

# FUTURE EUROPEAN SOCIAL FUND

BETTER SUPPORTING

## CAPACITY BUILDING OF SOCIAL PARTNER ORGANISATIONS

June 2018





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The views and opinions expressed in the report are solely of their authors and do not represent an official position of the project partners or the European Commission.

The project was jointly undertaken by the cross-industry European social partner organisations ETUC (including the liaison committee Eurocadres/CEC), BusinessEurope, CEEP, and UEAPME.



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# ABBREVIATIONS USED

- **BusinessEurope** Confederation of European Business
- **CEEP** European Centre of Employers and Enterprises providing Public Services and Services of general interest
- **EC** European Commission
- **ERDF** European Regional Development Fund
- **ESF** European Social Fund
- **ESIF** European Structural and Investment Funds
- **ETUC** European Trade Union Confederation
- **EU** European Union
- **IP** Investment priority
- **LLL** Lifelong learning
- **MA** Managing Authority
- **MC** Monitoring Committee
- **NGO** Non-governmental organisation
- **NUTS** Nomenclature of territorial statistical units
- **OP** Operational Programme
- **TO** Thematic objective
- **VAT** Value added tax
- **UEAPME** SME, trades and crafts employers' organisation at EU level
- **YEI** Youth Employment Initiative

# EXECUTIVE SUMMARY

## Introduction and project aims

The aim of this project on *'The European Social Fund: Supporting Social Dialogue at National, Regional and Local Level'* was for the European cross-industry social partners to take stock of the implementation of the Partnership Principle in the governance of the European Social Fund (ESF) and the use of ESF funding for social partner capacity building. In doing so, it also assessed the capacity building needs of social partners at the national level and the extent to which these can - and have been - met using ESF resources.

## Background

Capacity building among social partners is of increasing relevance in the context of the enhanced importance attached to their closer involvement in EU policy-making and the implementation of European policy, legislation, and agreements at national level. This has been emphasised in a quadripartite statement on a 'New Start for Social Dialogue'<sup>1</sup> which emphasised the role of the social partners in policy and law-making at European level and in the European semester process. This role is again re-stated in the European Pillar of Social Rights proclaimed at the European Council in Gothenburg on 17 November<sup>2</sup>.

Part of the wider ESIF funding framework, the ESF provides over €120 billion in European and national matched funding resources for employment, human resource development and capacity building initiatives between 2014–2020. However, its implementation is slow in most countries, making it more difficult to establish the extent to which resources have been allocated, and where this is the case, whether and how funding opportunities have been used to support social partner capacity building.

Supported by a joint request by the European cross-industry social partners, the ESIF and ESF regulations, as well as a European Code of Conduct on Partnership in the Framework of ESIF<sup>3</sup> require the implementation of the funds based on a Partnership Principle with strong involvement of the social partners.

## Methodology

Research carried out for this project aimed to gather relevant information by assessing relevant literature and conducting two surveys: one addressing the members of BusinessEurope, CEEP, ETUC and UEAPME, and one gathering the views of social partners members on ESF Operational Programme (OP) Monitoring Committees (MCs). This was further enhanced with an interactive information exchange at two round tables involving social partner representatives from 20 countries and a closing conference where the findings of the project were presented.

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1 <http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=2562>

2 [https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights\\_en](https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights_en)

3 European Commission (2014); European Code of Conduct on Partnership in the Framework of ESIF  
<https://publications.europa.eu/en/publication-detail/-/publication/93c4192d-aa07-43f6-b78e-f1d236b54cb8/language-en>

## Key findings

In relation to the implementation of the partnership principle in practice, this study has found that:

- Its implementation is only partial in practice and not all relevant social partners are involved in the Monitoring Committees, as required by ESIF and ESF Regulations and the Code of Conduct;
- While most social partners with seats on Monitoring Committees participate regularly, their views are not always taken into account and are often outweighed by other interests;
- The specific role of social partner organisations (as compared to NGOs and regional authorities represented on Monitoring Committees) is often not recognised and their voice is therefore often drowned out in decision making;
- The added value of the social partner engagement to achieve the OP's objectives is not recognised by Managing Authorities in many Member States;
- As a result, social partners are often not able to play an active role in the design and implementation of the ESF in practice.

Having said this, many social partners noted improvements in their involvement following the strengthening of the partnership principle, compared to previous funding periods. Positive experiences in implementing the partnership principle reported by social partners are linked to the following contexts and practices:

- The implementation of legal changes requiring partnership working;
- A national culture of genuine information and consultation;
- The implementation of practical steps taken to ensure a meaningful social partner participation in the Monitoring Committee work, such as the organisation of pre-meetings in advance of Monitoring Committee meetings;
- Social partner participation in all working groups and sub-committees of the Operational Programme; and
- The institution of dedicated support structures to provide them with advice to allow them to fulfil their role as Monitoring Committee members.

With regard to the use of ESF funding to support social partner capacity building, the study found that:

- In most countries there is no clear indication on the ESF actions to be implemented or the total amount of ESF funding committed to build the capacity of social partners. Where this is done, the amounts allocated to the social partner capacity building projects are small;
- Where available, social partners can mostly access the ESF funding through project-based systems, which comes with significant associated administrative and monitoring requirements and is always time limited, risking that actions cannot be continued at the end of one project period;
- ESF implementation in the current programming period is slow and in most countries the projects to support the social partner capacity building are only starting;
- ESF social partner capacity building projects can be roughly divided into two categories:
  - Projects *directly* aimed at providing support to capacity building through research, training, networking, joint activities etc. These are aimed at allowing them to fulfil their role as partners in collective bargaining but can also include technical assistance projects aimed at building specific capacity among social partners involved in the governance process of the ESF.
  - Secondly, there are projects providing *indirect* support to social partner capacity building by allowing them to deepen their work in specific policy areas such as health and safety, digitalisation or lifelong learning, among other things;

- By and large, no funding has been allocated to support EU and national social partners to play their role with respect to the European dimension, e.g. to ensure their involvement in the European semester process and in the follow-up to the European pillar of social rights;
- The current administrative systems linked to the ESF are complex and burdensome, resulting in a greater focus on process and compliance rather than the achievement of the results;
- Some national authorities gold plate the European rules by adding additional rules at the national and regional level which can make access to ESF funding more challenging.

Partly due to the increasing expectations for social partner involvement in policy making (including consultations, negotiations and the European semester) and in the implementation of European level policies, legislation and agreements (including Autonomous Framework Agreements), the need for capacity building is growing. A lack of investment in social partner capacity building in these areas flies in the face of priorities set out in the quadripartite statement on the future of social dialogue and the European Pillar of Social Rights. The study highlighted that:

- The capacity building requirements of social partners vary from country to country, based on established industrial relations systems and linked organisational structures and strengths; there is therefore no one size fits all approach to capacity building;
- Beyond the requirements of European legislative and policy processes, social partner capacity building needs are also growing due to requirements to enhance collective bargaining mechanisms at different levels to respond to the needs of an increasingly globalised and digital economy. Even in countries where social partners are strongly involved in collective bargaining, there are increasing needs to be additionally involved in other social dialogue processes at both national and European level, including those of national decision and policy making linked to the European semester;
- A key requirement is additional staffing capacity to deal with these rising demands, while working to retain or build membership and membership services; this is particularly the case in view of more frequent and complex demands coming from the EU institutions in relation with the European dimension. There are also increasing needs to exchange information between organisations both at national and European level and to learn from good practice;
- Furthermore, existing and additional staff have information and training needs to engage with these various processes in an effective and timely fashion.

The information gathered demonstrates that ESF resources allocated in the 2014-2020 period appear insufficient to meet social partners' capacity building requirements and are not made available in a suitable way (i.e. in a way which reflects different countries' needs) at EU and Member State level. Similarly, the implementation of the partnership principle vis à vis the real involvement of social partners in the governance structures of ESIF remains incomplete.



# JOINT RECOMMENDATIONS OF THE EUROPEAN SOCIAL PARTNERS ON CAPACITY BUILDING OF SOCIAL PARTNERS AND THE EUROPEAN SOCIAL FUND

## 1. Ensuring the respect of the partnership principle and realising the full added value of the involvement of social partners in ESF implementation

- The European Commission, Member States and Managing authorities should ensure a clearly defined role and status for social partner organisations in the context of ESF implementation, as part of a renewed code of conduct on Partnership;
- The managing authorities, European Commission and social partners should hold a discussion in the ESF Committee to explore ways in which to renew the European Code of Conduct on Partnership, in line with the recommendations of the High-Level Group on simplification, taking into account social partners' needs at national, regional and sectoral levels. Topics that could be explored during this discussion include:
  - a. developing an approach whereby all national members of the European cross- industry social partner organisations are involved in helping to shape the priorities of the partnership agreements, in the preparation and implementation of operational programmes and are invited to participate in monitoring committees, as appropriate;
  - b. providing social partner members of Monitoring Committees with training, expert input and advice and guidance, as necessary;
  - c. developing a mechanism for monitoring and reporting on the implementation of the Code by the Member States;
  - d. publishing the list of all Members of ESF operational programme monitoring committees on the website of the European Structural and Investment Funds;
  - e. making adherence with the principles of the Code of Conduct an ex-ante conditionality;
  - f. defining which added value is expected by social partners, how to gain it and how to give evidence of concrete contribution obtained.

## 2. Assessing social partners' capacity building needs to allow for a tripartite decision at national level on the allocation of ESF resources to social partners

This should be done in the spirit of the quadri-partite statement on the new start of the social dialogue, and taking into account the opinion of the ESF Committee on the future of the Fund.

- The social partners should identify their concrete needs for capacity building support and the role the ESF can play in helping to strengthen social dialogue, including to support better implementation of the outcomes of the European social dialogue;
- The managing authorities should put in place transparent procedures (decision on allocation of ESF resources available nationally dedicated to social partners' capacity building, planning of funding priorities, ex-ante evaluation and operational programming, calls for proposals, monitoring and evaluation);
- The European Commission and managing authorities should implement, together with social partners in the Member States, guidance and technical assistance to support their involvement, by sharing good practices, country cases, and fostering mutual learning.

## 3. Focusing ESF support on projects improving the functioning and fairness of labour markets as foreseen in the European Pillar of Social Rights, in line with the reform priorities agreed in the European semester, taking account of the findings of employment and social policy benchmarking

- Given the crucial role that social partners play regarding labour market aspects, the EU Commission should ensure that EU and national social partners can apply to fund projects that contribute to improve employment prospects.

## 4. Improving the overall ESF architecture to facilitate the planning and execution of ESF activities for managing authorities and social partners

- Managing authorities, supported by the European Commission, and in consultation with social partners should consider how to overcome the challenges of project-based funding.
- The European Commission should explore the possibility of setting up programming arrangements for social partner capacity building initiatives throughout an entire funding period (instead of individual project-based calls, including the possibility for a performance reserve inspired from the European regional development fund - ERDF).
- Managing authorities, supported by the European Commission, should work towards the introduction of the recommendations of the High-Level Group on simplification to deliver a more effective and efficient implementation of ESF activities, notably as concerns simplified cost options.
- Managing authorities should consider how to further provide social partner members of Monitoring Committees with training, expert input and advice and guidance.

# 1. INTRODUCTION AND PROJECT AIMS

**The European cross-industry social partners were keen to take stock of the implementation of the Partnership Principle in the governance of the European Social Fund (ESF) and the practical use of ESF funding for social partner capacity building**

This document provides the final report of a study delivered on behalf of the cross-industry social partners BusinessEurope, CEEP, ETUC and UEAPME for the EC grant funded project on ‘the European Social Fund: Supporting Social Dialogue at National, Regional and Local Levels’.

The key aims of the joint project were to:

- Take stock of the current practice of ESF support to social partner capacity building and the concrete implementation of the Partnership Principle in the governance of the ESF;
- Identify and review concrete examples of ESF support in this area and the key lessons learnt;
- Discuss the capacity building needs of national social partner organisations;
- Make concrete recommendations on how to improve the ESF support in this area after 2020 and – if necessary to enhance the role played by social partners in the governance of the European Structural and Investment Funds (ESIF).

This final report has been developed based on research carried out for this project and discussions at two round tables and the final conference (see also section 3).

## 2. BACKGROUND

**The ESF provides over €120 billion funding for employment, human resource development and capacity building initiatives between 2014 – 2020, but progress towards implementation is slow in most countries**

The European Structural and Investment Funds (ESIF) provide for the EU's most significant investment package to support convergence and balanced regional economic development; employment and human capital development; environmental protection projects and assistance to the agriculture and fisheries sectors<sup>4</sup>. Between 2014 and 2020 a total of €638,161,790,114 has been allocated to ESIF<sup>5</sup>.

Although investment areas and goals are interlinked, this project focussed primarily on investment via the European Social Fund (ESF) with its EU wide total funding allocation of €120,461,019,673.

The figure below shows the share of ESI funding investment for each of the 5 constituent funds. The ESF is the third largest of these Funds, receiving 18.9% of the overall ESIF allocation during the current 2014-2020 funding period.

Compared to previous years, it is important to note that ESF programming and implementation in the 2014-2020 period has experienced a number of changes compared to the previous period which have implications for the social partners:

- Emphasis on the alignment between the ESF and various other ESI funds – such as the possibility for the Operational Programmes to draw funds from ESF and ERDF;
- Concentration of ESF spending on fewer thematic priorities – such as the minimum 20% allocation to the social inclusion theme, prominence given to the Youth Employment Initiative (YEI) and the presence of thematic objective 11 dedicated to the institutional capacity building<sup>6</sup>;
- Emphasis placed on achieving more and better ESF results and impacts – such as the performance reserve, the use of common result indicators, better monitoring and evaluation systems;
- Efforts to simplify the management and implementation of the ESF – such as the use of standard scales of unit costs, lump sums and flat-rate financing.

