Practical Handbook on Developing Local Employment Strategies in Portugal

Employment & social affairs

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Unit A4

CE-V/1-04-015-EN-C

Manuscript completed in August 2004

FOREWORD

Local employment development is clearly important for regional and local communities, but it is also important at the national and European levels. It is increasingly recognised that national and European employment objectives - and in particular the European Employment Strategy - cannot be achieved without the active involvement of actors at the regional and local level.

In November 2001 the European Commission adopted a Communication on the local dimension of the European Employment Strategy (EES)[1]. This Communication suggested ways to help local actors play their full part in the EES, in cooperation with national authorities and Community institutions, underlining that new Member States should be fully involved in this process.

Since the approval of the Communication, the Commission has endeavoured to develop a coherent strategy, as well as specific activities, in order to take forward the Union's priorities in the field of local employment. A particular focus for the Commission has been to play a supportive role for local actors, notably by ensuring better information and a more coherent use of existing policies and instruments; by being more accessible; and by promoting the exchange of best practices and experience.

In line with that strategy, we are now publishing this handbook for local actors.
It provides those involved in local employment development in Member States with a practical tool indicating the best approaches for designing, developing, implementing, monitoring and evaluating successful local employment development strategies. The key principles are presented, documented with concrete examples already tested in developing local employment strategies.

Local action has gained its rightful place in the mainstream of policies, as more and more local players are involved not only in the delivery, but also in the design and development of job creation and inclusion policies. I hope this handbook will help in encouraging more people and organisations to get involved.

Odile Quintin
Director-General for Employment and Social Affairs
European Commission

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[1] *'Strengthening the local dimension of the European Employment Strategy'* - COM (2001) 629, 6 Nov 01.

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1.0 INTRODUCTION

1.1   A Practical Handbook for Developing Local Employment Strategies

Local actors can make a unique contribution to employment in their locality. But their efforts are particularly effective if they come together as a partnership and develop a shared strategy. Local employment strategies can add value to the efforts of the European Union (EU), national governments and regional governments. In fact, experience shows that they can have a real impact on persistent problems of unemployment, skills shortages and inequality across Europe.

This Practical Handbook presents best practice in developing such local employment strategies. It does not prescribe a single, narrow formula. Instead, it describes key characteristics and principles as well as specific individual examples in Sections 2, 3 and 4. Sections 5 onwards provide advice and examples specific to Portugal.

> *Be effective – learn from best practice*

1.2   What is Local Employment Development?

Local employment development covers a wide variety of actions that tackle unemployment and reduce inequality. It involves a process that is designed, implemented and 'owned' by local actors. Other activity, for example EU and national programmes, might develop employment in a locality. But local employment development can add value to this other activity by mobilising local actors and recognising the needs and potential of a particular locality.

For example, entirely new sorts of job can be created that can simultaneously reduce unemployment and meet local service needs. Many of these new sources of jobs have the potential to draw in people bringing different attributes, skills and aspirations to the labour market.

Many new locally generated jobs can be easily filled by those outside the mainstream labour market. They can help to promote gender equality because the local nature of the jobs can make them more 'family-friendly'. For example, new jobs can be designed to suit the needs of working parents. Local approaches to skills development and training can also draw different sorts of people into learning, as a first step towards employment.

The impact of local employment development in one locality, when added to that of other localities can significantly reduce unemployment and inequality across Europe. So local employment development is important in its own right, but also for its contribution to European economic and social policies. Indeed EU policy now recognises the importance of local action. The EU also provides resources for testing and promoting innovative approaches to local employment development. (See Section 2 below.)

Local employment development improves the parts that EU and national policy fail to reach.

1.3   What works best in Local Employment Development?

Whilst local employment development can take many forms, the best examples tend to demonstrate a number of *key success factors*. These are:

- awareness of the national context;
- a partnership of local actors from the public, private and third sectors;
- meaningful dialogue between partners;
- co-ordination with regional, national and EU policy;
- a European dimension;
- a thorough understanding of local needs and potential;
- a focus on gender equality and social inclusion;
- co-ordination of activity locally;
- a strategy and action plan;
- innovative activities;
- good management;
- local ownership;
- sufficient resources; and
- learning from experience.

Sections 3 and 4 explain these key success factors in more detail and offer practical examples of good practice. But first, we consider what Europe can offer to those involved in local employment development.

A partnership strategy is most effective for local employment development

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2.0 THE EUROPEAN DIMENSION

2.1   More and better jobs

Looking at recent developments in EU policy, first, we see how the EU has placed a greater emphasis on employment generally. Second, we can see how the EU now recognises the unique contribution that local partnerships can make to its employment objectives.

'*More and better jobs and greater social cohesion*' is one of the overall aims of EU policy. This aim is reflected in the EU's *European Employment Strategy*. The strategy is designed to enable the EU to create the conditions for full employment and to strengthen cohesion by 2010. It is the key tool for co-ordinating the employment policies of EU Member States.

The Strategy has three main objectives:

- full employment;
- quality and productivity at work; and
- social cohesion and inclusion.

It also includes specific targets for employment in Europe:

- an overall employment rate of 70% in 2010;
- an employment rate for women of 60% in 2010; and
- an employment rate of 50% for older workers (aged 55-64) in 2010.

Local employment development has a vital role to play in achieving the objectives and targets of the Strategy. This is reflected in the *Employment Guidelines* that the EU produces to guide the employment policies of Member States and ensure co-ordination with the Strategy. The Guidelines issued in 2003 specifically encourage Member States to support local employment development. In guiding the Member States, they state that:

"The potential for job creation at the local level, including in the social economy, should be supported and partnerships between all the relevant actors should be encouraged."

The European Commission has recognised the importance of local employment development to the European Employment Strategy in several *Communications*[2]. These Communications reflect current European policy and thinking.

Local authorities from the *LEAPS* project in Scotland have recognised the value of the European Employment Strategy. They found that the Strategy was a valuable analytical tool for identifying gaps and overlaps in strategies and initiatives at the local level. So they used the Employment Guidelines as the framework for developing a local action plan for employment.
www.cosla.gov.uk

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[2] http://europa.eu.int/comm/employment_social

So the EU recognises the need to inform regional and local actors about the European Employment Strategy. It also encourages them to undertake local employment development. This will ensure that all levels work together in a coherent way to achieve the employment targets that the EU has set itself, while simultaneously addressing their own employment problems.

The European Employment Strategy promotes local employment development.

2.2   Support from the EU

Local partnerships involved in local employment development can benefit in a number of ways from EU support. They can receive funding for their activities directly from EU programmes (see Section 4.3.3). They can also be participants in experimental and pilot actions with other international partners. Furthermore, a European dimension offers greater recognition of their efforts.

For example, the EU has supported a wide range of experimental work in local employment development. This includes the Local Employment Development Action Programme, Territorial Employment Pacts, the Third Sector and Employment Programme, Local Social Capital Pilot Actions and Preparatory Measures for a Local Commitment to Employment.

Quartiers en Crise in Brussels (Belgium) received EU support from the Preparatory Measures for a Local Commitment to Employment. This enabled it to go beyond its main focus on urban regeneration and consider employability and job creation.

www.qeconline.org

Through these programmes, the EU promotes the key principles of local employment development across Europe. Indeed, many lessons have been learned from these programmes. They are presented in evaluation reports and other documents, also available on the Commission's website. But the lessons are also incorporated into the advice offered in later sections of this Practical Handbook.

Local partnerships can also expect to get better recognition and support from their national governments, through the *National Action Plans for Employment* and *National Action Plans for Social Inclusion*. Every year, each Member State produces the Plans, following guidelines agreed at EU level. The Plans encourage national governments to adopt the best practice in employment and social inclusion policy. They reflect the increasing involvement of local and regional authorities in employment actions in most Member States. For example, the Swedish National Action Plan (2003) recognises the efforts of the Swedish Association of Local Authorities, the Federation of Swedish County Councils and a number of municipalities in producing local action plans for employment.

The EU promotes and funds best practice in local employment development.

2.3   Lessons from the OECD

The Organisation for Economic Co-operation and Development (OECD)[3] also researches and promotes best practice in local employment development. Local actors can learn much from the good practice principles and examples within the OECD's *Local Economic and Employment Development* programme.

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[3] www.oecd.org

3.0 CREATING THE RIGHT CONDITIONS

Developing a successful local employment strategy cannot be done in a hurry. The *key success factors* identified in Section 1.3 are the product of careful steps that bring local interest groups together and help them to act strategically and undertake activity. This requires time and resources to be devoted to a preparatory stage.

Preparation is particularly important in localities with little experience of local employment development and where capacity needs to be built. It may even be the first time that genuinely local activity has taken place. A number of practical steps need to be considered from the very beginning. These steps need not necessarily be taken in this particular order. In fact, some or all of them can be taken simultaneously, depending on local circumstances.

- See how supportive the existing political and administrative system is of local employment development.
- Define the best geographical range over which to operate.
- Consider using a partnership.
- Co-ordinate the local partnership's activities both *upwards* – to regional and central government; and *outwards* - to neighbouring administrations and to other partnerships across the EU.

This section outlines how to take these practical steps to create the right conditions within which a local partnership can design, develop, implement, monitor and evaluate a successful local employment strategy. Figure 1 below illustrates this process.

Start right - create good conditions for local employment

Figure 1: Creating the right conditions

1 Study the national and local context
- Understand national policy
- Examine local capacity
- Look at existing partnerships

2 Define the target locality
- Consider labour market areas
- Consider administrative areas
- Be strategic yet local

3 Consider a partnership
- Choose an effective format
- Ensure good leadership
- Involve the right partners

4 Make links with others
- Link to regional, national and EU policymakers
- Link to neighbouring localities
- Link to similar localities across Europe

3.1 Know the context for local employment development

Best practice in local employment development tends to emerge when local actors understand the wider context they face and work with it, rather than against it. This wider context includes national policy, local capacity and existing partnership arrangements. Experience suggests three *key success factors* here.

3.1.1 Understand how national policy supports local economic development

In some countries and regions, the national government may already offer an established role for local employment development, perhaps even with a legal or constitutional framework. This role is often part of a wider pattern of devolution from central to regional and local government. So local partnerships may already have clear responsibilities and real funding for local employment development in these countries. Ireland, Italy and parts of Austria and Spain are examples.

