



European
Commission

COHESION POLICY: STRATEGIC REPORT 2013

Factsheet: Social inclusion and social infrastructure



Strategic Report 2013 – Programme implementation 2007-2013

Factsheet: Social Inclusion and Social Infrastructure

This factsheet has been produced in support of the Commission 2013 Strategic report on cohesion policy programme implementation (2007-2013). It should be read in conjunction with that report (COM(2013) 210) and the accompanying Staff Working Document (SEC(2013) 129) available on this website: http://ec.europa.eu/regional_policy/how/policy/strategic_report_en.cfm

1. Overview

Two main groups of investment take place under this heading: social inclusion activities supported mainly by the ESF and social infrastructure supported mainly by the ERDF.

The mainly **ESF investments in social inclusion** are delivered in 26 Member States (except for DK) with the following headings/categories reported:

- Specific actions to increase migrants' participation in employment and thereby strengthen their social integration;
- Pathways to integration and re-entry into employment for disadvantaged people; combating discrimination in accessing and progressing in the labour market and promoting acceptance of diversity at the workplace.

In total approximately € 12 billion is allocated to social inclusion priority axes but the total budget devoted to priority axes with a social inclusion component in ESF Operational Programmes is around €32.5 billion¹. The 2 headings/categories considered in this factsheet, therefore, represent a "narrow" grouping of activities. They do not cover, for instance, actions "implementing active and preventive labour market measures", which reach migrants and disadvantaged people in all Member States. These are reported under other thematic fiches (labour market in this case).

With more than 80 million people in the EU at risk of poverty – including 20 million children and 8% of the working population – the European Platform against poverty and social exclusion sets out actions to reach the EU target of reducing poverty and social exclusion by at least 20 million by 2020. Launched in 2010, the platform is part of the Europe 2020 strategy for smart, sustainable and inclusive growth. The EU targets for inclusive growth include:

1. 75% employment rate for women and men aged 20-64 by 2020– achieved by getting more people into work, especially women, the young, older and low-skilled people and legal migrants.
2. Better educational attainment – in particular:
 - a. reducing school drop-out rates below 10%,
 - b. at least 40% of 30-34-year-olds completing third level education (or equivalent).
3. At least 20 million fewer people in or at risk of poverty and social exclusion.

¹ The European Social Fund and Social Inclusion - ec.europa.eu/esf/BlobServlet?docId=166&langId=en.

Investment in **social infrastructure funded mainly by the ERDF** is delivered in all MS. The categories reported are as follows:

- Education infrastructure
- Health infrastructure
- Childcare infrastructure
- Housing infrastructure
- Other social infrastructure

The social infrastructure investments have a different character in the EU 15 compared to in the EU 12. In the new MSs the ERDF social infrastructure investment in many cases is the only resource for modernising and reforming the public services, while in the EU 15 it is generally an additional resource. The allocation of social infrastructure in the EU 12 countries represents 55% of the total social infrastructure budget (**Source**).

The areas of social inclusion and education are mainly national competence, and member states build different models of social services. This should be noted when we try to understand the different nature of the investments in this field. Some challenges are very similar in all member states, such as the demographic challenges (declining number of children at school age, shrinking number of working age population, etc.), and the social infrastructure investments respond to these challenges. However in the case of health investments, wide variety of models and respective investments are followed by member states. In general, the focus of the social infrastructure investments is not common, and it leads to some difficulties in understanding the added value of the investments, and also to share the good practices amongst the countries.

2. Project examples

2.1. Social Inclusion (ESF)

BG	Several Programmes	Fund: ESF/ ERDF/ EAFRD	EU: €82.1 m
Title: ‘Childhood for all’			
<p>The BG deinstitutionalisation of child care is currently the most systematic effort in Europe to dismantle large children's institutions. National authorities have embarked on a comprehensive strategy for the closure of residential institutions and their gradual transition to community-based services within a 15-year horizon. The ESF has been funding a comprehensive project ‘Childhood for all’ under the OP ‘Human Resources Development’. The total duration of the project is 54 months (June 2010 to December 2014). This project represents the main pillar of Bulgaria’s on-going de-institutionalisation reform as it strives to create a sustainable model of transition from residential to community-based services for children with disabilities. In addition to ESF support for this project, the ERDF and the EAFRD have allocated 54.6 MEUR and 8.5 MEUR respectively to support municipalities in urban and rural areas in the building of new social infrastructure to replace the traditional residential institutions.</p>			

