

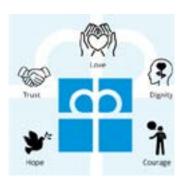
# FUNDING SOCIAL EUROPE

Monitoring Report on the Relevance of EU Funds (ESF+ and the Social Climate Fund) on Social Services



**Eurodiaconia is a European network of churches and Christian NGOs providing** social and healthcare services and advocating social justice.

#### **ORGANISATION VALUES**



#### **WHO WE ARE**

Inspired by our Christian faith, our vision is of a Europe where social injustice is eradicated and each person is valued, included, and empowered to realize their fullest potential, particularly the most vulnerable and marginalized.

#### **OUR MISSION AND VISION**

Eurodiaconia is a growing European network of churches and Christian NGOs with 61 national and regional organisations providing social and healthcare services, as well as advocating for social justice. Together we work for just and transformative social change across Europe.

Eurodiaconia members provide diverse services to persons in need, working to see everyone live in dignity and their human rights are respected and protected. These services range from health care, childcare, elderly care, hospice and palliative care, youth inclusion programmes, employment and inclusion services to vulnerable groups such as migrants and Roma, housing services for persons experiencing homelessness and services to persons with disabilities.

Eurodiaconia represents over 33.000 service centres, with approximately 1.000.000 staff and over a million volunteers are involved in providing diaconal services.

#### **ACKNOWLEDGEMENTS**

Our utmost gratitude to Eurodiaconia member organisations that shared their expertise and insights for this report:

Diaconia España, Diakonie Deutschland, Diakonissalaitos-Helsinki Deaconess Foundation, Kirkens Korshær-DanChurchSocial, Oulun Diakonissalaitos-Oulu Deaconess Institute, and Slezska Diakonie.

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#### WHY THIS REPORT?

Eurodiaconia members leverage EU funding to drive social innovation, expand the reach of their social and healthcare services, and respond to the emerging needs of vulnerable and marginalised communities and groups. Their work aligns closely with the objectives of the European Pillar of Social Rights (EPSR) through their rich experience in social economy and employment, social inclusion, and quality social services, among others.

A key funding stream for the Eurodiaconia membership is the European Social Fund+ (ESF+). Members access the fund for social innovation, social inclusion including employment facilitation, and other social services. Over the years, many members have gained the expertise not only in implementing European-funded social programmes but also in proving to be key stakeholders of the ESF+ programme.

Recently, Eurodiaconia has focused on monitoring the EU Social Climate Fund (SCF) and the development of Social Climate Plans (SCPs) at the national level. While the SCF covers diverse initiatives, including resource-intensive and profitable projects, concerns remain that social priorities—such as mitigating rising energy costs for vulnerable households and addressing the growing expenses of social services—may be overlooked.

This report aims to provide timely insights based on members' experiences, coinciding with the European Commission's midterm evaluation of the ESF+, to which Eurodiaconia has contributed. It also aims to inform discussions on the next Multiannual Financial Framework (MFF) and supports civil society and social welfare organisations in advocating for reforms.

The report is based on desk research, key informant interviews, and responses to an expanded questionnaire (available in English). Respondents included project managers and professionals responsible for grants, fundraising, and EU cohesion funds within their organisations. Represented in the report are: Slezska Diakonie (Czech Republic), Kirkens Korshær-DanChurchSocial (Denmark), Diakonissalaitos-Helsinki Deaconess Foundation (Finland), Oulun Diakonissalaitos-Oulu Deaconess Institute (Finland), Diakonie Deutschland (Germany) and Diaconia España (Spain).

#### **EXECUTIVE SUMMARY**

The report Funding Social Europe: Monitoring Report on the Relevance of EU Funds explores the usefulness of EU Funds in supporting the implementation of the European Pillar of Social Rights (EPCSR). It aims to contribute to the improvement of EU funding as a tool for cohesion and social inclusion.

The report presents the value added of the ESF+ in facilitating innovation and scaling-up in social services provision among the Eurodiaconia membership. It identifies common and specific challenges in accessing and implementing ESF+ projects and provides recommendations moving forward. Additionally, the report examines - to the extent that data is available- implications of the upcoming extension of the EU Emissions Trading System (ETS2) on vulnerable households and the importance of the Social Climate Fund and the national Social Climate Plans (SCP) to social services providers. Finally, the report outlines five key principles that Eurodiaconia believes are crucial to ensuring that the fund addresses social needs effectively.

The report draws on desk research, key informant interviews, and an expanded questionnaire (conducted in English) completed by representatives from member organisations. All the organisations are currently implementing ESF+ projects, and one organisation is a member of the monitoring committee of the ESF+ programme at the national level. However, at the time of the interview, there is insufficient data available on the process of developing the national SCPs. Thus, this report does not discuss the developments of the plans and is limited in providing insights at the national level.

The countries/organisations represented in this report are: Czech Republic (Slezska Diakonie), Denmark (Kirkens Korshaer-DanChurchSocial), Finland (Helsinki Deaconess Foundation and Oulu Deaconess Institute), Germany (Diakonie Deutschland) and Spain (Diaconia España).

The key findings on the ESF+ are:

- 1. Crucial funding source for social inclusion. The ESF+ continues to be an important source of funding for innovative projects in social inclusion and services. It is an additional and complementary source of funding and not a substitute to national funding and should remain as such. However, there are questions of accessibility, complexity, sustainability, and policy incoherence, which can be addressed with reforms at the member state and EU level.
- **2. Barriers to access.** While there is a general acknowledgment that ESF+ catalyses social innovation, access to funds is hampered by the high percentage of organisational co-financing, which is difficult to surmount even for relatively bigger organisations; high eligibility requirements and administrative rigidity that dampen innovation.
- **3. Administrative burdens persist.** While certain reforms to address administrative burden and simplify reporting have been implemented, the process and results have been uneven, and implementing partners are still weighed down by bureaucratic processes, an unnecessary level of data collection, and detailed demonstration of outcomes and budgeting.
- **4. Optimising operations.** Non-profit social services and welfare organisations have been able to maximise opportunities to innovate, expand, and improve their service provision and operational models through the ESF+ and have also learnt to systematise their operations and systems. However, the implementation of the partnership principle, the accessibility of the fund,

especially for new entrants, and the sustainability aspect leave much to be desired.

- 5. **Effectiveness on the ground.** Eurodiaconia and its members emphasise that EU funding must address real needs on the ground and complement national funding. Additionally, Eurodiaconia seeks to advocate for reforms that enhance the efficiency, effectiveness, and relevance of these funds.
- 6. **Proposed reforms.** Eurodiaconia recommends improving the ESF+'s administrative and reporting systems, processes and rules; streamlining the program to better respond to needs on the ground and include hard-to-reach marginalised groups; strengthening the implementation of the partnership principle; improving accessibility of the fund; and, ensuring that the ESF+ and other social funds align with the ambition of the European Pillar of Social Rights.

