



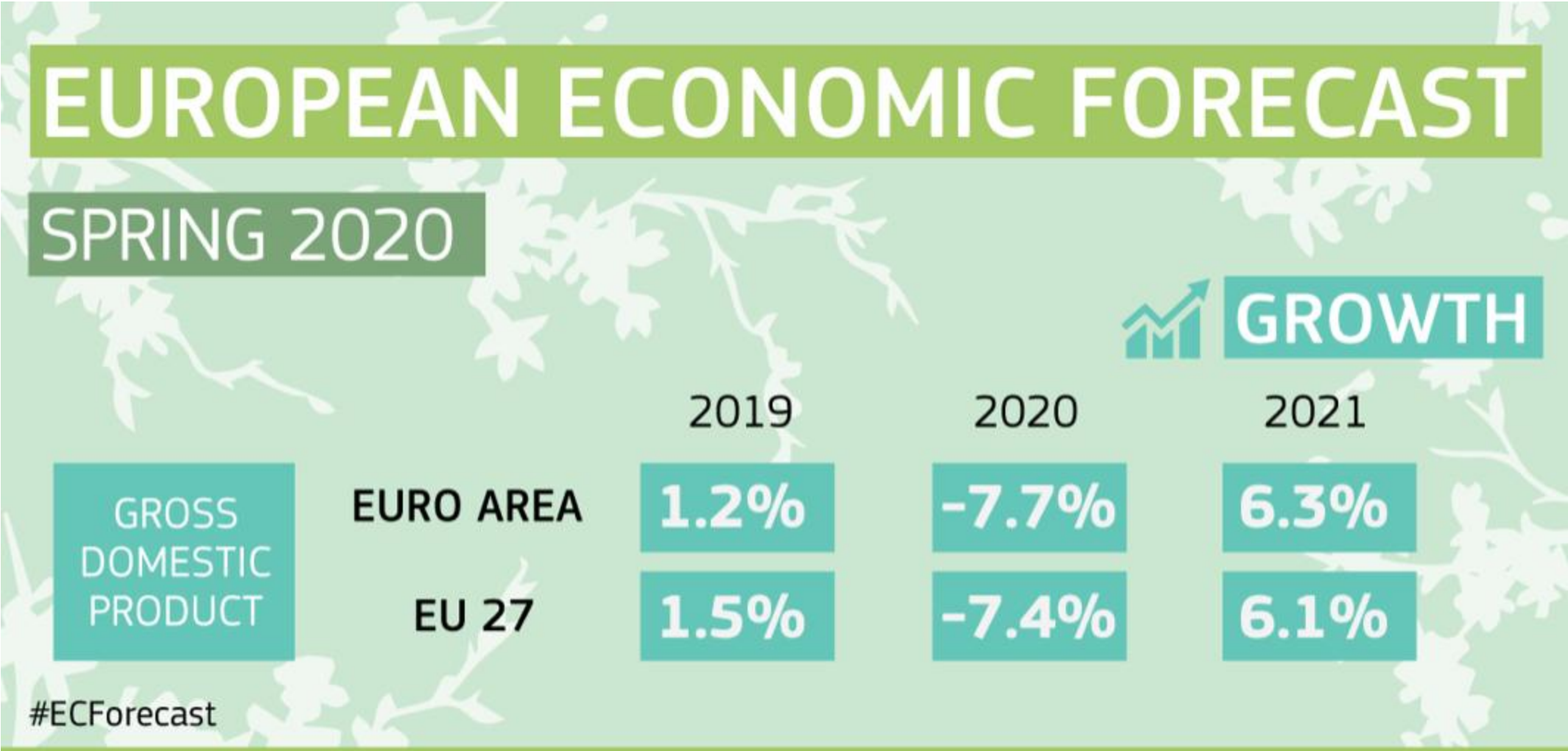
# Access to finance for Social Economy

@SocEntEU  
#ESER2020

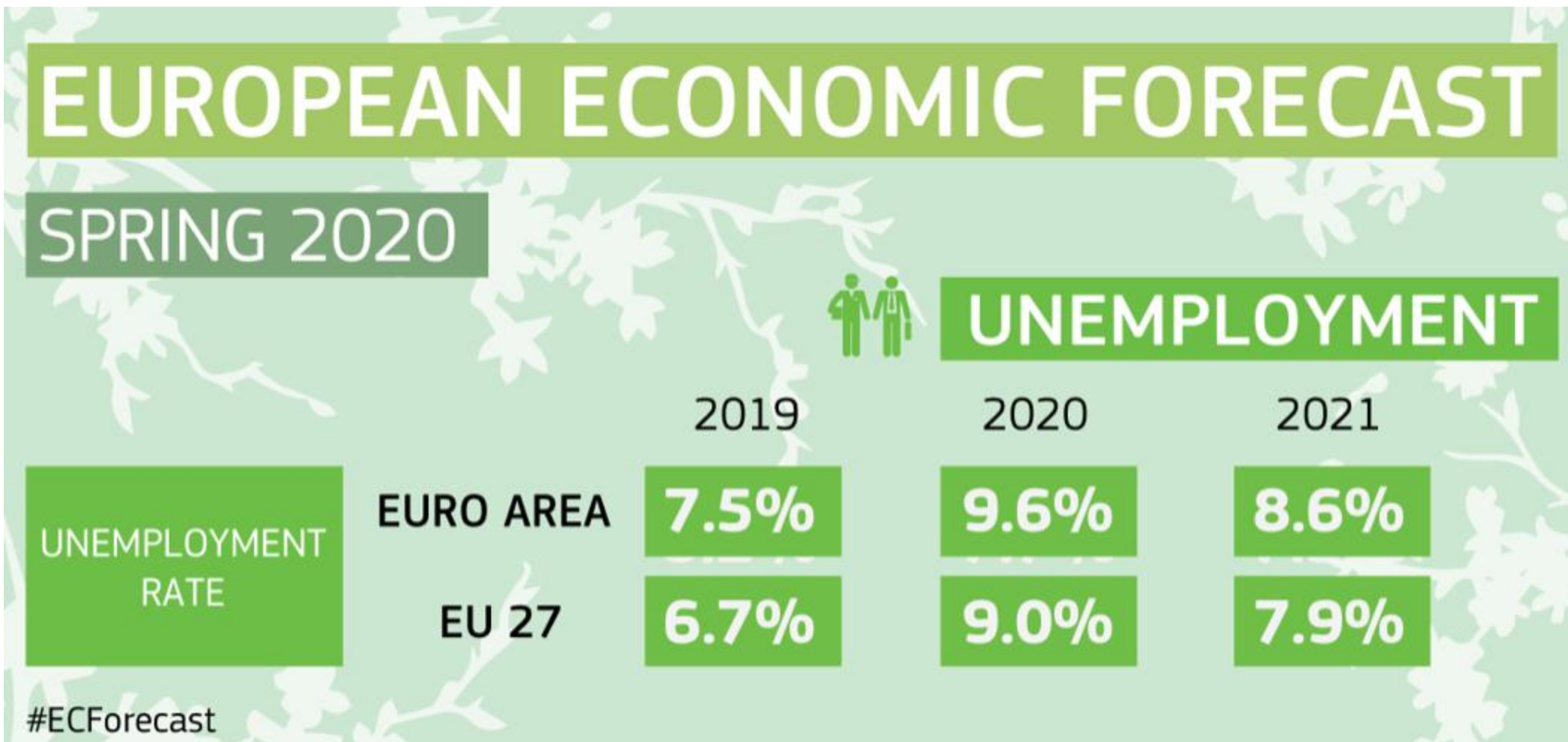
Karel Vanderpoorten  
DG GROW – Social Economy Unit



