

Regulation (EU) No 1296/2013 of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion (Text with EEA relevance)

## TITLE II

### PROVISIONS SPECIFIC TO PROGRAMME AXES

#### CHAPTER I

#### *Progress Axis*

#### *Article 14*

#### **Thematic sections and financing**

1 The Progress axis shall support actions in one or more of the thematic sections listed in points (a), (b) and (c). Over the entire period of the Programme, the indicative breakdown of the allocation set out in point (a) of Article 5(2) between the different sections shall respect the following minimum percentages:

- a employment, in particular to fight youth unemployment: 20 %;
- b social protection, social inclusion and the reduction and prevention of poverty: 50 %;
- c working conditions: 10 %.

Any remainder shall be allocated to one or more of the thematic sections referred to in points (a), (b) or (c) or to a combination of them.

2 From the overall allocation for the Progress axis, and within its different thematic sections, 15 % to 20 % shall be allocated to the promotion of social experimentation as a method for testing and evaluating innovative solutions with a view to up-scaling them.

#### *Article 15*

#### **Specific objectives**

In addition to the general objectives set out in Article 4, the specific objectives of the Progress axis shall be to:

- (a) develop and disseminate high-quality comparative analytical knowledge, in order to ensure that Union policies in the fields referred to in Article 1 are based on sound evidence and are relevant to needs, challenges and conditions in the individual Member States and other countries participating in the Programme;
- (b) facilitate effective and inclusive information-sharing, mutual learning and dialogue on Union policies in the fields referred to in Article 1, at Union, national and international level in order to assist the Member States and other countries participating in the

Programme in developing their policies and the Member States in implementing Union law;

- (c) provide financial support to test social and labour market policy innovations, and, where necessary, to build up the main actors' capacity to design and implement social policy experimentation, and to make the relevant knowledge and expertise accessible;
- (d) provide Union and national organisations with financial support to increase their capacity to develop, promote and support the implementation of Union instruments and policies as referred to in Article 1 and relevant Union law.

### *Article 16*

#### **Types of actions**

The following types of actions may be financed under the Progress axis:

1. Analytical activities:
  - (a) gathering of data and statistics, taking account of both qualitative and quantitative criteria, and developing common methodologies, classifications, micro-simulations, indicators and benchmarks, where appropriate broken down by sex and age-group;
  - (b) surveys, studies, analyses and reports, including through the funding of networks of experts and development of expertise in thematic sections;
  - (c) qualitative and quantitative evaluations and impact assessments carried out by both public and private bodies;
  - (d) monitoring and assessment of the transposition and application of Union law;
  - (e) preparation and implementation of social policy experimentation as a method for testing and evaluating innovative solutions with a view to up-scaling them;
  - (f) dissemination of the results of those analytical activities.
2. Mutual-learning, awareness and dissemination activities:
  - (a) exchanges and dissemination of good practice, innovative approaches and experience, peer reviews, benchmarking and mutual learning at European level;
  - (b) Council Presidency events, conferences and seminars;
  - (c) training of legal and policy practitioners;
  - (d) drafting and publication of guides, reports and educational material and measures relating to information, communication and media coverage of initiatives supported by the Programme;
  - (e) information and communication activities;
  - (f) development and maintenance of information systems in order to exchange and disseminate information on Union policy and legislation and on the labour market.

3. Support with regard to:
- (a) the operating costs of key Union-level networks the activities of which relate to and contribute to the objectives of the Progress axis;
  - (b) capacity-building of national administrations and specialist services responsible for promoting geographical mobility designated by the Member States and microcredit providers;
  - (c) organisation of working groups of national officials to monitor the implementation of Union law;
  - (d) networking and cooperation among specialist bodies and other relevant stakeholders, national, regional and local authorities and employment services at European level;
  - (e) funding of European-level observatories, including on key thematic sections;
  - (f) exchange of personnel between national administrations.