The key findings on the Social Climate Fund are:

- 1. The increase in the price of fossil fuels has a disproportionately high impact on low-income households and households in precarious situations, vulnerable micro-enterprises, and transport users, who pay more for energy costs relative to their income.
- 2. Social services and welfare organisations already at the forefront of delivering muchneeded services to vulnerable groups or people experiencing or at risk of poverty will also be greatly affected by the increase in the cost of fuel in their facilities, in the cost of providing services to vulnerable groups, and in the cost of their other operations (e.g. income-generating) related to the services that they provide.
- 3. The Social Climate Fund can be an important resource to cushion the impact of energy price increases for them to continue delivering much-needed services and to enable them to make social service facilities and transport more energy efficient or carbon neutral.

Eurodiaconia's key recommendations on the Social Climate Fund are:

- 1. Expand the SCF envelope.
- 2. Channel the fund to those in need.
- 3. Enhance funding accessibility.
- 4. Ensure additionality of funds.
- 5. Foster meaningful partnerships.

#### PART 1. MONITORING THE USE OF ESF+

The ESF+ is the EU's main instrument for investing in people to build a more social and inclusive EU. The ESF+ has an important role in contributing to the EU's employment, social, education and skills policies and reforms and to achieve the objectives in employment levels, social protection, and workforce resilience reflected on the EPSR.<sup>1</sup>

#### **IMPORTANCE OF ESF+**

For Eurodiaconia members, the ESF+ remains an important fund for innovation in social services, piloting of services that worked in other countries or locations in their specific contexts, and scaling-up or expanding services or programmes that work. Members mainly access shared-management ESF+ (at the Member State level), but there are reforms that need to be undertaken both at the EU and national levels in terms of programming and fund administration for the fund to be more effective.

#### On innovating social service provision

For Eurodiaconia members, the relative flexibility of ESF+ (compared to other EU funds) in their respective countries enables them to tailor ideas and actions to best support their target groups and define project outcomes. However, this flexibility is often constrained by the rules and definitions set by managing authorities. For instance, in Denmark, Kirkens Korshær can develop its own Theory of Change, define the most effective approaches to support target groups, and establish criteria for outputs, outcomes, and impacts. However, this autonomy operates within the framework of target groups and project types defined by the Ministry of Commerce.

ESF+ grants provide social service providers with opportunities to test innovative ideas and methods to improve the quality and effectiveness of their services. These innovations can then be shared with other practitioners and used to develop new strategies for combating poverty and social exclusion. For non-statutory welfare organisations in Germany and Finland, ESF+ offers vital resources to pilot models and processes that enhance service quality and professional environments. (See Box 1)

#### Box 1: Open-source operational models on rehabilitative work in Finland

The concluded project of Oulu Deaconess Institute together with the Diakonia University of Applied Sciences (Diak) developed the integration of rehabilitative work activities into educational pathways from 2021 to 2023 through joint funding from ESF+ and the local government. This model is now being utilised in the nonprofit wellbeing services. In addition, the project developed operational models, such as the Wellbeing High School model, that are widely used not only by the Oulu Deaconess Institute but also by different organisations in Finland. This model aims to promote the well-being and the study ability of high school students while preventing academic burnout by providing concrete tools that consider the entire high school experience and study (students, teachers, student support services, and other stakeholders). The Finnish Institute for Health and Welfare has designated the operational model as a nationally promising practice.

European funding, by design, has an add-on effect—it is not intended to replace existing social security systems. However, ESF+ has been instrumental in supporting social inclusion and empowerment services for underserved groups and areas not covered by public systems. For example, Diaconia España and the Oulu Deaconess Institute have used ESF+ funding to pilot innovative services for new beneficiary groups, providing support that would not typically be available within standard social, health, or education systems. (See Box 2)

#### Box 2: No Tags, No Hate in Spain

Diaconia España's ESF+ project "Sin etiquetas, sin odio" is a comprehensive care programme for victims and potential victims of hate crimes, with special emphasis on the knowledge of their rights. The project offers social intervention, including a hotline for immediate attention, psychosocial support, legal advice, support groups, and dissemination activities to promote awareness and prevention of hate crime in communities and institutions.

The project has a special focus on vulnerable groups such as migrants, LGBTQ+ individuals, and at-risk youth. Since the project started, 133 individuals have received personalised support, and 200,000 people have been informed about the project's services.

In addition, pilot projects generate data that present valuable insights and expertise for working with specific target groups. This knowledge not only enhances the effectiveness of current initiatives but also informs the development of future projects and programs.

Social innovation can act as a catalyst for other long-term policy developments. In the case of Czech Republic, there was a shift in government priority on care - from institutional care to community care. In Spain, it is instrumental in the adoption of new technologies and methodologies, thereby improving the quality of services.

#### On customising, scaling-up and expanding

The value added of the ESF+ in Czech Republic is the possibility to not only pilot but also scale up innovative ideas and practices if it resonates with the needs of the Czech public (mainly at the regional level) and is reflective of the plans of Slezska Diakonie's innovation working group. For example, their Homesharing Project for children with intellectual, psychiatric or combined disabilities, which was originally implemented in Ireland, was piloted in a community from private foundation funds. There are now eight service providers (1 of which is Slezska Diakonie) implementing this concept with ESF+ in a bigger area – the South Moravian Region, creating a new network of providers - for families with children with disabilities. Their Housing First [1] project was also adopted from the approach piloted in other EU countries, which was then novel in 2018 but is now being implemented in several places in the Moravian-Silesian region and has been tailored to the needs and context of communities.

The innovation working group reflects the commitment of Slezska Diakonie to constantly innovate their services and ways of working and is a good practice in proactive approaches to funding. (See Box 3)

<sup>[1]</sup> The Housing First approach recognises that housing is a basic human right and prioritises providing permanent housing to people experiencing homelessness as quickly as possible to pursue their personal goals and improve their quality of life.

#### Box 3: Innovation working group at Slezska Diakonie as good practice

At Slezska Diakonie, fostering social innovation is a key priority that extends beyond ESF+ projects. To support this, they have established an Innovation Working Group, where members are encouraged to propose innovative project ideas.

The person pitching an idea is responsible for substantiating it with relevant data. If the committee finds the proposal worth pursuing, the idea is further developed into a project proposal, and the original proponent takes the lead in its development. In some cases, the idea is so novel that no existing data is available. In these instances, if the project pushes through, it becomes a platform for data collection and exploration.

When funding calls arise—primarily from ESF+ but also from other sources—the working group is well-prepared with developed concepts. At the same time, they remain flexible, ready to adapt their proposals to fit the specific requirements of the funding opportunities.

The ESF+ programme can also lead to more appropriate innovative solutions or projects at the local level. In Finland, ESF+ is implemented through regional managing authorities, and this allows for organisations with partners, members or branches in different parts of the country to experiment with social service provision at the regional and local level. This leads to actions that are tailored to fit the problem or need of the locality based on the experience of our two Finnish members.

