



Excluding disabled people from employment: A luxury we can no longer afford

Reaction to the European Commission consultation on the reform of the General Block Exemption Regulation

When it comes to the labour market inclusion of disabled people, the last decade can be referred to as a lost decade.

Between 2010 and 2024 the access of non-disabled people to employment has grown substantially while the access of disabled people has stagnated. In 2010, the employment rate of disabled people stood at 50%, while the employment rate of non-disabled people was at 68%. The Disability Employment Gap stood at 18,8%. In 2024, the employment rate of disabled people was at 51,8%, while the employment rate of non-disabled people stood at 75,8%. The Disability Employment Gap stands at 24%. Inequalities in access to employment in the regular labour market have increased.

Consequences for the individual and for society

The lost decade has consequences for the individual and for society. Meaningful work is essential for well-being and a sense of purpose in life. In-access to work causes a feeling of isolation.

More crucially being barred from access to employment means less access to income and thus higher poverty and higher dependence on social benefits:

- According to Eurostat, in 2024 28,8% were at risk of poverty, compared to 17.9% of non-disabled people.¹
- In 2024, 68,2% of disabled people were at risk of poverty before social transfers and 20,7% after.²

¹ Eurostat 2025. Disability statistics - poverty and income inequalities. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Disability_statistics_-_poverty_and_income_inequalities

² Eurostat 2025. Disability statistics - poverty and income inequalities. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Disability_statistics_-_poverty_and_income_inequalities



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Disabled people have the right to employment in the open labour market as defined in article 27 of the United Nations Convention on the Rights of Persons with Disabilities:

States Parties recognize the right of persons with disabilities to work, on an equal basis with others; this includes the right to the opportunity to gain a living by work freely chosen or accepted in a labour market and work environment that is open, inclusive and accessible to persons with disabilities.

The Independent Living Movement has defined access to employment and income as principles of the 18 pillars on Independent Living.³

Having people live in poverty hurts the individuals affected. It also produces costs for public finances. The high dependence of disabled people on social transfers comes against a backdrop of increasing expenses for social protection. According to Eurostat, between 2015 and 2024, the cost of social protection in the EU has increased from EUR 3.485 bn to EUR 4.801 bn.⁴

Europe is going through a period of weak economic growth. One of the causes are skills shortages in certain sectors. In the EU, ten occupations report vacancy rates between 5%-8,4%.⁵

The growing costs of social protection and weak economic growth are a challenge for the public purse, contributing to budget deficits, austerity and cuts to public services. These developments cause frustration in the population.

Against this backdrop, excluding half of disabled people who are of working age from the labour market is a luxury we can no longer afford.

Lack of access from income is also a cause of institutionalisation. According to Eurofound, the number of disabled people confined to institutions has increased by 29% in the last decade⁶. Institutions are causing enormous costs to public budgets. According to the OECD, EU-countries are spending up to 4,4% of their GDP on long-term care. Nursing homes can account for

³ European Network on Independent Living 2022. <https://enil.eu/independent-living/>

⁴ Eurostat 2026. Expenditure on social protection by type of expenditure. https://ec.europa.eu/eurostat/data-browser/view/spr_exp_type/default/table?lang=en&category=spr.spr_exp

⁵ Eurostat 2026. Job vacancy statistics. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Job_vacancy_statistics

⁶ Eurofound 2021. Paths towards Independent Living. <https://www.eurofound.europa.eu/en/publications/all/paths-towards-independent-living-and-social-inclusion-europe>



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80% of these expenses.⁷ According to the European Commission, the cost of long-term care is projected to raise from 1,7% of GDP to 2,5% in the next decades.⁸

To labour market inclusion through supported employment

Supported employment is a highly effective instrument for the labour market inclusion of disabled people.

