

CONSOLIDATED ANNUAL ACTIVITY REPORT 2021

EUROPEAN TRAINING FOUNDATION

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¹ Commission Delegated Regulation (EU) 2019/715 on the framework financial regulation for the bodies set up under the TFEU and Euratom Treaty and referred to in Article 70 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council (OJ L 122, 10.5.2019, p. 1).

“Indeed there is no better diplomacy than education and skills, and helping an array of countries covering Africa, Central Asia, Western Balkans, Eastern Partnership and the Mediterranean if we would like to emerge as the global force that we have the ambition to be at the EU”

Dragoş Pîslaru, chair of the European Parliament’s Committee for Employment and Social Affairs, 01.02.2022, Brussels

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THE ETF IN BRIEF

The European Training Foundation (ETF) was established by Council Regulation No. 1360 in 1990, [recast as No. 1339](#) in 2008. The ETF is the European Union Agency that supports countries outside the EU to improve their human capital development, in the context of European Union (EU) external relations policies. It cooperates at country and regional level with the countries of the EU Neighbourhood and Enlargement regions, and in Central Asia, as well as contributing to the EU external policies and African Continental programmes. In 29 partner countries², the ETF provides policy advice and support to the partner countries and to the EU Delegations on the reform of education, training and labour market policies and systems. This contributes to social wellbeing, stability and prosperity in the countries surrounding the European Union.

The ETF produces regular monitoring reports on the status and priorities of skills policies and system performance in the countries where it is active. It also gathers thematic and country intelligence to ensure sound, evidence-based and participatory input for policy development, project and programme design, and policy evaluation. The ETF has expertise in a range of themes including the modernisation of qualifications and their alignment with the European qualifications framework; and the anticipation and analysis of skills gaps and skills needs through quantitative and qualitative methods. The ETF also works on improving the relevance of skills with an emphasis on work-based learning, labour mobility, key competences, policies for inclusion and excellence, professional development of teachers and trainers, among others.

The ETF has established its reputation in nearly three decades of work as a centre of expertise in these policy areas, working closely with the European Commission and the European External Action Service (EEAS), as well as the EU Delegations, on policy dialogue and programme support. The ETF also works closely with other EU agencies to support EU priorities, such as in the recently agreed Osnabrück Declaration. Central to the ETF's work is lifelong learning which contributes to developing skills that promote the professional fulfilment of people, including their long and short-term employability, their capacity to innovate, and to actively participate in society. It is identified by the UN Sustainable Development Goals and the European Consensus on Development as essential to promote sustainable growth. It is also a condition for building inclusive and stable societies, as well as peace and regularisation of migration in the EU and its wider neighbourhood.

The Governing Board of the ETF is chaired by the Director General of DG Employment, and includes one representative of each Member State, three representatives of the Commission, three non-voting experts appointed by the European Parliament, and three observers from the ETF partner countries.

2 Albania, Algeria, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Egypt, Georgia, Israel, Jordan, Kazakhstan, Kosovo (this designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ opinion of the Kosovo declaration of independence), Kyrgyzstan, Lebanon, Libya, Moldova, Montenegro, Morocco, North Macedonia, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual position of the EU Member States on this issue), Russia, Serbia, Syria, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine and Uzbekistan. The ETF activities are in line with the EU positioning in these countries.

EXECUTIVE SUMMARY

This Annual Activity Report provides evidence of the successful implementation of the ETF's 2021 Annual Work Programme³. 2021 was the first year of implementation of the new 2027 ETF Strategy and a new organisational structure. In spite of facing the second year of the Covid-19 pandemic, the ETF proved to be a mature organisation with high resilience and response capacity to challenges. The year closure shows outstanding results in all areas of work, with solid performance at the level of corporate Key Performance Indicators (KPIs). This demonstrates the relevance of the work of the ETF. It also shows the agency's ability to respond to the changing needs of the partner countries and the requests of the European Commission and the EU Delegations.

Implementation of the ETF's Annual Work Programme – Highlights of the year

The ETF achieved its objectives set out in the 2021 work programme contributing to human capital development, in the context of the EU Global Strategy. The rate of achievement of its planned actions in its 29 partner countries within the work programme is at 95.58% (and timely completion at 91.15%), which are 5 and 10 points above target respectively, and the highest in the last five years.

Key achievements during the year are highlighted below. These give a glimpse of the ways in which the ETF assists the Commission services and partner countries. They are organised according to the ETF intervention logic (Annex 12) within its 2027 strategy that is based on three strategic objectives with a focus on skills and education and training system development in a lifelong learning perspective. The three objectives are: skills relevance and anticipation, skills development and validation, and performance and quality of education and training policies. These are delivered under eight thematic areas and three core services: knowledge hub, monitoring and assessment, and policy advice. The three core services are integrated across ETF operations to increase the impact of its work and generate value for stakeholders. The knowledge hub and the monitoring and assessment services shape the ETF's diagnostic and anticipation capabilities that drive innovation, and serve as a sound basis for providing policy advice to both partner countries and EC services. Finally, to align ETF operations to the objectives of the Commission, in 2021, the ETF reinforced its four transversal dimensions across its activity areas: greening, digitalisation, gender and migration. More detail on the ETF's operational achievements can be found in Section 1 and in Annex 1.

Skills relevance and anticipation

Under this strategic objective, the ETF supports partner countries to anticipate and monitor changing skills demands (also including skills gaps and skills mismatch) at national, sectoral

³ This Consolidated Annual Activity Report has been prepared in accordance with art.13 of the ETF regulation and art.48 of the ETF FR and in the format defined by the EU Agencies Network in cooperation with the Commission.

and territorial level through the generation of new evidence. Methodological support and policy advice is given for the development of modern labour market information systems as well as inclusive and effective active labour market policies. The ETF also provides policy advice for the modernisation of qualifications systems and the development of qualifications relevant to new labour market and workplace realities with particular attention to the comparison of national and regional qualifications frameworks to the European Qualifications Framework (EQF), and improved focus on validation, micro-credentials and the modularisation of curricula. The ETF also supports EU labour mobility and migration policies with a specific focus on the role of skills in tackling the root causes of migration, as well as in supporting talent partnerships and labour mobility.

New initiatives launched in 2021 include the analysis of green skills positioning and job vacancies in partner countries through the use of big data, as well as analyses of scope, conditions and potential for platform work in Eastern Partnership (EaP) and Western Balkans (WB) countries.

Key highlights in 2021 also relate to knowledge uptake in partner countries and by both international organisations and European Commission (EC) services, in particular the training course on vocational education and training (VET) developed for DG INTPA that was delivered to 30 EU Delegations focusing on labour markets, activation and (re)skilling, as well as migration. Other relevant examples include the continued use of ETF guides in Moldova's skills observatory work, as well as the uptake of ETF's future methodology work as a basis for further actions by partner organisations such as UNIDO and EBRD.

Furthermore, the ETF contributed to renewed assessment approaches in the field of active labour market policies (ALMP), as well as to more robust policy approaches to youth transition to work and a comprehensive assessment of migration impact on skills policies of partner countries. This enabled the beneficiaries to access the latest findings and research approaches with a high likelihood of replication either through domestic or EU/donor funded support. For example, the ETF's support for the design of Youth Guarantee schemes can significantly improve policy making in the partner countries in the area of school to work transition and consistently address long standing challenges linked to youth joblessness.

In this context, in 2021 the ETF's regional and country intelligence on youth employability, skills development and education fed into the European Commission work on designing and planning of the third phase of EU regional programme EU4Youth. The ETF is also a full contributor to the EU Flagship Initiative on the Youth Guarantee in the Western Balkans (WB). It supports the WB countries in developing Youth Guarantee Implementation Plans, together with the European Commission and International Labour Organization within the framework of Western Balkans Technical Assistance Facility for Youth Guarantee. In Eastern Partnership Countries, the EC used input from the ETF to design the third phase of the EU4Youth regional programme, based on advice given to DG NEAR. Another highlight was the regional study 'Migration dynamics from a human capital perspective in the Western Balkans'.

In relation to ETF's policy advice service, Moldovan employment stakeholders are using ETF outcomes to inform evidence-based design and implementation of ALMPs. In fact, employment authorities in Moldova have requested additional ETF support to generate new insights on the effectiveness of ALMPs and evidence-based policy making. Finally, the cross-

country analysis of the NQF reports prepared by the ETF, Cedefop and UNESCO enable global comparison and now include the Global NQF Inventory.

Skills development and validation

Under this objective, the ETF supports partner countries to promote innovation in the teaching and learning of both young and adult learners in formal, informal and non-formal learning environments and tap into innovation to tackle these issues. The ETF also promotes excellence in vocational education and training (VET) across partner countries and fosters networking opportunities for centres of excellences between partner countries and the EU. Moreover, the ETF provides support to enhance Work-Based Learning (WBL) and career guidance, as well as actions to support re-skilling and up-skilling strategies by cooperating closely with private sector representatives and firms in partner countries.

In 2021, the ETF was successful in translating skills demand changes, both ongoing and anticipated, into adjustment requirements for matching policies. This was particularly the case for activation measures and up-(re)skilling programmes, as well as for models and processes necessary to innovate skills development. Also, validation of qualification systems was addressed and analysed for the first time in countries outside the EQF. Results showed the existence of different mechanisms, thus opening several avenues for mutual learning in 2022. Furthermore, a survey on micro-credentials was undertaken and all partner countries had their global inventory fiches updated. The ETF Network of Excellence (ENE) has expanded rapidly and already counts 243 members spread over 39 countries (9 EU, 16 PCs and 14 Africa), only one year after its launch. Under this objective, the ETF has also been able to cover Africa, with its support to the African Continental Qualification framework (ACQF) leading to countries initiating NQFs and validation development mapping. The CoVEs mapping financed by INTPA has also expanded work in Africa with a study looking at data from 26 vocational schools from 14 sub-Saharan African countries.

In relation to the ETF's policy advice service, at country level, in Palestine, Montenegro and North Macedonia, the ETF informed planning or adjustment of EU funded programmes on improved education relevance and youth employability; while in Ukraine, the ETF provided advice to national authorities on practices for (re)skilling programmes for jobseekers, including flexibilisation of implementation arrangements. Also, in Moldova, ENE is working together with Austrian International Cooperation to advise on how to implement recent legislation for affiliated institutions to country CoVEs. Tunisia has fully acknowledged ENE products and approaches to implement strategy and awarding Entrepreneurial TVET Centres.

Innovation in teaching and learning in a lifelong learning perspective is one of the most important issues in the education reform agenda of partner countries, which has been reinforced by drivers such as digitalisation during and post Covid-19. In this regard, in 2021 several innovative partnerships have started (e.g. Serbia, Ukraine, Moldova, Jordan, Palestine, Israel) under the ETF's Creative New Learning initiative. Also, remarkable success has been attained in Ukraine and Azerbaijan for piloting SELFIE in partner countries: in Ukraine the tool gained a policy advice value, with the ETF in the guiding role and two ministries leading on the process at national level. The ETF's approach to skills for smart specialisation, a means to implement regional development policy, continued in 2021 in

Ukraine in two pilot regions, Rivne and Kharkiv. The sub-sectors tested were woodworking and furniture manufacturing, and advanced manufacturing. A vision for regional development in terms of changing skills demand and corresponding need for VET institutions to adjust were defined together with companies, VET institutions, regional authorities and peer learning from Estonia, the Netherlands and Denmark. The findings underscore specific skills shortages as a major barrier to technology adoption and sustainable production practices, in particular SMEs.

Finally, the ETF's knowledge production in work-based learning (WBL) and career guidance demonstrated relevant impact in 2021. In Armenia, the ETF has been accompanying the implementation of the WBL roadmap, which has been used to inform its national education/VET strategy. Furthermore, the ILO-ETF report on career guidance system development is being used by countries to assess and build their systems, thus providing the basis for policy advice. ETF partner countries that joined the EAfA have also observed that it represents a great opportunity to learn from experiences from other countries in Europe and best practice, as well as encouraging the development of more apprenticeship placements to help citizens develop skills that match the needs of the labour market. The ETF cooperation with the EBRD on the study "Inclusive Skills for Innovative Enterprise Development in the Aftermath of Covid-19 in the Agribusiness Sector" resulted in a comprehensive report on the agribusiness sector in five countries – Georgia, Morocco, Serbia, Turkey and Uzbekistan – the findings and recommendations of which have been widely shared.

Performance and quality of education and training policies

Under this objective, the ETF supports countries to monitor and improve the performance of their education and training systems and lifelong learning policies. This is done by using monitoring and assessment findings to provide tailored policy advice to EU interventions and to partner country systemic reforms to increase quality performance.

Round 5 of the ETF's Torino Process was finalised in 2021, completing the cycle with events at national and regional level, and for some countries even at governorate level, reaching approximately 2100 participants between 2018 and 2021. These included representatives of public institutions in partner countries, civil society organisations, international organisations and the private sector.

The ETF Quality Assurance (QA) Forum has continued to grow in 2021, now bringing together 22 partner countries in a platform for bilateral and multilateral dialogue on VET Governance. Moreover, the ETF methodological framework for developing the governance inventory has been applied across five countries to assess the governance of skills and vocational education and training. The trusting relationships that this has helped to build, has already led to demands for policy advice and input on different thematic areas in Moldova, Tunisia, Albania, Uzbekistan, Kosovo, Bosnia and Herzegovina, Palestine, and Morocco. In addition, a survey of civil society organisations on ways to operationalise lifelong learning systems has created new collaboration with different stakeholders in five partner countries: Albania, Ukraine, Jordan, Uzbekistan and Tajikistan.

The ETF revisited its monitoring and assessment function in 2021 to develop a new monitoring framework (NMF). The NMF moves its focus from initial vocational training to

lifelong learning and system change. It mirrors all thematic fields covered by ETF operations thus contributing to the ETF's knowledge hub, including system performance indicators, and systematises the ETF's approach to monitoring. The NMF also embeds the learning provided by the external evaluation of the ETF's monitoring and assessment functions that started in 2021. It engaged key stakeholders including partner countries, Commission Services and international organisations. In parallel to developing the NMF, a methodology for rapid education sector diagnosis has been finalised and is ready to be tested in partner countries from 2022.