EU will face decrease of GDP in 2020...



... and increase in unemployment



# Commission proposal for a reinforced EU budget

**INVESTMENT** as policy response to:

- ✓ **Repair immediate social & economic damage** by pandemic
- ✓ **Kickstart recovery**
- ✓ **Prepare for better future** for next generation, with focus on common priorities:
  - **European Green Deal**
  - **Digital transition**
  - **Resilience**

<b>Next Generation EU</b>	Temporary reinforcement €750 billion
Reinforced 2021-2027 EU Long-term Budget	€1 100 billion
<b>TOTAL</b>	<b>€1 850 billion</b>



**Financing** of new recovery measures through **increased own resources** of Commission

# The EU budget: aiming for a gradual return to a “new normal”

## Short term

- **“Crisis response”**: provide immediate, short-term support to strengthen crisis response capacities and to workers and enterprises to “weather the storm”

## Medium term (next 2-3 years)

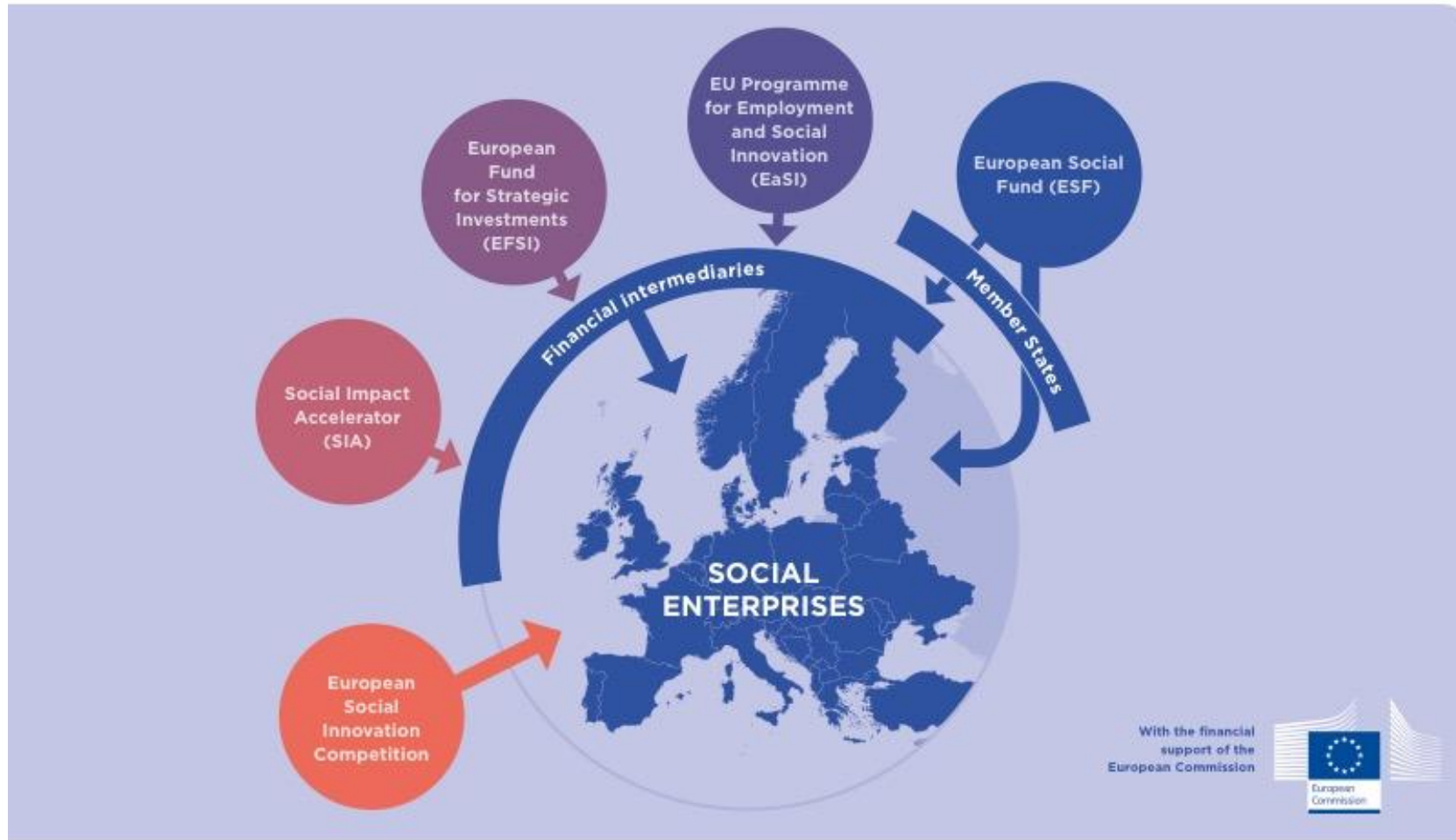
- **“Crisis repair”**: prepare the ground for recovery, bridge the gap between first response and recovery, focus still on restoring labour markets and support to workers and enterprises but investment preparing the foundations of recovery shall also begin

## Longer term

- **“Recovery”**: support the long-term recovery and the resilience of the economy and society focussing on the green and digital transitions