The experience by Diaconia España proves that the ESF+ has allowed the organisation to enhance management practices and adopt more rigorous processes. The ESF+ in Spain, by aligning it with EU standards, helps push organisations to continuously improve their methodologies, thereby enhancing the quality of social services amid the constraints.

#### Advantages of the ESF+

The ESF+ offers several advantages over other EU funding streams. It covers a broader range of beneficiaries and provides opportunities for higher EU co-financing in certain projects.

Depending on the project, the higher level of EU co-financing (such as for material support) is advantageous. Member organisations recognise that compared to other funding streams, ESF+ projects are bigger with higher participation targets. In Denmark and Finland, the advantages include a higher level of financial support (up to 90% of the project can be funded by the EU). Additionally, the larger funding pool and multi-year project durations—though shorter than in the past—offer organisations more flexibility and stability in planning.

There is a general satisfaction from interviewed members with their access to ESF+ projects at the national (EU member state) level as they have built a track record in social service delivery, and in many cases, engagement in social policy. This is less so in calls for transnational projects.

Helsinki Deaconess Foundation is currently involved in more than 15 ESF+ projects at the national and regional levels and recognises that their access to ESF+ projects is better than other organisations because of their track record, sufficient management structures, and a good partnership with other organisations in various regions in their country. Diakonie Deutschland

cited the advantages of having a platform of non-statutory welfare organisations with one voice in engaging the managing authority and partnering with government at the federal level. (See box 4)

#### Box 4. Cooperation among non-statutory welfare organisations in Germany

Aside from individual project grants that the individual members of the Association of German Social Welfare Organisations (German: BAGFW) manage, the platform coordinates an ESF+ funding program in cooperation with the Federal Ministry of Labour and Social Affairs and sends representatives to the ESF+ monitoring committees at federal and state levels. This fund, specific for investing in civil society, aims to secure skilled labour in social professions with a focus on surmounting the challenges of demographic and digital change.

This programme releases thematic calls for proposals for social welfare organisations. The BAGFW and the Federal Ministry of Labour and Social Affairs jointly design the programme, define the selection criteria, and select the project proposals. An external management office within the BAGFW coordinates the implementation of the programme, and advises the programme partners on the design, implementation and further development of the programme. The management office supports the programme partners in the application process and project implementation, reviews incoming programme, checks incoming expressions of interest, ensures networking among the funded project sponsors, and carries out programme-related public relations work within and outside the associations of independent welfare organisations.<sup>2</sup>

#### **CHALLENGES IN ACCESS**

Despite its benefits, there remain challenges in accessing the fund because of its complexity and rigidity. While the challenges or issues over access vary from country to country, the application, implementation, and reporting processes can be burdensome and time-consuming for implementing organisations. The programme is inherently complex and is exacerbated by the institutional weakness of managing authorities. But even relatively larger NGOs, charities, or not for profit social service providers face administrative and other challenges in the application process.

In general, the disadvantage of the ESF+ include:

- Administrative complexity: The intricate rules and procedures favour larger, more established organisations, making it harder for smaller entities to access funding.
- Long funding gaps: Extended periods between funding cycles can disrupt project continuity, particularly in Denmark and Finland.
- Constraints on innovation: In Spain, for instance, while budget adjustments during implementation are possible, program limits can restrict the scope of innovative approaches.
- Lack of long-term support: Funding is often project-specific, which can undermine the sustainability of initiatives.

#### **Institutional and administrative factors**

In many cases, accessing ESF+ projects presents several challenges related to the competence, preferences, and practices of managing authorities, which vary across countries, regions, and states.

In Denmark, delays in the process are a significant issue. The time between the release of

calls for proposals and the approval of applications is excessively long, leading to late project implementation compared to other countries.

In Germany, organisations face technical and administrative hurdles, particularly with the complexity of the online application tool. Smaller organisations and their staff often feel unprepared to navigate the system, as it requires specialised knowledge and familiarity with digital platforms.

In Finland, challenges arise from the lack of predictability and consistency across regional managing authorities. These authorities apply different practices, even for rules on simplified cost options or the level of detail required in proposals. For instance, some regions still expect detailed budget planning in project proposals. As a result, organisations cannot transfer their experiences from one region to another and must tailor applications to meet the unique requirements of each local authority.

Heavy administrative requirements can also dampen innovation. For example:

- When piloting or testing new methods, managing authorities may require applicants to specify precise details—such as the exact duration of workshops or the specific outcomes of a communication strategy—before the project begins.
- This demand for detailed pre-planning undermines the experimental nature of pilot projects and stifles creativity, as applicants are forced to anticipate results beforehand even if the action involves social behaviours, new target groups, methods, or procedures.

Managing authorities also differ in their expectations for project results. Some require detailed demonstrations of outcomes or impacts in advance, along with strict limits on modifications during the project. These rigid expectations contradict the principles of experimentation and piloting, reducing opportunities for genuine innovation.

In Spain, frequent shifts in funding priorities create further obstacles. These changes disrupt long-term project planning and force organisations—particularly those with limited resources—to constantly adapt, making it harder to maintain focus and momentum.

#### **Fund rigidity and complexity**

The fund has a level of rigidity that results in the non-funding or underfunding of other needs within the overall objective of the programme. For example, the ESF+ in Finland is very much focused on employment facilitation and skills development for the labour market, but many target groups need pre-employment facilitation services such as social support and life management skills. However, these are not covered by the ESF+ and are underfunded.

It is also challenging to apply for projects that necessitate experimental approaches in groups or populations that are not usually reached and in themes that may not have immediate outcomes, such as social awareness.

The complexity of the application process requires a lot of resources from organisations, and this is limiting, especially for smaller organisations. In addition, the short window for application, combined with the high intensity and complexity of the application are additional burdens to smaller organisations and organisations without highly specialised staff. At the transnational level,

Slezska Diakonie cites the strictness of the rules and guidelines for eligible costs (direct vs. indirect costs and their use within the budget) as a hindrance to applying for transnational projects.

#### **Eligibility**

At the transnational level, the strict eligibility criteria make it hard for many members to apply for ESF+ projects. The strict rules and guidelines for eligible costs, as well as the high operational, financial, and consortium requirements are challenging for non-profit organisations. For members in Czech Republic, Finland, and Spain, requirements for prior experience and targeting specific beneficiary groups (like only regular-status migrants) instead of common needs or services that are needed by several groups, limit participation, excluding that of some vulnerable populations.

#### Co-financing or limits to funding

Members cite the difficulties in raising the counterpart funding as a hindrance to organisations in responding to calls for proposals. In theory, a smaller share of funding from the EU will lead to more projects and a bigger share of the Member States but in practice, Member States can refuse to provide funding (oftentimes with the argument that there is no money available). In this situation, organisations need to rely on the availability and accessibility of funds in local governments and other sources (own money, member contributions, third-party or private donors), which is not always reliable.