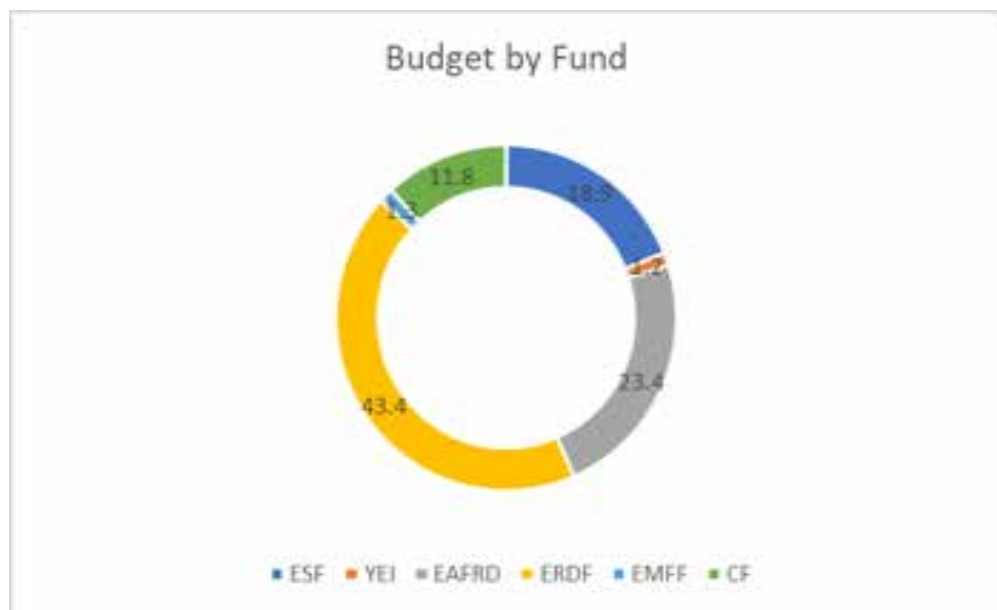
4 This is done in a joint management arrangement between the EU and Member States with funding priorities agreed in partnership agreements. ESIF comprises five funding vehicles: the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD), and the European Maritime and Fisheries Fund (EMFF). For more information see [https://ec.europa.eu/info/funding-tenders-0/european-structural-and-investment-funds\\_en](https://ec.europa.eu/info/funding-tenders-0/european-structural-and-investment-funds_en)

5 This figure represents EU and Member State matched funding combined. EU investment alone amounts to around €460,000,000,000. For more information on financial allocation see <https://cohesiondata.ec.europa.eu/overview>

6 The thematic priorities for ESF funding are promoting sustainable and quality employment and supporting labour mobility; promoting social inclusion, combating poverty and any discrimination; investing in education, training and vocational training for skills and lifelong learning; enhancing institutional capacity of public authorities and stakeholders and efficient public administration.

It is important to note that the planning and implementation of the allocation of ESF resources has got off to a slow start in many Member States. As demonstrated by Table 1 below, not only does the share of allocation of ESIF funding to the ESF differ significantly from country to country (making up over 35% of ESIF funding in Belgium compared to 8% in Austria), but the resources already decided, range from nearly 100% in Ireland to under 3% in Romania. Nearly 4 years into the programming period, the amount of ESF funds spent by 2017 is rather low, with Germany having expended around 17% of resources, while in Austria, Belgium and Ireland none or hardly any of the funding has been spent (all figures according to the database managed by the European Commission regarding the commitment of ESIF funds)<sup>7</sup>.

This relatively low level of current expenditure also had implications for the project and the ability to chart and assess the capacity building projects being implemented by social partners, as in many countries resources are not yet planned (e.g. calls have not been issued yet) and certainly not yet expended (e.g. projects have not yet started or are only beginning their implementation phase).



<sup>7</sup> <https://cohesiondata.ec.europa.eu/overview>.

**Table 1. ESF allocations and shares of funding expenditure decided and allocated (for all countries participating in the project seminars)**

Country	Total ESF	ESF as share of ESIF (%)	Share of total ESF expenditure decided (%)	Share of total ESF spent (%)
AT	875,739,295	8	30.4	0
BE	2,195,768,221	36.3	63.9	1
BG	1,722,897,527	15	41.8	7
CZ	4,202,555,619	13	34.2	5.3
DE	12,570,485,076	28	57.5	16.9
DK	399,225,121	17.7	34.1	5
EE	690,561,190	11.5	71	5.9
EL	4,528,243,327	18.1	31.2	13
ES	9,721,065,462	18.2	17.1	0.6
HR	1,705,712,861	13	13.1	0.8
HU	5,644,814,643	19	59.3	3.3
IE	948,582,284	15.5	99.8	0
IT	17,608,712,207	24	24	4.1
LT	1,288,825,262	12.9	26.8	10.6
LV	717,111,529	10.4	63.2	4
MT	132,366,810	13	83.3	3.3
PL	15,217,080,311	14.5	18.5	3.8
PT	8,925,458,489	27	41.6	4.1
RO	5,487,058,625	15	2.6	0.3
SI	884,641,796	18	45.2	4
SK	2,461,341,865	12.3	27.6	6

Source: ESIF database, accessed in September and November 2017; <https://cohesiondata.ec.europa.eu/overview>

### Based on a joint initiative by the social partners, the ESIF and ESF regulations, and the European Code of Conduct require the implementation of the funds based on a Partnership Principle

Albeit already present in the 2007-2013 Structural Funds and ESF Regulations which 'encouraged' the Managing Authority of each Operational Programme to ensure adequate participation of social partners in funded actions<sup>8</sup>, an initiative of the European cross-industry social partners supported the strengthening of the partnership principle for the 2014-2020 ESF funding period. As a result, it is now specifically mentioned in Article 5 of Regulation (EU) No 1303/2013 (the Common Provisions Regulation on the ESIF)<sup>9</sup>, Article 6 of the ESF Regulation<sup>10</sup> and the European Code of Conduct on Partnership in the Framework of ESIF<sup>11</sup> (henceforth referred to as the Code).

8 See for instance Article 5 (3) of REGULATION (EC) No 1081/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 July 2006 on the European Social Fund

9 Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006; <http://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex%3A32013R1303>

10 REGULATION (EU) No 1304/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006.

11 European Commission (2014); European Code of Conduct on Partnership in the Framework of ESIF <https://publications.europa.eu/en/publication-detail/-/publication/93c4192d-aa07-43f6-b78e-f1d236b54cb8/language-en>

### Common Provision Regulations ESIF

Article 6 (1) 'For the Partnership Agreement and each programme, each Member State shall in accordance with its institutional and legal framework organise a partnership with the competent regional and local authorities. The partnership shall also include the following partners:

- a. Competent urban and other public authorities;
- b. Economic and social partners; and
- c. Article 6 (2) 'In accordance with the multi-level governance approach, the partners referred to in paragraph 1 shall be involved by Member States in the preparation of Partnership Agreements and progress reports and throughout the preparation and implementation of programmes, including through participation in the monitoring committees for programmes in accordance with Article 48'.

### ESF Regulation

Article 6 (2) 'To encourage adequate participation of the social partners in actions supported by the ESF, the managing authorities of an operational programme in a region defined in Article 90(2)(a) or (b) of Regulation (EU) No 1303/2013 or in a Member State eligible for support from the Cohesion Fund shall ensure that, according to the needs, an appropriate amount of ESF resources is allocated to capacity building activities, in the form of training, networking measures, and strengthening of the social dialogue, and to activities jointly undertaken by the social partners'.

### Capacity building among social partners is of increasing relevance in the context of the enhanced importance attached to their role in shaping the future of EU policy and the implementation of European policies, legislation and agreements at national level

The role played by the social partners through the social dialogue process is a key component of the European social model<sup>12</sup>. Having evolved since its initial establishment in 1989 to cover both the cross-sectoral level and over 40 sectors, the social dialogue process is an important part of EU legislation and policy making in the social field. Given the importance of the role of social partners at the European level, there has been greater recognition of the importance of the interaction between social dialogue at the European and national level, not least because the implementation of many European social partner agreements depends on the strong capacity and policy involvement of social partners at the national level. The latter varies significantly depending on prevailing industrial relations traditions, as well as the socio-economic and political background situation and level of organisational density and capacity of social partner organisations at the Member State level.

In light of this, the European Commission took the initiative in 2015 to 'relaunch social dialogue' as a means to support inclusive growth and job creation in the EU. In 2016, a quadripartite statement on a 'New Start for Social Dialogue' was signed which further emphasised the role of the social partners in the European Semester process<sup>13</sup>. This role is again re-stated in the European Pillar of Social Rights proclaimed at the European Council in Gothenburg on 17 November 2017<sup>14</sup>.

<sup>12</sup> This role is enshrined in Article 151 TFEU.

<sup>13</sup> <https://ec.europa.eu/social/BlobServlet?docId=15738&langId=en>

<sup>14</sup> [https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights\\_en](https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights_en)

## 3. METHODOLOGY

The project methodology combined the following aspects:

- Desk review of literature;
- Survey of national member organisations of cross-industry social partner organisations;
- Survey of MC members of cross-industry social partner organisations;
- Organisation of two project round tables to discuss survey findings and key project questions;
- Organisation of the final conference.

### Desk research

The desk research carried out for this project primarily covered the relevant EU Regulations, the Code of Conduct on Partnership, literature on the experience of the use of ESF for social partner capacity building in previous funding rounds, the Commission's database providing information on the funding allocated and expended, as well as literature on the capacity building needs of social partners (for a full bibliography of sources used see Annex 3).

The purpose of the literature review was mainly to provide background information to feed into the survey, survey analysis, planning of the round tables and the preparation of study reports.

### Survey responses

A crucial part of the methodology was information gathering from the project partners' national member organisations and their representatives on ESF OP MCs. The survey of national members was distributed to a list of respondents provided by the project partners. Their representatives on MCs were identified through desk research and through direct contacts with MAs. It is important to note that no database of social partner members of MCs is currently publicly available or was indeed accessible to the European Commission.

### Survey of the national members

A total of 55 responses were received to the survey of the national members of BusinessEurope, CEEP, ETUC and UEAPME, covering all EU Member States except Slovakia and the UK. Apart from CEEP, the national members of the cross-sectoral social partners were roughly equally represented (with CEEP members being under-represented). ETUC members form the largest respondent group, making up 36% of all respondents (see also Annex 1).

### Survey of social partner ESF OP Monitoring Committee members

At the same time, 31 responses were received to the survey of BusinessEurope, CEEP, ETUC and UEAPME members of ESF OP MCs. This survey was supplemented with a further 18 telephone interviews (and in two cases information from round table presentations)<sup>15</sup> leading to a total of 51 sets of answers to be analysed. The responses cover 16 of the 19 Member States targeted. Surveys were only sent to cross-industry social partner members of ESF OP MCs in convergence countries and transition countries with ESF investment under TO 11 and Article 6<sup>16</sup>. No responses (to surveys or interviews) were received from the social partners

<sup>15</sup>—Interviews were carried out with social partners in Austria, Bulgaria, Croatia, Estonia, Hungary, Latvia, Lithuania, Malta and Poland.

<sup>16</sup> The countries targeted were: AT, BE, BG, CZ, DE, DK, EE, EL, ES, HR, HU, IT, LT, LV, MT, PL, PT, RO, SI, SK.



in Italy, Portugal, and Slovakia. However, relevant information for the report was obtained for the latter three countries during the round table meetings.

ETUC members formed the largest respondent group, with 33% of all respondents. BusinessEurope members made up the second largest group of respondents with 29%, followed by representatives of UEAPME and CEEP on ESF OP MCs (it should be noted that CEEP members are less frequently represented on ESF OP MCs; for a summary of respondents see also Annex 1).

## Round tables

Two cluster seminars were held as part of the project, which provided the opportunity to discuss the survey findings and discuss in more detail the involvement of social partners in the governance of the ESF at national level, the level of resources and types of capacity building projects being supported by ESF, as well as their capacity building needs.

The round tables brought together participants from the following countries:

Cluster seminar in Prague, 14-15 September 2017: Belgium, the Czech Republic, Denmark, Estonia, Greece, Ireland, Latvia, Lithuania, Poland, Spain and Slovakia (as well as a guest speaker from the Swedish trade unions), as well as representatives from the European Commission and the Managing Authority responsible for the Prague Operational Programme.

Cluster seminar in Rome, 4-5 December 2017: Bulgaria, Croatia, Germany, Hungary, Italy, Malta, Portugal, Romania and Slovenia with representatives from the European Commission and the Managing Authority responsible for the Operational Programme in Italy<sup>17</sup>.

Separate reports are available on the proceedings of these round tables and key elements discussed have been included in this report.

## Social dialogue committee

The project findings were presented and discussed in the Social Dialogue Committee meeting on 20 February 2018.

## Final conference

The project findings were presented and discussed in the final conference of the project on 9 March 2018, in Brussels, Belgium which was attended by over 60 participants from the social partners from the European, national and regional levels, MAs and the representatives of the European Commission.

<sup>17</sup> Countries invited but not present were AT and ES.

## 4. IMPLEMENTATION OF THE PARTNERSHIP PRINCIPLE AT THE NATIONAL LEVEL

### Key findings

- Awareness of the requirements of the European Code of Conduct on Partnership is high among social partner organisations;
- The implementation of the partnership principle is only partial in practice;
- Not all relevant social partners are involved in the Monitoring Committees, as required by ESIF and ESF Regulations and the Code of Conduct;
- While most social partners participate regularly in Monitoring Committee meetings, their views are not taken into account on a systematic basis;
- The added value of the social partner engagement to achieve the OP objectives is not recognised;
- The specific role of social partner organisations (as compared to NGOs and regional authorities represented on Monitoring Committees) is often not recognised and their voice is therefore often drowned out in decision making;
- As a result, social partners are often not able to play an active role in the design and implementation of the ESF;
- Positive experiences in implementing the partnership principle reported by social partners relate to legal changes requiring partnership working; a national culture of genuine information and consultation as well as practical steps taken to ensure a meaningful social partner participation in the Monitoring Committee work, comprising of pre-meetings prior to Monitoring Committee meetings; social partner participation in all working groups and sub-committees of the Operational Programme; and having dedicated support structures to provide them with advice to allow them to fulfil their role as Monitoring Committee members.

Given the increasing importance accorded to the Partnership Principle in the management and implementation of the ESF (and ESIF in general), it is firstly important to establish the extent to which this is a reality on the ground at Member State and regional level. The latter is particularly relevant in countries with several Operational Programmes at the sub-national level.

In this section, findings are therefore summarised with regard to the following aspects:

- Are the social partners represented in the ESF OP Monitoring Committees;
- How well are social partners involved in the design, implementation and monitoring of the ESF implementation in practice.

## 4.1. SOCIAL PARTNERS AND THE WORK OF ESF MONITORING COMMITTEES

### Awareness of the Code of Conduct and its requirements is high among social partners

The first prerequisite for the successful implementation of the requirements of the Regulations and the Code mentioned above is the level of awareness amongst social partners of these requirements. At the national level, social partners are very aware of the existence of the European Code of Conduct on Partnership. This was the case for almost all respondents in the project's survey of national members (see Table 2)<sup>18</sup>.

**Table 2. Are you aware of the European Code of Conduct on the Partnership Principle in the Framework of European Structural Funds and the requirement to involve social partners?**

Responses	Number
No	3
Yes	52
<b>Total</b>	<b>55</b>

Source: Project survey of national social partners, 2017, n=55.

