

# Multiple roads for increasing employment of Roma

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Podgorica, June 17, 2014

# Introduction

## Making the Most of EU Funds for Roma (MtM) program

- Active in all fields, *focus on employment*
  - Economic crisis shifted attention from education to employment, due to lack of job opportunities for Roma, and lack of patience for education
- Support to EU funded *local projects*: project generation, mentoring, supplementary funding
- Study on and recommendations for EU funded *national programs*
  - *Study* on activation works in Slovakia, 2 ALMP programs in Hungary, Acceder in Spain; study visit in Spain
  - *Toolkit* on Programming the Structural Funds for Roma Inclusion in 2014-20

# Introduction

## Programming the Structural Funds for Roma Inclusion in 2014-20

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March 2014

Making the Most of EU Funds for Roma (MtM) program

## Implementation of Activation Works in Slovakia Evaluation and Recommendations for Policy Change Final Report



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December 2013

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## ROMA INCLUSION AND IMPACT EVALUATION OF TWO MAINSTREAM EU-FUNDED ACTIVE LABOUR MARKET PROGRAMMES

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November 2013

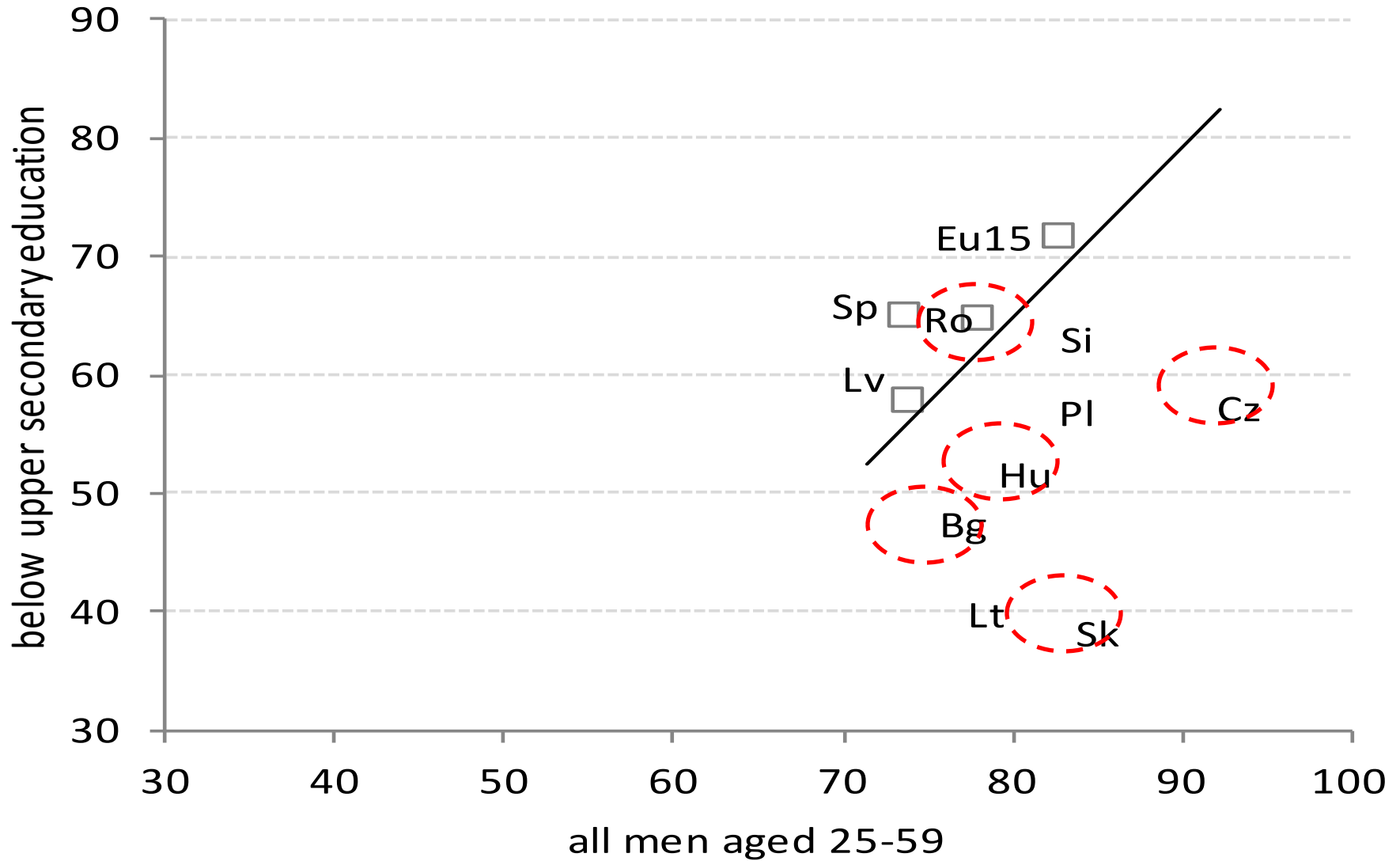
## ACCEDER: programme for the employment of Roma through the Operational Programme Fight Against Discrimination under the European Social Fund Assessment Report