In the case of Slezska Diakonie, which is a large organisation but a single entity, the low cap of exemptions from State Aid control (or De Minimis rules [2] is disadvantageous because they can only access a limited amount of public support when their geographic coverage is big and the range of services that they provide is extensive. While they appreciate the relatively high rate of financing from the ESF+, they have been encountering difficulty gaining the buy-in of regional or local authorities or the private sector for funding support.

#### **Consortium composition**

There is a challenge in finding eligible partners that organisations deem satisfactory to work with (for example, sharing the same values as the organisation) versus what managing authorities deem to be an excellent consortium composition. There have been experiences where the consortium composition was deemed insufficient even if all the partners are eligible. Both national and transnational calls for proposals also specify the combination of applicants that are eligible, so organisations must find partners outside of their traditional networks. For example, in the experience of the Helsinki Deaconess Foundation, they were specifically told to include other organisations outside of the Christian community as co-applicants.

In addition, some calls at the national and transnational level specify a public institution must be part of the consortium or that a public institution must be the coordinator of the project. This gives undue leverage to public institutions in terms of choosing their preferred partners and project concepts, and it means less independence for civil society.

While members are experienced in accessing national and sub-national ESF+, there is arguably

<sup>[2]</sup> The de minimis regulation on State Aid exempts small aid amounts from EU State aid control since they are deemed to have no impact on competition and trade in the Single Market. The previous de minimis aid regulation capped the support to less than EUR 200 000 per company (or EUR 500 000 for services of general interest (SGEIs) in any three-year period for any undertaking including financed by State Aid but this was increased to EUR 300 000 (and EUR 750 000) starting January 2024 until December 2030 to cover for inflation

limited capacity in accessing EU-level or transnational calls, although the interest to participate is certainly there. For members in Spain and Finland, the lack of experience in collaboration at the EU level, especially of smaller organisations with limited resources, hinders participation in transnational calls, but it is something that they want to surmount.

#### IMPROVEMENTS AND CHALLENGES IN MANAGEMENT

#### **Welcomed improvements**

Some changes in project management processes have led to smoother operations and greater opportunities to localise initiatives. Many organisations have also seen improvements in organisational development and the quality of services delivered to beneficiaries due to their work with ESF+. Key improvements in some countries include:

- Simplification. New measures such as lump sum payments have enabled ease of management.
- Accessibility of managing authorities. Managing authorities are now more available for discussions and consultation compared to before.
- Technological improvements. Online portals have streamlined application and management processes, though initial learning curves posed challenges.

Depending on how the ESF+ is managed at the level of the Member state, the ESF+ allows for the implementation of tailored, purpose-driven initiatives based on local needs, particularly in countries like Finland and Germany, where organisations have been able to collaborate with local partners to address specific challenges.

#### **Complex reporting and compliance**

Despite these improvements, significant administrative and bureaucratic hurdles remain, particularly in complex reporting requirements and lack of flexibility.

Administrative and reporting obligations often involve strict limitations on allowable expenses, especially under personnel costs, and stringent data collection requirements.

- Data collection: In Finland and Germany, extensive data collection requirements are often counterproductive and, in many cases, unnecessary. Although some flexibilities have been introduced, projects are still required to provide accurate participation data, which poses challenges when sensitive information cannot be collected anonymously.
- Resource-intensive compliance: In Denmark, Germany, Czech Republic, and Spain, the volume of information required for compliance imposes heavy demands on resources and staff time. Often, the personnel flat-rate funding is insufficient to cover the actual effort involved. In Finland and Spain, detailed demonstrations of processes, even during the pilot stage, stifle creativity and hinder the implementation of innovative projects.
- Exclusion in reporting: Reporting frameworks often fail to capture the contributions of secondary beneficiaries. For example, in Finland, youth participating in projects are excluded from impact measurements if the primary target group is professional staff, even though their participation contributes to the project's outcomes. This limitation prevents organisations from fully demonstrating their achievements.

#### Lack of flexibility

There are varying levels of rigidity in the funding programme but rigid funding structures stifle project implementation, management, and outcomes, particularly in areas that require adaptability and innovation.

While simplified cost options, including lump sum funding, have eased some management burdens, they lack flexibility to accommodate necessary adjustments. For instance, in Germany, personnel flat rates fail to account for wage increases due to inflation and underestimate costs related to vacation and sick days. In addition, simplification measures tied to specific results can discourage innovation through "creaming" or prioritising high-value or low-cost beneficiaries over those with the greatest needs in service provision. This approach distorts impact measurement and limits the program's broader social benefits. <sup>3</sup>

#### Additional challenges include:

- In Czech Republic, rigid rules for purchasing services, such as mandatory tenders for professional services, create additional barriers for organisations.
- In Denmark and Spain, projects are largely "set in stone" once the project has been approved, leaving minimal room for adjustments.
- The limited flexibility in reallocating funds across regions or adjusting budgets for emerging needs during project implementation is a challenge, especially in abrupt and unforeseen changes in context.

#### **Transnational: Communication challenges and delays**

Transnational ESF+ projects, like those at the Member State level, are characterised by rigorous eligibility requirements, compliance, and reporting. On top of these, there are challenges on the administrative and communication aspects between the granting authority and the project coordinator and delays in disbursement.

Communication between granting authorities and project coordinators relies heavily on email, requiring manual collation of agreements, correspondence, and project-related activities. This manual approach is prone to inefficiencies and information loss due to staff changes and IT infrastructure issues. A centralised communication platform could streamline this process by automatically tracking all correspondence between task managers, managing authorities, and project coordinators.

In addition, long delays between project approval, grant signing, and disbursement of funds significantly affect project timelines. Coordinators often wait 6-12 months to receive the first disbursement of funds. These delays impact the timely delivery of project activities and results, creating uncertainty for organisations and beneficiaries alike.

#### A NEED FOR REFORM

The ESF+ is a vital funding programme for delivering social services to marginalised sectors and groups. However, it faces ongoing challenges related to accessibility, inclusivity, and sustainability, as well as concerns about its use as a political tool to reflect shifting governmental priorities.

#### Political tool or policy incoherence

It is contradictory to the spirit and objectives of the EPSR if EU funding programmes, in particular, the ESF+, is wielded for a political agenda that worsens the marginalisation and social exclusion of certain groups or sectors such as migrants, refugees and asylum seekers, people with disabilities, people in poverty, etc.

#### Examples of this include:

- Denmark: The government, critical of migrants, redirected funds originally intended for homeless EU migrants to focus on homeless youth in Denmark. While addressing youth homelessness is very important, it should not come at the expense of EU migrants, a group also in critical need of support. Creating false competition and a narrative of the 'deserving poor' does not create cohesive societies. (See Box 5)
- Finland: The ESF+ heavily prioritises employment facilitation projects, neglecting other essential social inclusion services like social support, life management skills, and skills development for individuals not yet ready for employment. These services fall outside ESF+ coverage, leaving gaps in support.
- Spain and Finland: Undocumented migrants face growing needs for services, but the ESF+ excludes them as eligible beneficiaries, leaving a vulnerable population without support.