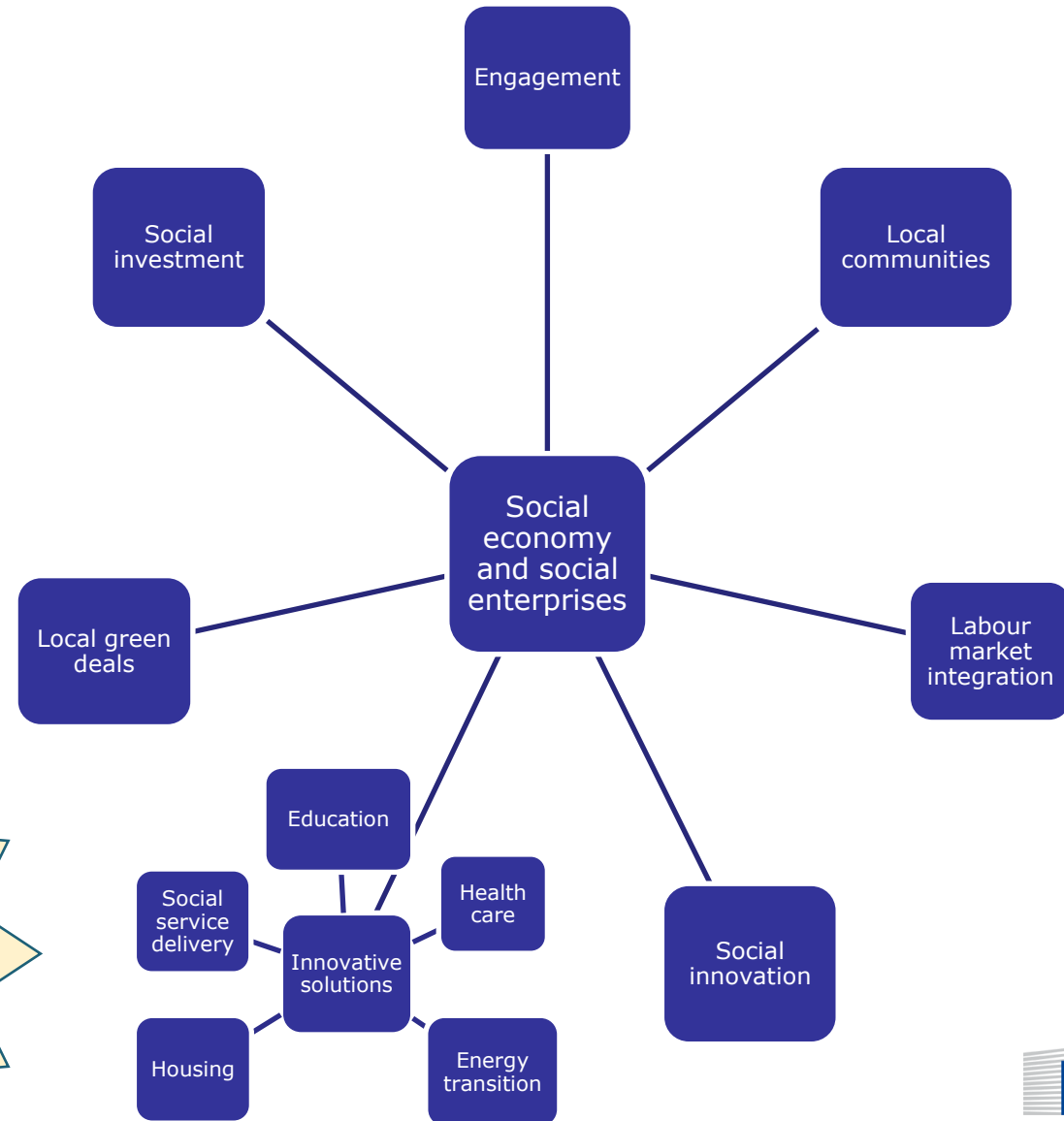
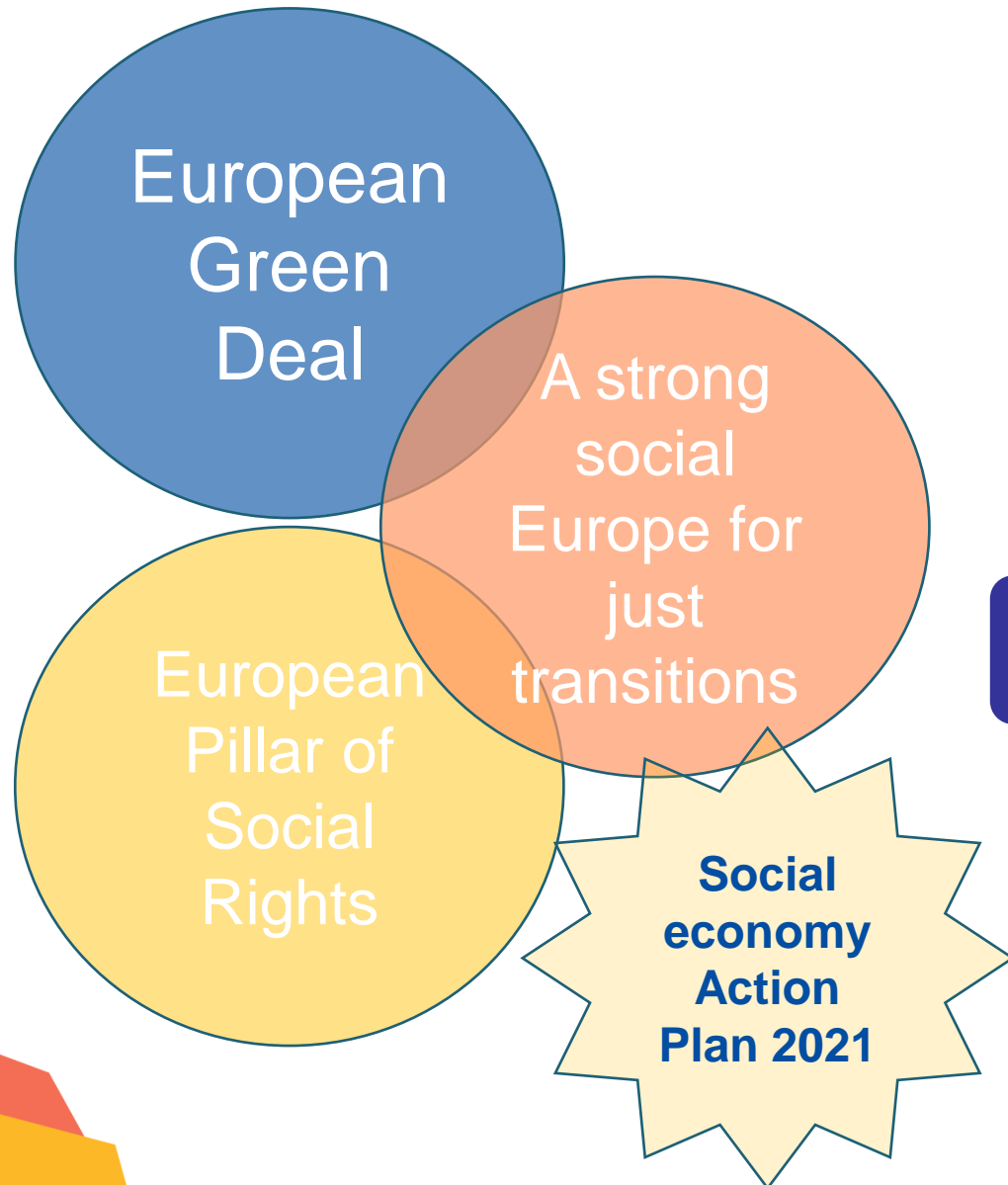
Future programming period 2021-2027