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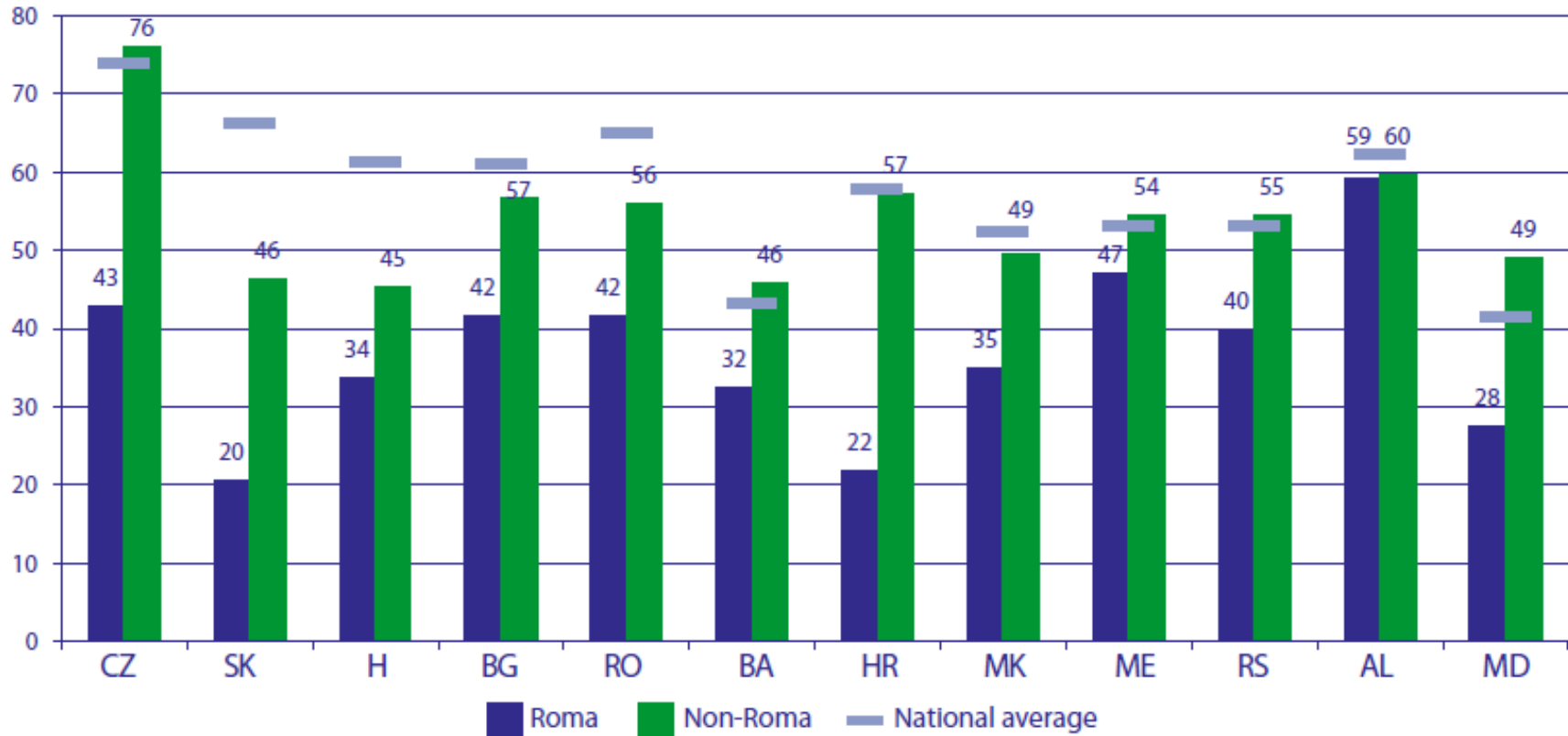
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# 1., Eastern Europe: low education causes low employment