> The Republic of Ireland's *Local Development Social Inclusion Programme* (2000-06) recognises and provides funding to partnerships and community groups 'that adopt a partnership approach to tackling local issues on the basis of comprehensive, integrated local action plans designed to counter exclusion'.
>
> www.adm.ie

But some other countries have traditionally been more centralised, with less devolution to the local level. So national or regional governments may be less responsive. They will need to be convinced of the need to offer flexibility and resources for local employment development. The new Member States and some of the southern Member States are likely to find themselves in this situation.

3.1.2 Know what capacity there is for local employment development

Where there is some experience or tradition of local employment development, there is also likely to be the capacity to do it. This includes institutional capacity, such as the authority to act locally and respond quickly, as well as the ability to receive funding and manage contracts. It also includes personal capacity in terms of leadership, knowing the locality and communicating with others.

Some countries, particularly those in Western Europe, also have a long tradition of civil society and partnership. Many third sector organisations in these countries are experienced in understanding and providing for the needs of disadvantaged groups. They also have experience in working closely with employers and with government. Employers may also have a tradition of corporate responsibility, which includes local action. In these countries, local partnerships can be formed relatively easily and move faster to develop strategies and undertake activity.

Where there is limited local capacity, take a patient approach and make long-term investments. Look at the basic principles of local employment development, find what works locally and build slowly and patiently upon it. Try also to encourage regional and national governments to be responsive to initiatives from the local level.

3.1.3   See what partnerships already exist

Depending on national policy and local tradition, there may already be one or more partnerships relevant to local employment and operating in any locality. A key success factor in creating the right conditions is therefore to create partnership structures that take into account what already exists.

In those countries with limited devolution to the local level, and a weak tradition of local action and civil society, it may be necessary to form an entirely new partnership. Here it will be important to bring together public, private and third sector organisations, possibly for the first time. It will take time to build trust and understanding between the partners, before agreeing any ambitious objectives.

Some countries have given local employment development partnerships a clear legal and constitutional framework. So, there is little need to create a new partnership or to justify its existence. The focus can be on delivering results.

In other countries, such as the UK, there have been many initiatives at the local level. An extensive network of local partnerships already exists. This can cause problems such as competition for funding and duplication of roles. So in these localities the focus might be on co-ordinating or amalgamating existing partnerships, rather than creating new ones. For example, local partnerships for inward investment and social inclusion could be combined into a local employment partnership.

When South Tyneside (UK) was awarded funding for a Territorial Employment Pact, it chose not to create a new partnership. Instead the role of an existing partnership for enterprise – the *South Tyneside Enterprise Partnership* – was widened to embrace local employment.

www.southtyneside.info/communitysupport/step.asp

3.2   *Define the target locality*

Some individual actors, such as municipalities, operate in clearly defined localities. But one uncertainty surrounding partnerships, indeed a possible strength, is that the target area for operation is not necessarily fixed. Where a partnership has come together voluntarily, there may be considerable scope for choosing the area over which it operates. Of course, where national policy offers a clearly defined role for local employment development, the locality may already be clearly defined.

For partnerships undertaking local employment development, experience suggests three *key success factors* to take into account when defining a locality for action.

3.2.1   Consider the geography of the local labour market

Employment problems and opportunities rarely match administrative boundaries. So a strategic approach may require a partnership to target an area that is larger than just one municipality, for example, a travel-to-work area. The key benefit of this approach is that local solutions can be developed in direct response to the employment problems and potential of any locality. For example, the *Tampere-Pirkkala Territorial Employment Pact* (Finland)[4] developed an action plan for several neighbouring municipalities that had all experienced a decline of the textiles, clothing and footwear industries.

3.2.2   Take into account administrative boundaries

It can be useful to define a locality according to local administrative boundaries, for example a municipality. This can simplify activity, since many key local actors will already operate within the same area. It also avoids some of the problems involved in drawing different partners together from several municipalities. It may also be easy to collect data about the area. However, the target locality might not reflect the geography of the local labour market and the problems to be addressed.

3.2.3   Get the size right

A local employment partnership should be big enough to be strategic, yet small enough to remain local. Partners need sufficient knowledge of and influence over the locality to be able to make a difference. They may need to be able to react quickly to new events.

'Local' can certainly refer to the sub-regional, local (municipal) or neighbourhood levels but its scale, size, coverage and administrative boundaries will vary. A partnership responsible for an area with a very large number of inhabitants may be unwieldy and unfocussed, lacking an emphasis on truly local needs. Partnerships covering populations smaller than a municipality (such as a neighbourhood) might be too small to be effective in any strategic sense.

Different types of action are more effective at different levels. For example, the *Proyecto Pléyade* (Spain)[5] defined target areas for analysis on the basis of local labour markets covering several municipalities. But it created individual action plans for each municipality within the target area. In general, a municipality might be most appropriate for the integration of disadvantaged groups. But a sub-region or region may be most appropriate for inward investment and infrastructure developments.

Be strategic, be local, be manageable.

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[4] http://europa.eu.int/comm/regional_policy/innovation/innovating/pacts/en/list/fin_tampere.html or www.tampere.fi/english
[5] www.femp.com/pleyade/eng/index.htm

3.3 Develop an efficient partnership.

While local employment development can be done without a partnership, experience shows that a partnership can add value that cannot be gained in other ways. But it has to be a real partnership for this effect to be at a maximum. Where, for example, partnerships are merely symbolic or 'marriages of convenience', the outcomes will be less secure.

A partnership approach can be more effective, because it can potentially:

- Involve a wider set of interests, including industry, commerce and the social partners;
- Generate wide political support and local 'ownership' of activity;
- Empower people, especially disadvantaged groups;
- Reduce duplication of effort and produce focused action;
- Increase the financial, physical and human resources available;
- Provide more coherent or holistic services;
- Understand, anticipate and meet local needs;
- Inject innovation and creativity into regional and local developments; and
- Combine the effects of various programmes, thus optimising impact.

It is important that a local employment partnership has the right format, leadership and membership, if it is to be effective.

The key benefit of partnership is improved local governance.

3.3.1 Format

The most effective format for the partnership will depend on its particular circumstances, such as national policy, local capacity and existing partnerships. So there will be great variety from one locality to the next. However, past experience points to a number of *key success factors* in the way a partnership is structured and managed.

- A genuinely '**bottom up**' approach that encourages initiatives and ideas from the 'grass-roots' level.
- A **broad-based** membership of public, private and third sector organisations that have an interest in local employment.
- A **common purpose** to bind them together regardless of their individual responsibilities.
- A **partnership agreement** that strengthens accountability by clearly distributing responsibilities between partners.
- A **formal structure**, whether as a distinct legal entity (such as a company limited by guarantee) or a looser association of partners.
- Open and honest **dialogue** between partners.

An evaluation of the *Pilot Programme for Economic and Social Progress* in Ireland identified three models of partnership:

- **The Delivery Approach**, in which the partnership designs, develops, funds and runs activity, usually on a time-limited pilot/demonstration basis and the activity is generally responding to a lack of locally-based services or insufficient mainstream provision.
- **The Agency Approach**, which also addresses an identified need but the response is more concerned with designing, or sometimes allocating resources rather than a direct involvement in the actual delivery of services to the target group.
- **The Brokerage Approach**, which provides a support structure to local actors. The main roles are planning, co-ordinating, supporting, facilitating and lobbying.

www.combatpoverty.ie

3.3.2   Leadership

An effective partnership requires good organisational and individual leadership. But the lead partner should not take sole ownership of the partnership and its activity. Instead it provides the right environment and conditions for the partnership to operate in. It also encourages the active involvement of all local actors. The lead partner should demonstrate genuine political commitment to the partnership. It will put the general interest above its own corporate interest.

A good lead partner will already have an established local role in economic development, vocational training and social inclusion. It may also need the financial capacity to take responsibility for large amounts of money on behalf of the partnership.

Local authorities are often the best placed to lead a local employment partnership. They are elected, accountable to local people and recognised by regional, national and EU policymakers. They have the capacity to provide local services, many of which are relevant to local employment, such as social welfare. Many national governments are also devolving the implementation of public employment policy to local authorities.

But some local authorities lack the experience, power and resources to lead a local employment partnership. So other partners might be more appropriate, particularly if they are already responsible locally for economic development or vocational training.

Every partnership also needs an effective individual leader with strong political authority. For example, experience in Italy and Greece demonstrates that the mayor is usually the most appropriate leader. But the leader also needs the personal skills and attributes to lead the partnership and oversee its strategy on a day-to-day basis. So it might be best to have an executive working alongside the political leader.

Evaluation of the Preparatory Measures project led by *KEDKE* in Athens (GR) concluded that the leader of a local employment partnership needs:

- **communication** with local actors;
- **knowledge of local actors** and how they work;
- **realism**;
- knowledge and experience of **funding sources**; and
- **innovation** and **entrepreneurship**.

www.kedke.gr

3.3.3   Membership

The partnership should include all local actors with the knowledge, expertise and remit to contribute to local employment development. These might include:

- Local and regional authorities and the local representatives of national authorities;
- Local employers such as large firms, financial institutions, representatives of small businesses and social economy bodies;
- Committees responsible for monitoring EU structural assistance;
- Local development associations;
- Social partner organisations;
- Non-governmental organisations;
- Professional organisations, Chambers of Commerce, Trade Associations;
- Local offices of the Public Employment Service; and
- Educational, training, and research organisations.

But there is no single, uniform, ideal 'mix' of partners. Membership will vary significantly, from locality to locality. Indeed, so will roles, responsibilities and organisational structures, even within the same Member State. Some partners will be fully involved in implementation. But others might only be involved as consultees. The key is to ensure wide consultation as well as effective decision-making.

3.4   *Linking with others*

The success of a local employment partnership depends in part on the influence that it can have beyond its immediate locality. This is because others take decisions that have an impact on local employment. So it is important to establish and maintain good links with national and regional levels, neighbouring localities and other localities across Europe.

3.4.1   *National and regional levels*

Most national governments are decentralising the implementation of their employment policies. This is mainly done through local offices of the public employment services. But it also involves partnerships with different types of local actors. So there is a real opportunity

for local partnerships to influence the implementation of national policy at the local level. They can make it more responsive to the needs of their own localities.

For example, the UK Government's *New Deal for the Unemployed*[6] involves partnerships of local employers, local authorities, trade unions and third sector organisations. These partnerships advise the public employment service on the design and implementation of the New Deal programme in their locality.

At the same time, national governments also set guidelines for employment development, including at the local level. These guidelines are increasingly encouraging the development of local employment strategies. The EU is also encouraging national governments to involve local players in the design of national policy, including the *National Action Plan for Employment* and *National Action Plan for Social Inclusion*. So local employment partnerships have the opportunity to make national policy more supportive of their activity.