### In practice, the participation of social partners on ESF Monitoring Committees is not always guaranteed

One of the key elements of the Code is the requirement to involve social partners in the composition of the ESF Monitoring Committees. According to a survey of Managing Authorities carried out by the European Commission, this requirement is implemented in all responding countries (27 out of 28 Member States). However, this view is called into question by the results of the survey of cross-industry social partner members carried out for this study. Around 60% of respondents to this survey felt that this principle was only implemented to some extent or not at all, with 33% stating this was implemented fully (see Table 3). The views of employer and trade union representatives were very similar in this respect.

In the country where the principle was considered not to have been implemented at all by the respondent social partner organisation (Hungary), additional consultations and research regarding the composition of the Monitoring Committees confirmed this perception, as in these countries not all relevant economic and/or social partner organisations were represented in the ESF OPs Monitoring Committees.

Looking across individual countries, in the majority, but not all Member States (in 15 countries out of 26 countries covered by the project's survey), at least one social partner organisation member considered that the principle is implemented fully (see Table 3). However, there was agreement on this view by the employer and trade union side in only two countries - Austria and the Czech Republic (out of 9 countries where both sides responded to the survey). In the other seven countries where both sides responded to the survey<sup>19</sup>, only one side considered the partnership principle to be fully implemented in this respect, while the other side considered it to only be partly implemented. There is no specific pattern in these cases as to whether employers or trade unions were more likely to consider that the principle was fully implemented.

<sup>18</sup> The three respondents who stated that they were not aware of the Code are from Spain, Malta and Hungary and are all members of BusinessEurope.

<sup>19</sup> Italy, Croatia, Netherlands, Germany, Denmark, Estonia, Ireland.

**Table 3. In your view, to what extent is the partnership principle implemented in the make-up of the monitoring committees of the ESF in your country?**

Responses	Employer	%	Trade union	%	Total	%
Implemented to some extent	19	54%	12	60%	31	57%
Fully implemented	11	31%	7	35%	18	32%
Don't know	3	9%	1	5%	4	8%
Not at all implemented	2	6%		0%	2	3%
<b>Total</b>	<b>35</b>	<b>100%</b>	<b>20</b>	<b>100%</b>	<b>55</b>	<b>100%</b>

Source: Project survey of national social partners, 2017, n=55.

Additional consultations and discussions in the project seminars and the final conference showed that the main issue at stake here is the fact that not all relevant social partner organisations are considered to be represented among Monitoring Committees. In addition, the open formulation in the Code on Partnership as to who the 'relevant' social partners opens the door to varied interpretations. This means that in some countries, the Managing Authorities chose not to involve certain social partner organisations in their OP Monitoring Committees<sup>20</sup>, thus leading some social partner organisations to feeling excluded. When putting together a list of social partner members of the Monitoring Committees in the focus countries for the purpose of the project (primarily Member States with convergence and transition NUTS II regions)<sup>21</sup>, initial findings show concrete gaps in the representativeness of social partners on the Monitoring Committees, for example:

- When UEAPME's national members are only economic but not social partners such as in Latvia and Croatia for the Craft Chamber HOK, they are not represented in the Monitoring Committees OP Monitoring Committees;
- ETUC's national member is not represented in Slovakia (in 1 out of 2 OPs);
- BusinessEurope's member is not represented in Estonia;
- 1 OP in Hungary and Romania have no national members of BusinessEurope, CEEP, ETUC or UEAPME represented in the Monitoring Committee.

One associated criticism raised was around the increased participation of NGOs on the Monitoring Committees. Typically in the Monitoring Committees, the social partners have the same number of votes and equal footing with NGOs. Whether or not votes are actually used in the process of decision making at the level of Monitoring Committee, this is considered to be anomalous as NGOs do not have the specific role on the labour market fulfilled by social partners and are often very small. Furthermore, in most countries they do not need to meet representativeness requirements as is case for social partner organisations certainly at European level and in many cases also at national level. A clearer distinction between the social partners and NGOs should be thus made acknowledging the specific role of social partners in managing the labour market and designing more effective labour market policy interventions (including the implementation of Country Specific Recommendations). Not only was the specific role of social partners considered to be ignored in many cases, but also given the limited number of seats on Monitoring Committees this could restrict the representation of all relevant social partner organisations. This is especially the case in countries where Operational Programmes are overseen by line ministries or intermediary organisations which are not

<sup>20</sup>In some countries, social partner organisations who are members of EU level cross-industry social partner organisations were excluded which are not recognised as social partners at national level.

<sup>21</sup>It was based on the desk research, consultations with the MAs and social partner information collected during the project. The lack of such complete and up-to-date list of social partner members of the Monitoring Committees is noted by the project as an information gap at the EU level.

familiar with the role and purpose of social dialogue (e.g. ministries of economy). Some social partners also argued that for the purposes of involvement and consultation the specific role played by social partners, as opposed to NGOs and other civil society organisations which was not always reflected. Some suggested that a specific veto power should be accorded to social partner organisations.

## 4.2. THE REALITY OF IMPLEMENTATION OF THE CODE IN GIVING SOCIAL PARTNERS A VOICE

### **Influence of social partners on decision making linked to the successful implementation of ESF resources is limited in practice**

The Code also calls for the social partners to be given a strong voice in the design, implementation and monitoring of the ESF actions and supported actions. In reality, this happens only sporadically and not on a systematic basis.

Over 55% of survey respondents felt that the principles enshrined in the Code principles are only to some extent or not at all in practice, with less than 30% stating this was implemented fully (see Table 4). The views of employers were slightly more positive in this respect compared to the views of trade unions. Noticeable is also a slightly increased number of respondents (6) who felt that social partners did not have a real say in practice in decision-making surrounding the planning and implementation of the ESF (meaning that 67% of respondents considered the principle to be only partly implemented in practice or not at all).

#### **The Code states that:**

‘Partners should be involved in the preparation and implementation of the Partnership Agreement and programmes; for this purpose, it is necessary to establish minimum procedural requirements in order to ensure timely, meaningful and transparent consultation’;

partners should be represented within the monitoring committees of programmes, throughout the whole cycle (i.e. preparation, implementation, monitoring and evaluation)’.

(European Code of Conduct on Partnership in the Framework of ESIF, p.5)

The interpretation of social partner views at the country level is somewhat more complex. Of the respondents arguing that the partnership principle is currently not implemented at all, all come from the employers’ side (see Table 4)<sup>22</sup>. There is agreement among employers’ organisations and trade unions in some countries that partnership working in the implementation of ESF is either not a reality at all or is implemented only to some extent (e.g. Croatia, Hungary and Italy). In other countries where there is a negative assessment from at least one employers’ organisation, other responses are either not available or (some) trade union provide a more positive assessment. In the case of the Czech Republic and Denmark there is agreement among respondents from both employers and trade unions that the principle is fully implemented in practice. In other countries where one actor provides a very positive assessment, this is not fully shared by other respondents (e.g. Austria, Slovenia).

<sup>22</sup> BusinessEurope, CEEP and UEAPME members are represented here.

**Table 4. In your view, is this partnership principle implemented in practice (social partners participate fully, their views are taken into account etc.) in the Monitoring Committees of the ESF in your country?**

Responses	Employer	%	Trade union	%	Total	%
Implemented to some extent	17	48%	14	74%	31	56%
Fully implemented	11	31%	5	25%	16	29%
Don't know	1	3%	1	1%	2	4%
Not at all implemented	6	18%		0%	6	11%
<b>Total</b>	<b>35</b>	<b>100%</b>	<b>20</b>	<b>100%</b>	<b>55</b>	<b>100%</b>

Source: Project survey of national social partners, 2017, n=55.

A survey of social partner members of the Monitoring Committees provides additional important insights regarding the reality of the often limited influence social partners consider they have in the planning and implementation of Operational Programmes pertaining to priority setting and the allocation of ESF resources through project calls. Whilst most social partners always attend and actively participate in Monitoring Committee meetings, respondents considered that their views are rarely taken into account.

Responses to the survey of social partner members of ESF OP Monitoring Committees indicate that over 60% always participated in their Monitoring Committee meetings whereas 26% participated sometimes (see Table 5). Only 6 respondents answered that they never participated in Monitoring Committee meetings. This pattern of attendance is similar amongst the trade union and employer representatives. Discussions at the workshops organised as part of the project showed that among those who did not participate, the reasons for this were either that they are only eventually invited when they make a special request to do so, or because the late distribution of materials for such meetings does not make it possible to fully prepare and provide any meaningful inputs. Capacity constraints (both to participate and prepare for meetings) were also quoted as reasons for non-attendance.

**Table 5. Do you participate in the Monitoring Committee meetings?**

Responses	Employer	%	Trade union	%	Total	%
Always	19	61%	10	63%	29	61%
Sometimes	8	26%	4	25%	12	26%
Never	4	13%	2	13%	6 <sup>23</sup>	13%
<b>Total</b>	<b>31</b>	<b>100%</b>	<b>16</b>	<b>100%</b>	<b>47<sup>24</sup></b>	<b>100%</b>

Source: Project survey of social partner members of the MC, 2017, n=47.

<sup>23</sup> Includes one respondent indicating that they are not member of any of the SP organisations.

<sup>24</sup> Includes two respondents indicating that they are not member of any of the SP organisations.

When asked about the provision of active contributions to Monitoring Committee meetings, the share of those providing active inputs when attending was slightly lower (see Table 6). 35% of respondents indicated that they always provide active contributions to the meetings they attended, with 50% indicating that they sometimes provided such contributions. Trade union representatives tend to be more active in this respect. As indicated above, the lack of capacity, specific knowledge and time to provide considered inputs were often quoted as reasons for not contributing actively to proceedings.

**Table 6. Do you provide active contributions to Monitoring Committee meetings?**

Responses	Employer	%	Trade union	%	Total	%
Always	9	29%	7	47%	16 <sup>25</sup>	35%
Sometimes	17 <sup>26</sup>	55%	6	40%	23 <sup>27</sup>	50%
Never	5	16%	2	13%	7	15%
<b>Total</b>	<b>31<sup>28</sup></b>	<b>100%</b>	<b>15</b>	<b>100%</b>	<b>46<sup>29</sup></b>	<b>100%</b>

Source: Project survey of social partner members of the MC, 2017, n=46.

Another reason for any potential disillusionment regarding active participation in such meetings can be found in answers provided by social partner representatives on ESF OP Monitoring Committees when asked in more detail regarding the extent to which their views are taken into account in the proceedings and decisions of Monitoring Committee meetings (see Table 7). These results provide a concerning picture, with over 25% of respondents arguing that their views are never taken into account in decision making, with a further 60% considering that these views are sometimes taken into account. Only 13% felt that social partner views were always taken on board. Among this group, employers' representatives were more likely than trade unions to argue that their views were always listened to. Social partner respondents in Bulgaria, Malta and Spain were most likely to indicate discontent feeling that their views were ignored. It is also notable that when breaking down the types of issues debated and decided in Monitoring Committees, it was regarding formal steps such as the signing off annual implementation reports that social partners were most likely to indicate that their views were taken into account.

25 Supra.

26 Ibid.

27 Includes one respondent indicating that they are not member of any of the SP organisations.

28 Includes two respondents indicating that they are not member of any of the SP organisations.

29 Ibid.

**Table 7. How often are social partner views taken into account in Monitoring Committee meetings and decisions in relation to the following?**

Aspects		Always	Sometimes	Never
Strategic choices for ESF support	Trade union	1	8	5
	Employer	2	18	8
	<b>Total</b>	<b>3</b>	<b>26</b>	<b>13</b>
Operational calls for projects	Trade union	1	7	6
	Employer	2	29	6
	<b>Total</b>	<b>3</b>	<b>36</b>	<b>12</b>
Approval of annual implementation reports	Trade union	4	6	4
	Employer	8	16	4
	<b>Total</b>	<b>12</b>	<b>22</b>	<b>8</b>
Providing advice on ESF to involve social partners	Trade union	3	7	5
	Employer	1	17	5
	<b>Total</b>	<b>4</b>	<b>24</b>	<b>10</b>
<b>Total (and %)</b>	<b>173</b>	<b>22 (13%)</b>	<b>108 (62%)</b>	<b>43 (25%)</b>

Source: Project survey of social partner members of the MC, 2017, n=55.

Further consultations and project roundtable discussions identified a number of positive success stories as well as remaining challenges to ensuring an active and real social partner contribution to the governance processes of the ESF.

**Strong national traditions of social partner engagement, capacity building and legal foundations have an important role to play in the full implementation of the partnership principle**

On the positive side, social partners in some Member States noted significant improvements in partnership working compared to previous programming periods and overall strong involvement of the social partners across the whole eco-system of the OP. This was facilitated by the integration of the partnership principle in legal regulations (see Box 1 Poland), a progression of relationships based on trust in the management of the funds, often based on a national culture of genuine information and consultation (e.g. in Austria, Germany, the Netherlands), as well as practical steps taken to ensure a meaningful social partner participation in the Monitoring Committee work, comprising of pre-meetings prior to Monitoring Committee meetings, social partner participation in the working groups, expert meetings and other technical level structures, social partner collaboration to provide a ‘united front’ in such meetings, and social partner participation in all working groups and sub-committees of an Operational Programme’s Monitoring Committee. Similarly, setting up dedicated support structures to provide social partner members of Monitoring Committees with training, expert input and advice and guidance has proven useful (see Box 3).



**BOX 1: POSITIVE CHANGES TO SOCIAL PARTNER INVOLVEMENT IN POLAND**

In **Poland**, social partners argued that the role of social partners in the implementation of the ESF was strengthened by the introduction of a law on the implementation of the partnership principle, which social partners can rely upon when necessary to ensure their involvement, particularly in the case of the many regional Operational Programmes and associated Monitoring Committees. In Poland, social partners had collaborated in the last programming period to draw up a set of principles for partnership working. Despite the improved situation, the practical implementation of the partnership principle was nevertheless seen to fall short of the vision set out in this agreed document. Furthermore, some difficulties are faced when arguing for support of social partner capacity building funding at the regional level, where this is also required. The argument used by Managing Authorities at this level is that as capacity building funding is available at national level, no such provision needs to be made at regional level.

In addition, the need to ensure continued capacity building for social partners in Monitoring Committees was emphasised. Particularly the trade union representatives in such bodies tend to be elected members who may therefore no longer take part when their terms are up and who have significant responsibilities outside of their role in the Monitoring Committee.