DE	ESF OP at federal level	Fund: ESF	EU: €230 m
Title: Strengthening the job-related language skills for people with a migration background			
The programme is aimed primarily at people who have a migrant background and are available for work or who want to advance their career. The courses consist mainly of business-related German lessons, specialist teaching, internships and work placements and company visits. The German lessons support and are directed towards the qualification component of the course, but also impart a knowledge of German for the professional life in general. The qualification component can consist of three parts depending on the specific needs in the future employment: : specialist teaching linked to a practical activity; internship and work placement and company visits . . to get clear ideas of the future place of work.			

EE	OP: Human Resources Development	Fund: ESF	EU: €0.44 m
Title: Sheltered work scheme for disabled people			
The service model for sheltered work has been developed, including the supporting services, for disabled people. The project contributes to the target of increasing employment and promoting equal opportunities on the labour market. The project results are sustainable as the sheltered work scheme will be used in the future to better integrate disabled people into the labour market.			

HU	OP Social Renewal	Fund: ESF	EU: €4.2 m
Title: Assisting disabled people to return to employment and independent living			
The programme aims to set up a network for the maintenance, repair and improvement of medical supply devices and sports equipment for disabled people. The aim is to provide locally available service in order to support the re-entry on the labour market for this special disadvantaged group.			

NL	ESF OP	ESF	EU: €100,000
P(r)ak je kans			
This project falls under the social inclusion investment priority of the ESF OP. The project is aimed at preparing young people in special education with the necessary skills for taking up employment in the (regular) labour market. This project contributes to the participation target in the EU2020 strategy.			

2.2. Social Infrastructure (ERDF)

CZ	Programme Central Moravia	ERDF	EU €1.1 m
Title: "We want to life and work like you" ŠUMPERK			
The Society for the Support of People with Mental Disability have converted an old school in Šumperk, into a centre providing mentally disabled people with day care, a protected workshop, protected housing, respite care and social rehabilitation. New social services were badly needed in the region. The Society's innovative approach ensures that the employment opportunities and quality of life of the clients and their family carers have started improving.			

FI	Programme 'Southern Finland'	ERDF	EU 0.49 m€
Title: PARETO - Kymenlaakso Health service reform			
The Kymenlaakso Health District has a population of 180,000 and is facing significant changes in the age structure calling into question the existing structure of health service delivery and its affordability. The District has embarked on a significant reform of the planning and delivery of health services based on reinforcing care in the community and a reform of the main regional hospital. The PARETO project 2008-2011 has developed and planned new and innovative solutions and working methods that would save 10% of the operating cost of the acute hospital service and increase the capacity to "care for the elderly" to better serve the needs of the population.			
Source: REGIO policy learning Database (EUREGIO III)			

IT	Sicily programme	ERDF	€36.4 m
Title: Health reorganisation based on a regional needs assessment			
Following work on improved data and analysis and a region based needs assessment under the Sicily programme 2000-2006 the health services in Sicily are being reformed. Implementation of a planning and procurement programme is securing modernisation of major clinical and diagnostic technology for the region. This includes improved or reformed provision of a range of scanning and radiotherapy services for use in diagnosis of cancers, heart conditions, intensive care and other services to better serve the population of 5 million inhabitants. Around 60% of the necessary equipment was already installed and functioning at end 2012.			
Source: REGIO policy learning Database (EUREGIO III)			

3. Assessment of Implementation

3.1. Tracking EU financial input

The data was normally reported by Member States as of 31 December 2011 and has normally evolved during 2012 with on-going selection processes.