An important highlight in 2021 was the education diagnostic in Lebanon on behalf of DG NEAR. It will foster the EU-Lebanon policy dialogue on education and provide recommendations informing government priorities on reform measures and EU decisions on financial assistance. Finally, the Corporate Conference Building Lifelong Learning systems: Skills for green and inclusive societies in the digital era, done in partnership and networking with UNESCO, EBRD and UNICEF, identified the key features of successful lifelong learning systems with a clear orientation towards the idea of 'policy first'.

Key Performance Indicators (KPIs)

In spite of the extraordinary circumstances due to the continued Covid-19 pandemic, the ETF achieved a very high level of performance in all its operational areas. This is demonstrated by the fact that all KPIs measured in the year, the agency is above or well above target. The commitment rate was 99.91% (99.88% in 2020) and the timely payment rate increased to 97.6% in comparison to 94.3% in 2020, and well above the target of 90%. The rate of cancellation of payment appropriations was 0.44% in comparison to 1.46% in 2020 and the rate of outturn was 99.91% in comparison to 98.79% in 2020, both well above target and illustrating the fact that the measures that the ETF puts in place in response to the Covid-19 pandemic were very effective in ensuring a continued and very high level of delivery of the annual work programme.

The above extends to the rate of achievement of planned activities in the work programme 2021, which was 95.58% and the timely achievement of activities at 91.15%, well above target of 90% and 80% respectively, and proving that the ETF has effectively addressed the pandemic constraints imposed on its operational work and the conditions in partner countries. Likewise, the rate of implementation of audit recommendations remained unaffected at a consistent high of 100% as in previous years, illustrating the commitment from the management to follow up on recommendations. Moreover, the ETF has gradually managed to increase the overall allocation of staff to operational job category as in 2021 it reached 74.08% in comparison to 72.71% in 2020 and 69.47% in 2016, while reducing administrative support and coordination. The related indicator for administrative support in relation to ETF staff ratio is 15.8%, hence it is above the target level of <30%. Finally, the average vacancy rate of ETF staff in authorised posts is 0%, with all posts filled at the end of December 2021.

The comparative table of the 15 Key Performance Indicators (KPIs) is presented in Annex 1 for the mid-term perspective 2017-2021, of which 11 KPIs are used for the assessment of

Directors and benchmarking between agencies, and four are operational KPIs targeting the key activities of the ETF's work in the partner countries.

The indicators reflect a high level of financial discipline, sound organisational management as well confirmation of the impact of ETF work in the partner countries. Conclusions drawn from external audit and evaluation reports and internal monitoring also support the assessment of the maturity and stability of the agency.

Key conclusions on financial management and internal control

In accordance with its governance arrangements, the ETF conducts operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting a high level of professional and ethical standards.

To ensure the achievement of policy and management objectives, the ETF has adopted a set of internal control principles and corporate performance KPIs based on international good practice, aimed at ensuring the achievement of operational objectives. The financial regulation requires that the organisational structure and the internal control systems used for the implementation of the budget are set up in accordance with these principles. The ETF has assessed the internal control systems during the reporting year and has concluded that the internal control principles are implemented and function as intended (please see PART III for further details).

The 2021 annual review of the internal control system and organisational performance provide reasonable assurance to the ETF management as to the level of compliance with all internal controls, on the correct functioning of the systems in place and on organisational performance. Overall, the results are positive as all the Internal Control Principles were assessed as effective or present and functioning with no principles assessed as having critical weaknesses.

The ETF uses a set of corporate performance KPIs to track and monitor organisational performance. They include the KPIs for Directors of EU decentralised agencies and other already existing corporate performance KPIs. They show that in 2021, the ETF used the resources provided by the EU to deliver its activities in due time, at an appropriate level of quantity and quality against agreed benchmarks and targets.

In addition, the ETF systematically examined the available control results and indicators, as well as the observations and recommendations issued by the Internal Audit Service and the European Court of Auditors. These elements have been assessed to determine their impact on the management's assurance as regards the achievement of control objectives (please see PARTS II, III & IV for further details).

In conclusion, the ETF's management has reasonable assurance that, overall, suitable controls are in place and working as intended, risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Director, in his capacity as Authorising Officer has signed the Declaration of Assurance.

1. IMPLEMENTATION OF THE ETF'S ANNUAL WORK PROGRAMME – HIGHLIGHTS AND ACHIEVEMENTS OF THE YEAR (PART I)

This section summarises the ETF's achievements for the 2021 operational activities in the first year of implementation of the 2027 strategy and the resulting reorganisation. It highlights the ways in which the ETF provides support to the Commission services and partner countries. It does so by combining, in different ways, the delivery of the ETF's three core services across its nine operational activities. The section also highlights the links between ETF operations with the general objectives of the von der Leyen Commission.

Contribution to the objectives of the Commission through four transversal themes

In order to align ETF operations to the objectives of the Commission, in 2021 the ETF has reinforced its four transversal dimensions across its activity areas: greening, digitalisation, gender and migration. In doing so, it ensures that attention is given to the impact of greening on skills demands, qualifications and skills development to support the transition of partner countries towards greener economies and societies in full alignment with the external dimension of the [European Green Deal](#) and the EU global agenda. Furthermore, by focusing on the impact of digitalisation on skills demands and development, as well as societal and economic dynamics, the ETF is aligned with [A Europe fit for the Digital Age](#). The ETF also ensures an increased and constant attention to gender and equality across its work in line with the [European Consensus on Development](#) and the [EU Gender Action Plan III](#). Specific attention is given to addressing structural inequalities in HCD, including in the post Covid-19 recovery period. Finally, by focusing on the role of skills in tackling the root causes of migration as well as supporting talent partnerships and labour mobility within EU labour mobility and migration policies, the ETF's work is in line with the [European Dialogue on Skills and Migration](#), the [New Pact on Migration and Asylum](#) and the [Global Approach to Migration and Mobility](#).

In 2021, highlights include the analysis done by ETF across all partner countries on their position in relation to skills for the green transition. Its corporate conference in June 2021 – Building lifelong learning systems: skills for green and inclusive societies in the digital era – emphasised different dimensions of lifelong learning, including how learners, overall society and the economy can transition towards digital, greening and inclusiveness, with an emphasis on the role that knowledge, skills and competences play in this process. The ETF also strengthened its cooperation with the European Gender Agency, EIGE, on gender gaps in activation/employment and on the gender equality index. It designed and delivered the third edition of the course on skills dimensions of migration for decent work together with ITC/ILO. The ETF also delivered the regional study 'Migration dynamics from a human capital perspective in the Western Balkans'.

Delivering impact through three core services

In 2021, the ETF conceptualised and developed its three core services, which are the pillars at the heart of its operational activities within its 2027 strategy. In the knowledge hub, a knowledge manifesto was developed, providing the frame for the ETF 'knowledge journey' around its four key dimensions: co-creation, curation or packaging knowledge generated and validated into specific products, sharing and ways in which the ETF uses knowledge to fulfil

its mandate through policy advice and support. The New Monitoring Framework architecture revisited the monitoring and assessment service and now provides a new set of monitoring tools and methods with a renewed focus from VET to lifelong learning and system change. Finally, the policy advice approach defined by ETF in dialogue with partner countries, Commission Services, EU Member States, international organisations and financing institutions, among other stakeholders within Team Europe, feed into how ETF applies and implements policy advice in the partner countries and to EC services.

The integration of ETF's three core services across its operational activity areas in 2021 aimed to increase the impact of ETF's work and generate value for stakeholders. The knowledge developed through the knowledge hub and the monitoring and assessment services shaped ETF's diagnostic and anticipation capabilities, thus building its ability for in-depth context understanding and to drive innovation. In turn, these served as sound basis to provide policy advice to both partner countries (i.e. reform of education and training systems as well as participatory/inclusive governance systems) and the EC programming and interventions in the wider Team Europe. Finally, the feedback received from partner countries and EC services through ETF's policy advice service, either in the form of demands or requests, was used as input for further knowledge development and monitoring, thus closing the cycle of ETF services integration.

Furthermore, during the year the ETF advanced in the dialogue with national stakeholders and EU delegations to agree on joint actions for 2022. This was key to building an overview and geographical coverage of ETF's three core services delivery: policy advice, expertise as a global reference for education and learning through ETF's knowledge hub, and monitoring and assessment. At the same time, this open and regular dialogue has ensured the continuity of activities in most of the partner countries during 2021 in spite of travel constraints posed by Covid-19, which added to pre-existing socio-political instabilities and economic fragilities.

Geographical coverage and reach

Geographically, it is important to highlight that the ETF has strengthened its work and relationship in its partner countries in the EU Neighbourhood and Enlargement regions – as outlined in the Executive Summary Part A and in Section 1 – including: South Eastern Europe and Turkey, Southern and Eastern Mediterranean, Eastern Partnership, Central Asia, and Russia. In this context, the ETF operates under the EU Enlargement Policy and in particular the [Instrument for Pre-Accession Assistance](#). In the EU Neighbourhood region, the ETF operates within the framework of the [European Neighbourhood Policy](#). It also builds on the Joint Communication on a renewed partnership with the [Southern Neighbourhood](#) and its [economic and investment plan](#). In the Eastern neighbourhood, the ETF contributes to the [Eastern Partnership \(EaP\)](#) policy initiative. The [new EU Strategy for Central Asia](#) is the basis for the ETF's operations in that region.

Highlights for 2021 include the policy dialogues on platform work in EaP and in the Western Balkans (WB). ETF's work on youth employability fed into the development and adoption of Youth Guarantee Implementation Plans in WB. In EaP, the EC used ETF's input to design the 3rd phase of the EU4Youth regional programme, based on the advice given to DG NEAR. The ETF delivered policy advice for EaP, WB and the SEMED regional cooperation

activities on activation, reskilling and youth. The ETF also provided carer development support system review in both EaP and WB. The EAfA regional seminar in SEET in collaboration with DG EMPL generated mutual learning, sharing of best practices and ideas for new apprenticeships placements. The ETF mapping of SME skills development initiatives at enterprises took place across all regions, and were especially applied in EaP and WB. In all regions in which the ETF is active, analysis on NQF and micro-credentials were developed together with support to their qualification systems. The EQF comparison with third countries identified opportunities for mutual learning within and between all regions. Finally, the ETF reviewed the proposal for the regional project Dialogue and Action for Resourceful Youth in Central Asia (DARYA).

In parallel to ETF's work in its partner countries in the EU Neighbourhood and Enlargement regions, it is also leading the consultation on the preparation of the Africa Action Plan and working on the three Africa related projects: i) implementation of ACQF (known as ACQF2), which in 2021 witnessed several content discussions with DG INTPA and the EU DEL in the African Union (AU); ii) the DG INTPA contract for delivering of training to EU Delegations, as well as for implementing the CoVEs' study that delivered a report on the success factors of high-performance schools in sub-Saharan Africa; and iii) a contract for CoVE's external dimension that has been signed with DG EMPL and initiated at the end of 2021 with the delivery of a draft implementation plan.

The above examples of cooperation with the African Union (AU) takes place considering that the EU's relationship with Africa is a key priority for the new Commission. Furthermore, encouraged by the Commission opinion of July 2021, the ETF is to use its agility in programming "to respond to the new European Commission priorities and to pursue opportunities to work beyond current partner countries or to engage in new priority thematic areas". Hence, the ETF looks forward to continuing to engage with Africa, to seek synergies with partners and uptake for its products to support the implementation of the wider EU-Africa strategy in line with the [Comprehensive Strategy for Africa](#) and other references such as the [Africa-EU partnership](#), the new [Africa Communication](#), the [Communication on the Africa-Europe Alliance for Sustainable Investment and Jobs](#), and the [African Continental Qualifications Framework](#).

Finally, in terms of reach, it is important to bring to the fore that in 2021 a total of 10 different ETF topics were successfully covered by communication campaigns on a monthly basis throughout the year. As a result, the ETF has achieved a significant increase in overall reach on social media as well as on its website and online community, OpenSpace. The campaigns



generated also requests for communications' partnerships, such as with UNIDO and RCC.

Two different media partnerships were used in the campaigns with BBC Global and Politico to broaden ETF's target audiences. They proved to be highly successful in comparison with posts from other organisations on both platforms –

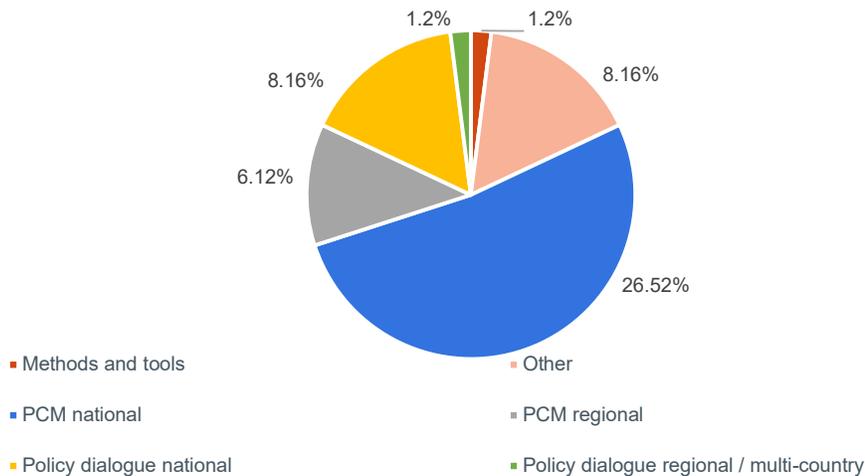
10,400 hits on Politico and 66,500 unique page views on BBC Global. These results clearly demonstrate the value and appreciation of the content generated by ETF.