**BOX 2: STRONG TRADITIONS OF COLLABORATION IN RELATION TO ESIF AND ESF**

In **Italy**, where ESF Operational Programmes are highly regionalised, there is a long and strong tradition of collaboration on the Monitoring Committees, which partly results from investment in capacity building over prior funding periods. While collaboration both between social partners and with Managing Authorities is therefore considered to be positive, some concern was expressed about the role increasingly accorded to NGOs in Monitoring Committees, without a clear recognition of the specific role of the social partners.

**BOX 3: PRACTICAL STEPS TAKEN TO ENSURE DETAILED DISCUSSIONS WITH THE SOCIAL PARTNERS**

In the **Prague Operational Programme in the Czech Republic** social partners are involved in the MC but also in working committees (e.g. planning committees for the calls). The meetings of the Monitoring Committee are preceded by the work in the working committees, working groups and expert meetings where key technical aspects of the OP implementation take shape. Hence, social partners are always involved in these technical level meetings and their voice is heard through these channels across the whole OP eco-system. Their inputs are important as the MA does not have the expertise to prepare and programme all the calls and the MA can no longer conceive of running the OP without the contributions of the social partners. The capacity of social partners to act has developed over time. The social partners and Managing Authorities agreed that such collaboration was instrumental in ensuring that the available funds could be planned and spent efficiently and according to need. According to the Czech social partners there are some concerns over the high representation of NGOs, but there are pre-meetings and social partners take a lead role and reach agreements in advance for representation at the formal meetings.

In **the Netherlands**, the social partners are involved in the allocation of ESF funding in various ways, for instance by giving them a voice in the framework and final implementation of the sector plans. This also includes the possibility to invest in social partner capacity building at sectoral level.



**A lack of recognition of the added value of social partner involvement and limited social partner capacities in some countries are hindering the successful implementation of the partnership principle**

On the other hand, the national social partners also highlighted persistent challenges of meaningful social partner involvement in the governance structures of different Operational Programmes. The key issues highlighted are as follows.

Firstly, there has been a low involvement of social partners in the design phase of Operational Programmes (including needs assessments), with most social partners being presented with finalised texts and strategic decisions already made. In order to have a real influence (particularly with regard to decision-making on priorities within ESF and the allocation of resources to different priorities), the involvement of social partners is required at a very early planning stage (when the texts of Operational Programmes are being developed and ex-ante needs evaluations are carried out). In reality this is currently rarely the case. Social partners consulted in the project also noted a disconnect between the rhetoric used at national and particularly EU level regarding the importance of the involvement of the social partners and the extent to which this is emphasised in practice in planning and agreeing Operational Programmes between Member State Managing Authorities and the Commission.

Another key challenge is the fact that social partners are often only involved in accompanying the formal implementation and monitoring of Operational Programmes, without having any say over the design of the priorities of calls for projects (which is where rather general objectives are often more clearly operationalised). Monitoring Authorities often limit the role of the Monitoring Committee to information provision rather than being interested in a genuine consultation with the social partners in defining how the Operational Programmes are implemented in practice. Managing Authorities are often seen to be driven by a 'compliance approach' with the partnership principle rather than seeing the added value in genuine and active engagement from the outset and throughout the implementation and monitoring process. This is why a stronger involvement for social partner was often seen in the formal approval of Annual Implementation Reports.

There are a number of different reasons which lead to the persistent challenge of a lack of genuine social partner involvement in the spirit of the Code of Conduct.

Firstly, the specific practices and organisational culture of some Managing Authorities results in a lack of interest in involving social partners in an active role. As a result, the participation of social partner in Monitoring Committees is more of a fig-leaf rather than a reality. As put by one social partner, *'Overall the Monitoring Committee is only there to approve decisions that are already taken. This means that there is information, but no consultation and social partners are listened to but not heard'*.

Some social partners argued that the partnership principle is considered by Managing Authorities as a burden rather than a benefit. Some social partners shared the view that the work of the Monitoring Committee tends to be less genuinely participatory than desired with the Managing Authority not fully utilising the potential for dialogue in the meetings.

Furthermore, in most Member States, social partners are treated on par with other NGOs and civil society organisations, without MAs recognising their special role and status in the economy and labour market.

Finally, access to actual decision-makers was also considered to be limited in some countries where ESF is run by 'arms-length' implementation agencies (intermediary bodies), which can make it more difficult to communicate directly with decisions makers at the ministerial level. For example, in Lithuania, the social partners achieved that the ESF OP Monitoring Committee recommended the introduction of 2% ESF funding allocation to the social partner capacity building. However, this Monitoring Committee recommendation was not subsequently taken up by the decision-makers at the ministerial level.

Therefore, there is overall significant agreement among social partners with regard to the patchy implementation of the partnership principle in practice. The overall impression is that clear improvements are still required. The Code of Conduct on Partnership has some innovative aspects, such as the extension of rules to all Member States, however the full implementation of the Code has not been achieved, with most MAs treating the involvement of social partners as a tick box exercise. The real added value of the social partner engagement to achieve the objectives of Operational Programmes is therefore not recognised. Social partners are largely treated on a par with other partners and NGOs without recognising their specific role. There are also no sanctions foreseen for countries and Managing Authorities which do not respect the requirements of the ESIF and ESF Regulations and the European Code of Conduct on Partnership. Perceptions of the value of partnership and the importance of social partner involvement are partly conditioned by wider policy making frameworks and the genuine involvement of social partners in legislative and policy making at Member State and regional level more broadly. However, it can also be considered to be linked to the capacity of social partners to engage strongly with policy and decision making related to the implementation of European Funds. It was clear from the survey results and discussions at the project workshops that capacity building remains important to allow social partners to engage with these issues. As will be discussed in more detail below, this relates both to staffing capacity, as well as access to relevant information and knowledge. Article 5 of the ESF Regulation, Thematic Objective 11, as well as Technical Assistance resources available under ESF funding provide for the opportunity of offering capacity building to social partners. This is available both to allow social partner to engage effectively with the implementation of the ESF, but also to support their engagement in policy making and collective bargaining at the national level more generally. The subsequent section discusses the extent to which ESF resources have been made available and are being utilised for social partner capacity building.

# 5. ESF SUPPORT FOR SOCIAL PARTNER CAPACITY BUILDING AND OTHER ACTIVITIES

## Key findings

- In most countries there is no clear indication on the ESF actions to be implemented or the total amount of ESF funding committed to build the capacity of social partners. Where this is done, the amounts allocated to the social partner capacity building projects are small;
- Social partners can mostly access the ESF funding through project based systems, which comes with significant associated administrative and monitoring requirements and is always time limited, running the risk that actions cannot be continued at the end of one project period;
- The ESF implementation in the current programming period is slow and in most countries the projects to support the social partner capacity building are starting in the mid-term of the programming period;
- Social partners are implementing projects directly providing support to capacity building through research, training, networking, joint activities etc.;
- There are also projects providing indirect support to social partner capacity building by allowing them to deepen their work in specific policy areas such as health and safety, digitalisation or lifelong learning, among other things;
- The current administrative ESF rules are complex and burdensome, resulting in a focus on process and compliance rather than the achievement of the results;
- Some national authorities gold plate the European rules by adding additional requirements at the national and regional level which make access to funding more challenging.

In this section, the project findings are summarised in relation to the following aspects:

- The level of ESF support for social partner capacity building,
- The range of concrete ESF actions supporting the capacity building,
- The range of barriers and challenges faced by social partners in accessing the ESF funding.

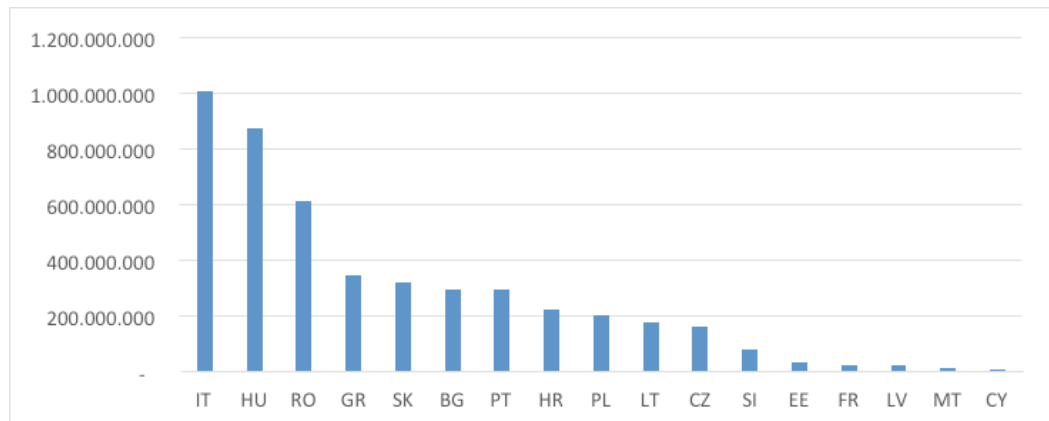
## 5.1. LIMITED ESF SUPPORT FOR SOCIAL PARTNER CAPACITY BUILDING

**There is a lack of reliable and comparable data on the resources made available for social partner capacity building through the ESF. Where such information is available, the amounts allocated tend to be small and calls for projects are only just being issued**

The ESF potentially has an important role to play in supporting the capacity building of social partners, especially in the less developed and transition regions. This is stipulated in Article 6 of the ESF Regulation 1304/2013 which calls for the Managing Authorities in the less developed and transition regions to “ensure that, according to the needs, an appropriate amount of ESF resources is allocated to capacity building activities, in the form of training, networking measures, and strengthening of the social dialogue, and to activities jointly undertaken by the social partners”. Only transition and less developed regions are required to make funding available for social partner capacity building (other countries can invest in capacity building if they agree this as a priority). Technical assistance funding can in principle be made available for capacity building to support the implementation of ESF in all Member States.

Furthermore, amongst the key ESF thematic objectives (TOs), TO 11 is specifically dedicated to ‘enhancing institutional capacity of public authorities and stakeholders and efficient public administration’ which alongside capacity building among public authorities also includes capacity building activities for other stakeholders, including social partners. In the 2014-2020 period, 17 Member States plan to allocate EUR 4.7 billion ESF resources to this thematic priority (or 3.8% of the overall EUR 121 billion ESF envelope), with most significant resources under this TO allocated in Italy, Hungary and Romania (see Figure 1).

**Figure 1. ESF planned expenditure on thematic objective 11 ‘enhancing institutional capacity of public authorities and stakeholders and efficient public administration’**



Source: Cohesion data portal, accessed 5 January 2018.<sup>30</sup>

Operationally, under the scope of Article 6, social partner capacity building can be implemented in three ways:

- Social partners can participate in the competitive calls to implement projects to achieve the OP objectives;
- Capacity building activities to provide training, networking, strengthening of social dialogue and joint activities of social partners;
- Eligible OP actions within the remit of social partners.

<sup>30</sup> <https://cohesiondata.ec.europa.eu/themes/11#>

**Awareness of the availability of ESF funding for social partner capacity building is relatively high, but gaps remain in some countries**

At the national level, the majority of social partners are aware of the requirements of Article 6 and the possibilities provided by Thematic Objective 11. However, specific allocations for social partner capacity building are not widespread in the ESF OPs mostly due to the lack of priority accorded to this issue by MAs. In most countries funding under Thematic Objective 11 is reserved for public authorities and training measures within public authorities. As mentioned above, funding for training and capacity building for social partners who sit on ESF bodies can also be allocated under technical assistance budget lines but practice in this area varies from country to country.

80% of respondents to the survey of national members of the cross-industry social partner organisations were aware of the existence of the Article 6 requirement to allocate ESF funding to the capacity building of social partners (see Table 8). Overall, awareness of this requirement was higher among trade union than employers’ organisations.

**Table 8. Prior to receiving this survey, were you aware of the existence of Article 6 requirement to allocate ESF funding to the capacity building of the social partners prior to completing this survey?**

Responses	Employer	Trade union	Total (and %)
No	10	1	11 (20%)
Yes	23	19	42 (80%)
<b>Total</b>	<b>33</b>	<b>20</b>	<b>53 (100%)</b>

Source: Project survey of national social partners, 2017, n=53.

In practice, Article 6 requirements are implemented almost equally by allocating a specific amount to such social partner capacity building or implementing this horizontally where social partner capacity is supported across the range of ESF actions where social partners participate (17 and 14 respondents to the survey of national members stated this respectively, see Table 9).

**Table 9. How are the requirements of Article 6 implemented in your country?**

Responses	Employer	Trade union	Total (and %)
There is a specific ESF amount allocated to implement Article 6 requirements	10	7	17 (31%)
The Article 6 requirements are implemented horizontally by supporting the capacity building of social partners in other priorities of the Operational Programmes	7	7	14 (25%)
Other	6	6	12 (22%)
No response	12		12 (22%)
<b>Total</b>	<b>35</b>	<b>20</b>	<b>55 (100%)</b>

Source: Project survey of national social partners, 2017, n=55.

60% of respondents to the survey of national members were aware of the ESF TO 11 (see Table 10). Again, awareness was higher amongst trade union representatives compared to employers’ organisations.

**Table 10. Were you aware of the existence of thematic objective 11 in the ESF regulation prior to completing this survey?**

Response	Employer	Trade union	Total	%
Yes	16	17	33	60%
No	16	3	19	34%
No response	3		3	6%
<b>Total</b>	<b>35</b>	<b>20</b>	<b>55</b>	<b>100%</b>

Source: Project survey of national social partners, 2017, n=55.

**According to the knowledge of social partner organisations, less than half of OPs include specific allocations for social partner capacity building under TO11, with most of these resources flowing to public administrations**

Less than a half of the OPs covered by the respondents include a specific allocation for the capacity building of social partners under TO 11 (see Table 11). Also noticeable is a higher proportion of ‘don’t knows’ for this question.

**Table 11. Does the Operational Programme/do Operational Programmes for your country/region include a funding allocation under thematic priority 11 for capacity building of social partners?**

Response	Employer	Trade union	Total	%
Yes	14	9	23	43%
Don’t know	11	5	16	28%
No	7	6	13	23%
No response	3		3	6%
<b>Total</b>	<b>35</b>	<b>20</b>	<b>55</b>	<b>100%</b>

Source: Project survey of national social partners, 2017, n=55.

The majority of respondents could not provide a reason for the lack of allocation of funding for social partner capacity building, while 17 respondents were aware why there was no ESF funding foreseen for the capacity building of social partners (see Table 12).

**Table 12. If no ESF funding for capacity building of social partners is foreseen, are you aware why this decision was taken?**

Response	Employer	Trade union	Total	%
No	19	13	32	57%
Yes	10	7	17	32%
No response	6	0	6	11%
<b>Total</b>	<b>35</b>	<b>20</b>	<b>55</b>	<b>100%</b>

Source: Project survey of national social partners, 2017, n=55.

