"PRESS" project workshop
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1. Economic Development and Innovation Operational Programme (EDIOP)

Strategic goals

• Increasing the competitiveness of enterprises, promoting their growth
• Increasing employment by creating competitive jobs, developing the competitiveness of labour force

Objective area: less developed regions (all hungarian regions, except Central Hungary)
### EDIOP 5. EMPLOYMENT

1. Employment accessibility for the **inactive** and **unemployed**.

2. Sustainable labour market integration of the **young people** – especially the NEETs.

3. Adaptation of the employees, enterprises and entrepreneurs to the **changed circumstances**.

### EDIOP 6. COMPETITIVE LABOUR FORCE

1. Improving the access to the **life-long learning** opportunities.

2. Improving the relevance of the **educational and training system** to the labour market needs.
Path to work– EDIOP 5.1.1.

• The „Path-to work” is a large-scale active labour market programme which aims to improve the employability of jobseekers by personalised and tailor-made individual programmes including labour market services, subsidies and training.

• **Implementer**: National Employment Service (MNE, government agencies)

• **Duration**:
  - EDIOP: 1 October 2015 - 31 December 2018 (in the convergence regions)

• **Framework**:
  - EDIOP: 102 billion HUF

• **Target groups**:
  - Career starters between 25-30;
  - Low-skilled job seekers (ISCED 1-2);
  - Long-term unemployed (at least 6 months);
  - Parents returning to the labour market after parental leave;
  - Job seekers over 50+;
  - People exiting from the public work scheme.

• **Results (jan 2017)**:
  - 51 407 people entered
  - Subsidised employment 37 053
  - 14987 training
YOUTH GUARANTEE SCHEME 2014-2020
EDIOP 5.2.1, Employment programme

• **Duration:**
  – January 2015 - December 2017 (in the convergence regions)

• **Framework:**
  – 36 billion HUF (source: ESF+YEI+domestic budget)

• **Target group:** >40 200 registered young
  – **Core target group:** long-term registered under the age of 25

• **Implementer:** MNE (coordination), government agencies

• **Instruments:** job mediation, supporting the acquirement of vocational qualification, traineeship programme, wage subsidies, mobility support, promoting youth entrepreneurship

• **Results until Jan 2017:**
  – 59 th. young entered the Youth Guarantee Scheme
  – 47,5 th. young used the opportunity and joined the Youth Guarantee programme
  – 36 th. young received subsidised employment and training
Youth entrepreneurship programme

- **Aim**: supporting young people to set up their business through provision of entrepreneurial training and mentoring, development of business plans, and contribution to the costs of setting up the enterprise
- **Target group**: NEETs and unemployed aged 18-25 (25-30 in case of career starters with tertiary education)
- **Two components**
  - In the **first component**, the service providers with training and mentoring experience were selected in 2015, who provide training, mentoring, counselling and help the development of business plans.
  - In the **second component**, those young people who completed their training and have an accepted business plan can apply for a maximum 3 million HUF grant to cover for their initial costs.
- **Budget**: 2,9 billion HUF
- **Expected results**: During the programme approximately 1600 young people will participate in trainings and the programme will help start approximately 965 new businesses
Traineeship programme for youth – EDIOP 5.2.4

- **Aim**: supporting employment of young qualified NEETs below 25, newly employed by SMEs in the framework of the Youth Guarantee scheme

- **Support**: from 1.9 million HUF to 30 million HUF is available for: wages and social contributions on the trainee and the mentor, costs of equipment required for employment of trainee

- **Supporting programme**: Vocational Education and Training Centers coordinate, provide assistance to young NEETs and employers

- **Budget**: HUF 15 bill.

- Aid applications could be submitted from 1st August 2016
Promote flexible employment – EDIOP 5.3.2.

• **Aim:** foster flexible employment forms (e.g. part-time work, telework, job sharing, etc.), help to harmonize work and private life

• **785 SMEs** are going to be audited by experienced organisation development service providers (selected in the first round of the call) while their organisational diagnoses and development plan are going to be set up

• The EDIOP 5.3.2. supports the audited SMEs **implementing their development plan**, re-organising their structure and workflows applying flexible employment

• **Amount of support:** minimum 3,1 million HUF, maximum 15 million HUF

• **Duration of eligible projects:** from 3 to 12 months

• Aid applications could be submitted from 1st December 2016
Boosting social enterprises

• **Aim**: help the establishment of new social enterprises and dynamise and stabilize the already operating enterprises in order to create permanent employment opportunities

• **Eligible applicants**: non-profit and non-governmental organisations with business ideas (associations, foundations, non-profit organisations and cooperatives)

• Two components:
  – **EDIOP 5.1.2.**: providing professional counselling and mentoring for the applicants
  – **EDIOP 5.1.3.**: those social enterprises who have their project concept accepted are subsidized to develop their enterprise and human capital and to boost their business sustainability

• **Budget**: 6 billion HUF
  – the size of the eligible projects are between **15 -250 million HUF**
  – subsidizing at least **95 enterprises**
Paid employment in the social economy compared with total paid employment in the EU (CIRIEC, 2012)

EU27 average 6.53%
Sources of revenue of non-profit organisations in Hungary, 1993-2014
Hungarian Work Plan

Public work

Social Economy

Open Labour Market
32-48 th. HUF/project

65-160 th. EUR/project

13,000 EUR/job creation

12,000 EUR/job creation

1139 successful training

569 employees

537 developed products or services

1715 successful training

2216 employees
204 medium-sized Soc.Coop. supported – 8.3 bn HUF

155 micro Soc.Coop. supported – 2.3 bn HUF
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**Partnership Agreement 2014-2020**
The European Commission gives the term ‘social enterprise’ the following meaning:

✓ an operator in the social economy whose main objective is to have a **social impact** rather than make a profit for their owners or shareholders.

✓ It operates by **providing goods and services for the market** in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives.

✓ It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities.
Social Enterprises

Pre-selection of project ideas

Public Benefit Non-Profit Lft. For the Development of the Industry (IFKA Nkft)
- E-learning for selected SEs
- Quality management of project plans
- Final selection of project plans

Certificate

National Employment Public Benefit Nonprofit Ltd. (OFA NKft.)

Professional services

GINOP-5.1.3 beneficial SEs

OFA – IFKA EDIOP-5.1.2

GINOP-5.1.3 call
Interventions

- Active consultancy
- Active consultancy with experts
- Training of the target group
- Network development workshops
- Development of social enterprise standards
- E-learning for introducing standards
- Quality control and certification of introduction of standards
- Mentorship services
- Marketing and PR services
- Operation and methodology handbooks (3)
- Research
- Development of refundable financial instruments (micro loans) for SEs (based on standards)
- Mapping up investment and social funding opportunities
Thank you for your attention!