EU requests in 2021

In 2021 the ETF received 22 new requests from Commission Services, including DGs and EU Delegations, throughout the implementation of the work programme (WP). This adds to the 28 requests received prior to January 2021 already included in the WP, totalling 50 EU requests. Addressing these ad-hoc requests is an indication of the flexibility of the ETF in the implementation of its WP and the priority given to the requests directly coming from the EU services, even when not initially planned. The geographical coverage of requests in 2021 is similar to those of 2020, with most requests related to Southern and Eastern Europe and Turkey, followed by Southern and Eastern Mediterranean and Eastern Partnership. Central Asia registers a lower number of requests, which is connected to the preparation of the new EU regional intervention, DARYA. Regarding their institutional origin, EU Delegations and DG NEAR made most of the requests, followed by DG EMPL.

In spite of the difficult context of fragility in partner countries and the protracted Covid-19 pandemic, the requests in 2021 covered multiple objectives of the EU external assistance. In particular, these are related to programming with the preparation of the multi indicative programmes for the period 2021-2027. Ongoing support covers monitoring of large project interventions. The ETF expects the input and contribution required to new requests in the near future should increase with the progressive normalisation of the situation. Thematic and country based expertise remain an asset of ETF in the area of EU support (Figure 1).

Figure 1: Types of EU request in 2021



Strategic objectives translated into activity areas

In a nutshell, in 2021 the ETF's operational activities developed knowledge, assessed the performance of learning systems, and provided policy advice for the EU services, the partner countries' stakeholders, and other international organisations and donors working in the

partner countries in the field of human capital development. This took place in line with key EU policies and the objectives of the new Commission. Ultimately, this shows that through the combination and integration of ETF's three core services the institution has been able to service the Commission services and partner countries alike, while increasing its digital and green maturity. This has been materialised by delivering its three strategic objectives through its annual work programme 2021, which is operationalised through the ETF's activity areas.

1.1 Skills demand analysis

The aim is to establish a sustained community of experts co-developing and exchanging knowledge, and conducting regular and in-depth analysis on changing skills demand in transition and developing countries in order to stimulate a stronger attention and investments in partner countries as regards monitoring changes in skills demand for informing and promoting education and training to fully harness lifelong learning modalities.

In 2021, knowledge and methodological tools to analyse skills needs have been developed and used in partner countries in a number of economic sectors. Likewise, experience, knowledge and good practice on skills identification mechanisms and tools have been systematically gathered and shared among a network of experts from partner countries, the EU and international organisations, in particular through the use of foresight and big data. Finally, new analytical work and cross-country studies on the future of work and skills for the future have been developed and disseminated to inform national, EU bilateral and regional policy dialogue, both through the experts network and in close cooperation and partnership with international, regional and donor organisations.

Examples to highlight from 2021 in terms of knowledge uptake include the ETF guides in Moldova's skills observatory work, and the ETF future of work methodology used by UNIDO in its textile sector study in Egypt. Moreover, ETF knowledge products have been widely used in policy advice to EC services, including DG EMPL, DG NEAR and DG JRC, as well as to institutions such as Cedefop and Eurofound. The ETF also organised policy dialogue on issues ranging from platform work in EaP and the WB, to skills mismatch, future skills needs and green skills across all partner countries.

Table 1 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

In this context, this activity area contributes to [European Skills Agenda](#) Action 2 of strengthening skills intelligence as a means to achieve higher attention to and investment in skills for citizens across economic sectors and a better alignment of skills policies to demands. It also contributes to European Skills Agenda Action 6 of identifying skills that support the green and digital transitions, in line the [European Green Deal](#) and its accompanying [Just Transition Mechanism](#), as well as [A Europe fit for the Digital Age](#) and the associated [Digital Education Action Plan 2021-27](#).

TABLE 1: SKILLS DEMAND ANALYSIS MAIN ACHIEVEMENTS IN 2021

 **OUTCOMES**

New / upgraded methodological tools to analyse skills needs (skills' needs, skills gaps, skills mismatch) are developed, disseminated and used in partner countries

Experience, knowledge and good practice on skills identification mechanisms and tools systematically gathered and shared among a network of engaged experts from countries, EU and international organisations

New analytical work and (cross-country) studies are developed and disseminated to inform national, EU bilateral and regional policy dialogues

 **ACHIEVEMENTS**

Methodological instruments

Future skill needs in selected economic sectors
 Future skill needs in crafts sector
 Big Data for LMI
 Skills mismatch measurement
 New forms of employment - Platform Work

Studies

Future of skills in the energy sector in Albania
 Future of skills in the tourism sector in Tunisia
 Future of skills in the healthcare sector in Ukraine
 Future of skills in the agrifood sector in Morocco
 Future of skills in the automotive sector in Turkey
 Craftmanship and Skills for the Future - Sectoral Portraits Albania, Armenia, Azerbaijan, Georgia, Kyrgyzstan, Turkey, Ukraine, Uzbekistan
 Platform work in the six Eastern Partnership countries
 Concept note on Green Dashboard (Big Data for LMI)
 Draft position paper on skills for green transition and note for developing an index of indicator for greening
 OJVs in the context of Covid-19: what can we see? (Big Data for LMI)
 Big Data for LMI Feasibility report
 Skills mismatch measurement in ETF Partner Countries
 The future of work – New forms of employment in the Eastern Partnership countries: Platform work

Cooperation with international actors

Close cooperation with international, regional and donors' organisations, such as JRC, ILO, Eurofound, ELA, Cedefop, EBRD, UNIDO, RCC, GIZ, Helvetas

Memberships of the network

Official launch of Skills Lab Network of Experts, with around 60 external researchers/ research institutes from a variety of public, private or non-profit research institutions and universities and/or international organisations and networks

 **HIGHLIGHTS**

Uptake of the ETF's FoW methodology by UNIDO to use it in its textile sector study in Egypt

Continuing use of ETF guides in Moldova's skills observatory work

The usage of FoW energy sector study results in Albania by EBRD (and its office in Tirana) to design and implement its energy sector support programme to the largest Albanian public Electric Power Distribution Operator (OSHEE)

Self-updating online job vacancy analysis on dashboards in PCs and first attempt to provide the analysis of green skills from OJV, the so-called Green Dashboard (Big Data for LMI project)

First initiative to reflect and develop a position on skills for green transition in PCs and note for developing an index of indicators for greening

First initiative to analyse and understand the scope, conditions and potential of platform work in partner countries, first in EaP countries and then WB countries

Several uses of the results from the project's own knowledge products in policy advice to EC services and ETF partner countries, including to DG EMPL and DG NEAR initiatives and documents, inputs to DG JRC, Cedefop and Eurofound initiatives, as well as to policy dialogues with partner countries on platform work, skills mismatch, future skill needs and green skills

The contribution of this activity area extends to the [European Dialogue on Skills and Migration](#), the [New Pact on Migration and Asylum](#) and to the [Global Approach to Migration and Mobility](#), by covering the skills dimension of migration through its support to improved skills matching, inclusion, and social fairness in line with the [European Pillar of Social Rights](#) and the [European Consensus on Development](#). Finally, this activity area also contributes to [Sustainable Development Goal 4](#) on quality education.

1.2 Sustainability, inclusion and resilience through active labour market policies and the skills dimension of labour mobility

The aim is to help partner country learners and future graduates, as well as jobseekers and workers to get a rapid sense of labour market changes, employers' demands, and skills development opportunities.

In 2021, a partner country mapping has been carried out of active labour market policy developments, their vulnerabilities, the effectiveness of ALMPs and PESs, as well as the skills dimensions of migration. These have been delivered in the form of country reports and fiches, as well as studies, technical inputs and knowledge sharing. This body of evidence led to policy advice and other forms of dissemination, as well as to inputs to EC services requests and EU programming such as the Youth Guarantee Implementation Plans and the EU4Youth regional programme. It also enabled the ETF to strengthen dialogue and partnerships with DGs, such as INTPA and NEAR, as well as with international, regional and donor organisations, in particular ILO, UNICEF, IOM, Eurofound, EIGE, ELA, UNDP, RCC, ICMPD, GIZ, ADA, Helvetas.

Key examples in 2021 include the regional study 'Migration dynamics from a human capital perspective in the Western Balkans'. In the Western Balkans, youth employability findings fed into the design of guidelines and operationalization of the EC, ETF and ILO Technical Assistance Facility for development and adoption of Youth Guarantee Implementation Plans. In Eastern Partnership Countries, the EC used ETF's input to design the third phase of the EU4Youth regional programme, based on the advice given to DG NEAR and exchanges with contractors on implementation of phase II and phase III. ETF knowledge contributed also to regional cooperation and the design of a new Community of Practice on Youth Employability and Skills Development under the UfM auspices. Newly generated evidence on migration and skills informed a concept note for skills mobility partnerships.

Other examples to bring to the fore include a scoping study on labour migration (IOM Global Skills Mobility Project) for DG INTPA developed by the ETF to map key stakeholders and initiatives. The ETF also supported the European Parliament (LIBE secretariat) on a draft Legislative INI report on legal migration policy and law. The RCC used the ETF's research approach to ALMPs effectiveness assessment as input into ESAP's work on ALMPs review (EU-IPA regional project). A paper on youth disengagement in the Western Balkans came as follow up to the EC need for up-to-date information on the youth situation in the region as preparatory work for YG schemes' design. Finally, both ETF ALMPs and migration work fed into EC-led studies, networking and training actions, such as the one delivered for DG INTPA. Table 2 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

TABLE 2: SUSTAINABILITY, INCLUSION AND RESILIENCE THROUGH ACTIVE LABOUR MARKET POLICIES AND THE SKILLS DIMENSION OF LABOUR MOBILITY MAIN ACHIEVEMENTS IN 2021

OUTCOMES

Mapping produced of countries' active labour market policy developments, including challenges and measures to counter the crisis (crisis prevention and crisis management, e.g. adjustments to ALMPs, workers' and company support measures (preventive and corrective), economic incentives; labour market trends and socio-economic context)

Groups identified that are vulnerable to the crisis, based on their need to adapt, enhance and upgrade skill sets

Analytical work produced on the effectiveness of ALMPs and PESs capacity to deal with crisis effects and help recovery in post-crisis, including innovation potential of employment services and activation programmes' delivery

Evidence-based technical inputs provided to EU interventions designed at country and regional levels

Experience, knowledge and innovative practice collected and shared in peer learning and regional policy dialogues

Evidence, analytical work and policy discussions on the skills dimensions of migration, and the links with HC and LM

ACHIEVEMENTS

Advice to countries in adapting their ALMPs and/or employment policies

In partner countries on active labour market policies (two cross country reports and three country reports)

In Western Balkans on Youth disengagement and skills mismatch

In Western Balkans on migration, human capital and labour market interactions (one regional and six country reports)

Country policy advice completed for North Macedonia (youth guarantee and reskilling), Moldova (ALMPs effectiveness), and inputs to Western Balkans, EaP and SEMED regional cooperation activities on activation, reskilling and youth

Wide dissemination of knowledge through cross country event on ALMPs innovation and regional Western Balkans skills and migration conference, contribution to ETF communication campaigns on resilience, partnerships, and shaping and lead of the migration campaign

EU requests addressed using evidence from Skills Lab and ALMPs action

Timely and comprehensive responsiveness to EC services requests for advice, background documents or technical inputs (both European Commission and EU delegations/offices and EU funded networks/projects)

Western Balkans Technical Assistance Facility for Youth Guarantee Implementation Plans launched

Third phase of EU regional programme EU4Youth (advice to EC/DG Near and exchanges with contractors in charge with implementation of phase II and phase III)

Policy dialogue inputs delivered to EU institutions

Consolidated cooperation and building new partnerships with international, regional and donors organisations, in particular ILO, UNICEF, IOM, Eurofound, EIGE, ELA, UNDP, RCC, ICMPD, GIZ, ADA, Helvetas

Opening new cooperation areas with Eurofound on joint implementation of living, working and Covid-19 research and youth employability

With EIGE on gender equality index and gender gaps in activation/ employment

Input to ETF INTPA training on VET for EU Delegations with focus on labour market, activation and (re) skilling as well as migration aspects

Co-design and co-delivery with ITC/ILO of the 3rd edition of the course on Skills dimensions of migration for decent work

New methodological approach for the analysis of migration, HC and LMs

Western Balkan study on the interaction among migration, HC and LM – for evidence for integrated policy responses (very high participation in the regional conference –160 participants)

Country MIG fiches

Completion of seven selected ETF partner countries skills and migration fiches in east and South neighborhood

HIGHLIGHTS

The ETF as full contributor to the EU Flagship Initiative on the Youth Guarantee in the Western Balkans within the framework of Western Balkans Technical Assistance Facility for Youth Guarantee

The ETF's regional and country intelligence on youth employability, skills development and education fed into the European Commission work on designing and planning of the third phase of EU regional programme EU4Youth

New knowledge development products, such as reports on active labour market policies, youth disengagement and skills mismatch in Western Balkans, and regional and country reports in the Western Balkans on migration, human capital and labour market interactions, shed new light on PCs socio-economic dynamics and policy challenges by using state of the art approaches, in line with recent EU and global research practices

Consolidation or expansion of cooperation with ILO and IOM in the area of employment, employability and migration and opening new cooperation areas with Eurofound on joint implementation of living, working and Covid-19 research and youth employability, as well as with EIGE on gender equality index and gender gaps in activation/employment

Input to ETF INTPA training on VET for EU Delegations with focus on labour market, activation and (re) skilling, as well as migration aspects

Policy advice and exchange actions in the field of employment, activation and youth integration implemented upon the request of EC services or country partners in Palestine (design of EU youth project), Albania (follow up on IPA employment and VET project), Ukraine (advice provided on EU practices for (re)skilling programmes for jobseekers), Moldova (review of ALMPs evidence policy making), North Macedonia (ALMPs report, youth guarantee and reskilling), and inputs to Western Balkans, EaP and SEMED regional cooperation activities on activation, reskilling and youth

It is possible to verify that the ETF builds its intervention on the [European Pillar of Social Rights](#) (EPSR) and its principles, in particular equal access to education and training, as well as relevance of skills development and access to employment, including proper social protection and support for activation during unemployment spells.