**A lack of emphasis placed on the importance of social partner capacity building by national authorities and the European Commission and the lack of involvement of social partners in the planning of OPs is seen to be at the root of the low levels of allocation of funding to this priority**

The main reasons for this lack of capacity building funding were identified by social partners as follows:

- Social partners being excluded from the planning phase of OPs;
- Lack of emphasis on social partner support by the European Commission and a view that previous operational capacity building (in prior funding phases) had not been well spent or that it had been enough to strengthen capacity;
- Capacity building funding is only seen by Managing Authorities to be required to build the public administration sector and not social partner capacity<sup>31</sup>;
- Capacity building is not considered necessary in countries where social partners are already firmly established.

Over 50% of respondents to the national survey considered that ESF funding should have been allocated to build the capacity among social partners (see Table 13). This view was shared by employers’ organisations and trade unions.

Paradoxically, the respondents also replied positively to this question in some countries where they also identified the existing allocation of ESF funding to the capacity building, potentially indicating that such allocations are considered to be insufficient.

**Table 13. If no ESF funding for capacity building of social partners is foreseen, do you think funding should have been allocated to build the capacity among the social partners?**

Response	Employer	Trade union	Total	%
Yes	15	13	28	51%
Don't know	10	3	13	23%
No	3	4	7	13%
No response	7		7	13%
<b>Total</b>	<b>35</b>	<b>20</b>	<b>55</b>	<b>100%</b>

Source: Project survey of national social partners, 2017, n=55.

<sup>31</sup> For example, in Malta, whilst around EUR 800,000 is available for the social partner capacity building, around EUR 8.8 million is available for the improvement of the institutional capacity of the public administration. Social partners are fully aware of these funding opportunities as calls are published and individual contacts take place with the Managing Authorities. Hence, the key challenge is not the information availability but the availability and accessibility of ESF resources.



## 5.2. THE LIMITED USE OF ESF RESOURCES FOR SOCIAL PARTNER CAPACITY BUILDING

**Where such information is available, the level of resources committed to social partner capacity building is limited and is insufficient to meet expressed needs**

The survey of social partner members on ESF OP MCs showed that of 48 respondents to this question (see Table 11), 34 (70%) argued that social partner capacity building measures funded by ESF were being foreseen (or already implemented) in the 2014-2020 funding period (this included respondents from 14 Member States: BG, HR, CZ, DK, DE, EL, LT, LV, ES, SI, MT, EE, PL and HU).

Detailed consultations and roundtable discussions with national social partners provided an overview of available information on the use of the possibilities provided by Article 6, Thematic Objective 11 or other ESF funding to the social partner capacity building (see Table 14). This information is not readily available and the lack of such up-to-date information at the EU level is identified as an information gap, given also that the available Commission reports about the ESF implementation provide only very broad indications on this topic.

The available information shows that out of 20 Member States with transition and less developed regions (which are called upon in the ESF Regulation to support social partner capacity building), nine countries have not made any specific, explicit initial allocations for this purpose or decided to adopt a horizontal support approach. In 12 Member States, specific amounts for social partner capacity building are allocated at the initial stage of OP planning, averaging around 0.7%, and ranging from 0.34% of the overall ESF funding in Greece to highest relative allocations in Croatia and Romania (5.6% and 2.2%).<sup>32</sup> The highest allocations in terms of absolute numbers are reported in Greece and Italy (EUR 17 and 15 million respectively).

**Table 14. Available ESF support to social partner capacity building, 2014-2020, Member States with transition and less developed regions**

Member State	Amount allocated to social partner capacity building	Total ESF amount (EUR) <sup>33</sup>	%
Austria	No specific allocation	875,739,295	n/a
Bulgaria	No specific allocation	1,722,897,527	n/a
Croatia	Capacity building of social partners is integrated in the priority axis called "Good governance", together with funds to raise capacities of the NGOs, part of 5.6% of ESF allocation aimed at NGOs and social partners. There are three strands in the OP under TO11, one of which is dedicated to social partners and civil society organisations (EUR 81.3 million).	1,664,397,675	5.6% aimed at social partners and NGOs
Czech Republic	Within OP Employment – c. 1 = of Priority axis 1 (c. 3.7 mil. EUR)	4,202,555,619	0.088%
Cyprus	EUR 1 million	134,479,184	0.74%
Estonia	No specific allocation	683,653,229	n/a
Germany	Some resources are spent for administrative structures for special programmes to support the social partners	12,570,485,076	n/a

<sup>32</sup> It should be noted that the overall late ESF implementation makes it less likely that all resources can be spent

<sup>33</sup> Source: <http://ec.europa.eu/esf/main.jsp?catId=443&langId=en>

Member State	Amount allocated to social partner capacity building	Total ESF amount (EUR) <sup>33</sup>	%
Greece	EUR 17,000,000 for social partners that co-sign the National General Collective Agreement	5,047,474,351	0.34%
Hungary	Horizontal activities	5,644,814,643	n/a
Ireland	No specific allocation	952,740,814	n/a
Italy	EUR 15 million for training of economic and social partners on industry 4.0, social dumping and wage dumping, youth employment, proximity contracts etc. It will start this year with the publication of the first call for a value of 5 million euros. This activity, funded by the National Operational Programme of Active Jobs and Employment, will be supplemented by additional resources from other national and regional operational programs, co-funded by the ESF.	17,684,462,306	0.96%
Latvia	No specific allocation	717,111,529	n/a
Lithuania	The projects of social partners are included in the priority 8. "social inclusion and support for the fight against poverty" with the indicative amount of EUR 3,800,000	1,288,825,262	0.29%
Malta	EUR 800,000	132,366,810	0.6%
Netherlands	social partner capacity building at sector level, specific amounts not known	1,030,771,060	n/a
Poland	No specific amount allocated	15,203,795,654	n/a
Portugal	No specific amount allocated	8,838,440,525	n/a
Romania	There is an amount dedicated to increase the capacity building of social partners and NGOs as there is no distinction between social partners and NGOs (EUR 119,328,110 or 553,191,489 RON <sup>34</sup> )	5,433,971,234	2.2%
Spain	An amount will be allocated for the social partners to participate in the networks but there is no specific reference to improve the capacity of the social partners	10,222,171,248	n/a
Slovakia	No specific amount allocated	2,461,341,865	n/a
Slovenia	For period 2017 – 2021, the amount is EUR 6,000,000	898,461,998	0.66%

Source: project detailed interviews with national social partners, project cluster seminars, 2017.

34 The figure provided in the Commission's ESF database for total national and ESF allocation to TO11 is just over EUR 612 million and covers all capacity building activities, not the information availability but the availability and accessibility of ESF resources.

### **The project based nature of ESF funding poses difficulties in ensuring sustainable capacity building among social partners**

Before going on to describe the types of projects funded to ESF to support social partner capacity building, it is important to note that a key issue faced by social partners is that due to the ESF architecture, ESF funding is accessible only in form of time-bound discrete projects. This project based structure has a number of disadvantages:

- The time bound nature means that it cannot support capacity building in terms of sustainable staffing for additional relevant activities;
- The project structure leads to significant administrative burden which can act as a distraction from actual project activities as well as a disincentive to some organisations;
- Delayed payments can cause financial difficulties and can also disincentivise applications;
- Project based delivery of activities can raise expectations among social partner membership which may subsequently not be able to be fulfilled on an ongoing based, potentially leading to disillusionment.

An alternative could be also to foresee special programming arrangements for the social partners for the whole funding period (see for example Box 6 on the experience of the Czech Republic where the OP Employment provides one continuously open call for the capacity building available to social partners only). As one social partner put it, *“as we as social partners are so central to the success of national reforms and the European agenda, then the funding needs to be available to ensure we can perform that role”*.

## **5.3. KEY TYPES AND EXAMPLES OF ESF PROJECTS ACROSS MEMBER STATES**

**Projects funded by the ESF support both direct and indirect capacity building and are aimed at supporting their role in the governance of ESF and in the European semester as well as national social dialogue processes more generally**

Despite the limited funding and late implementation of the OPs, national social partners organisations have started implementing a range of projects using ESF funding in the 2014-2020 period. Decisions on the projects to be implemented with ESF funding are made at the national and regional level and often involve decision making between the Managing Authorities and the social partners.

The following two main categories of such projects can be distinguished:

- Projects directly providing support to for social partner capacity building (either joint or unilateral) through information gathering/research, training, networking, event organisation etc.;
- Projects providing indirect support to the social partner capacity building where social partners implement activities to address particular policy issues facing the social partners. Although indirect, such projects still build the capacity of social partners in developing their expertise and broadening services to their members.

Further information about the funded projects is summarised in Annex 2.

### 5.3.1. Direct social partner capacity building projects

In relation to projects directly aimed at capacity building, it is possible to distinguish between capacity building measures of direct relevance to the role of social partners within the governance of ESF/ESIF and projects to support the role of social partners in social dialogue and collective bargaining more generally.

Activities seeking to build expertise on the European Structural Funds among social partners are often implemented using resources from Technical Assistance budgets linked to ESF. The goal is to provide the social partners with advice and knowledge to put them on a level playing field with other representatives in the Monitoring Committees who may have more regular direct involvement in ESF, ESIF and other European funding mechanisms (see Boxes 4 and 5 for the relevant experiences in Germany and Italy).

#### BOX 4: THE USE OF TECHNICAL ASSISTANCE FUNDING FOR SOCIAL PARTNERS IN GERMANY

In **Germany**, technical assistance funding has been used to support the establishment of contact and advisory centres for social partners in many regions. The goal of these bodies is to implement the requirement of Article 5 of the General Structural Funds Regulation to ensure that social partners can participate as equal partners in the Monitoring Committees and can be supported should they wish to apply for funding. The centres read the documents coming from the EU and national level and provide briefings and advice to the Monitoring Committee members to ensure they can be full and equal partners. They also provide other information and newsletters covering relevant issues. They can also help to organise conference and networks and learning from one another. Funds from Technical Assistance budgets linked to ESF make it possible to recruit staff members to fulfil this role (albeit on a temporary basis). It was not easy to convince Managing Authorities to provide this access to social partners but over time they have come to realize the added value of their involvement.



#### BOX 5: THE USE OF TECHNICAL ASSISTANCE FUNDING FOR SOCIAL PARTNERS IN ITALY

In **Italy**, it is also considered important to improve the skills of those involved in the ESF. Technical Assistance funding is available to run workshops for social partners – these are mainly offered prior to bargaining processes on partnership agreements.



Other examples of direct capacity building projects fulfil a variety of roles such as:

- Allowing social partners (either unilaterally or jointly) to gather intelligence on trends in their sector/area of activity. This can relate to economic trends, trends in working conditions, emerging training needs, among other things;
- Such information gathering can be supplement or can lead to further projects to institute new services for social partner members (thus supporting the acquisition of new members and enhancing the representativeness of social partners);
- Building knowledge necessary for more effective involvement of social partners in the national social dialogue and policy making. Some specific projects have supported the involvement of social partners in the European Semester process;
- Delivering training or the opportunity for knowledge and information exchange to members (including international exchanges).

In several countries, the ESF has supported a more systematic and comprehensive programme of such capacity building activities over time, whereas in others more one-off time-bound activities were funded through the ESF.

Examples of more systematic and comprehensive activities to build social partner capacity are provided by rich experiences in the Czech Republic, Italy, Germany, Greece and to some extent Croatia.

#### BOX 6: CAPACITY BUILDING OF SOCIAL PARTNERS IN THE CZECH REPUBLIC



In the **Czech Republic**, social partner capacity building projects have been supported since 2008, some of which were implemented unilaterally, but most of which were organised jointly.

In the current funding period, four projects started in November 2015 and will run until 2018. OP Employment (which is the largest ESF OP in the country) has one continuous call for the capacity building of social partners open for the whole programming period and available to the social partners only. This allows continuity and stability in the decision-making of funding allocation. The information on available funding opportunities is passed to the grassroot levels through the central structures of the social partners.

One of the funded projects is about the impact of and the potential for reducing working hours. The aim is to analyse to what degree working hours can be influenced via social dialogue.

The project has the following components each looking at different aspects of reducing working hours:

- impact on OSH;
- impact on competitiveness;
- Potential requirements for changes in legislation
- Impact on work life balance
- Applying best practice from abroad
- Technical assistance

The target group are employees and employers. The project is implemented in partnership. There are 94 participants in the team which are shared between employers and trade unions.

Overall, the experience with the ESF is considered to be positive and it is likely that more projects will be submitted in a new call due in 2018.

**BOX 7: CAPACITY BUILDING OF SOCIAL PARTNERS IN ITALY**

In **Italy**, the tradition of supporting the social partner capacity building using ESF funding goes back to the 2000-2006 period, so currently it is the third programming period where such support is implemented. Overall 15 million Euros are available in Italy for such capacity building projects, mostly focussed on less developed regions in the south. The social partners and the MA are currently discussing activities for these funds, but the aim is to include training actions at the local level in less developed regions and some innovative activities. Furthermore, training projects are also being implemented jointly by social partners (ties into the availability of interprofessional funds for training). ESF has enabled enterprises to benefit from such training funding which are too small to access interprofessional funds. This has increased access to LLL in enterprises.

Overall, the role of the social partners in ESF implementation is considered to be criterial in line with their involvement in decision making at the national and regional level, as ESF is also to play a key role in the implementation of Country Specific Recommendations. In this regard the social partners consider that the ESF should offer greater flexibility to adapt to new policy requirements which might emerge from the European Semester process.

**BOX 8: CAPACITY BUILDING OF SOCIAL PARTNERS IN GERMANY**

In **Germany**, the ESF is considered important to implement some concrete joint actions. Social partnership has improved as a result of this. At the federal level a 'Weiterbildungsrichtlinie' (directive on continuing training) was agreed with Federal Ministry of Labour and projects can be supported under this guideline (this follows on from two such guidelines which were in place between 2007-2013 – one entitled 'Weiterbilden' (ongoing training) and one 'Gleichstellen' (providing equal opportunities). The new directive focusses on the impact of demographic change and digitalization. Beneficiaries can also include companies and their trade union representatives. A steering point (Regiestelle) has been implemented at the national to support this initiative. In this body employer and trade union representatives are present in the same office and can advise members.

In order to establish such projects, joint action is needed from the outset. ESF funding allows social partners and employers to target specific groups for training which would otherwise not benefit (such as women in precarious jobs). The ministry drew inspiration from a collective agreement in the metal sector. The guideline and accessibility of funding was linked to a requirement to include such discussions in collective agreements to ensure the activity would be sustainable beyond the lifetime of any project.