Local employment partnerships should seek to:

- have an authoritative voice and role that is recognised at the national and regional level;
- be consistent with regional and national policy, particularly the National Action Plans;
- develop institutional links with the regional and national levels; and
- be part of the policy making process at regional and national level.

National policy: understand it, influence it, work with it.

3.4.2   Neighbouring localities

Employment problems and opportunities often extend across local administrative boundaries. So it is useful to make links with local actors and partnerships in neighbouring localities to address shared problems and opportunities. Co-operation can include:

- Co-ordinating strategies to ensure complementarity;
- 'Lobbying' regional, national and EU authorities to highlight shared problems and influence policy;
- Commissioning or sharing research into common problems;
- Specific projects operating across boundaries;
- Promoting employment and training opportunities in neighbouring localities; and
- Ensuring that local employers and residents receive consistent support across municipal boundaries.

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[6] www.newdeal.gov.uk

3.4.3 *Similar localities across Europe*

Localities with similar characteristics are likely to experience similar problems and opportunities. So there is much to be gained from co-operating with partnerships in similar localities across Europe. Co-operation can include joint lobbying of national and EU authorities. It can also include sharing information and best practice in local employment.

Co-operation is often most effective if it is part of an established network. Networks allow access to cost-effective means of publicising activity such as seminars, conferences, websites, journals and newsletters. A partnership could also set up a new network with one or more other partnerships.

Local employment partnerships from five large northern European cities came together to form the *Metronet Network*. These were the Territorial Employment Pacts from Berlin (D), Bremen (D), Copenhagen/Malmo (DK/S), Dublin (IRL), Hamburg (D), Tottenham (UK) and Vienna (A). The network developed common themes, shared good practice and considered a common approach to evaluation. It has led to a joint project about social exclusion as well as co-operation in preparing applications for the Community initiative EQUAL.

www.aforesund.org/eng/oresund_employment_pact.aspx

One important existing network is the *Committee of the Regions*[7]. It is an advisory body to the EU, composed of representatives of regional and local authorities. The EU has to consult the Committee on matters that concern local and regional government, such as employment.

Other networks bring together regions or localities with common geographical or economic characteristics. Examples of these networks include Eurocities[8] and the European Industrial Regions Association[9].

Some networks take a thematic approach. For example, five *European Thematic Groups* bring together local practitioners from EQUAL development partnerships across Europe to share good practice between practitioners[10]. They also ensure that EU policy takes into account the experiences of local activity from across Europe.

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[7] www.cor.eu.int
[8] www.eurocities.org
[9] www.eira.org
[10] http://europa.eu.int/comm/employment_social/equal
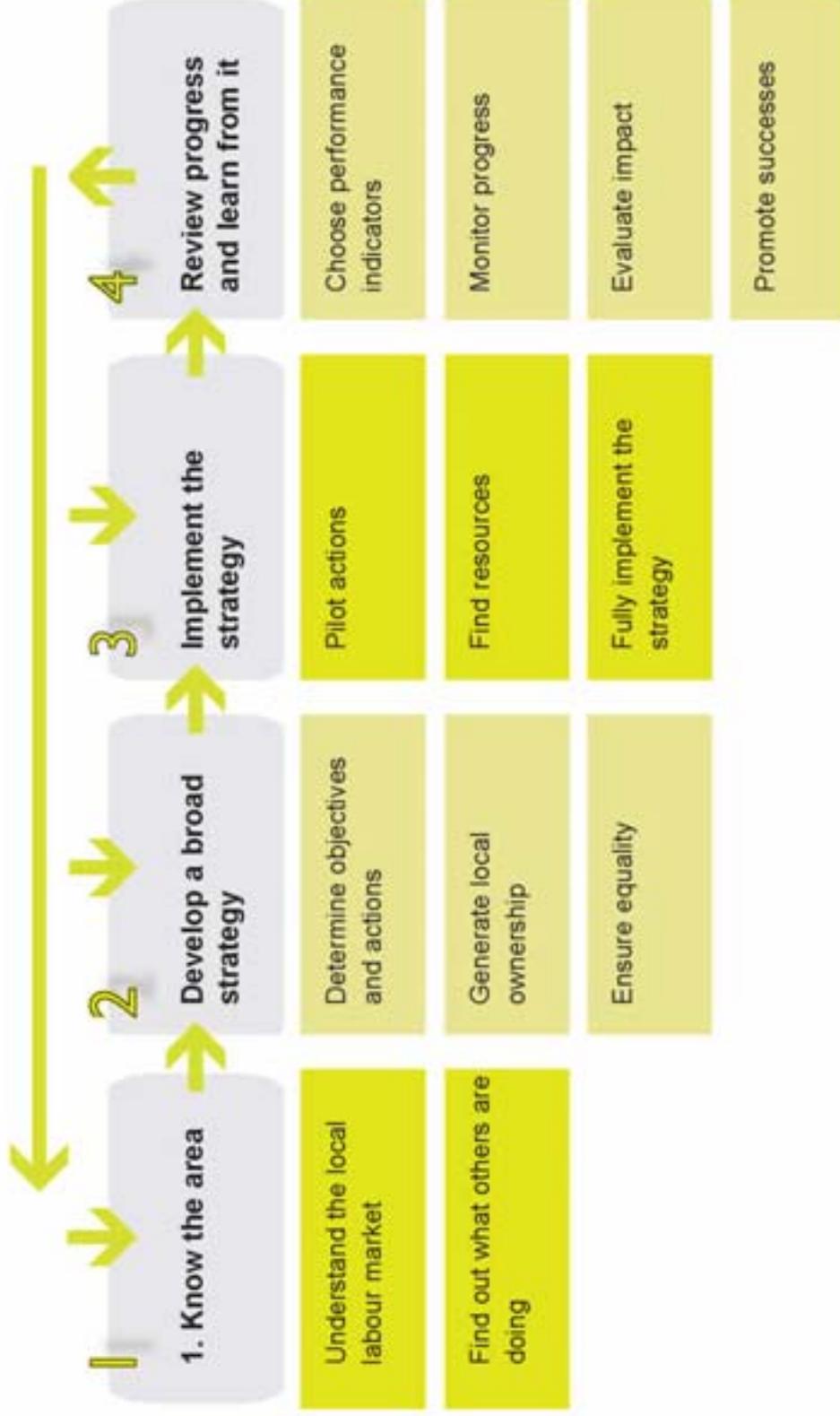
4.0 IMPLEMENTATION

Once a good local partnership is in place, with a clearly defined role, the next step is to design and implement a strategy. Experience shows that the impact of a local employment strategy depends on some *key success factors*. These are:

- Knowing the locality and its labour market;
- Developing a broad strategy;
- Implementing the strategy; and
- Reviewing progress and learning lessons.

Learning from these key success factors might suggest a process similar to the 'roadmap' presented in Figure 2 below. But the roadmap is a flexible tool that can be adapted according to local circumstances. For example, some steps might already have been taken in the course of 'creating the right conditions' (outlined in the previous section). Moreover, some steps can be taken simultaneously or in a different order to that described here.

In any case, local employment development is a continual and dynamic process. The lessons that a partnership learns from monitoring and evaluating its strategy should highlight new opportunities and problems. Understanding these opportunities and problems might require the collection of more information at the local level, leading to a new or revised strategy and new actions.

Figure 2: Implementing a strategy

1. Know the area	Develop a broad strategy	Implement the strategy	Review progress and learn from it
Understand the local labour market	Determine objectives and actions	Pilot actions	Choose performance indicators
Find out what others are doing	Generate local ownership	Find resources	Monitor progress
	Ensure equality	Fully implement the strategy	Evaluate impact
			Promote successes

4.1 Knowing the Area

4.1.1 Understand the local labour market

A local partnership needs to understand the problems that it wishes to address. This is best done by collecting information about local employment in a systematic way. The information can then be analysed, which will guide the choice of objectives and actions. Continuously gathering information also allows measurement of the impact of activity on local employment. The strategy can also be revised as new problems and opportunities emerge.

Collecting information in a systematic way is important because some or all partners may be unaware of some problems and opportunities. The extent and cause of problems may not be known. In any case, the local employment situation will change over time.

A local employment partnership will probably need to gather information about:

- Levels of employment and unemployment;
- Characteristics of the employed and unemployed (age, skill levels, location, etc.);
- Skills needed by local employers;
- Skill available in the local workforce;
- Key occupations;
- Key economic sectors;
- Gender equality;
- Demography;
- Needs of disadvantaged groups;
- Wider social and economic trends; and
- Future trends.

A partnership will probably need to bring together information from several different sources to enable a comprehensive assessment of the local situation. The extent of the information gathered should be proportionate to the size of the partnership and its activities.

National governments usually publish information about general employment trends as well as detailed statistical information. National data is a useful starting point, but does not always reflect the real-life experiences of local communities and local people. So local information is also needed. Some local actors may already gather information for their own purposes. For example, this might be about the needs of disadvantaged groups. It may also be necessary to commission new research, where there are gaps in information.

Some partnerships have created local or regional 'observatories'. Observatories gather information about employment from various sources and use it to create a comprehensive analysis of the local situation. They then distribute it widely to help local actors plan their activities.

The *Nottinghamshire Research Observatory* brings together local information and research on economic and social issues in the county of Nottinghamshire (UK). It makes current research reports available on-line as well as publishing unemployment bulletins. This research can then guide the design and implementation of local employment strategies and projects. The Observatory also promotes partnership in undertaking and disseminating research. This helps increase co-operation, avoid duplication and bridge information gaps.

www.theobservatory.org.uk

4.1.2   *Find out what activity already takes place*

Local employment development does not take place in a vacuum. It is part of a wider pattern of activity. Section 3 considered the importance of seeing which actors and partnerships already operate locally. It is also important to see what actual activity these actors are undertaking. New activity should add value to existing activity.

Examine the following activities and seek to add value to them.

- **EU, national and regional 'mainstream' programmes** operating locally. These programmes are likely to offer far greater resources than those available locally. So it is important to work with them rather than against them. But they do not necessarily meet specifically local objectives and may be inflexible. So it is important to try to influence them so that they better meet local needs.

- **Other local strategies** that may indirectly influence local employment. This might include strategies for sustainable development, social inclusion or inward investment. A local employment strategy should add value to them by working with rather than against them. The local employment partnership can also influence these other strategies so that they also contribute to employment objectives.

- **Local initiatives** may already address employment, without being part of a partnership strategy. Third sector organisations, in particular, may focus on the needs of their target groups. They might not be aware of wider policies and activities. Indeed, third sector support structures may even co-exist alongside those of the public services.

