

## Social Services Europe

### Reply to the EC Call for Evidence for the Next MFF –

#### Implementing EU Funds with Member States and regions

&

#### EU funding for cross-border education, training and solidarity, youth, media, culture, and creative sectors, values, and civil society

**(6 May 2025)**

Social Services Europe (SSE) attaches this paper to accompany the responses of SSE to the questionnaires for the EC Call for Evidence for the Next MFF for the two public consultations

- Implementing EU Funds with Member States and regions
- EU funding for cross-border education, training and solidarity, youth, media, culture, and creative sectors, values, and civil society

In responding to the European Commission's consultation on the next Multiannual Financial Framework (MFF), Social Services Europe (SSE) would like to provide further clarifications regarding some of the topics raised. In particular, we comment on several elements identified as key policy challenges, obstacles preventing the EU budget from fully delivering on its objectives, and opportunities for improving the effectiveness and efficiency of the EU budget. Based on our experience, including in the context of the [Social Services Helpdesk Project](#) (2022-2024), the [Technical Guidance on Effective Interventions in the field of Social Services](#) and the [Policy Recommendations](#) developed under the lead and coordination of SSE, we outline below our observations and recommendations to ensure that EU funding continues to promote solidarity, equality, fundamental rights, social and labour market inclusion as well as, social and territorial cohesion and a transition towards community-based support systems:

- **Focus on EU priorities:** The [2024-2029 EU priorities](#) focus heavily on competitiveness, defence and green transitions, with limited attention to social inclusion and employment. EU treaties emphasise solidarity, equality and fundamental rights, which could be overshadowed by these economic and environmental priorities. It is essential to maintain a balance and ensure social inclusion and labour market inclusion as well as social and territorial cohesion remain key priorities for EU funding. This also implies no cuts in the relative share of the EU Budget in particular for the Cohesion Funds.
- **Reducing the number of EU funding programmes:** Reducing the number of EU funding programmes can oversimplify complex sector needs. Social services require tailored programmes to address specific needs. A streamlined approach must not reduce funding available for targeted areas.
- **Enabling conditions:** The EU has been playing a leading role to ensure Member States move towards the implementation of these frameworks, so as to ensure people in the EU have access to their rights. It has been doing so by using EU funds for social reforms, and by setting conditions for the use of the

EU's shared management funds including ESF+ (through ex-ante conditionalities in the MFF 2014-2020 and enabling conditions in the MFF 2021-2027). The EU should continue its influence to uphold human, including social rights and ensure quality care provision through renewed conditions which apply to all resilience and cohesion funds.

- **Earmarking:** SSE also supports earmarking funding to maintain a strong focus on critical social objectives within EU funding programmes. We recommend earmarking at least 25% of the future Social Fund in each Member State for open calls targeting specifically not-for-profit organisations.
- **Performance-based funding:** SSE agrees with a greater focus on results, provided that "results" are understood as the production of clear, measurable deliverables. However, when it comes to funding social services, assessing the broader impact and external effects - such as improvements in social inclusion, a better quality of life for the users of social services or their improved participation in the service design and the monitoring of service quality - is often more complex and not always visible in the short term. While performance-based funding can work well when tied to specific outputs, it is important to recognise the shortcomings of short-term impact measurement in the social sector.
- **Ways to make the EU budget more effective for social service providers and their users**
  - Develop projects with simpler eligibility criteria, shorter durations, fewer partners, and higher cofinancing rates.
  - Create more entry points for less experienced organisations to access EU funds.
  - Expand lump-sum funding, shifting focus from administrative indicators to project completion, thus focusing the monitoring on the social impact on the ground.
  - Extend the period between call publication and submission.
  - Establish mechanisms to foster partnerships in EU projects.
- **Partnership principle and capacity building:** SSE is member of the European Community of Practice on Partnership (ECoPP). SSE supports the [ECoPP Statement on the Future of the Partnership Principle](#) (1 April 2025) and would like to see it realised in the co-managed EU Funds. Collaboration between public authorities, local organisations, social partners, and civil society based on the partnership principle is essential to align EU funding with local needs, maximising impact and efficiency. Strengthening partnerships is key to ensure transparent, inclusive, and responsive use of EU funds. This should include capacity-building to strengthen cooperation between managing authorities and nonprofit organisations, including social service providers.