3.1.1. ESF – Social Inclusion

Member States approved, indicatively, an amount of € 11.4 billion to be invested in social inclusion actions – **Table 1.1**. The projects selected so far amount to € 8.0 billion. This represents an implementation rate of 70.1 % slightly below the average for the whole of the cohesion policy (71.2%). The most important Heading/Category within the Social Inclusion Theme is "Pathways to integration and re-entry into employment for disadvantaged people; combating discrimination in accessing and progressing in the labour market and promoting acceptance of diversity at the workplace", with almost 90% of the overall approved amount. Projects in this Category have also been selected quicker with 72% of projects having been selected (in value) against 49% for "Specific actions to increase migrant participation in employment".

The biggest differences between Member States in selection rates (**Table 1.2**) are found for "Specific actions to increase migrant participation in employment and thereby strengthen their social integration". Some (FI; NL; SL; and SK) have selection rates well over 100%. This means they have already selected projects worth more than they originally intended to spend from the Structural Funds, including the ESF. Others (AT; CZ; LT; MT and UK) have very low selection rates (<10%).

The selection rates for "Pathways to integration and re-entry into employment for disadvantaged people." are more clustered around the average (72%). Nevertheless a number of MS have selections rates above 100% (BG 181%; CY; 123%; LT 114%; DE and FI 101%). The lowest rates are found in AT (28%); ES (35%); IE (38%) and EE (39%).

3.1.2. ERDF – Social Infrastructure

As regards ERDF planned programme allocations, most the EU 12 countries have allocated ERDF to all related categories (75, 76, 77, 78, 79), while in the more developed MS only a few countries identified investments in all codes. Indeed, AT, DK, IE have not allocated ERDF at all to social infrastructure.

The overall rate of allocation to projects in these categories – see **Table 1.1** - is high at 82,8% and reflects a high rate of implementation in those countries that have allocated the biggest budgets for social infrastructure (PL, PT, HU, SK). This positive trend is strongly reflected in the largest budgets of these categories, such as education and health infrastructure.

The lowest rates of selection – **Table 1.3** - are in those countries where the allocation of social infrastructure was low at the beginning of the programming period (NL, BG, FR). In this regard IT and CZ represent an exception, as the selection rate is low, 62% and 66% respectively, in spite of the significant allocation to social infrastructure (647 and 817 M EUR, respectively).

3.2. Outputs and results

3.2.1. ESF – Social Inclusion

In 2011 alone, almost 16 million people participated in ESF programmes – **See Tables 2.1-2.3 in the annex to the Staff Working Document.**

This large group is composed of sub-groups characterised by specific socio-economic disadvantages. For example, 763,000 migrant people (4.9%), 540,000 disabled persons and 530,000 people with a minority background, including Roma took part in ESF programmes. The share of other vulnerable groups, classified as such according to specific characteristics defined by the national authorities came to 1.1 million persons, 7% of all participants.

Furthermore, 34.1% of ESF programme participants were inactive; 43.7% had only primary or lower secondary (ISCED 1 or 2) educational attainment; 31.3% were young (15-24 years old) and 6.4% were older people (55-64).

The overall data on participation indicate significant differences between Member States. In LV, for example, vulnerable groups came to 80%, whereas in PL, PT, SL the equivalent figure was only 4%. Nevertheless, the data confirm that the outreach of the ESF has been significant within these groups.

The priority devoted to social inclusion in the programmes of the individual countries reflects the specific socio-economic challenges, and takes into account the Integrated Guidelines, the country-specific recommendations and the National Reform Programme. The share of social inclusion within the overall spending varies therefore to a large extent. At EU level, by 2011, spending in the priority theme 'Pathways to integration and re-entry into employment for disadvantaged people; combating discrimination in accessing and progressing in the labour market and promoting acceptance of diversity at the workplace' amounted to EUR 7 billion. This was the third most important category of

spending (following ‘Implementing ALMPs’ and ‘Measures to increase participation in education...’) among priority themes relevant for the ESF.

The interventions have contributed to social inclusion policies in many fields. Many of them have followed a social investment approach. Among these, ESF programmes support *Active inclusion*, in 17 Member States. This represents the bulk of EU funding in the social domain. The range of co-financed activities has covered the whole spectrum of active inclusion, except income support. Supportive activation services to groups at a larger distance from the labour market (e.g. young people, single-parents, migrants, and older people) have been the main focus of the programmes. The ESF has also funded social services development, ensuring better quality and accessibility for disadvantaged groups, for example in LV, RO and ES.

