

**Opinion of the European Economic and Social Committee on the ‘Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions establishing the guidelines for the second round of the Community Initiative EQUAL concerning transnational cooperation to promote new means of combating all forms of discrimination and inequalities in connection with the labour market — “Free movement of good ideas”**

(COM(2003) 840 final)

(2004/C 241/09)

On 5 January 2004 the Commission decided to consult the European Economic and Social Committee, under Article 262 of the Treaty establishing the European Community, on the ‘Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions establishing the guidelines for the second round of the Community Initiative EQUAL concerning transnational cooperation to promote new means of combating all forms of discrimination and inequalities in connection with the labour market — “Free movement of good ideas”.

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee’s work on the subject, adopted its opinion on 5 May 2004. The rapporteur was Mr Sharma.

At its 409<sup>th</sup> plenary session (meeting of 2 June 2004), the European Economic and Social Committee adopted the following opinion by 185 votes for, one against and nine abstentions.

## 1. The content of the Communication

1.1 The purpose of this Communication is two-fold. It illustrates some of the early results of EQUAL, pointing to promising practices which can already contribute new ways of tackling discrimination and inequality in the labour market — ‘free movement of good ideas’. It also sets the scene for the second round of EQUAL, confirming the principles and architecture and introducing the technicalities of the programme.

1.2 At this early stage, the most visible success in EQUAL is partnership, the objective of which is to bring together actors who cooperate in a Development Partnership to develop an integrated approach to multi-dimensional problems.

1.3 The architecture of EQUAL has integrated essential features of good governance as it addresses cross-cutting policy issues, and works across and beyond institutional boundaries.

1.4 EQUAL adopts a thematic approach, and following consultation, Member States have agreed to retain the themes of EQUAL unchanged for the second round.

1.5 For the first time, in round 2, the EQUAL programme is taking European enlargement into account. As a result, support for the Roma population and for victims of human trafficking will be sought from all themes as the scale of these challenges significantly increases.

1.6 EQUAL provides a good opportunity for the new Member States to work with the existing Member States with a

view to identifying good practice in relation to the social and vocational integration of asylum seekers.

1.7 Even though work is on-going, and validated results cannot yet be drawn, the first round of EQUAL which started in 2001 can already illustrate promising practices of new ways to tackle discrimination and inequality, *inter alia* as regards: disability and sexual orientation, moves to retain workers longer in employment, the setting-up of business by unemployed or inactive persons, the contribution of immigrants to employment and economic growth, steps to promote adaptability in the labour market, building blocks for lifelong learning strategies, eliminating gender segregation in sectors and occupations, share of care and household responsibilities, corporate social responsibility, re-integration to combat exclusion and the social economy to create more jobs and enhance their quality.

1.8 Whilst the thematic approach remains stable, EQUAL will nonetheless address emerging challenges in the second round, particularly after enlargement, such as the issue of discrimination faced by the Roma people and victims of trafficking.

1.9 Cooperation across Member States is a fundamental aspect of EQUAL and works well, manifesting itself at a number of levels: between Development Partnerships and Thematic networks.

1.10 Mainstreaming, i.e. the integration and incorporation of new ideas and approaches into policy and practice, is challenging, but in order to obtain the maximum impact from EQUAL, results must be analysed, benchmarked and disseminated in order to have an impact both within Member States and across the Union.

1.11 Evaluation comprises two parts: a mid-term review and on-going evaluation. The former is to be carried out by means of national mid-term evaluation reports which were submitted to the Commission in December 2003, building on which the European level evaluation was prepared. The EU-wide evaluators of EQUAL do not suggest any changes in the overall architecture for EQUAL. However, on the basis of the reports of the national evaluators, and on their own field work and analysis, a number of issues that may limit the effectiveness of EQUAL have been highlighted, and a set of recommendations to enhance effectiveness are made. Following this mid-term evaluation the existing Member States will continue to produce annual interim reports.

## 2. General comments

2.1 The enthusiasm for partnership (Section 3) is welcomed and recognition of the importance of encouraging partnership between groups that have not previously collaborated is endorsed. This is one of the most significant factors in the success of EQUAL and that administrative and support processes should be designed to uphold partnership working as the highest priority.

2.2 The intention of Action 1 (described in Section 3, paragraph 4) is well founded. Simplifying processes for progression to development work will help to maintain momentum and to ensure that the success of the programme does not rely too heavily on the people who originate it.

2.3 The very wide range of partners involved in EQUAL means that their active participation is likely to encourage development of good governance. Encouraging empowerment in the principles and architecture of EQUAL should be paramount to good governance and a useful opportunity to emphasise this was missed in Section 3.1. The continuation of networks created through EQUAL (Section 3.1, paragraph 4) will rely on empowerment of all parties to influence policy and practice of other stakeholders. Discussion of the inclusion of those directly affected by discrimination is welcomed but it should be recognised that implementation of EQUAL through European, national, regional and local levels is often hierarchical and can increase bureaucracy and reduce ownership unless such problems are foreseen and avoided. In particular, the control of funding should be highlighted as a mechanism that often effects empowerment.