## 2., Roma: low education plus geography cause low, informal employment

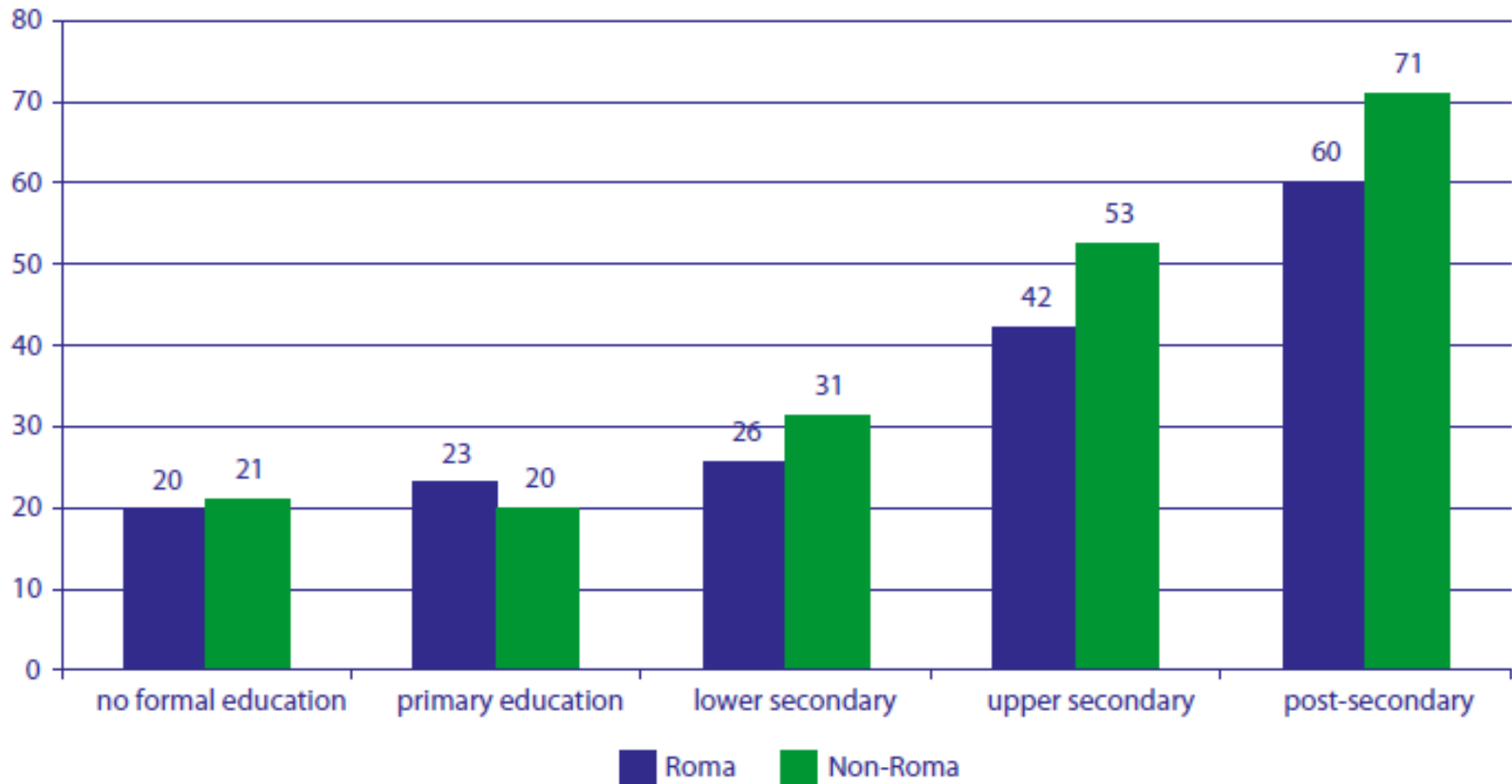
**Figure 14: Employment rates of male Roma and non-Roma in CSEE, 2011 (%)**