We include two **annexes** into this written contribution by SSE which you can also find on SSE's webpage:

- [Annex 1](#): Joint Statement "Time for ambition: The EU needs a strong Social Fund to live up to its commitments" (6 March 2025) – co-developed and co-signed by SSE
- [Annex 2](#): Joint Statement "Key recommendations on the use of EU funding for social services" (28 November 2024; updated: 6 May 2025) – co-developed and co-signed by SSE

**Social Services Europe (SSE)** is a **network of eight European umbrella organisations** – comprising [Caritas Europa](#), [CEDAG](#), [E.A.N.](#), [EASPD](#), [EPR](#), [Eurodiaconia](#), [FEANTSA](#) and the [Red Cross EU Office](#) – **representing over 200,000 not-for-profit social and health care organisations**. They provide **care, training, support and guidance** to millions of people across Europe – such as children, older persons, persons with disabilities, people at risk or experiencing poverty and social exclusion, homeless people, migrants and asylum seekers and other vulnerable groups – and this in various stages in life. The national members of the 8 EU-level networks being members of SSE are **active in a sector employing over 11 million people in the EU 27, of which about half are employed by social economy organisations**.

## Annex 1: Joint Statement “Time for ambition: The EU needs a strong Social Fund to live up to its commitments” (6 March 2025) – co-developed and co-signed by SSE

The European Union has begun talks on the next long-term EU Budget, which will determine how billions of euros are invested in Europe’s future. Initial discussions suggest potential cuts to crucial social investment programmes. Proposals to merge funding mechanisms significantly risk weakening support to key actions and programmes for labour market integration, training, and social inclusion.

Europe needs a strong EU budget, alongside broader economic, social and environmental policies. A stand-alone Social Fund will be key to reduce inequalities, promote social innovation and achieve high employment levels, strengthening the Single Market and making Europe more competitive on a global scale. This is echoed by the European Parliament’s Employment and Social Affairs Committee<sup>1</sup>.

The European Union has committed to lift at least 15 million people, of which at least 5 million children, out of poverty by 2030<sup>2</sup>. This is an essential goal that can be achieved only if backed by concrete action, sufficient resources, and political ambition to enable more social cohesion and inclusion.

In 2023, an alarming 94.6 million people in Europe were at risk of poverty or social exclusion. Despite marginal improvements on previous years, shockingly, nearly one in four children are trapped in this cycle<sup>3</sup>. National civil society organisations are also reporting a rise in extreme forms of poverty, with more requests for food support and help with paying bills, in particular for housing and energy.

Rising disparities will deepen even further with no support for those who need it most. This is about the life of people and communities and triggers broader socio-economic concerns and political instability.

Considering the current geopolitical, security, and socio-economic context, it is essential that the EU stands firm and ensures that its social priorities are safeguarded. Decisively investing in people who need support will strengthen social rights, prevent polarisation, support enterprises, and will ensure that all communities fare well socially and economically.

In the past years, the EU’s Cohesion Policy has proven vital for investing in people, particularly in the most disadvantaged regions. At the core of this success is the European Social Fund+, which has been instrumental in creating jobs, providing critical training, driving social inclusion reforms, and alleviating the most urgent needs of people experiencing or at risk of poverty. This Fund has supported each and every one of us, our friends, families and local communities, along with our local businesses, social economy, social and other crucial services. Planned, managed, and monitored in close cooperation with different levels of government and local organisations, it has the ability to adapt to both regional needs and broader global challenges, enhancing employability, and reinforcing the European model of Social Market Economy. There is still time to set the track right and ensure a strong community-driven social fund, well aligned to local and regional needs, that sustainably strengthens societies and invests directly in those who need it most and in their potential.