An important part of the interventions supporting better access to services, as parts of active inclusion strategies, has aimed at facilitating the *transition from institutional to community-based care* of children, disabled people, including people with mental health problems and older people (see the BG example in section 2).

As part of policies aiming to reduce *child poverty*, children have represented a significant target group of programmes contributing to different policy fields, such as the reconciliation of work and family life, the provision of early child-hood education and care, reduction of early school-leaving and active inclusion/access to services.

Marginalised communities, such as Roma, have been an important target group of active inclusion policies supported by the ESF.

Development of the social economy and social entrepreneurship have been important fields of ESF intervention. On the one hand, the social economy has been promoted with a view to job creation and improve access to employment through inclusive entrepreneurship. In this respect, ESF operational programmes have supported capacity building, especially of start-up enterprises, through e.g. entrepreneurial training or the set-up of support networks. Furthermore, it has facilitated access to financial services, such as micro-credits. On the other hand, social enterprises have been supported for that they contribute to the delivery of employment, social inclusion, education and institutional capacity building priorities. As service providers, these undertakings have taken part in an efficient way of policy delivery and created sustainable jobs at the same time. For example, in the employment field, the social economy has provided labour market reintegration and rehabilitation services for long-term unemployed people, referred to them by public employment services, as part of active labour market policies. They have also provided early childhood education and care for families with a disadvantaged socio-economic background (e.g. migrants, Roma, low-skilled parents) thereby improving access to education and the reduction of early school leaving. Equally, social enterprises have been active in the provision of community care to disabled people, thereby enabling the transition from institutional to community-based care. (See the EE example in section 2.)

Further to social entrepreneurship, innovative actions (including social innovation programmes) have also helped to increase the effectiveness of different social policies.

3.2.2. ERDF – Social Infrastructure

In the case of social infrastructure the relevant core indicators are "Number of Education infrastructure projects", "Number of benefiting students" and "Number of Health infrastructure projects".

ERDF/Cohesion Fund core indicators:

For the ERDF/CF the Commission recommends the use of "core indicators" in addition to the programme specific indicators (that vary according to national and regional practice and the specific objectives of the programmes). Use of core indicators has the advantage of allowing the possibility of aggregation but is not obligatory in this period.

The global aggregate achievements presented below are based on 2011 annual reports or, where possible, on updated values for 2011 and 2012 from the Strategic reports.

Achievements against targets are also analysed. Where no targets were set, the achievements were excluded from the analysis reducing the data available in that analysis. From the available data it is clear that some targets were set too low or too high.

Number of Education infrastructure projects – Table 2.1 and 2.2

- Total achievements reported by 17 MS are 19,031 projects selected.
- 12 MS set targets (EE, FR, LV, RO and UK did not). For those programmes with targets, the average achievement ratio was 66% (with great variation in the ratios). For projects selected, the size of the project can have a significant impact on the number of projects supported, so this may explain some of the variation compared to targets.
- The following MS reported the highest achievement ratios: LT (218%), HU (175%), and BE (150%). Target setting is probably too low in LT as the amounts allocated to projects, although high, are under 70%. The following MS reported the lowest achievement ratios: CZ (3%) and DE (20%). They probably did not report achievements or there were problems with the monitoring system.

Number of benefiting students – Table 2.1 and 2.3

- Total achievements reported by 13 MS are 3.3 million students, but 82% or 2.8 million are in IT.
- 10 MS set targets (EE, HU and RO did not). For programmes with targets, the average achievement ratio was 58% (with great variation in the ratios). BG (338%) and FR (103%) reported highest achievements. Target setting is probably too low in BG as the amounts allocated to social infrastructure are under 65%. GR and SK (both at 11%) and PL (19%) had low achievement ratios. They probably did not report achievements or there were problems with the monitoring system. For these countries, with high project selection, one would expect more achievements, unless the completion of projects is delayed. IT with the highest target and achievements reported 73% achievement at the end of 2011.