# **MFF & SOCIAL ECONOMY**



Useful Infographic by EVPA: Different types of EU funding for SE

# Why European support to social enterprises?





# Current support to social enterprises/social economy

ESF

- 9.6 bln programmed for social enterprise/social economy support
- Grants & financial instruments (e.g. Poland, Portugal, Spain)

**Implemented by Member States**  
(Shared management)

EaSI

- EaSI financial instruments
- Grants
- EaSI Technical Assistance

**Implemented by European Commission**  
(Direct management)

# MFF timeline

Commission proposal for the revised MFF 2014-2020 & 2021-2027 + sectoral legislation

May  
2020

By July  
2020

European Council:  
Political agreement on MFF 2014-2020 & 2021-2027

Adoption of the revised MFF 2014-2020 + corresponding sectoral legislation

Early  
autumn

October  
2020

European Council

Adoption of the revised MFF 2021-2027 (European Parliament's consent)

December  
2020

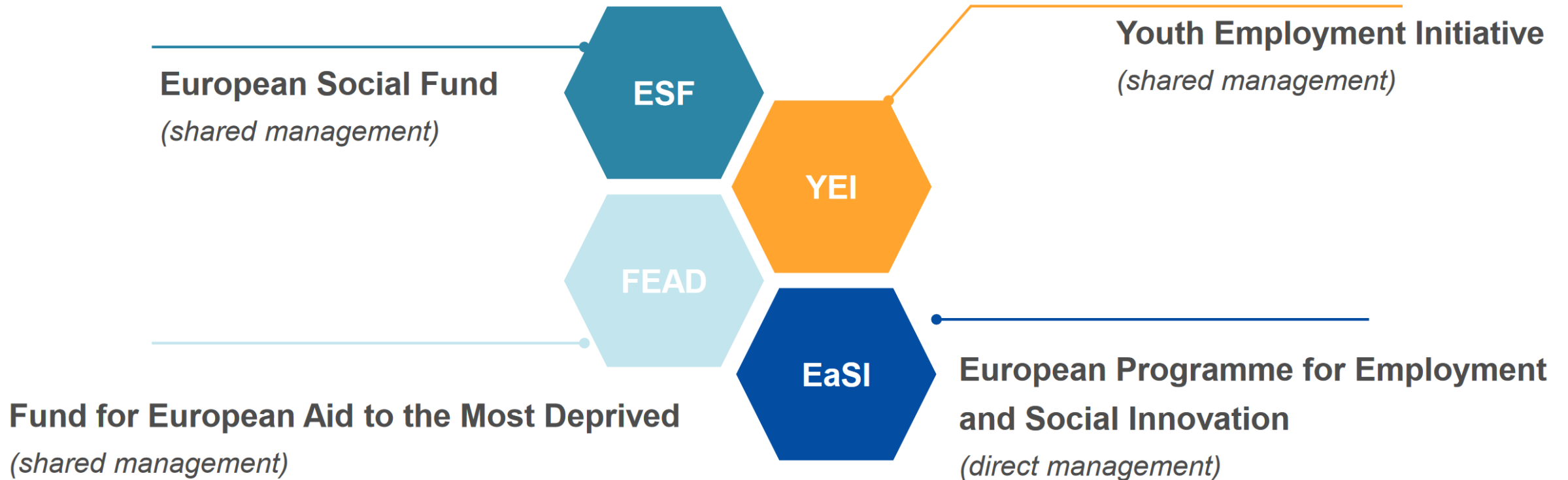
January  
2021

MFF 2021-2027 implementation starts

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**ESF+**

# The ESF+: 4 funds coming together



# ESF+ (2021-27) – Budget

**ESF +** € 87,9 billion (2018 prices)

ESF+ Shared management

€ 87,3 billion

*New!*

Outermost Regions/NSPA €473 million

Transnationality

€175 million

ESF+

- Shared management
- Employment and Social Innovation strand

€ 87,3 billion

€ 676 millions



# ESF+ and its 11 specific objectives

A more social Europe (European Pillar of Social Rights)

## EMPLOYMENT

- Access to employment
- Modernising labour market
- Women's labour market participation, work/life balance, childcare, working environment, adaptation of workers, active and healthy ageing

## EDUCATION TRAINING

- Quality and inclusive education and training
- Labour market relevance of Education and training systems
- Lifelong learning, upskilling, anticipating change and new skills requirements