Under the umbrella of the [European Skills Agenda](#), the focus of this activity area is on the flexibilisation of access and participation in training, securing individualised access and innovating financing modalities, such as individual learning accounts. The ETF also focuses on work-based learning (WBL) reforms, including quality apprenticeships and traineeships, and career guidance as per the [Osnabrück Declaration](#) and [VET Recommendation](#). It also analyses the role of ALMPs in promoting upskilling and reskilling. The ETF's work under this activity area also follows up on the EU youth policies through knowledge development and hands-on support and advice to partner countries in the context of the [Recommendations for the Youth Guarantee update](#), the [Youth Employment support](#), the [Reinforced Youth Guarantee](#) and the [Bridge to Jobs](#). Finally, this activity area also contributes to [Sustainable Development Goal \(SDG\) 5](#) on gender equality, [SDG 8](#) on decent work and economic growth, and [SDG 10](#) on reduced inequalities, in addition to [SDG 4](#) on quality education.

1.3 Modernisation of qualifications and establishment of qualification systems

The aim is to support inclusive skills development policies, access to lifelong learning opportunities and innovation targeting skills for the future to help partner countries to modernise their qualification systems, thus changing their focus from formal to lifelong learning education systems.

In 2021, NQF inventory records have progressed in partner countries, including in terms of cross-country analysis and global comparison. Moreover, fit-for purpose and lifelong learning-oriented qualifications have been developed, including in terms of micro-credentials and VNFIL inventories. A network of national databases has also been developed, thus improving access to qualifications through linked and interoperable databases. With the support of the ETF, partner countries also developed stronger links with the EQF, and groups of countries were able to compare their systems to the EQF, thus making use of or adapting EU instruments for development. These advancements led to a regional qualifications framework global event debating the ways in which qualifications and qualification systems support internationalisation.

Table 3 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

In this context, it is important to highlight that this activity area builds on the [European Skills Agenda](#) in close cooperation with the EQF advisory group and the European Commission. It also benefits from a longstanding partnership and joint work with Cedefop and the international community, in particular UNESCO, ASEM and OECD. Moreover, the ETF increasingly supports the African Continental Qualification Framework (ACQF) as part of the EU partnership with the African Union.

TABLE 3: MODERNISATION OF QUALIFICATIONS AND ESTABLISHMENT OF QUALIFICATION SYSTEMS MAIN ACHIEVEMENTS IN 2021

 **OUTCOMES**

Qualification systems facilitate validation and recognition of lifelong learning

Fit-for purpose and lifelong learning-oriented qualifications developed

Access to qualifications is improved through linked and interoperable databases, including micro credentials; stackable qualifications become available

Partner countries develop stronger links with the EQF. Groups of countries compare their systems to EQF and make use of/ adapt EU instruments for own development

Contribution to global debates on qualifications and qualification systems supporting internationalisation

 **ACHIEVEMENTS**

NQF inventory records progress in countries on NQF stage of development

20 NQF fiches published on ETF's web pages

Cross-country analysis of the NQF reports that comprise the Global NQF Inventory, contributed by ETF, Cedefop, and UNESCO

Global progress of NQFs systematically analysed and objectives, characteristics, trends, impacts compared

Instruments/tools (i.e. skills validation tools and instruments) promoted and integrated in education and training provision in countries

Network of National Databases

Micro-credentials for lifelong learning and employability

VNFIL Inventory in third countries

Qualification systems development by EU external assistance in partner countries formulated with support of the ETF

African Continental Qualifications Framework (ACQF)

EQF comparison pilots with third country frameworks

Regional qualifications framework global event

Support to Qualification systems development in Albania, Bosnia and Herzegovina, Kosovo, Serbia, Turkey, Morocco, Tunisia, Palestine, Israel, Azerbaijan, Belarus, Kyrgyzstan

 **HIGHLIGHTS**

20 NQF fiches published

NQF Inventory contributed by ETF, Cedefop, UNESCO and UNESCO-UIL

Validation addressed for the first time in countries outside the EQF

African Continental Qualifications Framework (ACQF) mapping

EQF comparison with third countries with opportunities for mutual learning identified

Survey on micro-credentials conducted with 499 responses and results shared with the EC, which is being followed with the preparation of a brief on micro-credentials for EU services dealing with third countries

Ultimately, the ETF supports the development of flexible qualifications systems and upskilling pathways, including through increased focus on micro-credentials, recognition, validation and flexibilisation, as well as the digital and international dimensions of qualifications, in line with EC priority [A Europe fit for the Digital Age](#), the [Porto Declaration](#) and the [European Pillar of Social Rights](#), as well as inspired by the [Communication on Achieving the European Education Area by 2025](#) and the [Council Resolution on a strategic framework for European cooperation in education and training towards the European Education Area and beyond \(2021-30\)](#), and including recent political developments such as the [Joint Employment Report](#), the [Council Resolution on a new European Agenda for Adult Learning 2021-30](#), and [ALMA](#).

This activity area is also instrumental in the context of improving legal pathways of migration and the recognition of third-country nationals' competences on the EU labour market. Finally, this activity area also contributes to the [Sustainable Development Goal 4](#) on quality education.

1.4 Vocational excellence provision models

The ETF's Network for Excellence (ENE) is inspired by a Commission-led initiative in the EU countries, which establishes Centres of Vocational Excellence (CoVEs) partnerships, whose aim is to feed excellence and innovation as drivers for vocational skills for employment and education systems from a lifelong learning perspective, as well as to address quality, inclusion, innovation and relevance of skills through re-thinking institutional network set-ups and transitions needed by the labour market.

As a bottom-up initiative, CoVEs operate in a local given context and enables VET institutions to rapidly adapt skills provision to evolving economic and social needs, including the digital and green transitions. In 2021, the ETF deepened its knowledge regarding the ways in which centres of excellence develop in different contexts and how such centres can be supported and coordinated at system level, in particular through the mapping done in Africa in partnership with DG INTPA. Innovative practices was also gathered, analysed and shared through ENE, as well as through study visits, meetings, webinars, peer reviews and reports produced. All of this contributed to showcase CoVEs as models of innovative skills development, which served as inspiration for policy dialogue and to establish new partnerships.

Table 4 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

The promotion of quality and vocational excellence has been called for since 2002 when the parties to the Copenhagen process (i.e. the Member States, the social partners, the candidate countries, the EFTA/EEA countries and the Commission) set the overall priorities for the EU VET modernisation agenda in the following Communiqués: [Copenhagen Declaration](#), [Maastricht Communiqué](#), [Helsinki Communiqué](#), [Bordeaux Communiqué](#), [Bruges Communiqué](#), [Riga Conclusions](#) and the [Osnabrück declaration](#).

TABLE 4: VOCATIONAL EXCELLENCE PROVISION MODELS MAIN ACHIEVEMENTS IN 2021

OUTCOMES

Improved knowledge on how centres of excellence develop in different contexts and how Centres of vocational excellence development can be supported and coordinated at system level.

Centres of vocational excellence deepen their engagement with the labour market and cooperate with other skills providers as part of the ETF Network for Excellence.

Innovative practices in Centres of vocational excellence are gathered, analysed and shared and learned from.

Centres of vocational excellence showcase models of innovative skills development and serve as inspiration for policy dialogue at local, regional, national and EU level.

Foster partnerships between EU and partner countries

ACHIEVEMENTS

Number of Centres of Vocational Excellence mapped in the Digital Registry

CoVEs mapping in Africa financed by INTPA completed

Number of members in the ETF Network for Excellence and type of interactions

243 members one year after launch spread over 39 countries: 9 in the EU, 16 in partner countries and 14 in Africa

Type and number of peer learning activities

Study visit to Finland organized with the participation of Moroccan, Turkish, Dutch, Georgian and Tunisian participants

In-depth thematic on-line meetings on 8 selected dimensions of excellence plus meetings within the partnerships delivered

Webinars on WBL, teacher training and digitalization

Evaluation report on the results of the self-assessment by CoVEs finalised, edited, translated and published

14 CoVEs committed to participating in peer reviews and thematic peer learning

Partners / proposals in the new Erasmus+ calls in this field involving PCs

4 new partnerships on social inclusion and equity, going green, entrepreneurial CoVEs and digitalization have initiated WBL partnership concluded

HIGHLIGHTS

CoVEs mapping completed: the study looked at data from 26 vocational schools from 14 sub-Saharan African countries, with active involvement of representatives of 7 schools in Ivory Coast, Kenya, Mozambique, Angola, Malawi, Ivory Coast and Senegal, as well as other relevant stakeholders such as employers and learners

ENE Worldwide Network comprising of 243 members one year after launch, which are spread over 39 countries (9 EU, 16 PCs and 14 Africa)



In this context, it is possible to pinpoint that this activity area contributes to the [Erasmus+ programme](#) in the field of VET excellence. Also, that the ENE approach fits within the [European Skills Agenda](#) and the [Osnabrück Declaration](#). The dimensions of excellence supports EU priorities such as the [European Green Deal](#) and [A Europe fit for the Digital Age](#). Finally, this activity area also contributes to the [Sustainable Development Goal 4](#) on quality education.

1.5 Innovative teaching and learning

The aim of this activity area through the ETF's Creating New Learning project (CNL) is to create and expand the knowledge hub in the field of human capital development (HCD) in transition and developing countries, with the ETF as a central node and a reference for partner countries for sector analysis, policy advice and capacity development, as well as a resource for EU programming and monitoring, by developing and using tools, guides and methodologies able to create new learning opportunities for practitioners and policy makers in different contexts, as well as through a rich repository of good practice worldwide.

In 2021, the ETF's work on SELFIE was critical to strengthening the knowledge base to support innovation in teaching and learning through applied research in a number of partner countries, especially in Ukraine and Azerbaijan. This enabled innovative partnerships to take shape in order to share new teaching and learning approaches, as well as practice models and tools that support innovation in different domains of teaching and learning. This provided inspiration for policy dialogue both with the Commission and national ministries of partner countries, in particular due to the appreciation generated by the SELFIE WBL.

Table 5 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

In this context, this activity area is aligned with the [European Skills Agenda](#) and its associated instruments, notably the [VET Recommendation](#). Activities in the partner countries are also aligned with the first priority of the [Digital Education Action Plan](#) of developing a high-performing digital education ecosystem, in particular those referring to online/distance learning, SELFIE for teachers, the European Digital Competence Framework and improving digital skills provision. Finally, this activity area also contributes to the Commission priority [A Europe fit for the Digital Age](#) and to the [Sustainable Development Goal 4](#) on quality education.

TABLE 5: INNOVATIVE TEACHING AND LEARNING MAIN ACHIEVEMENTS IN 2021

OUTCOMES

A strengthened knowledge base for supporting innovations in teaching and learning through applied research.

Networks of practitioners established with capacity to share and co-create and implement new teaching and learning approaches.

Practice models and tools that support innovation in different domains of teaching and learning.

Innovative teaching and learning practices provide inspiration for policy dialogue at local, regional, national and EU level.

The ETF is positioned as a contributor to global dialogue on innovation in teaching and learning.

ACHIEVEMENTS

Practitioners' engagement in the CNL Network, by country, and type of interactions

Innovative partnerships started in countries including Serbia, Ukraine, Moldova, Jordan, Palestine, Israel

Use by partner country actors of publications and other tools produced by CNL

Success in Ukraine and Azerbaijan for the SELFIE thematic work. In Ukraine the tool gained a policy advice value, with ETF in the guiding role and two ministries leading on the process at national level

More countries will be covered in 2022 with some upscaling at national level, including Moldova and Azerbaijan

Great interest in the countries and appreciation from the Commission also for the SELFIE WBL

HIGHLIGHTS

Innovative partnerships and engagement within the CNL Network in Serbia, Ukraine, Moldova, Jordan, Palestine, and Israel

In Ukraine the SELFIE tool gained a policy advice value, with ETF in the guiding role and two ministries leading on the process at national level

Commission appreciation of the SELFIE WBL



1.6 Engaging enterprises in skills development

The aim is to support the engagement of enterprises in skills development in partner countries through actions targeting skills for transformation, competitiveness, innovation, greening and resilience, thus integrating skilling, re-skilling and up-skilling, as well as to identify good practice both at enterprise and policy level to inform choices conducive to sustainability and inclusion.

In 2021, the ETF gathered and disseminated evidence on innovative approaches to, as well as new instruments and methodologies on career guidance mechanisms and work-based learning models. This was done through the mapping of SME skills development initiatives at enterprises across partner countries. Results were delivered in the form of an inventory or country fiches. These were shared and applied in partner countries, in particular the EaP and WB countries. These also led to policy dialogue and advice, to mutual learning, as well as to both bilateral and international engagement with institutions such as UNIDO, UNESCO, OECD, ILO, European Commission, IAG, EBRD and Cedefop, which culminated in the SkillsforEnterprise development network that was defined in 2021 to be piloted in 2022.

Relevant examples in 2021 include policy advice provision in Armenia through input to its national education strategy, as well as feedback from Moldova and Israel on EAfA stating, respectively, that it represents a great opportunity for mutual learning from EU countries and for sharing best practices, and that joining the alliance encourages the development of more apprenticeships placements, as well as helping citizens to develop skills matching the needs of the labour market.

Table 6 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

In this context, this activity area is in line with the [European Skills Agenda](#) on the need to acquire new skills and the [European Charter for Small Enterprises](#), which calls upon taking action to support and encourage small enterprises. Furthermore, the work linking VET and SMEs for innovation, productivity-enhancing skills and quality of work supports the Western Balkan economies in ensuring that their industrial ambitions consider the new circumstances following the Covid-19 crisis. It also supports regional industry to lead the way in transitioning to a green, digital and resilient economy, in line with the [updated European industrial strategy](#). The focus on the twin digital and green transitions supports the new [SME Strategy](#) for a sustainable and digital Europe and the [Green Action Plan \(GAP\) for SMEs](#), which aims at helping SMEs take advantage of the opportunities offered by the transition to a green economy in line with the Commission priority [European Green Deal](#).