Number of Health infrastructure projects – Table 2.1 and 2.4

- Total achievements reported by 17 MS are 3,572 projects supported.
- 14 MS set targets (EE, LV and RO did not). For those programmes with targets, the average achievement ratio was 86%. In general, target setting was varied across MS, with several setting very low targets, resulting in very high achievement rates reported (DE, HU, LT).

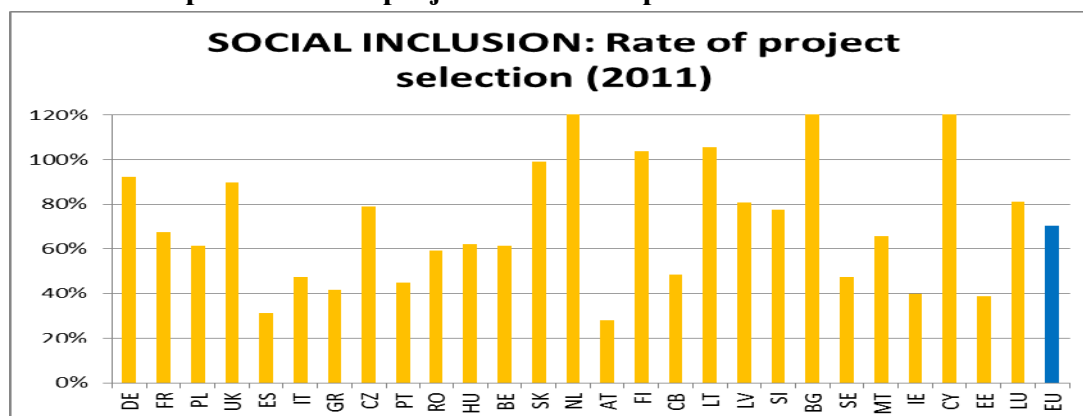
Table 1.1: 2007-2011 – Aggregate Project selection – Social Inclusion (ESF) and Social Infrastructure (ERDF)

Code	Category	Decided Ops - Million € (a)	% Decided OPs of Total Decided (b)	Allocated to selected projects AIR 2011 - million € ©	% (d=c/a)
70	Specific action to increase migrants' participation in employment ...	1,163.0	0.3%	574.2	49.4%
71	Pathways to integration and re-entry into employment for disadvantaged people ...	10,245.2	3.0%	7,439.7	72.6%
	Total Social Inclusion	11,408.2	3.3%	8,013.9	70.2%
75	Education infrastructure	8,566.7	2.5%	7,776.1	90.8%
76	Health infrastructure	5,288.5	1.5%	4,580.2	86.6%
77	Childcare infrastructure	616.0	0.2%	457.6	74.3%
78	Housing infrastructure	850.0	0.2%	113.7	13.4%
79	Other social infrastructure	2,499.2	0.7%	1,830.9	73.3%
	Total Social Infrastructure	17,820.4	5.1%	14,758.5	82.8%
	Total all themes	346,717.2		246,983.9	71.2%

Table 1.2: 2007-2011 – Project selection reported by MS – Social Inclusion (ESF)

Social Inclusion				
Country	Decided OPs (a) - in M.€	% of National SF/CF	Allocated to selected projects AIR 2011 (b) - in M.€	% (c=b/a)
DE	2,371.3	9.3%	2,189.6	92.3%
FR	1,938.6	14.4%	1,308.3	67.5%
PL	1,158.0	1.7%	711.0	61.4%
UK	1,148.2	11.6%	1,032.8	89.9%
ES	748.5	2.2%	233.8	31.2%
IT	660.8	2.4%	313.7	47.5%
GR	495.5	2.5%	207.2	41.8%
CZ	457.8	1.7%	362.6	79.2%
PT	446.9	2.1%	201.2	45.0%
RO	433.1	2.3%	257.1	59.4%
HU	336.0	1.3%	208.0	61.9%
BE	298.9	14.5%	183.5	61.4%
SK	173.1	1.5%	171.8	99.2%
NL	143.8	8.7%	180.4	125.5%
AT	132.7	11.0%	37.0	27.9%
FI	114.8	7.2%	119.2	103.8%
CB	75.8	1.0%	36.7	48.5%
LT	64.0	0.9%	67.6	105.6%
LV	48.0	1.1%	38.9	81.0%
SI	44.7	1.1%	34.8	77.8%
BG	37.4	0.6%	67.7	180.9%
SE	23.7	1.5%	11.2	47.3%
MT	19.5	2.3%	12.8	65.8%
IE	17.9	2.4%	7.1	39.7%
CY	13.7	2.2%	16.8	123.1%
EE	3.2	0.1%	1.2	38.8%
LU	2.4	4.8%	2.0	81.2%
EU	11,408.2		8,013.9	70.2%