**Source:** Roma and non-Roma employment rates are calculated from the UNDP/WB/EC regional Roma survey 2011; National averages are drawn from Eurostat (Czech Republic, Slovak Republic, Hungary, Bulgaria, Romania, Croatia and Macedonia; [epp.eurostat.ec.europa.eu](http://epp.eurostat.ec.europa.eu)) and ILO-KILM (Bosnia & Herzegovina, Serbia & Montenegro, Albania and Moldova; [www.ilo.org](http://www.ilo.org)) databases.

## 2., Roma: low education plus geography cause low, informal employment

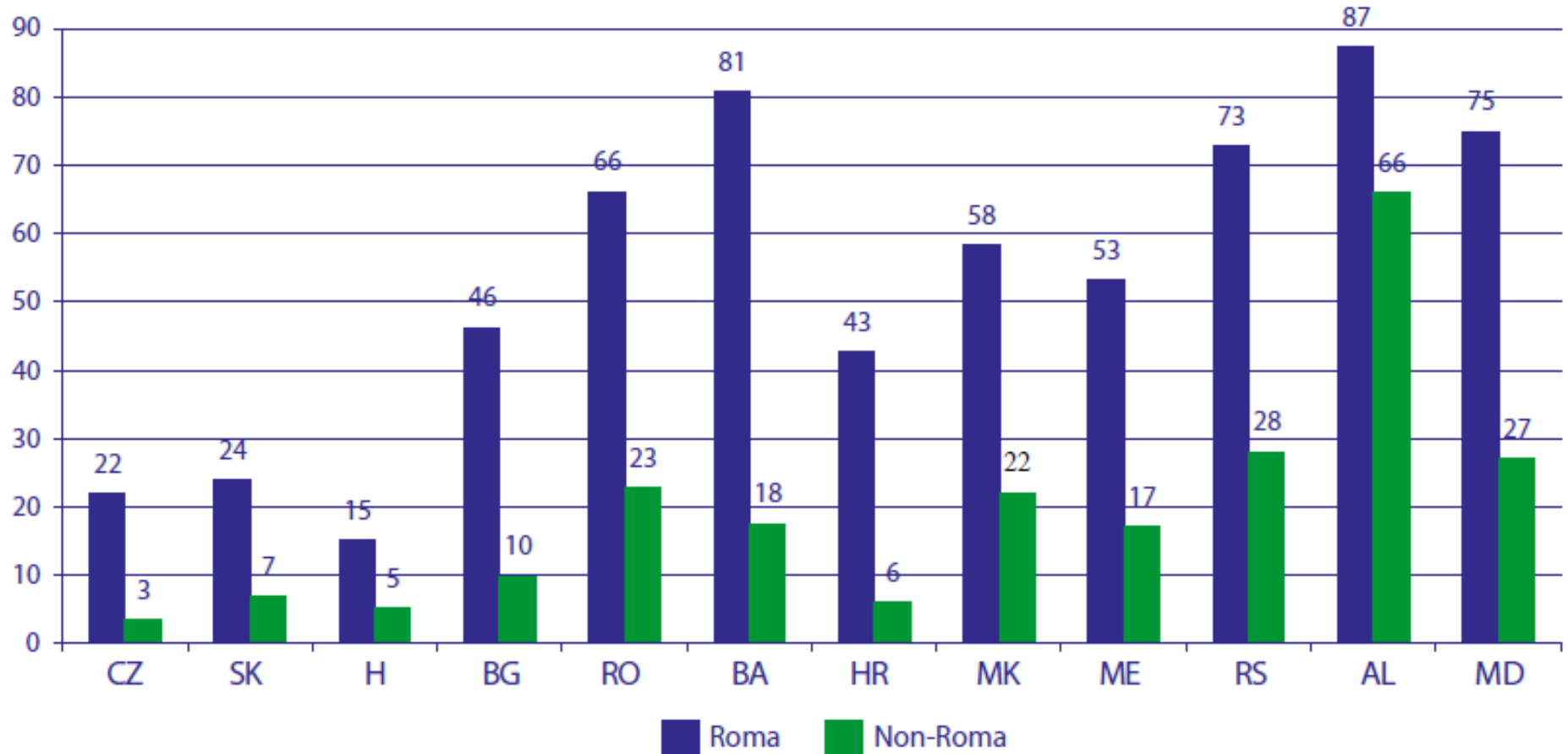
**Figure 19: Employment rates by education of Roma and non-Roma in CSEE, 2011 (%)**