Finally, this activity area also contributes to [Sustainable Development Goal \(SDG\) 4](#) on quality education, [SDG 8](#) on decent work and economic growth, [SDG 9](#) on industry, innovation and infrastructure, and [SDG 12](#) on responsible consumption and production.

TABLE 6: ENGAGING ENTERPRISES IN SKILLS DEVELOPMENT MAIN ACHIEVEMENTS IN 2021

 **OUTCOMES**

Evidence on innovative approaches to career guidance mechanisms and work-based learning models is gathered and disseminated for further policy development aiming at supporting citizens navigate in changing labour market conditions and promote employability

New instruments and methodologies on career guidance and work-based learning shared to influence policy development and engagement of private sector actors

EU regional policy dialogue is reinforced with participation of partner countries through the established networks e.g. EaFA (SEET) and WBL regional forum (EaP)

Evidence on skills strategies in innovative enterprises in the agribusiness sector (with EBRD) in the after-math of COVID-19 in selected countries

Evidence on skills support programs within enterprise development actions in partner countries and advice informing international and national networks

EU and partner countries dialogue around good practices in skills for enterprise development in support to achieving sustainable competitiveness and greening, inclusion and resilience (with UNIDO, EBRD and other international and national stakeholders)

 **ACHIEVEMENTS**

Updated country fiches

Mapping of SME skills development initiatives at the enterprises implemented across partner countries, apart from Armenia, Azerbaijan and Georgia, which produced a comprehensive inventory of such measures and interesting cases

Countries applying ETF-developed tools in national systems of WBL and career guidance

Career Development Support System Review in EaP initiated in Armenia, Azerbaijan, Georgia and Ukraine

Career Development Support System Review initiated in WB countries

Foresight in Skills for Smart specialisation methodology in two regions in two sectors: woodworking and furniture manufacturing in Rivne, and advanced manufacturing in Kharkiv

Policy advice on the implementation of work-based learning in Armenia

Engagement by international bodies and partner countries in SfE

Collaboration with UNIDO

European Alliance for Apprenticeships (EaFA) regional seminar in collaboration with DG EMPL

Interagency Group with UNESCO, OECD, ILO, European Commission, and CEDEFOP Membership of the advisory board of the ILO project "Apprenticeship Development for Universal Lifelong Learning and Training"

Participation in and coordination of IAG career guidance working group, with activities ranging from the revision/update of the IAG pamphlet 'investing in career guidance'

Contributions to regional policy dialogue on work-based learning and career-guidance

ETF- EBRD study "Inclusive Skills for Innovative Enterprise Development in the Aftermath of Covid-19 in the Agribusiness Sector"

JRC-ETF joint study/evaluation on Impact Investment for Skills Creation

Handbook on monitoring and evaluation of WBL

SBA publication with finalised chapters on Entrepreneurial Learning, Women's Entrepreneurship and Enterprise Skills

Methodology for cost-benefit analysis of WBL

Methodology of Skills for Smart Specialisation

ILO-ETF publication on building national career development support systems

Joint ITC-ILO ETF course on career guidance

Contribution to a new model master programme on lifelong career guidance and

development of the University of Malta together with ILO and the UNESCO/UNESCO UNITWIN network

COSME 'second chance' mentors programme completed and reported

Stakeholders engaged in Hackathon

Under conceptualisation

 **HIGHLIGHTS**

The cooperation with ILO on developing a publication on "developing national career development support systems" defines the ETF's working methodology with partner countries and provides a guideline for them to build their systems

The skills for smart specialisation reports and key findings in terms of specific skills shortages as a major barrier to technology adoption and sustainable production practices, especially in SMEs, have been shared with the JRC, which led to ETF being invited to the JRC's Western Balkan working group on Agrifood. These findings informed peer learning partnerships and related activities with Estonia and the Netherlands to address the identified shortages in education and training provision, IVET and CVT

Mapping of SME skills development initiatives at the enterprises implemented across ETF partner countries (apart from Armenia, Azerbaijan and Georgia) produced a comprehensive inventory of such measures and interesting cases

Cooperation with EBRD on the study "Inclusive Skills for Innovative Enterprise Development in the Aftermath of Covid-19 in the Agribusiness Sector" resulted in a comprehensive report on agribusiness sector in five countries: Georgia, Morocco, Serbia, Turkey and Uzbekistan. Findings and recommendations have been widely shared

1.7 Lifelong learning policies and system change

The aim is to support partner countries to design and realise system change for inclusive, open and flexible lifelong learning systems through knowledge co-creation based on policy dialogue with and mutual learning between partner countries, as well as via monitoring systems and tools that provide timely, high quality and evidence-based lifelong learning policy advice.

In 2021, the fifth round of the ETF's Torino Process was finalised. Related events reached related around 2100 participants between 2018 and 2021. The Torino Process generated quantitative and qualitative evidence of systems performance in partner countries. This evidence has been used by partner countries and by EU Delegations for programming and policy planning purposes, and recently also by fellow EU agencies (i.e. EACEA) when launching new tenders. The diagnostic knowledge provided on lifelong learning policies and systems was also exchanged among actors through policy dialogue and events, such as the UNIMED conference and the conference week organised by the ETF on Building Lifelong Learning systems: Skills for green and inclusive societies.

In 2021, the ETF also revisited its monitoring and assessment function to develop a new monitoring framework (NMF). The NMF moves its focus from initial VET (as in the Torino Process) to lifelong learning and system change. It mirrors all thematic fields across ETF operations, including system performance indicators. The NMF also embeds the learning provided by the external evaluation of the ETF's monitoring and assessment functions that began in 2021. It engaged key stakeholders including partner countries, Commission Services and international organisations. In parallel to developing the NMF, a methodology for rapid education sector diagnosis (RED) has been finalised and will be tested in partner countries from 2022.

Table 7 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

The New Monitoring Framework (NMF) provides the basis for bilateral and regional policy advice for lifelong learning system change, as well as regional policy reviews and the monitoring of the [Osnabrück Declaration](#) and [VET Recommendation](#). In-depth analyses enable the ETF to deliver evidence-based policy advice, based on information about country experiences, contexts and implementation scenarios, which feed back into the work of monitoring and support the co-creation of knowledge, thus enabling partner countries to create effective and inclusive opportunities for lifelong learning through system change in line with the [European Pillar of Social Rights](#). Policy advice and its associated implementation support is done on this basis and in line with EU guidance and best practices, which embed the principles of EU policies such as the [European Skills Agenda](#).

TABLE 7: LIFELONG LEARNING POLICIES AND SYSTEM CHANGE MAIN ACHIEVEMENTS IN 2021

 **OUTCOMES**

Quantitative and qualitative evidence and data is gathered, kept updated and disseminated through digital tools and systems

Human capital development, sector-wide education systems assessments/diagnosis are developed for country reforms, and EU interventions at country and regional level

Knowledge on lifelong learning policies and systems is exchanged among actors through EU-led regional and bilateral policy dialogue

Project and programme design and formulation is elaborated using ETF country and thematic evidence

Innovative and relevant practices and approaches on education and training in lifelong learning perspective are disseminated among partner countries' actors for reform progress

 **ACHIEVEMENTS**

Policy uptakes of ETF assessments, i.e., use of ETF findings for country or EU policy advice, policy docs, etc.

ETF assessments and in particular the Torino Process outputs used by partner countries and by the EC delegations for programming and policy planning purposes, as well as by fellow EC agencies (EACEA) Education diagnostic in Lebanon presented at the UNIMED conference on behalf of DG NEAR as an exemplary analytical exercise supporting EU programming and informing the Lebanon policy on education on priority reform measures and EU decisions on financial assistance

Overall participation in Torino process

Torino process round five events (TRP5) reached approximately 2100 participants in the period between 2018 and 2021
Regional SEMED to share the findings and recommendations of the regional report
Regional event for Central Asia

Number and type of EU requests

22 new requests (by September 2021) and other 28 ongoing requests received before 2021*
More than half of the requests are related to project cycle management at country level
SEET region is the origin of most of the requests, followed by SEMED and Eastern Europe
Institutionally, EUDs made most of the requests, followed by EC services DG EMPL, INTPA, EAC, NEAR and EEAS headquarters

* Totality of requests received by ETF in relation to all activity areas

Participation in ETF 2021 conference

The conference week Building Lifelong Learning systems: Skills for green and inclusive societies in the digital era took place online from 21 to 25 June 2021
The conference week was followed by approximately 1400 participants (750 unique participants) and enriched by the involvement 91 speakers from international organisations, EU institutions and partner countries institutions

Consultation of the TRP5 publications

Open Space downloads (2018-2021): 645
Open Space pageviews (2018-2021): 1494
ETF website downloads (2018-2021): 2336
ETF website pageviews (2018-2021): 8779

 **HIGHLIGHTS**

Wrap-up of Torino Process and definition of ETF's New Monitoring Framework

Education diagnostic in Lebanon with methodology presented on behalf of DG NEAR and informing government priorities. Focusing on inequalities, resilience and financing challenges, the results of the diagnosis will nurture the EU-Lebanon policy dialogue on education, and provide recommendations informing Government choices for priority reform measures and EU decisions on financial assistance

Corporate Conference Building Lifelong Learning systems: Skills for green and inclusive societies in the digital era, done in partnership and networking with other international organisations, and with a clear orientation towards the idea of 'policy first'

For EC services and partner countries alike, this activity area also provides reliable and relevant country data and key performance indicators on Education, Skills and Employment (KIESE) monitoring system for policy review and analysis, as well as for monitoring system performance informed by the [Council Recommendation on Key Competences for Lifelong Learning](#). In addition, it enables partner countries to advance national implementation plans, monitoring frameworks and reporting, and the co-creation of country briefings. The ETF also contributes to the [Pact on Migration and Asylum](#) on the need for the EU to attract new talents while ensuring win-win solutions with the countries of origin and the migrants themselves. Finally, this activity area also contributes to the [Sustainable Development Goal \(SDG\) 4](#) on quality education, to [SDG 8](#) on decent work and economic growth and to [SDG 10](#) on reduced inequalities.

1.8 Quality assurance and governance mechanisms

The aim is to promote participatory system governance and mechanisms that foster cooperation between governmental actors, private sector and civil society actors in order to support conditions, at system level, that enable the transition from education and training to performant and modern lifelong learning oriented HCD in partner countries, which is done through policy advice that integrates governance, quality assurance and financing.

In 2021, the ETF engaged most of its partner countries in the quality and assurance (QA) forum for dialogue on VET governance, thus providing mutual learning in terms of how centres of excellence develop in different contexts and how the development of these centres can be supported and coordinated at system level. The knowledge gathered was further debated in events and policy dialogue which, in turn, strengthened the capacities of partner countries to improve QA systems by means of collaboration and peer learning activities. Ultimately, the mutual learning supported by and facilitated through the ETF enabled QA member countries to further commit to apply lifelong learning perspectives in human capital development being better informed by the principles of multi-level and multi-actor governance, as well as in view of seeking education and training systems that aim at sustainable competitiveness, social fairness and increased resilience.

Table 8 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

The approach employed draws from the [European Pillar of Social Rights](#), the [European Skills Agenda](#), the [VET Recommendation](#), the [European cooperation in education and training towards the European Education Area and beyond \(2021-30\)](#), the [Sectoral Blueprint for Cooperation on Skills](#), the [European Alliance for Apprenticeships](#), the [Youth Guarantee](#) and the [Osnabrück Declaration](#). It aligns with the [European Green Deal](#) and [A Europe fit for the Digital Age](#) and related EU recommendations on skills development. It does so by encouraging cross-fertilisation between lifelong VET and both the greening and digitalisation of the economy, and with industrial strategies that pursue sustainable competitiveness, social fairness and resilience. Finally, it contributes to the [SDG 4](#) on quality education, to [SDG 8](#) on decent work and economic growth and to [SDG 10](#) on reduced inequalities.

TABLE 8: QUALITY ASSURANCE AND GOVERNANCE MECHANISMS MAIN ACHIEVEMENTS IN 2021

 **OUTCOMES**

Improved knowledge on how centres of excellence develop in different contexts and how centres of vocational excellence development can be supported and coordinated at system level

Establishing commitment in countries to apply lifelong learning perspectives in human capital development are advocated (e.g. Pact for Skills in lifelong learning perspective)

Strengthened capacities of the QA Forum members to improve QA systems by means of collaboration and peer learning activities

More proportionate and diversified financial resources for lifelong learning in partner countries

Policy design and implementation informed by principles of multi-level and multi-actor governance

Policy dialogues on governance in human capital development give equal attention to sustainable competitiveness, social fairness and resilience



ACHIEVEMENTS

Number of QA forum members and number of peer learning activities organised

22 partner countries represented in QA forum and providing a platform for bilateral and multilateral dialogue on VET Governance

QA systems adaptations in partner countries resulting from the QA Forum debate

Event: 'ETF Governance inventory: Learning from the experience' in Albania, Jordan, Kazakhstan, Moldova, Uzbekistan'

Continued dialogue leading to policy advice in Moldova, Tunisia, Albania, Uzbekistan, Kosovo, BiH, Palestine, and Morocco

CSOs survey run in five partner countries has created new collaboration with un-traditional stakeholders in Albania (in partnership with the National agency for civil society), Ukraine (partnership with DVV Institute for International Cooperation of the Deutscher Volkshochschul-Verband e.V.), Jordan, Uzbekistan, and Tajikistan

Methodologies and tools developed for PPPs

Governance Inventory, with a methodological framework applied across five countries to assess the governance of skills and Vocational Education and Training

 **HIGHLIGHTS**

ETF Governance inventory methodological framework to assess the governance of skills and Vocational Education and Training leading to dialogue and policy advice in several partner countries

Civil Society Organisations survey on ways to operationalise lifelong learning systems which led to new collaboration with un-traditional stakeholders in selected partner countries

1.9 Responding to the new EU policy and geographical priorities

The aim is to enable the ETF to retain a certain amount of flexibility to react to information needs and policy advice, as well as to ad hoc requests from EU services and other important stakeholders, in line with the Commission opinion of July 2021, including pursuing opportunities to work beyond current partner countries or to engage in new priority thematic areas. This is key to respond to relevant requests supported by the Commission and the Member States, paying particular attention to the Team Europe approach.