Important key principles are defined in General Comment No 8 on the right of persons with disabilities to work and employment, issued by the UN Committee on the Rights of Persons with Disabilities in 2022. The central idea is that measures support employment in the open labour market:

- To promote self-employment: “Accessible information on entrepreneurship”
- Vocational programmes
- Modifications of the work environment
- Wage subsidies
- Accommodations
- Workplace-based learning schemes: Internships, scholarships, bursaries, apprenticeships
- Job retention and return-to-work programmes
- Access to rehabilitation services

Eurofound is defining supported employment as “a method of working with groups in disadvantaged situations to enable them to enter and maintain paid employment in the open labour market.”⁹

⁷ OECD 2023. Health at a glance. https://www.oecd.org/en/publications/health-at-a-glance-2023_7a7afb35-en/full-report/long-term-care-spending-and-unit-costs_cc989a20.html#indicator-d1e36161-5548160ee5

⁸ European Commission 2021. The 2021 Ageing Report. https://employment-social-affairs.ec.europa.eu/policies-and-activities/social-protection-social-inclusion/social-protection/long-term-care_en

⁹ Eurofound 2021. Disability and labour market integration: Policy trends and support in EU Member States <https://www.eurofound.europa.eu/en/publications/all/disability-and-labour-market-integration-policy-trends-and-support-eu-member>



Success rates of sheltered and supported employment

According to the European Commission study on alternative employment models for persons with disabilities, sheltered employment produces transition rates into regular work of not more than 6% to 7%. Usual rates are lower. In Austria only 0,7% of persons working in sheltered workshops make the transition. For Germany studies indicate a transition rate of less than 1%. A study from 2023 by the Ministry of Social Affairs established a transition rate of 0,35%. For Spain it is 0,55%.¹⁰

The Metropolitan City of Milan is running Emergo - Esperienza Metodologia e Risorse Generano Opportunità – an inclusive employment plan that can be referred to as supported employment.¹¹ Emergo uses personalized services, financial instruments, support for companies, schools, families, and local social and health services.

The programme Dote Unica Lavoro is part of Emergo. It provides personalised services. For example, unemployed persons with disabilities receive a personalised offer of guidance, training and support services. Dote Impresa allocates resources and services allocated to support the integration and retention of persons with disabilities in employment. Employers receive contributions to expenses connected to recruitment and employing.

In 2024, 15.850 disabled people were enrolled in the various programmes of Emergo. Of those 4.272 participants were successfully placed in the open labour market, representing a 28% success rate.¹²

The European Commission study on alternative employment models provides further evidence: A study from Germany found 63% of participants were in employment in the open labour market six months after the end of the intervention, 62% 12 months later, 57% 24 months later. Another, older study followed up with 251 persons mainly with intellectual disabilities more than five years after they had transitioned from sheltered workshops to the open labour market via supported employment. Five years after the initial placement, 65% of the participants were still in employment.

¹⁰ European Commission 2025. Study on alternative employment models for persons with disabilities. <https://op.europa.eu/en/publication-detail/-/publication/1cc9efd9-1b5d-11f0-b1a3-01aa75ed71a1/language-en>

¹¹ <https://www.cittametropolitana.mi.it/lavoro/piano-metropolitano-per-loccupazione-dei-disabili/index.html>

¹² Metropolitan City of Milan 2025. <https://www.cittametropolitana.mi.it/export/sites/default/lavoro/pdf/emergo/Programmazione-emergo/Masterplan-EMERGO-2025.pdf>



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According to the EASPD study “Fostering Employment through sheltered workshops. Reality, Trends, Next Steps” supported employment programmes are small because the bulk of available resources is spent on sheltered employment. Thus, supported employment cannot yet live up to its full potential.¹³

The General Block Exemption Regulation and supported employment

The General Block Exemption Regulation (GBER) is one of the cornerstones of the EU legislative acquis on state aid.¹⁴ To promote public policy objectives, the General Block Exemption Regulation defines and lists specific sectors and activities for which state aid is permitted and which are exempt from notification requirements.

The GBER lists measures to support the employment of disabled people which are in line with General Comment No 8 and the definition provided by Eurofound:

- Wage subsidies
- Personal assistance at work
- The Purchase of assistive equipment
- Modifications of the built environment
- Transport
- Rehabilitation

It also lists a measure which, according to General Comment No 8 has to be regarded as segregated employment and not in line with the UN CRPD:

“where the beneficiary provides sheltered employment, the costs of constructing, installing or modernising the production units of the undertaking concerned, and any costs of administration and transport, provided that such costs result directly from the employment of workers with disabilities.”

