

ESF+ Community of Practice on Employment, Education and Skills

# Towards zero long-term unemployment in the EU: Job guarantees and other innovative approaches

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# Table of Contents

List of Figures / 4

List of Tables / 4

1 Executive Summary / 5

2 Introduction / 6

2.1 Background information / 6

2.2 Objectives and scope of the report / 7

2.3 Methodology / 7

3 Research and Conceptual Background / 9

3.1 Trends in long-term unemployment / 9

3.2 Long-term unemployment benefits in Europe / 9

3.3 Job creation and activation programmes to tackle long-term unemployment / 11

4 Overview of Ongoing Initiatives in EU-27 / 15

4.1 Introduction and selection of initiatives / 15

4.1.1 Terminated initiatives: 'Kinofelis' and 'Finnish Basic Income' / 18

4.2 'Territoires zéro chômeur de longue durée' in France / 19

4.3 'Solidary Basic Income' in Germany / 22

4.4 'Marienthal Job Guarantee Pilot' in Austria / 24

4.5 'Basisbaan' in the Netherlands / 26

4.6 The 'Territoires zéro chômeur de longue durée' in Belgium / 29

5 Common Issues and Challenges / 31

5.1 Summary of key findings / 31

5.2 Strengths and potentials / 32

5.3 Weaknesses and challenges / 33

5.4 Issues of transferability and upscaling / 34

5.5 Evaluation and impact analysis / 35

5.6. Lessons for designing job creation programmes for the LTU / 35

6 Conclusion and Recommendations / 36

7 References / 37

Appendix I / 40

Appendix II / 44

## List of Figures

- Figure 1 Long-term unemployment in the EU-27, 2009-2022, % / 8
- Figure 2 Maximum duration of unemployment benefits in OECD countries / 9
- Figure 3 Level of income support for the unemployed over time. Net replacement rate, 67% of the average wage, January 2020 / 9
- Figure 4 Registration and benefit receipt, % of the long-term unemployed\*, 2022 / 10
- Figure 5A Overall strictness scores (2022) and changes between 2020 and 2022. Scored from 1 (most lenient) to 5 (most strict) / 39
- Figure 6A Overall strictness of work-related eligibility conditions in OECD countries / 39
- Figure 7A Level of Minimum Income Benefits as % of the disposable income of a low-wage earner in the EU / 40

## List of Tables

- Table 1 Comparison of basic income and programmes for the long-term unemployed that include job creation in the social economy (broadly defined) / 12
- Table 2 Comparison of basic income and programmes for the long-term unemployed that include job creation in the social economy (broadly defined) / 16
- Table 3 Overview of the initiatives, their scope and typology / 30
- Table 4 For the purpose of illustration: main features and profile of three selected initiatives / 40
- Table 5 Overview of initiatives reported in the online survey and by desk research by relevance to the study / 42

# 1 Executive Summary

Long-term unemployment remains a persistent challenge in the European Union underlining the need for new innovative approaches. With this in mind, the ESF+ Social Innovation+ Initiative will focus on territorial measures that address long-term unemployment, and with a budget of EUR 23 million allocated in 2024, the European Commission aims to support the testing, transfer, and scaling up of innovative solutions to tackle this challenge.

This report sets the scene for these activities by mapping and analysing 'Zero Long-Term Unemployment' (Zero LTU) and job guarantee initiatives across Europe. It explores existing research, peers into long-term unemployment statistics and provides a conceptual framework for comparison. Besides a literature review, it is methodologically built mainly on an online survey conducted in autumn 2023 among members of the ESF+ Social Innovation+ Initiative Communities of Practice (CoP) and on interviews with key individuals involved in Zero-LTU and job guarantee initiatives.

The report details five ongoing initiatives in Europe including Austria's *Marienthal Job Guarantee Pilot* (MAGMA), France's *Territoires zéro chômeur de longue durée* (TZCLD) as well as the Belgium's adaptation of the French model, *Germany's Solidarity Basic Income* (SBI) project and the Netherland's *Basisbaan*. These initiatives share common features such as addressing long-term unemployment through local and regional approaches, building on voluntary participation, offering fair remuneration and flexible working hours. As such, they need to be distinguished from basic income experiments that do not offer jobs, as well as from public works and 'transitional' employment schemes that focus on activating and returning participants to the primary labour market, often including the loss of benefits.

The initiatives analysed have a minimum duration of three years and have all been implemented within the last five years, with the exception of TZCLD in France, which began in 2016. TZCLD is also the largest in terms of participants and budgets involved (EUR 43 million in 2023 only). Total budgets range from EUR 5 million in Groningen to EUR 167 million in Berlin, and the number of participants from 50 to 3,600. Individual projects typically involve 20-150 participants, with an average cost per participant per annum ranging between EUR 22,000 and 32,000. The majority of participants, both men and women, are between 45 and 60 years old and have been unemployed for three to five years. They typically work part-time (25-35 hours per week) according to their preferences in jobs predominantly provided by social economy enterprises and municipalities.

The initiatives mapped demonstrate success in creating tailored jobs by involving local stakeholders and positively impacting economic and social well-being of communities. Participants do indeed achieve financial independence, experience professional development, and report increased self-confidence. Overall high levels of participant satisfaction and low drop-out rates testify to the potential of these initiatives to successfully combat long-term unemployment.

Challenges include difficulties in the transition to the open labour market and the complex nature of securing cooperation between local employment actors. Additionally, financial sustainability and the absence of comprehensive cost-benefit analysis only serves to complicate the long-term viability of initiatives. A few projects have undergone counterfactual analytical assessments, yet non-monetary benefits and long-term impacts have not been explored.

The transferability and upscaling of approaches within and beyond national borders have been impressively demonstrated, at least in the case of TZCLD in France. Since 2017, the initiative has grown from the first 10 pilot territories (regions with less than 10,000 inhabitants) to 58 accredited territories in almost every second French department by the end of 2023. Initiatives based on the French model are now being implemented in Belgium and planned in Italy.

Lessons learned from the mapping of initiatives include: promoting local collaboration for an inclusive labour market; encouraging co-funding from various sources with matching grants from national governments; prioritising non-monetary benefits and innovation in project design; providing tailored support and upskilling for the unemployed; specifying target groups and types of jobs created; proactively considering transferability and upscaling; and emphasising rigorous research with mandatory counterfactual evaluation for evidence-based decision-making and continuous updating and meta-analysis at EU level.

## 2 Introduction

### 2.1 Background information

The European Union encountered a considerable surge in long-term unemployment rates after the financial and economic crisis of 2008-2009, a trend that has gradually stabilised since then. However, the prevalence of long-term unemployment remains alarmingly high. By 2014, more than 12 million individuals in the Union faced long-term unemployment, constituting 5% of the active population (EU Council, 2016). Of this group, 62% had been unemployed for two consecutive years or more. By 2021, nearly 6 million individuals, constituting approximately 2.8% of Europe's active population, were affected by long-term unemployment (Eurostat, 2021), with over 2.5 million young people in Europe experiencing significant periods of unemployment (Eurostat, 2021a).

The ramifications of prolonged unemployment are multifaceted, adversely affecting individual well-being, hindering economic growth, escalating social exclusion, poverty, and inequality, and placing additional strains on social services and public finances. These consequences include loss of income, skill degradation, health complications, and increased household poverty. The challenge also varies considerably across Member States, driven by diverse macroeconomic conditions and labour market structures. Certain demographic groups, including those with lower skills or qualifications, third-country nationals, individuals with disabilities, and marginalised groups like the Roma, face heightened vulnerability to long-term unemployment. The nature of employment also influences this scenario, with sectoral and cyclical factors contributing to persistent long-term unemployment in some countries (EC Council, 2016).

Addressing the complexities of labour market integration therefore requires tailored, individualised approaches and coordinated service provision, considering diverse barriers faced by individuals. Enhancing investment in human capital is pivotal to equip people with relevant skills, address skills shortages, and facilitate a seamless transition from education to employment. Improving the performance and relevance of educational systems holds the key to curbing the influx of new unemployed individuals (EU Council, 2016).

Given the range of EU policies on climate and environmental issues, there is a growing interest in innovative concepts aimed at fostering quality employment and fortifying the social economy in the European Union. It is evident that effective public administration is essential to manage the risk of unemployment and to counter the economic factors that contribute to it, such as skill-biased technological advances, reduced labour organisation, financialised economic distribution principles, and regional disparities (FEPS, 2023). The most recent EU investment initiatives and regulatory frameworks, such as the Green Deal, Next Generation EU (NGEU), and the Fit For 55 package, include various mechanisms aimed at addressing employment matters and transforming its economic foundations. For instance, the Green Deal introduced the Just Transition Fund, which aids industries and areas affected by the transition to achieve net zero emissions. Additionally, the SURE mechanism, created alongside the NGEU, serves as a temporary support to mitigate unemployment risks during emergencies (FEPS, 2023).

The European Council's Recommendation of 15 February 2016 on the integration of the long-term unemployed into the labour market (EU Council, 2016) outlines key guidelines for Member States (MS), including encouraging outreach and registration with employment services, providing individualised support, creating job integration agreements within 18 months of unemployment, forming partnerships with stakeholders, and coordinating long-term unemployment services through a single point of contact. These guidelines align with the *European Pillar of Social Rights* and emphasise the right of the long-term unemployed to receive an in-depth individual assessment within 18 months of unemployment (EU Council, 2016).

Nevertheless, long-term unemployment remains a challenge in the EU. At its 155<sup>th</sup> plenary session in May 2023, the European Committee of the Regions expressed its regret that no initiative had been taken to combat long-term unemployment since the 2016 Council Recommendation, despite the fact that all Member States are facing this issue (EU CoR, 2023). The Committee also pointed out that a high long-term unemployment rate is a sign that the labour market is not functioning properly, resulting in a loss of human resources and of skills for the unemployed, a loss of social security contributions and a loss of economic activity, and noted further that employment deprivation costs more than the creation of additional jobs. Consequently, it called on local and regional authorities to set up schemes based on the fundamental principles of the 'zero long-term unemployment' areas and the 'job guarantee' initiative, by redirecting the costs of unemployment towards the creation of decent jobs, and called on the European Commission to map these initiatives (EU CoR, 2023).

Europe has the potential to overcome this persistent job scarcity, partly imposed by the globalised and financialised market, by creating accessible employment opportunities tailored to individuals' skills. In doing so, Europe can realise the principles outlined in the European Charter of Social Rights, ensuring the right to employment through funding that is responsive to the needs of the population needs.<sup>1</sup>

## 2.2 Objectives and scope of the report

In 2024, the ESF+ Social Innovation+ Initiative will focus on territorial measures that address long-term unemployment in an innovative way. With a budget of EUR 23 million, the European Commission aims to support the testing, transfer, and scaling up of innovative solutions to tackle this challenge. The initiative will start with a mapping of different approaches to 'zero long-term unemployment' (Zero LTU) and job guarantees, followed by structured mutual learning processes and a transnational call for initiatives. Various countries, such as Austria, Belgium, France, Germany, and the Netherlands, have already undertaken initiatives, known by different names, to combat long-term unemployment. Examples include *Territoires zéro chômeur de longue durée* in France and Belgium since 2016 and 2023 respectively, the *Marienthal Job Guarantee Pilot* in Austria since 2020, *Basisbaan* in Groningen, the Netherlands since 2020, and the *Solidary Basic Income* in Berlin, Germany, initiated in 2019. These initiatives share common features such as voluntary participation of the long-term unemployed, fair remuneration, flexible working hours, and often the offer of permanent contracts.

This report aims to provide a mapping and comparative analysis of such initiatives<sup>2</sup> in Europe. The report delves into statistical insights on the long-term unemployment situation in Europe, explores the landscape of long-term unemployment benefits across European countries, and reviews existing research on long-term unemployment and basic income initiatives. Additionally, it includes a discussion on the terminology used, elucidating concepts like Zero LTU, basic income, and job guarantee. The report presents an overview of existing relevant initiatives in the EU-27 and a conceptual framework for comparing such initiatives. The review encompasses an initial assessment of existing initiatives, cross-cutting issues, common challenges, and potential solutions. In summary, the report aims to present key findings, challenges faced in implementation, transferability and upscaling issues. The conclusion draws on these insights to provide strategic recommendations and actionable steps forward for the forthcoming incentive of the ESF Social Innovation+ Initiative on long-term unemployment measures.

## 2.3 Methodology

The report is based on a literature review, interviews with representatives of selected initiatives conducted exclusively by the authors, and a survey.

Between 12 and 25 October 2023 an online survey was conducted by the European Competence Centre for Social Innovation under the ESF+ Social Innovation+ Initiative, using 462 emails, mainly sent to members of the Communities of Practice, with the aim to produce an up-to-date mapping of ongoing, recently completed or planned relevant initiatives and to identify 'zero long-term unemployment' (Zero LTU) initiatives in their respective Member State (MS). In a second wave, 69 personalised emails were sent to CoP members from those MS that did not respond to the first round of the survey.

The main question of the survey was: 'Are you aware of any ongoing, recently completed, or planned zero long-term unemployment initiatives at local, regional, or national level in your Member State, other than the projects mentioned?'. The survey sought information on programmes that may not be explicitly labelled as Zero LTU initiatives, but which incorporate at least some design elements of Zero LTU.

A total of 61 people from 23 different MS filled in the questionnaire. The response rate of 13% was relatively low compared to other similar surveys, which may be explained by the fact that the sample also included people who are not directly involved in labour market policy. The fact that there were participants from MS who were unaware of Zero

<sup>1</sup> [TZCLD\\_livret\\_english.pdf](#)

<sup>2</sup> It is debatable which umbrella term is most appropriate here. Some initiatives see themselves as 'projects', others as 'programmes'. In this report we primarily use the term 'initiative', but occasionally also refer to it as 'programme', 'project', 'scheme', 'model', or 'experiment'. No standardised term for this has emerged. Nor is there yet a categorical term. In the French language '(Territoires) zéro chômeur de longue durée', i.e., 'zero-long term unemployment', is widely used. However, the German equivalent 'Null-Langzeitarbeitslosigkeit' is not used at all, except in German reports on the French initiative.

LTU initiatives in their country, although we know that they exist (for instance for Austria and Germany), shows both the challenges of this type of survey and the limited awareness of the initiatives.

Following the survey, interviews were conducted with key individuals involved in the targeted Zero LTU initiatives, selected from the desk research and based on the survey responses. The interviews were partly conducted as group interviews, also including representatives of the European Commission, and were recorded and automatically transcribed. The interviews helped to validate previous information gathered through desk research and helped to map the overview of existing initiatives. Interviewees and other interested experts have also been asked to validate the information provided in this report.

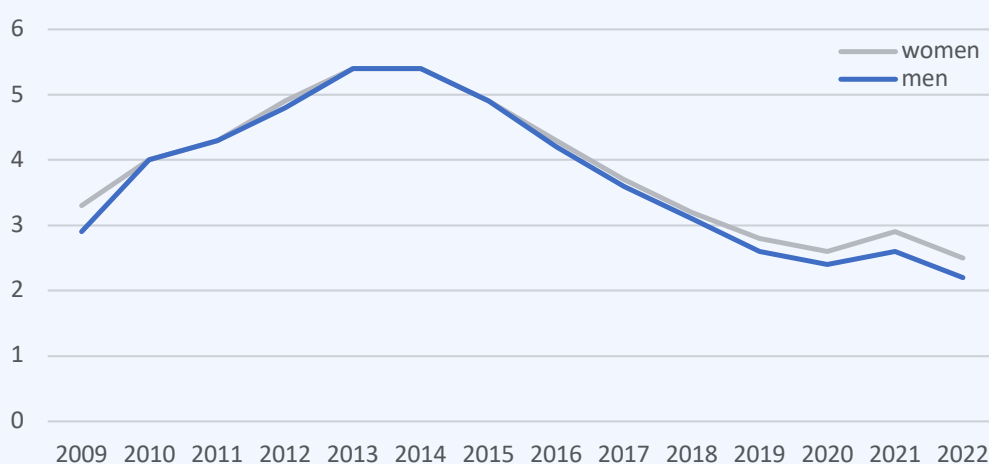


## 3 Research and Conceptual Background

### 3.1 Trends in long-term unemployment

During the economic boom that preceded the COVID-19 pandemic, long-term unemployment was steadily declining. The recent slowdown in this downward trend poses a rising risk of social exclusion across the EU and a challenge for employment and social policy (see Figure 1). As a percentage of the labour force, the long-term unemployment rate fell from 6% in 2014 to 2.4% in 2022 on average in the EU27, but with considerable variation across the EU. In 2022, the incidence of long-term unemployment ranged from 0.6% in Denmark to 7.7% in Greece (Eurostat, 2023) and tended to be higher among older and low-skilled workers (CEDEFOP, 2021).

Figure 1 Long-term unemployment in the EU-27, 2009-2022, %



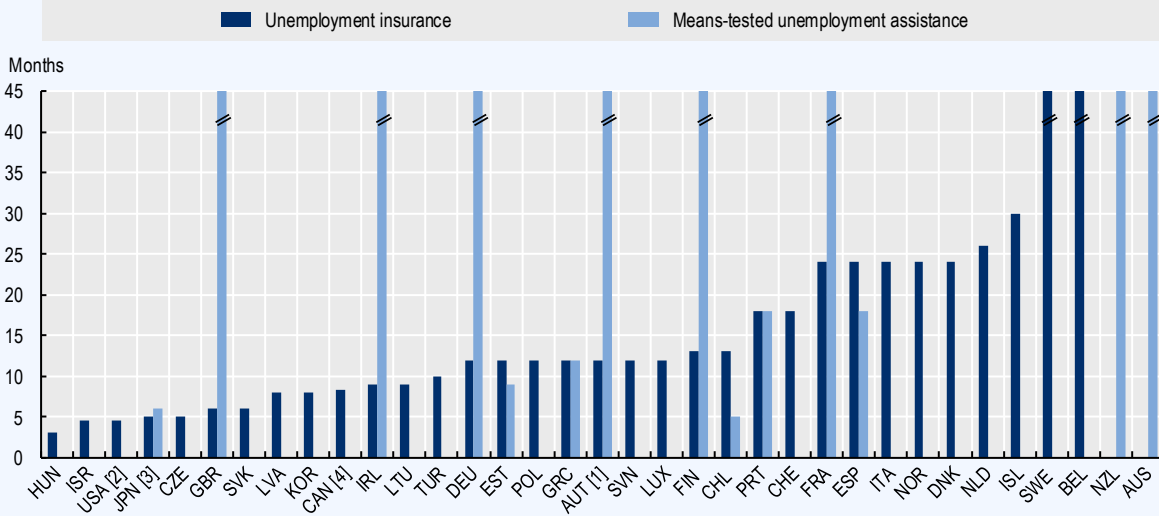
Source: Eurostat. Note: % of labour force, age 15-74.

### 3.2 Long-term unemployment benefits in Europe

Long-term unemployment has grave consequences at both individual and social levels. It increases the risk of poverty and social exclusion and can also damage emotional health (Diette et al., 2012). Prolonged unemployment tends to lower self-esteem, leading to anxiety and feelings of self-doubt or helplessness. Social costs include increased welfare budget spending and lower productivity, and can also entail the intergenerational transmission of poverty and increased social tensions.

