



EU-level financial instruments to support employment and social innovation

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DG EMPL

**C.2 Sectorial Employment challenges,
Youth Employment and Entrepreneurship**

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Entrepreneurship and job creation

- 85% of the newly established enterprises are microenterprises
- In the EU, newly established enterprises create on average 2 jobs
- Social enterprises can provide a way for disadvantaged groups into employment





1. Microfinance



1.1 Progress Microfinance (2010 – 2013)

Microfinance in the EU

- Significant unmet demand for microfinance exists in Europe
- Market imperfections at funding level are among its main causes

Targets

- 46,000 microloans
- Worth € 500 M



Implementation set-up



Coverage

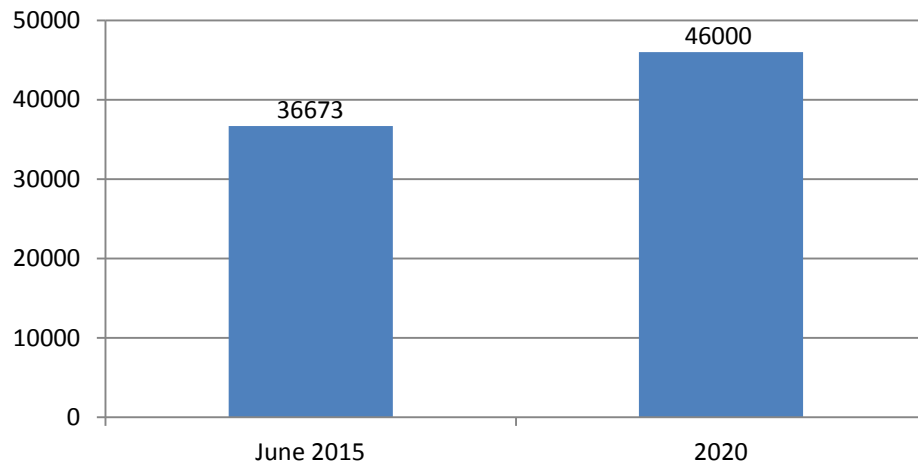
22 Member States

83 operations
with 63 MFIs

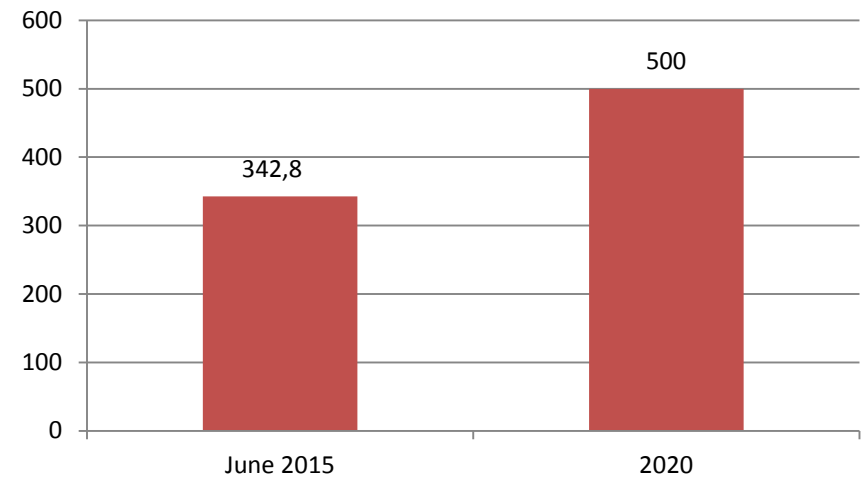


Small amounts to make a big impact:

Number of microloans



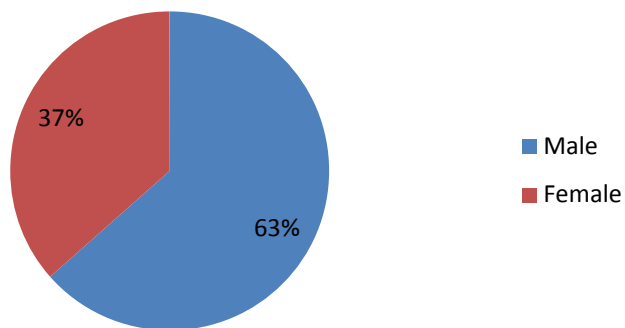
Volume M€



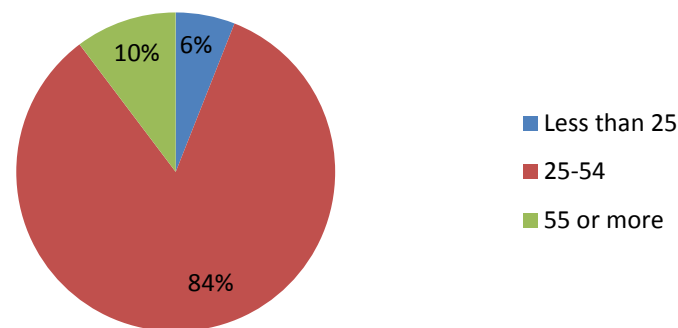
- 30% of microloans backed by guarantees below EUR 5,000 and 40% between EUR 5,000 and 10,000
- For funded instruments, 50% below EUR 5,000 and around 20% between EUR 5,000 and 10,000

Outreach to disadvantaged groups:

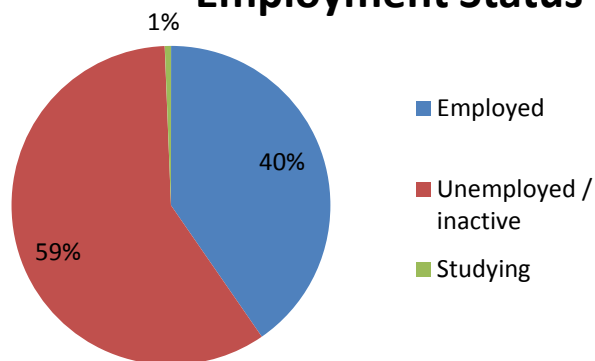
Gender



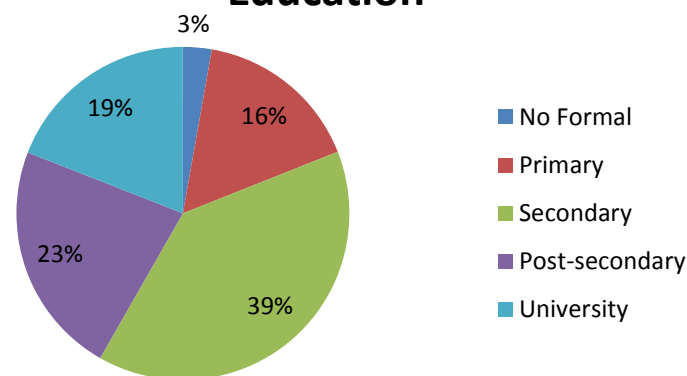
Age



Employment Status



Education





1.2 EaSI (2014 – 2020)

EaSI Programme 2014-2020

Guarantees

**Funded
instruments**

At least 86 million €

Funding

for

**capacity
building**

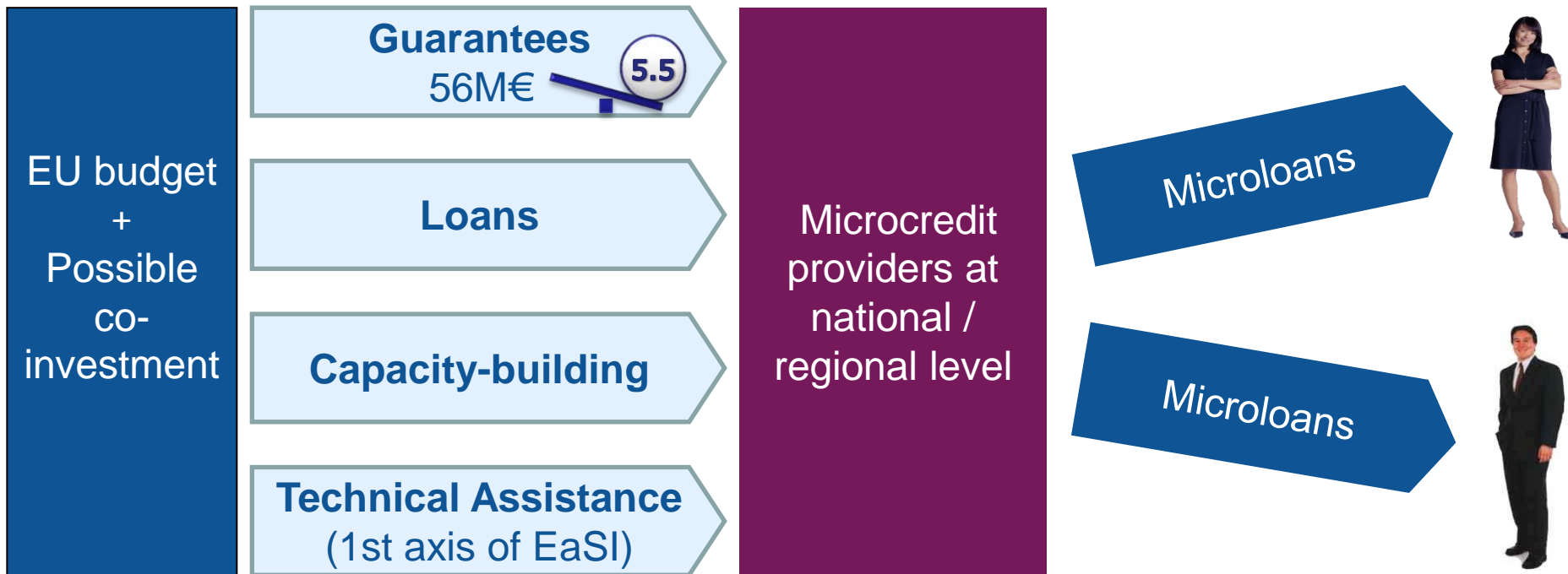
**Technical
assistance**

for

**capacity
building**

8.4 million €

EaSI Microfinance 2014-2020



New elements

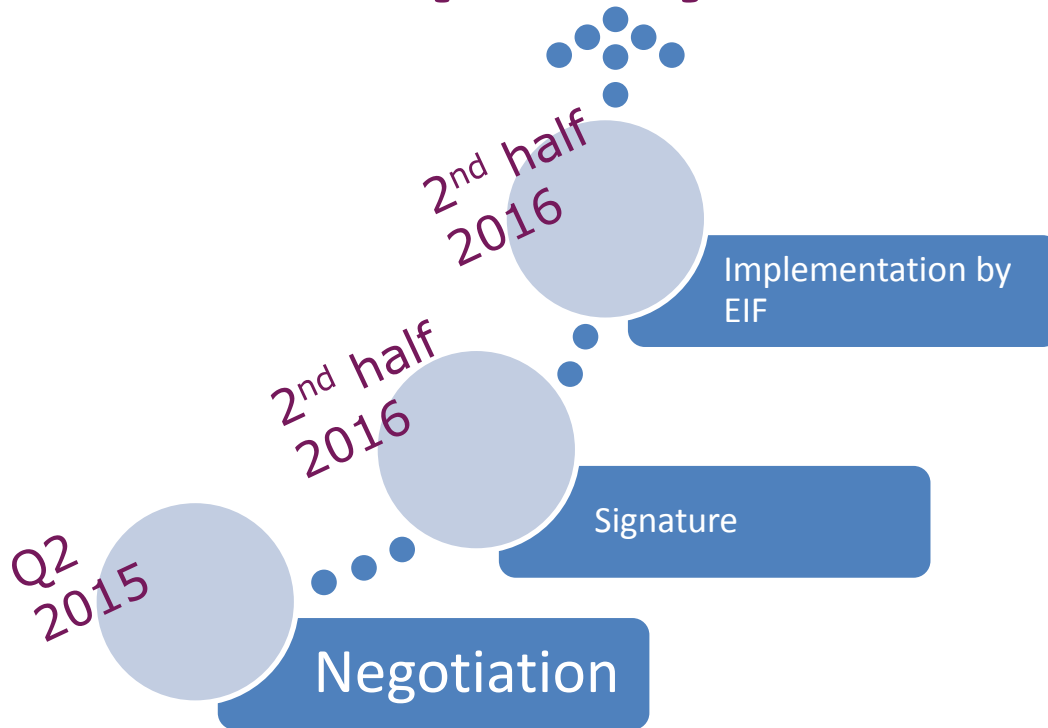
- Funding for capacity building
- Need for compliance with the Code
- Updated reporting requirements (EaSI MicPro)
- Modified terms for guarantees
- Extended geographical coverage