#### **Box 5: Social inclusion for EU migrants in Denmark**

Kirkens Korshær currently implements an ESF+ project for mobile EU migrants who are homeless or at the risk of becoming homeless because of the lack of public assistance. In Denmark, around 75% of homeless people with migrant origins are from European countries.<sup>4</sup> Many mobile EU citizens are unregistered until they have found work and can register as workers since there is no way for them to register with authorities as jobseekers. However, when they are not able to find a job immediately, they can fall into destitution and homelessness since they are also not qualified to receive social assistance.<sup>5</sup>

For Kirkens Korshær, it is paramount for the ESF+ to remain a source of funding to provide immediate services for mobile EU migrants and to support them to find work and navigate the bureaucratic registration process in the country. Thus, it is important to maintain this target group of beneficiaries and not use the ESF+ to cater to political biases against migrants as well as crowd out the fund to supplement public funding for other vulnerable groups in Danish society.

Additionally, social welfare organisations report that the ESF+ is increasingly being used to address gaps in funding for other state-mandated sectors, such as healthcare and social services. Many calls for proposals require public authorities to act as coordinators or mandatory participants, giving undue leverage and limiting the role of independent organisations.

#### **Sustainability**

On the other hand, the sustainability of social innovation projects is a key concern for all organisations. Even highly successful projects often lack continuity due to misaligned national priorities. Without guaranteed national funding, these initiatives frequently struggle to scale up or continue beyond their initial project cycles. Organisations report that while a project with multiple

outcomes for diverse target groups might receive a second round of funding, it often comes with reduced EU co-funding such as in the experience of organisations in Finland. It remains to be seen whether this can be sustained beyond the ESF+ project. (See Box 6) This creates uncertainty about the project's long-term viability.

Most of the time, the sustainability of these projects is often left to the organisations' own resources or the support of private funders. This reliance conflicts with the ESF+'s goal of fostering social innovation to address the needs of vulnerable groups effectively and equitably.

#### Box 6: Social inclusion and addressing food waste

The Prikka Kiertoon project of Eurodiaconia's members in Finland (Helsinki Deaconess Foundation (coordinator), Oulu Deaconess Institute, the Oulu Evangelical-Lutheran Parish Union, together with the Diaconia University of Applied Sciences (Diak) and the city of Oulu) is a social inclusion project that has acquired the support of the ESF+ thrice.

The project seeks to address: 1) social exclusion and unemployment among vulnerable groups and 2) food waste and lack of local coordination in delivering food. The project offers an innovative kind of participatory community action and at the same time, easier to reach food aid for those in need and reduction of food waste. While the previous project focused on setting up the infrastructure and logistics, the current one emphasises the social aspect of the work, including developing different models for employment and volunteering. As the last year of the project, 2025 will be used to ensure the sustainability of the operations and smooth exit of the ESF+ project.

#### **Observations in Inclusivity**

For smaller organisations with limited resources, accessing EU funding can be particularly daunting. The ESF+ requires a strong track record, often built over years or even decades, which discourages new or less-established organisations from applying.

These barriers limit the inclusivity of the programme, restricting opportunities for innovative solutions from emerging organisations that could address the needs of marginalised populations in new and impactful ways.

#### **LESSONS LEARNT**

Through their experience managing ESF+ projects, Eurodiaconia members have identified key practices that have guided their past work and will continue to inform their future strategies.

- 1. Proactivity and flexibility
- Establish a dedicated standing committee focused on innovation to brainstorm and develop project ideas in advance. This ensures the organisation is prepared to respond promptly to relevant calls for proposals.
- Engage in detailed preparation and planning to meet the specific requirements of EU calls.
- 2. Clear role distribution
- Within organisations or consortia, assign specific roles for project preparation and administration.
- Involve experienced staff who are well-versed in the EU's regulatory frameworks for

applying and reporting on funded projects.

- 3. Context and needs assessment
- Conduct thorough and in-depth assessments of local contexts and needs to inform project design.
- Ensure alignment between the identified needs and the goals of the proposal and involve potential partners and target groups in the preparation phase to secure their commitment.
- 4. Close communication with authorities
- Maintain regular communication with national authorities to stay informed about strategies, funding opportunities, and upcoming calls for proposals.
- 5. Partnership and collaboration
- Programs are implemented successfully and effectively when there is close and equal cooperation between the government and civil society partners, with the government adhering to the partnership principle.
- There is greater impetus for social and welfare organisations to coordinate and cooperate with each other to have a stronger voice and political position.
- 6. Localisation.
- Maximise the regional or more localised nature of the funding programme to propose innovative local projects tailored to the unique needs of specific localities.
- 7. Diversified funding strategy
- Develop a strategic approach to diversify funding sources, reducing reliance on a single funding stream and enhancing long-term sustainability.

#### **CONCLUSION AND RECOMMENDATIONS**

The ESF+ is the most important EU fund for innovating social service provision and adoption and scaling up of good practices from other countries and regions. While there is general satisfaction from the members with their access to the funds, there are a lot of opportunities to usher in changes for the fund to be more effective and responsive, both at the member state level and at the European level. Our recommendations range from more efficient practices of managing authorities to policy recommendations to the European Commission to make ESF+ more inclusive, predictable, and truly based on partnership. These reforms are critical amid the current process of drawing up the next EU Multi-annual Financial Framework.

Our recommendations are reflected below:

#### For managing authorities in Member States

- 1. Capacity-building to allow smaller organisations alongside more established organisations to build their capacities in accessing, managing, and implementing ESF+ projects.
- Member States should invest in advisory and support structures for partner organisations through technical assistance, which must be accessible to civil society and earmarked from the general ESF+ budget.
- Beyond information sessions, explore other initiatives that develop capacities built into the general ESF+ programme design.
- 2. Policy and programme coherence
- Align national strategies and European social policies, objectives, and ambitions to ensure sustainable program outcomes.
- Realise the complementarity of ESF+ to national funding while making available national

or local funds for co-financing or sustaining these priorities through national-level programming.

- Design programs to address overarching societal goals rather than rigidly defined target groups or themes. For instance, cluster programs by need, accommodating underserved groups.
- Avoid using ESF+ to fill gaps in existing national social service funding.
- Explore exempting programs targeting disadvantaged groups from state aid caps to ensure adequate support.
- 3. Flexibility and compliance
- Enhance flexibility in funding for experimental and pilot projects.
- Reduce bureaucratic hurdles in project management.
- Expand funding eligibility to include multi-disciplinary initiatives, such as those combining social and health services (e.g., mental health support for children and youth).
- 4. Transparency and inclusivity
- Guarantee that the program's design and implementation processes are transparent and open to civil society scrutiny.
- Ensure civil society's meaningful participation from the design to the implementation of the programme as an independent actor and not merely playing a supporting role.
- 5. Improve communication and guidance processes
- Establish proactive communication process, including updates on policies and administrative processes.
- Create a user-friendly platform for tracking issues, agreements, and guidance.
- Enable more direct contact (e.g., via phone) to address urgent concerns and provide advice on applications, project management, and co-financing.
- Offer clear guidelines on innovation, including scaling, transferring practices, and localising successful models.
- Promote collaborative and joint initiatives to tackle social and developmental challenges.
- 6. Predictability and reliability
- Ensure that there is no funding gap in between project periods and that the transition between MFFs is well-managed.
- Streamline the timeline between proposal calls, awarding, and fund disbursements.
- Introduce mechanisms for more continuous project funding, similar to Erasmus+ or the European Solidarity Corps.

