in the previous period). The number of people leaving school early should be drastically reduced. To this end, Bavaria intends to invest additional efforts in facilitating access to employment for young people who have the most difficulty integrating into the labour market, in order to reduce unemployment among the youth. In this regard, projects are planned with the goal of helping young people to find out at an early stage about different

careers and to prepare accordingly. Particular emphasis will be placed on young people who are not yet ready to undergo training or to enter employment. Furthermore, actions are planned that are intended to cross-link science with enterprises and to support sustainable protection of the environment. As part of the strategy to diminish gender-specific disadvantages in working life, specific assistance measures are planned (e.g. mentoring and awareness projects designed to increase the percentage of women in management positions and future-orientated professions).

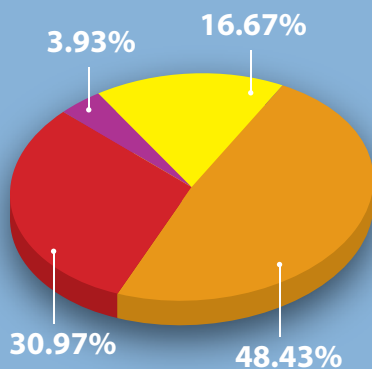
Priority 3: Improving access to employment and social inclusion

As part of this priority, 30% of the total budget for qualifying and integrating actions is to be allocated predominantly to adults. These actions are aimed at including adults in long-term unemployment and employable people who receive a basic social security allowance under the Social Security Code II in the

labour market. The content of these inclusion projects is orientated around recognised job descriptions and is intended to broaden the knowledge and capabilities of participants, so that access to employment becomes possible for them once more. In the border regions, the emphasis is on obtaining employment, improving qualifications and reintegrating the unemployed and the long-term unemployed into the labour market.

This priority also encompasses measures for people with disabilities, including the mentally handicapped. Bavaria aims to enable immigrants to integrate more effectively by providing them with language lessons. The different living situations and differences in social and cultural origins should also be taken into consideration when planning and designing assistance with integration – particular concern is attached to ensuring that girls and women are involved, and subsequently to improving their rights and opportunities. Concurrently, innovative inclusion projects involving language training will be offered in co-operation with primary schools and nursery schools/day-care centres.

Financial plan for the European Social Fund in Bavaria, 2007-2013 (euro)



Priority axis	Community funding	National/regional counterpart	Total funds
Increasing the adaptability and competitiveness of employees and enterprises	47 300 000	57 811 111	105 111 111
Improving human capital	152 700 000	152 700 000	305 400 000
Improving access to employment and social inclusion	97 657 315	97 657 315	195 314 630
Technical assistance	12 402 388	12 402 388	24 804 776
Total	310 059 703	320 570 814	630 630 517

Some ESF projects in Bavaria, 2007-2013

- Individual guidance, specialist skills training and mentoring by enterprises are some of the techniques used in the 'Joblinge' initiative which aims to get motivated unemployed young people into work. The programme comprises four stages of individual, tailored measures. After selection, candidates go through an orientation phase to identify their capacities and possible occupations. In the third phase they receive practical vocational training. The fourth and final phase is key – targeted preparation for taking up a job in a company. Throughout all phases the participants are given intensive support by a personal mentor with business experience. A main feature of the initiative is the close involvement of experienced mentors, volunteers and partner enterprises which successfully helps integrate disadvantaged young people in the world of work.
- 'Practice Classes' are the brainchild of the Bavarian State Ministry for Education and Culture. The project is aimed at secondary school students in their last school year who are severely behind in their subjects and performance. These young people are given specific encouragement to adopt positive attitudes to learning and working, with the help of local businesses and a high proportion of job-related learning. Further support is given by vocational training colleges and Chambers of Commerce, Industry and Trades, as well as youth welfare services. In addition to redressing the problems of a lack of basic skills, the project provides a stabilising influence on the young people at a time when they are reaching adulthood. A further objective is to encourage them to stay on for an extra year of school to complete the requirements for applying for apprenticeships.
- The 'Trades and crafts assistance' project is imparting skills to the long-term unemployed, with a particular emphasis on building and construction. A strong vocational foundation is laid down by comprehensive training in areas of carpentry, gardening and paving, engineering and electricity as well as computer skills and the basics of job applications. Participants receive a recognised vocational certificate which significantly improves their chances of finding a job.

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Eligible regions 2007-2013



The level of ESF funding differs from one region to another depending on their relative wealth.

- Bavaria is eligible for funding as part of the 'Regional Competitiveness and Employment' objective, with a GDP per capita of more than 75% of the EU-25 average.