<sup>1</sup> <https://www.europarl.europa.eu/news/en/press-room/20250217IPR26976/meps-demand-strengthened-and-separate-european-social-fund-plus-post-2027>

<sup>2</sup> [https://employment-social-affairs.ec.europa.eu/policies-and-activities/social-protection-social-inclusion/addressing-poverty-and-supporting-social-inclusion\\_en](https://employment-social-affairs.ec.europa.eu/policies-and-activities/social-protection-social-inclusion/addressing-poverty-and-supporting-social-inclusion_en)

<sup>3</sup> <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20240619-1>

With strategic use, a stronger European Social Fund can uphold human rights, strengthen social cohesion, build a better skilled workforce, improve long-term economic sustainability, and foster productivity and innovation – ensuring thriving regions and enhancing Europe's global competitiveness.

**To conclude, the next long-term EU Budget must include:**

- A strengthened stand-alone European Social Fund, with increased funds, not less.
- Earmarked funding for training and jobs, social inclusion measures, and fighting child poverty including addressing basic needs across key programmes.
- A strong partnership principle, ensuring cooperation between public authorities, local organisations, social partners, social economy and civil society, well aligned to local and regional needs, to maximise impact and efficiency. This should include capacity building programmes.
- Measures that drive quality employment and social reforms to help improve welfare systems, care, training and support services, empowering those at risk of poverty and social exclusion. This means keeping the current enabling conditions, that link eligibility for funding to accessibility, inclusion, and the protection of fundamental and social rights.

We stand ready to support policymakers in developing and implementing these priorities and ensuring a stronger, inclusive, and more prosperous Europe.

## Annex 2: Joint Statement “Key recommendations on the use of EU funding for social services” (28 November 2024) – co-developed and co-signed by SSE

EU Funds, as a key tool to implement EU policies, have been crucial for driving social reforms across Europe and ensuring access to basic services for the most vulnerable, regardless of insurance or residence status. They have supported the shift toward a social, human rights-based and person-centred approach to care, promoted deinstitutionalisation, and more recently encouraged the integration of social care services and housing support for homeless persons. Through its guiding role and financial support, the EU has helped complement national efforts and drive needed reforms. However, significant challenges remain. Among these are:

- **Transition towards community-based services:** Despite progress in some Member States, the transition towards person-centred and community-based support systems has not yet been completed. More targeted resources need to be allocated to this transition, to ensure that services are supported and can fulfil their role in leaving no one behind;
- **Structural underfunding:** The care and support services sector is structurally underfunded, making it very difficult for services to be resilient, improve the quality of care, and to develop and implement innovative approaches. This is being amplified by inflation and rising energy prices, which have increased the running costs of social services – in particular those providing health, care and housing-related services;
- **Staff shortages:** The care and support sector is facing staff shortages across all levels of professional qualification and experience, most urgently felt for the personnel which is working directly with people who draw on care and support;
- **Increasing demand:** Changes in the EU's demography and increases in the cost of living mean that more and more people will be in need of a range of services, whose demand is currently not sufficiently met;
- In addition, **digitalisation and artificial intelligence** will pose challenges to service delivery, but also opportunities which have not yet sufficiently been explored.

Social services are among the key players for an effective implementation of the EU's Social Agenda, including the **European Pillar of Social Rights**, the **European Disability Rights Strategy**, the **EU Strategy on the Rights of the Child**, the **European Child Guarantee**, the **European Care Strategy**, the **Social Economy Action Plan**, the **European Platform on Combating Homelessness**, as well as the **future EU Anti-Poverty Strategy**.

However, we are now **deeply concerned about a trend of growing de-prioritisation of social inclusion and the social economy in the new Commission's political and funding agenda**.

We see worrying signs:

- The **redirection of current ESF+ funding** towards the new defence and competitiveness priorities,
- The **dismantling of the Social Economy Unit within DG GROW**, which comes at the worst possible time, when laws such as public procurement, state aid, and the EU budget – all of which play a critical role in enabling care and support for millions of persons – are under review or will soon be revised.
- Also, the sudden **cancellation of COSME calls**, which has been a vital tool to help social economy actors grow and innovate. Cutting it back undermines the development of a sector that is crucial for economic resilience and social cohesion.