In 2021, the ETF promoted the EU agenda on skills and human capital development by providing training to EU Delegations, studies and engagement in Africa, and through dialogue in Central Asia. These were done in response to the needs of the European Commission, in particular DG INTPA, thus addressing EU priorities at both thematic and geographical levels. In doing so, the ETF established a number of strategic partnerships, both at national and international level.

Highlights for 2021 include the implementation of the extra-subsidy project with DG INTPA. Two five-day training courses were organised in May and November for EU Delegations. This was the first time that the ETF lead the organisation of targeted courses. A total of 49 participants from 30 different EU delegations worldwide attended, and further interest to support EU Delegations to build capacities and intellectual capital was attained. Furthermore, the ETF has been assigned by DG EMPL to implement activities in the area of “the international dimension of centres of vocational excellence: building a strong international cooperation dimension on vocational excellence”. The implementation of the DARYA project for Central Asia on behalf of DG INTPA and the ongoing discussions around ACQF2 with African Union are other opportunities initiated in 2021 for potential implementation in 2022.

Table 9 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2021 under this activity area.

In this context, the ETF has been encouraged by the Commission to use its flexibility to respond to new EU priorities including, but not limited to, those related to the [European Skills Agenda](#), the [European Green Deal](#), the [Youth Guarantee](#), the [Digital Education Action Plan](#) and [A Europe fit for the Digital Age](#), the [Erasmus+ programme](#), the [European Dialogue on Skills and Migration](#), the [New Pact on Migration and Asylum](#), the [Global Approach to Migration and Mobility](#), the [Comprehensive Strategy for Africa](#), the [Africa-EU partnership](#), the new [Africa Communication](#), the [Communication on the Africa-Europe Alliance for Sustainable Investment and Jobs](#), and the [African Continental Qualifications Framework](#).

Likewise, it can potentially contribute to several Sustainable Development Goals, including [SDG 4](#) on quality education, to [SDG 5](#) on gender equality, to [SDG 8](#) on decent work and economic growth, to [SDG 9](#) on industry, innovation and infrastructure, to [SDG 10](#) on reduced inequalities, and to [SDG 12](#) on responsible consumption and production.

TABLE 9: RESPONDING TO NEW EU POLICY AND GEOGRAPHICAL PRIORITIES IN 2021

 **OUTCOMES**

EU agenda on skills and human capital development is further promoted

ETF responds to the needs of the European Commission and addresses EU priorities at both thematic and geographical levels

Partnerships are established with strategic partners and TEI is taken into account

 **ACHIEVEMENTS**

EU requests outside of the geographical coverage of ETF partner countries accepted and delivered

Delivered two VET training courses for EU Delegations (May and November). Participants from outside ETF partner countries included Angola, Botswana, Burundi, Ghana, Guinea, Kenya, Liberia, Madagascar, Malawi, Mali, Mozambique, Nigeria, Somalia, South Africa, Sudan, Tanzania Cambodia, Laos, Nepal, Pakistan, Vietnam, Yemen

Produced a study on high quality vocational Schools/Centres in Sub-Saharan Africa. 29 Centres of Excellence in Africa were trained on how to fill in the ENE self-assessment tool. In total, 26 schools/centres from 14 countries in sub-Saharan Africa have completed the survey to assess their own level of performance and their planning across seven dimensions. Seven schools were engaged in a qualitative follow-up survey

Reviewed the proposal for the regional project Dialogue and Action for Resourceful Youth in Central Asia (DARYA). The project will also cover Afghanistan from outside ETF partner countries. Final draft action document formulated in line with feedback and input received by Central Asian national stakeholders

Partners involved for organising global actions and debates

Partners involved in the delivery of the VET training courses: ITC ILO, ILO, Skillman, OECD, African Union, UNIDO, Team Europe Initiative impact on VET programming debated

Partners involved in the Study on high quality vocational Schools/Centres in Sub-Saharan VET toolbox and Archipelago projects, ENABEL, GIZ, LuxDevelopment, Agence Française de Développement, and Humana

Consultations for DARYA project included central Asian national stakeholders and EU member state organisations involved via ETF Governing Board member notification

 **HIGHLIGHTS**

VET training to EU Delegations for DG INTPA

Study on high quality vocational schools/centres in Sub-Saharan Africa for DG INTPA

Design of the regional project Dialogue and Action for Resourceful Youth in Central Asia (DARYA) for DG INTPA

Assignment by DG EMPL to implement the international dimension of centres of vocational excellence

Ongoing discussions with DG INTPA around ACQF2 for the African Union

2. MANAGEMENT (PART II)

This section explains how the ETF delivered the achievements described in the previous Section 1. It covers all elements of the Agency governance as well as human and financial resource management, including follow up actions from audits and evaluations.

2.1 Governing Board

The Governing Board is responsible for drawing up the annual estimate of expenditure and revenue as well as for adopting the annual work programme, draft establishment plan, definitive budget, annual activity report, rules of procedure and financial rules. It has the power to appoint and dismiss the director, as well as to prolong his/her term of office.

The ETF Governing Board (GB) is chaired by the Director General of DG EMPL. In 2021, one Governing Board meeting was organised in June and another in November 2021. The Board adopted 12 decisions in 2021, including: the adoption of the Consolidated Annual Activity Report 2020, Annual Accounts 2020, Annual Work Programme 2022, Budget 2022, new Accounting Officer (resource to be shared with EU-OSHA), and appointment of the ETF Director ad interim.

In addition, DG EMPL organised and chaired two Structured Dialogue (SD) meetings between the Commission/EEAS Members and Observers in the Governing Board, and the ETF management. The same applies to engagement (beyond the formal SD and GB) with core geographical DGs (e.g. DG NEAR, DG INTPA) and thematic DGs close to ETF core business (DG EMPL, DG EAC, DG HOME, JRC more recently, among others). In the wake of its new strategy, in 2021 the ETF has further strengthened its bilateral engagement with thematic and geographic EC services, in particular through more regular exchanges and meetings.

In addition, the ETF Director and management participated in two Structured Dialogue meetings chaired by DG EMPL on ETF's draft Consolidated Annual Activity Report 2020, the draft agenda of the November GB meeting, the ETF's draft Annual Work Programme 2022 and the list of requests to ETF. On the eve of the Governing Board meeting in November, DG EMPL organised and chaired the Troika meeting to discuss the agenda of the GB meeting with the representatives of the current, former and future Presidencies, DG NEAR, DG INTPA and the ETF.

2.2 Major developments

In 2021, the second year into the pandemic, the ETF had to invent new ways to interact with and assist partner countries, not only moving activities online, but also changing the ways in which it delivers support to partner countries.

For the ETF, 2021 was also the first year of implementing its 2027 strategy. The overarching focus of the strategy is on developing and supporting lifelong learning systems, which is delivered through three strategic objectives that are translated into activity areas. To do so, the ETF restructured its organigramme to rebalance its departments and units to put an

increased focus on operational capacity, recompose the management team, establish a project management unit (PMU) and the launch a unique HCD expert profile.

In terms of implementing its work plan, in 2021 the ETF strengthened the links between its work and the priorities of the new Commission by taking a transversal approach to migration, green, digital and gender in its annual work programme. The Commission also asked the ETF to use its flexibility to pursue opportunities to work beyond its current partner countries, using its expertise to support other priority thematic areas.

For the ETF, the process of expanding activities beyond partner countries is an incremental one and subject to assessment and approval of the Governing Board. This is the case because ETF resources are limited and the first priority is to ensure that it works closely with the partner countries. However, whenever feasible, the ETF can and will support other wider priorities. For instance, in 2021, it has supported the partnership between the European Union and the African Union in the framework of the ACQF project, with GIZ and DG INTPA. It also provided training on HCD to over 30 EU Delegations through a contract with DG INTPA.

The ETF is open to be a partner in support of the Team Europe approach in the partner countries and is actively looking at ways in which it can contribute more through extra-subsidy projects when these are requested and relevant in view of supporting wider EU investments, enlarging the impact of its work, building synergies within the EC family and in view of widening its operational resources. For example, in late 2021 DG EMPL assigned a project to strengthen and extend over the next two years the network for vocational excellence developed by the ETF, as well as to connect it more closely to the work that is done within the European Union on excellence. Other examples include the interest of the Commission on the dialogue and action platform on skills development in Central Asia through the DARYA project and the ambition to consolidate the work already done with the African Union on the African continental qualifications framework (ACQF) through a second phase of that project, both with the support of DG INTPA.

In 2021, the agency embarked on a multifaceted internal change project, labelled One ETF. In a move to integrate the change spelled out in the 2027 strategy into actual institutional behavioural change, a coordinated change management process was set in motion. Facilitated through a number of working groups, accompanied by change experts and fuelled by staff enthusiasm, the ETF took on a wide range of transformations, including the implementation of a new HR strategy on the one hand, updating the ETF's set of core values and underlying behaviour on the other hand, supporting managerial change, rebooting the digital architecture of the agency, making its communication more strategic and defining the ETF as a knowledge organisation in a knowledge manifesto.

Against the background of the global pandemic, in 2021 the ETF initiated an internal reflection on the future of the workplace and the next normal. It is co-creating the future of its working environment, including the use of its physical spaces and digital opportunities, as well as hybrid modes of working and managing staff. ETF staff actively engaged in defining a wishful future through a participatory process investigating what can enable the ETF to increase its resilience, efficiency and agility. In response, some actions have already been implemented, such as ordering upgrade facilities to allow for hybrid meetings. Moreover, ETF

staff continues to learn for the future to obtain the skills required to position itself as an innovative and pioneering organisation in relation to new ways of working post Covid-19.

2.3 Budgetary and financial management

Out of the €21,300,000 available as the EU contribution, in 2021 the ETF committed 99.91% (compared to 99.88% in 2020, 99.96% in 2019, 99.99% in 2018 and 99.93% in 2017), paid 95.74% of the €21,000,000 payment appropriations available (against 95.65% in 2020, 96.01% in 2019, 98.07% in 2018 and 97.97% in 2017) and performed seven budgetary transfers (8 in 2020, 4 in 2019, 7 in 2018 and 7 in 2017), therefore maintaining the excellent level of previous years.

In addition, as highlighted in Table 10 below, the ETF has received and implemented €102,739 as a Service Level Agreement from DG INTPA for the mapping of centres of vocational excellence and training of EU Delegations.

These positive results in terms of use of the budget shows the effect of the changes introduced in the organisational structure of the ETF, notably in the project management, procurement and financial services.

Table 10: Budget management

Budget	2021	2020	2019	2018	2017
Overall Budget ETF (EU Contribution) (€)	21,300,000	20,957,000	20,546,000	20,144,018	20,144,089
Additional revenue (€)	102,739				

The ETF commitment rate of 99.91% in 2021 indicates the continued upholding of high standards of budget management, planning and monitoring. In this context, Table 11 outlines commitment and payment rates by title.

Table 11: Commitment and payment rates by title

Budget 2021	Available Budget (€)	Committed (€)	%	Paid (€)	%	Carry Forward/RAL into 2022 (€)	%	Carry Forward/RAL from 2019 Paid (€)	%
Title 1 Staff	14,794,935	14,789,669	100.0%	14,592,217	98.6%	197,452	1.3%	164,531	96.3%
Title 2 Infrastructure	2,040,967	2,025,126	99.2%	1,346,162	66.0%	678,965	33.3%	353,340	84.2%
Title 3 Operational	4,598,211	4,598,061	100.0%	2,422,474	52.7%	2,175,587	47.3%	1,744,302	87.3%
Grand Total ⁴	21,434,114	21,412,857	99.9%	18,360,852	85.7%	3,052,005	14.2%	2,262,173	87.4%

⁴ Includes €21,300,000 from EU Contribution, €102,739 from Covis SLA and €31,375 re-used 2020 and 2021 appropriations (C4 and C5).

Transfers

The 7 budgetary transfers carried out in 2021 demonstrates ETF's consistency compared to previous years. The overall amount transferred was 7.1% (compared to 6.4% in 2020, 2.7% in 2019, 4.2% in 2018 and 5.4% in 2017). This slight increase compared to previous years is attributed to the replanning imposed by the protracted Covid-19 pandemic, the restructuring of ETF and the revision of priorities in line with the implementation of its new 2027 strategy.

Payment times

In 2021 the ETF continued to improve its respect of payment times with only 18 out of 757 payments paid after the legal due date (2.4%). This confirms the positive trend of timely payments and shows a further increase in timely payments in comparison to previous years (5.7% in 2020, 6.3% in 2019, 6.7% in 2018, 6% in 2017).

Amount returned to the EU budget (or budget outturn)

The 2021 budget outturn was EUR 93,864, representing 0.4% of 2021 EC contribution, a considerable improvement from the last two years (1.7% in 2020 and 1.2% in 2019) and a return to the good performance of 2018 and 2017 (0.1% 2018 and 0.3% in 2017). Having already reduced the request of subvention by € 300,000, the main reason behind the outturn is cancellation of appropriations carried forward from 2020 for Titles 1 and 2 (€ 72,935).