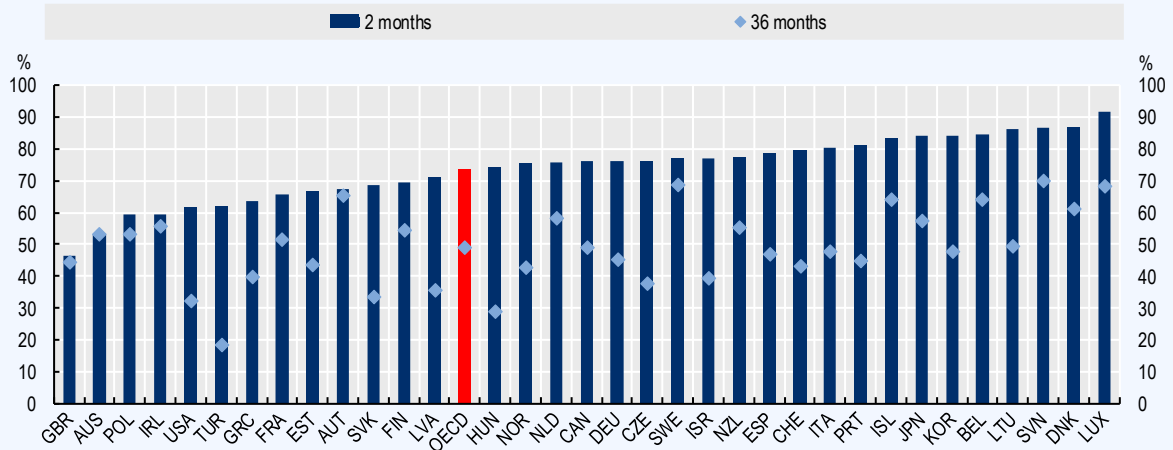
The immediate costs of long-term unemployment to the public purse arise from increased expenditure on social benefits. These costs vary greatly across Europe, depending on the structure of welfare provision: the duration of insured unemployment benefits, the entitlement conditions, the take-up, and the level of minimum income (MI) schemes. In some countries, the costs are high because the maximum duration of insured unemployment is long (e.g., 24 months or more in BE, DK, ES, FR, IT, NL, SE), social benefits are paid for a long period or even indefinitely (as in AT, DE, FI, FR, IE) and benefit levels are high (replacement rates for a newly registered unemployed are close to or exceeding 80% in BE, LT, ES, IT, LT, PT, SI). In other countries, costs are relatively low because the income-related insured benefit runs out after a short period of unemployment (9 months or even less in CZ, HU, IE, LV, SK) and benefit levels are low (below 40% for a person previously earning 67% of the average wage in CZ, HU, LV and SK, see Figure 3 below and Figure A3 in the Appendix I). A recent report on MI schemes in the EU (albeit using indicators that are not fully comparable to these) also finds large cross-country variations in the level of social benefits available to the long-term unemployed (see Figure A2 in the Appendix).

**Figure 2 Maximum duration of unemployment benefits in OECD countries**



Source: OECD 2023a.

**Figure 3 Level of income support for the unemployed over time. Net replacement rate, 67% of the average wage, January 2020**



Source: OECD 2023a.

European welfare systems also differ in terms of their governance structures and, notably, in the financing arrangements and the division of responsibilities for the administration of unemployment and social benefits and the provision of services to the long-term unemployed. In some countries, insured unemployment is administered by the public employment service, while social benefits and services for the long-term unemployed are administered by local governments (EC, 2022). In some countries, central government provides ear-marked funding (i.e., money that can only be spent on a particular expenditure) from the central budget, while in others the municipality receives a block grant for the broadly defined purpose of providing support to the long-term unemployed, which can be freely reallocated between cash benefits and active labour market policies.

The design of benefit systems and governance structures can have a considerable impact on the financial and political incentives for public bodies (local units of the PES or municipalities) to tackle long-term unemployment. The financial incentives are clearly stronger in countries where municipalities are responsible for both the administration of benefits and the provision of services, and where government funding is paid in a block grant, while they are much

weaker in countries where the responsibility for the payment of benefits and the provision of services is divided between several organisations, and where the financing arrangements do not support the reallocation of funds between passive and active provisions.

### 3.3 Job creation and activation programmes to tackle long-term unemployment

As already noted in the introduction, in the 2016 Council Recommendation on the integration of the long-term unemployed into the labour market (the [LTU Recommendation](#)) and also in the *European Pillar of Social Rights*, the European Commission has called on Member States to improve the outreach and effectiveness of services that support the labour market integration of the long-term unemployed. According to recent reports, several Member States have made adjustments to their welfare systems, however, there is still room for further improvement (Ramboll, 2019; Anghel, 2020).

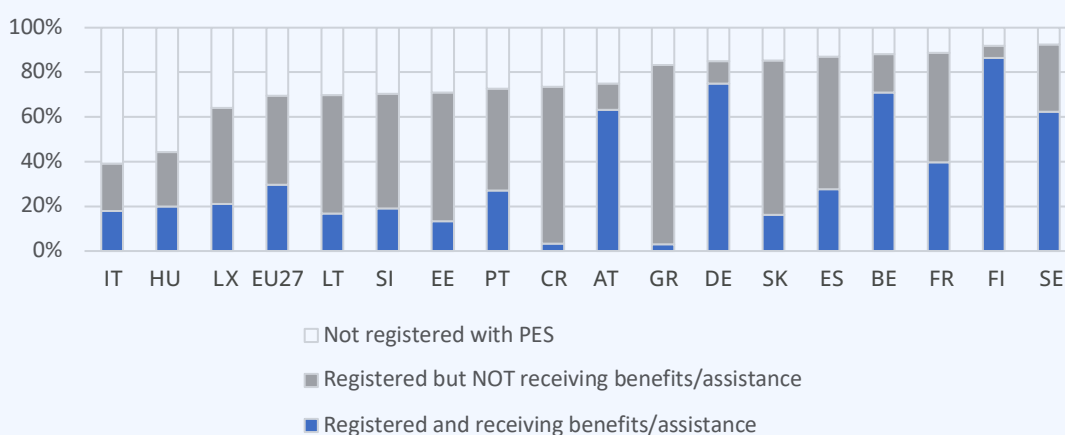
European policy documents outline two co-existing frameworks for tackling labour market integration. First, an activation framework, which is rooted in and dominated by the European Employment Strategy since the mid-1990s, and is determined by the objective of the Treaty on the European Union, which states in Title IX (Employment) that the Union and Member States ‘[shall] work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce and labour markets responsive to economic change’ (Article 145). Second, a capability framework that is rooted in social policy and which derives its legitimacy from Title X (Social Policy) of the Treaty, which proposes ‘the promotion of employment, improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to lasting high employment and the combating of exclusion’ (Article 151). National policy measures, as well as European policies, can be assessed according to the extent to which they follow the capability or activation route (see also Salais & Villeneuve, p. 11ff).

#### Approaches to reducing long-term unemployment

The LTU Recommendation identified four elements of an effective policy to reduce long-term unemployment: increasing outreach, providing individualised support, strengthening cooperation between service providers and with employers. Improving outreach is a crucial first step in enabling PES (or other public agencies) to establish contact and offer support to the long-term unemployed.

As Figure 4 below shows, registration with the PES varies considerably across Member States: this partly reflects variation in the duration of insured unemployment benefits and entitlement conditions of Minimum Income (MI) schemes but may also reflect outreach efforts by public employment services.

**Figure 4 Registration and benefit receipt, % of the long-term unemployed\*, 2022**



Source: EU LFS [ugadra] Notes: \*Persons aged 20-64, unemployed for 12 months or more (ILO definition). Note that according to the ILO definition used in the LFS, participants in public works may be considered employed (rather than long-term unemployed persons receiving assistance).

The entitlement conditions of unemployment and MI schemes constitute a key element in any approach to tackling long-term unemployment, as they define the main labour supply incentives of the welfare system. These conditions include income and wealth threshold, benefit duration, benefit loss<sup>3</sup> when taking up employment, and activation rules, i.e., the obligation to search for a job, to accept suitable job and training offers, or to cooperate with employment or social services. As we have shown in the previous section, benefit generosity varies greatly across MS, and so do activation rules (see also Figures A1 and A2 for OECD countries in the Appendix I). A recent Commission report on MI schemes found that most MS impose sanctions for non-compliance with activation rules, but the severity of sanctions varies greatly (Commission, 2022).

Another key element is the availability and quality of services for the long-term unemployed. In most MS the PES focus on preventing long-term unemployment and have limited capacity to support the long-term unemployed. While the receipt of social benefits is in most cases conditional on a job search, this condition is often not enforced due to a lack of capacity in the PES (or municipal agencies). Although work integration agreements (promoted by the LTU Recommendation) should formally define access to social and employment services according to need, this is often overlooked (Commission, 2022). Similarly, most MS have not established a functioning single point of contact for the long-term unemployed. In most countries where such data are available<sup>4</sup>, less than 15% of MI recipients are placed in an active labour market measure (Commission, 2022).

The range of ALMP offered to the long-term unemployed may not always be tailored to their needs. In a recent survey, just over half of the PES reported that they offer a combination of several measures in an individualised way, and about one third can provide post-placement support to achieve sustainable employment (Anghel, 2020). Few MS have developed ALMP specifically for the long-term unemployed or MI recipients (these two groups overlap to a large extent), without considering public works schemes, which are widely used despite the mounting evidence of their limited effectiveness (see Card et al., 2018).

A few countries have launched pilot projects (mainly before the pandemic) to develop and test new tools to tackle long-term unemployment and inactivity. These focused on the introduction of intensive counselling and follow-up, in-work coaching, intra-agency co-operation and the combination of services to tackle multiple barriers to employment, or public-private partnerships (Csillag, 2021; Konle-Seidl, 2020). The results of these pilots confirmed the effectiveness of personalised and intensive counselling with low caseloads, multi-disciplinary approaches, mentoring, post-placement support, and the importance of upskilling. Motivating jobseekers and employers as well as job retention remain a challenge even in these new programmes (for an overview, see Csillag, 2021 and Konle-Seidl, 2020).

A recent study evaluating the first response to the LTU Recommendation noted two interrelated barriers to its implementation: limited staff capacity and financial constraints. As MS with high LTU rates tend to have high unemployment rates, this puts pressure on the PES and increases the demand for activation measures (Ramboll, 2019). Another barrier in some countries may be institutional fragmentation: the coordination of services is clearly more challenging in highly decentralised models (Eftheia, 2018). Lastly, the highly standardised delivery process of public service providers tends to compromise the use of person-centred approaches.

### **Job creation in the social economy**

One avenue for innovative approaches to tackling long-term unemployment is through job creation (or provision of on-the-job training) in the social economy. In such programmes, the long-term unemployed are offered work in the social economy instead of (or augmenting the amount of) a social benefit, usually for a fixed period of time. In most cases, a public agency (employment service or municipality) is responsible for reaching out to the potential participants, while the job opportunities may be created either by a local municipality or by an NGO. Several such initiatives have been piloted across Europe in recent years, following similar aims. One common feature of such programmes is that they promote social inclusion through work and that work opportunities are in the third sector (avoiding competition with the market sector). Most programmes also aim to provide a secure income, higher than social benefits, in order to reduce poverty. This section aims to clarify the key differences in the design of such programmes, as these may help to identify the elements that determine programme effectiveness.

The table below distinguishes four ideal types of job creation programmes (and a fifth, basic income, for comparison). Some of these programmes have been introduced at national level, some have only been introduced at regional level or in small-scale pilots, but (at least in theory) all have the potential to be scaled up to national level.

<sup>3</sup> The use of tapers or deductions when the benefit recipient takes up a job can reduce the so-called poverty trap created by generous social benefits.

<sup>4</sup> DE, EL, HR, IT, LT, LU, FI (Commission, 2022)

**Table 1 Comparison of basic income and programmes for the long-term unemployed that include job creation in the social economy (broadly defined)**

	Basic income	Job guarantee	Community job offer	Public works	'Transit' employment*
	No job offered	Includes a job offer			
Main/ distinguishing objective	To provide secure income	To ensure inclusion/ meaningful contribution to the community	To ensure inclusion/ meaningful contribution to the community	To activate benefit recipients/ demonstrate commitment to curbing misuse of benefit system	To return to the primary labour market
Link to LTU	Not necessarily linked to LTU	Reduce LTU	Reduce LTU	Reduce LTU	Reduce LTU
Entry rules	Automatic (voluntary in pilots)	Voluntary	Voluntary	Obligatory for benefit recipients	Voluntary or part of benefit conditions**
Focus of matching	None	Job is found/ created for the client	Clients are recruited for a job	Clients are recruited for a job	May vary by scheme
Motivation approach	None	Mentoring or coaching	Mentoring or coaching	Sanctions, loss of benefit	Mentoring or coaching
Upskilling element	None	Restore work habits and motivation	Restore work habits	Restore work habits	Strengthen skills that are needed in regular jobs

Source: Authors.

\* 'Transit' employment programmes usually offer short-term employment in the social economy, which is geared towards regaining or acquiring skills, as well as mentoring, job-search counselling and placement in the primary labour market. Such programmes exist in several countries, although they are not necessarily referred to as a distinct type within the broad category of job creation programmes.

\*\* Benefit receipt is usually conditional on cooperation with the social worker/job counsellor and transit work may be one of the measures proposed by them.

One of the key differences between the programmes described above is the extent to which they aim to promote a return to the open labour market. While this is considered a positive outcome in all of these schemes, only the so-called 'transit employment' schemes make this the primary objective. Accordingly, the other schemes place less emphasis on skills training, job search incentives, or availability for work during the programme. This may reduce the effectiveness of these schemes when measured in terms of re-employment in the open labour market, while they may be equally or more effective in reducing poverty and improving social inclusion. Based on a review of existing impact evaluations, Martin (2000) concludes that participants in training and public sector employment programmes should continue to be available for work in the open labour market and should be encouraged to actively seek employment.

Another lesson Martin (2000) derived from the existing quantitative evidence was that continued receipt of income support should be conditional on acceptance to participate in active programmes after a certain minimum period of unemployment, but should not be guaranteed (instead, referral should be handled in accordance with the availability of slots that meet the needs of the particular job-seeker). At the same time, the qualitative evaluation of the TZCLD programme in France highlights voluntary participation as a key to the effectiveness of the programme. This calls for further research into whether the voluntary nature of job guarantee, and community job offer schemes may be hampering their effectiveness, or whether there are other important considerations that justify the design choices in the cases observed.

The table above also highlights an important trade-off in such programmes: if ‘job matching’ is employer-focused (or activation-focused), there may be a job for everyone, but jobs may not be adjusted to the needs, abilities, and aspirations of participants. By contrast, if job matching focuses on the abilities of the individual, it may not always be possible to find a suitable job for everyone, or these jobs may not be economically viable. This trade-off may be particularly acute in small-scale programmes in rural areas, where the range of economically viable jobs tends to be limited.

The table above focuses on differences in the incentive structure of schemes with respect to labour supply. There are several other design choices that affect the quality of programmes targeting the long-term unemployed. The following two aspects of programme design cut across the above categories.

First, the depth and breadth of cooperation with other stakeholders: integrated schemes in which the implementing agency cooperates with NGOs, other public service providers and employers are likely to be more effective. In particular, social economy job creation programmes are more effective when implemented in partnership with NGOs. Existing evidence suggests that effective programmes are small-scale and person-centred, which is better suited to the flexible and informal way in which NGOs operate. NGOs also tend to have more local knowledge and contacts with other providers and employers than the PES (especially if the latter is highly centralised). It should be noted that contracting and monitoring outsourced NGO services demands a high level of management capacity on the part of the PES.<sup>5</sup> To be well implemented, such monitoring mechanisms and reward systems need to be carefully designed and potential adverse effects identified in order to avoid creaming and parking effects (Struyven, 2004; Finn, 2020).

Second, financing: job creation schemes can be funded from a variety of sources, and this (together with donor requirements) can affect their effectiveness and sustainability. Possible sources include block grants, categorical grants or competitive (project) grants from central government<sup>6</sup>, competitive grants from the EU or other donors, or own discretionary resources (e.g., tax revenues) in the case of municipal projects. One of the innovative aspects of Zero LTU schemes is that they use social benefits as a resource: when participants move into work and are no longer eligible for social benefits, the savings in benefit payments are channelled into financing their jobs. This re-channelling of resources is easier to implement in municipalities where tackling long-term unemployment and social exclusion is funded by a block grant from the central government, and in this case, there may be no need to adapt the existing legislation. It requires more adaptation in a context where benefits and active labour market policies are financed by separate categorical grants, and especially where these functions are administered by separate organisations.

The direct, short-term financial returns of public job creation schemes (savings on benefit payments, taxes, and social security contributions on participants’ wages) are likely to be lower than their running costs (wages of participants, mentors, coaches and coordinators, material costs of the workplace); such schemes are only sustainable if there is a donor willing to consider the wider returns (e.g., savings on health-care expenditure) or non-material benefits (social inclusion and well-being) of the scheme and/or the long-term returns (e.g., school performance and subsequent labour market careers of participants’ children, long-term savings in health-care expenditure, etc.). Most of these broader/indirect returns are reaped by the national government, which points to the need for the central government to provide some part of the funding.

5 There is also a need to reconcile the goals and ethos of public agencies and NGOs, which may be in conflict, e.g., over the voluntary nature of participation.

6 Block grants provide more autonomy for broad objectives, while categorical grants cover specific expenditures (e.g., social benefits or teachers’ salaries). Competitive grants are awarded on the basis of applications and only provide temporary funding.

## 4 Overview of Ongoing Initiatives in EU-27

### 4.1 Introduction and selection of initiatives

The starting point for this mapping of initiatives to reduce LTU in the European Union are five ongoing examples, all of which share some basic characteristics. They all (i) redirect savings on unemployment cash benefits into the creation of decent jobs for (ii) long-term unemployed people who take part on a voluntary basis, (iii) are fairly paid, and (iv) the work is tailored to their competences. Through desk research, we identified two other interesting but discontinued projects, Kinofelis in Greece and the Finnish Basic Income Experiment, as well as an Italian initiative that aims to introduce a model similar to the French and Belgian approach. Furthermore, there is also an ongoing national basic income experiment in Germany, which however does not include a job creation or matching element and, unlike the Finnish example, does not necessarily address the unemployed (Busch, 2020). Through an online survey of CoP members (see Chapter 2.3), we were able to identify two dozen other potential initiatives. However, none of them fulfilled all the above criteria and came close to the examples we started with.

In this introduction, we provide an initial overview of the five current job guarantee and zero long-term unemployment (Zero LTU) initiatives in Europe, which will be presented in detail in the following chapters. Next, we describe the planned Italian initiative as well as two terminated initiatives and some initiatives selected from the survey. Finally, these are roughly categorised according to the ideal types of programmes for the long-term unemployed presented in the previous chapter.