#### At the EU level for the next MFF

- 1. Dedicated social fund.
- Ensure a dedicated social fund that is coherent with the ambition of the European Pillar of Social Rights, the data in the social scoreboard and the country-specific recommendations of the European Semester.
- Adopt a fundamental, long-term social investment approach at the EU level.
- 2. Enhance accessibility.
- Improve the accessibility of ESF+, including predictability and full access to information on available funding.
- Reform the burdensome application and reporting and make inroads in making the fund accessible for smaller organisations and non-profit social service providers.

- 3. Strengthen the Partnership Principle
- Ensure the meaningful and substantial participation of civil society organisations, including organisations working on the ground in the design, implementation, monitoring and evaluation of the ESF+ programme in a coherent and regular manner.
- Guarantee adequate resources for stakeholder capacity-building and uphold the Partnership Principle, even during unforeseen adjustments.

# PART II. THE SOCIAL CLIMATE FUND (SCF) FOR SOCIAL SERVICE PROVIDERS

#### INTRODUCTION

The Social Climate Fund (SCF) seeks to contribute to a socially fair transition towards Europe's climate neutrality goals by mitigating the social impacts of including buildings and road transport in the carbon markets.<sup>6</sup> Operational from 2026 to 2032, the SCF targets vulnerable households, micro-enterprises, and transport users affected by the EU Emissions Trading System 2 (ETS2). (See Box 7)

The SCF has two specific objectives:

- support vulnerable households, vulnerable micro-enterprises and vulnerable transport users[3], through temporary direct income support and through measures and investments intended to increase the energy efficiency of buildings, decarbonisation of heating and cooling of buildings, including through the integration in buildings of renewable energy generation and storage,
- grant improved access to or increase uptake of zero- and low- emission mobility and transport.

#### Box 7. The Emissions Trading System (ETS) and ETS 2

The ETS2 is the new emissions trading system (separate from the current ETS) that will cover and address the CO2 emissions from fuel combustion in buildings, road transport, and additional sectors (mainly small industry not covered by the existing EU ETS). The ETS2 will be fully operational in 2027 but the EU directive to introduce legislation to create ETS2 came into force in June 2023. The ETS2 cap will be set to bring emissions down by 42% by 2030 compared to 2005 levels.

The EU ETS is based on a "cap and trade" principle. The cap is the limit set on the total amount of greenhouse gases (GHG) that can be emitted by installations and operators covered under the ETS. This cap is reduced annually in line with the EU's climate target. Unlike the first ETS, the ETS2 will cover emissions upstream, which means that fuel suppliers, rather than end consumers (e.g. households or car users), will be regulated and required to surrender sufficient allowances (which they will purchase at auctions) to cover their emissions. <sup>7</sup>

As of the June 2024 deadline for Member States to enact legislation to create the ETS2 in their countries, all but one (Austria) were not able to transpose the EU ETS2 directive to national legislation.<sup>8</sup>

<sup>[3]</sup> Vulnerability is defined by the EU Regulation as:

vulnerable households - those experiencing energy poverty, including those on low and lower-middle incomes, and which lack the means to renovate the building they occupy;

vulnerable micro-enterprises - those which do not have the means to renovate the building they occupy, purchase zeroand low-emission vehicles or switch to alternative sustainable modes of transport, including public transport; vulnerable transport users - individuals and households experiencing transport poverty, including those on low and lower-middle incomes, and who do not have the means to purchase zero- and low-emission vehicles or to switch to alternative sustainable modes of transport, including public transport.

#### **IMPACT OF THE ETS2 ON VULNERABLE GROUPS**

Studies have shown that carbon pricing is regressive, i.e. the poor pay proportionally more than the rich, as a share of their income.<sup>9</sup> And while it is recognised that the exact economic and social impact of climate transition is difficult to assess ex-ante, the increase in the price of fossil fuels can disproportionately impact on low-income households and households in precarious situations, vulnerable micro-enterprises, and transport users, who pay more for energy costs relative to their income.<sup>10</sup>

Fossil fuel suppliers will transfer the additional costs of emission allowances to their customers, leading to an increase of energy costs for households and other end users. For heating, for example, ETS2 prices will be indirectly paid by households using fossil fuels for heating purposes (around 45% of households in the EU use gas for heating) but there are varying estimates on how much fuel expenses will increase. Based on a 2024 study on the impact of the ETS2 on households, the higher cost of fossil fuels for heating will lead to higher costs for people who already struggle financially, even in wealthier countries. As it is, around 42 million people (or 9.3% of EU citizens) were unable to keep their homes adequately warm in 2022. In addition, households with lower incomes are more likely to be residing in less energy-efficient buildings and will be less likely to afford transitioning to lower carbon systems.

#### **DESIGN OF THE SCF**

The SCF can be used by Member States, through their Social Climate Plans (SCP), to fund structural measures and investments in energy efficiency and renovation of buildings, clean heating and cooling and integration of renewable energy and zero- and low-emission mobility and transport solutions.<sup>13</sup>

The following structural measures and investments can be reflected on SCPs to be funded by the SCF:

- building renovation, in particular for vulnerable households and micro-enterprises occupying the worst-performing buildings, including for tenants and people living in social housing;
- access to affordable energy-efficient housing, including social housing;
- building decarbonisation, such as electrification of heating, cooling, and cooking, through access to affordable and energy-efficient systems;
- integrating renewable energy generation and storage, including through renewable energy communities, citizen energy communities and other active customers to promote self-consumption of renewable energy;
- targeted information, education, awareness, and advice on cost-effective measures and investments, available support for building renovations and energy efficiency and sustainable and affordable mobility and transport alternatives;
- access to zero- and low-emission vehicles and bicycles, including financial support or tax incentives;
- public and private infrastructure, including the purchase of zero- and low-emission vehicles, recharging and refuelling infrastructure, and development of a second-hand zero-emission-vehicles market;
- incentives to use affordable and accessible public transport;
- private and public entities developing and providing sustainable mobility on demand, shared mobility services, and active mobility options.