**Source:** Calculated from the UNDP/WB/EC regional Roma survey 2011.

## 2., Roma: low education plus geography cause low, informal employment

**Figure 20: Prevalence of informal employment amongst men in CSEE, 2011 (%)**



**Source:** Calculated on the basis of the UNDP/WB/EC regional Roma survey 2011.

## 2., Roma: low education plus geography cause low, informal employment

**Figure 23: Male Roma and non-Roma median monthly wages, CSEE 2011 (male non-Roma wages = 100)**



**Source:** Calculated on the basis of the UNDP/WB/EC regional Roma survey 2011.



## 2., Roma: low education plus geography cause low, informal employment

- Gap in formal employment: c. 40%
- Gap in total employment: c. 30%
  - Explained by education: c. 15-20%
  - Explained by geography: c. 5-10%
  - Unexplained (e.g. discrimination, indebtedness, etc.): c. 5%

# 3., Economic development does nor necessarily bring employment

Impact of EU funds 1989-1999 on GDP and unemployment

	GR		IE		PT		ES	
	GDP	unemp	GDP	unemp	GDP	unemp	GDP	unemp
1989	4.1	-3.2	2.2	-1.4	5.8	-3.6	0.8	-0.5
1993	4.1	-2.9	3.2	-1.0	7.4	-4.1	1.5	-0.8
1999	9.9	<b>-6.2</b>	3.7	<b>-0.4</b>	8.5	<b>-4.0</b>	3.1	<b>-1.6</b>
2006	7.3	-3.2	2.8	0.4	7.8	-2.8	3.4	-1.7
2010	2.4	<b>0.4</b>	2.0	<b>0.5</b>	3.1	<b>-0.1</b>	1.3	<b>-0.4</b>

Source: European Commission (2001): Second report on economic and social cohesion