The largest and oldest of the six initiatives mapped in detail is the French **Territoires zéro chômeur de longue durée** (TZCLD), which employed 2,677<sup>7</sup> individuals with an annual budget of EUR 43 million in 2023 (and a planned budget of EUR 80 million in 2024). The measure was implemented in 2016 and is planned to last until 2026. Belgium is currently adapting the French model on a smaller scale. Berlin's **Solidary Basic Income** (SBI) supports 1,057 individuals to date (2023) with a total budget of EUR 167 million for six years. The programme started in 2019 and will run until 2025. The Dutch **Basisbaan** initiative, launched in 2020 with 50 participants and a budget of EUR 2.5 million, provides minimum wage employment to welfare recipients. Austria's **Marienthal Job Guarantee Pilot** (MAGMA) engages 115 participants with a budget of EUR 7.3 million to create new job opportunities for the long-term unemployed.

While the Belgian and Italian initiatives are modelled on the current French approach, some of the other initiatives have a longer history. For instance, the French TZCLD finds its origins in the concepts and endeavours pursued by actors in social integration enterprises dating back to the 1970s. It draws on the knowledge gained from local-level experiences in various municipalities, including Seiches-sur-le-Loir (Maine-et-Loire) in the late 1990s<sup>8</sup>. Schemes similar to the Basisbaan were first introduced in the Netherlands in 1990, initially in the so-called 'Banenpoolregeling', followed by the 'melkertbaan' (later called I/D-baan) in 1994 (HSG, 2020). However, the Groningen project, discussed in the following chapter, has been the largest basic jobs experiment since the mid-1990s. In Germany, the idea of a solidary basic income has been widely discussed in the recent years (bpb, 2020). The discourse surrounding the implementation of an unconditional basic income (UBI), commonly known as 'bedingungsloses Grundeinkommen' (BGE), to potentially combat issues like long-term unemployment, has roots that can be traced back to the tenure of the SPD Chancellor Gerhard Schröder (1998-2005) and the coalition between the SPD and Bündnis 90/Die Grünen. The debate gained momentum at a time when official unemployment figures peaked at almost 4.9 million people between 2001 and 2005. This surge led the government to enact the 'Agenda 2010' programme, which culminated in the passage of labour market reforms between 2003 and 2005. Since then, various models for financing the BGE have been proposed but not implemented.

It is also worth mentioning another private German initiative, the 'Basic Income Pilot Project'<sup>9</sup>, which started a few years ago and is researching the principles of an unconditional basic income in three consecutive studies. The first study involves a randomised controlled experiment to investigate the individual and social effects of an additional EUR 1,200 per month. As this project does not address unemployment per se, we have not included it in this mapping. Of note is also that the Berlin Solidary Basic Income mentioned above and discussed further below is not designed as a classic basic income scheme, despite its name. It is also worth noting that basic income and job guarantee schemes are not necessarily mutually exclusive, although they are often discussed in this way (Spross, 2020).

7 People are hired in 71 companies for employment purposes in 60 territories (18/01/2024), <https://etclld.fr/les-territoires/>

8 Duverger & Warnant (2023) provide a short historical overview on the development of job guarantees in France and the US.

9 Not to be confused with the initiative for a solidarity-based basic income initiative 'Solidaric Basic Income' mentioned before.

**Territories with Zero Unemployment (TADZ)** is an Italian pilot experiment on policies for zero unemployment in two designated areas, Corviale and Tor Bella Monaca. It was initiated by the Municipality of Rome in collaboration with Sapienza University of Rome. Territories with Zero Unemployment (TADZ) aims to directly create employment for subsidy beneficiaries and individuals seeking new opportunities. The objective of the project, which started in the two neighbourhoods of Tor Bella Monaca and Corviale in the municipality of Rome, is to generate new jobs based on emerging territorial needs, thus combating both unemployment and poverty. Its key principle is the creation of new employment thorough mapping of the neighbourhoods' needs, in collaboration with all relevant stakeholders, followed by the creation of the respective jobs for the (long-term) unemployed. The initiative thus follows a demand-driven approach, transforming uncovered needs into new labour demand – ultimately giving value to those jobs that are meaningful for society. The programme will run from 2023 to 2026. The first year is dedicated to local mapping and strategy development, and the second year will mark the start of engaging social services, job centres, and other stakeholders to begin implementing the strategy. The programme draws on the experience of other zero unemployment projects – most prominently the French and Belgian examples of TZCLD, adapting elements of both, and the job guarantee initiative in Austria (MAGMA). The municipalities of Rome and of Paris have started institutional collaboration in this regard. The initiators believe in a demand-driven active labour market policy and want to show through this social innovation pilot project that it has the potential to tackle numerous problems at once, instead of investing in trainings and internships, combining the challenges of long-term unemployment with those of the digital and green transitions. Through a new law on the third sector, which came into force in 2019, Italy has the opportunity to use co-planning and co-programming tools in the social economy.

Another interesting programme reported in the survey comes from Finland, the **Work Ability Programme**, which centres on strengthening current work capacity, functioning and fostering employment opportunities<sup>10</sup>. Its core objectives revolve around improving conditions for unemployed individuals with limited work capacity, ensuring their social inclusion, and tailoring service packages to their needs. These measures are designed to enhance professional competencies, integrate work ability support into health centres, broaden supported employment options for long-term unemployment, and conduct thorough evaluations. Ultimately, the programme aims to enhance the employment prospects and functional capacity of individuals with partial work capacity and to foster a more supportive and adaptable social security environment.

The **Support for Long-term Unemployed** project, implemented in Lithuania, aims to address the plight of individuals grappling with prolonged unemployment during the period 2014-2018<sup>11</sup>. The programme aimed to improve qualifications, refine skill sets, acquire job-specific proficiencies, and reintegrate into the labour market individuals who had been unemployed for at least two years before registering for the initiative. It enrolled 3,651 individuals in vocational training and non-formal education and benefited 1,066 individuals through skills acquisition. A total of 5,271 individuals were expected to participate in the subsidised employment measure, of whom 2,915 were long-term unemployed and 2,356 had not worked for two years.

Established in 2017, the **Social Cooperative Enterprise for Collective and Social Benefit (Shedia SCE)** in Athens focuses on sustainable development and the provision of social services of general interest. They offer vocational guidance and support services for the social and occupational reintegration of individuals experiencing homelessness, poverty, and social exclusion, as well as education for marginalised individuals in the upcycling of unsold so-called 'shedia' papers. These efforts aim to boost environmental awareness, create job opportunities, and prevent material waste by repurposing resources into marketable products.

The **EMPREGA-TE** project in Portugal emerged in 2017 and promotes support networks for job seekers. It brings together various employment actors to promote an inclusive labour market. The programme offers beneficiaries training to invest in improving their personal and social skills with a view to their full integration, prioritising a dignified professional integration in order to achieve full social integration. It focuses on employment exchange for people in unemployment<sup>12</sup>. Its integrated approach and connections with local companies means they can establish tailor-made training solutions to meet the needs of local businesses.

The **DUO for a JOB** association was born out of a double observation: There is a proven inequality of access to the labour market for young people with a migrant background in Belgium. By bringing together two groups, the older

10 <https://thl.fi/en/web/thlfi-en/research-and-development/research-and-projects/work-ability-programme>

11 [https://2014.esinvesticijos.lt/en//priorities-and-finances/paraikos\\_ir\\_projektai/ilgalaikiu-bedarbiu-idarbinimo-remimas](https://2014.esinvesticijos.lt/en//priorities-and-finances/paraikos_ir_projektai/ilgalaikiu-bedarbiu-idarbinimo-remimas)

12 <https://www.redempregalisboa.pt/emprega-te/>



generation (participants aged 50+) in a kind of intergenerational coaching, DUO for a JOB aims to help eliminate inequalities in access to the labour market for young people with a migrant background, to recognise the knowledge of our 50+, and to combat discrimination by restoring social cohesion, understanding and local solidarity.<sup>13</sup>

Most of the initiatives reported in the survey primarily concentrate on enhancing qualifications, enrolling individuals in vocational training, subsidising employment, enhancing skills acquisition, and facilitating territorial job mobility (see Appendix for an overview of the initiatives reported). They aim to bolster work capacity, specifically targeting individuals with partial work capacity, emphasising the redesign of employment services and aim to offer various integrated services to (long-term) jobseekers. Some of them also include job creation and are situated in the social economy. While interesting for a more general approach to mapping unemployment measures, they only encompass some, but not all, of the aspects proposed by the research team for Zero LTU initiatives or job guarantees.

In Table 2, we categorise the above initiatives and other examples according to the ideal types of programmes explained in the previous chapter. Initiatives of particular interest are highlighted in bold.

**Table 2 Comparison of basic income and programmes for the long-term unemployed that include job creation in the social economy (broadly defined)**

	Basic income	Job guarantee	Community job offer	Public works	'Transit' employment
Jobs and focus of matching	No job offered	Includes a job offer			May vary by scheme
		Job is found/ created for the client	Clients are recruited for a job	Clients are recruited for a job	
Main objective	To provide secure income	To ensure inclusion/ meaningful contribution to the community	To ensure inclusion/ meaningful contribution to the community	To activate benefit recipients/ reduce social tension	To return to the primary labour market
Examples	Basic Income experiments (FI)* Basic Income pilot project (DE)**	<b>TZCLD (FR)</b> <b>TZCLD (BE)</b> TADZ (IT)	<b>Basisbaan (NL)</b>	Kinofelis (EL) Start programme (HU)	Emprega-TE (PT) Work Ability Prog. (FI) Support for Long-term Unemployed (LT) Integration subsidy (AT)
		<b>MAGMA (AT)</b> <b>Berlin Solidary Basic Income (DE)**</b>			

Source: Authors.

- \* The Finnish experiment was a partial basic income, as it corresponded to the net monthly amount of the basic unemployment allowance and the labour market subsidy provided by Kela (the Social Insurance Institution of Finland).
- \*\* In the Finnish experiment, participants were randomly selected from the unemployed population; in the German experiment, participants were randomly selected from a pool of applicants, and jobs are not tailored to individual abilities or needs.
- \*\*\* Note that despite its name, the Berlin Solidary Basic Income is not designed as a classic basic income scheme

Notably, two terminated European initiatives, **Kinofelis** in Greece and the **Finnish Basic Income Experiment (BI)**, fulfilled the criteria but have since been discontinued, hence will not be included in the following case studies (instead, we summarise key features and lessons learned below). The same applies to the Italian case described above; as it is still in its implementation phase, it was decided not to include it in the in-depth mapping of the initiatives.

This mapping report focuses on current measures; the case studies portrayed in 4.2 specifically highlight initiatives from France, Belgium, Germany, Austria, and the Netherlands. The order of the case studies presented in chapter 4.2 is based on the scope of the respective initiative.

13 <https://www.duoforajob.be/en/homepage/>

#### 4.1.1 Terminated Initiatives: 'Kinofelis' and 'Finnish Basic Income'

The job guarantee programme **Kinofelis** was a Greek public works programme, which translates to 'support to a new generation of public works schemes' (or 'of common benefit'), implemented by Greek municipalities and supported by the ILO's Employment Intensive Investment Programme and the European Commission's Structural Reform Support Service (SRSS). Public employment programmes (PEPs), such as Kinofelis, serve as an adaptable and counter-cyclical development tool, assuming various roles throughout the stages of an unemployment crisis within the broader framework of Active Labour Market Policies (ALMP) (ILO, 2018).

The measure was developed during the economic crisis in Greece from 2016 to 2018. It aimed to provide long-term unemployed individuals with eight months of work in municipal projects at the official minimum wage, with the required social security contributions, with a focus on assisting the Greek Ministry of Labour and municipalities. The focus was on public employment that promotes the common good and benefits both the individual and their community. The programme was financed by the Ministry of Labour within the Greek national budget (EUR 68 million) and co-financed by the European Social Fund co-financing (EUR 240 million), resulting in a total budget of EUR 308 million (ILO, 2018; TJGP, 2024).

The target group was long-term unemployed participants who were not in receipt of unemployment benefits (in particular youth under 30, unemployed farmers, etc.). The employment phase of the participants was divided into three parts: Five months of employment in Phase One, from 2011 to 2013, and in Phase Two from 2013 to 2015, and eight months of employment in Phase Three (2016-2020). Benefits were based on the minimum wage, estimated at around EUR 780/month (April 2023), and included full health benefits, maternity leave, and contributions to a pension plan (TJGP, 2024).

The programme provided eight months of work to 45,000 participants by the end of its funding in 2018.

Kinofelis led to improvements in programme design, capacity building through training, enhanced communication, and reporting through a dedicated website and electronic platform, and an evaluation of its social impact on participants and communities. It was implemented in partnership with all municipalities in Greece, which identified and implemented suitable projects for the long-term unemployed to work on.

Evaluations conducted by the International Labour Organisation (ILO) in 2018 showed that low-income households in particular benefited greatly from the often significant increase in household income under the measure, as most of the salary from Kinofelis was spent on survival needs (ILO, 2018). Kinofelis also had a positive impact on beneficiaries' sense of social and community contribution, as well as on the improvement of public services (ILO, 2018). The evaluations further outlined a number of recommendations, including improved advertising and branding, introducing letters of recommendation for exiting participants, and partnering with organisations and trade unions to further improve employment opportunities for exiting participants (ILO, 2018).

The emergence of the **Finnish Basic Income Experiment** stemmed from a prolonged discourse on issues within the Finnish social security system. This conversation gained momentum, particularly in the aftermath of the severe economic recession of the 1990s. Successive Finnish Governments, including that of Prime Minister Juha Sipilä (2015-2019), acknowledged the imperative for social security reform (Kangas et al., 2019).

The experiment included a two-year basic income trial for unemployed jobseekers in 2017, which aimed to assess the impact of a monthly basic income of EUR 560 on employment incentives and social security. The legislation intended to simplify the social security system and reduce financial uncertainty, and to enhance the responsiveness of social security to changes in working life, while streamlining the complex system and potentially minimising confusion.

The experiment, which targeted employment-seeking adults aged 25-58, involved a total of 2,000 participants and lasted one year, from 2017 to 2019. The evaluation of the Finnish Basic Income Experiment of 2019, conducted by the Ministry of Social Affairs and Health, yielded insightful findings across multiple facets. Register data analysis revealed no substantial variance in employment outcomes between basic income recipients and the control group in the first year of the experiment.

Recipients did, however, exhibit slightly more open labour market employment, although earnings from self-employment were marginally lower in the test group. Notably, the basic income replaced unemployment benefits, which was evident in the fact that fewer recipients in the test group than in the control group relied on Kela's basic unemployment allowance or labour market subsidy<sup>14</sup>. Additionally, basic income recipients received less social

14 Kela is the institution responsible for social security in Finland.

assistance and sickness allowances, but the distribution of housing allowance remained consistent across both groups. The survey data highlighted significant disparities in favour of the well-being of the basic income recipients. The test group reported fewer health-related problems, lower stress levels, and better concentration compared to the control group. They also showed greater confidence in their ability to shape their future and influence societal matters. Interestingly, while both groups had similar levels of trust in institutions, basic income recipients displayed significantly greater trust in politicians. Despite the similarity in employment status in register data, the test group's survey responses indicated greater confidence in securing employment, viewing basic income as a financial incentive to take up work and start a business, and in the reduction of bureaucratic hurdles associated with employment.

Overall, recipients expressed more positive views of basic income than the control group, although there was also some support for basic income existed within the control group (Kangas & Ylikännö, 2019).

## 4.2 'Territoires zéro chômeur de longue durée' in France

The 'Territoires zéro chômeur de longue durée' (TZCLD) is a territorial initiative based on the mobilisation and participation of the long-term unemployed. It was created in 2016, during the Valls government, by influential French NGOs engaged in combating precarity, homelessness, and inequality, initially in ten so-called 'territories' (small regions with fewer than 10,000 inhabitants), and has since grown substantially to 60 accredited territories. It was made possible by a law introduced in 2003 that allows for local experimentation.

Systematic efforts are made to identify people who have been away from the labour market for more than a year, analysing their skills and aspirations, to match them with the needs of the communities and to offer them appropriate activities, not in competition with existing ones, offered by the so-called *Entreprises à But d'Emploi* (EBE, Companies for Employment Purposes–CEP), by converting unemployment money, active solidarity income (RSA), and other financial benefits (e.g., disabled adult allowance, housing benefit) into minimum wages<sup>15</sup>. The State, the department, the Pôle emploi, the town hall, the employers, and the social actors, who often work in silos, are brought together in a local employment committee (CLE), which is charged with the tasks of mapping the territory and its needs and proposing job offers or training courses to the unemployed and to businesses. Hence, the essential elements of the initiative are a territorial approach and a consensus between all relevant local employment actors to create additional jobs for people affected by long-term unemployment in newly established non-profit organisations, with the aim of providing new or improving existing services that meet the needs of residents. The State provides substantial wage subsidies for participants, with a small contribution from the Departments: these subsidies are automatically available, making the programme similar in this respect to the ESF+ Youth Guarantee.

The philosophy of the approach builds on three main assumptions: 1. 'Nobody is unemployable'; 2. There is no shortage of work; 3. There is no lack of money, since employment deprivation costs the community more than the creation of the jobs needed to make employment a right (TZCLD, 2023). The TZCLD has evolved into a grassroots movement in France that goes beyond simply creating jobs for the unemployed. Its overarching goal is to make the right to employment a reality for everyone in France.

### The genesis of TZCLD

The TZCLD initiative finds its origins in the concepts and endeavours pursued by actors in social integration enterprises dating back to the 1970s. It draws on the knowledge gained from local-level experiences in various municipalities, including Seiches-sur-le-Loir (Maine-et-Loire) in the late 1990s. Patrick Valentin, a social entrepreneur and advocate of the right to work, spearheaded the concrete TZCLD initiative in collaboration with national and global partners engaged in combating precarity, homelessness, and inequality (see below). MP Laurent Grandguillaume, a member of the Socialist Party, championed the initiative in the French Parliament (see also Duverger & Warnant, 2023, p. 9). The outcome was the enactment of the first law in 2016<sup>16</sup>, grounded on the territorial right to experiment enshrined in the French Constitution since 2003<sup>17</sup>. Both the 2016 law and a subsequent one in 2020 were unanimously approved by Parliament.

15 Savings can also be expected in terms of indirect costs (expenditure induced by the social consequences of unemployment in the terms of housing, health, security, child-protection, etc., as well as the shortfalls in taxes and social security contributions).

16 <https://etclld.fr/la-loi/>

17 <https://www.vie-publique.fr/loi/269799-loi-constitutionnelle-du-28-mars-2003-organisation-decentralisee>

The initial law of July 2016 gave rise to the Experimentation Funds (ETCLD), which are tasked with proposing the list of territories for experimentation, endorsing the operational procedures of the CLEs, co-financing the salaries of people hired by the EBEs; signing agreements with the State, local authorities, and companies responsible for the experimentation; providing support and guidance to the territories, and carrying out evaluations.

In October of the same year, the TZCLD association was created by the *ATD Fourth World*, *Secours catholique*, *Emmaüs France*, *Le Pacte civique* and the *Fédération des acteurs de la solidarité*, and has since been joined by many other partners such as *Coorace*, *APF France Handicap* and *Solidarités Nouvelles face au Chômage*. The TZCLD is engaged in activities such as providing support to accredited territories and local authorities interested in adopting the approach, drawing conclusions from the experiment, stimulating research and promoting the project to ensure the sustainability of the right to employment.