It can also allocate temporary direct income support (capped at 37.5% of the total cost of the plans) to affected vulnerable households and vulnerable transport users to reduce the impact of the increase in road transport and heating fuel prices but this has to be temporary and decreases over time. Finally, Member States can allocate up to 2.5% of the cost of the SCP on technical assistance to cover expenses for training, programming, monitoring, control, audit and evaluation, and other activities required for the management of the fund such as public consultation of stakeholders, information and communication actions.<sup>14</sup>

#### **FUNDING STRUCTURE**

The financial resources for these measures will come from the pooled SCF revenues from the auctioning of the allowances [4] from the ETS2 (which is equivalent to 25% of ETS2 revenues) and 50 million allowances from the existing ETS. This will be complemented by a mandatory 25% contribution of the Member States to their Social Climate Plans. With these, the SCF should mobilise at least EUR 86.7 billion over the 2026-2032 period. The fund will start a year before the ETS2 will become fully operational.

There have been criticisms from civil society that the SCF, as it is designed, is not enough to pay for the ambitions of the ESF, let alone reduce energy poverty. And while tackling energy poverty is not the aim of the fund, the impacts of the ETS2 on vulnerable populations will exacerbate the already dire situations of millions of households experiencing energy and other forms of poverty.

#### **UPDATES ON THE SCP**

The SCP, which Member States must submit by June 2025, must outline and detail the measures and investments at the member state level after a country-wide consultation. The European Commission will assess the plans and disburse payments to Member States once the milestones and targets have been achieved. The SCF allocates the money depending on the assessment of need for each member state, with maximum financial allocations reflected in the SCF regulation.

The Commission is providing technical support to some Member States to assist in the preparation of their SCPs. The Commission has also released examples of good practices in developing SCPs. However, as of now, there is limited information, both at the European and national levels, on the developments of the SCPs and the processes that Member States are undertaking.

#### IMPORTANCE OF THE SCF FOR SOCIAL SERVICE PROVIDERS

Social services and welfare organisations already at the forefront of delivering much-needed services to vulnerable groups or people experiencing or at risk of poverty will also be greatly affected by the increase in the cost of fuel because of the facilities that they maintain (for example, elderly homes, food banks, ateliers, hospices, and care facilities), the increase in the cost of services for vulnerable groups, and in the cost of other operations (e.g. income-generating) related to the services that they provide.

Many social welfare organisations are concerned about the price increase on energy expenses and its impact on their capacity to continue providing services to a wide number of beneficiaries. In addition, many organisations are utilising old and less energy efficient buildings, which need

<sup>[4]</sup> An emission allowance is a tradeable instrument that conveys a right to emit a unit of pollution and in the case of the EU ETS, one (1) allowance means the right to emit one (1) ton of carbon dioxide equivalent.

to be adjusted and renovated. The Social Climate Fund can be an important resource to cushion the impact of energy price increase for them to continue delivering much-needed services and to enable them to make social service facilities more energy efficient or carbon neutral.

Social services organisations are also committed to greening and improving their own transport and mobility as well as public transportation systems in general. They are looking at the SCF to support such initiatives. There have been some, albeit limited, possibilities to access ERDF funding to slowly transition to more energy efficient transportation and mobility such as in the case of Slezska Diakonie. It is important for them to have more and sustainable support for this transition. For Diakonie Deutschland, it is imperative that the SCF will be instrumental in addressing the issues in the public transportation system in Germany because it will be a catalyst to a more nationwide reduction in fossil fuels in transport and mobility.

#### **5 KEY ASKS: ENSURING SOCIAL IN THE CLIMATE FUND**

The SCF is a vital funding stream to ensure that those disproportionately impacted by the increase in fuel prices and related effects of the ETS2 are supported. Social services providers, alongside representatives of vulnerable groups and civil society, are key stakeholders in the SCF and the SCPs.

For the SCF to be effective in serving the interests of vulnerable populations, we forward five key asks:

- 1. **Expand the SCF envelope.** The amount of the SCF must be increased to fully account for the adverse impacts of the ETS2 on the populations that are disproportionately affected. There are political opportunities for the EU and Member States to increase the amount of the fund by going above mandatory allocation levels as well as considering directing the entire revenue of the ETS and ETS2 to funding social and green transition initiatives.
- **2. Channel the fund to those in need.** Ensure that the fund is channelled to vulnerable and marginalised households, micro and small enterprises, and transport users. Develop inclusive national metrics to not exclude those that need varying levels of support. Access to energy and heating should not become a catastrophic burden.
- **3. Enhance funding accessibility.** Simplify access to SCF support for non-profit organisations serving vulnerable populations. Ensure that timely, predictable, and sufficient information about the fund and its implementation is readily available.
- **4. Ensure additionality of funds.** Uphold the principle of additionality to prevent SCF funds from replacing national budgets or existing social measures. Align SCF initiatives with other EU funding programs to complement ongoing social and green transition efforts.
- **5. Foster meaningful partnerships.** Ensure active and meaningful participation of civil society, including representatives of vulnerable groups, from the design to the approval of national SCPs. Ensure that stakeholders are likewise included in the process of needs-based assessment, implementation, and evaluation. Provide technical assistance and financial resources to support active stakeholder engagement.

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# ANNEX: FEATURED INNOVATIVE ESF+ PROJECTS OF EURODIACONIA MEMBERS

#### KIRKENS KORSHÆR/DANCHURCHSOCIAL (DENMARK)

**Project Name:** Social Inclusion for EU migrants

**Problem:** EU citizens used their right to freedom of movement in the European Union and came to Denmark to look for a job and a better life, but they do not have access to public services and hit several barriers when trying to integrate into the Danish job market and society.

**Identified solution:** The effort is designed with two core activities: (1) provide essential services (e.g., food, shelter) as a means for supporting participants towards structure and stability in their individual lives, and (2) an intensive counselling program to help individuals find work and navigate the complicated and bureaucratic registration process in Denmark.

**Target groups:** unregistered EU migrants who are homeless or at high risk of becoming homeless

**Expected Results:** The project will ensure the successful social and economic integration in Denmark as part of the European labour market:

- Support in structuring daily life through basic life-sustaining efforts; accommodation, bathing, food and clothing, which directly and immediately improve the citizens' living conditions. The list of shelters and accommodation can be accessed here.
- Support in their registration in Denmark through an intensive counseling process and concrete assistance for registration, so that the migrants can take up work, get paid and pay tax. Once the registration process has been completed, they can use other existing offers in Denmark.

#### **DIAKONISSALAITOS-HELSINKI DEACONESS FOUNDATION (FINLAND)**

**Project Name:** Prikka kiertoon / Prikka Circulation 2023-2025

**Project partners:** Diaconia University of Applied Sciences (Diak), Helsinki Deaconess Foundation (coordinator), Oulu Deaconess Institute, the Oulu Evangelical-Lutheran Parish Union and the City of Oulu

**Problem:** The project seeks to address two important problems: 1) Social exclusion and unemployment among vulnerable groups and 2) Food waste and lack of local coordination in delivering food aid.