Compare these activities with the assessment of local problems and opportunities. This comparison will then highlight the priorities for action.

Add value to what is already happening.

4.2   Develop a broad strategy

Experience shows that local employment initiatives are most effective if they are part of a strategy. This enables all activity to be co-ordinated towards meeting common objectives. The strategy should usually include actions to create jobs as well as actions to help people into these jobs. In other words, it should consider the 'demand' for labour as well as the 'supply' of labour. It should also be 'owned' locally and address inequality.

4.2.1   Determine objectives and actions

A local employment strategy might have four overall aims.

- creating new jobs;
- raising the employability of local people;
- helping people into jobs; and
- reducing inequality.

Some ideas for meeting each of these four aims are offered below.

Creating new jobs

- promote the locality to inward investors
- encourage the creation of new businesses
- create social enterprises
- encourage a local culture of enterprise
- identify job vacancies in neighbouring localities

Improving employability

- identify employers' skill needs and train people to meet these needs
- identify growth sectors and train people to work in these sectors
- recognise the prior experience and skills of people and their communities
- create 'intermediate' or 'sheltered' employment opportunities to help long term unemployed people back into work
- identify and retrain people at risk of redundancy
- encourage those with the right skills to commute in from other areas

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Helping people into jobs

- offer new facilities for care of dependants
- meet travel costs
- resolve transport problems
- provide better information about job vacancies
- encourage employers to adopt flexible working practices
- hold events that bring employers and jobseekers together

Reducing inequality

- create jobs suitable for disadvantaged groups
- customise guidance and counselling services to the needs of disadvantaged groups
- challenge discrimination in education, training and employment
- encourage employers to recruit from disadvantaged groups, particularly where they have no tradition of doing so
- make different groups aware of sectors and jobs that they have not traditionally entered
- empower target groups and communities by including them in the planning and implementation of projects

4.2.2   Local ownership

The key benefit of local employment development is that it can meet specifically local needs. Local partners are often best placed to identify and meet such local needs. So they need to be fully involved in the design and implementation of a local employment strategy. They need to 'own' it.

Ensuring local ownership takes time. It can involve:

- offering membership of the partnership to any local actor with an interest in employment;
- creating partnership structures that involve local actors on a regular basis;
- sharing the power to make decisions;
- gaining consensus on the broad objectives of the strategy;
- getting the partnership to endorse specific activities;
- involving a large number of actors in implementation;
- seeking financial contributions from several different partners; and
- keeping all local actors and local people informed of progress.

The *Pilot Intervention to Promote Employment at Local Level* in Greece used public conferences to strengthen local ownership of its action plan. The conferences made decisions and promises more visible and made it harder for partners to renege on their commitments.

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4.2.3   Ensure equality

As well as taking specific actions to reduce inequality, a local employment partnership should incorporate equal opportunities into all its activity. This includes the operation of the partnership and all employment actions, whether directly addressing equality or not.

A partnership should take five key steps to ensure equality. These steps are an integral part of designing, implementing, monitoring and evaluating the strategy.

- Develop an equal opportunities policy to which all partners can commit.

- Draw up a 'starting point' from which to measure progress.
- Set targets for equality objectives.
- Collect monitoring data systematically throughout the life of the strategy.
- Evaluate progress and review policy and targets at regular intervals.

4.3   Implement the strategy

Having created the right conditions, researched the local area and developed a strategy, a local employment partnership can then fully implement that strategy. This involves testing the effectiveness of actions in a pilot phase, finding resources for the full strategy and then designing and implementing an action plan.

4.3.1   Pilot actions

Pilot projects allow the testing of approaches to local employment development. They provide invaluable feedback from practical experience as well as comments from any target groups. These can be used to refine the approach. When implementing changes highlighted by pilot projects or by feedback, record any changes and the circumstances around them for later use in the evaluation.

The size and extent of pilot projects will depend upon the aims and objectives of the strategy. It could involve testing training materials with a small group of volunteers, before recruiting genuine trainees. An entire project could be a pilot scheme. For example, testing an approach to tackling local unemployment with a particular disadvantaged group. If successful, pilot projects can be extended within the context of the wider strategy.

Small pilot projects help refine an action plan and increase its effectiveness.

4.3.2   Find resources

Implementation of the strategy will obviously require financial resources. Some of the partners will have their own resources. But it will probably be necessary to seek additional funding from several external sources. This can create problems if the process is not carefully managed. A few key principles should be followed.

First, develop the partnership's long-term strategy irrespective of the funding for individual projects. The strategy should focus on what needs to be done. It should continue regardless of the limits of any single source of funding.

Second, seek sustainable funding from a variety of sources, either for the whole strategy or for individual projects. These sources include European, national, regional and local programmes. Combine the different funding sources into a coherent programme and avoid creating a list of ad hoc projects. Carefully consider each funding source before applying for it. Funding sources that are not relevant or that have onerous conditions will divert attention and effort from the main priorities of the strategy.

Third, ensure that the partnership has the capacity to manage the different funding sources received. This does not mean that all funding has to be received and managed by one partner. Different partners can take responsibility for receiving and spending money. But some partnerships may require a 'lead partner' to manage funding and demonstrate accountability. This lead partner can then provide the other partners with funding, perhaps through a sub-contracting arrangement.

The next section considers some specific EU funding sources. National sources of funding for local employment development are considered in later sections of this *Practical Handbook*.

> *A strategy should be fed by funding, not led by funding.*

4.3.3 Sources of EU funding

The EU **Structural Funds** are an important source of funding for local employment development. They support actions that create jobs, help people into jobs, improve employability and reduce inequality at the local level.

The **European Social Fund** (ESF) is the main EU financial instrument underpinning the European Employment Strategy. It is therefore the most important to local employment development. In the current programming period (2000-06) ESF provides around €9 billion per year. This money supports strategic long-term regional programmes that upgrade and modernise workforce skills and encourage enterprise. There are three types of regional programme:

- Objective 1: for regions whose development is lagging behind;
- Objective 2: for economic and social conversion in industrial, rural, urban or fisheries-dependent areas facing structural difficulties; and
- Objective 3: for modernising systems of training and promoting employment in all areas except Objective 1 regions.

Programmes are planned by Member States together with the European Commission. They are implemented through a wide range of public and private organisations, including non-governmental organisations and local partnerships. These organisations can apply for support from ESF through the regional programmes.

ESF offers considerable support for local action in the programmes for 2000-06. Indeed, local development is considered as a 'horizontal objective' for all ESF operations. This means it should be taken into account in each of the five 'policy fields' of ESF. So all regional ESF programmes offer specific funding for local employment development.

Policy Fields of ESF

- Developing and promoting active labour market policies
- Promoting equal opportunities for all in accessing the labour market
- Promoting and improving training, education and counselling as part of a life long learning policy
- Promoting a skilled, trained and adaptable workforce
- Improving women's access to and participation in the labour market

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The **European Regional Development Fund** (ERDF) provides funding for wider economic development, such as business support services or new infrastructure. It is available to regions designated as eligible for support from Objective 1 or Objective 2.

In addition to the regional programmes, local actors can also receive funding from other EU programmes.

The Community Initiative **EQUAL** provides ESF funding for new approaches to combat discrimination and exclusion, based on the principles of bottom-up strategy building, partnership and empowerment. EQUAL funds the activities implemented of strategic 'development partnerships'. A local employment partnership could apply for EQUAL funding for its activities or could co-operate with an EQUAL development partnership in its locality.

ESF funding from **Article 6** is available to local actors for innovative actions. Article 6 projects must encourage close co-operation between European, national, regional and local levels, as well as the social partners and third system organisations. They explore new approaches to the content and organisation of employment, including vocational training and industrial adaptation. Article 6 measures include pilot projects, studies, exchanges of experience and information activities.

Three annual calls for proposals, in 2004–2006, focus on the theme of '*Innovative approaches to the management of change*'. Within this theme, innovative measures must focus on two sub-themes:

- *management of demographic change*: supporting innovative initiatives to promote active ageing and to raise the employment rate of older workers; and

- *management of restructuring*: supporting innovative solutions to restructuring by enhancing the adaptation and anticipation of workers, enterprises and public authorities.

The **Leader+** Community Initiative encourages new approaches to integrated and sustainable development in rural areas. It can support local employment development as part of a wider area-based approach. The emphasis is on capacity building, empowerment of local actors and targeting of local activity. Action 1 is most relevant to local employment development. It funds the integrated territorial development strategies of 'Local Action Groups'. Action 2

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supports co-operation between rural localities. Action 3 disseminates information from the national to the local level.

The **Urban II** Community Initiative supports innovative strategies for sustainable economic and social regeneration in a limited number of urban areas throughout Europe. Again, the emphasis is on capacity building, empowerment of local actors and targeting of local activity. Activities supported include job creation and the integration of disadvantaged groups into education and training.

The current Structural Funds programmes operate until 2006. A new programme will operate from 2007-2013 focusing on the objectives of convergence, competitiveness and co-operation. In addition to the ERDF, ESF and Cohesion Fund will be a new legal instrument to overcome obstacles to cross-border co-operation, the European grouping of cross-border co-operation (EGCC).

4.3.4   Full implementation

Having piloted the actions and found funding for the full strategy, the partnership can then implement the full strategy. Full implementation usually requires the aims and objectives of the strategy to be converted into an action plan. The action plan will include specific and measurable actions as well as the responsibilities of each partner. It provides the basis for reviewing progress.

4.4   Review progress and learn from it

Reviewing progress is vital as it allows a partnership to:

- clarify the 'starting point' and allow later comparison;
- identify problems and resolve them;
- demonstrate the progress and achievements of the action plan;
- identify good practice to share with others; and
- highlight new problems and opportunities requiring further research and action.

4.4.1   Choose performance indicators

Choosing and developing measurable 'performance indicators' enables a partnership to demonstrate the achievements of its action plan. Performance indicators can demonstrate success in achieving objectives but also help make the criteria for success clear to everyone. They should not only consider the immediate output of activity, such as jobs created or people trained. They should also consider the wider impact on local employment.

Indicators need to be as relevant and objective as possible. Ideally, all the partners should agree on the choice of indicators. The final choice should include both 'quantitative' and 'qualitative' indicators.

Quantitative indicators (numbers and statistics) are specific and measurable. They are useful for demonstrating starting positions and concrete facts and outcomes, such as financial expenditure or numbers of people receiving training. But they do not always demonstrate the 'wider picture'. Use standard definitions where possible, to allow comparison with other localities.