### The growth of TZCLD

In November 2016, the Ministry of Labour granted authorisation for the establishment of the first ten territories. The first *Entreprises à But d'Emploi* (EBE), employment-based enterprises, were established between January and June 2017. By June 2018, a total of 564 unemployed individuals had been successfully employed in the ten EBEs. Fast forward to the end of 2023, and the initiative has expanded significantly, with a total of 60 accredited territories spanning across 38 Departments in 14 different regions. This means that the initiative is practically present in almost half of the Departments and covers all the regions of metropolitan France, with 2,473 participants.

The law, which provides for a maximum experimentation period of 5 years with no more than two periods, has strategically planned the initiative in three phases from the outset. The first phase (2016-2021) aimed to create 10 territories and demonstrate the feasibility of the approach. The second phase (2021-2026) aims to roll out the initiative to a further 60 territories. Looking beyond 2026, the third phase aims to ensure that the conditions are met to enable any territory that wishes to implement the right to employment for all. In anticipation of ongoing growth, with the application for new territories open until June 2024, the TZCLD expects to surpass its initial plan by adding 20 more territories, according to a TZCLD representative.

### The territories and the Local Committee for Employment

A territory, which is not considered to be an administrative unit, typically comprises one or more 'communes' (municipalities) with approximately 5,000 to 10,000 inhabitants. To ensure manageability, a threshold of no more than 400 people deprived of employment has been established for the number of participants in a territory. In reality, most companies have a participant range of 20 to 100 individuals. Interestingly, this set-up poses challenges for interested communes with particularly high unemployment rates. Originally conceived as a tool primarily applicable to rural areas, the approach has demonstrated successful testing in urban contexts. This is evident in several territories established in the Paris region, challenging the initial assumption of its applicability only to rural settings.

The key operational unit for each territory is the 'Local Committee for Employment' (*Comité Local pour l'Emploi*, CLE), which typically includes mayors, civil associations, people deprived of employment, local enterprises, the public employment service and social integration enterprises. This committee is usually chaired by the local councillor, such as the mayor or president of the Community of Municipalities. The CLE plays a pivotal role in determining the number of potential participants by actively engaging with the community, often employing a door-to-door outreach strategy. Additionally, the committee applies for accreditation of experimentation at the 'Experimentation Fund against Long-Term Unemployment' (*Expérimentation Territoriale contre le Chômage de Longue Durée*, ETCLD).

### Type of employers and type of jobs

The creation of jobs falls under the purview of EBE, the Employment-Based Enterprises, and it is crucial that these jobs do not compete with existing activities in the territory, a guarantee overseen by the CLE. Typically, the CLE conducts a survey involving local economic actors and people deprived of employment related to the specific activity. The types of activities include resale shops, recycling, bicycle repair, deliveries, mobile and/or social grocery shops, sewing, market gardening, concierge services, and the recovery of unsold food, among others. Notably, 32% of these activities address ecological transition issues, while 23% contribute to social cohesion (ETCLD, 2023).

From a legal standpoint, an EBE is a non-profit organisation operating within the realm of the social and solidarity economy<sup>18</sup>. These entities are often established from the ground up as non-profit associations (in accordance with Law 1901), collective interest cooperative societies<sup>19</sup> (SCIC), or simplified joint-stock companies. Their commitment to a social and solidarity economy approach is typically also manifested in their management practices, exemplified, for instance, through mechanisms such as co-determination. Following their establishment, these organisations attain recognition as EBEs through an agreement involving the company, the Local Employment Committee (CLE), which is responsible for managing the right to obtain employment in the territory, and the Experimentation Fund against Long-Term Unemployment (ETCLD). Both the State and the concerned Departments, acting as financiers, serve as co-signatories to this agreement.

## Financing

Participants in the initiative are offered open-ended contracts with flexible working hours and receive compensation at the minimum wage. If the remuneration exceeds the minimum wage, the EBE is responsible for funding the additional premium.

The State supports EBEs through the Experimentation Funds (ETCLD), which provides a subsidy covering 95% of the gross hourly minimum wage per full-time employee. Notably, 15% of this funding originates from the Departments. Additionally, there is a basic grant. For the year 2024, the total budget stands at EUR 80 million, which corresponds to an annual budget of EUR 22,906.79 per full-time equivalent (FTE) participant (see Factsheet in the Appendix II for more details).

The TZCLD association primarily receives funding from private foundations and the European Social Fund (ESF). Public funds are exclusively directed to companies for employment purposes to create additional jobs. The social and solidarity economy approach is evident in their management methods, which often include co-determination as a reflective practice.

## Selection and profile participants

The CLE also determines the eligibility of participants, which interestingly is not defined in administrative categories. Long-term unemployment is primarily understood as a situation experienced and expressed by an individual, which may or may not depend on registration with the PES. Deprivation is considered to be persistent if a person has been out of professional activity for more than 12 months or has engaged in precarious work (such as short contracts or low hours). However, individuals who have been unemployed for more than 12 months and have been resident in the respective territory for at least 6 months are typically eligible. In general, participation is driven by the individual's willingness.

The socio-demographic profile of participants has shifted from the previous to the current phase of the experiment. Initially, the majority of participants were men, but currently there are more women than men (55% women, 45% men). 23% are people with disabilities. The average age of the participants is 45 years and the average duration of unemployment is 4 years and 9 months. A recent employment analysis reveals that the overwhelming majority of contracts signed are full-time (35 hours per week), especially for men, who account for nearly 75%. In contrast, the average contract duration in EBE stands at 30 hours per week. Among part-time employees, the majority comprises women, constituting approximately 70% (ETCLD, 2023).

## Strengths and outcomes

The project has demonstrated that zero long-term unemployment is possible at a local level while providing meaningful work. Without the experiment, only 55% of the individuals in question would have secured employment, with merely 33% on a permanent contract. In terms of health, there was a 15% reduction in unmet health needs, while in terms of welfare, the number of individuals reporting issues related to concentration or self-esteem decreased by 17% as reported by DARES (Direction de l'Animation de la Recherche, des Études et des Statistiques, 2021a).

18 The social and solidarity economy is defined by Law No. 2014-856 of July 31, 2014.

19 SCIC: société coopérative d'intérêt collectif.

## Obstacles and transferability

According to a TZCLD representative, the primary challenges in implementing a new territory revolve around the difficulty of achieving local consensus with social integration enterprises and issues related to ‘territorial engineering’. This relatively recent French concept encompasses the professional expertise and know-how required by local authorities and stakeholders to manage local and regional development or sustainable planning. It involves using tools and skills to design, implement, and evaluate projects at local and regional level.

One specific challenge is the organisation of work within the local employment committee in the early stages, which proves difficult due to a lack of resources for supervision and insufficient funding for territorial engineering. Additionally, the uncertainty of national-level financing poses a problem as, for instance, the confirmation of the additional funding needed for 2024 came rather late from the government<sup>20</sup>.

From a perspective of traditional labour market integration, the low transition of the long-term unemployed into competitive employment may be criticised, given that open-ended contracts provide little incentive to change jobs. Furthermore, according to ministerial auditors, the alleged savings for public finances are lower than expected (DARES, 2021a, 2021b). However, it is essential to note that the primary objective of TZCLD is not integration into competitive employment, and the economic costs have not yet been conclusively proven.

Overall, TZCLD has impressively demonstrated its transferability within France, including urban regions, and is on the verge of proving its applicability to other countries, as evidenced by cases in Belgium and Italy (see respective chapters).

## 4.3 ‘Solidary Basic Income’ in Germany

The Solidary Basic Income (SBI) initiative in Berlin, Germany, aims to tackle early to mid-stage long-term unemployment by offering 1,000 job opportunities for up to five years to unemployed individuals in the State of Berlin<sup>21</sup>. Launched in 2019 and set to continue until 2025, the programme targets the challenges faced by individuals seeking employment, emphasising their participation and social inclusion. In this, the initiative is geared towards individuals who have difficulty integrating into the labour market but are not completely distant from it: eligible participants are employment-seeking adults who have been unemployed for more than 12 months and up to a maximum of 3 years and who are residents of the municipality of Berlin. This threshold was deliberately chosen to concentrate on the early stages of long-term unemployment. SBI serves as an alternative to the traditional SGB-II<sup>22</sup>, focusing on offering meaningful work, participation, and avenues for professional growth for the long-term unemployed. A key conceptual requirement of the pilot project is that SBI jobs must be additional to existing offers and services. To this end, the employers have either expanded their range of tasks or restricted the job profile of SBI positions in such a way that overlapping with the task portfolio of regular employees was avoided. In addition to the objective of integrating the long-term unemployed into the labour market, SBI aims to benefit urban society as a whole by creating a needs-oriented offer that improves services, relieves the labour market as a whole and supports specialists in social work through assistants. SBI is also intended to act as a labour market policy instrument.

### Financing of SBI

The total budget of the programme for the full period amounts to EUR 167 million, of which 70% is allocated to funding jobs and 30% to coaching and qualification measures for employers and SBI employees. The remuneration of participants is based on a pay grade up to a fixed amount determined by collective bargaining agreements. If such agreements do not apply, the state minimum wage of Berlin (EUR 13 per hour as of today) is paid. Furthermore, SBI offers long-term prospects for the employees through an assurance of permanent further employment from the State of Berlin beyond the five-year support period. The initiative is also fully funded for the entire funding period, i.e., there is no degressive funding as seen in other programmes. The SBI not only provides salaries, but also grants a flat-rate allowance for operational costs to both social service providers and employment programme facilitators.

20 See for instance Carenews (28 August 2023): [Les associations interloquées face à la diminution des moyens de Territoires zéro chômeur de longue durée](#) or Alternatives Economiques (24 August 2023) : [Les territoires zéro chômeur mal aimés](#).

21 A brief description in English can also be found here: <https://www.oecd.org/stories/local-development/practices/sge-a-solidary-basic-income-in-berlin-germany-358774aa/>

22 SGB-II, also known as Arbeitslosengeld II (Alg II) or Hartz IV, is a basic income support programme in Germany that provides financial assistance to individuals and families who are unable to cover their living expenses due to unemployment or low income

Additionally, it covers the funding of qualification measures and offers a EUR 2,500 takeover bonus to employers who make a seamless transition to regular employment within one year of the start of their pilot employment (see Factsheet in the Appendix II for more details).

### Type of employers and jobs

Operating on a voluntary basis<sup>23</sup>, the SBI programme provides additional jobs in fields of activity oriented towards the common good: Employers engaged in the SBI programme include central and district administrations, municipal companies, and social service providers, offering positions in 11 areas<sup>24</sup>, such as the Berlin public transport company (BVG) or the Housing Association WBM (*Wohnungsbaugesellschaft Mitte mbH*). The jobs are low-threshold activities in order to minimise the need for prior knowledge and experience. Additionally, each employer and employee must undergo coaching. The coaching services, primarily managed by external service providers, support employees and employers throughout the programme and help with integration, conflict resolution, and skill development through high-quality long-term coaching that supports employee development, promotes qualification participation, and reduces layoffs. Once the funding ends, the SBI includes a commitment for continued employment within the Berlin state service for individuals who are unable to find alternative employment prospects after the pilot phase. However, the details of which positions, tasks, and employers will be available to these SBI employees within the state service have yet to be determined.

### Participant profile

Socio-demographically, the participants are 46% female and 54% male, with the majority aged between 41 and 60. Approximately 30% have a migrant background. Notably, the average educational and vocational background of SBI employees is higher than that of the general unemployed population in Berlin under the SGB-II programme. Particularly for people with a migrant or refugee background, integration through an SBI position played a major role (78%). By the end of the application period on 31 December 2020, a total of 1,057 people had taken up subsidised employment. 11% dropped out of the project. Of these, 23% have already found regular employment.

### Obstacles

On the basis of an interim report conducted by SÖSTRA<sup>25</sup> in 2023, one of the challenges within the initiative mentioned by the employers involves increased expenses associated with employer orientation and support within onboarding measures compared to non-SBI employees. Additionally, job continuity after the five-year funding period of programme creates uncertainty for both employers and participants. By comparison, jobs within the framework of the support programme under SGB-II can be reoccupied. This gives employers the opportunity to plan for the longer term. This possibility does not exist for employment under SBI. As evaluations have shown, the employers do not assume that the promise of continued employment will be made via state funds to organisations in SBI fields of activity. As the decision on the type and quality of the positions for continued employment is still pending, employers are wondering what role, if any, they can play in this. Challenges persist in terms of placement opportunities due to the diverse operational frameworks of different employers.

Further disadvantages of the initiative have been identified in its application and implementation process. This concerns the fact that SBI positions cannot be regularly refilled once the funding ends. This reduces the incentive for employers to take on SBI employees in regular and unsubsidised employment or to support them in their efforts to do so. Furthermore, only one in five employers cited the above-mentioned takeover bonus of EUR 2,500 as their reason for engaging in the project, with a quarter of them were not even aware of this option when they applied for positions. The takeover bonus for swift transitions further revealed a dilemma: while participants value the additional opportunities such as the takeover bonus, they do not see it as sufficient motivation to transition into regular employment. This hesitancy stems from the participants' doubts about successfully navigating trial periods in the mainstream labour market. Consequently, participants tend to prolong their fully-funded employment, ensuring job security for at least for the duration of the funding, rather than risk the uncertain prospects of regular employment.

23 The voluntary nature of participation did not always seem to be clearly communicated, as 15 % of all SBI employees reported that they had been asked to apply for the position by a job centre counsellor or an employment agency; however, the vast majority of SBI employees applied for the position voluntarily and of their own accord (SÖSTRA, 2023).

24 Covering various tasks such as city guide services, cultural organisation assistance, school organisation assistance, day-care assistance, etc.

25 Institute for Socioeconomic Structural Analyses in Berlin, Germany

Another disadvantage identified in the interim report is the limited success of the initiative as a labour market policy instrument: There are few incentives for employers to hire SBI participants for regular positions before the five-year pilot phase concludes, and many employers remain uncertain about how many participants they will be able to retain in the post-pilot phase. However, these findings are only at the mid-point of the programme, and a small proportion of participants have already transitioned to regular employment and approximately a quarter have upgraded their qualifications. The ongoing aim is to enhance the conditions for qualified and successful recruitment, thereby strengthening SBI as a labour market policy instrument throughout the duration of the programme.

### Lessons learned

Lessons learned include an option to suspend SBI contracts to facilitate a trial period outside the SGE. Some employees are concerned that if they do not complete this trial period successfully, this may lead to the loss of not only their job but also the secure continuation within the project. Suspending the contracts can alleviate these concerns. Additionally, in individual cases, a change of employers within the SBI is being considered, if this improves the prospects employees for non-supported employment. The coaching service provider is planning further measures to enhance the labour market integration of SGE employees, including increased support for internships. Currently, a revised incentive solution is also under review to reward the transition to non-supported, social security-covered employment at a later stage, based on the insights from the evaluation of the time constraints of the existing incentive.

On the basis of the interim report on the evaluation of the project carried out by SÖSTRA, the SBI programme has proven to have a positive impact on the economic and social well-being of the participants, reducing the number of employees receiving social benefits, enabling the majority of SBI participants to make a living without additional aid, providing stability, professional development, and reduced reliance on social benefits for the majority. The interim report further indicates a substantial demand in the market for positions within the programme, coupled with high satisfaction among the participants regarding their roles (SÖSTRA, 2023). The vast majority are able to earn a living without the need for supplementary transfer payments. The accompanying coaching is rated very positively by the employees. Compared to other employment creation instruments, the dropout rate in the SBI is relatively low (see above, 11%). The SBI programme in Berlin represents an overall proactive approach to combating long-term unemployment, yet ongoing efforts are crucial to address the challenges related to job continuity and the diverse employer frameworks for successful implementation.

## 4.4 ‘Marienthal Job Guarantee Pilot’ in Austria

In October 2020, the Austrian Public Employment Service (AMS) in Lower Austria has launched the *Marienthal Job Guarantee Pilot* (MAGMA), a pilot programme scheduled to last until 2024 that tackles long-term unemployment in the region of Gramatneusiedl, Lower Austria<sup>26</sup>. MAGMA differs from existing labour market policy instruments for the long-term unemployed, by including all long-term unemployed people living in the region in the project, by using a broad mix of support services, and by subsidising additional jobs in the private sector. The MAGMA project is unique in offering a universal and unconditional guarantee of a fair-paid job through alternative forms of employment to all people unemployed for more than 12 months. The programme also offers participants a wide range of support services aimed at preparing them for the labour market, including one-on-one training, counselling, and support from social workers, doctors, and psychologists. Participants are supported in their search for work and are either guaranteed paid employment in the private or public sector, or supported to create a new job for themselves based on their existing knowledge and skills. Participants are paid at least the minimum wage, bringing their income above their previous social benefits.

### Genesis and background of MAGMA

In 2022, the Gramatneusiedl region of Lower Austria had a long-term unemployment rate of 5.9%. During this period, Sven Hergovich, then Managing Director of the Labour Market Service (AMS), Lower Austria<sup>27</sup>, proposed a significant shift in the investment strategy. His idea involved redirecting passive insurance benefits towards active initiatives that would provide meaningful work opportunities for all the long-term unemployed in the region. To determine the scope of the initiative, the AMS carried out a comprehensive evaluation to determine the number of people

26 A short description in English can also be found here: <https://www.oecd.org/stories/local-development/practices/magma-a-job-guarantee-pilot-project-cb3acbf2/>

27 He became chairman of the Social Democratic Party of Lower Austria in 2023.



affected and estimated a budget to sustain each individual for a period of three years. To implement this plan, the AMS organised a funding competition to identify a suitable implementing authority. After a stringent evaluation process, a social enterprise was selected based on specific criteria.

MAGMA traces back to the landmark study 'Die Arbeitslosen von Marienthal' (*The unemployed of Marienthal*) from 1933, which examined the aftermath of severe unemployment in Marienthal due to a factory shutdown during the Great Depression (Jahoda et al., 2017; Kasy & Lehner, 2023). Nearly a century later, the MAGMA experiment mirrors this scenario by providing employment to long-term unemployed residents, echoing the concepts developed by Marie Jahoda and reflecting the enduring and high relevance of methodological studies on (long-term) unemployment (Kasy & Lehner, 2023; Quinz & Flecker, 2023).

### Key elements and financing of MAGMA

These criteria included the creation of quality jobs with a focus on meaningful work, voluntary participation in these job opportunities, the provision of support measures to prevent drop-outs to sustaining employment over the three-year funding period. The emphasis was placed on fostering employment and continuity rather than on engaging in competitive pricing. All long-term unemployed people in the region who met the eligibility criteria were eligible to participate. Participation in the programme was voluntary, but only one person who was offered a job declined the opportunity. If someone were to decline, their income would be about 30% lower, corresponding to about EUR 390 less per month (Kasy & Lehner, 2023). Almost everyone who was eligible decided to participate. Only a few individuals were unable to secure employment due to factors such as illness, incarceration, or securing regular employment prior to the programme's commencement. The total budget allocated to the project was EUR 7.3 million. Each participant incurred annual AMS costs of approximately EUR 29,841. The remuneration was equal to the minimum wage set by collective bargaining (EUR 1,500 in 2020 for participants). The guaranteed job was preceded by a customised preparatory training course of about 8 weeks.