In **Greece**, capacity building projects are being jointly undertaken by social partners. In order to shape these activities, agreement is reached in advance by social partner on common aims which are as follows:

- Conducting scientific research on social and economic issues.
- Providing support to their members (employees or firms) for the development of their operations, the improvement of their competitiveness and efficiency and also the maximization of their contribution in the national economy.
- Developing and submitting proposals for actions in the national and EU authorities in order to promote the interests and priorities of their members and also of the country's economy.
- Providing scientific and managerial support to the public authorities aiming at improving the environment in their respective fields of intervention

The following priorities for activities were agreed for a capacity building project in the 2014-2020 funding period:

- Developing or evolving mechanisms for the observation of important policy fields (economy, labor market and unemployment, training and education etc.).
- Mechanisms for the foresight of needs in professions and skills at the local and sectoral level.
- Mechanisms that promote the adaptability of firms and employees.
- Improving the business environment, employees' skills and quality of life.
- Support of the institutional, operational and scientific capability of the social partners.

Social partners participate in many projects financed by the ESF in the programming period 2014-2020, in particular in the fields of: employment, worker adaptability training, lifelong learning, apprenticeship, etc. Furthermore, social partners operate within the framework of ESF co-funded actions, but also actions of the Youth Employment Initiative YEI and as implementing bodies on their own or in partnership with other bodies (sectoral training). There is also evidence of activation of other social partners in policy making and in the implementation of actions to promote Active Employment Policies (Chambers, Chambers of Associations, Association of Information Technology & Communications Enterprises of Greece, Federation of Enterprises of Northern Greece etc.).

The type of capacity building actions that are being implemented by social partners focuses on qualification certification and training, networking and partnership, technical support, development of consultation mechanisms etc. (see Table 15).

**Table 15. Range of ESF funded actions implemented by the social partners in Greece**

Social partner	Activities
The Greek Association of Crafts and Merchants (GSEVEE)	<ul style="list-style-type: none"> <li>• Development of an observatory researching on SMEs environment.</li> <li>• Systematic support of GSEVEE for meeting the needs of daily institutional and political presence and intervention</li> <li>• Developing a system of upgraded communication and cooperation between the Federations - Associations and GSEVEE</li> <li>• Actions of national and European networking and partnerships</li> <li>• Training of federations' members and staff</li> </ul>
The Greek Trade Union Confederation	<ul style="list-style-type: none"> <li>• An Observatory of Social and Economic Development</li> <li>• A counselling network for workers</li> <li>• Trade union training and empowerment of social skills</li> <li>• Support for quality development of sectoral vocational training and interconnection with the qualification</li> </ul>
The employers' organization ESEE	<ul style="list-style-type: none"> <li>• Systematic support of ESEE for meeting the needs of daily institutional and political presence and intervention in the field of social inclusion and protection policies</li> <li>• Studies and surveys</li> <li>• Developing and supporting actions of national and European networking and partnerships</li> <li>• Professional Training, Certification, Counselling Support of unemployed aged 18 to 24 years old in the Retail sector (Youth Guarantee)</li> </ul>
Economic and Social Council of Greece (ESC)	<ul style="list-style-type: none"> <li>• Development of an integrated multilevel consultation mechanism.</li> <li>• ESC Scientific support services of the implementation of integrated multilevel consultation mechanism.</li> <li>• Development of operating framework of the multilevel consultation mechanism.</li> <li>• Upgrading and modernization of ESC technological equipment in order to support adequately the needs of the multilevel consultation mechanism.</li> </ul>
Civil Servants Confederation (ADEDY)	<ul style="list-style-type: none"> <li>• Actions that strengthen the operational and administrative capacity of the Civil Servants' Confederation (ADEDY) structures and members</li> <li>• Confederation members and staff training</li> <li>• Development of a permanent consultation mechanism</li> <li>• Development of an observatory for the Public Administration issues</li> <li>• Development of information materials for consultation topics</li> </ul>
The Greek Tourism Confederation (SETE)	<ul style="list-style-type: none"> <li>• Action plans for strengthening competitiveness and structural adjustment in the tourism sector.</li> <li>• Follow-up actions for the capacity of tourism destinations and enterprises in the tourism sector.</li> <li>• Actions for the promotion of the project.</li> <li>• Development of a Toolbox for the reinforcement of entrepreneurship and competitiveness of Greek tourism enterprises.</li> </ul>
Hellenic Federation of Enterprises (SEV)	<ul style="list-style-type: none"> <li>• Systematic monitoring of changes in the production system of the country and their effects in the development of industry's HR.</li> <li>• Development of Human Resource plans to adapt to economic and technological changes of enterprises of Hellenic industry.</li> <li>• Strengthening of employment policies and flows of new entrants into the Greek industry.</li> <li>• Support in policy making and the promotion of social dialogue.</li> </ul>

Source: project cluster seminar discussions, 2017 and info taken of OPs Managing Authorities.



The key added value of such capacity building in social partner organisations is considered to be the added capacity of social partners to represent their views in an informed manner in tripartite and bi-partite dialogues (and therefore improving the quality of this interaction); expanding the membership base by enhancing the service offer and generally supporting social partners in policy action.

In **Croatia**, a project funded in 2015 focussed on the European Social Dialogue and in particular on the national implementation of European autonomous framework agreements. Subsequent calls followed with a focus on national and regional social partner capacity building priorities. Another example of a project is the creation of a database of collective agreements, which has proved useful both for social partners and government. Furthermore, there are also sectoral projects (e.g. in construction and transport) which also seek to feed into the processes of collective bargaining.

In contrast, in other countries, the activities to build social partner capacity are more one-off and sporadic even though still providing valuable inputs to strengthen the social partners. Examples include:

- In **Latvia**, the social partners ran a joint capacity building project in the previous ESF funding period (EUR 2.5 million) which aimed at achieving higher coverage of collective bargaining. The project was implemented in 5 sectors. There are no plans to continue the project as no ESF funds are available.
- In **Lithuania**, a current project is being led by the Labour Inspectorate as a fund holder, but in fact the social partners are the actual partners on the project. Furthermore, another social partner capacity building project is being implemented by the Ministry of Labour.
- In **Slovakia**, social partners in this country are benefitting through their participation in a tripartite project run by the Ministry of Labour entitled 'capacity building for social dialogue'. The project runs over the whole funding 2014-2020 period and includes support for research, training and other measures.

### 5.3.2. Indirect social partner capacity building projects

In the indirect projects, social partners implement a range of actions to address current policy issues and challenges faced by their members. Although not directly aimed at capacity building, such projects still strengthen the expertise of social partner organisations and the service offer they provide to their members. Interesting examples of such projects are available from Bulgaria (see Box 9), Germany, Hungary, Malta, Portugal and Romania. Common issues across the projects where social partners worked together include the skills training of employees, addressing the impact of digitalisation and health and safety issues. Such projects are seen to be of particular importance to build the capacity of social partners to respond to the policy challenges, as there are increasingly being called upon by policy makers to address such issues, but often lack the internal capacity to provide strong inputs at short notice.

**BOX 9: EXAMPLES OF SOCIAL PARTNER LED PROJECTS IN BULGARIA**

In **Bulgaria**, a project on capacity and skills mismatch is being funded for the second period. It provides an assessment of workforce skills at the national and sectoral level through joint action of social partners. 20 sector associations formed the basis for the sector skills assessments and developing skills profiles for key occupations. This project is an example of the joint social partner action to address the OP objectives and tackle acute problems in the Bulgarian context of skills shortages, mismatches and workforce development. The extension of the project to the second period has been met with opposition from the European Commission and state authorities referring to the rules of state aid, distortion of competition and funding repeat activities. There needs to be a clarification on what constitutes state aid and what types of joint actions can be supported via the ESF.

Another example in Bulgaria of joint action was an ESF project between the trade union Podkrepa and the Builders' Association to develop a training centre for the construction industry. It provided resources to train unemployed and upskill the current employees in 11 professions in the construction industry. This was a good example of how social partners worked jointly to achieve tangible results.

In **Hungary** one ESF project is being implemented which focusses on health and safety and is not specifically focused on the social partner capacity building (at least not directly).

In **Malta**, one project was implemented providing internal staff training and outreach to members in 2015 focussed on delivering information on the digital skills agenda. The project funded a manual and updating of the website with e-commerce possibilities. This indirectly supported activity to increase the relevance of social partners to their members on business-related issues. One of the priorities has been education and training provision for shop stewards. A course is being implemented for shop stewards which is accredited and can be done by any worker. 180 shop stewards are to be trained by the project. Another project focusses on trade union leadership. The implementation would include job shadowing with the ETUC. The scale of funding requested is around 40,000 Euro, but no decision on project funding has been taken yet.

In **Portugal** four projects have been presented for ESF funding in the past which focused on the area of health and safety.

In **Romania**, the emphasis is on the development of organisational capacity and skills development of social partner organisations. Social partners have been active in using the ESF to launch measures on a range of topics, including health and safety, training or developing legal proposals. Activities were funded such as sourcing expertise, undertaking research, transfer of good practices, partnerships with other social partners, and preparation of laws. Despite appearing substantial, the amount allocated to capacity building is not significantly dedicated to social partner capacity building and is therefore insufficient. For example, in the 2017 call, 71 projects were selected, with 7 projects from social partners and 64 projects from NGOs with the condition stipulated that one social partner organisation can only access funding for one project.

One project focusses on the development of a national accreditation of entrepreneurship training (under OP Administrative Capacity). A project proposal has been submitted with the goal of increasing the capacity of SME National Council of Romania. The aim is to deliver training to 120 representatives from all territorial structures of the Council between 2009 and 2012. A joint project has also been organized to share experiences with SME representatives in France. Three training sessions have been held with a focus on how best to manage the relationship with member organisations.

## 5.4. A RANGE OF BARRIERS TO THE ESF APPLICATIONS AND IMPLEMENTATION

### Barriers to applications include a lack of suitable funding stream/project calls and high administrative burdens involved

Social partners at the national level face a range of administrative, knowledge and funding barriers to apply and use the ESF funding. Social partner members of ESF OP MCs identified a range of such barriers to accessing ESF funding and the nature of these challenges both in the application and implementation stages.

Firstly, a lack of suitable funding opportunities, and subsequently, a complex application process were considered to be the key barriers to accessing funding (see Table 16). Encouragingly, the lack of co-operation from other social partners and the lack of staff with right expertise to submit the applications were not seen as an important barrier among the social partners. No particular pattern emerges with regard to the barriers employers or trade unions consider to be most significant, nor is there visible east/west divide with regards to the experience of such barriers.

**Table 16. Have you faced any barriers in accessing ESF funding to build social partner capacity?**

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
Complex application process	3	3	3	11	13
Lack of suitable ESF funding dedicated to capacity building	0	6	8	5	9
Lack of certainty over approval of application	0	7	6	5	6
Lack of support from ESF authorities to submit application	1	8	8	4	4
Lack of staff with right expertise	5	11	3	3	0
Combination between ESF, ERDF etc caused some difficulties	0	0	0	2	0

Source: Project survey of social partner members of the MC, 2017, n=52. Not all respondents commented on all the aspects of the question.

### Complex financial administration and monitoring requirements are key barriers to implementation

In the implementation stage, the key barriers faced by the social partners are related to the complex financial administration as well as complex monitoring, reporting and auditing requirements associated with the ESF projects (see Table 17). As one social partner put it, *‘the process is very bureaucratic and too much time is spent on applying, monitoring and reporting on activities rather than implementing them’*. Another social partner commented that *‘the administrative ESF system in my country is very strict, complicated and demanding’*. This complexity arises also from the gold plating of the ESF rules taking place at the national level which shows a lack of trust between Managing Authorities and beneficiary organisations. The different interpretation of rules at the European and national level adds extra burden to the beneficiary organisations such as social partners.

In the interviews and project roundtable discussions, the national social partners also identified the following challenges:

- Limited time available to implement the projects: due to the late implementation of the current OPs, often projects have to be delivered over a very short timescale (e.g. three months) which makes it difficult to implement meaningful activities. In the previous programming period, the key issue was the short amount of time left to organise the activities as projects were launched towards the end of the programming period. Given that the current OPs are also late in the implementation, this problem can be expected to occur again.
- An additional problem is that there is no provision for covering staff time before and after the implementation of ESF projects where the workload can also be substantial.
- The clarification of important aspects of legal rules applying to the social partners: in a number of countries, social partners face the challenges of clarifying whether they need to pay the VAT on their project activities (which constitutes a significant proportion of the costs for especially smaller social partner organisations) and how the state aid rules apply to them (whether the funding to social partners distorts the competition or not).

In contrast, the lack of cooperation from other social partners to participate in such projects is not considered a barrier as well as the lack of pre-financing or support from the ESF support are also not viewed as implementation barriers.

**Table 17. Have you faced challenges in delivering ESF funded projects to build social partner capacity?**

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
Complex financial administration	0	2	5	9	11
Complex monitoring, reporting, auditing requirements	0	4	4	7	12
Lack of pre-financing	0	2	9	6	4
Lack of support from ESF authorities to deliver projects	2	3	8	3	4
Lack of co-operation from other social partners	5	8	5	2	3

Source: Project survey of social partner members of the MC, 2017, n=52. Not all respondents commented on all the aspects of the question.

For the future, this experience means that the ESF administrative requirements need to be genuinely simplified, and social partners should have more influence on better definition of the contents and priorities of the OPs and broader involvement in defining calls for proposals. Furthermore, when the role of social partners is not distinguished from the other partners and NGOs without recognising their special importance and added value in helping to achieve the OP objectives is lost.

# 6. CONCRETE NEEDS OF SOCIAL PARTNERS FROM THE ESF SUPPORT

## Key findings

- The capacity building requirements of social partners vary from country to country based on established industrial relations systems and linked organisational structures and strengths; there is therefore no one size fits all approach to capacity building;
- Capacity building among social partners is of increasing importance in the context of rising demands to engage with policy processes, as well as enhancing collective bargaining mechanisms at different levels to respond to the requirements of an increasingly globalised and digital economy. Even in countries where social partners are strongly involved in collective bargaining, there are increasing needs to be additionally involved in other social dialogue processes, including those of national decision and policy making linked to the European Semester;
- A key requirement is additional staffing capacity to deal with these rising demands, while working to retain or build membership and membership services;
- Furthermore, existing and additional staff have information and training needs to engage with these various processes in an effective and timely fashion;
- There are increasing needs to exchange information between organisations both at national and European level and to learn from good practices;
- A lack of investment in social partner capacity building in these areas flies in the face of priorities set out in the quadripartite statement on the future of social dialogue and the European Pillar of Social Rights.