Carry forward and RAL 2021-22

Overall, the carry forward (Titles 1 and 2) has increased from the level of last year (5.2% in 2021-22 compared to 3.4% in 2020-21 , 3.8% for 2019-20, 2.5% in 2018-19, 2.6% in 2017-18, 3.1% in 2016-17, 3.3% in 2015-16) driven mainly by some ICT tenders only concluded at the end of the year, and continues to illustrate a positive alignment between the ETF's administrative activities and payments to its annual cycle through regular monitoring of open commitments and follow-up of payments. The RAL (reste à liquider) under Title 3 is higher than previous years at 55%, due to a delay of operational activities as result of the effects of the pandemic (42% in 2020, 29.6% in 2019, 27.8% in 2018, 30.8% in 2017-18, 30.3% in 2016-17; 36.4% in 2015-16). The budget implementation overview is depicted in Table 12 below.

Table 12: Budget implementation overview

Budget 2021 implementation	Title	Budget 2021	Committed in 2021 (%)	Paid in 2021 (%)	To be paid in 2022 (CF + RAL) (%)	of which:		
						Done in 2021 pending payment	To be implemented in 2022	
							Planned	Delayed
Admin (Titles 1 and 2, CF)	T1	14,794,935	100.0%	98.6%	1.3%	0.7%	0.6%	0.0%
	T2	2,040,967	99.2%	66.0%	33.5%	17.4%	14.2%	1.9%
	T1+T2	16,835,902	99.9%	94.8%	5.2%	2.7%	2.3%	0.3%
Operational (Title 3, RAL)	T3	4,598,211	100.0%	52.7%	55.2%	21.7%	33.5%	0.1%
	T3 – pre-2021	1,997,429		87.3%				
Overall ETF		21,434,114	99.9%	93.9%	15.9%	6.8%	8.9%	0.2%

Cancellation and carry overs from 2020

At the end of 2021, the cancelled carry overs amounted to €72,935, higher than the trend of previous years, (€51,565 in 2020, €18,733 in 2019, €10,235 in 2018, €42,925 in 2017, €87,788 in 2016) linked mainly to the conservative estimates made at the end of 2020 about the actual cost of the utilities, in the context of an unknown level of occupancy of the building.

In order to reduce the amount of cancelled appropriations, the ETF has implemented a series of measures such as:

- Budget reallocation – out of the list of reserved activities which could receive funding should there be appropriations available, the ones which generate a reduced carry over and with the highest likelihood to be paid are preferred;
- Appropriation management – the ETF implements its Title 3 budget as differentiated appropriations thus generating "Reste à Liquider"(RAL) rather than carry forward; unpaid RAL does not lead to cancellation of appropriations provided the payment appropriations allocated for them are re-assigned to other ongoing payments;
- Re-evaluation of commitments – in the last months of the year (usually December) all open commitments are re-evaluated, so that only the amount needed is carried over;
- Risk assessment – in the case of some commitments where the incertitude is higher (missions, events, utilities), a risk assessment is made and commitments reduced so that they cover the most likely expenditure/participation, taking the conscious risk therefore that in N+1 there might be a small additional commitment.

Inter-institutional tenders

Synergies with other institutions (EC or agencies) on procurement has been sought with a systematic ad-hoc opportunity assessment to all procurement needs. In 2021, the ETF was part of 28 inter-institutional contracts, had 10 service-level agreements with other EU institutions and bodies, and had 5 ETF contracts open to other agencies.

2.4 Delegation and sub-delegation

Materiality criteria

The ETF follows the approach as the Commission regarding the assessment and quantification of significant deficiencies and materiality thresholds. Main potential areas of deficiencies are:

- Significant occurrence of errors in the underlying transactions (legality and regularity);
- Significant control system weaknesses;
- Insufficient audit coverage and/or inadequate information from internal control systems;
- Critical issues outlined by the European Court of Auditors, the Internal Audit Service and OLAF;
- Significant reputational events.

The ETF's quantitative materiality threshold is 2% of its overall budget. This means that for any deficiency with an exposure risk value judged to be at least 2% of the total ETF budget a reservation must be reported in the annual declaration of the ETF director.

To support the quantitative judgment of a deficiency, the following qualitative factors are also considered:

- The nature, scope and duration of the deficiency;
- The existence of mitigating controls which reduce the impact of the deficiency;
- The existence of effective remedial actions to correct the deficiencies (action plans and financial corrections) which have had a measurable impact.

2.5 Human resource management

In 2021, the focus was on setting and deploying the new structure and organigramme in line with the human resource (HR) and the ETF new strategies towards 2027. In addition, it was a year of continued management of the Covid-19 pandemic in terms of support actions, contracting an additional doctor, establishing conventions with 3 medical centres, negotiating access to vaccination with the Italian Government, handling requests for green pass certificates, performing the collection of data and consent forms, as well as in establishing Director decisions on glasses and contributions for home-office equipment. Moreover, the ETF networked closely with EUAN to exchange knowledge regarding the management of the Covid-19 crisis and the new teleworking rules.

In terms of the new HR 2027 strategy implementation, a long-term roadmap has been developed including a long term recruitment plan, career framework principles and job architecture, new talent profile template, new performance management process that has started already in 2021. Additionally, a modern and digital induction programme for newcomers, a strategic learning approach to all functions, a visual learning and development plan, a managerial development programme, and a visual and info campaign on wellbeing guidance were finalised. In parallel, a new initiative in terms of a staff exchange programme initiated with the first exchange with another EU institution (EMA) and ground work done for pooling of resources with other EU agencies (accountant with EU OSHA).

Overall, in 2021 the ETF had very good productivity indicators (Annex 1) with the management of a high number of selection procedures, for the second year in a row, and of new colleagues joining the ETF or colleagues changing positions. There has been very good feedback on the new deployed staff and on the onboarding programme. The HR team also managed 13 collective courses, 90 individual training requests and 19 individual language courses, 187 online courses/talks via EU learn, analysis for the new role of workplace mediators in ETF, improved and transparent communication on HR processes, the election of the new staff committee, and the design of the networking learning programme and of the SRD team days. Finally, there has been an increased cooperation in the context of transversal initiatives such as with the knowledge creation group and the digital transformation project.

Business Continuity Plan

In 2021 the Business Continuity Plan was kept up to date including related process maps and procedures.

2.6 Strategy for efficiency gains

In 2021, the ETF continued to identify opportunities to introduce efficiency gains in its operations. This took place in line with its strategy of an integrated and holistic approach to monitoring performance. On an annual basis improvement actions are identified through the assessment of internal controls, annual performance assessment, risks assessment, audits and evaluations, and an action plan is prepared in line with the ETF's 2027 strategy.

In 2021, the ETF's new structure in place enabled the Agency to increase the numbers and level of staff allocated to operational activities (Annex 3). This is strived for annually through reallocation of duties, staff mobility and training. Hence, in 2021 the restructuring of ETF brought about the rebalancing of line management, thus rationalising its organisational structure to deliver core services. Furthermore, the ETF's project management function was professionalised with the creation of a Project Management & Tools Unit which seeks continually for efficiency gains.

Financial resource allocations and circuits are also reviewed annually and areas for streamlining processes are identified. Savings in Title 1 are mostly allocated to operational core business activities. Close monitoring of resource consumption during the year with analyses of costs allocated to missions and (online) events also allow for improved efficiency gains during implementation, as was the case over the past three years as a result of the Covid-19 pandemic. In this context, in 2021 a full review of the financial circuits has been done in the context of ETF's restructuring and, therefore, follow up of business processes was further enhanced within the newly set-up Project Management Unit that is working as a service centre supporting the different operational projects.

The creation of the Resources Unit under the new structure, merging human resources, financial and procurement functions created opportunities for synergies in various shared areas of the resource management sphere. This included business process management, internal and external client management, legal framework and compliance issues linked to the principles of confidentiality, transparency, non-discrimination and equal treatment. The merge also enabled efficiency gains in the financial circuits by combining the roles of financial and operational initiating agents, therefore reducing the number of actors involved in specific workflows.

In terms of operational activities in partner countries and in line with the 2027 ETF strategy, 2021 was the first year in which the Agency used a differentiated approach to maximise impact and use of resources by focusing on actions with a higher added value and impact. In practice this means a more streamlined and targeted approach to each country taking into account the level of investment of the EU and other international actors as well as country ownership and commitment in the areas targeted. Moreover, the ETF developed a number of strategic partnerships and alliances around its activity areas with other international actors active in human capital development in partner countries to maximise synergies, identify joint actions and share resources in the spirit of the Team Europe approach (Section 1).

In the area of services, in 2021 the ETF recruited an Accounting Officer and services will be shared with EU-OSHA. Synergies and efficiency gains were also sought in procurement by continuing to participate in inter-institutional tenders, and by opening ETF contracts to other agencies. Additionally, two members of the ETF management team are members of the

agencies group of a pool of investigators for administrative enquiries and of the agencies' board for disciplinary measures.

The ETF's environmental agenda (Section 2.8) aims to improve its environmental performance, while leading to efficiencies and savings on energy, building maintenance, materials consumption, among others. Likewise, the ETF's digital strategy and implementation roadmap defined in 2021 (Section 2.9) seeks to increase the use of digital and online tools for delivering ETF services and engaging stakeholders, as well as for internal efficiency gains. Interoperability with EC services is also one of the key drivers through the integration of EC systems such as ARES, SUMMA, etc. The Covid-19 pandemic also accelerated the digitalisation of internal processes (HR, financial workflows and electronic signature, procurement management) and external interaction (use of on-line digital tools for exchanges, meetings, etc.).

Specific highlights for 2021 in terms of efficiency gains, include: the use of single payment order grouping several payment requests led to time-savings for financial actors across the cycle of initiation, verification and authorisation; the use of digital signature workflow for internal documents, including actors across all ETF, allowed replacement of email in some cases, leading to time savings; the improvement of reports allowed better management and dissemination of information on invoices and contracts; and the progress on the digitalisation with the full testing and deployment of PPMT for procurement process and full digitalisation for both internal and external communication for financial management processes together with the analysis and adoption of the roll-out to SYSPER and related preparatory activities.

2.7 Assessment of audit and ex-post evaluation results during the reporting year

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance. The information provided below confirms the trend of positive audit results and is a strong indicator of ETF performance to support the management assurance on the achievement of internal control objectives.

2.7.1 Internal Audit Service (IAS)

The Internal Audit Service (IAS) of the European Commission is the Internal Auditor of the ETF. In this capacity, at the end of 2021 and in line with the current IAS strategic internal audit plan for the period 2021-2023, IAS launched an audit on complementarity and cooperation mechanisms between the ETF and EC services. The audit is due to be finalised and the results are expected mid-year 2022.

Follow up to previous IAS recommendations: the ETF does not have any outstanding open audit recommendations issued by IAS. All actions to address recommendations resulting from the previous 2019 IAS audit on HR Management and Ethics have been fully implemented by the ETF and formally closed by IAS in 2021.

2.7.2 Audit of ETF provisional and final accounts

Audit of ETF accounts 2020: As in previous years, the audit on ETF provisional and final accounts for the financial year 2020 was outsourced under an inter-institutional framework contract. The final audit report 2020 is positive and contains a **clean unqualified audit opinion**: *“in our opinion, the annual accounts of the Agency present, in all material aspects, its financial position as ended December 31 2020...”*

2.7.3 European Court of Auditors (ECA)

The European Court of Auditors (ECA) is the external auditor for the ETF.

In October 2021, ECA published the annual audit report for EU agencies for the financial year 2020⁵. This contains a **clean unqualified audit opinion for the ETF**, whereby ECA conclude that: *“in our opinion, the payments underlying the accounts for the year ended 31 December 2020 are legal and regular in all material respects”*.

ECA issued one finding on internal controls linked to correct reporting of non-financial exceptions. The ETF accepted this finding and in response in Q1-2021 carried out an in-depth review of all ETF director decisions taken in 2020 in view of the Covid-19 pandemic. Any decisions found to have deviated from the regulatory framework and established ETF rules, policies and procedures were subsequently registered in the ETF register of exceptions within the first quarter of 2021. This related mainly to decisions taking during the pandemic regarding staffing issues such as teleworking. The finding was therefore addressed immediately. It is to be noted that this finding does not have a material impact on the ECA statement of assurance

Follow up to previous ECA findings: The ETF has one open ECA finding issued in 2018 on the procurement procedure for interim workers. As already acknowledged by the Parliament in its discharge report, the ETF will address this issue when launching the new framework contract in 2023. It is therefore to be understood that the issue has been assessed and a decision taken on how to address it.

⁵ ECA audit report for EU agencies for the financial year 2020

2.8 Sound environmental management



In 2021 the ETF achieved its goal of obtaining the EMAS registration and the ISO 14001 certification.

The ETF is fully committed to reducing its carbon footprint and devising new sustainable solutions in line with the European Commission's ambition of becoming carbon neutral by 2030, as outlined in the Commission's European Green Deal.

As a concrete sign of that commitment, in 2021 the ETF achieved its goal of obtaining the EMAS registration and the ISO 14001 certification. The accreditation process involved an environmental audit and compliance inspection of the ETF's environmental management system. As part of this process, the ETF published its environmental declaration of commitment to reducing its carbon footprint. A set of environmental indicators were defined with clear targets, and these were subsequently embedded within the ETF corporate monitoring framework of indicators (Annex 1). A transversal and agile working group was set up to support the implementation of the ETF's thematic environmental improvement plans on energy, waste, emissions, materials and water under the coordination of the EMAS Project Leader.

Examples of actions implemented in 2021 include the installation of charging points for e-bikes on ETF premises, the formal appointment of a Mobility Manager and the instalment of new advanced printers to monitor the number of paper copies.

Regarding CO₂ emissions, and thanks to cooperation with other agencies, the ETF has joined an inter-institutional procurement for: consultancy services for implementing and registering an environmental management system (EMAS or equivalent); consultancy services for carrying out technical studies in the field of greenhouse gas emission reduction; technical and administrative support for the offsetting of residual greenhouse gas emissions; and consultancy on environmental management systems, including for reduction and offsetting of greenhouse gas emissions. Furthermore, in 2021, and thanks to existing programmes with airlines, the ETF managed to compensate 2019 and 2020 emissions at zero cost. The ETF also became very active within the EU agencies networks on environment and greening issues and offered to share its newly acquired expertise and experience with other agencies at the start of the journey towards the EMAS certification.