#### *Article 17*

### **Union co-financing**

Where activities under the Progress axis are financed following a call for proposals, they may receive Union co-financing which shall not exceed, as a general rule, 80 % of the total eligible expenditure. Any financial support in excess of this ceiling shall only be granted in duly justified exceptional circumstances.

#### *Article 18*

### **Participation**

- 1 Participation in the Progress axis shall be open to:
- a Member States;
  - b EEA countries, in accordance with the EEA Agreement, and EFTA member states;
  - c the candidate countries and potential candidates, in accordance with the general principles and the general terms and conditions laid down in the framework agreements concluded with them on their participation in Union programmes.
- 2 The Progress axis shall be open to all public and/or private bodies, actors and institutions, and in particular:
- a national, regional and local authorities;
  - b employment services;
  - c specialist bodies provided for under Union law;
  - d the social partners;
  - e non-governmental organisations;
  - f higher education institutions and research institutes;
  - g experts in evaluation and in impact assessment;
  - h national statistical offices;
  - i the media.

3 The Commission may cooperate with international organisations, and in particular with the Council of Europe, the OECD, the ILO, with other United Nations bodies and with the World Bank.

4 The Commission may cooperate with third countries which are not participating in the Programme. Representatives of such third countries may attend events of mutual interest (such as conferences, workshops and seminars) that take place in countries participating in the Programme, and the cost of their attendance may be covered by the Programme.

## CHAPTER II

### **EURES Axis**

#### *Article 19*

#### **Thematic sections and financing**

The EURES axis shall support actions in one or more of the thematic sections listed in points (a), (b) and (c). Over the entire period of the Programme, the indicative breakdown of the allocation set out in point (b) of Article 5(2) between the different sections shall respect the following minimum percentages:

- (a) transparency of job vacancies, applications and any related information for applicants and employers: 32 %;
- (b) development of services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at Union level, in particular targeted mobility schemes: 30 %;
- (c) cross-border partnerships: 18 %.

Any remainder shall be allocated to one or more of the thematic sections referred to in points (a), (b), or (c), or to a combination of them.

#### *Article 20*

#### **Specific objectives**

In addition to the general objectives set out in Article 4, the specific objectives of the EURES axis shall be to:

- (a) ensure that job vacancies and applications and corresponding information and advice, as well as any related information such as that concerning living and working conditions, are made transparent for the potential applicants and the employers, respectively. This shall be achieved through exchange and dissemination at transnational, interregional and cross-border level, through the use of standard interoperability forms for job vacancies and applications and through other suitable means, such as individual counselling and mentoring, especially for the low skilled;
- (b) support the provision of EURES services for the recruitment and placing of workers in quality and sustainable employment through the clearance of job vacancies and applications; support for EURES services shall extend to various phases of placement, ranging from pre-recruitment preparation to post-placement assistance with a view to

the applicant's successful integration into the labour market; such support services may include targeted mobility schemes to fill job vacancies in a certain sector, occupation, country or a group of countries or for particular groups of workers, such as young people, with a propensity to be mobile, where a clear economic need has been identified.

#### *Article 21*

### **Types of Actions**

The EURES axis may be used to finance actions to promote voluntary mobility of individuals in the Union, on a fair basis, and to remove mobility obstacles, and in particular:

- (a) the development and the activities of EURES cross-border partnerships where requested by services territorially responsible for border regions;
- (b) the provision of information, counselling, placement and recruitment services for cross-border workers;
- (c) the development of the multilingual digital platform for the clearance of job vacancies and applications;
- (d) the development of targeted mobility schemes, following calls for proposals, to fill job vacancies where labour market shortcomings have been identified, and/or to help workers with a propensity to be mobile, where a clear economic need has been identified;
- (e) mutual learning among EURES actors and training of EURES advisors, including EURES cross-border partnership advisors;
- (f) information and communication activities to raise awareness of the benefits of geographical and occupational mobility in general and of the activities and services provided by EURES.

