

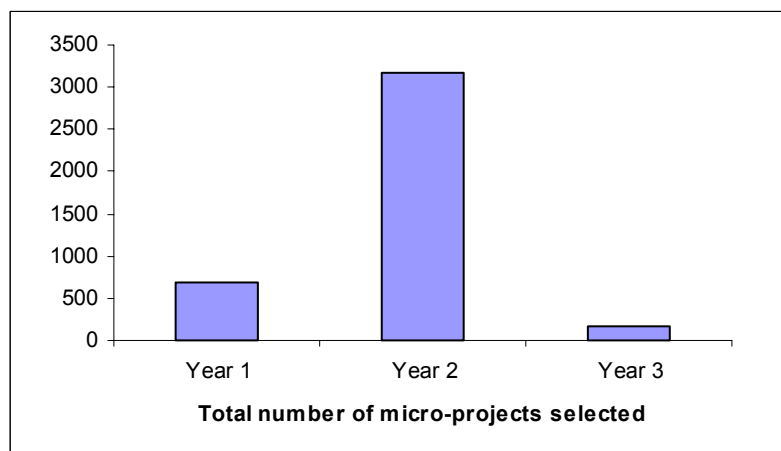
## PART 2<sup>1</sup>: MAIN FINDINGS AND CONCLUSIONS AGAINST KEY EVALUATION QUESTIONS

### 2.1 OVERVIEW OF IMPLEMENTATION

By the end of the Pilot a total **3,350** micro-projects had been supported by the 30 LSC projects (see *Chart 1*).

After a slow start in the selection of micro-projects, which reflected largely the need in most projects for development work and (in the case of some IBs) capacity building, the development and selection of micro-projects speeded up considerably during the second year of implementation. The vast majority of micro-projects were selected in year 2 of the Pilot.

**Chart 1: Total number of micro-projects**



Source: IB final reports and checklists

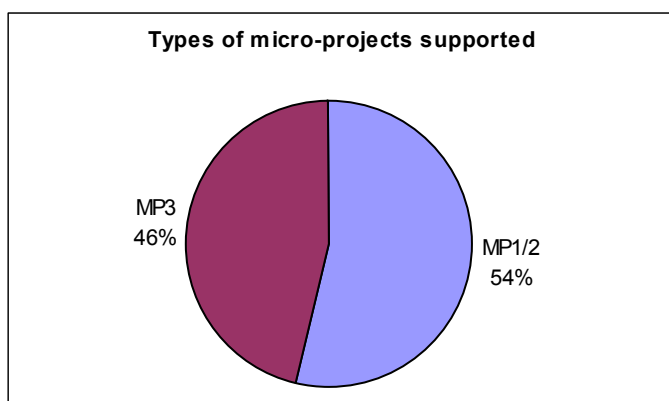
Out of a total of 3,350 MPs, 1,787 were MP1/2 type projects and 1,513 were MP3 type projects (see *Chart 2*). **Table 1** presents the **breakdown of micro-projects** supported by each of the LSC projects, by type of micro-project: MP1/2 (supporting social cohesion or reinforcing local networks) and MP3 (support for start-up of micro-enterprises). Projects broadly fell into three categories. Approximately 50% of them supported a mixture of MP1/2 and MP3 projects, whilst the other 50% provided exclusively or predominantly support to either MP1/2 or MP3 type micro-projects. More specifically:

- 4 IBs **specialised on MP3s**: FVECTA, Valencia, ES; ADIE, F; AFA, F; Nersant, Torres Novas, P;
- 3 IBs **specialised on MP1/2s**: LEB, Weser Ems, D; ReFIT, Jena, D and Diakonie, Sachsen, D supported more than 90% MP1/2s;
- 7 IBs supported **predominantly MP1/2s** (75%-90%): CeSIE, Kortrijk, B; Friborsen, Arhus, DK; Consorzio BIM N&V, Cascia, I; CERFE, Pisa, I; SCVO, Scotland, UK; VAM, Manchester, UK; PCP, Plymouth, UK;
- 3 IBs supported **predominantly MP3s** (77%-87%): Fund. Ozanam, Zaragoza, ES; ACAFAM, La Laguna, ES; MSD, Marseilles, F;
- The remaining 13 IBs supported a **mixture of MP1/2 and MP3s**.

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<sup>1</sup> Specific projects mentioned in this part of the report are illustrative or supporting examples relevant to the issue addressed. They are not necessarily the only or best examples available for any given issue or aspect of the Pilot.