### The implementing organisation

The regional office of the previously selected implementing authority, *it.works*, provided job listings and held information sessions every third day of the month to help people find suitable jobs<sup>28</sup>. The PES service provider *it.works* established a social enterprise ('Gemeinnütziges Beschäftigungsprojekt') in Gramatneusiedl dedicated to help individuals seeking employment and people with health problems find new opportunities in the labour market. They provide guidance and assistance for individuals re-entering or entering the workforce, focusing on improving both their occupational and health-related situation through specialised case management and counselling.

In close cooperation with the AMS, the selection and matching process for each participant was carried out through the AMS office. Additionally, the local economy was encouraged to employ long-term unemployed individuals separately from the project itself. The AMS aimed to involve the regional economy and hoped to garner more regional acceptance for the MAGMA project by simultaneously offering highly attractive wage subsidies to businesses, segmented into subsidy rates (providing one year of wage subsidies, i.e., 100% of the labour costs for the first three months, followed by two-thirds for the following nine months, to companies employing long-term unemployed individuals).

### Type of jobs and participant profile

Employment opportunities within the MAGMA programme were varied, ranging from subsidised jobs in the mainstream labour market to (for the majority) positions in social enterprises engaged in municipal projects. Salaries for participants met or exceeded the minimum wage established through collective bargaining agreements<sup>29</sup>. The programme focused on tailoring job placements to accommodate individual circumstances while ensuring meaningful engagement. This was specifically aimed at matching participants' previous jobs and interests to the subsidised jobs, which included maintenance of public gardens, support for elderly residents in their day-to-day activities, renovation of old apartments and furniture, etc. By the end of 2023, 112 participants had found a job in the social enterprise (see the Factsheet in the Appendix II for more details).

28 The grant competition for a suitable carrier of the project was exclusively open to a single company and *it.works* was awarded the contract.

29 The minimum wage of around EUR 1,700 per month, in 2023 compares to an average monthly wage of EUR 3,308 in the municipality.

## Lessons learned

Unlike traditional active labour market policies, which prioritise reintegration into the regular labour market, MAGMA differs significantly and is more similar to income support or welfare initiatives. Transition to the open labour market, although not the primary goal, increased over the course of the programme from one third at the start to around 43% in 2023. The implementing authority, *it.works*, maintains a strong connection with businesses, is used to working in the primary labour market and has many years of experience in delivering active labour market policies for the Austrian public employment service. Creating jobs within MAGMA that were not profit-oriented was therefore a challenge. Challenges for participants included limitations in physical or mental capacity, which was also the main reason for drop-out from the measure. Despite the minor hurdles of implementing the measure within COVID-19, efficient management ensured minimal disruption to the programme in this respect.

The primary objective of the programme was to directly eradicate long-term unemployment within the municipality and thereby improve the economic and social well-being of the participants. In this respect, MAGMA differed from conventional active labour market policies. The aim was not to replace existing measures, but to develop new ideas and solutions to create meaningful work.

Many elements of the initiative highlighted significant successes in demonstrating the effectiveness of the initiative. An important incentive was to provide evidence of alternative measures to tackle long-term unemployment. As shown in the study of Kasy & Lehner (2023), there was a virtual elimination of long-term unemployment and no increase in short-term unemployment in the target region, as well as a large positive effect of participation on both economic and social well-being (within employment, income, and economic security / including measures of time structure, activity, social contacts, a sense of collective purpose, and social recognition).

## 4.5 ‘Basisbaan’ in the Netherlands

The *Basisbaan* (BB) programme, implemented in Groningen (NL), aims to reduce reliance on welfare benefits while fostering a sense of purpose and contribution to the community. A secondary aim is to improve the quality (or availability) of community services and to improve the well-being and financial situation of the programme participants. BB includes a job carving component, personalised placement, and post-placement support for recipients of long-term unemployment benefits. It is managed by the municipality of Groningen, in cooperation with municipal units and local non-profit organisations.

The target group is social assistance recipients aged 27 and over who are able and willing to work (mainly able to work 24 to 36 hours/week), but who have not been able to find or keep a job in the open labour market. Participants are employed by the municipality and paid the minimum wage. According to the final evaluation of the first round of the project, the typical participant was a poorly educated single man aged over 50 (Mosselman & Polstra, 2023).

BB was initiated by the municipality of Groningen. The municipality of Groningen has 238,000 inhabitants (data for 2022) and had the highest unemployment rate in the country in 2022, at 4.9%. Based on a coalition agreement, the newly elected local government started preparations started in 2018 to introduce and fund the Basisbaan scheme. It was initially launched in 2020 for a three-year period, partly funded by ESF and has been extended to 2025. Similar schemes were first introduced in the Netherlands in 1990, initially in the so-called ‘Banenpoolregeling’, followed by the ‘melkertbaan’ (later called I/D-baan) in 1994 (HSG, 2020).<sup>30</sup> The Groningen project has been the largest basic jobs experiment since the mid-1990s (Mosselman et al., 2022).

The project has been documented in evaluation reports, which form the main basis for this case study (Mosselman & Polstra, 2023), supplemented by written responses from Carine Bloemhoff, Lead manager (Alderman) for Work and Participation at the Municipality of Groningen, received on 11 December 2023.

30 A recent study provides a historical overview of the BB-types proposals in the Netherlands from 1990 to 2020, and of some recent projects focusing on the long-term unemployed: the Werkbrigade Amsterdam, the STiPbanen The Hague and the BB Groningen project (HSG, 2020). Partly stimulated by these projects, similar experiments have been planned or launched by several other Dutch municipalities, e.g. Assen, Lelystad, Oude IJsselstreek, Rotterdam and Heerlen; Zwolle, Tilburg and Utrecht (Mosselman et al., 2022).

## The job carving element

Initially, the jobs in the BB programme were developed through a process that involved the local community. Based on their knowledge and experience of local needs, representatives of organisations active in the provision of services compiled a list of possible tasks that would

- improve the quality of life in the neighbourhood,
- cannot be funded by the community or provided on a market basis
- and can be reasonably carried out by the basisbaners (participants in the Basisbaan).

As local stakeholders are now aware of the project, jobs are collected by local organisations submitting a task to the email address of the project. Social workers employed by the municipality are responsible for assessing the suitability and negotiating the details of these possible tasks, which are identified in local organisations and adapted to the capacity of the Basisbaan participant, once a suitable candidate has been found.

The jobs are part-time (usually 24-36 hours) and are often a combination of tasks, sometimes involving several organisations. These can be municipal administrative units and health, elderly or childcare service providers, housing associations, educational, cultural and sports facilities, and other non-profit organisations in the community. Participants are paid the minimum wage. For the participating employers the programme provides a full wage subsidy as the participants are employed by the municipality and perform tasks in different workplaces. Concrete examples include cleaning community centres, picking up litter in the neighbourhood, helping out at sports facilities, delivering meals, visiting elderly people in the neighbourhood for a chat, doing small jobs in people's homes.

## Selection of participants

A feasibility study identified 7,500 households receiving benefits for more than three years as of 1 March 2020 and about 1,200 individuals who needed to be activated (HSG, 2018). Contacting potential participants was delegated to two coaches employed by the municipality. They drew up a list based on input from four sources:

- a list of 60 clients identified by the Meedoen department (participation),
- names received from colleagues in the municipal social services,
- names received from their network,
- an analysis of the Opportunities in Map reports/results.

By December 2020, the two coaches had interviewed a total of 91 potential candidates for Basisbaan and selected 23 clients to join the programme. Of the remaining clients in this first pool, 23 were outside the target group, and for 15 clients the expected net gain from the programme was considered too low, 11 clients were unable to do the work, and for 9 clients the tasks were not suitable. By the beginning of December 2023, the project had placed 127 people and employed 119 participants (most people left due to retirement or death and 2 people moved to the open labour market).

Selected participants had to be on benefits for more than three years, able and willing to work, but with a history of failed attempts to do so. The recruitment and selection of basic workers therefore included an assessment of the client's ability to make the transition to regular paid work (with or without a wage subsidy), and those who were considered able to do so were excluded from the programme (Mosselman et al., 2022). Currently, the municipal website also provides information about this possibility and accepts expressions of interest.

Selected participants could choose from the tasks available, the working hours and tasks could be adjusted to their work capacity, and they could also receive training if necessary. The job is made up of different tasks that match the person's interests and abilities.

## Participant profile

The evaluation report of the first round found that almost all participants were single and the vast majority were aged 50-59 or over and had not completed basic vocational training. Men were over-represented.<sup>31</sup> Most participants

31 Of the 49 participants 65% are men, 75 % are aged over 50 (41% age 50-59), 90% are single, 49% have not completed basic secondary vocational education and 23 % completed basic secondary education (Mbo 2/3/4, or havo, VWO). Around 70% have been on social benefit for over 5 years and 59% held a participation job in the past.

had been on social benefits for more than five years and most had previously been in a so-called participation job.<sup>32</sup> About one in six participants had been exempted from the job search obligation (under the Participation Act) before entering the programme. The previous experience of participants with other rehabilitation programmes was not fully documented (information was missing for most participants), which points to an institutional weakness in cooperation between public agencies.

It should be noted that the profile of participants shifted towards more employable people over time: compared to the first round of participants surveyed in the first monitoring report, participants who joined later in the programme were slightly better educated, had been on benefits for a shorter period of time and fewer of them were exempted from the job search obligation (Mosselman & Polstra, 2020, 2023).

### Services for participants

Participants are supported by coaches hired by the Municipality of Groningen and the job coach of the implementing organisations. This entails intensive support in the first few weeks and later a total of about 2 hours/week. The intensity of the guidance is monitored to ensure that the participants are in the right programme. Too much coaching may signal that they should be in a sheltered workplace, while too little coaching may signal that they are ready for the open labour market.

External coaching is provided by four professional work coach organisations, which are subsidised by the municipality. They are the direct point of contact for the employees, instructing and guiding them in carrying out tasks and acting on behalf of the formal employer (the municipality) in matters such as reporting sickness and applying for leave (Mosselman et al., 2022).

### Expected outcomes

The rationale for the programme is based on the idea (supported by both theory and empirical research<sup>33</sup>) that the benefits of work go beyond earning an income: work provides structure in life, a social identity, social status, and social contacts. Meaningful work can also strengthen a sense of purpose in life and boost self-confidence, as workers know they are making a contribution to society. These additional benefits of work improve mental health and well-being and contribute to social inclusion.

Participants are expected to gain these additional benefits while also earning a slightly higher income, which can then stabilise their financial status (e.g., help reduce debt) and improve their housing status. Indirect effects may also include improved well-being and health.

The local community is expected to benefit from improved community services.

### Financing and feasibility

The main costs of the programme include wages of the participants, payments to the job coaching organisation and coordination costs. The estimated annual budget is EUR 31,500 per participant (Mosselman & Polstra, 2023). Although the municipality saves on benefit payments, this does not cover the direct costs of the programme. At the planning stage, it was assumed that the local agencies where BB participants work might be able to provide some part of the funding, but this has so far proved unrealistic. A recent evaluation concludes that, as the (social) revenues are accrued by different local actors, it is dubious if the programme can be sustainable in the long term unless the national government is willing to contribute to its funding (Mosselman et al., 2022).

### Lessons learned

The fact that the municipality was able to identify dozens of clients with a long benefit history who were able and willing to work but could not get a job in the open labour market confirms the need to create (transitional) jobs in the social economy.

32 Participation jobs are created by employers (in the regular labour market) for people with disabilities and are supported by the state. Source: <https://business.gov.nl/regulation/participation-act/>

33 See Paul & Batinic, 2010; Selenko, Batinic & Paul, 2011; Stiglbauer & Batinic, 2012 on the social aspects of work and Jahoda, 1982; Holleder, 2015 on the negative impact of joblessness on the mental health of welfare recipients.

Strengths of the programme include:

- involving local agencies in the creation of BB jobs, ensuring that the tasks indeed benefit the local community,
- adjusting job specifications to the client's abilities and allowing them to choose (from existing tasks),
- increasing income and well-being of the participants.

Weaknesses of the programme are:

- not sustainable without additional funding from central government,
- as entering the programme is voluntary, it offers no incentive to those who lack motivation to look for work, although they may benefit the most from the experience of socially useful work,
- in its current design, as return to the open labour market is not an aim, the programme has no standard mechanism for identifying and supporting clients who have gained sufficient skills/abilities to return to the open labour market, nor incentives for the clients themselves to seek such opportunities.

### Transferability

Basisbaan is operated by the municipality of a relatively large community with a wide range of services and facilities. In smaller communities and those with a more limited range of non-profit organisations, it may be less easy to create jobs. Also, the level of social benefits (which provide part of the funding) is relatively high.

## 4.6 The 'Territoires zéro chômeur de longue durée' in Belgium

The *Territoires zéro chômeur de longue durée* initiative in Belgium is modelled after the French model. It was rolled out in the Walloon and Brussels-Capital regions, in territories with a high rate of long-term unemployment. The initiative is based on a paradigm shift towards collective rather than individual responsibility. A fundamental element of the project is the bottom-up dynamic, which strengthens social cohesion and citizen participation in the area by mobilising local actors with strong links to the territory. It is the local actors (local authorities, associations, trade unions, employers, shopkeepers, craftsmen, residents, etc.) who are the initiators of the project and who freely decide on the allocation of resources for the implementation of territorial development policies (Charles et al., 2019). This implies a shift in decision-making power from the most central to the most decentralised level.

The TZCLD concept is based on three principles:

- no one is 'unemployable': everyone can make a productive contribution to society, even to a limited extent;
- there is no shortage of work, but there is a shortage of employment: many societal needs remain unmet. They just need to be made solvent;
- there is no shortage of funds, given the opportunity cost of long-term unemployment (lowest estimates range from at least EUR 15,000 to EUR 20,000 per person per year).

There are also four major principles of action:

1. voluntary membership of people deprived of employment;
2. based on people's skills and desires;
3. a strong connection with the territory;
4. participation in the workplace as social inclusion.

### Employment created

The initiative is currently in the early stages of implementation. In Brussels, an *Entreprises à But d'Emploi* (EBE), employment-based enterprises, will be created in 2024 and five people will be given the opportunity to work there. The plan is to work with CPAS to ensure that people keep receiving minimum income. The jobs created will focus on gardening and a local helpdesk, and will ideally include a social restaurant in the future.

In Wallonia, some of the 17 participating territories have already started employing people and have created activities such as a 'social moving service' for people who are moving house but cannot afford to pay market prices for this service, or delivery services by bicycle, craftsmen's services in poor neighbourhoods, etc. The first monitoring reports, including the exact number of people in employment, are expected in early 2024.

Future employment opportunities developed through Employment Enterprises (EBEs) could also focus on climate resilience, paramedic aid equipment, packaging of social and circular economy products, 'neighbourhood factories', concierge services, fertiliser production, green waste management, logistics, digital inclusion professions, sustainable and inclusive mobility, small repairs and support activities in urban planning.

Overall, the aim is to bring together the supply and demand sides, to find out what the target group is willing and able to do, and at the same time to define what is in demand in the region.

Employment will be created alongside accompanying measures for the target group, offering them help, accompanying them to their workplace, helping them to reorganise their lives.

### Regions involved

At present, three municipalities in the Brussels-Capital Region (Berchem-Saint-Agathe, Brussels-City, Scharbeek) are planning to set up projects and 17 territories in the Walloon Region (in the districts of Charleroi, Liège, Mons, La Louvière, Verviers, Namur and the Province of Luxembourg, each with around 15,000 inhabitants). In Brussels, projects are already being implemented through 'neighbourhood contracts'.

Together, all the Walloon territories expect to create between 700 and 750 employment opportunities by the end of the project. In an ex-ante study, the creation of about 10 jobs per territory per year was considered feasible. Both in Brussels and in Wallonia, priority is given to the involvement of numerous stakeholders, including all public actors, unions, and civil society.

### Financing

Unlike in France, there is no legal framework for the initiative in Belgium. As a result, regional governments are making use of the possibilities available through project setups: The Walloon Government is allocating EUR 27.7 million to such projects as part of its recovery plan. Together with funding from the European Social Fund Plus, this amounts to a total of EUR 103 million, underlining their strategic importance<sup>34</sup>.

The pilot project in Wallonia will run from 2022 to 2026. In the Brussels Region, EUR 2.5 million is currently earmarked for a period of five years.

34 The total amount allocated is EUR 103,333,369.18. For instance, for the project 'Conciergerie sociale in Liege the total allocated amount is EUR 4,577,009.46 and the co-financing rate by ESF+ is 50%.

## 5 Common Issues and Challenges

### 5.1 Summary of key findings

The preceding chapters have provided details of ongoing job guarantee and zero long-term unemployment initiatives in Europe, including the Austrian Modellprojekt Arbeitsplatzgarantie Marienthal (MAGMA), the French Territoires zéro chômeur de longue durée (TZCLD) and the Belgian adaptation of the French model, the German Solidary Basic Income (SBI) project and the Dutch Basisbaan. With the exception of the French TZCLD, which is the oldest, all the initiatives were launched in the last five years. The TZCLD in France is also the largest in terms of participants and budgets involved. As can be seen in Table 3, the total budgets range from EUR 5 million in Groningen to EUR 167 million in Berlin. The number of participants ranges from 50 to 3600.

In the context of the ideal types presented in the chapter, we would categorise the French scheme as placing the least emphasis on transition to regular employment, as this is not an objective in the French case. Instead, providing meaningful work and contributing to the community is seen as crucial. At the same time, the social aspect, i.e., the complete elimination of long-term unemployment, at least in a given community, and the job guarantee function are the most prominent, as it is the only scheme that offers open-ended contracts. The elimination of long-term unemployment in a specific municipality was also the aim of the Austrian scheme, while the German scheme is limited to a general reduction in long-term unemployment, which is understandable given that the whole of Berlin is covered. The Austrian scheme is voluntary, i.e., eligible participants are not penalised and can continue to receive their unemployment benefit if they decide not to take up a job under the scheme. The Dutch scheme, on the other hand, is not based on the creation of new jobs. Despite these differences, significant similarities were evident throughout the mapping exercise. These and the strengths and weaknesses of the approaches are discussed below.

**Table 3 Overview of the initiatives, their scope and typology**

MS	AT	BE	DE	FR	NL
Region	Lower Austria	Région Bruxelles-Capitale & Wallonne	Berlin	60 territories in 14 regions	Groningen
Title	Modellprojekt Arbeitsplatzgarantie Marienthal (MAGMA)	Territoires zéro chômeur de longue durée (TZCLD)	Solidary Basic Income (SBI)	Territoires zéro chômeur de longue durée (TZCLD)	Basisbaan
Duration	2020-2024	2023-2026	2019-2025	2016-2026	2020-2023
Guaranteed duration	36 months		60 months	Open-ended	
Participants	115	2,400 (planned)	1,000	2,700	50
Budget (EUR)	EUR 7,3 mio. in total	EUR 103 mio. in total	EUR 167 mio. in total	EUR 80 mio. (2024)	EUR 5 mio.
ESF+ co-funding	No	Yes (50 %)	No	Yes*	N/A
Type of instrument	Job guarantee; community job offer	Job guarantee	Job guarantee; community job offer	Job guarantee	Community job offer

Source: Authors.

\* Only for the TZCLD Association, not the Experimentation Fund.

