



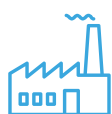
European
Commission

REINFORCING EU SOCIAL FUNDS TO HELP RECOVER FROM THE CRISIS

#EUSolidarity #StrongerTogether



1 What is changing under the existing European Social Fund (ESF)?



Keeping people in work: To finance investments in people, Member States can use part of the €55 billion in fresh funding available under the new REACT-EU initiative. The ESF is being made more flexible thanks to the Coronavirus Response Investment Initiative. The additional ESF resources will be used to support job maintenance, including through short-time work schemes and support for the self-employed. The funds can be used to support job creation, to support youth employment measures, to fund education and training and skills development, and to enhance access to social services, including for children.

2 What is changing under the existing Fund for European Aid to the most Deprived (FEAD)?



Support to the most deprived: Member States can top up current funding to increase support to the most vulnerable in our society who have been disproportionately affected by the crisis. This will be done through REACT-EU. Support to the most deprived will continue to be a priority in the future.

3 What is changing in the proposal for the European Social Fund Plus?

Originally put forward by the Commission in May 2018, the European Social Fund Plus (ESF+) remains focused on investment in people.



Further support to youth employment: Member States with an above Union average rate of people aged 15 – 29 not in employment, education or training should invest at least 15% (up from 10% in the original ESF+ proposal) of their ESF+ resources to targeted actions to support young people.



Help to tackle child poverty: No child can be left behind in the aftermath of the coronavirus pandemic. The amended ESF+ proposal requires Member States to allocate at least 5% of their ESF+ resources to implement measures that reduce child poverty.



Accompanying the green and digital transitions: The ESF+ will make a strong contribution to the green and digital transitions by driving investment in skilling opportunities so that workers can thrive in a climate-neutral, more digital and inclusive society.



Future-proof funding for emergencies: To be better prepared for future emergency situations, the ESF+ includes a crisis-response mechanism. This will ensure that under exceptional circumstances, the Commission can adapt it to respond to such events, swiftly amending fund management rules for Member States as needed.

4 What is changing in the European Globalisation Adjustment Fund?



Helping workers re-enter the labour market after major redundancies: The European Globalisation Adjustment Fund supports workers who have lost their job as a result of major restructuring events, by financing targeted training and other support for their reintegration into the labour market. Given the expected increase in demand in the wake of the coronavirus pandemic, the Commission proposes to increase the annual funding available to €386 million from 2021 onwards.

5 What additional funds will support employment and social objectives?



The new Recovery and Resilience Facility has a budget of €560 billion which can be tapped by Member States to support social investment and reforms through grants and loans. This facility links in with the European Semester guidance which builds on the European Pillar of Social Rights. Therefore, it will help Member States to address the structural economic and social challenges in various areas notably social, employment, skills and education.



The Commission proposed to provide substantial additional funding for the **Just Transition Fund**, bringing the total to €40 billion. This funding will be used to alleviate the socio-economic impacts of the transition towards climate neutrality in the regions most affected, by for example supporting the reskilling of workers.



InvestEU will also benefit from increased resources to support social infrastructure or microfinance to entrepreneurs, notably in the social economy. InvestEU is proposed to have a total budget of €32 billion.



And **Erasmus**, with a total proposed budget of €25 billion, will invest in young people, offering them opportunities to gain new experiences by going abroad. It also provides crucial financing in the area of skills and Vocational Education and Training (VET).



The instrument for temporary **Support to mitigate Unemployment Risks in an Emergency (SURE)** will complement the ESF+ by investing in active labour market programmes to enhance the employability of workers through further training and upskilling, active job search, job-matching and counselling.