## SOCIAL INCLUSION

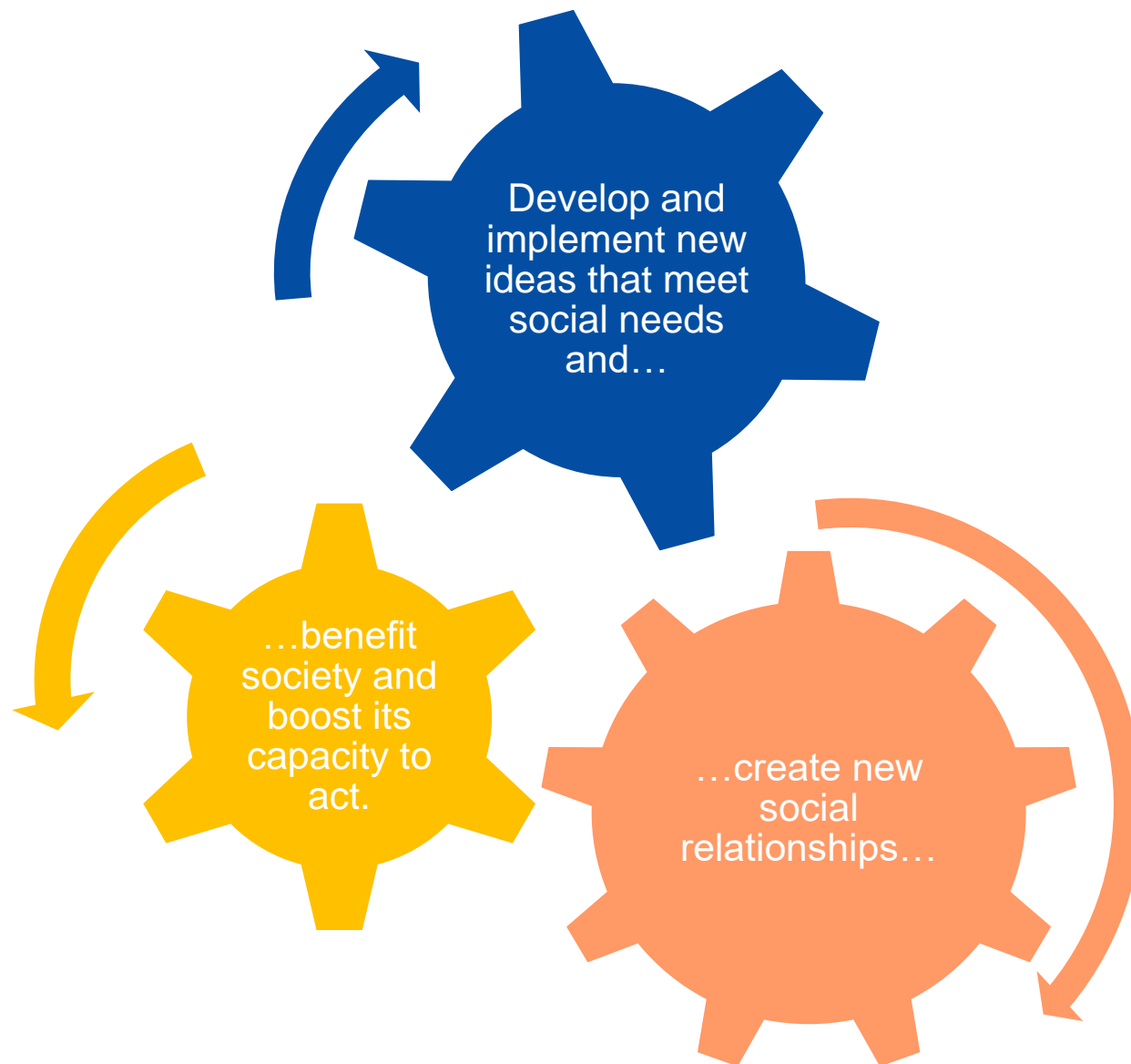
- Active inclusion
- Integration of migrants and marginalised such as Roma
- Access to services; social protection healthcare systems and long term care
- Social integration of people at risk of poverty;
- Addressing material deprivation