Qualitative indicators (opinions and attitudes) reflect the life experiences of individuals and organisations. They can be important measurements of skills, such as communication and inter-personal skills, which are usually overlooked by quantitative indicators. They can be particularly important for projects working with disadvantaged groups as they can help to show personal progress towards finding a job.

> *Use an Indicator Matrix to link the action plan objectives to specific indicators. The Matrix should list objectives hierarchically and plot activities and milestones against each objective. Select a 'basket' of indicators to correspond to anticipated achievements towards each objective.*

4.4.2   Monitoring

Action plan monitoring is an ongoing process that should continue throughout the implementation of the action plan. It consists of recording outcomes against the performance indicators.

Monitor the action plan is important because it:

- allows the partnership to see if it is on schedule;
- helps to review ongoing performance;
- keeps the partnership informed of emerging issues; and
- satisfies the information demands of funders and other interested parties.

Monitoring systems should effectively and efficiently gather all the information needed in a useable form. It may not be possible to develop a standard monitoring system for all projects because of the differences in client groups, starting positions and the context in which they operate. However, common data from all projects should feed into the monitoring systems of the overall action plan. Monitoring systems should not be too complicated. They should only collect essential data. To ensure that the monitoring systems are performing correctly, consider a small pilot test of the systems.

A good monitoring system primarily monitors:

- **inputs** of resources such as time and money to ensure that budgets are respected; and
- **outputs**, by using indicators to assess progress towards action plan objectives.

> *Monitoring helps to keep track of day-to-day activities.*

4.4.3   Evaluation

Evaluation determines the value of the action plan by looking at the overall achievement of aims and objectives. It judges the overall success and wider impact of a strategy. Evaluation involves the analysis and interpretation of action plan data provided by the monitoring systems to identify achievements and areas of weakness. But evaluation is about more than simply tracking information. It answers questions about why and how things happened.

Evaluation of the action plan highlights factors and circumstances that affected what worked and what didn't. By gathering this information the partnership will be better placed to understand its successes and learn from its mistakes.

Two types of evaluation can be undertaken.

- **'Internal'** (or 'self-') evaluation by someone within the partnership. Evaluators should be sufficiently skilled, or offered suitable training. They must be provided with the time and resources to conduct an effective evaluation. Additionally, they will need to know what data will be available to them, as well as having some experience of research methods, data analysis and data presentation.

- **External** (or 'independent') evaluation. External evaluators can offer specialist expertise and broad experience.   Their independence and objectivity lends credibility to the evaluation, particularly with external funders and policymakers.   Using an external evaluator also avoids burdening the partnership with a task that it may lack the time and the skills to do effectively.

A final or **summative evaluation** is essential to assess overall lessons from the action plan. Some partnerships also conduct **formative evaluations**, which report at key points in the action plan. They track progress and enable adjustments to be made. The scope of an evaluation should be proportionate to the scale of the partnership's activity.

The focus of the evaluation will depend on:

- the objectives of the strategy, which will influence what is evaluated;
- the purpose of the evaluation and what it will be used for; and
- the audience for the evaluation; for example, the partnership, the wider community or external funders and policymakers.

4.4.4   Promote successes

A local employment partnership should promote its activities and successes in three ways. All three are inextricably linked and should take place throughout the life of an action plan.

Firstly '**publicity**', which makes people aware of the partnership and its activity. Publicity can maintain important public and political support for the partnership. It may be required by funders, who want public recognition of their financial support. For example, projects

receiving ESF or ERDF funding are required to display prominently the relevant logo. Publicity is also important in encouraging individuals to take up new training opportunities or businesses to use new support services.

Secondly '**dissemination**', which promotes the achievements of the partnership. It provides information about the quality, relevance and effectiveness of new products and processes. The aim is to convince others to use these new products and processes or at least learn the lessons. For example, the partnership might promote new training materials to networks of training providers in order to generate commercial income.

Thirdly '**mainstreaming**', which aims to ensure that the partnership's achievements become part of regular provision or practice. It is primarily targeted at policymakers and funders at all levels. Mainstreaming aims to convince policymakers and funders to adopt new methods or approaches to tackling a problem. It enables EU, national and regional policy to respond to the lessons learned at the local level. Mainstreaming can also ensure that the partnership receives long term, sustainable funding from EU, national or regional programmes.

The *HOME* project in Puglia (I) trained local unemployed people in the maintenance and refurbishment of housing and the local environment. The partnership publicised the project to local residents to keep them informed of achievements and to recruit them to the training. It also disseminated information to other practitioners via a printed brochure, an international seminar and an evaluation report. Through this activity, it made other national public bodies aware what could be done through innovative activity at the local level.

Promote the partnership and its activity throughout the life of the action plan.

5.0 GOVERNANCE CONTEXT IN PORTUGAL

Employment development in Portugal has traditionally been the responsibility of the national government. Programmes have been fairly centralised with limited local flexibility. So the opportunities for autonomous local partnerships remain limited.

But there has been increasing decentralisation to the regional and local levels in recent years, encouraged in part by the European Structural Funds. This is likely to continue. So it is important for local actors first to understand and work with the national level. Second, local actors should look to build local capacity so that they can benefit from new opportunities offered by any future decentralisation.

This section introduces the current governance arrangements for employment development at the national, regional and local levels in Portugal.

5.1 National governance

According to the Constitution, local development is the responsibility of the national government (except in the case of the Azores and Madeira). This responsibility lies with the Ministry for Social Security and Work, the Ministry for Economy and the Ministry for Agriculture and Fishing. Co-ordination of actions is attributed to the Ministry for Finances and performed by the Directorate-General for Regional Development (DGDR).

The **Economic and Social Council** is responsible for consultation and co-ordination in relation to economic and social policies. It participates in the preparation of major plans for economic and social development. These plans may include specific territorial programmes, including special political and administrative arrangements for the Azores and Madeira. The implementation of these national plans is decentralised.

The Azores and Madeira constitute **autonomous regions** with their own political and administrative statutes and their own institutions of self-government. In each case, the regional government is accountable to the regional legislative assembly, which is itself elected by universal suffrage. In these regions the regional government is responsible for employment development.

5.2 Regional governance

In the Portuguese mainland, policies have until recently been implemented in a decentralised manner through the **Commissions for Regional Co-ordination (CCRs)** in each of the five regions. These are North, Centre, Lisbon and Tagus Valley, Alentejo and Algarve. The Government recently introduced further decentralisation, through the creation of the **Commissions for Regional Co-ordination and Development (CCDRs)**. The CCDRs replace the CCRs and the **Regional Directorates for Territorial Planning and Urban Development (DRAOT)**. They now fulfil the responsibilities formerly fulfilled by the CCRs and the DRAOT as well as additional competencies including regional planning and environment and bio-diversity preservation.

Main bodies within the Portuguese system for regional and local polices on employment

Policy definition bodies	Government of the Republic
	The Economic and Social Council
	Government of the Autonomous Region of the Azores
	Government of the Autonomous Region of Madeira
Overall Management of Regional Development Policies	Ministry for Finances (MF)
	Ministry for Towns, Territorial Planning and Environment (MCOTA)
	Ministry for the Economy (ME)
	Ministry for Social Security and Work (MSST)
	Management Commission of the CSF 2000-2006
Management of Sectoral Programmes on Employment	Ministry for Social Security and Work (MSST)
Co-ordination and supervisory bodies	European Social Fund Management Institute (IGFSE)
	Management Office of the Employment, Vocational Training and Social Development Operational Programme (POEFDS)
	Management Office of the Economy Operational Programme (POE)
	Rural Development and Hydraulics Institute (IDRHa)
	Regional Directorate for Studies and Planning (the Azores) (DREPA)
	Institute for the Management of the Community Funds (Madeira) (IFC)
	Directorate-Regional for Planning and Finances (Madeira) (DRPF)
Advisory and regulatory bodies	CCDRs (previously CCRs)– Commissions for Regional Co-ordination
	Employment and Vocational Training Institute (IEFP)
Executive bodies and providers (public)	Public Employment Services: Local Employment Agencies (IEFP)
	Local public services
Executive bodies and providers (private)	Regional and Local Development Associations
	Private Partners

By reorganising this level of administration and by replacing the CCRs with the CCDRs, the government seeks to involve the most important actors in sustainable development at the local and regional levels. These are municipalities, NGOs, universities and polytechnic schools, labour unions and industrial or commercial associations. Their involvement is ensured through membership of the **Regional Councils**. These councils will have the power to propose to the Government persons to be appointed as Chief Executive of the CCDR.

The implementation of employment policies is co-ordinated by a planning and monitoring structure operating at the national, regional, and local level. A key aim is the harmonisation of national goals, policies and instruments to those defined in the Community Support Framework (CSF). The present Portuguese CSF is a document approved by the European Commission, in agreement with the Portuguese authorities, which defines the main strategic

priorities of intervention for the European Structural Fund for the period 2000-2006. It gives a description of the Portuguese social-economic situation and contains a strategy for development, priorities for action, objectives, the division of Structural Funds resources and the conditions for activity.

The structure of the CSF comprises three levels of action:

- *the CSF's global execution level;*
- *the implementation of each Structural Fund; and*
- *the implementation of specific Operational Programmes included in the CSF.*

In practice, institutions that form the structure can belong either to the "co-ordination and management" area or to "monitoring" or "control". Within the co-ordination and management structure, and specifically oriented to monitoring the CSF's overall execution, is the **Management Committee of the Portuguese CSF 2000-2006**. This is composed of officials from the Ministry for Finance and government representatives responsible for each Community Fund.

The CSF is carried out through Operational Programmes. These Operational Programmes describe in detail the interventions which will be undertaken on both regional and sectoral level. The Regional Operational Programmes are the main instruments of decentralised regional development policy. CCDRs are responsible for the co-ordination of the Regional Operational Programmes. The Sectoral Operational Programmes remain under authority of the Ministerial Departments.

5.3   Local governance

Local authorities are representative institutions that serve the particular interests of the population in their territory. They have their own assets and financial resources, and executive instruments. In Portugal, local authorities include:

- parishes ("freguesias");
- municipalities;
- administrative regions; and
- the autonomous regions of The Azores and Madeira.

Historically, local authorities have had little leeway to work outside the national framework of policies and development processes. Furthermore, regional institutions such as the CCRs are decentralised agencies of central government institutions. They do not operate autonomously. However, municipalities have in recent years started to receive new, broader powers in regional planning. So there is increasing scope for them to be active in local employment partnerships.