#### *Article 22*

### **Union co-financing**

Where activities under the EURES axis are financed following a call for proposals, they may receive Union co-financing which shall not exceed, as a general rule, 95 % of the total eligible expenditure. Any financial support in excess of this ceiling shall only be granted in duly justified exceptional circumstances.

#### *Article 23*

### **Monitoring of Mobility Patterns**

In order to detect and prevent negative effects arising in connection with inter-Union geographical mobility, the Commission shall, together with the Member States, in accordance with Article 12 of Regulation (EU) No 492/2011, regularly monitor mobility flows and patterns.

## Article 24

### Participation

- 1 Participation in the EURES axis shall be open to:
  - a Member States;
  - b EEA countries, in accordance with the EEA Agreement, and the Swiss Confederation, in accordance with the Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons<sup>(1)</sup>.
- 2 The EURES axis shall be open to all bodies, actors and institutions designated by a Member State or by the Commission which fulfil the conditions for participating in EURES, as set out in Commission Implementing Decision 2012/733/EU. Such bodies, actors and institutions shall include in particular:
  - a national, regional and local authorities;
  - b employment services;
  - c social partner organisations and other interested parties.

## CHAPTER III

### *Microfinance and Social Entrepreneurship Axis*

## Article 25

### Thematic sections and financing

The Microfinance and Social Entrepreneurship axis shall support actions in one or more of the thematic sections listed in points (a) and (b). Over the entire period of the Programme, the indicative breakdown of the allocation set out in point (c) of Article 5(2) between the different sections shall respect the following minimum percentages:

- (a) microfinance for vulnerable groups and micro-enterprises: 45 %;
- (b) social entrepreneurship: 45 %.

Any remainder shall be allocated to the thematic sections referred to in points (a) or (b) or to a combination of them.

## Article 26

### Specific objectives

In addition to the general objectives set out in Article 4, the specific objectives of the Microfinance and Social Entrepreneurship axis shall be to:

- (a) increase access to, and the availability of, microfinance for:
  - (i) vulnerable persons who have lost or are at risk of losing their job, or have difficulty in entering or re-entering the labour market, or are at risk of social

- exclusion, or are socially excluded, and are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own micro-enterprises;
- (ii) micro-enterprises in both start-up and development phase, especially micro-enterprises which employ persons as referred to in point (i);
- (b) build up the institutional capacity of microcredit providers;
  - (c) support the development of the social investment market and facilitate access to finance for social enterprises by making equity, quasi-equity, loan instruments and grants of up to EUR 500 000 available to social enterprises with either an annual turnover not exceeding EUR 30 million, or an annual balance sheet total not exceeding EUR 30 million which are not themselves a collective investment undertaking.

In order to ensure complementarity, the Commission and the Member States shall, in their respective areas of competence, closely coordinate these actions with those undertaken in the framework of cohesion policy and national policies.

#### *Article 27*

### **Types of actions**

Support to microfinance and social enterprises, including for institutional capacity building, in particular through the financial instruments provided for under Title VIII of Part one of the Financial Regulation, and grants may be provided under the Microfinance and Social Enterprises axis.

#### *Article 28*

### **Participation**

1 Participation under the Microfinance and Social Entrepreneurship axis shall be open to public and private bodies established at national, regional or local level in the countries referred to in Article 18(1) and providing in those countries:

- a microfinance for persons and micro-enterprises; and/or
- b financing for social enterprises.

2 The Commission shall ensure that the axis is accessible, without discrimination, to all public and private bodies in the Member States.

3 In order to reach out to the final beneficiaries and create competitive, viable micro-enterprises, public and private bodies that carry out activities as referred to in point (a) of paragraph 1 shall cooperate closely with organisations, including civil society organisations, representing the interests of the final beneficiaries of microcredit and with organisations, in particular those supported by the ESF, and shall provide mentoring and training programmes for such final beneficiaries. In this context, a sufficient follow-up of beneficiaries shall be ensured both before and after the creation of the micro-enterprise.