# 4., Local job creation projects are needed, but be aware of scale and cost

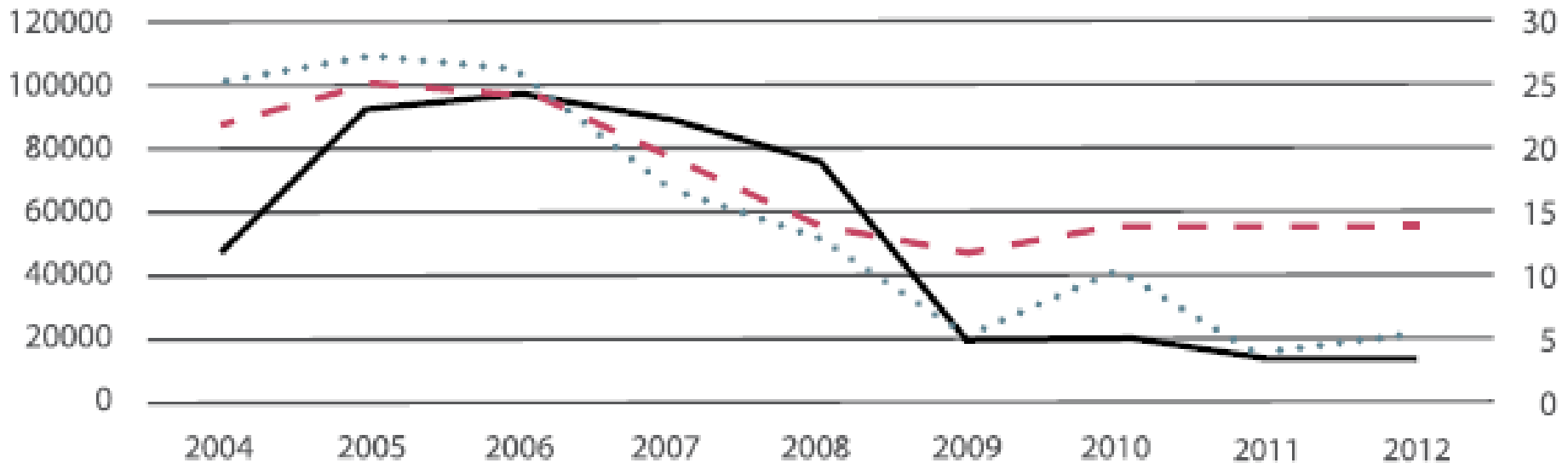
- Electronic waste dismantling
  - No jobs in the village (Tarnabod)
  - Strong national NGO
  - Grants over 300,000 EUR
  - **20-30 jobs, 10-15,000 EUR/job**
  - Sustained already for 8 years
  - Scale up to a national project?
- Mushroom growing
  - No jobs in the village (Szendrolad)
  - Not even in the region
  - Experienced local Roma NGO
  - Grants over 300,000 EUR
  - **5-10 jobs, 30-60,000 EUR/job**
  - Struggles to sustain



# 5., Good national programs are less visible but can be more effective

## Activation works, Slovakia

Activation Works: participants (left axis) and annual budget (right axis)



- ..... Participants (Eurostat, annual total)
- - - Activation allowances (COLSAF, December)
- Expenditures (right axis, Eurostat, mill. euro)

# 5., Good national programs are less visible but can be more effective

Activation works, Slovakia

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Partici- pants on AW	100,316	106,315	104,552	65,217	49,975	18,598	40,325	13,180	18,814
Total par- ticipants in ALMP	113,787	137,890	142,384	93,838	90,801	63,936	103,529	73,290	94,043
Share AW/ ALMP	88%	77%	73%	69%	55%	29%	39%	18%	20%
Expendi- ture on AW (€ mil.)	11.64	23.09	24.28	22.40	18.81	5.12	5.16	3.81	3.53
Total expendi- ture on ALMP (€ mil.)	24.35	64.85	63.71	63.96	96.92	94.58	152.66	154.16	136.07
Share AW/ ALMP	48%	36%	38%	35%	19%	5%	3%	2%	3%

Source: Eurostat. 2012 data, COLSAF

# 5., Good national programs are less visible but can be more effective

ALMP programs (personalized services, training), Hungary

	<i>Improvement of employability of the disadvantaged (SROP 1.1.2)</i>	<i>One step ahead! (HRDOP 3.5.3 and SROP 2.1.1)</i>
Programme entry period	2008-2011	2006-2010
Number of participants in the NLO data*	57 894	23 088
Number of Roma participants in the PPR	3 797	n/a
Number of Roma participants – BI estimate**	4 636	2 899
Total budget, million HUF	53 041	18 376
Costs per participant, HUF	916 174	795 911
Found a job <sup>+</sup>	81%	63%
Costs per participants who found a job, HUF	1 131 079	1 263 35
Comparable cost of public works on 2013 prices, months <sup>2</sup>	13.8	15.4