Graph 1: Rates of project selection reported – Social inclusion



Graph 2: ESF participants in 2011

European Union - 2011

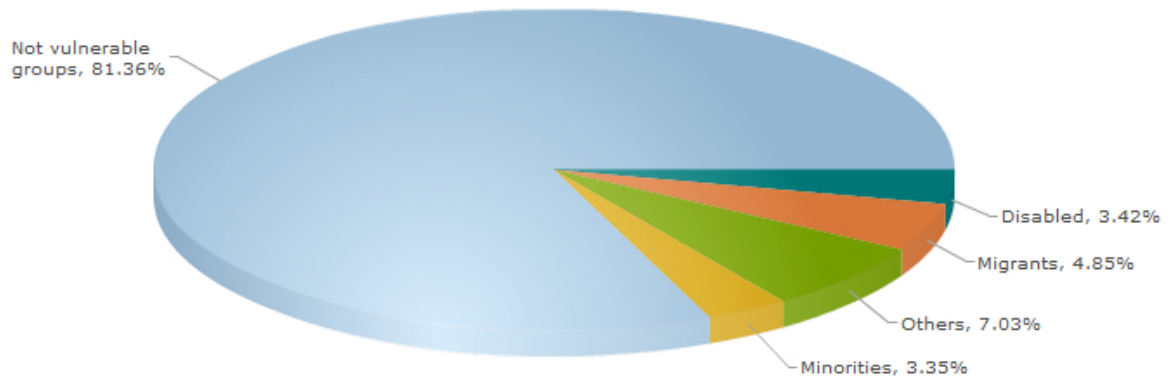


Table 1.3: 2007-2011 – Project selection reported by MS – Social Infrastructure (ERDF)

Social infrastructure				
Country	Decided OPs (a) - in M.€	% of National SF/CF	Allocated to selected projects AIR 2011 (b) - in M.€	% (c=b/a)
PT	2,954.2	13.8%	2,502.0	84.7%
PL	2,710.8	4.0%	2,197.8	81.1%
HU	2,422.5	9.7%	2,166.4	89.4%
CZ	1,232.8	4.6%	816.4	66.2%
SK	1,175.7	10.2%	1,197.5	101.9%
GR	1,116.7	5.5%	1,163.8	104.2%
IT	1,046.6	3.7%	647.9	61.9%
ES	976.4	2.8%	683.1	70.0%
LT	835.6	12.3%	555.9	66.5%
LV	526.1	11.6%	491.7	93.4%
EE	517.9	15.2%	509.0	98.3%
RO	505.5	2.6%	515.9	102.1%
DE	491.6	1.9%	337.3	68.6%
ETC	454.7	5.8%	354.9	78.1%
BG	318.3	4.8%	199.7	62.7%
FR	285.6	2.1%	188.7	66.1%
SI	112.7	2.7%	82.8	73.4%
MT	72.6	8.6%	69.0	94.9%
UK	37.8	0.4%	49.0	129.3%
NL	14.5	0.9%	7.1	49.1%
CY	9.7	1.6%	10.2	105.5%
BE	1.7	0.1%	3.2	188.0%
AT	0.4	0.0%	0.0	0.0%
FI	0.0	0.0%	6.9	-
SE	0.0	0.0%	2.4	-
EU	17,820.4		14,758.5	82.8%