4 Public and private bodies that carry out activities as referred to in point (a) of paragraph 1 shall adhere to high standards concerning governance, management and customer protection in line with the principles of the European Code of Good Conduct for Microcredit Provision and shall seek to prevent persons and undertakings from becoming over-indebted, for example,

as a result of the granting of loans to them at high interest rates or on terms likely to result in their insolvency.

#### *Article 29*

### **Financial contribution**

Except in the case of joint actions, the financial appropriations allocated to the Microfinance and Social Entrepreneurship axis shall cover the full cost of the actions implemented through financial instruments, including payment obligations towards financial intermediaries, such as losses from guarantees, management fees for the entities managing the Union's contribution and any other eligible costs.

#### *Article 30*

### **Management**

1 In order to implement the instruments and grants referred to in Article 27, the Commission may conclude agreements with the entities listed in Article 139(4) of the Financial Regulation, and in particular with the European Investment Bank and the European Investment Fund. Such agreements shall set out detailed provisions on the implementation of the tasks entrusted to those entities, including provisions specifying the need to ensure additionality and coordination with existing Union and national financial instruments and to apportion the resources in a balanced way among the Member States and the other participating countries. Financial instruments under Title VIII of Part One of the Financial Regulation may be delivered through a dedicated investment vehicle, which may be financed by Programme funds, other investors or by both.

2 The dedicated investment vehicle referred to in paragraph 1 may provide, inter alia, loans, equity capital and risk-sharing instruments for intermediaries or direct financing for social enterprises or both. Equity capital can be provided, inter alia, in the form of open equity participations, dormant holdings, shareholder loans and combinations of different types of equity participations issued to the investors.

3 The conditions, such as interest rates, for micro-credits directly or indirectly supported in the framework of this axis shall reflect the benefit of the support and shall be justifiable with regard to underlying risks and the actual cost of funding related to a credit.

4 In accordance with Article 140(6) of the Financial Regulation, annual repayments generated by one financial instrument shall be assigned to that financial instrument until 1 January 2024, while revenues shall be entered in the general budget of the Union after deduction of management costs and fees. For financial instruments already set up in the multiannual financial framework for the period 2007-2013, annual repayments and revenues generated by operations started in the previous period shall be assigned to the financial instrument in the current period.

5 On the expiry of the agreements concluded with the entities referred to in paragraph 1 or after the termination of the investment period of the specialised investment vehicle, the balance due to the Union shall be paid into the general budget of the Union.

6 The entities referred to in paragraph 1 of this Article and, where relevant, the fund managers shall conclude written agreements with the public and private bodies referred to in Article 28. Such agreements shall lay down the obligations of the public and private providers



to use the resources made available under the Microfinance and Social Entrepreneurship axis in accordance with the objectives set out in Article 26 and to provide information for drafting the annual implementation reports provided for in Article 31.

### *Article 31*

#### **Implementation reports**

1 The entities referred to in Article 30(1), and, where relevant, the fund managers, shall send to the Commission annual implementation reports setting out the activities that have been granted support and covering their financial implementation and the allocation and accessibility of funding and investment by sector, geographical area and type of beneficiary. Those reports shall also set out the applications accepted or rejected with regard to each specific objective, the contracts concluded by the public and private bodies concerned, the actions funded and the results, including in terms of their social impact, employment creation and sustainability of the support granted. The Commission shall send those reports to the European Parliament for information purposes.

2 The information provided in those annual implementation reports shall feed into the biennial monitoring reports provided for in Article 12. Such monitoring reports shall include the annual reports provided for in Article 8(2) of Decision No 283/2010/EU, detailed information on communication activities and information on complementarity with other Union instruments, notably the ESF.

(1) [OJ L 114, 30.4.2002, p. 6.](#)