Notes: \*Programme entries before Dec 31, 2010. \*\*We calculated the share of Roma population by settlement, summed these ratios, and multiplied them with a supposed bias of the Census data with respect to the Roma surveys. See in detail in Section 4.2. <sup>+</sup>The share of those who found a job during the programme or within 6 months afterwards, as a % of the total number of participants. <sup>++</sup> Number of months spent on public works that would cost the same amount per person. 1 HUF roughly equals 300 EUR.

Sources: Official documents, own calculations based on NLO data and Csité et al (2013) on budgets.

# 5., Good national programs are less visible but can be more effective

Acceder, Spain

**Table 1. Summary of Acceder results 2006-2012**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Beneficiaries per year (total)	9,295	10,845	11,521	11,877	12,779	14,709	16,050
Roma beneficiaries	6,926	8,190	8,256	8,387	9,028	10,798	11,616
Non-Roma Beneficiaries	2,369	2,655	3,265	3,490	3,751	3,911	4,434
New beneficiaries per year	4,715	5,454	6,574	6,797	6,590	6,247	6,168
Trained beneficiaries	1,291	1,765	1,823	1,949	2,401	3,203	3,220
N° of job contracts	4,132	4,664	3,920	3,401	3,869	4,097	3,760
Average duration of contracts (days)	605	538	528	428	374	241	131
Job contracts per person (average)	1,46	1,41	1,39	1,35	1,34	1,37	1,45
Beneficiaries with contract	2,826	3,300	2,809	2,511	2,882	2,985	2,589

Source: Acceder programme data base

# 5., Good national programs are less visible but can be more effective

	Activation works, Slovakia	ALMP programs, Hungary	Acceder, Spain
approach	specific, public works	mainstream, primary labor market	specific, primary labor market
budget, annual	c. 15 meur	c. 60 meur	c. 9 meur
participants, annual	c. 57.000	c. 19.000	c. 6.000
Participants with primary labor market job, annual	c. 0% - -	c. 75% c. 14.000 <b>c. 4.000 EUR/job</b>	c. 45% c. 2.800 <b>c. 3.200 EUR/job</b>
Roma participants, annual	c. 80% c. 46.000	c. 10% c. 1.700	c. 75% c. 4.400
Roma participants with primary labor market job, annual	c. 0% -	c. 75% <b>c. 1.300</b>	c. 45% <b>c. 2.000</b>



# 6., Multiple roads – Toolkit

	prosperous area	deprived area
urban	<ul style="list-style-type: none"> <li>-lack of skills or work experience</li> <li>-discrimination</li> <li>-limited social network/information</li> </ul>	<ul style="list-style-type: none"> <li>-lack of skills or work experience</li> <li>-discrimination</li> <li>-limited social network/information</li> <li>-lack of jobs</li> </ul>
rural	<ul style="list-style-type: none"> <li>-lack of skills or work experience</li> <li>-discrimination</li> <li>-limited social network/information</li> <li>-lack of mobility</li> </ul>	<ul style="list-style-type: none"> <li>-lack of skills or work experience</li> <li>-discrimination</li> <li>-limited social network/information</li> <li>-lack of mobility</li> <li>-lack of jobs</li> <li>-discouragement</li> <li>-indebtedness, unregistered employment</li> <li>-lack of welfare services/ public education</li> </ul>

