

# Interreg

CENTRAL EUROPE



European Union  
European Regional  
Development Fund

SIV

TAKING  
COOPERATION  
FORWARD



Interreg SIV - Policy and Practice Conference  
3rd of May 2022



## Policy recommendations



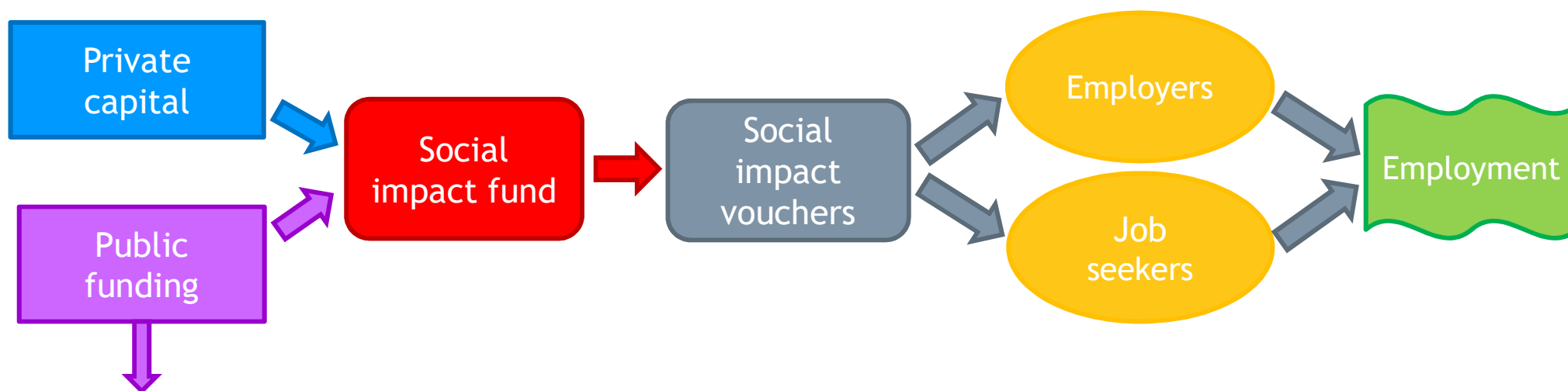
István Tamás Szenttamási - IFKA (PP4)

# AGENDA

- Objectives
- ESF Plus funding for social impact vouchers
- ERDF funding for social impact vouchers
- Other public funding opportunities for social impact vouchers
- Conclusions and recommendations



## Logic of funding social impact vouchers



- **Policy reports**
  - ESF Plus
  - ERDF
  - Other public funding opportunities
  - Recommendations



# WHY PUBLIC FUNDING?

## Modification of the funding concept

- Changes of the economic and social macro context

COVID-19



Ukrainian war and  
migration crisis

- Labour market changes

Increase in unemployment

Increase in available labour force

- Changes in labour market policies

Goal: Keeping people in work and  
employed

Loads of public finance for mitigating labour market consequences of COVID

- job protection wage subsidies, job creation wage subsidies, sectoral wage subsidies, shortened working time schemes (Kurtzarbeit)

- Changes in strategies and priorities of private (impact) investors

No need for investments in innovative/experimental  
labour market instruments

Investors seeking more secure and conservative  
investment opportunities

- Planning weaknesses

Missing return on investment

Missing or lower refunding willingness

Impact investors looking for more  
concrete issues to invest in.

Need for involvement of public funding



# PUBLIC FUNDING OPPORTUNITIES FOR SIV - SUMMARY

Country	ESF+	ERDF	OTHER
Austria	✓	-	✓
Croatia	-	-	✓
Czech Republic	✓	✓	-
Germany (Baden-Württemberg)	-	-	-
Hungary	✓	✓	✓
Poland	✓	✓	-
Slovakia	✓	✓	-
Slovenia	-	-	✓

Revision is important as majority of the programmes are under development or has not been approved yet.



# ESF PLUS FUNDING OPPORTUNITIES FOR SIV

Country	ESF Plus programmes for funding SIV initiatives
Austria	<i>Social Innovation</i> programme scheme
Croatia	-
Czech Republic	Employment Plus 2021 OP <ul style="list-style-type: none"> <li>• Priority 1 - The future of work</li> <li>• Priority 2 - Social inclusion</li> <li>• Priority 3 - Social Innovation</li> </ul>
Germany (Baden Württemberg)	-
Hungary	<ul style="list-style-type: none"> <li>• Economic Development and Innovation Operational Program Plus</li> <li>• Human Resources Development Operational Program Plus</li> <li>• Regional and Settlement Development Operational Programme Plus</li> </ul>
Poland	European Funds for Social Development for the Years 2021-2027 (PO FERS) <ul style="list-style-type: none"> <li>• SO (c) Gender balanced participation in the labour market...</li> <li>• SO (d) Supporting the adaptation of workers, enterprises and entrepreneurs to changes...</li> <li>• SO (g) Supporting lifelong learning, flexible upskilling and reskilling opportunities for all</li> <li>• SO (i) Supporting the socio-economic integration of 3rd country nationals including migrants</li> </ul>