6.0 POLICY CONTEXT IN PORTUGAL

6.1   Introduction

Opportunities for local partnerships to undertake employment development in Portugal have increased in recent years. This is due in part to the availability of national and EU funds. It is also due to the decentralisation of responsibility and funding for employment development in recent years. Responsibility for employment development has been increasingly transferred from the national level to the regional and even the local level.

One of the main channels of decentralisation has been the creation of structures for CSF implementation. These have given municipalities greater responsibility not only for employment but also for regional planning, sustainability, the environment, culture, education and society. Alongside this, the capacity of local authorities to undertake local employment activity has increased. Indeed, they now have better investment, equipment and service structures. With the support of national and EU policies and funding, numerous associative organisations have also emerged and become stronger. So local actors are now better placed to form partnerships and undertake local employment development.

Despite these increasing opportunities bottom-up approaches to employment development have not yet fully matured. They tend to replicate national strategies rather than creating genuinely local processes based on meeting specifically local needs. Local employment partnerships continue to rely heavily on public and third sector actors. Private sector participation remains limited. Partnerships remain dependent on national and EU funding. So it is important for any local partnership to maximise the opportunities available from these funding sources. They must also continue to build local capacity for local employment development.

6.2   National Policies

The main instrument for employment policies at national level, is the **National Action Plan for Employment** *("Plano Nacional de Emprego" – PNE)*. The PNE presents all existing measures designed to respond to the **European Employment Strategy (EES) guidelines.** The PNE describes employment development and related measures under the:

- Structural Funds Operational Programmes;
- Community Initiative programmes;
- National initiative programmes; and
- Specific measures for the Azores and Madeira Regions.

Another important planning instrument is the **National Action Plan for Inclusion** *("Plano Nacional para a Inclusão" – PNAI)*, for the promotion of social inclusion. The PNAI places great emphasis on local action for inclusion. So it represents an important opportunity for local employment partnerships.

The implementation of these instruments at national, regional, and local level gives rise to additional actions specifically adapted to local contexts and territorial sensitivities.

6.2.1   National Action Plan for Employment (PNE)

The PNE recognises the importance of local employment development in Portugal. Guideline 2 (*fostering entrepreneurship and promoting job creation)* in particular, contains measures to promote action at the local level.   Guideline 8 (*Making work pay through incentives to enhance work attractiveness*) includes measures to simplify and give flexibility to the process of setting up businesses. The PNE also acknowledges the need to simplify the legal and fiscal framework, to make it attractive for investment.

The National Network of Centres of Enterprise Formalities (CFEs) is one measure included in the PNE. It is an initiative that improves the flexibility of support to new business creation.

National Network of Centres of Enterprise Formalities (CFEs)

The administrative obstacles and the time needed for setting up a business have been reduced through the National Network of Centres of Enterprise Formalities (CFEs). The Network is comprised of 7 centres.

In 2001, the centres registered a total of 107,223 inquiries and the average time needed to start up a company ranged between 23 days (Lisbon) and 33 days (Coimbra).   In 2000, the National Network of Centres of Enterprises Formalities received the "Portuguese Public Services Quality Prize 1999" and was recognised as an example of good practice by the EU.

Local partnerships are also supported through URBCOM.

URBCOM – System of Incentives for Commercial Town Planning

The URBCOM is the system of incentives of the POE (Economy Operational Programme of the Portuguese CSF 2000-2006), created in order to promote the modernisation of commerce and services, by promoting the development of towns.

Commercial town planning projects can be developed through partnerships formed by SMEs, commercial associations, municipalities and URBCOM's co-ordinating and monitoring units (UAC).   Since 2001, URBCOM has been supporting small investments made by traders implemented in municipal markets.

The Portuguese Community Support Framework (CSF) also offers incentives for the creation of micro and small businesses, and for self-employment. Good examples of such initiatives include the following (see section 5.2 for contact details for further information on these programmes):

- System of Incentives for Small Enterprises (SIPIE);
- System of Incentives for the Modernisation of Enterprises (SIME); and

- Programme to Stimulate Labour Demand (PEOE), promoted by the Employment and Vocational Training Institute (IEFP).

The PNE also strongly supports activities relevant to Guideline 4 of the EES (Investments in human capital, lifelong learning and the knowledge economy). These include:

- services in areas requiring high-skills and ICTs;
- family support services; and
- security, hygiene and health services.

Most importantly, the PNE encourages local and regional authorities to develop strategies for promoting employment. According to the PNE, such strategies should:

- promote local partnerships;
- be coherent with the endogenous development perspectives of each territory;
- reinforce competitiveness and the capacity of the social economy to generate jobs; and
- enhance the capacity of the Public Employment Services to identify local job opportunities and regulate the local labour market.

So the national level now recognises regional and local employment strategies. The next section considers these strategies in more detail.

6.3 *Regional and Sub-Regional Polices*

6.3.1 *Regional Action Plans for Employment*

There are **Regional Action Plans** *("Planos Regionais de Emprego PREs)* for four regions in Portugal. These regions face particular needs different from the rest of the country. Firstly, the Azores and Madeira have particular needs due to reasons of geography. Secondly, the Oporto Metropolitan Area and Alentejo regions have particular labour market difficulties. These last two regions therefore benefit from the **Oporto Metropolitan Region Regional Action Plan (PREAMP)** and the **Alentejo Regional Action Plan (PREA)**.

These PREs reflect the aims and objectives of the European Employment Strategy as well as the National Action Plan for Employment. They also adapt national policy instruments to the regional level. As such, they aim to increase the effectiveness of employment development activity.

The Programme for Local Employment Promotion in Alentejo (PIPPLEA) provides a useful example here.

PIPPLEA - Programme for Local Employment Promotion in Alentejo

PIPPLEA formed an interesting local employment promotion experience. Initiated as a pilot project in 1998, PIPPLEA aimed to support local projects. These included a variety of actions that "through the celebration of programme contracts between IEFP and public and private agents, propose local intervention projects aimed at the regions that suffer acute problems of depopulation and unemployment".

The PIPPLEA was financed by national funds and lasted three years. It followed a bottom-up approach. Actions were implemented through partnerships. A variety of goals were pursued including job creation, training for certain target groups, meeting social needs and addressing cultural dynamics. Project promoters received support for a variety of interventions such as job creation or training for specific target groups.

The mid-term evaluation highlighted key strengths and weaknesses of the PIPPLEA:

Strengths
- One of the priorities of the 23 Local Intervention Projects (LIPs) was the promotion of local services to support individuals and SMEs, considered innovative in Portugal.
- The implementation of Local Intervention Projects involved a large number of (different) local partners; in particular, it explored and developed the regional LEADER II's network.
- A significant impact was job creation at local level namely through the migration of professionals with tertiary education from urban to rural areas.

Weaknesses
- Many partners could have had a more active role in the implementation of projects.
- Only 10% of the funds were devoted to development through the exploitation of the area's endogenous potential.
- The Programme's results were not sufficiently disseminated (lack of visibility).

6.3.2   Regional Employment Networks

The **Regional Employment Networks** *("Redes Regionais para o Emprego" – RREs)* are a national government initiative, launched in 1998. They are another method for increasing concerted actions in territories with a coherent social and economic identity. RREs are also a model for partnerships between public and private actors. Through partnership they aim to make the most of resources available to the region.

RREs bring together decentralised public administration services, municipalities, professional and business associations, development associations, solidarity institutions, schools, training centres and private companies. The Ministry for Social Security and Work (MSST) oversees the RREs in co-operation with the Ministries of Finance, Education and Economy.

Regional Employment Networks now cover the whole of the Portuguese mainland. So any local employment partnership should take the actions of the RRE into account and seek to co-operate with them.

6.4 Social Development Network

The **Social Development Network** *(Rede de Desenvolvimento Social – RDS)* creates social and professional insertion opportunities for persons facing precarious living conditions. It does this by acknowledging and promoting the work of local social solidarity networks. The Network features in the National Action Plan for Inclusion.

6.4.1 The Regional Operational Programmes

Regional policy is mainly supported by the CSF Regional Operational Programmes. These programmes include local level decentralised employment policies. Furthermore, some Regional Operational Programmes also define territorial development policies, although not specifically focused on local job creation. The North Operational Programme and the Alentejo Operational Programme are relevant examples here.

6.4.2 Decentralised Regional and Local Policies in the Autonomous Regions of the Azores and Madeira

The **Madeira Operational Programme (POPRAM)** and the **Azores Operational Programme (PRODESA)** are the main instruments within the development strategy of the two Portuguese Autonomous Regions. These programmes integrate a coherent and linked set of measures that are supported by the Structural Funds (ERDF, ESF, EAGGF and FIFG). In particular, PRODESA and POPRAM include a number of support subsystems concerned with local employment development.

These two Portuguese Autonomous Regions are archipelagos and thus form distinct territories to target. Municipalities often assume an important role in implementing the Operational Programmes in these Autonomous Regions. They are assisted by other dynamic stakeholders operating within or close to the municipal administration.

6.4.3 Territorial Employment Pacts

The Territorial Employment Pacts (TEPs) *("Pactos Territoriais para o Emprego")* are based on a territorial approach. They are partnerships for employment development at the sub-regional or local level. Three TEPs received EU funding, those of Northern Alentejo, Vale do Sousa and Marinha Grande. These three pilots had different characteristics in terms of the socio-economic context and in terms of the nature of the projects supported.

- **Vale do Sousa TEP** (Northern Portugal) was focused on "Employment Qualification and Sustainability". This TEP addressed employment problems resulting from poor social infrastructure, inadequate schooling, high dropout rates from secondary education, a weak service sector and over-dependence on low skill, low value-added industries such as footwear, clothing and wood furniture.

- The **Marinha Grande TEP** (MG-TEP) aimed to create new opportunities in high technology companies. This was in order to reduce the municipality's over-dependence on glass and plastic industries and diversify the local economy.

- The **Northern Alentejo TEP** covered several municipalities in the less developed region of Alentejo. This region has an ageing population and a high unemployment rate. It focused on the promotion of handicraft activities and local tourism. It thus aimed to take advantage of the region's potential for endogenous growth.

All three TEPs brought together diverse actors including public and private entities, associations and NGOs. Vale do Sousa was probably the most successful TEP in this respect. Even in the MG-TEP (a TEP with a more restricted intervention area) an important number of local actors joined efforts to work together. However, it was difficult to involve private companies as well as financial institutions in the TEP partnerships, which created difficulties in securing development financing for the projects.