**Chart 2: Split between MP1/2 and MP3**

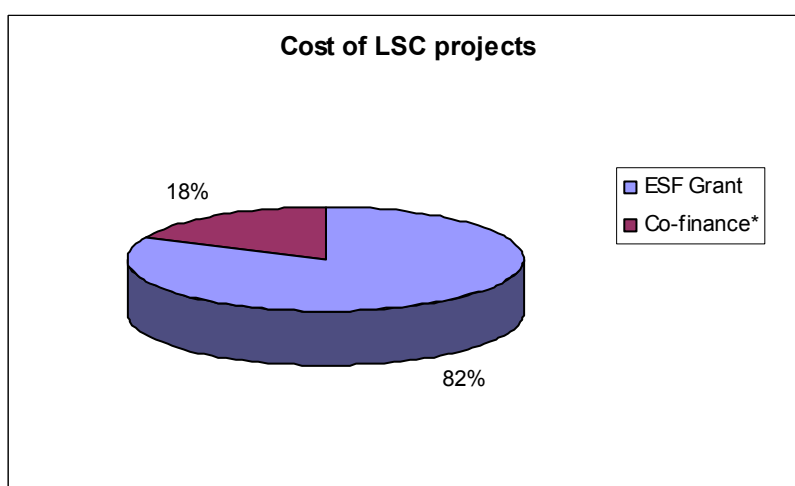


Source: IB final reports and checklists

The original performance period was until the end of February 2002 and the majority (17) of the projects completed their implementation by that deadline. The remaining 13 IBs requested and received a short extension, ranging from one to six months (see **Table 1**). All projects were therefore completed by the end of August 2002 and the Pilot as a whole was fully implemented within the agreed time framework, in terms of volume of output.

**Table 2** presents the ESF contribution per project and the co-finance (contribution in cash and kind) provided by IBs and partners. The ESF contribution constitutes an average 82% of the total available for micro-projects (see **Chart 3**). The average grant per micro-project was around €8,000 indicating an emphasis on smaller grants (with reference to the €10,000 micro-grant ceiling assumed at the beginning of the Pilot).

**Chart 3: ESF grant and co-finance**



Source: IB final reports

### 2.1.1 Objectives of LSC projects

The feedback from the assessment visits and from other sources of information, such as briefing meetings and summer schools, pointed out that most IBs had difficulty with understanding “social cohesion” and “social capital” at the beginning and, correspondingly, there were considerable uncertainties at the local level in operationalising the objectives of the LSC Pilot. In the early stages of the Pilot, LSC projects generally articulated objectives in relation to both

social inclusion of disadvantaged groups/communities, and capacity building effects (grass-roots organisations, NGOs, networks, partnerships).

Consequently there were significant variations between projects in terms of specific orientation. This was linked to their understanding of needs in relation to social cohesion, specific target groups and strengths, weaknesses and gaps in the civic infrastructure (system of NGOs, partnerships) in their areas. The overall picture was that they were complex projects with multiple objectives. They articulated objectives related to improved employability and employment, but the LSC projects encompassed much more than this. In addition, local realities and experiences also determined the choice of objectives and of micro-projects to be supported. Such diversity is to a large extent to be expected given the high degree of decentralisation and discretion afforded to the IBs and the newness of concepts and methods – at least in some Member States - of some key concepts which were key to the Pilot.

During the course of the Pilot, IBs improved their understanding and experience to recognise **both social inclusion and employment as key objectives** of LSC, with a **tendency to distinguish between promotion of social inclusion and cohesion** corresponding to MP1/2 type projects and **employment development** as the objective of MP3 type projects, with **improved employability** often included in the objectives of both MP1/2 and MP3. Evidence from the whole Pilot reveals sub-groups of projects with distinct emphasis on the objectives:

- A sub-group of projects with a distinct set of objectives were those mainly concerned with **micro-enterprise creation** – whether they were promoting the establishment of individual small enterprises, social economy companies, cooperatives etc. It was in the case of these projects that the **direct employment objectives** were strongest. In these areas, LSC partners and local actors considered that social inclusion would be achieved as a result of self-employment and enterprise creation and therefore gave **emphasis** to the **employment objective** (through MP3 type activities) (Fund. Ozanam, Zaragoza, ES, OATEP, Crete, EL., ADIE, F). For example, for some highly excluded target groups, like gypsy women in Valencia (FVECTA, Valencia, ES), a stable job was key for their social integration. However, in northern countries in particular (and France), it was emphasised that the resources and grant sizes were too small to have any significant employment or enterprise impact;
- In some cases, **social inclusion** was recognized as a **path towards employment**, with the view that social cohesion and inclusion activities improve social skills and employability, which will then lead to improved access to employment opportunities (CeSIE, Kortrijk, B, Fund. Mujeres, Caceres, ES);
- In those projects more focused on **social cohesion**, many of which also included micro-enterprise development, there was much emphasis on **social inclusion** as the **prime objective**, either because:
  - employment is a long way ahead for this type of target groups, therefore, IBs identified objectives such as greater involvement of people and target groups in NGOs, better orientation of NGOs towards disadvantaged target groups and more networking and links across NGOs - in some cases, small neighbourhood associations, or interest groups etc. (e.g., ReFIT, Jena, D; Fribørsen, Arhus, DK); or because
  - the IB and partners decided from the outset that social cohesion activities were most appropriate for the target groups supported and more pertinent to the experience of the IB (LEB, Weser Ems, D; PCP, Plymouth, UK; IFA, Kärnten, AT; CERFE, Pisa, I; Diakonie, Sachsen, D). For instance, in the case of LEB, Weser-Ems, D, while employability and employment objectives were articulated, the main objective was to strengthen the social fabric and enable more participation and integration of immigrants of German origin;

- For another, large, sub-group, **both social inclusion and employment** were important objectives of the LSC project (FVECTA, Valencia, ES; Consorzio BIM N&V, Cascia, I; Nersant, Torres Novas, P; Huhtasuo, Jyvaskyla, FI; A V Kent, Campo de Gibraltar, ES, MSD, Marseilles, F; ASSETIP, Brussels, B; Fund. E&S, Madrid, ES; ACAFAM, La Laguna, ES; VFR, Ostseiermark, AT), distinguishing also between the social inclusion objective for MP1/2 projects and the employment objective for MP3 projects (Paul, Limerick, IRL; Deutsche K&J, Berlin, D);
- Finally, **other, additional, objectives** were also considered important, like:
  - developing **participation and better quality involvement** at all levels was central to many projects. Contributing to reducing barriers (cultural, language, motivational) to participation in projects, NGOs, and micro-enterprise (e.g. Consorzio BIM, N&V, Cascia, IT) and inequalities (VAM, Manchester, UK) and enhancing community participation levels (SCVO, Scotland, UK), were specifically identified by some projects;
  - **capacity building objectives**, like mobilising voluntary activity and establishing permanent NGOs in the rural area and extend the activities of rural NGOs to deal with social inclusion as well as and benefit from NGOs located in Heraklion city (OATEP, Crete, EL), open up access to NGOs to European funding (ReFIT, Jena, D), or, in the case of SCVO, Scotland, UK, where there is already considerable experience of capacity building, objectives included building up key skills in unsupported NGOs and sustainability and succession strategies;
  - **mobilisation** of human capital (Fund. Ozanam, Zaragoza, ES; Fund. Mujeres, Caceres, ES);
  - **building networks and cooperation** between local partners, including NGOs and the public sector, and improved professionalism in certain categories of NGOs (e.g. Huhtasuo, Jyvaskyla, FI; ACOP, Foggia, I; Consorzio BIM N&V, Cascia, I; Nersant, Torres Novas, P)
  - **experimenting with mechanisms of cooperation** between public administration and the third sector and measuring the efficiency of NGOs to manage large funds (Fund. Mujeres, Caceres, ES);
  - **implementing promising new ideas** that promote the development of the target area (Deutsche K&J, Berlin, D; Fund. CIREM, Barcelona, ES);
  - reaching excluded people that are **not** reached by other programmes (A V Kent, Campo de Gibraltar, ES);
  - seeing the LSC project as part of the wider transformation of the target area (Fund. CIREM, Barcelona, ES, where LSC complements urban regeneration initiatives)
  - some more **operational objectives** or addressing specific gaps or potential, include, for instance, the objectives of PCP, Plymouth, UK, which were centred on **development of neighbourhood-level decision-making** and organisation of communities.

It is important to note that, while the development of local social capital can be an end in itself, none of the projects regarded the growth in social capital as a prime objective. The **LSC projects were used as a tool for achieving “inclusion”** of disadvantaged/marginalised people – people excluded socially or from the labour market or both. The terms of reference of the Pilot defined from the beginning that **“the guiding principle is to mobilise indigenous potential to find local responses to local needs”**<sup>2</sup>. This principle prevailed during the implementation of the LSC projects and, despite their diversity in terms of specific objectives, target group focus, etc

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<sup>2</sup> Source: Terms of Reference.

the LSC projects served as a means to promote local initiatives that aim at “inclusion” in social and / or employment terms.