State of play - guarantees

- Call for financial intermediaries published
- Strong interest from microcredit providers
- 10 applications approved

State of play – funded instruments and capacity building





EaSI Technical Assistance

- Continuation of JASMINE-type activities
- Rating / Assessment
- Tailor-made training
- Training on the Code of Good Conduct
- Evaluation of compliance with the Code of Good Conduct



2. Social Entrepreneurship

Social enterprises

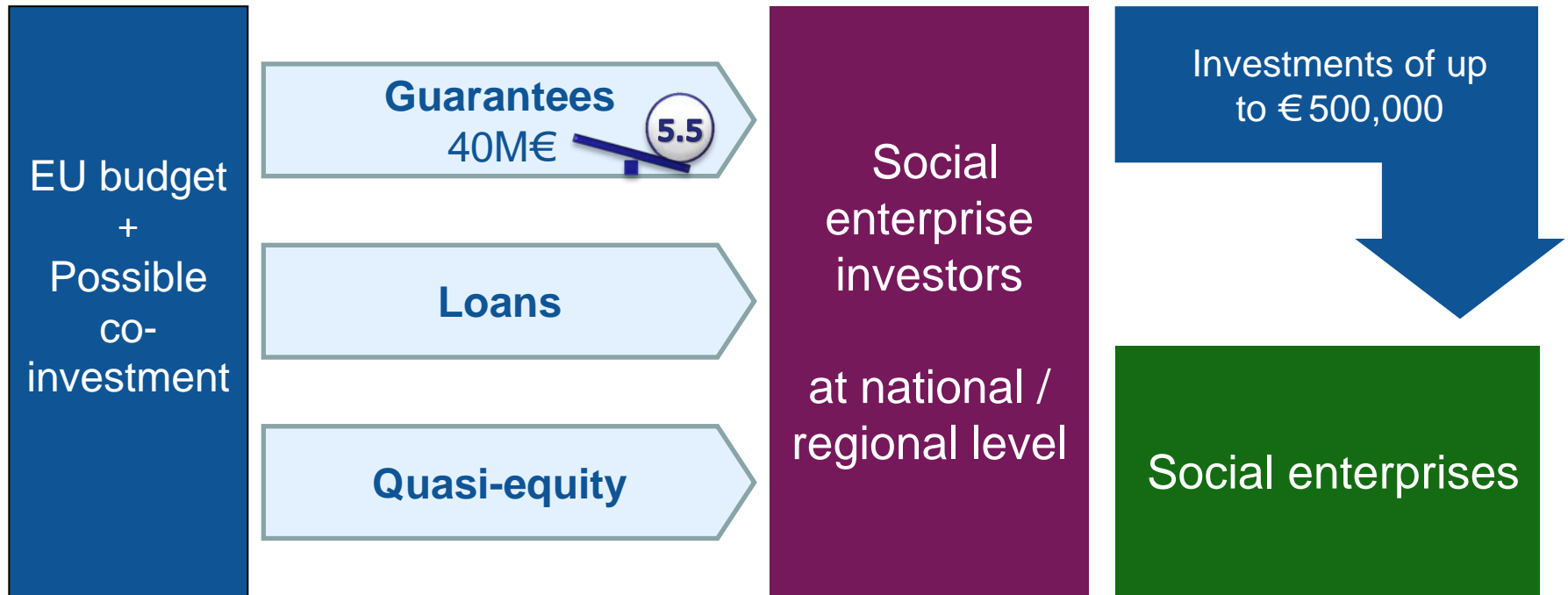
- Respond with social innovation to needs that have not yet been met (smart growth)
- Take into account their environmental impact and have a long-term vision (sustainable growth)
- Put emphasis on people and social cohesion (inclusive growth)