## Territorial aspect

The shared emphasis on the territorial aspect is common to all the projects. With the exception of SBI (Berlin) and the forthcoming activities in Rome, all initiatives have been implemented in small communities. While originally thought to be feasible only in rural areas, there are now numerous examples of activities successfully taking place in urban settings as well. The French initiative considers the territorial aspect as a critical element of its approach.

## Target group criteria

The primary target group consists mainly of individuals aged 45-60, both men and women, who have been unemployed for between three and five years. Although the target groups are similar, the eligibility criteria can vary. In the Dutch case, there is a lower eligibility limit of 27 years, while in Berlin, participants must not have been unemployed for more than three years. This limitation is designed to engage individuals who are relatively close to the labour market and to address early stages of long-term unemployment. In France and the Netherlands, however, the average duration of unemployment is usually more than four years. Furthermore, in the French case, eligibility is not limited by administrative categories and people not registered with the public employment service are also eligible.

## Job profiles

Participants often work part-time (25-35 hours per week) according to their preferences, which may be influenced by family responsibilities or health restrictions. Job opportunities come mainly from the social economy and municipalities, with fewer offers from private for-profit companies. This is due to the requirement that the jobs provided must be additional to existing offerings and services, and jobs should not crowd out standard public services or for-profit activities. Some programmes explicitly exclude private employers. In all cases, minimum wages, either centrally or collectively set, are paid and fully subsidised by the state. Any potential additional payment must be covered by the employer.

## Participant and partnership costs

Individual projects typically involve 20-150 participants. The average cost per participant per annum ranges between EUR 22,000 and EUR 32,000. Estimating the average full costs for individual projects is challenging, but a reasonable estimate seems to be between EUR 2 and 7 million per project (in total).

The average costs of setting up local partnerships and for accompanying measures cannot be estimated from the data collected, but funding for these costs is considered essential by all the representatives of the initiatives interviewed.

## Duration of projects and partnerships

The minimum duration of the projects is three years, which ensures that participants are offered a longer-term contract of at least three years. In France, even open-ended contracts are provided. Various forms of partnerships are in place, with collaboration between local employment actors proving to be the most effective and a key innovative element. Establishing cooperation can be challenging, especially without dedicated funding. In all cases, regional actors are pivotal, with municipalities playing a central role. However, there are exceptions, such as in Austria, where the regional PES serves as the funding organisation and its contracted service provider is the implementing organisation.

## Outreach activities

Evidently, various outreach activities, including door-to-door efforts, are crucial to the implementation of a zero LTU policy. This is particularly important when the definition of LTU extends beyond individuals registered with the PES, as seen in the case of France.

## 5.2 Strengths and Potentials

The mapped initiatives address the challenges faced by people with a prolonged benefit history seeking employment by emphasising the need for long-term measures. They engage local actors to ensure tasks benefitting the community by offering personalised work options, and participants achieve financial independence and reduced reliance on social benefits. The positive impact, low drop-out rates, and high levels of participant satisfaction suggest that these



initiatives can be effective in supporting individuals towards self-sufficiency. As most of the initiatives are relatively recent, their sustainability cannot yet be ascertained.

### **Creating tailored jobs and involving local stakeholders**

By targeting individuals with a prolonged benefit history who are willing to work but encounter difficulties in securing a job in the open labour market, these projects acknowledge the need for creating (transitional) jobs in the social economy. The involvement of local actors in job creation ensures that the tasks genuinely contribute to the well-being of the local community, while the specifics of the job are tailored to the client's abilities, giving them the opportunity to choose from available tasks.

### **Impact on economic and social and overall well-being**

The consistent positive impact on the economic and social well-being of participants reported by all initiatives is remarkable. Most notably, participants achieve financial independence without additional aid, resulting in enhanced income stability, professional development, and reduced reliance on social benefits. This leads to a significant reduction in the number of participants receiving social benefits. Participants can also benefit from the development of their social network and their integration into the local community.

The overall high level of satisfaction expressed by participants and their positive ratings of the accompanying measures reinforce the effectiveness of these initiatives. Their relatively low drop-out rates, compared with alternative employment-creating instruments, highlight the sustainability and success of this approach in supporting individuals towards financial independence and reduced dependency on social benefits.

## **5.3 Weaknesses and Challenges**

When examining the landscape of job guarantee and zero long-term unemployment initiatives, it becomes clear that while these programmes are promising, they also face challenges.

### **Challenges in transitioning to the open labour market**

Supporting the transition to the open labour market is important even for initiatives that do not primarily focus on this transition. By focusing on job security, existing schemes may inadvertently lock in individuals who could otherwise reintegrate into the open labour market, thereby affecting their sustainability. In particular, initiatives offering open-ended contracts are prone to create a strong disincentive for individuals to shift to the primary labour market. On the other hand, it is precisely this security that is able to strengthen the self-confidence and self-esteem of the participants so that they dare to re-enter the open labour market. Finding the right balance between providing security and dignity to those in need and attracting those who are ready into the primary labour market remains a challenge.

### **Voluntary entry and lack of incentives**

Another challenge is voluntary entry into these programmes. While voluntariness ensures respect for the dignity and freedom of potential participants, it comes at the expense of excluding potential participants who lack the motivation to look for work and may need an initial nudge to gain courage, self-confidence, or motivation. This is a notable risk, as these people are likely to benefit the most from gaining valuable work experience, and calls for further research into how to refine the entry conditions into these programmes.

### **Key and challenging local cooperation**

The ability of these projects to create meaningful jobs (that match the abilities of the participants and are valuable to the community) hinges on the quality of cooperation with local actors. While essential, such cooperation is challenging due to the independent nature of local actors, which complicates collaboration efforts and hinders early-stage organisation within local employment committees.

### **Financial sustainability and cost-benefit analysis**

Financial sustainability remains a crucial concern. The alleged savings for public finances are lower than expected and many of the long-term benefits emerge at the national level, suggesting that such initiatives are not sustainable

without additional funding from the central government. However, a comprehensive macroeconomic cost-benefit analysis, considering indirect non-monetary effects and longer-term monetary effects, is not currently available. Previous analyses have been limited to direct costs.

## 5.4 Issues of transferability and upscaling

While all the initiatives discussed above have inherent potential for transferability to various regions and countries, the effectiveness of such transfer depends on adaptability. Notably, the French initiative has demonstrated exceptional adaptability within its own country, successfully extending its impact to urban regions. The programme's potential for broader applicability beyond France is underscored by the fact that Belgium and Italy have adopted similar approaches (Duverger & Warnant, 2023).

Achieving sustainability is more challenging in countries where social benefits are lower or not permanent, as this reduces the potential savings from placing participants in jobs.

Transferability may also be limited in disadvantaged rural areas. In four of the six projects, the initiative is being implemented in a relatively large, fully or partly urban community with a range of services and facilities. However, replicating the initiative in smaller communities or those with a limited range of non-profit organisations may pose additional challenges, particularly in terms of job creation.

A common feature of the successful projects reviewed is that they are based in countries with effective central and local governments. These initiatives rely heavily on local capacity in management, skills assessment, and mentoring/coaching. However, such expertise is often lacking in rural areas. Addressing this shortage will be crucial to the successful implementation and sustainability of similar projects in these regions.

## 5.5 Evaluation and impact analysis

Few of the projects surveyed have been assessed in a counterfactual analytical framework. The expected returns on the projects are assessed in the short term, focusing mainly on the direct impacts, while the long-term and indirect impacts are potentially substantial.

For the Austrian case, MAGMA, the impact of the programme was estimated at the town level, including potential spillovers to non-eligible residents and to short-term unemployed residents. The results reveal a significant reduction in unemployment due to programme engagement, which is driven by the increase in employment (Kasy & Lehner, 2023). At the municipal level, there was a substantial reduction in unemployment, primarily stemming from the virtual elimination of long-term unemployment, with no noticeable increase in short-term unemployment (Kasy & Lehner, 2023). Although an independent verification of programme costs was not feasible, it was estimated that the total annual cost per eligible participant was around EUR 30,000, of which around EUR 20,000 was accounted for by wages, taxes, and social security contributions for participants. The evaluations suggest that the job guarantee represents a promising policy tool for curbing long-term unemployment and enhancing the well-being of the unemployed. In fact, an essential aspect contributing to this conclusion was the emphasis on the well-being of participants, which contrasts with the predominant focus on market employment in most assessments of active labour market programmes (Kasy & Lehner, 2023).

In the German case, which was evaluated using both impact modelling and monitoring data, the evaluations identified several weaknesses in programme design. First, the transfer bonus (intended to encourage a return to the open labour market) proved ineffective, possibly due to a lack of motivation, as the SBI conditions offered good work, a secure salary and the prospect of continued employment in the public sector. Second, the rule that prevented employers from refilling a position after an employee left (within a funding phase) created a strong interest in maintaining SBI employment relationships, as employers believe that the additional activities make a valuable contribution to relieving the workload of specialist staff and developing additional services.

In the French case, DARES carried out a counterfactual analysis for the first phase. In addition to the ten territories in which EBEs were located, so-called 'witness territories' were also investigated over two years: these control territories were chosen as a comparison because of their resemblance to the experimental territories prior to the deployment of the experiment. In addition, interviews with participants and case studies of the EBEs were carried out. The authors come to the conclusions that the experiment is likely to have contributed to improving the employment trajectory

and, more broadly, the well-being of the beneficiaries, such as health, social inclusion, and self-confidence (DARES, 2021). The sense of professional and financial security it conveys seems to have had the strongest effect. Further, more solid scientific results are expected from the evaluation of the second phase of the experiment.

## 5.6. Lessons for designing job creation programmes for the LTU

Although the available evidence does not allow us to draw direct causal links between certain design elements and social impacts, some tentative conclusions can still be derived from analysing key features of the programmes (presented in Chapter 3) and the available qualitative analysis.

First, it seems clear that the existing small-scale schemes are relatively expensive and are not self-financing at the local level, as much of the potential savings accrue at the national level (e.g., through savings in health expenditure). This suggests that the upscaling of such initiatives requires a) a commitment at the national level to provide co-funding in a predictable way; and b) that participation is not open-ended, or at least that some of the participants are encouraged and enabled to move into the open labour market. The second argument may seem far-fetched, considering that the French scheme offers permanent employment and is implemented in several regions. However, we argue that extending the programme in its current form to the whole country could lead to financial constraints even in the French case, and such constraints are likely to arise even sooner in most other countries. One way of keeping the cost of the programme within budget constraints is to ensure that most participants leave it within a few years and move on to the open labour market or to a less resource-intensive programme (e.g., subsidised employment in the social economy). Ideally, this is achieved not through administrative restrictions (e.g., by signing fixed-term contracts) but by strengthening upskilling elements in the programme.

Second, the relatively high per capita cost of the programme increases the importance of careful targeting, i.e., that the programme is only available to those who cannot be helped by other, less expensive interventions. Proper targeting can greatly improve the cost-effectiveness of the programme. All schemes reviewed above restrict eligibility to those with a long unemployment spell, and include a first interview to establish the needs and aspirations of the client. Targeting may be further improved through systematic and recurrent assessment of participants' needs and abilities, encouraging them to look for a job, and reassessing their employability in the open labour market. Such measures are important even if a programme does not explicitly aim to support return to the open labour market, to ensure that participants who acquire sufficient skills or motivation are not trapped in the programme. Another way to improve targeting and cost-effectiveness is to increase outreach to potentially eligible clients who lack the motivation to sign up voluntarily, as they may benefit the most from such a high-intensity programme.

Third, the outcomes depend to a large extent on the quality of the jobs offered or created, and on how well they match with participants' needs and aspirations. Higher quality and better matched jobs increase the value of the programme for the local community (in that the jobs produce services or goods that increase the welfare of local residents) and increase the non-material benefits to participants (well-being, social inclusion, sense of self-worth, etc.). The programmes reviewed above point to the importance of cooperation with local stakeholders and especially local NGOs. Systematic and regular cooperation with local actors can greatly improve the effectiveness of the programme in finding meaningful job opportunities and tailoring jobs to the abilities of participants (and can also support outreach efforts)<sup>35</sup>.

35 On the issue of partnerships in ALMP see also Commission 2023, 56ff.

## 6 Conclusion and Recommendations

Zero long-term unemployment (Zero LTU) initiatives and job guarantee programmes are promising initiatives to combat long-term unemployment while improving services and enhancing the quality of life in the communities. As a complement or alternative to activation policies, they have proven that there is room for a 'capability route' and that they can ensure an appropriate balance between employment and social policies. They also clearly differ from basic income programmes. While the activation route places its focus on employment, often using a (national) top-down approach, the Zero LTU and job guarantee examples studied in this report are local, bottom-up initiatives that focus on the capabilities of participants and the quality of work. There are many lessons that can be drawn from the analysis of these examples that may be helpful in initiating, funding, or implementing similar initiatives at regional, national, or European level. It can be assumed that initiatives are likely to be more effective and successful if they fulfil the following criteria.

- Strengthen **local collaboration** between various employment actors to promote an inclusive labour market, either through a network structure or through formal arrangements as in the case of local employment committees in France.
- Enable **stable co-funding** from different sources (EU, national government, municipalities, etc.), for instance national governments can provide a matching grant to cover the own contribution of local implementers.
- Encourage commitment of the central government in **building local capacity** in management and personalised service provision.
- Foster innovation that prioritises **non-monetary benefits** and adds value to the community, rather than focusing solely on transition to the open labour market; in other words, projects should find a good balance between the activation and capabilities route.
- Foster innovation in approaches that not only provide **systematic outreach and motivation** but also offer tailored support to address the specific challenges faced by the long-term unemployed who may be disheartened or demotivated in their job search endeavours.
- Foster innovation in approaches that not only include a strong upskilling element, but also specifically target the **development of general and transferable skills** that enhance both the participants' adaptability and competitiveness in the evolving labour market, and their self-confidence and self-development.
- Include **support and motivation for job search** in the open labour market.
- Where appropriate, **specify the target group** beyond their status as unemployed, e.g., those aged 45 and over, those with a minimum duration of long-term unemployment, or those in the early stages of long-term unemployment. Further specification of the type of jobs (e.g., jobs created in the social economy or green jobs) should be carefully considered as it may make it more difficult for implementing organisations to find viable jobs.
- Consider the potential for **transferability** and upscaling of the initiative in the planning process from the outset. This involves identifying key factors that will facilitate replication in different contexts or regions, and outlining a scalable framework to accommodate future expansion. By proactively addressing transferability and upscaling, the initiative can maximise its impact and contribute to sustainable positive change on a larger scale.
- Ensure rigorous and comprehensive **accompanying research**. This may include, for example, providing continued funding or other rewards to projects that undertake counterfactual evaluation (e.g., through staggered upscaling to selected regions) and can prove the effectiveness of their approach. By integrating robust research methodologies and evaluating the outcomes against potential alternative scenarios, projects can provide valuable insights, contribute to evidence-based decision making and enhance the overall success and sustainability of the initiatives. At the EU level, it would be appropriate to update this mapping and undertake in-depth comparative analyses based on the available evaluation reports and data. Such an in-depth comparison would require taking into account the differences in the structure of the long-term unemployed in the various Member States and regions and their changes over time in order to design measures that effectively address the specific problems of each country. In the long run, and especially after the implementation of new experiments financed by the ESF+ Social Innovation+ Initiative call, a **meta-analysis** of existing evaluations or a cross-evaluation of initiatives would be necessary. This could provide a crucial basis for future evidence-based interventions.

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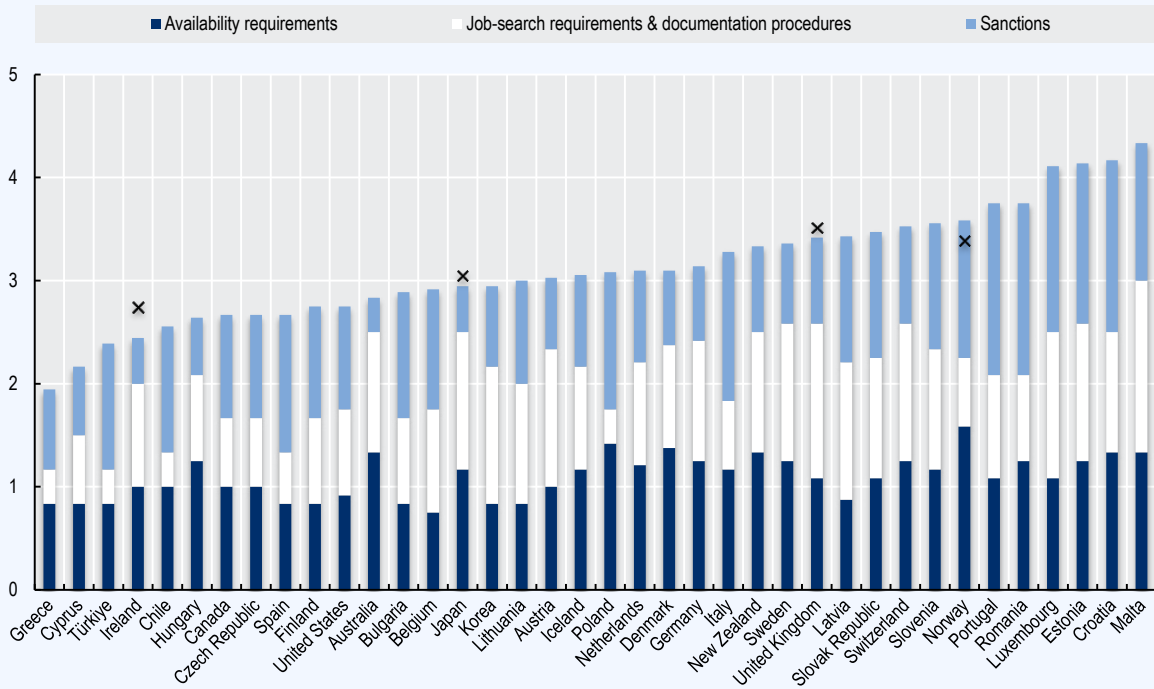
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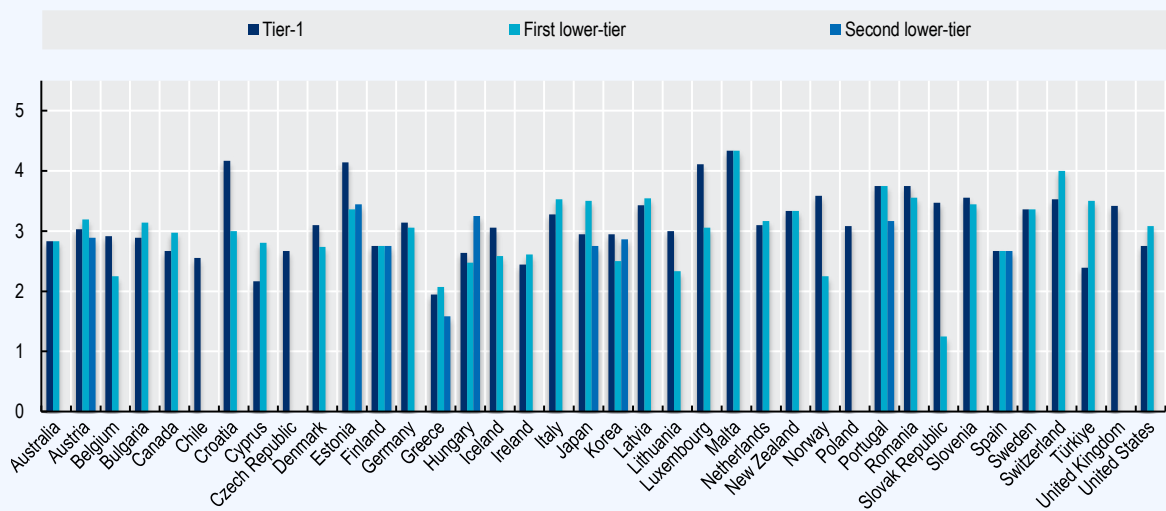
# Appendix I

**Figure 5A Overall strictness scores (2022) and changes between 2020 and 2022**  
Scored from 1 (most lenient) to 5 (most strict)



Source: OECD 2022.