Graph 3: Rates of project selection reported – Social Infrastructures

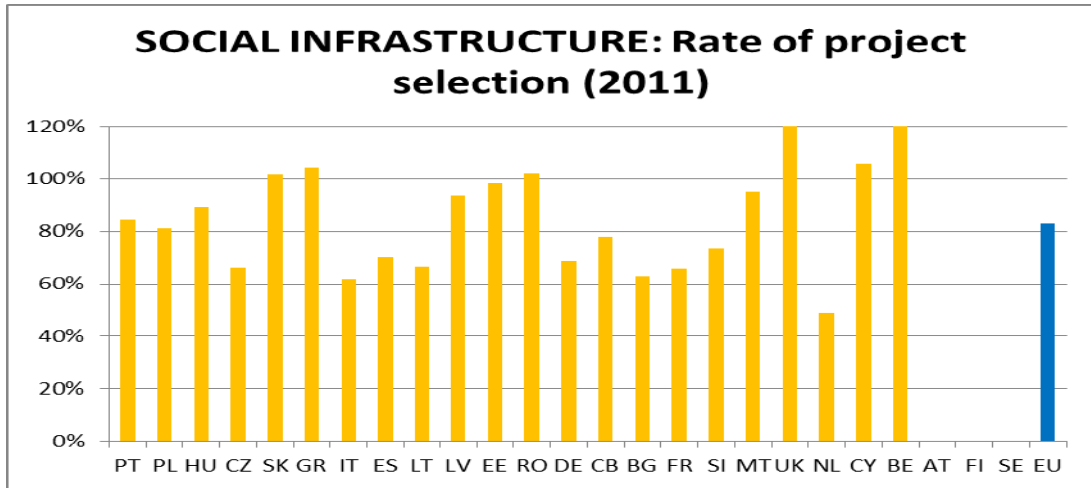


Table 2.1: 2007-2011 –Social Infrastructure (ERDF) - Total achievements reported by MS

Country	Number of Education projects	Benefiting students	Number of Health projects
BE	9	6,915	
BG		22,786	
CZ	2		103
DE	577	15,177	35
DK	11		10
EE	90	8,368	6
ES	538	83,756	994
FR	42	12,503	1
GR	387	18,720	161
HU	2,969		537
IT	11,529	2,767,080	365
LT	218		235
LV	342		273
MT		8,550	0
PL	356	142,800	585
PT	847	199,158	146
RO	201	21,417	59
SI			0
SK	834	60,953	62
UK	79		
EU	19,031	3,368,183	3,572

Table 2.2: Number of Education projects (ERDF) – achievement ratios by MS (2011 AIR)

MS	Target	Achievement	Achievement ratio
BE	6	9	150%
CZ	70	2	3%
DE	2,844	577	20%
DK	15	11	73%
ES	942	667	71%
GR	591	387	65%
HU	1,700	2,969	175%
IT	19,348	11,529	60%
LT	100	218	218%
PL	664	396	60%
PT	822	847	103%
SK	810	834	103%
EU	27,912	18,446	66%

Table 2.3: Number of benefiting students (ERDF) – achievement ratio by MS (2011 AIR)

MS	Target	Achievement	Achievement ratio
BE	15,000	6,915	46%
BG	10,000	33,786	338%
DE	36,399	15,177	42%
ES	183,673	143,668	78%
FR	12,175	12,503	103%
GR	164,750	18,720	11%
IT	3,776,115	2,767,080	73%
MT	25,000	8,550	34%
PL	764,254	143,500	19%
PT	356,770	199,158	56%
SK	563,750	60,953	11%
EU	5,907,886	3,410,010	58%

Table 2.4: Number of Health projects (ERDF) – achievement ratio by MS (2011 AIR)

MS	Target	Achievement	Achievement ratio
CZ	110	98	89%
DE	1	35	3500%
DK	15	10	67%
ES	1,514	1,170	77%
FR	6	1	17%
GR	293	161	55%
HU	130	537	413%
IT	385	365	95%
LT	75	235	313%
MT	2	2	100%
PL	1,326	713	54%
PT	164	146	89%
SI	10	0	0%
SK	58	62	107%
EU	4,089	3,535	86%