# ESF PLUS FUNDING OPPORTUNITIES FOR SIV

Country	ESF Plus programmes for funding SIV initiatives
Slovakia	<p>Human Resources Operational Programme (2014-2020!)</p> <ul style="list-style-type: none"><li>• Step by Step (call for proposals): Mainstreaming existing and introducing new tools to increase the labour market activity of people at risk of poverty and social exclusion.</li></ul> <p>Social, Just and Educated Slovakia Operational Programme (2021-2027)</p> <ul style="list-style-type: none"><li>• Adoptable and accessible labour market (call for proposals): Modernization of labour market institutions and services</li></ul>
Slovenia	-



# ERDF FUNDING OPPORTUNITIES FOR SIV

Country	ERDF programmes for funding SIV initiatives
Austria	-
Croatia	-
Czech Republic	<p>OP Technology and Application for Competitiveness</p> <ul style="list-style-type: none"> <li>• Support for research</li> <li>• Increasing the competitiveness of SMEs</li> <li>• Increasing the added value of products and services in the production chain</li> </ul> <p>Integrated Regional OP</p> <ul style="list-style-type: none"> <li>• Community led local developments</li> </ul> <p>OP Environment</p> <ul style="list-style-type: none"> <li>• Creating a background for sustainable development</li> </ul>
Germany (Baden Württemberg)	-
Hungary	<ul style="list-style-type: none"> <li>• Economic Development and Innovation Operational Program Plus</li> <li>• Human Resources Development Operational Program Plus</li> <li>• Regional and Settlement Development Operational Program Plus</li> </ul>





# ERDF FUNDING OPPORTUNITIES FOR SIV

Country	ERDF programmes for funding SIV initiatives
Poland	<p>European Fund for Eastern Poland OP</p> <ul style="list-style-type: none"><li>• Priority 1 - Entrepreneurship and Innovation</li><li>• Priority 4 - Social capital, tourism industry and health/spa services</li></ul> <p>European Fund for Innovation Economy Program for 2021-2027 OP</p> <ul style="list-style-type: none"><li>• Priority 1 - Support for entrepreneurs<ul style="list-style-type: none"><li>• SKILLS (project type)</li></ul></li><li>• Priority 2 - An environment conducive to innovations<ul style="list-style-type: none"><li>• Learning factories (project type)</li></ul></li></ul>
Slovakia	Research and Innovation Operational Programme: Technological development and increasing competitiveness of SMEs
Slovenia	-