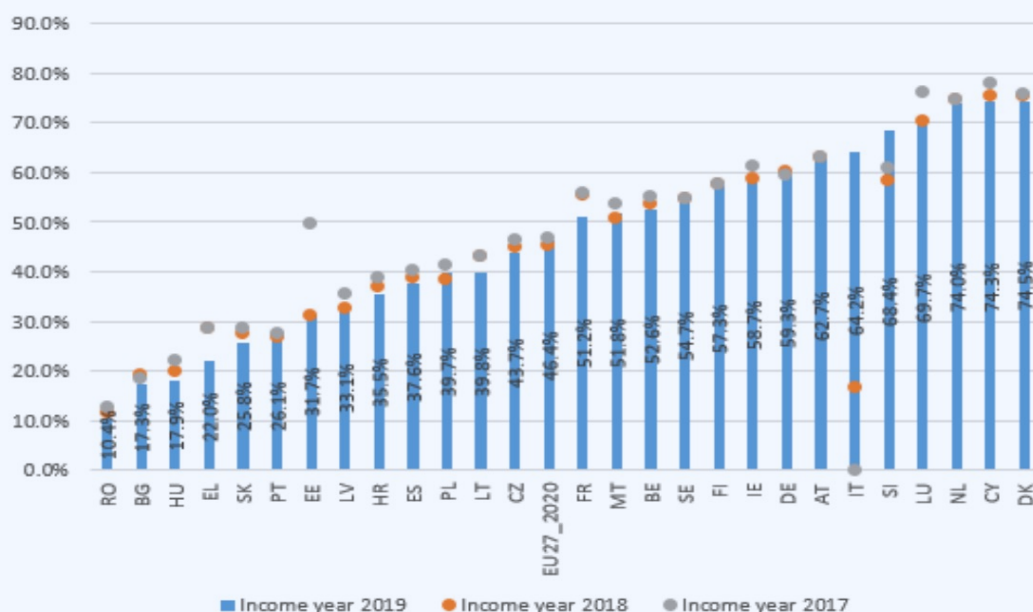
**Figure 6A Overall strictness of work-related eligibility conditions in OECD countries**



Source: OECD 2022.



**Figure 7A Level of Minimum Income Benefits as % of the disposable income of a low-wage earner in the EU**



Source: European Commission 2022.

**Table 4 For the purpose of illustration: main features and profile of three selected initiatives**

**Example 1 French TZCLD**

Right or guarantee	Job offer		Job guarantee
Key goals	To secure a living without dependence on employment/no force into employment		To provide meaningful/decent employment to everybody
Key selection mechanism	Selecting a person for an existing job		Creating/finding a job for a particular person
Selection of target group	No selection at all; all people, at random	All LTU & other specific target groups	LTU (>12months)
Regional dimension/scope	Whole country	Regions	Small communities
Guaranteed duration	< 6 months	6-12 months	> 12 months
Wage subsidies for employers	Up to 50%	50-99%	> 100%
Type of employers	Private & public	NGOs & Municipalities	NGOs
Type of Job	Existing jobs	Self-employment	Newly created jobs
Sanctions related to job selection	Sanctioned	Control over working hours	Control over the job & working hours

### Example 2 Netherlands Baasisban experiment

Offer or guarantee	Job offer		Job guarantee
Key goals	To secure a living without dependence on employment/no force into employment		To provide meaningful/decent work to everybody
Key selection mechanism	Selecting a person for existing job		Creating/finding a job for a particular person
Selection of target group	No selection at all; all people, at random	All LTU & other specific target groups	LTU (>12months) LTU on social benefit
Regional dimension/scope	Whole country	Regions	Small communities
Guaranteed Duration	< 6 months	6-12 month	> 2 months
Wage subsidies for employers	Up to 50%	50-100%	> 100%
Type of employers	Private & public	NGOs & Municipalities	NGOs
Type of job	Existing jobs	Self-employment	Newly created jobs
Sanctions related to job selection	Sanctioned	Control over working hours	Control over the job & working hours

### Example 3 Germany Basic income experiment (not to be confused with the Berlin SBI)

Right or guarantee	Job offer		Job guarantee
Key goals	To secure a living without dependence on employment/no force into employment		To provide meaningful/decent work to everybody
Key selection mechanism	Selecting a person for existing job		Creating/finding a job for a particular person
Selection of target group	No selection at all; all people, at random	All LTU & other specific target groups	LTU (>12months)
Regional dimension/scope	Whole country	Regions	Small communities
Guaranteed duration	< 6 months	6-12 months	> 12 months
Wage subsidies for employers	Up to 50%	50-99%	> 100%
Type of employers	Private & public	NGOs & Municipalities	NGOs
Type of Job	Existing jobs	Self-employment	Newly created jobs
Sanctions related to job selection	Sanctioned	Control over working hours	Control over the job & working hours

**Table 5 Overview of initiatives reported in the online survey and by desk research by relevance to the study**

MS	Region	Title	Relevance
AT	Lower Austria	Modellprojekt Arbeitsplatzgarantie Marienthal (Marienthal Job Guarantee Pilot)	5
BE	Various regions	Territoires zéro chômeur de longue durée	5
DE	Berlin	Solidary Basic Income	5
FR	Nation-wide	Territoires zéro chômeur de longue durée	5
NL	Groningen	Basisbaan	5
IT	Rome	Territori Zero disoccupazione Corviale/ Tor Bella Monaca à Rome	5
GR	Nation-wide	Kinofelis	4
FI	Nation-wide	Finnish Basic Income (BI) Experiment	4
LT	Vilnius city	Supporting the recruitment of the long-term unemployed	3
LV	Nation-wide	Atbalsts ilgstošajiem bezdarbniekiem	3
FI	Nation-wide	The Work Ability Programme	3
IT	Lombardia	Garanzia di occupabilità dei lavoratori - Gol (Employee's guarantee of employability)	3
BE	Brussels	DUO for a JOB	2
BE	Brussels	Job@ubuntu	2
FI	Nation-wide	Easy Steps towards Working Life	2
GR	Athens	SHEIDA	2
LV	Nation-wide	Algoti pagaidu sabiedriskie darbi (Temporary paid public works)	2
FI	Nation-wide	IPS - Individual Placement and Support Project	1
GR	Nation-wide	Receive extraordinary financial aid (for the long-term unemployed)	1
LV	Nation-wide	Subsīdētās darba vietas (Pasākumi noteiktām personu grupām) - Subsidised employment (measures for specific groups of people)	1
LV	Nation-wide	Darbam nepieciešamo iemaņu attīstība (Developing skills for the job)	1
NL	Nation-wide	Over Weener XL	1
NL	Nation-wide	Werkzaam Rivierenland	1
PT	Nation-wide	EMPREGA-TE	1
PT	Nation-wide	Community Intervention Programme	1
RO	Nation-wide	Support for the establishment of social enterprises in urban areas	1
SI	Nation-wide	Active Employment Policy	1
BE	Various Regions	JES Brussel Project; Antwerpen, Brussels, Ghent	0
BE	Antwerpen	SAAMO	0
PL	Nation-wide	A report on labour and introducing an employment guarantee	0
GR	NA	Co2together	0

## Appendix II

### Factsheet – ‘Territoires zéro chômeur de longue durée (Zero long-term unemployed territories) TZCLD’

General information			
<b>Country</b>	France	<b>Region(s)</b>	60 accredited territories in 14 regions
<b>Short description</b>			
<p>The ‘Territoires zéro chômeur de longue durée’ (TZCLD) association was created in 2016 by ATD Fourth World, Secours catholique, Emmaüs France, Le Pacte civique, and the Fédération des acteurs de la solidarité to implement territorial experiments (a right enshrined in the French Constitution since 2003) against long-term unemployment. Since 2016, a total of 60 small territories (usually between five and ten thousand inhabitants) have been accredited in 14 French regions, where Local Committees for Employment (LCE) are supported by a project team. By the end of 2023, around 2,500 participants have taken part in the project.</p>			
<b>Key principles/ assumptions</b>	<p>Three basic assumptions: 1. Nobody is unemployable; 2. There is no shortage of work; 3. There is no lack of money (employment deprivation costs the community more than the creation of the jobs needed to make employment a right).</p>		
<b>Main aim/ envisaged effect mechanism</b>	<p>Avoid social costs of LTU, make communities more liveable, eliminate LTU, and provide job guarantee for all.</p>		
<b>Duration/Periods</b>	<p>2016 - ongoing, 10 territories 2016-2021, at least 60 territories planned by 2026</p>		
<b>Implementing organisations and collaborations</b>	<p>At the local level, the so-called ‘Local committee for employment’ (Comité Local pour l’Emploi, CLE), chaired by the local councillor (Mayor, President of the Community of Municipalities, etc.). At the national level the ‘Experimentation Fund against Long-Term Unemployment’ (Expérimentation Territoriale contre le Chômage de Longue Durée, ETCLD) and TZCLD association.</p>		
<b>Size of the region</b>	Up to 10,000	<b>Unemployed in the region</b>	In regions with low to medium rates of unemployment (average in France in 2023, 7.2%)
<b>Example of jobs and activities</b>	<p>Jobs are supplementary and must not compete with existing activities in the territory which is overseen by the CLE. 32% of the activities respond to ecological transition issues and 23% to social cohesion issues. See examples of employers/activities below.</p>		
<b>Accompanying measures &amp; services</b>	<p>Each territory decides on the strategies they want to implement to mobilise and support the people concerned, e.g., individual and collective interviews, working committees to identify people’s skills and wishes, various forms of coaching.</p>		
Information on participants			
<b>Eligible persons/ target group</b>	<p>People recognised by the CLE as being permanently deprived of employment; (including unemployed for more than 12 months, domiciled for at least 6 months in the respective territory); the project is aimed at all people, whether they are registered as unemployed or not.</p>		
<b>Guaranteed duration of the support</b>	<p>Open-ended contracts with a choice of working hours and minimum wage.</p>		
<b>Selection of participants and matching with jobs</b>	<p>The LCE develops a consensus and a matching between people who do not have a job and the local needs of the community. A local dynamic is set in motion to find employment solutions adapted to the needs of the disadvantaged. Participants must be recognised by the LCE as permanently deprived of employment regardless of whether they are registered as unemployed. They are offered open-ended contracts with a choice of working hours and a minimum wage, i.e., jobs that are tailored to the person’s needs.</p>		

<b>Obligations</b>	None				
<b>Socio-demographic profile of participants</b>	55% women, 45% men; average age: 45 years; average time of employment deprivation: 4 years and 9 months.				
<b>No. of participants</b>	2,677	<b>No. of new jobs created</b>	N/A	<b>Retention and success rates</b>	N/A
<b>Information on employers</b>					
<b>Types of employers</b>	So-called 'companies for employment purposes' (entreprises à but d'emploi, EBE) which are not-for-profit social economy companies governed by ordinary law.				
<b>Subsidies for employers</b>	The State covers an amount between 53% and 102% of the gross hourly minimum wage for each FTE; Departments contribute 15% of 95%. In addition, there is a seed grant.				
<b>Examples of employers</b>	Resale shops, recycling, bicycle repairs, deliveries, mobile and/or social grocery shops, sewing, market gardening, concierge services, recovery of unsold food, dismantling, etc.				
<b>Financing</b>					
<b>Total budget</b>	EUR 80 mio. for 2024	<b>Annual budget per participant</b>	EUR 22,906.79 per FTE per year		
<b>Source of funding</b>	The state finances 95% of the gross hourly minimum wage per full-time employee of which 15% (from 95%) come from the Departments.				
<b>EU contribution</b>	ESF+ (only for the TZCLD Association, not the Experimentation Fund)				
<b>Remuneration/ Average wages</b>	Open-ended contracts at chosen working time and at minimum wage; when remuneration is higher than the minimum wage, the company finances the premium.				
<b>Conclusion and recommendations</b>					
<b>Impact &amp; results</b>	Without the experiment, only 55% of persons concerned would have been employed; only 33% on an open-ended contract. Health: unmet health needs reduced by 15%. Welfare: people reporting lack of concentration or self-esteem reduced by 17% (according to DARES - Direction de l'Animation de la Recherche, des Études et des Statistiques).				
<b>Soft outcome</b>	The TZCLD methodology provides a fertile ground for the development of trust, confidence, self-esteem, social inclusion, and well-being.				
<b>Major obstacles</b>	No information.				
<b>Lessons learned</b>	The role of the local employment committees (CLE) and the project teams, and thus the territorial fight against lasting job deprivation, is decisive.  Low transition of LTU workers into competitive employment (although not a primary goal). Alleged savings to public finances are lower than expected.				
<b>Transferability</b>	Highly transferable within France, as the number of territories shows, but potentially also to other countries. Similar initiatives are currently underway in Belgium and Rome.				

Further information	
<b>Scientific support/ evaluation</b>	The TZCLD Observatory was set up in 2022 to support research on the project and disseminate the results of the research through conferences, publications, etc. Assessment by a scientific committee supported by the statistical service of the Ministry of Labour (Report published in 2021). Assessment by ministerial auditors (Report published in 2019).
<b>Sources</b>	<a href="https://www.tzclld.fr/ressources/les-docs/">https://www.tzclld.fr/ressources/les-docs/</a>
<b>Contacts</b>	Territoires zéro chômeur de longue durée 7 rue Leschaud, 44400 Rezé <a href="mailto:contact@tzclld.fr">contact@tzclld.fr</a> , <a href="http://tzclld.fr">tzclld.fr</a>

## Factsheet – ‘Solidarisches Grundeinkommen (SGE) – Solidaric Basic Income (SBI)’

General information			
<b>Country</b>	Germany	<b>Region(s)</b>	Berlin
<b>Short description</b>			
Introduced by the State of Berlin, the Solidary Basic Income (SBI) programme aims to counter early-stage long-term unemployment, providing 1,000 job opportunities to the unemployed for 1 to 3 years. The initiative focuses on societal and public interest, with the goal of breaking the cycle of long-term unemployment between 2019 and 2025. With the Solidarity Basic Income (SBI), the State of Berlin wants to test an alternative to SGB-II by including participants who would otherwise fall through these schemes (rather novel long-term unemployed).			
<b>Key principles/ assumptions</b>	Social integration and participation of LTU and creation of (lasting) working opportunities. Decent work for the unemployed and a value for urban society - these are the ideas behind the creation of 1,000 job opportunities.		
<b>Main aim/ envisaged effect mechanism</b>	The main idea is to prevent the perpetuation of long-term unemployment, especially for those who are not included in existing measures. The SBI offers the long-term unemployed good work, participation, and the opportunity to develop professional prospects, and focuses on creating added value for the city's community.		
<b>Duration/periods</b>	2019-2025		
<b>Implementing organisations and collaborations</b>	State of Berlin Public Employment Service of Berlin		
<b>Size of the region</b>	3.6 mio. (2019)	<b>Unemployed in the region</b>	5,5% (2022)
<b>Example of jobs and activities</b>	Mobility aids, city guide services, cultural organisation assistance, school organisation assistance, day-care assistance, neighbourhood assistance.		
<b>Accompanying Measures &amp; services</b>	Coaching (for participants and employers) over the entire funding period and additional qualification opportunities for participants.		
Information on participants			
<b>Eligible persons</b>	Employment-seeking adults (long-term unemployed; >1 year to max. 3 years, residents in the municipality)		

<b>Guaranteed duration of the support</b>	5 years				
<b>Selection of participants and matching with jobs</b>	Eleven fields of activity were defined with a total of 1,000 jobs for potential SBI employers to apply for; application for an SBI employer as an expression of interest procedure (first come, first served); examination of the offers (offered in the pre-defined field of activity; whether the activities additional to existing measures; whether this fits in with the funding guidelines, etc.); followed by a loop through the job centre where jobs were proposed to the participants, who could refuse or apply.				
<b>Obligations</b>	None				
<b>Socio-demographic profile of participants</b>	Gender: 46% female, 54% male; Age: 22% >41, 63% 41-60, 15% 60+; Migration background: 30% on average high academic profile (in comparison to employment-seeking individuals within SGB II).				
<b>No. of participants</b>	1,057 (911 as of 2022)	<b>No. of new jobs created</b>	1,057	<b>Retention and success rates</b>	11% of dropouts; of which 23% in regular employment (2022)

### Information on employers

<b>Types of employers</b>	Central and district administrations, municipal companies, and providers of social services in 11 areas focused on the common good (SBI positions are subject to social security contributions).				
<b>Subsidies for employers</b>	100% of the labour costs of SBI employees are refunded to the employers.				
<b>Examples of employers</b>	Berlin public transport company (BVG), Karuna Task Force, One World Children, Neukölln Culture Network (Kulturnetzwerk Neukölln e.V.), Housing Association WBM (Wohnungsbaugesellschaft Mitte mbH).				

### Financing

<b>Total budget</b>	EUR 167 mio. (70% to fund jobs, 30% to fund coaching)	<b>Annual budget per participant</b>	N/A		
<b>Source of funding</b>	State funds				
<b>EU contribution</b>	None				
<b>Unemployment benefits</b>	N/A				
<b>Remuneration/ average wages</b>	Based on a pay grade up to a fixed amount if the employing establishment is subject to collective bargaining or applies a collective bargaining agreement. If this is not the case, the state minimum wage of Berlin is paid, which is currently EUR 13 per hour.				

### Conclusion and recommendations

<b>Impact &amp; results</b>	Help to reduce the workload of skilled workers. Focused areas of application align with the city's existing needs. High-quality, long-term coaching supports employees and reduces layoffs. Paying according to collective agreements enhances attractiveness and decreases number of employees receiving social benefits. The majority of SBI employees are able to make a living without additional aid.				
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<b>Soft outcomes</b>	Positive outcomes on social well-being. Provision of services to strengthen coexistence and neighbourhood. Increasing individual employability and preventing negative consequences of unemployment.
<b>Major obstacles</b>	Access as a labour market policy instrument; log-in effects of the measure; improvement of conditions for qualified and successful transitions to non-funded jobs; change of perception of successful labour market policy as well as changing the perception of LTU.
<b>Lessons learned</b>	Further implementation of SBI in accordance with an assistive-formative approach; the aim is to improve the conditions for subsequent employment and thus to strengthen SBI as a labour market policy instrument in the further course of the programme.
<b>Transferability</b>	Showcases the potential of an unconditional basic income. The initiative's insights could offer valuable guidelines for the implementation of such programmes in different societies, potentially influencing future policies to enhance well-being and equity in urban communities.

