

## IMPORTANT TO KNOW

### Introduction

All EU countries manage together 76% of the **European budget**.

It is a shared management to **implement** the **Europe 2020 strategy**.

EU countries **are doing** this through 5 big **European Funds**:

- European Regional Development Fund (ERDF);
- European Social Fund (ESF);
- **Cohesion** Fund (CF);
- European Agricultural Fund for Rural Development (EAFRD);
- European Maritime and Fisheries Fund (EMFF).

There are other funds directly managed by the EU. The funds come in the form **grants** for specific **projects to implement the EU policy**. There are national contact points in the EU member countries.

But most of the funding **is managed** within the beneficiary countries of the EU.

The money **is spent** according to **strict rules** in a **transparent** and **accountable way**.

Organizations **apply for grants** after a public announcement. This public announcement **is known** as **“Call for proposals”**. It is an invitation to submit projects and apply for grants.

The **project** is a number of **activities** with clear **objectives** to be completed within a defined **time** period and with a defined **budget**.

Part of the funding comes from the EU, part from other sources: national budgets, co-financing by the beneficiaries, etc.

Who can apply for funding and get money from the EU:

- Businesses;
- **NGOs**;
- Young people;
- Researchers;
- Farmers & rural businesses.

### European Social Fund (ESF)

ESF **is investing** in people's future.

ESF **is helping** people get training, acquire skills, and find jobs.

ESF **is promoting** the Social Enterprises.

European Social Fund is supporting the establishment of **Social Enterprises** (SEs) because Social Enterprises create jobs for:

- young and long-term unemployed;
- disabled and disadvantaged people;
- rural people.

European Social Fund is supporting the social enterprises because they operate as businesses but their primary purpose is to serve and help their communities.

European Social Fund support takes many forms.

**Types of ESF support** for Social Enterprises:

- **management training** for those who will run and manage the social enterprises;

Trainings offer skills in:

- human resources;
  - employment law;
  - health and safety.
- trainings for specific **technical skills** in tourism, catering, marketing, etc.
  - **financial support** for **sustainable activities**.

ESF is funding tens of thousands of projects across the EU.

### Examples of ESF-funded projects:

#### Greece

Social enterprises for a greener community (2016)

The project helped to bring unemployed people into the labour market through establishing their own social enterprises after training programs and advisory support.

8 social cooperative enterprises were established to provide cleaning services and green space management.

80 unemployed people took part in the project, 62 of whom entered the labour market.

ESF Contribution: EUR 372 653

#### Belgium

A cooperative approach to job creation (2015)

The project established a commercial enterprise to help disadvantaged people into the world of work.

ESF Contribution: EUR 39 143; Number of Participants: 3 initially

## EU Program for Employment and Social Innovation

### Indirect support for social enterprises

**The EU Programme for Employment and Social Innovation (EaSI) is a financial instrument of the EU to:**

- promote **sustainable employment**;
- guarantee **social protection**;
- combat **social exclusion**;
- improve **working conditions**.

EaSI is managed directly by the European Commission.

The total budget for 2014-2020 is EUR 919,469,000

The Program provides 3 main supports:

- For employment and modern social policies (61% of the total budget);
- For job mobility across Europe (18% of the total budget);
- Access to **micro-finance and social entrepreneurship** (21% of the total budget).

### Access to Microfinance and Social Entrepreneurship

Objectives

- increase access to **microfinance** for **micro-enterprises and vulnerable groups** who want to start or develop their business;
- increase the capacity of **microcredit providers**;
- support **easy access to finance for social enterprises to develop**.

### Funding

The European Commission does not directly finance entrepreneurs or social enterprises, but helps **microcredit providers** and **social enterprise investors** in the EU to increase **loans**.

**Sources:**

[https://europa.eu/european-union/about-eu/funding-grants\\_en](https://europa.eu/european-union/about-eu/funding-grants_en)

<http://ec.europa.eu/esf>

<http://ec.europa.eu/social/main.jsp?catId=1081>

[https://ec.europa.eu/europeaid/project-modality\\_en](https://ec.europa.eu/europeaid/project-modality_en)

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