¹³ EASPD 2022. Fostering Employment through sheltered workshops. Reality, Trends, Next Steps. https://easpd.eu/fileadmin/user_upload/Publications/Fostering_Employment_through_Sheltered_Workshops_Reality_Trends_and_Next_Steps_2.pdf

¹⁴ European Union. EUR Lex. General Block Exemption Regulation. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legissum:0802_4



Boosting supported employment by reforming the GBER

The European Commission is in the process of reforming the GBER.¹⁵ The Commission has published a draft regulation for consultation purposes.¹⁶

We believe that simple changes to the GBER could provide a much needed boost to supported employment.

In 2024 and 2025, ENIL published policy reports on how changes to the GBER to incentivise greater investments in supported employment could be implemented.

A step in the right direction

Compared to the 2014 GBER, the draft regulation foresees a slight increase of the maximal aid intensity for wage subsidies and other costs such as accommodations from EUR 10 million to EUR 11 million.¹⁷

ENIL believes that this is for the most part a step in the right direction, since it could encourage national authorities to increase financial support the measures listed in the GBER that are in line with the UN CRPD.

The drawback is, that it could lead to funding increases for sheltered employment as well.

Recommendations for change

In our policy reports published in 2024 and 2025, we recommended completely removing article 34(f) of the regulation currently in force.¹⁸

¹⁵ https://competition-policy.ec.europa.eu/public-consultations/2026-gber_en

¹⁶ https://competition-policy.ec.europa.eu/document/download/13d86416-7f23-466e-83aa-0af8105b72d2_en?filename=empty_file_en.pdf

¹⁷ Comp. European Commission 2013. Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02014R0651-20230701> European Commission 2026. DRAFT COMMISSION REGULATION (EU) .../...of XXX declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, amending Regulations (EU) 2022/2472, (EU) 2022/2473 https://competition-policy.ec.europa.eu/document/download/13d86416-7f23-466e-83aa-0af8105b72d2_en?filename=empty_file_en.pdf

¹⁸ Comp. ENIL 2024. Reforming EU State Aid law to restrict subsidies to sheltered workshops. <https://enil.eu/reforming-eu-state-aid-law-to-restrict-subsidies-to-sheltered-workshops/>; ENIL 2025. New policy pathways for the



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Article 2 – Definitions

European Commission	Amendment
'sheltered employment' means employment in an undertaking where at least 30 % of workers are workers with disabilities;	'sheltered employment' means employment in an undertaking where at least 30 % of workers are workers with disabilities;

Article 34 – f

European Commission	Amendment
(f) where the beneficiary provides sheltered employment, the costs of constructing, installing or modernising the production units of the undertaking concerned, and any costs of administration and transport, provided that such costs result directly from the employment of workers with disabilities.	(f) where the beneficiary provides sheltered employment, the costs of constructing, installing or modernising the production units of the undertaking concerned, and any costs of administration and transport, provided that such costs result directly from the employment of workers with disabilities.

A recommendation that was supported by the UN Committee on the Rights of Persons with Disabilities recommended changes:

"65. The Committee recommends that the European Union:

(a) Repeal legislation that allows public financing of segregated forms of employment for persons with disabilities, such as institutions and other segregated facilities, amend Directives 2014/23/EU and 2014/24/EU to remove the possibility of awarding public procurement to such facilities, repeal article 34(2)(f) of the General Block Exemption Regulation (Regulation (EU) No 651/2014), and prohibit State aid of segregated employment;"¹⁹

labour market inclusion of disabled people <https://enil.eu/wp-content/uploads/2025/10/New-policy-pathways-for-the-labour-market-inclusion-of-disabled-people.pdf>

¹⁹ UN 2025. Concluding observations on the combined 2nd and 3rd periodic reports of the European Union : Committee on the Rights of Persons with Disabilities. <https://digitallibrary.un.org/record/4080772?v=pdf>



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In reaction to the draft regulation published for consultation, we are modifying our recommendations