The structure of this consultation suggests a concrete risk of **reductions** and **merging** and **de-regulation** of cohesion funds, including the ESF+ which is a key instrument for social reform and inclusion, and that today has clear allocation to social inclusion and fight of child poverty. Reducing its scope and the indications to Member States is a serious threat to the inclusion and quality of life of marginalised individuals. SSE is aware of the importance of addressing these challenges and led the writing of a [joint statement](#), in March 2025, calling for **greater ambition and investment in social inclusion**, with concrete demands to ensure that no one is left behind. More than 250 organisations came together and supported the statement, including EU networks representing social economy, training sector, and representative of vulnerable populations, along with national organisations from 33 countries. This broad mobilisation highlights the consensus across the sector about the urgent need for stronger support, particularly in the upcoming EU budget cycle.

To ensure that social services can cope with the challenges described above and can play their key role in the implementation of the EU's Social Agenda, it is of great importance that the next Multiannual Financial Framework (MFF) contains a Social Fund with an adequate budget and priorities and with an effective governance structure, which can be taken up by social services. In order to achieve this, the next section outlines six key recommendations.

### **Recommendation 1: Ensure an adequate and dedicated Social Fund to fully implement the European Pillar of Social Rights**

Over the past years, EU funds have contributed to pilot and spread innovative services and approaches such as Housing First and low-threshold social counselling for people in vulnerable situations, and have fostered social transitions and reforms, such as the transition from institutional to community-based care and support. In order to keep on doing so, and to deliver on the **European Pillar of Social Rights** and other social policy frameworks, **it is of utmost importance that EU funds are specifically available for social inclusion and innovation in the upcoming MFF**.

In order to ensure that social priorities are not being overshadowed by other priorities and potential future crises, it is important that there will be **a fund specifically dedicated to social policy**, i.e., a **successor to the current ESF+, which is not merged with any other new or existing EU fund**. Having a specific Social Fund and dedicated budget is also needed to ensure alignment with social services' needs. **Research by the Helpdesk project found that this approach has indeed been effective in the current funding period: 60% of the social services thought that the priorities set by the EU are in line with their own, and that EU projects can fund the activities they really need.**<sup>4</sup>

To ensure the future Social Fund delivers on the full European Pillar of Social Rights and its 20 principles, as part of the Action Plan on the Implementation of the European Pillar of Social Rights (2025), the EU should **increase and leverage budget to the growing needs for each of its three chapters, namely: 1. Equal opportunities and access to the labour market; 2. Fair working conditions; and 3. Social protection and inclusion**. To ensure the third chapter is not being overshadowed by the former two, it is important **that the future Regulation earmarks at least 25% for social inclusion**. Moreover, the future Social Fund should encourage investments in line with the principles and objectives of the **Active Inclusion Approach**, applying a holistic approach to inclusion, by combining adequate income support,

<sup>4</sup> EU Helpdesk Survey Report on Social Service Providers (2023). Available at: [https://eufunds4social.eu/wp-content/uploads/2023/03/EU-Helpdesk-cross-country-survey-report\\_SP.pdf](https://eufunds4social.eu/wp-content/uploads/2023/03/EU-Helpdesk-cross-country-survey-report_SP.pdf)

inclusive labour market measures, and access to services. By delivering quality, effective and innovative social services, the fund will comprehensively contribute to fighting poverty and ensuring an active workforce that will help deliver on the EU's competitiveness goals.

In addition, other funds, such as the European Regional Development Fund, the Just Transition Fund, ERASMUS+ and the Asylum, Migration and Integration Fund should also have a strong social component to ensure different needs of the most vulnerable population are being met, and to ensure complementarity between the funds. In this regard, new rules should allow for the ability to combine and blend funding from different Funds in the pursuit of social objectives.

