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Subject : Employee Financial Participation / European Commission

The document in appendix analyses how budgetary line B3-4000 was used by the European Commission in 2002.

It clearly shows the constant discrimination which affects the theme of employee financial participation compared to other themes, within DG Employment & Social Affairs.

Originally, budgetary line B3-4000 was dedicated to Social Dialogue and Industrial Relations.

In 1999, we convinced the European Parliament to add a third sub-programme for Employee Financial Participation.

During the discussions within the Parliament, it was said that some 1 to 2.000.000 Euro should go to this new sub-programme.

Finally, in 2000, a fourth sub-programme appeared, for Corporate Social Responsibility.

Now, analysing the list of beneficiaries of line B3-4000 in 2002, you see a clear intention to support sub-programmes Industrial Relations, Corporate Social Responsibility, and Social Dialogue, to the detriment of Employee Financial Participation.

Each of the 3 first sub-programmes received 32% of the budget, and only the last 4% went to sub-programme Employee Financial Participation.

It is evident that the present use of line B3-4000 doesn't match the intentions of the European Parliament.

Sub-programme	€	Share
Total Industrial Relations	3.212.886	32%
Total Corp. Social Responsibility	3.211.687	32%
Total Social Dialogue	3.185.412	32%
Total Financial Participation	464.492	4%
Total budget line B3-4000 in 2002	10.074.477	

With best regards

EFES Research Group

**Breakdown of grants by the European Commission – DG Employment & Social Affairs
under budget-heading B3-4000 in 2002**

Table 1

Sub-programme	€	Share
Total Industrial Relations	3.212.886	32%
Total Corp. Social Responsibility	3.211.687	32%
Total Social Dialogue	3.185.412	32%
Total Financial Participation	464.492	4%
Total budget-heading B3-4000	10.074.477	

The consolidation* by sub-programme of the accepted grant applications in 2002 indicates as regards the three first sub-programmes a fairly balanced breakdown in the budgetary appropriations between types of projects. Industrial Relations strike the first place with an appropriation of € 3 212 886. Corporate Social Responsibility come second with a spread of € 1.199.

With an amount of € 464.492, Financial Participation accounts for only 4% of the total expenditures in 2002.

Table 2

Sub-programme	Average €	Nber of projects
Corp. Social Responsibility	99.551	33
Industrial Relations	81.677	39
Social Dialogue	71.397	45
Financial Participation	58.062	8

The examination by sub-programme of the average amount of the accepted projects shows that Corporate Social Responsibility comes first with only 33 projects.

Social Dialogue with € 71.397 and 45 accepted projects is third.

Projects on Financial Participation number 8 and reach the last place with an average of € 58.062.

Furthermore, it would be desirable to be able to compare by sub-programme, the proportion of accepted projects with the total number of projects submitted.

Besides, an analysis by category of applicants should provide additional information.

Last year, we analysed how budgetary line B3-4000 was used in 2000 and 2001. It appeared that no more than 4-6% of the budget went to Employee Financial Participation (no more than 400-500.000 Euro for 7-9 projects, on a total of 10-11 millions Euro for 130-135 projects).

* The list of accepted grant applicants is available on the web site of DG Employment and Social Affairs (http://europa.eu.int/comm/employment_social/tender_fr.htm#results).