Marinha Grande TEP

The MG-TEP was particularly innovative through its key projects and the strong synergies between them. These included:
- Training Centre for the Glass and Crystal Industry;
- Support Centre for Enterprise Creation (CACE); and
- Training School and the Development Agency, connected to a risk-capital company.

Another important innovation was a new certification process for handicraft goods.

http://europa.eu.int/comm/regional_policy/innovation/innovating/pacts/en/list/pt_marinha.html

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Overall, the key achievements of the Portuguese TEPs have been their success in creating local partnerships and developing coherent action plans. Their experience of partnership working provides an important example that other regions and localities can follow. They have also demonstrated how a partnership can develop a coherent strategy and action plan, based on a thorough analysis of the opportunities and problems in the region or locality.

The Portuguese TEPs also demonstrate some key success factors for local employment partnerships.

- Identify long-term funding sources. The TEPs' period of operation coincided with the last two years of the Community Support Framework 1994-1999, creating some uncertainty in funding.
- Develop the financial capacity of key partners. This is necessary to receive funding and distribute it to the partnership and its projects.
- Create good dialogue with the relevant government ministries. The TEPs had to develop working relationships with the Ministry of Equipment, Planning and Territory Administration and the Ministry for Labour and Solidarity.

- Be prepared for a steep learning curve. There was no previous tradition in Portugal in partnership working. So the TEPs had to devote time and resources to the learning process.

The Vale do Sousa TEP and MG-TEP continue some activity, although less than during the period of EU funding. However, the TEPs share many common characteristics with the Regional Employment Networks (RREs), including a broad-based partnership, an integrated strategy and an emphasis on the local dimension. RREs are a national initiative operating on the Portuguese Mainland. They have built on the achievements of the TEPs and so can be an important source of information and good practice for other local actors.

7.0 ESTABLISHING AND RUNNING A PARTNERSHIP IN PORTUGAL

7.1   Targeting a territory

A local partnership must define its territory according to its objectives and the problems that it wishes to address. But experience in Portugal suggests that the sub-regional level is usually the most appropriate level for a local employment strategy.

For example, RREs have been based at sub-regional level, within each mainland region. Each RRE encompasses several neighbouring municipalities that share a common socio-economic identity. The formation of RREs has taken into account the consensual recognition of employment and qualification problems, the wealth of institutional fabric and the ability to undertake regional and local development.

Similarly, Norte Alentejo TEP covered some 16 municipalities within the Alentejo Region, covering a population of 138 000.

In contrast, the PIPPLEA programme was not based on specific administrative boundaries. Instead, the partnership defined the target territory on a project-by-project basis, but within the programme's general framework. So target territories varied widely. Some projects targeted a single parish or group of parishes. Others targeted a municipality or a group of municipalities.

7.2   Finding space for a partnership

As noted above, decentralisation of employment development in Portugal is still relatively recent. Local employment partnerships are not yet mature. They still face legal, technical and financial constraints. So in the short term, they will continue to rely on and reflect national policies and programmes.

However, national and EU policy in recent years has been supportive of local employment partnerships. EU funds in particular have generated new opportunities. Some partnerships have been able to produce useful results and impacts. Administrative weaknesses may be less problematic in the future as a result of continued decentralisation.

So it is strongly recommended that potential promoters of local employment initiatives base themselves on pre-existing frameworks, programmes and partnerships. Building an entirely informal or autonomous partnership remains potentially difficult and risky. But where possible, local employment partnerships should continue to build capacity in order to benefit from future opportunities resulting from decentralisation.

7.3 Partners

Decentralisation is involving a wider variety of actors in local employment development. These local actors are the bases upon which different types of partnerships can be built. They include:

- municipalities and associations of municipalities;
- regional or local development associations;
- social partners; and
- third system organisations.

The public administration is represented at the local level through a network of local units. This is true primarily for the Public Employment Service (IEFP) whose Local Employment Agencies are distributed throughout the Portuguese Mainland. The Public Employment Service in the Autonomous Regions is also organised through local agencies, which in turn report to each regional government.

Experience in Portugal shows two types of actors that are particularly important to any local employment partnership:

- Institutional actors connected to political decision centres, such as CCDRs, the IEFP, municipalities, parishes and some decentralised central government services pertaining to Ministries.

- Third system organisations such as NGOs or Private Institutions for Social Solidarity (IPSSs). Within this group, a distinction can be made between institutions whose work is essentially based on voluntary work and professional institutions. Those based on voluntary work often face financial, technical, and human resource constraints. Professional institutions have the technical capacity and experience to receive EU and national funding. However, some professional institutions may suffer from precarious internal structures and low financial sustainability.

Although private sector companies are present in the majority of local development programmes and projects, their participation is not sufficiently active or autonomous. As a consequence, local development processes continue to depend on public funding.

> *The biggest challenge for local employment partnerships in Portugal is to involve local businesses and entrepreneurs in their activity.*

Experience from Portugal, such as the TEPs and RREs, suggests that it remains difficult to involve private companies in local employment partnerships. Consequently, any partnership still needs to look to regionally decentralised public administration services and NGOs, to take the lead. Notwithstanding who takes the lead, partnerships should try to find ways to involve the private sector as much as possible.

RRE partnerships

The composition of RRE partnerships was dictated by the RRE legal framework. This required Public Administration Institutions and Services (at the central, regional or local level) and Institutions of Associative Character to participate in RREs. These included:

- municipalities and associations of municipalities;
- trade unions and entrepreneurial associations;
- local development associations and schools;
- public interest institutions; and
- company managers from the regional economic fabric etc.

Although the membership of RREs varies widely, in all RREs a strong component of State Institutions, Municipalities and IPSSs is present, in contrast with a weak representation of companies.

Norte Alentejo Territorial Employment Pact

Norte Alentejo TEP achieved a good balance between public institutions and non-profit associations, both local and regional. Ideally, financial institutions, and venture capital companies would also have been partners. Such partners could have enriched the TEP with human and technical capacity and would have increased its chances of financial sustainability. But it proved difficult to involve such actors. However, the TEP did make important progress by involving private associations. These were able to strengthen the partnership by contributing a private sector 'viewpoint'. They included:
- Associação de Artesãos no Norte Alentejano
- Associação de Agricultores do Distrito de Portalegre
- Associação para o Desenvolvimento em Espaço Rural do Norte Alentejano
- Agrupamento de Produtores Agrícolas e Florestais do Norte Alentejano
- Núcleo Empresarial da Região de Portalegre – Associação Empresarial

7.4 Management

Experience from Portugal suggests that the effectiveness of a partnership is primarily dependent on regional and local conditions, such as the effective participation of all partners. But the design of management and monitoring structures remains important.

The RRE and TEP partnerships demonstrate one possible approach to management. Both types of partnership included a co-ordination body supported by a technical unit and a regional or local forum. Future local employment initiatives may choose to adopt this kind of coherent structure.

Regional Employment Networks (RREs)

The management of each RRE consists of three key elements.

- **Regional Forum for Employment**, which assures strategic concerted action throughout the network. It includes all interested parties that sign the co-operation protocol.
- **Co-ordination Nucleus** responsible for network building and development and composed of the IEFP's Regional Representative (i.e. the director of a Regional Directorate of the IEFP, who is also the president of the Co-ordination Nucleus), the directors of the IEFP local offices, and representatives from the Municipality and the regional CCDR.
- **Technical Support Unit**, the executive unit of the network that plans projects, organises actions and mobilises resources.

Norte Alentejo TEP

The **overall co-ordination** of the NA-TEP was assumed by CCDR Alentejo with the support of the IEFP Alentejo Regional Directorate.
The NA-TEP had the following structure:
- The **Forum,** which involved all partners. This included those with an active role, such as project promoters or those with merely a passive role such as the consultants.
- The **Executive Commission**, that is, all the project promoters, and
- The **Technical Co-ordination Nucleus** which involved two CCDR representatives and one IEFP representative. Their functions included:
1. diagnosis of the regional situation;
2. defining objectives and goals to be achieved;
3. selecting, contacting and informing key actors;
4. co-ordinating and supervising implementation;
5. administrative and logistic support; and
6. organising partnership meetings.

7.5   Support from other levels of government

Support from both regional public administration services and central public administration services, together with the co-operation of the Public Employment Service has proved very valuable in past initiatives.

RREs and TEPs have shown a particular dynamic as they gave rise to a set of localised initiatives related to local public services. These include the Public Employment Service (the IEFP), which itself implements a number of employment and vocational training measures at local level.

However, the links being established in the context of localised interventions may also demand close co-operation with other public administration services located in the intervention territory, apart from the Public Employment Service. In fact, municipalities and

parishes have been playing an increasingly relevant role in the definition and implementation of local development strategies.

The Norte Alentejo TEP offers useful experience in creating links with different levels of government.

Norte Alentejo TEP

The TEP developed effective links with the decentralised regional public administration services. These included:

- DRA-IEFP;
- Alentejo Directorate-Regional for Education; and
- Alentejo Directorate-Regional for Agriculture and Rural Development.

The TEP's links with Central Public Administration Services were also crucial. These services included in particular the Directorate-General for Regional Development (DGDR) and the Directorate-General for Employment and Vocational Training (DGEFP). The DGEFP was also the service that co-ordinated the launch of the programme.

8.0 IMPLEMENTING THE STRATEGY

8.1   Assessing the needs of the territory

When assessing the needs of a territory, the following institutions can provide important information about the programmes and regulations in each Portuguese Mainland region.

• CCDR (previously known as CCR)
• IEFP Regional Delegations
• Institute for the Management of the Community Funds (IFC) – Madeira
• Regional Directorate for Studies and Planning (DREPA) – The Azores

These institutions possess the data or the necessary contacts to support the analysis and diagnosis of:

• general labour market conditions;
• territorial and social needs;
• investment opportunities; and
• professional training on offer.

On a smaller scale, the following are also good contacts for information gathering:

• regions and municipalities,
• the local agency of the Public Employment Service,
• local development associations or even social or humanitarian institutions

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ANIMAR
ANIMAR is a federation of local and regional development associations throughout Portugal. ANIMAR offers the most adequate contacts in each region either for constituting future partnerships or for gathering support to launch local initiatives.

8.2   Implementing the strategy

Programmes such as Regional Employment Networks (RREs) and Territorial Employment Pacts (TEPs) have been particularly effective in promoting new local employment partnerships and enlarging existing ones. Their experience provides important lessons about the implementation of local employment strategies in Portugal.