Strong local, regional and national dialogue provides an important foundation for European social dialogue and capacity must be available to help to engage in the European Semester process at national level and respond to Country Specific Recommendations as well as helping shape and implement relevant policy responses. The European Semester process in particular requires that social partners are able to influence and take ownership of reforms being discussed and agreed at the national and regional level. As indicated above, the European Pillar of Social Rights agreed by governments at the recent Gothenburg summit also accords a significant role to the social dialogue to inform and implement its priorities. Furthermore, national, regional and local social partners must be enabled to relate to the wider European social dialogue process both in a bottom up (e.g. by helping to shape European social partner priorities and decision making) as well as a top down manner (by implementing European level social partner agreements).

In order to achieve this, social partners need to have the information, knowledge and capacities to be effective stakeholders in this process. In many countries participating in the project it was noted that at the same time as these additional demands are being made on social partners, there is a lack of resources and requisite expertise among the member organisations.

It is understood that social partners operate from different starting points linked to different industrial relations traditions and different levels of development and capacities for social dialogue. In some countries there is a lack of strong experience of social dialogue and many social partners also suffer from a significant lack of resources. This is particularly true for social partner organisations in Central and Eastern European organisations, which cannot rely on the same strong traditions of social dialogue and national and regional level collective bargaining (and its associated structures) as social partner organisations in many northern, western and southern European countries. However, it should be noted that even in countries with strong social dialogue traditions, the economic crisis and associated economic and policy impacts have weakened existing dialogue structures and organisations. Furthermore, the demands and knowledge requirements of the European dialogue and Semester process are such that additional information and capacity requirements arise even in countries with stronger organisational structures, established dialogues and somewhat greater organisational resources among social partner organisations. Thus, social partners at the national level have a range of concrete capacity building needs which can in principle be supported with ESF funding and should be defined at the national level.

The core need identified across the countries related to the imperative to be able to appoint additional staff and access knowledge and training to add to and enhance the expertise of existing staff in the social partner organisations. Currently, social partner organisations do not have sufficient capacity and appropriately trained staff to deal effectively with the wide range of complex issues, often of the legal nature, facing the social partners in their social dialogue activities and as a result of the engagement requirements placed on them as part of the European Semester – not to speak of the information needs to effectively engage in the governance of the ESF and ESIF. Social partners need to have the requisite expertise and knowledge to perform this role in responding to the government proposals and making good-quality proposals themselves. To do so, social partners need good quality information and research as well as their members needing the advocacy, negotiation and communication skills.

The number of subjects (often outside their core competence of collective bargaining and engagement with purely national policy priorities affecting the workplace) with which social partners are required to engage has increased significantly over the past years and are often very technical in nature, requiring adequate expertise which is currently missing in many organisations. This results in situations where social partners are not able to effectively engage in social dialogue activities and at least react to the government initiatives, not to speak of being pro-active and putting forward proposals reflecting their positions. The same is true for engagement in ESIF governance structures. As one social partner interviewed put it, *'we need to invest in staff members and improving their expertise to make them more competent to act as social partners. Being a social partner requires quite a specific expertise and the staff need to be specifically trained on such activities to improve their understanding of social dialogue.'*

More and better expertise amongst social partner representatives would also enable the social partners to provide better quality services to their members thus making membership more attractive and enhancing their representativeness. The services need to relate to the most pressing needs their members are facing and their business needs, including for example legal advice, support to the digitalisation of the economy, and communication improvements. As one social partner put it, *'we mainly need experts and specialists to work in our HQ and sector branches, as we have no lawyers, financial specialists, or communication professionals. As we are a small union, we do not have capacity to undertake regional visits or provide common events to their members.'*

Another key capacity building need is the need to strengthen the expertise of national social partners to work on European issues, including adequately providing reactions and input to the activities from the European social partners, implementing European agreements and giving active input and helping to set the European agenda and acting as credible and active partners in the European Semester process. According to one social partner interviewed, *'Internationally we have 2-3 people working on all European issues, and that is just not enough given the complexity of topics covered.'*

The possibility ESF funding offers to recruit additional human resources to strengthen the capacity of social partners is thus considered to be particularly important (albeit due to the project based nature of such funding, this is usually only possible on a temporary basis, as indicated above). These additional resources are becoming more and more important as social partners are increasingly asked to contribute to policy making on a wide range of topics with less and less time to respond.

Table 18 shows the key priorities identified by the survey respondents to the national survey on the ESF funding to support the social partner capacity building. The top key priorities identified were:

- Greater influence on the decision-making process in relation to implementation and monitoring of ESF (considered as very important by 65% of respondents)
- Greater resources linked to the EU social dialogue agenda (55% of respondents)
- Greater resources dedicated to developing and strengthening sectoral social dialogue at national level (51% respondents).

In contrast, the least number of respondents considered a greater access to information on European issues and greater access to information on ESF as most important priorities.

When amalgamating the items rated as somewhat and very important, greater influence on decision making on European issues, additional staffing resources related to European issues and training on European issues emerge as the three highest ranked priorities, followed by greater influence on decision making in relation to the implementation of ESF and training on the use and implementation of ESF.

In a limited number of countries, ESF support was considered to be less relevant for social partner capacity building. This view was most likely to be expressed in countries where social partners are already strong and well established (e.g. AT). Furthermore, some countries indicated that other sources of funding to assist social partner capacity building are also available (e.g. national funding or other grants such as Norway/EEA funds). The views of employers and trade union representatives on the importance of the top priorities to fund the capacity building needs tend to be very similar, with the absolute majorities of both groups viewing the same top priorities as very important and somewhat important (see Table 18). The views across the Member States were largely similar, with most respondents within the same country identifying the same top priorities for the ESF to fund the social partner capacity building needs. The respondents who did not consider these priorities to be important were in the minority (below 20 % of all respondents, see Table 19). Hence, these findings need to be interpreted with caution as they might not indicate that these priorities are less important for the social partners in these countries due to the small number of respondents involved in Austria, Czech Republic, Denmark, Germany, Netherlands and Slovenia. However, it can be noted that in most of these countries the social dialogue could be considered to be at the mature stage and hence the requirements are of a different nature and scale.



**Table 18. If you think ESF funding should have been made available, what do you think are the main needs among the social partners in terms of their capacity building?**

Response	Greater influence on the decision making in relation to implementation and monitoring of ESF	Greater resources linked to the EU social dialogue agenda	Greater resources dedicated to developing and strengthening sectoral social dialogue at national level	Greater influence on the decision making on European issues	Greater resources dedicated to developing and strengthening cross-industry social dialogue at national level
Very important	31	26	24	22	22
Somewhat important	7	11	10	19	13
Neither important or unimportant	8	8	8	5	8
Not important at all	1	2	2	1	2
Rather unimportant	0	0	3	0	2
No response	8	8	8	8	8
<b>Total</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>

Response	Training on the use and implementation of ESF	Additional staffing resources with focus on European issues	Additional staffing resources with focus on ESF	Training on European issues	Greater access to information on European issues	Greater access to information on ESF
Very important	21	17	17	17	15	15
Somewhat important	17	21	20	22	21	22
Neither important or unimportant	7	7	6	6	9	6
Not important at all	1	2	2	1	1	1
Rather unimportant	2	1	3	2	2	3
No response	7	7	7	7	7	8
<b>Total</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>55</b>

Source: Project survey of social partner members of the MC, 2017, n=51. Not all respondents commented on all the aspects of the question.

**Table 19. Top priorities for the main needs among the social partners in terms of their capacity building: Views of employers / trade unions**

Response	Greater influence on the decision making on European issues		Additional staffing resources on European issues		Training on European issues	
	Employer	Trade union	Employer	Trade union	Employer	Trade union
Very important	11	11	10	11	8	9
Somewhat important	12	6	10	6	14	7
Neither important or unimportant	2	3	4	3	2	4
Not important at all	1	0	2	0	1	0
Rather unimportant	0	0	1	0	2	0
No response	9	0	8	0	8	0
<b>Total</b>	<b>35</b>	<b>20</b>	<b>35</b>	<b>20</b>	<b>35</b>	<b>20</b>

Response	Greater influence on the decision making on implementation and monitoring of the ESF		Training on the use and implementation of the ESF	
	Employer	Trade union	Employer	Trade union
Very important	17	14	12	13
Somewhat important	3	3	8	4
Neither important or unimportant	5	3	5	2
Not important at all	1	0	1	0
Rather unimportant	0	0	1	1
No response	9	0	8	0
<b>Total</b>	<b>35</b>	<b>20</b>	<b>35</b>	<b>20</b>

Source: Project survey of national social partners, 2017, n=55.

**Table 20. Least important priorities for the main needs among the social partners in terms of their capacity building: Views of respondents by country (sum of Neither important or unimportant, Not important at all and Rather unimportant responses)**

Response	Greater influence on the decision making on European issues	Additional staffing resources on European issues	Training on European issues
Total of responses:	Austria: 1	Austria: 1	Austria: 1
Neither important or unimportant,	Denmark: 1	Czech Republic: 1	Czech Republic: 2
Not important at all and	Finland: 1	Denmark: 2	Denmark: 1
Rather unimportant	Germany: 1	Ireland: 1	Germany: 2
	Netherlands: 1	Finland: 1	Latvia: 1
	Slovenia: 1	Germany: 1	Netherlands: 1
		Italy: 1	Slovenia: 1
		Netherlands: 2	
<b>Total</b>	<b>6</b>	<b>10</b>	<b>9</b>

Response	Greater influence on the decision making on implementation and monitoring of the ESF	Training on the use and implementation of the ESF
Total of responses:	Austria: 1	Austria: 1
Neither important or unimportant,	Croatia: 1	Czech Republic: 1
Not important at all and	Czech Republic: 1	Denmark: 2
Rather unimportant	Denmark: 2	Finland: 1
	Germany: 1	Germany: 1
	Latvia: 1	Latvia: 1
	Netherlands: 1	Netherlands: 1
	Slovenia: 1	Poland: 1
		Slovenia: 1
<b>Total</b>	<b>9</b>	<b>10</b>

Source: Project survey of national social partners, 2017, n=55.

National social partners also expect additional support from the EU level social partners to help national organisations to use ESF resources better. Among the options provided, making available good practice examples, analyses of success factors and the provision of links to other projects were considered to be potentially most helpful (see Table 21).

**Table 21. What support should EU level social partners offer to help your organisation to use ESF funding better?**

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
Links to other similar ESF projects	0	1	4	10	12
Good practice examples of ESF projects	0	0	1	15	14
Analysis of key success factors	0	0	7	11	6
Online tutorials/materials/guidance	1	5	5	6	5
Individual support to my member organisation	3	7	5	4	3

Source: Project survey of social partner members of the MC, 2017, n=51. Not all respondents commented on all the aspects of the question.

The key types of capacity building needs of social partner are briefly summarised in Table 22 below.

**Table 22. Outline of categories of social partner capacity building needs**

Needs to build capacity depending on existing national industrial relations structures	Types of activity
Build/enhance representativeness	Additional staffing resources and skills to grow member services (e.g. training of shop stewards, support to SME, skills assessment)
Build/enhance organisational structures	Training of internal staff, enhanced staffing, building communication and dissemination services
Build/enhance experience/trust in negotiations (both bipartite and tripartite)	Joint actions supporting collective bargaining, policy development; learning on innovative approaches to collective bargaining; joint implementation of initiatives; enhanced staffing to engage in collective bargaining at different levels
Build/enhance expertise to support involvement in policy making (local, national, European level)	Additional staffing resources and skills through thematic training and initiatives; including enhancing knowledge on national labour market a
Build/enhance expertise in governance of European funds	Additional staffing resources and skills through training to social partner members of monitoring committees, support for those wanting to use ESF funding

Source: Project activities.

# CONCLUSIONS

Capacity building among social partners is of increasing relevance in the context of the enhanced importance attached to their closer involvement in EU policy-making and the implementation of European policy, legislation and agreements at national, regional and local levels. This has been emphasised in a quadripartite statement on a 'New Start for Social Dialogue' which emphasised the role of the social partners in policy and law-making at European level and in the European semester process<sup>35</sup>. This role is again re-stated in the European Pillar of Social Rights proclaimed at the European Council on 17 November 2017<sup>36</sup>.

Research supporting this project gathered relevant information through a combination of activities including the desk research, a survey of members of BusinessEurope, CEEP, ETUC and UEAPME, a survey of social partners members on ESF Operational Programme (OP) Monitoring Committees (MCs) and the organisation of two round tables involving social partners from 20 countries.

Part of the wider ESIF funding framework, the ESF provides over €120 billion funding for employment, human resource development and capacity building initiatives between 2014 – 2020. However, its implementation is slow in most countries, making it more difficult to establish the extent to which resources have been allocated, and where this is the case, whether and how funding opportunities have been used to support social partner capacity building.

Supported by a joint request by the European cross-industry social partners, the ESIF and ESF regulations, and the European Code of Conduct on Partnership in the Framework of ESIF<sup>37</sup> require the implementation of the funds based on a Partnership Principle with the strong involvement of social partners.

In relation to the implementation of the partnership principle in practice, this study has found that:

- Its implementation is only partial in practice and not all relevant social partners are involved in the Monitoring Committees, as required by ESIF and ESF Regulations and the Code of Conduct;
- While most social partners with seats on Monitoring Committees participate regularly, their views are not always taken into account and are often outweighed by other interests;
- The specific role of social partner organisations (as compared to NGOs and regional authorities represented on Monitoring Committees) is often not recognised and their voice is therefore often drowned out in decision making;
- The added value of the social partner engagement to achieve the OP's objectives is not recognised by Managing Authorities in many Member States;
- As a result, social partners are often not able to play an active role in the design and implementation of the ESF in practice.

35 <https://ec.europa.eu/social/BlobServlet?docId=15738&langId=en>

36 [https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights\\_en](https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights_en)

37 European Commission (2014); European Code of Conduct on Partnership in the Framework of ESIF <https://publications.europa.eu/en/publication-detail/-/publication/93c4192d-aa07-43f6-b78e-f1d236b54cb8/language-en>

Having said this, many social partners noted improvements in their involvement following the strengthening of the partnership principle, compared to previous funding periods. Positive experiences in implementing the partnership principle reported by social partners are linked to the following contexts and practices:

- The implementation of legal changes requiring partnership working;
- A national culture of genuine information and consultation;
- The implementation of practical steps taken to ensure a meaningful social partner participation in the Monitoring Committee work, such as the organisation of pre-meetings in advance of Monitoring Committee meetings;
- Social partner participation in all working groups, expert meetings and sub-committees of the Operational Programme across the whole eco-system of the OP; and
- The institution of dedicated support structures to provide the social partners with advice to allow them to fulfil their role as Monitoring Committee members.