### **Recommendation 2: Ensure dedicated budget and earmarking of the future Social Fund to fight child poverty and social exclusion**

According to [Eurostat](#), from 2019 to 2023, the number of children at risk of poverty and social exclusion rose from 19 million (23.6%) to nearly 20 million (24.8%), an increase of approximately 4.2%. This worsening crisis stems from compounding factors, including the long-term impact of the COVID-19 pandemic, the ongoing cost-of-living crisis, and climate change. These challenges have disproportionately affected children and families in vulnerable situations. Economic shocks have stretched already limited resources, and in many cases, funding for social policies designed to protect the most at risk is being diverted elsewhere, a particularly troubling trend in the context of the EU's post-pandemic recovery.

The **European Child Guarantee** represents a once-in-a-generation opportunity to combat child and family poverty and social exclusion. One of the most powerful aspects of the Child Guarantee is its ability to financially support the setting up of new social inclusion initiatives across the EU, where National Action Plans acted as a powerful **incubator for innovation**. In this context, we join the call of the [Alliance for Investing in Children](#) to establish a dedicated ESF+ **budget of at least EUR 20 billion for the European Child Guarantee** to maximise its impact on reducing child poverty across Europe.

We call for **at least 5% of ESF+ resources to be allocated to tackling child poverty in all EU Member States, with an increase to at least 10% for countries with an AROPE (At Risk of Poverty or Social Exclusion) rate above the EU average**, focusing on the most affected groups and areas. Currently, these countries already invest an average of 7.22% of their ESF+ funding in child poverty-related measures, raising this to 10% would be a realistic and impactful step toward breaking the cycle of poverty.

### **Recommendation 3: Maximise the impact of the future Social Fund by ensuring take-up by not-for-profit organisations**

Even though the Helpdesk project found that the priorities of the current ESF+ are well aligned with the needs of service providers, many social services reported difficulties in accessing ESF+ and other funds. **In some countries and regions, the Fund seems to reach only public authorities, or a very small pool of organisations. At the same time, the majority of not-for-profit social service providers, particularly smaller and locally-based organisations cannot get access.** In some cases it seems there is no open competition in which they can take part; in other cases there are only calls with a budget that is too high for smaller organisations to implement. Inability to meet co-funding requirements is another barrier for not-for-profit organisations to access EU funds. It also happens that the funds are used mostly for one issue (e.g. tackling unemployment), while other social inclusion topics are being neglected.

However, smaller or decentralised local **not-for-profit social services** make up a large part of the overall support provided to people in need. In addition, they often have specific expertise and access to marginalised groups and (rural) areas that are otherwise not sufficiently covered by public services. Without specific measures that facilitate access for these organisations, EU funds risk missing out on reaching their full potential in terms of social impact. Not-for-profit service providers are also important actors of social innovation. Embedded in the communities, they can quickly respond to changing needs and circumstances and reinvest profits in innovation and new agile programming that better correspond to the needs of the society.

In addition, as these organisations are independent local actors, the EU can play an important role by ensuring their continuity, regardless of changing political dynamics in its Member States.

Given the above, **we recommend earmarking at least 25% of the future Social Fund in each Member State for open calls targeting specifically not-for-profit organisations.**

In addition, we advise to **increase pre- and co-financing rates** for projects pursuing social inclusion objectives, in particular for projects implemented by not-for-profit organisations, where the EU co-funding contribution should be at least 80%. To ensure take-up by not-for-profit organisations and respect **for the partnership principle** at EU level, it is also important that they are consulted and contribute in the monitoring, evaluation and implementation of the fund at all levels. However, with the current foresight where cohesion policy will be planned under one single plan in each Member State, there is a risk that not-for-profit social services at all levels will not sufficiently be consulted. There should therefore be safeguards in place to ensure sufficient involvement of not-for-profit social services in the full funding cycle and **the inclusion of not-for-profit social services in the ESF+ committee, as well as in expert and consultative national committees**, should be mandatory.