Article 2 – 108

Text proposed by the European Commission	Amendment
(108) 'sheltered employment' means employment in an undertaking where the work arrangements are designed specifically for workers with disabilities, in an environment that engages predominantly with workers with disabilities and that has as its primary objective to offer employment, protection and support to such workers, which are typically not available to them in the open labour market;	(108) ' sheltered supported employment ' refers to measures designed to assist persons with disabilities in accessing and retaining employment or training in the open labour market on a basis equal to others or to assist the employer in employing persons with disabilities. Measures are predominantly provided while the person with disability is working in a position, for example personal assistance at work, job coaching or wage subsidies. Measures provided before a person is working in a position, for example resume or job search assistance or customising employment must be directly linked to the uptake of work or training. Preparatory jobs in segregated settings are not supported employment.

Article 48 Aid for compensating the additional costs of employing workers with disabilities – 3(f)

Text proposed by the European Commission	Amendment
(f) where the beneficiary provides sheltered employment, the costs of constructing, installing or modernising the production units of the undertaking concerned, and any costs of administration and transport, provided	(f) where the beneficiary provides sheltered employment supported employment , the costs of constructing, installing or modernising the production units of the undertaking concerned, and any costs of administration



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that such costs result directly from the employment of workers with disabilities.

Aid shall not be granted for costs that are covered by the social security system of the Member State

and transport, provided that such costs result directly from the employment of workers with disabilities.

Aid shall not be granted for costs that are covered by the social security system of the Member State

The use of state for general public policy objectives

It is often argued that EU state aid rules can not be changed to support the employment of disabled people because its sole purpose to regulate competition in the internal market.

The 2012 Services of General Economic Interest (SGEI) Package, defined under which conditions services in service of social- or healthcare objectives are exempt from EU state aid rules.

In the EU housing prices and rents are growing faster than incomes. To improve housing supply and reduce prices an Affordable Housing Plan was adopted. As part of this effort, the decision was taken to reform an important component of that package, the SGEI-decision.

The plan announced:

“To facilitate support for affordable housing for low- and middle-income households, including essential workers, households with specific family circumstances, persons with disabilities and students, the Commission has decided to revise the SGEI Decision. While this decision leaves the rules for social housing support fundamentally unchanged, it expressly includes a new category of affordable housing among the categories exempted from notification for which there is no maximum compensation cap. In this way, Member States can maintain their existing social housing schemes and create additional affordable housing schemes for other target groups.”²⁰

²⁰ European Commission 2026. The European Affordable Housing Plan, p 11. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52025DC1025>



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Already in December 2025, the reform of the SGEI-decision was adopted.²¹ The Directorate-General for Competition gave the following justification for the decision:

“Moreover, the SGEI Decision has been modified on 16 December 2025, with the primary aim of clarifying the concept of social housing and to offer Member States an option to support affordable housing in a faster and simpler way. This initiative contributes to the Commission’s efforts to address European citizens’ housing needs and constitutes one component of the European Affordable Housing Plan. The revision of the SGEI rules aims to address challenges related to housing affordability that go beyond social housing. To that end, the updated State aid rules facilitate investments in affordable housing at national, regional and local level.”

These quotes show clearly that state aid is used to support other objectives than regulating competition in general and to support social objectives in particular.

²¹ European Commission 2025. Commission Decision (EU) 2025/2630 of 16 December 2025 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest and repealing Decision 2012/21/EU. <https://eur-lex.europa.eu/eli/dec/2025/2630/oj/eng>



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About the European Network on Independent Living

The European Network on Independent Living (ENIL) is a disabled-led, cross-disability network of disabled people and their representative organisations. ENIL promotes the right to independent living, as set out in Article 19 of the UN Convention on the Rights of Persons with Disabilities (CRPD), its General Comments and the Guidelines on deinstitutionalisation, including in emergencies. ENIL's work is guided by the CRPD and the Independent Living principles, enshrined in the Independent Living Pillars. ENIL is active at the European level, and internationally, through cooperation with Centres for Independent Living from around the globe. ENIL's actions and activities are based on the social and the human rights models of disability, and on the principles of inclusive equality, self-determination, solidarity and intersectionality.

ENIL has participatory status with the Council of Europe (i.e. is a member of the Conference of INGOs) and consultative status with ECOSOC.

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