**Identified solution:** The Prikka kiertoon project enhances the utilisation of surplus food and reduction of food waste in the Oulu area in Finland. It increases communal and participatory food aid and develops innovative solutions for food aid. The Prikka centre, established in a previous ESF+ project, receives, handles and distributes surplus food in the area. At the same time, the project partners develop and offer new opportunities for volunteering, employment and social inclusion for people in different marginalised positions.

**Target groups:** The project's target group consists of the unemployed, people at risk of unemployment and those who are outside the labour market. In addition, people in need of food assistance benefit from the enhanced distribution of food aid and the various community meals and group activities provided.

**Expected Results:** The centralised collection of food loss and its utilisation for food aid will create a platform for different kind of participatory community action with diverse new volunteer activities and employment opportunities for those who do not easily access such opportunities. As a result of the project, the food aid will even be easier to attain, and food waste will be reduced.

#### **SLEZSKA DIAKONIE (CZECH REPUBLIC)**

#### 1. Pathway - Activation Centre for Families with Addiction Experience

**Problem:** Due to the substance abuse of one or more family members (mostly children and their drug or alcohol usage), many families are having a difficult time leading fulfilling lives and integrating into society. The family must receive comprehensive help, including therapeutic support that addresses the underlying causes of the issue.

**Identified solution:** Complex multidisciplinary support of the family system, therapeutical support within an activities of social activation service that is provided within the family environment. There is a team of professionals – social workers, therapists/psychologist, addictionologist and case managers. The case manager searches for and interconnects various stakeholders to ensure effective and person-centred support.

**Location/Scope:** regional (Moravian-Silesian Region of the Czech Republic) with a potential to spread the concept around the Czech Republic

**Target groups:** families in difficult life situations due to substance abuse issues in the family and professionals within a multidisciplinary cooperation.

**Expected Results:** 100 families will receive support; the concept of multidisciplinary and therapeutically oriented support of families will be developed and piloted, and results of the piloting will be made available at the regional and national level.

#### 2. Homesharing in the South-Moravian Region, Czech Republic

**Problem:** Families with children with disabilities (most often serious disabilities or autistic disorder) take care of their children 24/7. This is demanding for parents and while there is available support within personal assistance services, this is limited or is very costly for families. It is necessary to improve a volunteer- based (informal) support which allows families to be able to recuperate and rest or spend time with other members of the family.

**Identified solution:** The concept of homesharing involves informal support within volunteering activities of people who are willing to care for a child within a certain period (from a couple of hours/week to a weekend stay with the child). It needs adequate preparation and support of both the families and the volunteer.

**Location/scope:** regional (South-Moravian Region) with a potential to spread the idea around the Czech Republic.

**Target groups:** families with children with disabilities (at least 20 families will be supported), volunteers from the community

**Expected results:** Families will be supported families, the concept of homesharing will be implemented among other providers or in other regions, systematic high-quality training for volunteers to react on a child's special needs will be provided and, education of the public on a topic of informal care and volunteering will be implemented.

### **DIACONIA ESPAÑA (SPAIN)**

#### 1. Anti-trafficking Projects

**Problem:** Lack of knowledge and specialised skills among key agents to detect and combat human trafficking.

**Identified solution:** Training and strengthening the competencies of legal operators, law enforcement, and professionals who may encounter potential victims.

**Limitations:** The project targets certain professionals and does not extend to other sectors. It directly benefits approximately 1,460 people.

#### 2. "No Labels, No Hate" Projectbservations in Inclusivity

**Problem:** Insufficient support for victims of hate crimes, particularly related to racism and xenophobia.

**Identified solution:** Comprehensive assistance (legal, psychosocial, social) for victims, focusing on vulnerable groups such as migrants, LGBTQ+ individuals, and at-risk youth.

**Results:** So far, 133 individuals have received personalised support, and 200,000 people have been informed about the project's services.

#### 3. Zoé Project

**Problem:** High suicide rates among migrant populations due to a lack of visibility of mental health issues.

**Identified solution:** Development of a suicide prevention model with a cross-cultural approach, based on identifying risk and protective factors.

**Results:** Surveys and interviews have been conducted in several regions in Spain, leading to methodologies for detecting risks.

## DIAKONIE DEUTSCHLAND WITH THE ASSOCIATION OF GERMAN SOCIAL WELFARE ORGANISATIONS (BAGFW) (GERMANY)

Name: ESF+ programme: rückenwind3

**Problem:** There is a shortage of skilled workers in social professions, thus the project aims to secure skilled workers in social professions and welfare fields of work Identified solution: The action consists of the development and testing of transferable model projects to increase the attractiveness organisational structures and cultures in companies and organisations in the non-profit social economy. Simultaneously, the project establishes target-group-specific adaptation of competences for employees.

**Scope:** Work models and work organisation, equal opportunities and inclusion, expertise and dealing with technology, recruitment and staff retention, and leadership and corporate culture Target groups: Non-profit companies and organisations in the social economy

#### **OULU DEACONESS INSTITUTE (FINLAND)**

#### 1. From Workshops to Employment

**Problem:** The aim of the project is to solve the problems of long-term unemployment among young people, people with reduced capacity for work, people with immigrant backgrounds and other people in disadvantaged labour market situation who need support in finding employment or in accessing employment services. Concretely, the project aims to provide target groups with opportunities to find work or progress along their own employment or training path.

**Solution:** To reach the desired outcomes, the project components are:

- 1. Look, find and develop unique paths to participants for entering work life or studies.
- 2. Develop and enlarge the employment services and possibilities at ODL Foundation Startup workshops.
- 3. Develop cooperation with employers in the area.
- 4. Develop methods to identify the skills and know-how of the participants in different fields of operation.

Location: City of Oulu

**Target groups:** young people, immigrants or with immigrant backgrounds and other 18-64 year olds in a weak labour market position.

Results:

As a result, employability of the participants in the project will be increased and new types of supported employment models will be developed. New job and training opportunities will be found for the target groups. All actions that lead towards employability and employment will contribute to the decrease in unemployment rate at the area.

## 2. KOHDE - Strengthening municipal professional competence to support the wellbeing and health of families with children rom Workshops to Employment

**Project partner:** Diaconia University of Applied Sciences (Diak)

**Problem:** Work on well-being and health promotion is changing. Municipalities have a statutory obligation to promote well-being and health promotion, and the staff who remain employed by municipalities have a greater responsibility to promote the well-being of for example families with children, although they may not have the skills and resources to do so. Solution - The aim of the project is to strengthen the knowledge of professionals in municipalities, parishes, and organisations to promote the well-being and health of families with children and strengthen cooperation between different health and wellbeing actors within municipalities, between municipalities and in relation to the north Ostrobothnia welfare region.

**Location**: municipalities in North Ostrobothnia region

**Target group:** professionals in municipalities, parishes, and organisations who are working with families with children

**Result:** As a result of the project, the professional's well-being and health promotion expertise will be strengthened, the roles of different actors will become clearer, and local cooperation will be more planned and goal oriented. The project will enable cooperation between municipalities and sharing of knowledge and experiences, as well as cross-piloting of good practices.