# 6., Multiple roads – Toolkit

Context	Need or problem	Action	Indicator
<b>Prosperous urban area</b>	Lack of skills or work experience	Reduce administrative burden for SMEs	% drop in administrative burden for SMEs
		Reduce wage costs	% drop in tax wedge for low wage workers; Share of low-skilled Roma eligible for wage subsidy
		Second chance education, training and rehabilitation combined with mentoring and job trials/ transit jobs	Share of low-skilled Roma upgrading their general education / acquiring a vocational certificate; Share of Roma among jobseekers entering a job trial/transit job compared to non-Roma
	Discrimination	Enact and enforce legislation against discrimination, support human rights NGOs, ALMP (job trials, wage subsidies with mentoring) diversity training for government staff, internships and regular jobs for Roma in public institutions	Share of Roma among jobseekers entering an ALMP compared to non-Roma; Share of frontline staff in government agencies participating in diversity training; Share of Roma employed in public institutions
	Limited social network / information	Ensure equal access to personalised ALMP (including counselling and mentoring); Strengthen cooperation between PES, social work agencies and NGOs	Share of Roma among jobseekers entering an ALMP compared to non-Roma
<b>Prosperous rural area</b>	Lack of mobility	Improve transport infrastructure; Subsidies for commuting	Accessibility of the micro-regional centre from the surrounding villages with public transportation

# 6., Multiple roads – Toolkit

Context	Need or problem*	Action*	Indicator
Deprived urban area	Lack of jobs	Job creation in the social economy, the public sector, and in public employment programmes	Jobs created in the social economy or public sector minus PEP jobs
Deprived rural area	Lack of jobs	Complex local development programmes (LDP)	Share of most deprived small areas targeted by complex LDP; Share of all LDP funding spent in most deprived 5% of micro-regions
	Unregistered employment	Positive incentives, e.g. additional subsidies and low admin burden for employers to register their employees	
	Lack of mobility	Subsidies for relocation	% change in number of Roma enabled by a subsidy to relocate and take up a job
	Lack of welfare services / public education	Increase staff and improve quality assurance in welfare services and education, diversity training for staff	% drop in client/case-worker ratio , share of frontline staff in government agencies participating in diversity training
	Discouragement	Combine ALMP with mentoring, Strengthen cooperation between PES, social work agencies and NGOs	Share of Roma participants in ALMP with mentoring
	Indebtedness	Debt management services, strengthen cooperation between PES and social work agencies	% rise in Roma clients receiving debt management services

\* Needs and actions listed for prosperous areas are also relevant for deprived areas but are not repeated to save space.

# 7., Personal conclusions

- *Multiple roads* needed
- Reinforcing commitment for employment in *primary labor market* needed
  - Targeting in either mainstream or specific program
- Increasing *demand* for low educated labor force needed
  - Decreasing costs of employment, supporting SMEs, launching projects with demonstration effect, etc.
- Increasing *mobility* of labor force needed
  - Let's search for and award Europe's best mobility program!
- '*Whitening*' informal employment needed
  - Let's search for and award Europe's best 'whitening' program!

# 7., Personal conclusions

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# Annex: Links

- Basic data from the regional survey on marginalized Roma communities  
[http://issuu.com/undp\\_in\\_europe\\_cis/docs/roma\\_employmen](http://issuu.com/undp_in_europe_cis/docs/roma_employmen)
- Example of local social economy project  
<http://www.opensocietyfoundations.org/voices/growing-mushrooms-and-jobs-hungary>
- Study on Activation works, Slovakia  
<http://www.governance.sk/index.php?id=1999>
- Study on ALMP programs (personalized services, training), Hungary  
[http://budapestinstitute.eu/index.php/projects/datasheet/evaluation\\_of\\_active\\_labour\\_market\\_programmes\\_for\\_roma/en](http://budapestinstitute.eu/index.php/projects/datasheet/evaluation_of_active_labour_market_programmes_for_roma/en)
- Study on Acceder, Spain  
[http://www.fresnoconsulting.es/publicaciones/external\\_assessment\\_report\\_on\\_acceder\\_fundacion\\_secretariado\\_gitano.html](http://www.fresnoconsulting.es/publicaciones/external_assessment_report_on_acceder_fundacion_secretariado_gitano.html)
- Toolkit on Programming Structural Funds  
<http://www.opensocietyfoundations.org/publications/programming-structural-funds-roma-inclusion-2014-20>