With regard to the use of ESF funding to support social partner capacity building, the study found that:

- In most countries there is no clear indication of the ESF actions to be implemented or the total amount of ESF funding committed to build the capacity of social partners. Where this is done, the amounts allocated to the social partner capacity building projects are small;
- Where available, social partners can mostly access the ESF funding through project-based systems, which come with significant associated administrative and monitoring requirements and are always time limited, risking that actions cannot be continued at the end of one project period;
- ESF implementation in the current programming period is slow and in most countries the projects to support the social partner capacity building are only starting;
- ESF social partner capacity building projects can be roughly divided into two categories:
  - projects *directly* aimed at providing support to capacity building through research, training, networking, joint activities etc. These are aimed at allowing them to fulfil their role as partners in collective bargaining but can also include technical assistance projects aimed at building specific capacity among social partners involved in the governance process of the ESF.
  - projects providing *indirect* support to social partner capacity building by allowing them to deepen their work in specific policy areas such as health and safety, digitalisation or lifelong learning, among other things.
- By and large, no funding has been allocated to support EU and national social partners to play their role with respect to the European dimension, e.g. to ensure their involvement in the European Semester process and in the follow-up to the European pillar of social rights;
- The current administrative systems linked to the ESF are complex and burdensome, resulting in a greater focus on process and compliance rather than the achievement of the results;
- Some national authorities gold plate the European rules by adding additional rules at the national and regional level which can make access to ESF funding more challenging.

Partly due to the increasing expectations for social partner involvement in policy making (including national social dialogue consultations, negotiations and the European Semester processes) and in the implementation of European level policies, legislation and agreements (including Autonomous Framework Agreements), the need for capacity building is growing. A lack of investment in social partner capacity building in these areas flies in the face of priorities set out in the quadripartite statement on the future of social dialogue and the European Pillar of Social Rights. The study highlighted that:

- The capacity building requirements of social partners vary from country to country based on established industrial relations systems and linked organisational structures and strengths. There is therefore no one size fits all approach to capacity building;
- Beyond the requirements of European legislative and policy processes, social partner capacity building needs are also growing due to requirements to enhance collective bargaining mechanisms at different levels to respond to the needs of an increasingly globalised and digital economy. Even in countries where social partners are strongly involved in collective bargaining, there are increasing needs to be additionally involved in other social dialogue processes at both national and European level, including those of national decision and policy making linked to the European semester;
- A key requirement is additional staffing capacity to deal with these rising demands, while working to retain or build membership and membership services; this is particularly the case in view of more frequent and complex demands coming from the EU institutions in relation the European dimension. There are also increasing needs to exchange information between organisations both at national and European level and to learn from good practice;
- Furthermore, existing and additional staff have information and training needs to engage with these various processes in an effective and timely fashion.

The information gathered demonstrates that ESF resources allocated in the 2014-2020 period appear insufficient to meet social partners' capacity building requirements and are not made available in a suitable way (i.e. in a way which reflects different countries' needs) at the EU and Member State level. Similarly, the implementation of the partnership principle vis à vis the real involvement of social partners in the governance structures of ESIF across the whole eco-system of the OP remains incomplete.

# ANNEXES

## ANNEX 1: SURVEY RESPONDENTS

Survey of national members organisations of BusinessEurope, CEEP, ETUC and UEAPME

**Table 23. Responses by MS and types of organisation**

MS	Busines- sEurope	CEEP	ETUC	None of the above	UEAPME	Total per MS
Austria	1	1	1		1	4
Belgium			1			1
Bulgaria		1				1
Croatia			1		1	2
Cyprus	1					1
Czech Republic	2		1			3
Denmark	1		1			2
Estonia	1		1			2
Finland		1			1	2
France	1	1			1	3
Germany	1	1 <sup>38</sup>	1			3
Greece	1				3	4
Hungary	1		1			2
Ireland	1		1			2
Italy	1		3		1	5
Latvia					1	1
Lithuania			1			1
Luxembourg					1	1
Malta	1				1	2
Netherlands	2	1	1			4
Poland	1				1	2
Portugal	1					1
Romania			1			1
Slovenia			2			2
Spain	1		2			3
Sweden			1			1
<b>Total</b>	<b>18</b>	<b>6</b>	<b>20</b>		<b>12</b>	<b>55</b>

<sup>38</sup> An interview has been carried out with a CEEP member in Germany.



**Table 24. Respondents by social partner organisation type**

Social partner	Number of responses	% of responses
BusinessEurope	18	32%
CEEP	6	11%
ETUC	20	35%
UEAPME	12	22%
<b>Total</b>	<b>55</b>	<b>100%</b>

## Survey of ESF OP social partner MC members

**Table 25. Responses by MS and organisation type (including interview responses and inputs from round tables)**

MS	BusinessEurope	CEEP	ETUC	UEAPME	None of the above	All
Austria		1	2			
Belgium				1	1	2
Bulgaria	4		2			1
Croatia	1 <sup>39</sup>		1	1		2
Czech Republic	2		1		1	2
Denmark		2	1			2
Estonia			1	1		
Germany	1	1	2	1		2
Greece	1			2		3
Hungary	1					
Malta			1	1		
Latvia			1			1
Lithuania	3 <sup>40</sup>			1	2	3
Poland			1	1		1
Slovenia	1					
Spain	1		4	3		6
<b>Total</b>	<b>15</b>	<b>4</b>	<b>17</b>	<b>11 (12)<sup>41</sup></b>	<b>4</b>	<b>51</b>

**Table 26. Respondents by social partner organisation type**

Social partner	Number of responses	% of responses
BusinessEurope	15	29%
CEEP	4	8%
ETUC	17	33%
UEAPME	11	22%
None of the above	4	8%
<b>Total</b>	<b>51</b>	<b>100%</b>

39 Telephone interview, the organisation is also a member of UEAPME.

40 Including one telephone interview.

41 The answer from Croatia was only counted once as the organisation is a member of BusinessEurope and UEAPME.

## ANNEX 2: LIST OF SP PROJECTS SUPPORTED BY ESF 2014-2020

**Table 27.1. Examples of ESF funded social partner capacity building projects in the 2014-2020 period - BU (Bulgaria) > EL (Greece)**

Title of project	My competence	Capacity building of social partners (call 2015)	National implementation of European autonomous agreements; creation of the database of collective agreements; sectoral capacity building projects	Sozialpartnerrichtlinie "Fachkräfte sichern"	Kompetenzzentrum der Wirtschafts- und Sozialpartner für die ESF-Fonds in Sachsen-Anhalt	Capacity building project	Institutional and organisational reinforcement of GSEVEE	Institutional capacity building
Why was it developed	To respond to the skills needs in particular industries	Article 6 ESF Regulation, text of OP Employment	Address the needs of social partners	Strengthening social partnership in the areas of further education and gender equality	To enforce the social partners in Saxony-Anhalt according to article 5 (ESF-Regulation)	To develop better capacity to respond to members needs	The project aims at supporting and upgrading the intervention role of GSEVEE, in order to generate policy proposals, promote social dialogue with the participation and expansion of small enterprises represented thereof.	To develop the capacity of social partners
Who submitted application	BIA	Central social partners organizations - SP, CR, KZPS, CMKOS, ASO		DGB and BDA	DGB Sachsen-Anhalt	Estonian Trade Union Confederation	IME GSEVEE	SEV/ STEGI S.A.
Lead partner	BIA	BusinessEurope member		DGB and BDA	DGB Sachsen-Anhalt	Estonian Trade Union Confederation	IME GSEVEE	SEV/ STEGI S.A.
Duration	2.5 years	Knowledge support of organization, analyses, bipartite negotiations	Typically annual to 2 years	2014-2020	Oct. 2015 - Aug. 2020	3 years	42 months	3 years
Main activities	defining skills and competences in 20 pilot sectors; developing professional standards, tools for assessing specific job profiles		Training, database development	Project on branch or company level to strengthen social partnership in the areas of further education and gender equality	Analyzing monitoring data, evaluation reports or administrative regulations/directives, supporting PR activities concerning ESF; supporting partners' involvement in discussing OPs for future funding periods; offering materialy newsletter/training/consulting for organisations related to partners in the monitoring committee, promoting the exchange among the partners/ between administration and partners, spreading information on ESF-funding, 2% of ESF-budget are reserved for projects proposed by social partners. The competence center develops guidelines and administrative support for the development of suitable projects	Developing an IT system for trade union members to provide feedback on legal developments and TU issues; further development of the training system (80 hours training on different laws, TU framework, how to negotiate collective agreements; improving cooperation with employer organisations; review of the administrative capacity of branch offices through qualitative research	The main activities of the project are the following: 1. Preparation of specific critical studies and surveys aiming to strengthen the operational capacity of GSEVEE and establishment of its positions with regard to the main issues that concern small Greek enterprises. 2.Operation of thematic domains (employment and education) 3. Identification of needs and implementation of training programmes for the elected, trade unionists of GSEVEE, as well as for the sectoral/local member-federations. 4. Development and establishment of networks and partnerships at national and European scale. 5.Enhancement of the institutional capacity of GSEVEE's local branches	Labour market observatory, actions on youth employment, HR organisation, and administration

	BG	CZ	HR	DE	DE	EE	EL	EL
Key challenges	Burden of administrative ESF requirements ; frequent changes to the administrative requirements	Regional tripartite/bipartite dialogue activities increasing		Securing qualified labour; coping with demographic challenges; achieving collective agreements or agreements on company level on further education and gender equality	The competence centre supports 30 different social partners in the monitoring committee with a different level of staff capacity (large and very small organisations)/ different levels of experience concerning ESF; some partners lack personal continuity, partly contradictory interests/ positions among partners. Some partners ask for a more partisan support. How we addressed the project: The competence center offers strictly neutral support. The centre has a steering committee which is open to all interested partners. All interested partners are involved in the selection of staff for the competence center. We had quite a long time to build trust among the partners (previous projects since 2008).	No challenges so far	Too early to say	Delays in administrative procedures
Lessons	Essential to bring all sides and stakeholders to develop such standards	Not known until end of project		Simplify access to ESF	Need and commitment of a lead partner which provides a basic infrastructure to enable a project (e.g. pre-finance), financial commitment of the administration, time to build a trustful relationship. Especially small organisations among the partners need continuous support to analyse the vast amount of monitoring/planning) data provided by the administration.	Need to have staff capable of implementing ESF procedures	Too early to say	
Is it considered effective practice	Yes	Not known until end of project		Yes-, good example of social partnership	Yes, because it is a neutral support structure for all kinds of partners and their expertise.		Yes	
Link for further info	www.mycompetence.bg	<a href="https://www.estrcz/detail-clanku/-jasset_publisher/BBFAoaudKGE/content/budovani-kapacit-socialnich-partneu?inintfirect=false">https://www.estrcz/detail-clanku/-jasset_publisher/BBFAoaudKGE/content/budovani-kapacit-socialnich-partneu?inintfirect=false</a>		<a href="http://www.initiative-fachkraete-sichern.de/">http://www.initiative-fachkraete-sichern.de/</a>	<a href="https://europa.sachsen-anhalt.de/eu-fonds-in-sachsen-anhalt/partner/wiso-partner/wiso-partner-kompetenzentrum/">https://europa.sachsen-anhalt.de/eu-fonds-in-sachsen-anhalt/partner/wiso-partner/wiso-partner-kompetenzentrum/</a>			

**Table 27.2. Examples of ESF funded social partner capacity building projects in the 2014-2020 period - IT (Italia) > SI (Slovenia)**

	IT	HU	LV	LT	MT	RO	SK	SI	SI
Title of project	Training for social partners	Health and safety actions	Development of Bipartite social dialogue for better law-making creation to sort out the business environment	Model of cooperation between social partners to develop the social dialogue	Internal staff training health and safety actions	Development of organisational capacity; increasing capacity of member	Capacity building for social dialogue	Capacity building of social partners	Negotiation skills training - Training of employers for successful social dialogue
Why was it developed	Build capacity of social partners	To meet the needs in the area of health and safety	To sort out the business environment in Latvia	To develop further the social dialogue structures	To develop capacities of staff members	To develop skills and knowledge of organisation's members	To build capacity for social dialogue	To build capacity of social partners	In order to strengthen the capacity of the social partners
Who submitted application		MGYOSZ	Central social partners (LBAS and Employers confederation of Latvia)	State Labour Inspectorate	GWU	CNIPMMR	Ministry of Labour	Recognised social partners	Association of Employers of Slovenia
Lead partner		MGYOSZ	Central social partners	State Labour Inspectorate	GWU	CNIPMMR	Ministry of Labour	Various	Association of Employers of Slovenia
Duration	Till the end of programming period	Various	June 2017 - June 2021	April 2017-October 2020	Various, usually 18 to 24 months	Various	2014-2020	Various	48 months
Main activities	EUR 15 million for training of economic and social partners on industry 4.0, social dumping and wage dumping, youth employment, proximity contracts etc. It will start this year with the publication of the first call for a value of 5 million euros. This activity, funded by the National Operational Programme of Active Jobs and Employment, will be supplemented by additional resources from other national and regional operational programs, co-funded by the ESF	Activities on health and safety matters to MGYOSZ members	Mainly - supports LBAS experts work and 5 sectoral trade union organizations experts work in order to conclude 5 sectoral general agreements	Training, roundtable, conferences, methodologies, publicity measures	Staff training, job shadowing, development of manuals, website development, capacity building	Staff training, development of accreditation system, international exchanges	Research, training and other measures	Training, staff development, capacity building activities	Research among employers; training of employers negotiators to gain negotiation skills; organisation of networking events to exchange knowledge and experience; training of ZDS employees in order to strengthen their competences and knowledge for better involvement in social dialogue; dissemination and promotion activities.
Key challenges			Objective of the project - to conclude general agreement in 5 sectors is already a challenge	The project is led by a state labour inspectorate with the participation of social partners as project partners. The call was issued in a way that only state institutions could submit the applications, and social partners are not the lead organisations in the project. Social dialogue is one of the responsibilities of the state labour inspectorate.	Long approval procedures of ESF applications				

	IT	HU	LV	LT	MT	RO	SK	SI	SI
Lessons			Achievement of the objective that would be a great base to continue work in the other sectors	Too early to say					
Is it considered effective practice			Yes, because this would be a great success taking into consideration that at the current time we have only one general agreement in railway sector	TBC					
Link for further info			<a href="http://www.lbas.lv">www.lbas.lv</a> - projects - only the general frame available in English	<a href="http://www.vdi.lv/Forms/Tema.aspx?Tema_ID=39">http://www.vdi.lv/Forms/Tema.aspx?Tema_ID=39</a>					<a href="http://www.zds.si">www.zds.si</a>

Source: Survey of social partner members of ESF OP MCs carried out for this study.

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