Horizontal principles: Gender, Equal opps. Non-discrimination

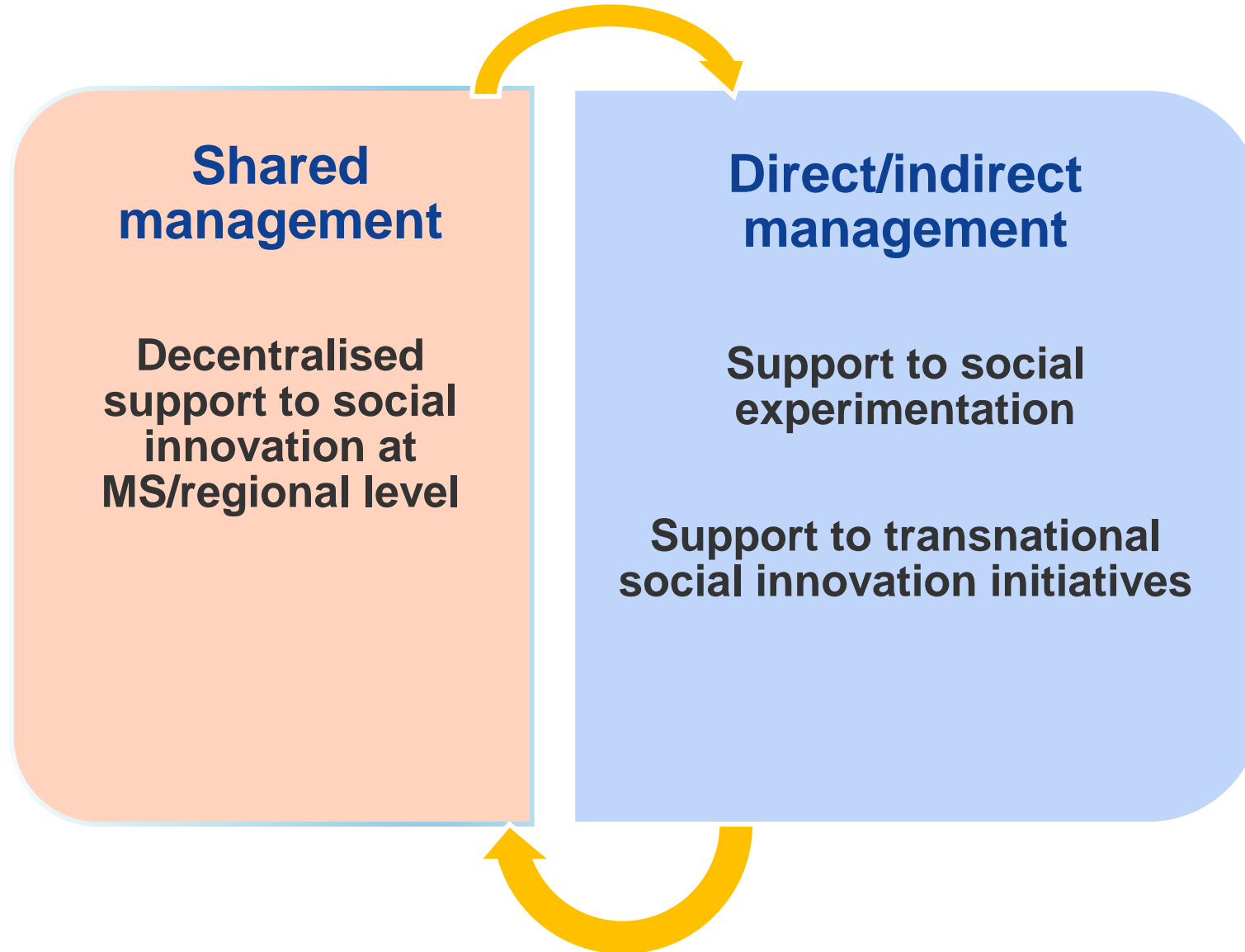
Health

Contribution to Smarter Europe; Greener, low-carbon Europe

# ESF+: a strengthened focus on social innovation



# Support to social innovation under the ESF+





# Shared management – Innovative Actions

At least 1 priority  
per MS

Up to 95% co-  
financing (for up  
to 5% of the  
national ESF+  
envelope)

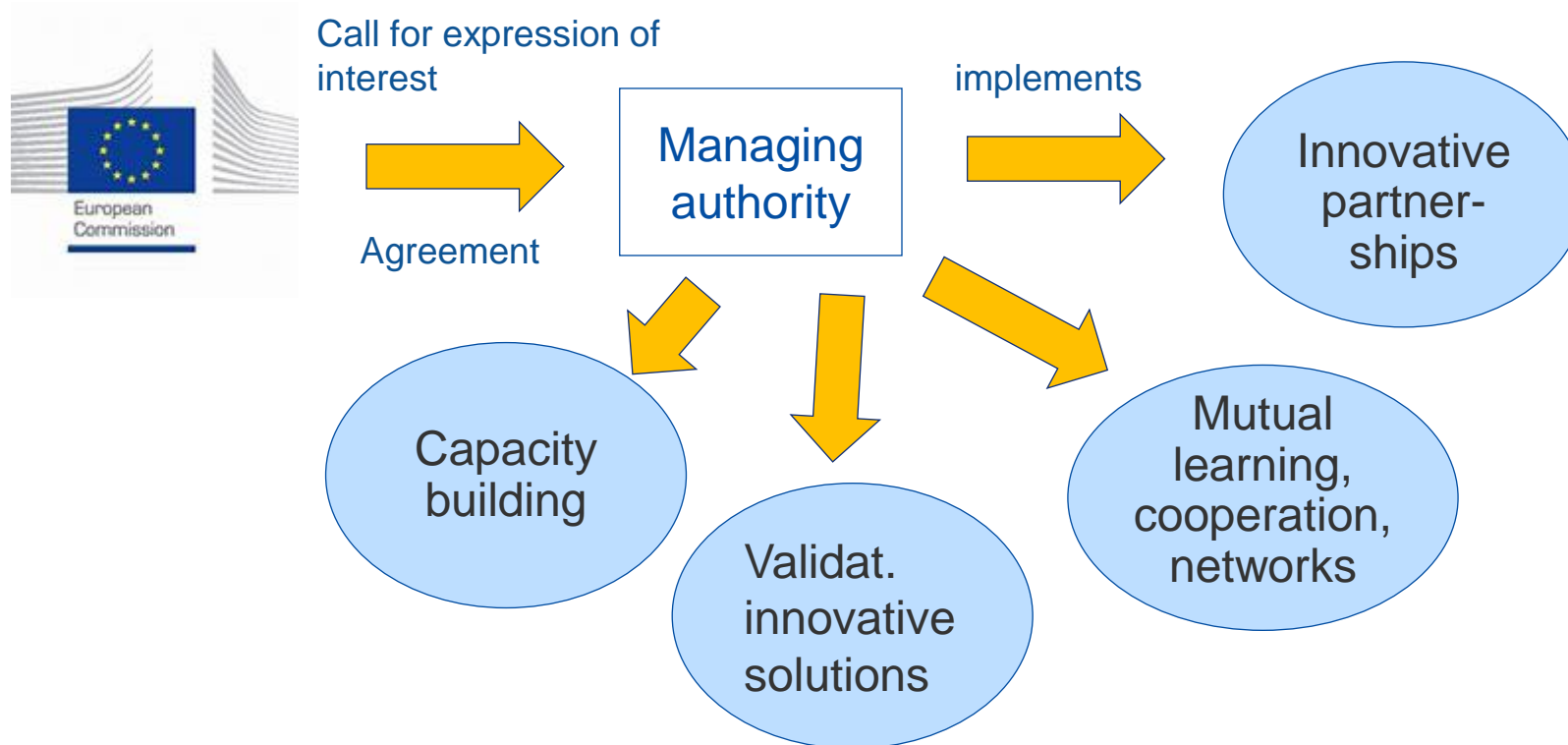
Social innovation and social experimentation

Partnerships between public authorities, private sector and civil society / bottom-up approaches

Upcaling of innovative concepts developed and tested at EU level (Union programmes)

# Transnational cooperation for social innovation under the ESF+

Indirect management  
EUR 200 million



# More details on future ESF+?

## → ESF Transnational Cooperation Platform - Preparatory Seminar Online

- 1) Update on the EU budget: towards recovery and the ESF+ (by Loris Di Pietrantonio, Head of Unit F.1 at DG Employment)
- 2) ESF+: Employment, Education and Skills
- 3) ESF+: Social Inclusion
- 4) ESF+: Results-based Management
- 5) ESF+: Social Innovation

Accessible: <https://next-ma.eu/landing/esftcpresources>

Future programming period 2021-2027

# RECOVERY – NEXT GENERATION EU

# THE PILLARS OF NEXT GENERATION EU

## Supporting Member States to recover

### PILLAR 1

Recovery and Resilience Facility	560.0 / 560.0
Of which GRANTS	310.0 / 310.0
Of which LOANS**	250.0 / 250.0
REACT-EU**	50.0 / 55.0*
Rural development**	15.0 / 90.0
Just Transition Fund	30.0 / 40.0
	-----
	Total in MFF

**Total Pillar 1**  
405 grants    250 loans

## Kick-starting the economy and helping private investment

### PILLAR 2

Solvency Support Instrument	26.0 / 31.0*
InvestEU***	15.3 / 16.6
Strategic Investment Facility	15.0 / 15.0
	-----
	Total in MFF