### 2.1.2 Activities carried out

Micro-grants funded a variety of activities and achieved a variety of results (see *section 2.5.1* for detail on results achieved) that promoted both social cohesion and employment, with IBs and partners providing individualised, flexible and informal support to participants.

**Typical MP1/2 activities** include:

- Provision of social volunteer services;
- Awareness raising events, advice and counselling (eg, on drugs issues, on the environment, on the local culture for immigrants, on crime prevention, etc);
- Training and workshops: on language (for foreigners), social skills for women and young people, basic IT skills, basic skills for ex-drug addicts or ex-offenders and other skills;
- Professional/career orientation;
- Provision of information and IT related services/activities;
- Community services and home help;
- Development of neighbourhood/community centres serving as meeting points for immigrants or unemployed/other excluded (eg, drug addicts);
- Creation of associations/clubs or formalisation of existing ones, most often in the culture or sports sector;
- Cultural and sports events (eg, fairs, theatre, sports competitions);
- Therapies and support for disabled people or those suffering permanent diseases (eg, Alzheimer, multiple sclerosis);
- Playgroups and drop-in centres for children;
- Publication of newsletters/magazines with information on the local issues and events.

**MP3s** supported the creation of micro-enterprises, social economy enterprises, cooperatives, etc, mainly in the services sector and commerce:

- retail shops, offering food, clothes, arts and crafts were supported;
- services offered fall within a wide range from hairdressers to restoration, repairs & maintenance, childcare (for unemployed single parents to have an opportunity to find a job or attend training), cleaning/home help, advice to small businesses.

The box below provides some representative examples of LSC projects, with one focusing on MP1/2 activities, one focusing on MP3 and one supporting a mix of MP1/2 and MP3.

#### **Box 4**

##### ***Examples of objectives and activities carried out by LSC projects***

###### FVECTA, Valencia, ES (specialising on MP3)

The objective of the project was to promote local economic and social development, to create stable employment and to improve the quality of life in the community of Valencia, through financial and technical support to the **creation of cooperatives with a clear social dimension**. Activities supported by the project were distinguished for their **social utility**, like the recuperation of traditional activities, the provision of environmental, social and cultural services related to the improvement of daily life and the introduction of new technologies. Other activities were related to childcare, commercial businesses, improvements in housing and young people inclusion.

###### LEB, Weser Ems, D (specialising on MP1/2)

Most MP1/2 dealt with the issue of **neighbourhood centres, meeting points**, with the objective to integrate the target group (mainly immigrants from Russia) in their local environment and to bridge the

gap between groups of foreigners and German inhabitants. Many of these projects focused on younger people.

The second focus was on projects in the field of *sports*. Sports were seen to serve as a common forum, where foreign and native groups met and got in touch with each other

Other important fields of action were *cultural projects* or projects *dealing with the specific social context* of the target group. Other types of projects focused on *specific problems of the target group*, like language competencies, professional orientation, drug and violence.

Huhtasuo, Jyväskylä, FI (mix of MP1/2 and MP3)

In *MP3 projects* handicraft businesses dominated, followed by businesses in the marketing and IT fields. A successful initiative was that of four women who started *handicraft businesses* separately, with LSC aid, and decided afterwards to join forces and rent a space where everyone had her own work space and sales point. Businesses of female artisans consisted of making products and marketing them, plus organising courses, which gave them a way to find new customers and to improve networking with the other artisans. In addition to small businesses, five *co-operatives* started up with LSC aid in the fields of printing, data processing, healthcare and cleaning.

Regarding *MP1/2 projects*, the principle was to support projects which *strengthened the social welfare structures* of the area. MP1/2 projects can be divided into projects that boost employment, projects to be executed using voluntary workers (“work-bees”) and educational projects. The *employment-boosting projects* involved employing an unemployed person as leader of the project. In the *voluntary-work or “work-bee” projects* no separate employees were engaged, and these projects had an employing function mainly while the work lasted. The *educational projects* can be divided into two groups: projects aimed at employability by giving long-term unemployed persons training that could lead to a new occupation and educational projects aimed at improving the functioning of associations and groups by providing education to officers and volunteers.

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