

Civil society call for the consideration of the future ESF+ co-financing rates

The importance of Structural and Investment Funds, especially the European Social Fund (ESF), became evident as a supporting tool for the most disadvantaged groups throughout different programming periods. This became even more relevant during the last crisis that hit the European Union, particularly affecting its citizens who are most at risk of social exclusion and those who have higher rates of unemployment.

The results reached by the ESF Programmes when it comes to the social inclusion of disadvantaged groups, (in the field of employment, education, social inclusion and anti-poverty policies) have been possible due to the participation and management of Programme operators who work on the ground with these groups.

The participation of civil society organisations has provided not only first-hand knowledge on the challenges faced by disadvantaged groups but also the capacity to develop projects aimed at producing results in the most efficient way possible.

Therefore, as civil society organisations involved in the European Social Fund, we hope to see the ESF Regulation and the Multiannual Financial Framework for the next programming period adopted as soon as possible to address the current crisis caused by the COVID-19 pandemic.

However, we want to express our profound concern about the co-financing rates that would be applied for the future programming period according to the European Council Conclusions of 21 July 2020. Following the Council Conclusions, the co-financing rates for the next programming period would be set as such:

- 85% for the less developed regions
- 70% for the regions in transition which were classified in the 2014-2020 period as less developed
- 60% for the regions in transition
- 40% for more developed regions

As members of the civil society, we emphasise that **the application of such co-financing rates would in fact impose an insurmountable obstacle to the management of the future ESF+.**

With such co-financing rates, it would be almost impossible for civil society organisations (many of which are part of the social economy and non-profit organisations) to take on the commitment to ensure the co-financing of the Programmes. Such rates would, in reality, exclude the potential collaboration of civil society organisations as final beneficiaries and, thus, put at risk the achievement of ESF+ social objectives.

Therefore, we call on the European institutions involved in the negotiations of the budgets and specific Fund Regulations to mitigate the risk of excluding our organisations and, by extension, the groups we represent, from the management of the ESF+.



In order to facilitate the viable participation of the civil society in the management of the future ESF, we call for the adoption of measures to increase the co-financing rates for those activities related to the social inclusion of most disadvantaged groups.

As such, and opposed to the drastic reduction of the co-financing rates proposed by the Council, we ask for the EU Member States being granted the possibility to raise the co-financing rates by ten percentage points for all the Programmes and projects on social inclusion of disadvantaged groups, according to objectives set out by Article 4 (vii)-(xi) of the future Regulation.

It is also worth noting that higher co-financing rates for such objectives would not have an impact on the expenditure of the ESF budget. In reality, it would simply allow for the participation of organisations which, unlike regional authorities, are unable to commit to high co-financing rates to complement the funding coming from the MFF.

The participation of our organisations will be of vital importance to the effective use of the future Fund. Our involvement in the management would provide support and investment to those groups which, already being at a disadvantaged situation, could be further excluded from the current social, economic and health crisis.

With the conviction that the European Institutions will address this concern, we confirm our commitment to take part in the future European Social Fund Plus with all our human and economic resources. Thus, contributing to strengthening the Social Rights Pillar of the European Union, as well as to develop projects that emphasise common added value, towards achieving a greater social, economic and territorial cohesion.