**Total Pillar 2**  
(according to the needs)  
56.3 provisioning for guarantees

## Learning the lessons from the crisis

### PILLAR 3

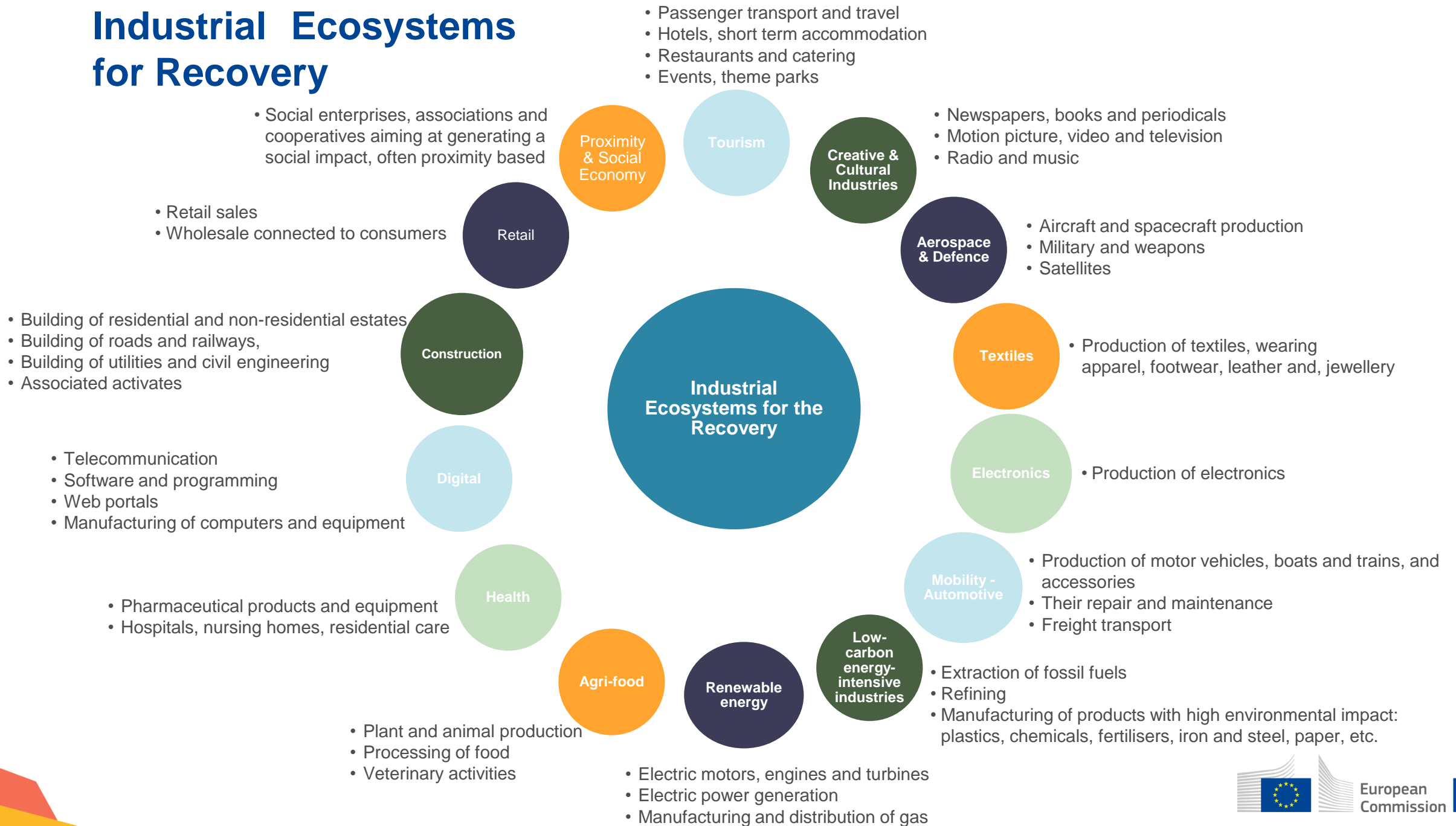
Health programme	7.7 / 9.4
rescEU	2.0 / 3.1
Horizon Europe	13.5 / 94.4
Neighbourhood, Development and International Cooperation	10.5 / 86.0
Humanitarian Aid	5.0 / 14.8
	-----
	Total in MFI

**Total Pillar 3**  
(according to the needs)  
38.7 grants of which  
10.5 provisioning for guarantees

Grants	500
of which provisioning for guarantees	66.8
Loans	250.0
<b>TOTAL</b>	<b>750</b>

Next Generation EU  
TOTAL (including possible EU budget financing)

# Industrial Ecosystems for Recovery



Future programming period 2021-2027

# RECOVERY & RESILIENCE FACILITY

RECOVERY AND RESILIENCE FACILITY

# GUIDING PRINCIPLES FOR NATIONAL RECOVERY AND RESILIENCE PLANS



#EUSolidarity #StrongerTogether



RECOVERY AND RESILIENCE FACILITY

# FLAGSHIP AREAS FOR INVESTMENTS AND REFORMS

## POWER UP

CLEAN TECHNOLOGIES AND RENEWABLES

## RENOVATE

ENERGY EFFICIENCY OF BUILDINGS

## RECHARGE AND REFUEL

SUSTAINABLE TRANSPORT AND CHARGING STATIONS

## CONNECT

ROLL-OUT OF RAPID BROADBAND SERVICES

## MODERNISE

DIGITALISATION OF PUBLIC ADMINISTRATION

## SCALE-UP

DATA CLOUD CAPACITIES AND SUSTAINABLE PROCESSORS

## RESKILL AND UPSKILL

EDUCATION AND TRAINING TO SUPPORT DIGITAL SKILLS

#EUSolidarity #StrongerTogether

# Zoom on Resilience and Recovery Facility

- New instrument building on the Reform Support Programme proposed in Spring 2018
- Embedded in European Semester



To be used for:

**Public sector investments and reforms**, including in green and digital transitions



Mechanism:

**Grants and loans** by implementing Member States' national Recovery and Resilience plans defined in line with objectives of European Semester. No national co-financing

An **investment dimension** for all Member States



Budget:

**€560 billion** of which €310 billion for grants and €250 billion for loans



Distribution key:

Available to **all Member States**, focus on most affected countries



# Implementation

## General Features

- The Facility can provide both **grants and loans**
- **milestones and targets**
- Reporting by Member States **on a quarterly basis**
- Strong ties to **European Semester**
- **National Reform Programs**