2.4 Discussion of European Employment Strategy, Social Inclusion Process, the Treaty, European Refugee Fund and other policy instruments is welcomed as a means of providing context for EQUAL and provides an important opportunity for groups not normally involved in European policy-making to understand and connect with it. Additional reading or information sources and referencing could encourage further investigation by such parties. Discrimination and inequality are major factors in exclusion but familiarisation with the bureaucracy of change is important to the mainstreaming of EQUAL by groups and individuals that are inexperienced in influencing policy. These guidelines may be a first point of contact for some groups.

2.5 EQUAL's emphasis on innovation (Section 5) is discussed in relation to new approaches to policy delivery. EQUAL guidance on innovation (Section 11.4, point 17) also discusses new policy development processes. The potential of development partnerships to create empowerment and good governance in policy development as well as delivery should not be overlooked.

2.6 Reinforcement of the mainstreaming activities recognises its importance. Enabling creation of new projects by 'multipliers' could lead to greater innovation. It is important to recognise that the process of innovation undertaken in development partnerships does not necessarily involve the right people to mainstream the outcomes.

2.7 The evaluation process recommends greater focus on job retention, quality of employment and direct job creation. Attracting individuals working in SMEs to participate in activities such as life-long learning and career planning for people in their 30s and 40s might require innovative means of engagement. It is important to work with networking organisations (such as trades unions) and to manage the bureaucracy to centralise as much of the paperwork as is possible.

2.8 For SMEs and NGOs the bureaucratic challenges of EQUAL are recognised but the same challenges are also faced by local authorities and the new Member States already have concerns regarding administration of Structural Funds. Administrative problems amongst local authorities are likely to be passed on to SME and NGO partners and deter uptake by these groups. Finding solutions for SMEs and NGOs might be expected to benefit organisations throughout the system.

2.9 The timing of this initiative is good in regard to informing development of European policy and strategy. The Lisbon process has its mid-term review in July 2005 and the EU Employment Strategy is a key element of that. New Structural Funds are also due to be proposed in July 2004 and the European Cohesion report also provides some opportunity to mainstream outputs from EQUAL.

### 3. Specific comments

3.1 The concepts on which the EQUAL are founded are accepted. Specific comments therefore focus more on mechanisms.

3.2 In the first round of EQUAL, the transition between the partnership building Action 1 phase and development phase Action 2 caused a loss of momentum for some programmes. A new 'confirmation step' is proposed that will reduce the administration of approval for Action 2 and ensure that expenditure remains eligible throughout the transition.

3.3 The focus of the transition from Action 1 to Action 2 is the formation of the Development Partnership Agreement with its aim, objectives and action plan. Continuity is important and partnerships should understand how their empowerment activities, administration procedures and staffing could support that continuation. There is considerable inequality in the support provided by Managing Authorities to Development Partnership which are not always working adequately. Member States should learn from each other as to the type of support needed to develop effective Development Partnership. Continuity of staffing might be a particular problem in the new Member States where personnel might move more regularly as a result of the new opportunities opening up.

3.4 The development of transnational partnerships is a very beneficial part of EQUAL. Partnerships should be encouraged to be flexible, to react to and build on the inevitable changes in programme plans that result from innovations made. Flexibility in the budget is crucial to that.

3.5 Financial rules are the same for all Structural Funds but processes of accounting for finances and activities should be carefully managed so that the administrative burden does not deter those best placed to deliver empowerment opportunities.

3.6 Previous experience of the Commission indicates that only 85 % of allocated funding will be spent. Capturing under-spend and using it for further mainstreaming is suggested. Capturing under-spend should not undermine programmes suffering from slippage or change either by requiring excessive

administration that detracts from delivery, or by reducing funding prematurely.

3.7 The list of mainstreaming activities in Section 9a is not exhaustive but it is felt to be particularly important to recognise the role of business support alongside mentoring. Actors such as social partners, including trades unions, are particularly important. Development of Round 2 EQUAL proposals is also an important part of developing the outcomes from Round 1 where appropriate.

3.8 Mainstreaming is an approach or strategy and should not be regarded as a goal in itself. Mainstreaming does add value but must be supported by underlying equality instruments such as the new equal treatment legislation or positive action policies. It is unacceptable that a number of Member States have yet to comply with the anti-discrimination directives by enacting laws to establish a common standard of equality in these countries.

3.9 The guidance identifies 'Equal opportunities' as having a low take-up (Section 10.1, para. 3) and being understood in a limited or traditional way (Section 10.1, para 6). Communication of the different ways of perceiving and dealing with Equal Opportunities in the Member States would greatly benefit development of new programmes. For example, gender inequalities are addressed in one theme by a small number of groups but across the programme most groups are working on this.

3.10 The negative impact of different timing/processes between Member States (Section 10.1, paragraph 5) goes beyond the setting-up of transnational partnerships where it has been addressed for Round 2. The setting-up of administrative and monitoring procedures, timing of Action 3, and overall project duration can all differ between countries and can therefore be counter-productive in transnational working.

3.11 Selection procedures for Round 2 programmes would benefit from access to advice from the two lead countries for each theme so that the managing authorities can benefit from some coordination between Member States.

Brussels, 2 June 2004.

*The President*  
*of the European Economic and Social Committee*  
Roger BRIESCH