Social entrepreneurship finance in the EU

- Mismatch exists between demand and supply
- Available investment does not suit the needs of social enterprises

EaSI Social Entrepreneurship 2014-2020

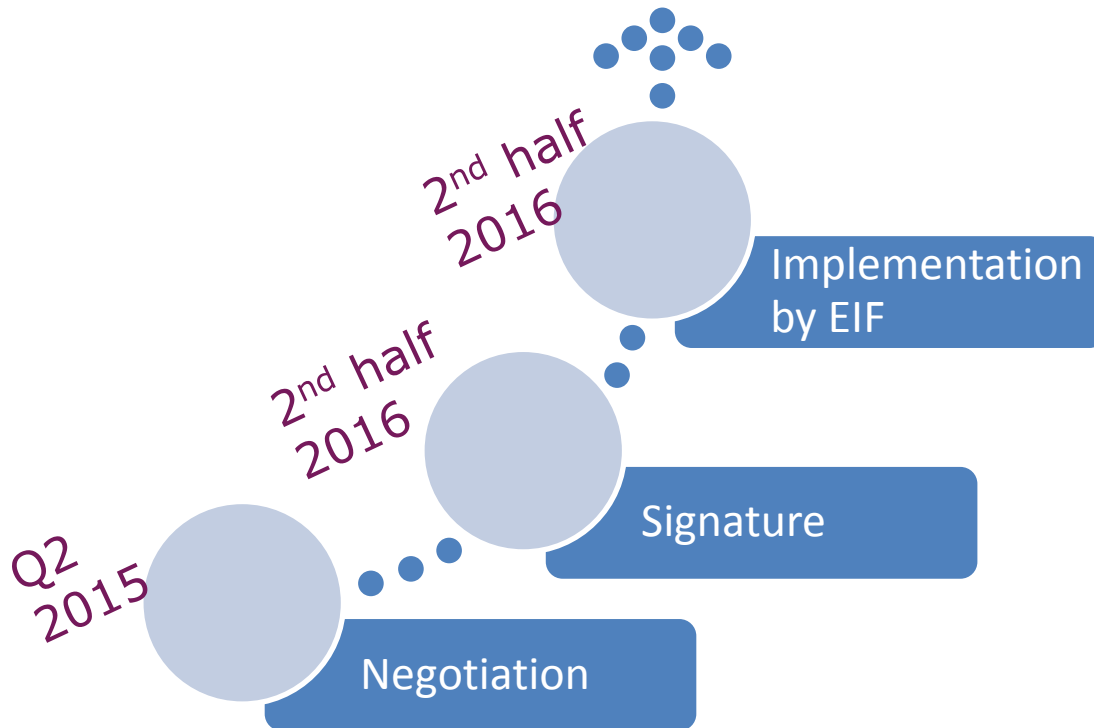




State of play - guarantees

- Call for financial intermediaries published
- Good response from the market
- First application approved

State of play – funded instruments





More information

Microfinance:

<http://ec.europa.eu/social/microfinance>

Social Entrepreneurship:

<http://ec.europa.eu/social/socialentrepreneurship>