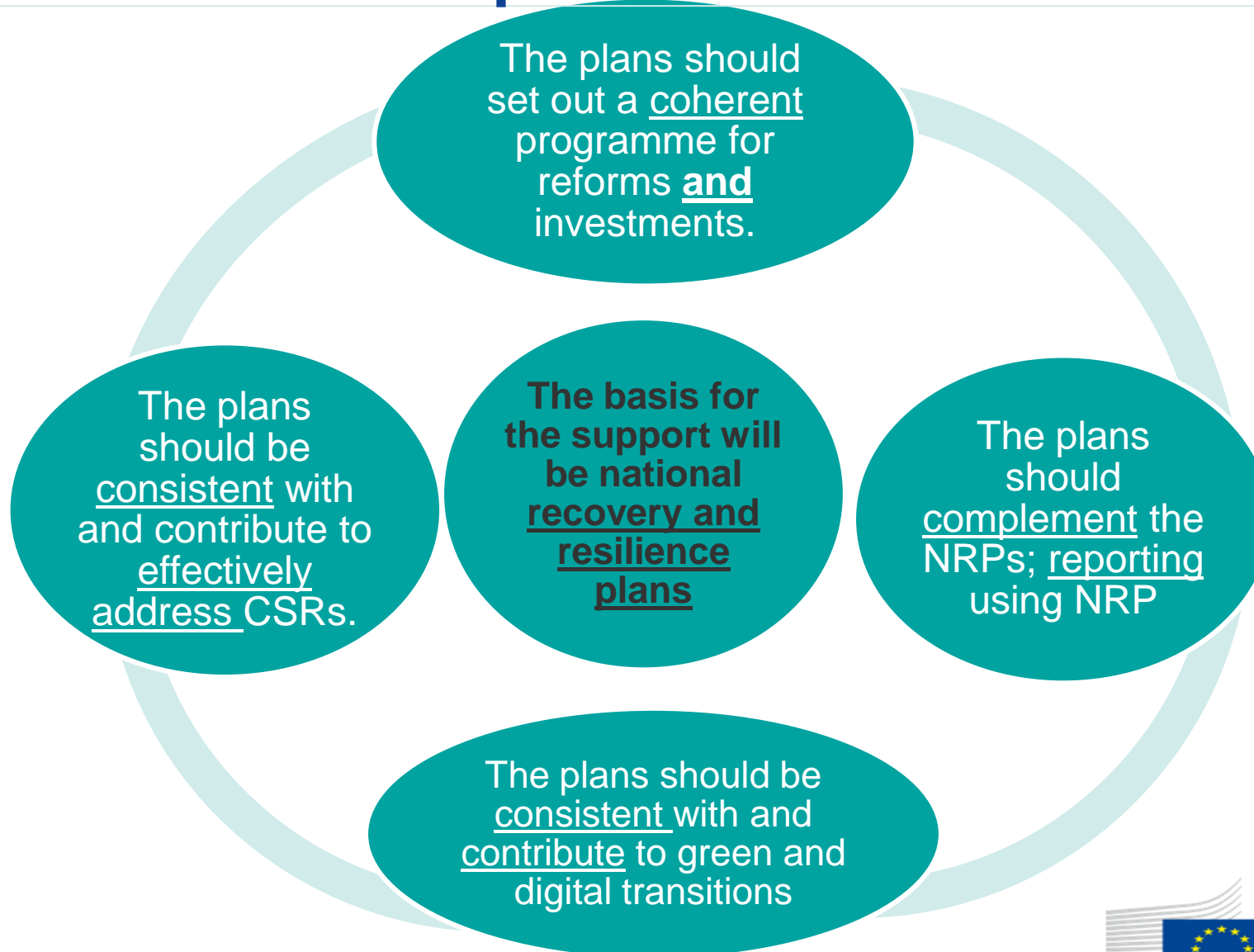
## Grants

- **310 bn**
- Member States have **two years** to submit recovery and resilience plans and benefit from their maximum allocation
- If resources available **after 2022 until 2024**, COM to organize **further calls** in line with the European semester calendar

## Loans

- **250 bn**
- Member States can request a loan **until December 2024**, in addition to grant
- Request must be justified by higher financial needs linked to **additional reforms and investments**

# The Facility will be fully embedded in the European Semester



*Future programming period 2021-2027*

**REACTEU**

# ReactEU: Cohesion policy at the centre of a green and digital recovery

By **adding €55 billion** to the ongoing 2014-2020 cohesion policy programmes. This will provide vital, rapid and additional support to Member States and regions most impacted by the coronavirus outbreak.



Amounts come **on top of the proposed allocations for the 2021-2027 period** and will be distributed between EU countries according to their level of prosperity and the socio-economic effects of the crisis;



Exceptionally **not broken down per region or sector**, to allow targeting the areas (geographical or sectoral) where support is most needed;



**High level of pre-financing (50%)**, so that sufficient liquidity is available to ensure that support is delivered quickly in the real economy (to help people and enterprises);



Additional amounts **can be financed entirely from the EU budget**, to ensure that a possible lack to match this with national co-financing is not an obstacle for the use of EU support.

# ReactEU: Cohesion policy at the centre of a green and digital recovery

**Mechanism:** Flexible cohesion policy grants for municipalities, hospitals, companies via Member States' managing authorities. No national co-financing required

## What's new (compared to the 2018 proposal)?



Reinforced focus on economic competitiveness through research and innovation, digital transition, the European Green Deal agenda and the promotion of the European Pillar of Social Rights;



Higher flexibility and reactivity: additional flexibility for Member States to transfer resources among EU Funds, at any point in time of the funding period;



Making sure that Cohesion policy is better equipped to respond to unexpected circumstances;



Further flexibility to enable phasing of projects, to give EU Member States more time to complete operations that aren't finished under the 2014-2020 programmes;



Reinforcing the preparedness of the health systems and better exploiting the potential of culture and tourism;



Reinforcing support to workers and to measures addressing youth employment and child poverty.

# Timeline

## ESF/FEAD



REACT-EU: additional resources of EUR 47.5 billion (in 2018 prices) for ERDF, ESF, FEAD  
Distributed between Member States in 2 rounds:  
2021 and 2022

## ESF+







# Thank you!

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And join our **LinkedIn** Community page:

"EU for Social Economy & Social Enterprises"

**Website:** <https://ec.europa.eu/growth/sectors/social-economy>