Regional Employment Networks (RREs)

RREs demonstrate that local partnerships in Portugal can offer benefits through:

• sharing experience;
• improvements in projects co-ordination;
• better exploitation of scarce resources;
• knowledge accumulation and reflection;

- promoting local development;

But the RREs also demonstrate that a local partnership in Portugal will face these challenges:

- generating effective team working;
- coping with bureaucracy and red tape;
- mobilising a large numbers of partners, yet keeping the partnership manageable;
- ensuring co-ordination and articulation;
- developing genuine consensus;
- making information available to partners; and
- guaranteeing financial support.

Norte Alentejo Territorial Employment Pact

The Norte Alentejo TEP covered a significant part of Alentejo, the least developed region in Portugal. The TEP was developed between 1997 and 2001, based on two priority axes:

- Axis 1 – *Tourism and Craftsmanship*; and
- Axis 2 – *Population Attraction and Entrepreneurial Development*.

The rationale and objectives of the TEPs relating to support for local partnerships have continued beyond the period of EU funding, through their integration into other policy instruments. This was particularly through the Alentejo Operational Programme 2000-2006 and through the Integrated Action in North Alentejo (Axis 2 of the OP).

8.3 Monitoring and evaluation

There have been many evaluations of recent programmes in Portugal including the RREs, TEPs and other European interventions such as EQUAL, LEADER+ and INTERREG. These evaluations have considered quantifiable effects. But they have also considered other effects that are not quantifiable but nonetheless important. Evaluations of local employment initiatives supported by the EU Structural Funds highlight the importance of considering these effects.

EU Structural Funds in Portugal

Evaluations of Structural Funds programmes in Portugal have highlighted the achievements of local initiatives in:

- reinforcing and mobilising local development associations and other project promoters;
- strengthening the capacity of these actors;
- developing projects focussed on a specific locality;
- strengthening partnership culture within local project development;
- understanding partnership culture as the way by which civil society is mobilised for local employment development;
- bringing public services closer to local people through projects and support networks (particularly outside the main urban centres);

- identification of needs and gaps in intervention through a bottom-up approach;
- creating innovative local activity that can be replicated in different contexts by different agents, contributing to good practice formation, testing and dissemination;
- creating local networks that address social exclusion.

8.4 Networks and dissemination

The Norte Alentjo TEP and the PIPPLEA programme offer useful experience in disseminating the results of their activity.

Norte Alentejo TEP

Norte Alentejo disseminated its experience through:

- a regular Information Bulletin;
- a website;
- a promotional video;
- seminars and conferences;
- promotional brochures;
- thematic fairs;
- press campaigns; and
- promotional materials such as pens, notebooks, etc.

PIPPLEA

All promoters within the PIPPLEA programme undertook intensive dissemination of their projects. Methods of dissemination included:

- published materials and brochures;
- public presentations;
- press releases; and
- promotional brochures.

Overall, experience from Portugal suggests that published materials and public presentations are the most effective means of disseminating information about projects. They are also effective at getting closer to target populations. 'Information offices' are another effective method of dissemination that has been tested in Portugal. For example, the SinPME – Micro and Small Enterprises Information Offices is a special service provided by IAPMEI (SME and Investment Supporting Institute) in order to facilitate SME access to key information (incentives and programmes, legislation, key contacts, etc.). The information offices are supported by a network of regional offices, promoted by IAPMEI or by other entities with an agreement (protocol) with IAPMEI. The SinPME also have a special telephone help-line offering support to SMEs.

9.0 ACCESSING FUNDING

9.1 Sources of funding

The PNE is the most useful source of information about possible sources of funding. It describes the various policies and programmes operating in Portugal. The table below outlines some of the most relevant instruments for local employment development. The PNEs for Portugal are available from the Europa website:
http://europa.eu.int/comm/employment_social/employment_strategy/

PNE instruments for direct or indirect support to local development

PNE's Guideline	Instruments
8 *Reducing significantly the overhead costs and administrative burdens for businesses*	• Centres of Enterprises Formalities (CFEs - national network with 7 centres already in operation) • Investment Cabinets • Micro & Small Enterprise Information Office (SinPME)
9 *To encourage the taking up of entrepreneurial activities*	• Centres for the Support of Businesses Creation (CACEs) • Companies "Nest" • System of Incentives to Small Enterprises (SIPIE) • System of Incentives for the Modernisation of Enterprises (SIME) • Programme to Stimulate the Labour Demand (PEOE)
10 *New employment opportunities on knowledge-base society and services*	• System of Incentives to Strategic Tourism Products (SIVETUR) • System of Incentives to Projects of Commercial Town Planning (URBCOM) • Support of Integrated Regional Tourism Projects of Structuring Character (PITER)
11 *Regional and local action for employment*	• Regional Actions Plans for Employment (PREs) • Regional Employment Networks (RREs) • Social Employment Market (MSE) • Co-operative Development Programme (PRODESCOOP) • Support to investment in local initiatives aiming at the direct creation of jobs
12 *Tax reforms for employment and training*	• Tax incentives given to companies that promote opportunities for disabled people to work from home • Tax incentives given to micro-businesses and companies • Tax profit exemption to micro-businesses and companies

Some of these instruments, such as the Programme to Stimulate Employment (PEOE) are contained within the Regional Operational Programmes. The ILE Programme (Local Employment Initiatives) is an exemplar measure that falls under the PEOE.

The ILE Programme – Local Employment Initiatives

The ILE Programme originated in an OECD initiative in 1986. EU policy on local development and job creation has also influenced its design. Its main objectives are the promotion and strengthening of job creation projects as well as encouraging synergy and dynamism in local development.

The ILE Programme has undergone several changes since its creation and is now integrated within the Programme to Stimulate Employment or PEOE (www.iefp.pt). It currently supports job creation projects for the self-employed and for companies employing less than 20 workers. This is made under the condition that at least 50% of the participants are currently unemployed. Projects can amount to up to €150 000. Local initiatives should be oriented to economic activities defined in its legal framework.

Through the ILE Programme, three types of support are granted:

- job creation subsidies worth 18 times the minimum wage for each job created and filled;
- investment subsidies worth up to 40% of total investment or €12 500 for each job created;
- special grants to initiatives not meeting the requirements to have 50% of participants currently unemployed and to support economic activities defined by the legal framework; in these cases ILE offers interest-free loans for up to 40% of invested capital (maximum €50 000).

ILE support can be increased if disadvantaged workers are targeted. The ILE Programme also provides technical support in entrepreneurship and business management. Employers receiving support are obliged to sustain any new jobs for a 4-year period.

9.2   Useful contacts

9.2.1   EU contacts

Organisation	Website
Europa	http://europa.eu.int
Directorate General Employment and Social Affairs	http://europa.eu.int/comm/employment_social
Local development	http://europa.eu.int/comm/employment_social/local_employment/index_en.htm
EQUAL	http://europa.eu.int/comm/employment_social/equal/index_en.html
Article 6	http://europa.eu.int/comm/employment_social/esf2000/article_6-en.htm
Directorate General Regional Policy	http://europa.eu.int/comm/regional_policy
ERDF	http://europa.eu.int/comm/regional_policy/funds/prord/prord_en.htm
ESF	http://europa.eu.int/comm/regional_policy/funds/prord/prords/prdsb_en.htm
URBAN II	http://europa.eu.int/comm/regional_policy/urban2/index_en.htm
2007-13 policy	http://europa.eu.int/comm/regional_policy/debate/forum_en.htm
Leader +	http://europa.eu.int/comm/agriculture/rur/leaderplus/index_en.htm
Eurostat	http://europa.eu.int/comm/eurostat
Network of Innovating Regions in Europe (IRE)	www.innovating-regions.org

9.2.2 Portuguese contacts

Organisation	Website
Ministério da Segurança Social e do Trabalho	www.msst.gov.pt
Ministério da Economia	www.min-economia.pt
Minitério das Cisades, Ordenamento do Território e Ambiente	www.ambiente.gov.pt
Comissão de Coordenação Regional – Norte	www.ccr-n.pt
Comissão de Coordenação Regional – Centro	www.ccr-c.pt
Comissão de Coordenação e Desenvolvimento Regional -	www.ccr-alg.pt
Direcção Regional de Estudos e Planeamento – Açores	www.drepa.raa.pt
Instituto sw Gestão dos Fundos Comunitários (Madeira)	drpcid@mail.telepac.ptv
Direcção Regional de Planeamento e Finanças (Madeira)	drpf.srpf@gov-madeira.pt
Commissão de Gestão do QCA III	www.qca.pt
Instituto de Gestão do Fundo Social Europeu	www.igfse.pt
Comissão do Mercado Social de Emprego	www.cmse.gov.pt
Departmento de Prospectiva e Planeamento	www.dpp.pt
Direcção-Geral das Autarquias Locais	www.dgaa.pt
Direcção-Geral do Desenvolvimento Regional	www.dgdr.pt
Direcção-Geral de Estudos e Previsão	www.dgep.pt
Direcção-Geral de Ordenamento do Território e Desenvolvimento Urbano	www.dgotdu.pt
Gabinete de Estudos e Prospectiva Económica	www.gepe.pt
Obseratório do Emprego e Formação Profissional	www.oefp.iefp.pt
Programa Operacional do Emprego, Formação e Desenvolvimento Social	www.poefds.pt
Programa Operacional da Economia	www.poe.min-economia.pt
Gabinete de Gestão do EQUAL	www.equal.mts.gov.uk
Instituto do Emprego e Formação Profissional	www.iefp.pt
Instituto do Desenvolvimento Rural e Hidráulica	Idrha@idrha.min-agricultura.pt
Associação Portuguesa para o Desenvolvimento Local	www.esdime@ip.pt
Gabinete de Lisboa	animar@animar-dl.pt
Programme	*Contact Details*
CFEs, Investment Cabinets, SimPME	Instituto de Apoio às Pequenas e Médias Empresas e ao Investimento (IAPMEI) www.iapmei.pt www.cfe.iapmei.pt

Organisation	*Website*
SIPIE, SIME, URBCOM, SIVETUR, PITER	Programa de Incentivos á Modernização da Economia (PRIME) www.prime.min-economia.pt
PREs; RREs; PEOE, PRODESCOOP and other support schemes to investment in local initiatives aiming at the direct creation of jobs	Instituto do Emprego e Formação Profissional (IEFP) Departmento de Emprego www.iefp.pt
CACEs	IEFP – Delegação Regional do Norte www.iefp.pt IEFP – Delegação Regional do Centro www.iefp.pt
Territorial Employment Pacts	http://europa.eu.int/comm/regional_policy/innovation/innovating/pacts/en/list/pt.html