#### Further information

<b>Scientific support/ evaluation</b>	Institut für Sozialökonomische Strukturanalysen (SÖSTRA) GmbH (2023). Zwischenbericht der Evaluation des Pilotprojekts Solidarisches Grundeinkommen (SGE) des Landes Berlin. Berlin: Institut für Sozialökonomische Strukturanalysen SÖSTRA GmbH. <a href="https://www.parlament-berlin.de/ados/19/IIIPlen/vorgang/d19-0970.pdf">https://www.parlament-berlin.de/ados/19/IIIPlen/vorgang/d19-0970.pdf</a>
<b>Sources</b>	Senatsverwaltung für Arbeit, Soziales, Gleichstellung, Integration, Vielfalt und Antidiskriminierung (2023). Model Project: Solidary Basic Income of the State of Berlin. (online) <a href="https://www.berlin.de/sen/arbeits/beschaeftigung/solidarisches-grundeinkommen/">https://www.berlin.de/sen/arbeits/beschaeftigung/solidarisches-grundeinkommen/</a> Pressemitteilung vom 25.04.2023 <a href="https://www.berlin.de/rbmskzl/aktuelles/pressemitteilungen/2023/pressemitteilung.1316925.php">https://www.berlin.de/rbmskzl/aktuelles/pressemitteilungen/2023/pressemitteilung.1316925.php</a>
<b>Contacts</b>	Senate Department for Labour, Social Affairs, Equality, Integration, Diversity, Anti-discrimination Oranienstraße 106 10969 Berlin

#### Factsheet - 'Marienthal Job Guarantee Pilot' (MAGMA)

##### General information

<b>Country</b>	Austria	<b>Region(s)</b>	Gramatneusiedl (Lower Austria)
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##### Short description

In October 2020, the Austrian Public Employment Service (AMS) in Lower Austria launched the *Marienthal Job Guarantee Pilot* (MAGMA<sup>36</sup>), a pilot programme tackling long-term unemployment in the region of Gramatneusiedl, Lower Austria, with the idea that 'it is better to create jobs than to pay long-term unemployment benefits'. The initiative's primary objective is to address long-term unemployment in the community of Gramatneusiedl over a period of three-years, thereby eradicating LTU and improving the overall well-being of the community. All long-term unemployed people living in the region are included in the project, as the pilot provides employment to residents of Gramatneusiedl who have been registered with the AMS for more than a year or are at risk of long-term unemployment (9 to 12 months). By the end of 2023, 112 new jobs had been successfully created and filled.

36 MAGMA is short for 'Modellprojekt Arbeitsplatzgarantie Marienthal'. Marienthal is part of the municipality of Gramatneusiedl.



<b>Key principles/ assumptions</b>	MAGMA stands on voluntary participation, collectively bargained wage and meaningful employment.				
<b>Main aim/ envisaged effect mechanism</b>	Its main aim is to eradicate LTU in the municipality and thereby improve economic and social situation: To include all long-term unemployed in Gramatneusiedl and to use a wide range of support services; and finally to focus on the creation of job opportunities in the non-profit and private sector (e.g., to avoid social costs of LTU).				
<b>Duration/periods</b>	2020-2024				
<b>Implementing organisations and collaborations</b>	Public Employment Service (Arbeitsmarktservice, AMS) in Lower Austria.				
<b>Size of the region</b>	1.67 mio. (2019)	<b>Unemployed in the region</b>	5.9% (2022)		
<b>Examples of jobs and activities</b>	Carpentry, renovation, creative workshops, maintenance of public gardens, support for elderly residents with their day-to-day activities, planning and construction of a cycle path, and refurbishment of the local museum.				
<b>Accompanying Measures &amp; services</b>	Preliminary coaching for employees by <i>it.works</i> (including one-on-one training, counselling, and support from social workers, doctors, and psychologists).				
<b>Information on participants</b>					
<b>Eligible persons</b>	Employment-seeking adults, either LTU (> 12 months of unemployment), or at risk of LTU (9-12 months of unemployment), residents in the municipality.				
<b>Guaranteed duration of the support</b>	3 years.				
<b>Selection of participants and matching with jobs</b>	Regional office of the public authority <i>it.works</i> , submitted jobs for an offer; info day every 3rd day of the month; in strong connection to the AMS, the selection and fitting with each participant was made.				
<b>Obligations</b>	Attending an info day within the measure was obligatory.				
<b>Socio-demographic profile of participants</b>	58% male, 42% female; 32% migrant background.				
<b>No. of participants</b>	115	<b>No. of new jobs created</b>	112	<b>Retention and success rates</b>	43% transitioned into regular labour market
<b>Information on employers</b>					
<b>Types of employers</b>	Social service enterprises.				
<b>Subsidies for employers</b>	100% wage subsidies up until 3 months, 66% of labour costs for the subsequent 9 months.				

<b>Examples of employers</b>	N/A		
<b>Financing</b>			
<b>Total budget</b>	EUR 7.3 mio.	<b>Annual budget per participant</b>	EUR 29,841 (per year)
<b>Source of funding</b>	AMS Lower Austria (95%)		
<b>EU contribution</b>	N/A		
<b>Unemployment benefits</b>	Individuals may continue to receive benefits if their new salary is lower than the compensation, they receive.		
<b>Remuneration/ average wages</b>	Equal to the minimum wage set by collective bargaining <sup>37</sup> (EUR 1,280 for participants)		
<b>Conclusion and recommendations</b>			
<b>Impact &amp; results</b>	Large reductions in regional unemployment (near elimination of long-term unemployment; no increase in short-term unemployment); large positive effects of participation on economic well-being (within employment, income, and economic security).		
<b>Soft outcomes</b>	Social/ psychological well-being (including measures of time structure, activity, social contacts, a sense of collective purpose, and social recognition).		
<b>Major obstacles</b>	Finding meaningful work for the participants and the non-profit aspect; low physical/ psychological capacity of participants due to health conditions etc.; drop-outs often due to health limitations; COVID-19 minor obstacle but successfully overcome.		
<b>Lessons learned</b>	Other co-financiers would be needed to continue the project in this or another form; works as a social policy instrument and not as a labour market policy instrument.		
<b>Transferability</b>	Possible to do a real-world laboratory in the labour market context in Lower Austria - EU instrument.		
<b>Further information</b>			
<b>Scientific support/ evaluation</b>	Kasy, M., & Lehner, L. (2023). Employing the unemployed of Marienthal: Evaluation of a guaranteed job programme. Department of Economics: University of Oxford/ Department of Social Policy and Intervention: University of Oxford.  Quinz, H., & Flecker, J. (2023). Marienthal.reversed - Eine Längsschnittstudie über die Wirkungen einer Arbeitsplatzgarantie für Langzeiterwerbslose. Universität Wien.		
<b>Sources</b>	8AMS Niederösterreich. (2020). AMS NÖ startet weltweit erstes Modellprojekt einer Arbeitsplatzgarantie. <a href="https://www.ams.at/regionen/niederoesterreich/news/2020/10/ams-noe-startet-weltweit-erstes-modellprojekt-einer-arbeitsplatz">https://www.ams.at/regionen/niederoesterreich/news/2020/10/ams-noe-startet-weltweit-erstes-modellprojekt-einer-arbeitsplatz</a> .		
<b>Contacts</b>	AMS Niederösterreich Landesgeschäftsstelle Abteilung Analyse, Entwicklung und Steuerung Arbeitsmarktbeobachtung, Statistik und Forschung Hohenstaufengasse 2 1010 Vienna, Austria		

37 Minimum wage was around EUR 1,500 per month in 2020.

## Factsheet --'Basisbaan'

General information			
<b>Country</b>	Netherlands	<b>Region(s)</b>	Groningen
<b>Short description</b>			
<p>Basisbaan, a programme managed by the municipality of Groningen in the Netherlands, offers paid part-time jobs in public or non-profit organisations for long-term unemployed benefit recipients who are able and willing to work but have not been able to find/keep a job in the open labour market. Participants are employed by the municipality and paid the minimum wage. The programme reduces reliance on welfare benefits while fostering a sense of purpose and contribution to the community and improving community services.</p>			
<b>Key principles/ assumptions</b>	Social integration and participation of LTU and the creation of (lasting) working possibilities.		
<b>Main aim/ envisaged effect mechanism</b>	Reducing reliance on welfare benefit.		
<b>Duration/periods</b>	2020-2023, extended until December 2025.		
<b>Implementing organisations and collaborations</b>	Province Groningen; Municipality Groningen; Central government.		
<b>Size of the region</b>	238,000 in 2022	<b>Unemployed in the region</b>	4.7 % in 2022, highest in NL <sup>38</sup> .
<b>Example of jobs and activities</b>	<p>The jobs (or tasks) consist of activities for which the market does not pay (or not fully pays), but which have social added value and contribute to the quality of life in the city's neighbourhoods. Part-time jobs of 24-36 hours. Examples include helping in the catering industry or cleaning at community centres; helping with sports facilities; Visiting elderly people in the neighbourhood for a chat; cleaning up litter in the neighbourhood; small jobs in people's homes.</p>		
<b>Accompanying measures &amp; services</b>	<p>Participants are supported by coaches hired by the Municipality of Groningen and the manager of the implementing organisation (intensive support during first few weeks, later about 2 hours/week in total).The intensity of the guidance is monitored to ensure that participants are in the right programme (too much coaching may signal that they should be in a sheltered workplace, while too little need for coaching may signal readiness for the open labour market).</p>		
Information on participants			
<b>Eligible persons/ target group</b>	Receiving social assistance benefit, employment-seeking adults over 27 years of age and able to work 24 to 36 hours/week.		
<b>Guaranteed duration of the support</b>			
<b>Selection of participants and matching with jobs</b>	<p>Municipal social workers pre-select and interview potential participants from among social benefit recipients, who can voluntarily join the programme. Municipal website also provides information about this opportunity. Participants can choose from available jobs, and tasks may be adapted to their work capacity, but no job is created for them, i.e., there is no job guarantee.</p>		

38 <https://www.statista.com/statistics/1403279/province-of-groningen-unemployment-rate/>

<b>Obligations</b>	N/A				
<b>Socio-demographic profile of participants</b>	Single men aged 50+.				
<b>No. of participants</b>	50	<b>No. of new jobs created</b>	Planned: 40 Actual: 50	<b>Retention and success rates</b>	100% (attrition is only due to retirement or death)
<b>Information on employers</b>					
<b>Types of employers</b>	Municipal agencies, non-profit organisations.				
<b>Subsidies for employers</b>	Full wage subsidy as participants are employed by the municipality, and 'leased' to the workplace.				
<b>Examples of employers</b>	Municipal sports facility, local media, social service providers.				
<b>Financing</b>					
<b>Total budget</b>	EUR 2.5 mio. (for 2023)	<b>Annual budget per participant</b>	31,500 EUR (for 2023)		
<b>Source of funding</b>	State and municipality funds				
<b>EU contribution</b>	None				
<b>Remuneration/ average wages</b>	Minimum wage				
<b>Conclusion and recommendations</b>					
<b>Impact &amp; results</b>	Positive impact on participants' income and social inclusion; no information on anyone moving into regular employment.				
<b>Soft outcome</b>	Possible positive impact on quality/range of community services.				
<b>Major obstacles</b>	N/A				
<b>Lessons learned</b>	Positive balance depends on the actual value of the work done by the participants (in the evaluation study it was assumed to be proportional to the wages paid).				
<b>Transferability</b>	In this case, it was easy to identify tasks that could be done by the target group: the municipality serves a large population and has many functions. In addition, they pay social benefits from a block grant, so savings on benefits can be channelled to other expenses in the municipal budget.				
<b>Further information</b>					
<b>Scientific support/ evaluation</b>	Mosselman, K., & Polstra, L. (2023). De praktijk van basisbanen: Monitor van het experiment Basisbanen in Groningen. Hanzehogeschool Groningen - Marian van Os Centrum voor Ondernemerschap.				

<b>Sources</b>	Basisbaan deelnemers   Gemeente Groningen <a href="https://gemeente.groningen.nl/basisbaan-deelnemers">https://gemeente.groningen.nl/basisbaan-deelnemers</a>
<b>Contacts</b>	Representatives of the measure Alderman for Work and Participation Gemeente Groningen <a href="https://www.opnaarde100000.nl/vraagformulier">https://www.opnaarde100000.nl/vraagformulier</a>

## Factsheet - Territories Zero Long-Term Unemployment - Brussels Capital Region and Wallonia

General information			
<b>Country</b>	Belgium	<b>Region(s)</b>	Wallonia and Brussels Capital
<b>Short description</b>			
<p>The Territories of Zero Long-Term Unemployment initiative in Belgium is modelled after the French model for Territories of Zero Long-Term Unemployment. It has been rolled out in the regions of Wallonia and Brussels-Capital, in territories with high levels of long-term unemployment. The initiative is based on a paradigm shift towards collective rather than individual responsibility. A fundamental element of the project is the bottom-up dynamic, which strengthens social cohesion and citizen participation in the area by mobilising local actors with strong links to the territory. It is the local actors (local authorities, associations, trade unions, employers, shopkeepers, craftsmen, residents, etc.) who are the initiators of the project and who freely decide on the allocation of resources for the implementation of territorial development policies (Charles &amp; al., 2019). This implies a transfer of decision-making power from the most central to the most decentralised level. In Wallonia, 17 projects are currently underway, creating around 750 jobs. In total, the project has the potential to create up to 2,400 employment opportunities.</p>			
<b>Key principles/assumptions</b>	<p>The concept of TZCLD is based on three principles: no one is 'unemployable': everyone can make a productive contribution to society, even if limited; there is no shortage of work, but of there is a shortage of employment: many societal needs remain unmet. They just need to be made solvent. There is no shortage of funds, given the opportunity costs of long-term unemployment (lowest estimates range between EUR 15,000 and EUR 20,000 per person per year.</p> <p>There are also four main principles for action:</p> <ol style="list-style-type: none"> <li>1. voluntary membership of the unemployed;</li> <li>2. based on people's skills and desires;</li> <li>3. a strong connection with the territory;</li> <li>4. participation in the workplace as social inclusion.</li> </ol>		
<b>Main aim/envisaged effect mechanism</b>	<p>The eradication of LTU in defined territories, in order to avoid the social costs of LTU and to help satisfy unmet social needs through subsidised employment in so-called EBEs (Employment Enterprises). The experiment would be partly financed by the income generated by the goods and services produced by the future EBEs, and the remaining costs would be subsidised by public funds, which should still be cheaper than the current cost of unemployment benefits. In their ex-ante analysis, the researchers recommended a better equipped EBE than in the French model in order to generate higher turnover.</p>		
<b>Duration/periods</b>	Wallonia: pilot project 2022-2025, Brussels: pilot project 2023-2026.		
<b>Implementing organisations and collaborations</b>	Walloon Government; Brussels Capital Government; Local stakeholders.		

<b>Size of the region</b>	Wallonia: 3.68 mio. Brussels: 1.24 mio. (2023)	<b>Unemployed in the region</b>	7.9 % (Wallonia) 11.3 % (Brussels)		
<b>Example of jobs and activities</b>	13 sectors of activity to be developed (including: Climate Resilience Agency; paramedical aid equipment; packaging of social and circular economy products; materials district (neighbourhood Factory); small repairs and support activities in transitional urban planning: preparation for and management of provision to local citizens before their reassignment to another use.				
<b>Accompanying measures &amp; services</b>	Wallonia: accompanying measures are offered to participants, including accompaniment to the place of work, support in financial matters, etc.				
<b>Information on participants</b>					
<b>Eligible persons</b>	Employment-seeking adults, long-term unemployed, residents in the municipality for at least 6 months (Wallonia).				
<b>Guaranteed duration of the support</b>	In both regions, the aim is to create unlimited contracts. The initial projects will run for 5 years.				
<b>Selection of participants and matching with jobs</b>	In Wallonia, the initiative is promoted in each territory and all eligible persons are invited to take part. No selection criteria have yet been applied as demand has not exceeded supply.				
<b>Obligations</b>	The initiatives work on a voluntary basis with no obligations.				
<b>Socio-demographic profile of participants</b>	Long-term unemployed.				
<b>No. of participants</b>	700-750 in Wallonia	<b>No. of new jobs created</b>	700-750 in Wallonia, potential for up to 2,400 in total.	<b>Retention and success rates</b>	n/a
<b>Information on employers</b>					
<b>Types of employers</b>	EBEs active in the fields of action described above.				
<b>Subsidies for employers</b>	Not planned.				
<b>Examples of employers</b>	Not yet available.				
<b>Financing</b>					
<b>Total budget</b>	EUR 103 million (national and ESF)	<b>Annual budget per participant</b>	Around 36-38,000		
<b>Source of funding</b>	ESF+ with national co-financing (Government of Wallonia).				
<b>EU contribution</b>	ESF+				

<b>Unemployment benefits</b>	To be investigated.
<b>Remuneration/ average wages</b>	To be investigated.
<b>Conclusion and recommendations</b>	
<b>Impact &amp; results</b>	The projects are still in their initial phases.
<b>Soft outcomes</b>	The projects are still in their initial phases, but they are expected to increase people's confidence and the resilience of the regions involved.
<b>Major obstacles</b>	Stable financing.
<b>Lessons learned</b>	The projects are still in their initial phases.
<b>Transferability</b>	The projects are still in their initial phases.
<b>Further information</b>	
<b>Scientific support/ evaluation</b>	<p>De Smedt, L., Chomé, F., Nicaise, I. (2021): Territoires zero chomeur de longue durée: analyse ex ante des couts et bénéfices sociaux.</p> <p>Actiris. (2021). Territoires Zéro Chomeur de Longue Durée en Région de Bruxelles Capitale – Identifier des activités économiques pertinentes pour les territoires et leurs habitants.</p> <p>Charles, J., Dermine, E., Hermant, P. (2019). «Territoires zéro chômeurs de longue durée en Belgique». CESEP. <a href="https://www.cesep.be/PDF/ETUDES/2020/Territoire%20ze%CC%81roChomeurs.pdf">https://www.cesep.be/PDF/ETUDES/2020/Territoire%20ze%CC%81roChomeurs.pdf</a></p>
<b>Sources</b>	<p><a href="https://www.exit-project.eu/belgian-initiative-to-tackle-long-term-unemployment-and-territorial-disparities-zero-long-term-unemployment-territories/">https://www.exit-project.eu/belgian-initiative-to-tackle-long-term-unemployment-and-territorial-disparities-zero-long-term-unemployment-territories/</a></p> <p><a href="https://statbel.fgov.be/en/themes/population/structure-population">https://statbel.fgov.be/en/themes/population/structure-population</a></p> <p><a href="https://statbel.fgov.be/en/themes/work-training/labour-market/employment-and-unemployment">https://statbel.fgov.be/en/themes/work-training/labour-market/employment-and-unemployment</a></p>
<b>Contacts</b>	Local Counsellor Berchem Sainte Agathe, Brussels( <a href="https://berchem.brussels/fr/">https://berchem.brussels/fr/</a> ) and Government of Wallonia ( <a href="https://www.wallonie.be/fr/actualites/deploiement-de-17-projets-territoires-zero-chomeur-de-longue-duree">https://www.wallonie.be/fr/actualites/deploiement-de-17-projets-territoires-zero-chomeur-de-longue-duree</a> )