**Lastly, it is important that civil society organisations will again be eligible as intermediate bodies in the future Regulations. In the current period, we are seeing that having an intermediate body which is closer to civil society and to the target groups, is beneficial for the impact and use of EU funds, and can have a positive impact on the partnership principle as well. Furthermore, it allows for Operational Programmes to be rolled out across regions.**

#### **Recommendation 4: Build the capacity of Social Services to access the future Social Fund**

The [Helpdesk project](#) revealed that **social services still face a significant knowledge and skills gap** in accessing the current ESF+ and running EU-funded projects. In addition, they insufficiently benefit from the available technical assistance budgets. This is another key barrier preventing the take-up of ESF+ by social services, as referred to in the Recommendation above.

The knowledge that social services currently lack relates to the functioning of ESF+ in the respective Member State; language used (project literacy) and the procedure of application; writing project applications and submitting projects; financing rules such as co-financing; reimbursement principles; accountancy rules; public procurement and state aid rules; the use of simplified cost options; reporting; and preparing audit controls. On the other hand, Managing Authorities also lack the capacity to better define, measure, and monitor the social impact of social services projects as well as addressing social innovation.

To improve the capacity of managing authorities and social services, the **European Commission should ensure that future regulations include mandatory capacity-building components (including related earmarked funding) and a strengthened partnership principle at the EU and national levels**. Furthermore, the future ESF+ regulation framework should be more precise on content and structure of capacity building and should especially refer to training of social services and other stakeholders in accessing, using and reporting ESF+, including by the setting up of dedicated intermediate bodies. In particular, **the future ESF+ regulation should reserve a technical assistance budget to set up a network of national helpdesks, coordinated at cross-European level, in order to effectively deliver the training, guidance, practice-sharing and support to organisations on the ground**.

#### **Recommendation 5: Ensure simplification reaches beneficiaries**

The Commission has made efforts to simplify the use of EU funds in the MFF 2021-2027, and has committed to pass further simplifications in the next MFF. This is highly welcomed, as one of the main barriers for social services to access EU funds remains the complexity of these funds and the lack of human resources to deal with the heavy application and reporting requirements.

Even though the simplifications in the current regulations, such as simplified cost options, are an important step towards simplification, **more efforts are needed to ensure that simplifications also reach the beneficiaries**. At the moment, there is too much uncertainty regarding the use of simplification measures, which means that the grant beneficiaries are still keeping record of all receipts and processes, to avoid unwelcome surprises during reporting and audits. **Therefore, particular attention should be paid to creating an enabling environment which reaches all stakeholders**. In order to achieve this, it is important that **beneficiaries, including not-for-profit social services providers, are consulted for the design of the simplification measures**.

#### **Recommendation 6: Ensure EU funds drive social and human rights-based change and are anchored in the needs of individuals and communities**

The EU and its Member States have committed to upholding human, including social rights through different policy frameworks such as the European Pillar of Social Rights, the EU Fundamental Rights Charter and by signing international human rights conventions (such as the United Nations Convention on the Rights of Persons with Disabilities and the Revised European Social Charter). These frameworks also set standards for the accessibility, affordability, availability and quality of care and support. The EU has been playing a leading role to ensure Member States move towards the implementation of these frameworks, so as to ensure people in the EU have access to their rights. It has been doing so by using EU funds for social reforms, and by setting conditions for the use of the EU's shared management funds including ESF+ (through ex-ante conditionalities in the MFF 2014-2020 and enabling conditions in the MFF 2021-2027). **The EU should continue its influence to uphold human, including social rights and ensure quality care provision through renewed conditions which apply to all resilience and cohesion funds**. Human rights are universal, and therefore the same conditions for the use of the EU funds should apply to all Member States.

The future Social Fund and other funds with social priorities, should be made conditional to the respect of fundamental human rights principles and the existence of national social inclusion strategies, in particular: a national framework on the implementation of the UNCRPD; and a national framework on

social inclusion and poverty reduction, including measures to grant access to quality services for people in vulnerable situations and measures for the shift from institutional to family- and community-based care. It is equally important to ensure that human dignity and non-discrimination is respected by allowing the provision of basic social services to reach everyone regardless of administrative or other status.