# OTHER PUBLIC FUNDING OPPORTUNITIES FOR SIV

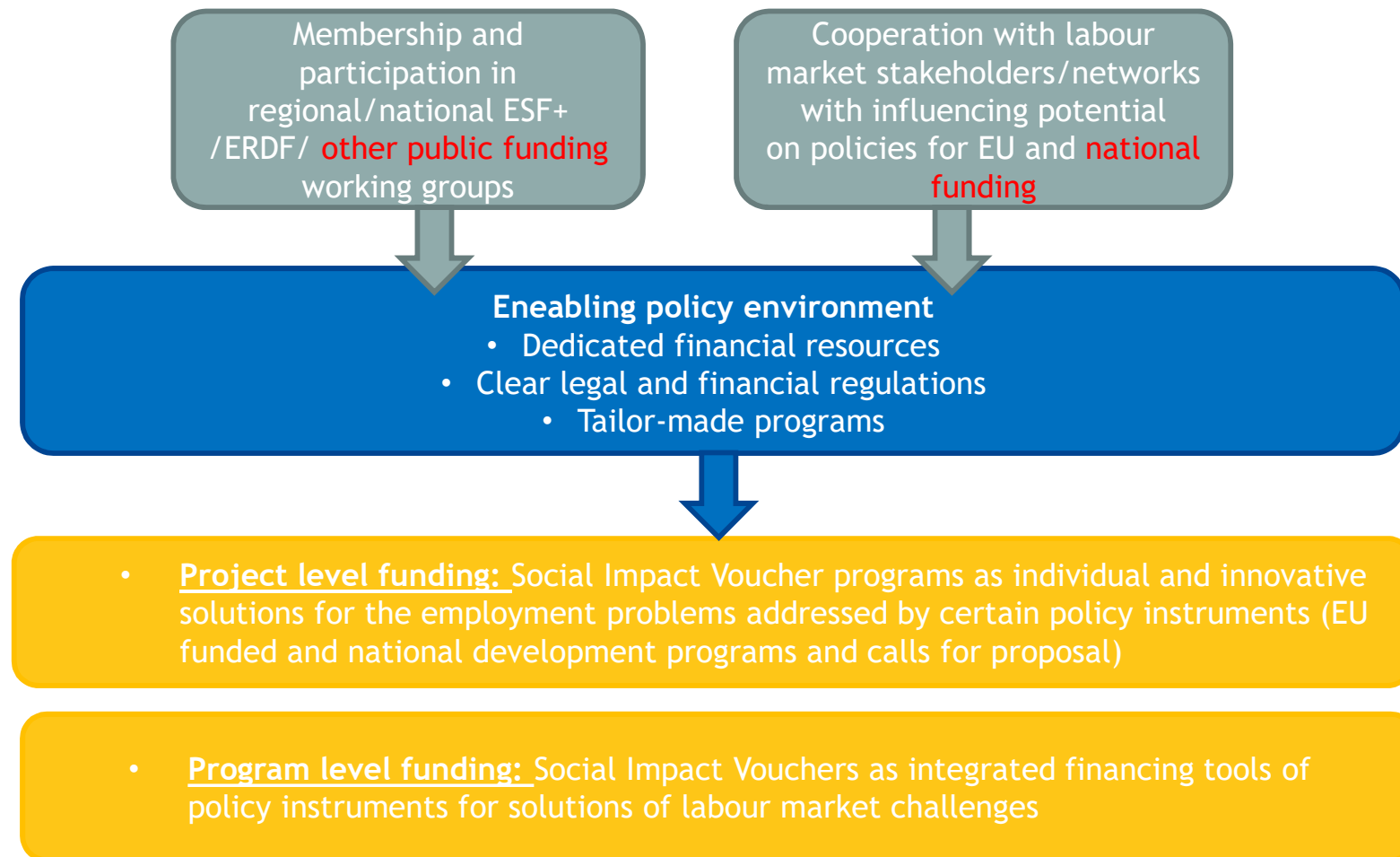
Country	Other public programmes for funding SIV initiatives
Austria	<ul style="list-style-type: none"> <li>• European Investment Bank (EIB) - European Investment Fund (EIF)</li> <li>• European Social Catalyst Fund (ESCF)</li> <li>• European Funding Instruments for Alleviating the Effects of the COVID-19 Pandemic                             <ul style="list-style-type: none"> <li>• European Instrument for Temporary Support to Mitigate Unemployment Risks in an Emergency (SURE)</li> <li>• Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU)</li> </ul> </li> </ul>
Croatia	Public Fund to Support Employment of People with Disabilities (ZOSI)
Czech Republic	-
Germany (Baden-Württemberg)	-
Hungary	Recovery and Resilience Plan for Hungary <ul style="list-style-type: none"> <li>• Emerging Settlements Programme</li> </ul>
Poland	-
Slovakia	-
Slovenia	Social Outcome Contracting programme (SOC)



# CONCLUSIONS AND RECOMMENDATIONS

## How to involve public funding in social impact voucher programmes?

- Potential strategies:



# CONCLUSIONS AND RECOMMENDATIONS

## Hot topics for mobilizing public (and private!) funds for SIV programmes

- Labour market integration (job placement + supporting services) for specific target groups
  - Parents/single parents taking care of dependents
  - Youth, NEETs
  - Seniors (over 50)
  - Disabled people
  - Marginalized groups (e.g. the Roma)
  - Long term unemployed people
  - Low educated people
  - Migrants with refugee as well as economic migration background
- Gender-balanced employment
- Economic, labour market and social development of peripheric/underserved territories/communities
- Development of skills supporting the labour market integration/digital transformation/career change of job seekers and employees
- Strengthening entrepreneurship/self employment
- Modernization of labour market services



# CONCLUSIONS AND RECOMMENDATIONS

## ARGUMENTS FOR PUBLIC INVESTORS

### WHY SIV?

- Recent crises + Demographic trends (natural loss + migration) + digitalization →
  - **Fast changing labour market**
    - Traditional active labour market instruments are not able to follow and adapt → Rapid response and flexible solutions are needed
      - Social Impact Voucher
  - **Constant and increasing demand for skilled workers**
    - Employment generating measures are needed
    - Traditional active labour market instruments are not able to meet the needs →
    - Innovative labour market instruments can be effective additions to traditional measures
      - Social Impact Vouchers

### WHY PUBLIC FUNDING?

- In many of the Central European countries impact investment markets are less developed → Public money is inevitable to introduce, test and scale innovative solutions on the labour market
- Public funding builds trust in private investors → public investments prepare the ground for (complementary) private investments

### WHY DOES IT WORTH?

- Impact measurement is crucial - Impacts of public investments can and have to be measured and translated into monetary values → justification, trust building



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