In 2021, the ETF also seized the opportunity offered by the new ways of working and a hybrid model to focus on digitalising key administrative processes, particularly in the areas of recruitment and procurement, thereby further reducing the impact on the environment by decreasing the amount of paper consumed. In terms of green procurement, in 2021 the e-submission of procurement tenders became the norm, and green selection and award criteria for tenders was piloted under a newly established green procurement working group.

2.9 Digital transformation and information management

In 2021 the ETF developed its digital transformation strategy and implementation roadmap. The rationale is to strengthen organisational processes and improve the efficiency of digital products and services, with the aim of becoming a digitally smart and mature organisation. The ETF's digital transformation process is centred across four key pillars: IT as a digital partner, data centric projects, investment in cloud-based solutions for software and hardware, and European Commission integrations.

Digital maturity should also contribute to an improved efficiency of ETF functions and underlying processes through the application of digital solutions and upskilling ETF staff in digital skills. The progressive implementation of cloud infrastructure supported by a mature digital strategy enables a data-centric organisation and maximises the value of information produced. In this regard, Covid-19 has accelerated online engagement with partner countries and other stakeholders to unprecedented levels. In parallel to the digital transformation, the ETF will also invest in higher levels of IT and cybersecurity. Moreover, the ETF will digitalise its knowledge products, as well as update its way of collaborating with communities and stakeholders in the partner countries. Moreover, moving towards cloud applications opens the possibility for reducing the ETF's footprint and having a more climate-sensitive purchase of hardware.

In terms of information management, the ETF's digital strategy envisions the development of a new systems for information management and data sharing. This will enable the upgrade, management and integration of both ETF's operations and supporting actions and systems, including events, stakeholders' and travel management systems. In 2021, ETF developed and formally approved an information security policy and appointed an information security officer. and cybersecurity) the security package has been completed. The core team in SRD also concluded negotiations with the canteen contract

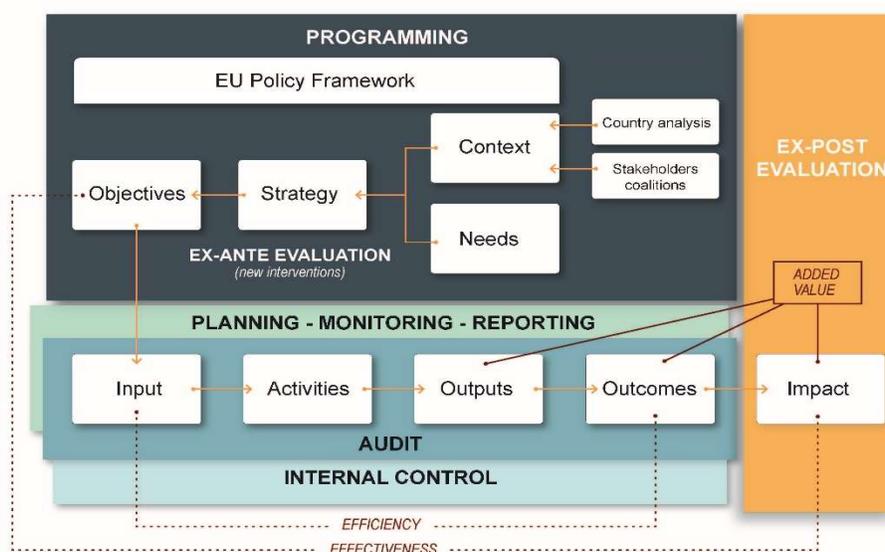
Finally, data protection and cyber security are key principles of the ETF's new digital strategy, which aims to maximize the value of the information originated in ETF and build a solid sharing strategy, as well as to ensure ETF's cybersecurity and digital infrastructure. In 2021, developed and formally approved an IT security policy, and appointed a cyber security officer in anticipation of new expected cyber security framework and guidelines for EU agencies.

3. EVALUATION (Part II B)

Evaluations in the ETF are integrated into the overall performance management system of the agency and are commissioned either by the ETF or by the European Commission. ETF evaluation practices are based on the principles of the European Commission's 'Better Regulation Guidelines and Toolkit' to:

- Capture the results of ETF interventions and evidence of impact and added value;
- Improve the ETF's long-term capacity to achieve results and impact by identifying and disseminating the lessons learned from experience;
- Identify opportunities to adapt ETF interventions according to achieved impact and country development stage (e.g. scale up ETF work and/or put in place an exit strategy).

ETF logic model



As an EU agency, the ETF is subject to a regular (4 year) evaluation by the Commission in consultation with the Governing Board of the implementation of the ETF Regulation. The Commission presents the results of the evaluation to the European Parliament, Council and European Economic and Social Committee, following which the ETF formulates an action plan to remedy any problems or implement any recommendations. Progress against the action plan is reported to the Commission and Governing Board. The last one was closed in 2020 and a new round is expected in 2022.

In addition, the ETF commissions evaluations mainly focussing on assessing the extent to which its activities have achieved planned results, their added value and impact. According to the ETF Financial Regulation⁶, retrospective evaluations should be undertaken periodically and in sufficient time for the findings to be taken into account in ex-ante evaluations or impact assessments that support the preparation of related programme activities.

⁶ Financial Regulation of the European Training Foundation, Turin, 15 June 2019 (GB-19-DEC-008)

The ETF develops a multiannual rolling plan for potential evaluations. These are then considered together with inputs from previous evaluations and audits, as well as from partner countries and the EC, in the planning discussions and decision-making process annually.

Evaluations 2021

In 2021, the ETF closed one ongoing external evaluation on its operational work and commissioned another one. The findings include:

1. Evaluation of the use and future development of ETF knowledge products

The aim was to assess the key knowledge products developed by the ETF in the last five years and to develop recommendations for their further development in order to better contribute to the achievement of the overall goals of the ETF Strategy 2027.

The findings suggested that the ETF would need to re-categorise and rebrand its suite of published outputs to provide a clearer overall logic to the type of outputs produced, including their dissemination. This finding has already been addressed in the newly drafted knowledge manifesto, whereby a consolidated list of the types of publications by type of content rather than format, and a consistent visual and dissemination approach has been agreed for each product type. This should be clearly defined at the outset when each knowledge product is being planned in line with audience needs.

Another recommendation was that the ETF would need to increase strategic guidance to better embed knowledge products in broader organisational priorities. The knowledge manifesto also addressed this recommendation and has defined a coherent suite of knowledge products or ETF outputs, including a clear definition of issues to be addressed and a strategy for their uptake with an associated monitoring framework.

2. Evaluation of the ETF monitoring and assessment

The aim was to assess the relevance of the ETF monitoring function and use of ETF evidence. The evaluation started in the second quarter 2021 and is due to finish in the first quarter of 2022. So far the findings have identified that the content of ETF monitoring outputs can be considered highly relevant to the needs of EU external policy stakeholders, partner countries and other relevant players, both in terms of comprehensiveness and comparability. In a nutshell, the evidence generated through the ETF's monitoring and assessment function is widely employed in decisions, negotiations, policy recommendations and bilateral programming. Furthermore, the ETF monitoring process is relevant and conducive to capacity building in the partner countries, both in terms of learning from outputs and from being involved in the process.

Awaiting the final report, the initial feedback points to the fact that the ETF should further balance the investment required in data collection, including that of widely involving stakeholders in the process, and the generation of outputs or ETF products. Anticipating the final report of the evaluation, the ETF has already taken this recommendation into consideration in the draft new monitoring framework, including streamlining the various monitoring products, recalibrating the involvement of the country key stakeholders, attention to cross-country level analysis, among others.

4. ASSESSMENT OF THE EFFECTIVENESS OF INTERNAL CONTROL SYSTEMS (PART III)

The ETF uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates.

4.1 Effectiveness of internal control systems

The annual assessment of internal controls supports the ETF to ensure compliancy, report on effectiveness and obtain reasonable assurance that control systems in place at the ETF function correctly. Any potential weaknesses are addressed in the form of actions for improvement and priority areas for the forthcoming year.

The ETF has assessed its internal control system in 2021 and has concluded that it is effective, and the components and principles are present and functioning well overall, with only minor improvements needed. In addition, following the ECA 2020 recommendation to several agencies, the ETF has reported on the cost of controls under the section below “economy of controls”.

The 2021 assessment is the second consecutive year of the Covid-19 pandemic. As such, the annual assessment presented a good opportunity to take stock and reflect on the effectiveness of internal controls in the context of the new ways of working (hybrid model). The impact of COVID-19 and key challenges for the ETF are reflected in the ETF risk register for the years 2021 and 2022.

Results

Each Internal Control Principle was assessed in turn, using the assessment scale below:

1. **Effective system in place:** the principle is present and functioning well, only minor improvements needed
2. **Partially effective system in place (minor weakness):** the principle is present and functioning but some improvements are needed
3. **Partially effective system in place (major weakness):** the principle is partially present and functioning, major improvements are needed
4. **Ineffective system in place:** the principle is not present and functioning

The results of the 2021 assessment are positive, and show an improvement compared to the previous year: 82.4% (14 principles) were assessed as fully effective (category 1) compared to 71% (12 principles) in 2020.

Only 17.6% (3 principles) were assessed as functioning with some minor improvements needed (category 2) compared to 29% (5 principles) in 2020. No principles were assessed as ineffective in 2021 or 2020.

The Internal Control Coordinator confirms the results of the assessment of the effectiveness of internal controls for the year 2021. Indeed, the controls in place are in line with the ETF's risk register 2021. In 2021 the ETF addressed its risks holistically by focusing on key areas of security and learning and development.

In terms of **security** (ICP 11), in 2021 an internal working group was established to address the risks of cyber-security and information security under one overarching security framework. In this context numerous actions were implemented including the development and adoption of three policies on security, cyber-security and information security and the roles of security officer, cyber-security officer information security officer were formally appointed. By having laid the groundwork in 2021, the ETF is well placed to continue its drive and focus on security in 2022, by further developing a robust risk management framework for cyber-security and information-security.

In terms of **learning and development** (ICP 4), in 2021 the ETF focussed on implementing its HR strategy by developing a strategic learning approach. In 2022 the ETF will continue to focus on investing in learning and development, with a specific focus on improving the digital maturity of ETF staff.

Economy of controls

The ETF has designed its controls to be effective, efficient, and proportional to the risks involved. Consideration has been made to the legality and regularity of underlying transactions and the effectiveness and efficiency of controls, taking into consideration the estimated costs and level of risk.

Regarding the effectiveness of controls, in 2021, the European Court of Auditors issued the ETF with an unqualified "clean" audit opinion for the financial year 2020, with no comment on the annual accounts or the legality and regularity of underlying financial transactions.

Regarding the efficiency and economy of controls, the ETF estimates that the overall cost of controls in 2021 is 861,446. This is 4.4% of the annual subsidy based on payments, and 4.1% of the annual subsidy plus extra-subsidy funds in 2021. The ETF considers this to be proportionate to the risks involved, with costs reported in Table 13 below.

The ETF methodology used for the calculation of costs of controls (Table 13) is based on guidance received from DG EMPL, considering how the ETF implements its budget in terms of payments. The methodology has been inspired by the approach of the European Commission, considering latest guidance from the Commission and specifically for Agencies.

Table 13: Cost of controls

Control System	Internal Cost Cost of Staff Time		External Costs		Total	Ratio (cost compared to annual subsidy)
	Time of ETF Staff	Total Cost of Staff Time (EUR)	Cost (EUR)	Type of External Cost	Internal + External Costs	Annual Subsidy: 21,102,739 EUR
Financial management	4.9 FTE TOTAL	531,322			531,322	2.5%
Budget and accounting	1.3 FTE TOTAL	140,963			140,963	0.7%
External audit	0.15 FTE TOTAL	16,265	17,465	audit of ETF accounts FY 2021 costs*	33,730	0.2%
Coordination (strategic planning & programming, internal control)	0.50 FTE TOTAL	54,217			54,217	0.3%
Anti-fraud	0.05 FTE TOTAL	5,422			5,422	0.0%
Programme management	0.2 FTE TOTAL	21,687	27,940	2021 evaluation costs	49,627	0.2%
ICT	0.2 FTE TOTAL	24,480	50,000	CERT-EU costs	46,167	0.2%
Grand Total	7.3 FTE Total	791,561	69,885		861,446	4.1%

4.2 Conclusions of assessment of internal control systems

The results of the 2021 assessment of the effectiveness of internal controls support the Director's declaration of assurance. They provide reasonable assurance that the internal control system in the ETF is present and functioning, with only minor improvements needed. The identified improvements have been considered in the respective 2022 ETF action plans / work plans.

4.3 Statement of the Head of Unit in charge of Risk Management and Internal Control (Internal Control Coordinator)

I declare that in accordance with the Commission's communication on the internal control framework, I have reported my advice and recommendations on the overall state of internal control in the European Training Foundation in 2021 to the ETF Director.

I hereby certify that the information provided in the present Consolidated Annual Activity Report and in its annexes is to the best of my knowledge, accurate, reliable, and complete⁷.

⁷ Annex 13.

5. MANAGEMENT ASSURANCE (PART IV)

This section reports and assesses the elements identified by management that support the assurance on the achievement of the internal control objectives. The ETF's assurance building, and materiality criteria are outlined in Section 4 (PART III) above outlining the internal control principles and indicators used to measure the performance of the control systems.

5.1 Review of the elements supporting assurance

Assurance is an objective examination of evidence for the purpose of providing an assessment of the effectiveness of risk management, control and governance processes. This examination is carried out by the ETF Internal Control Coordinator and management, who monitor the functioning of the internal control systems on a continuous basis, and by internal and external auditors. Its results are explicitly documented and reported to the Director. The reports produced are:

- Quarterly Management Reports
- Annual Progress and Performance Report
- Annual assessment and review of internal controls
- Evaluation reports

Audit reports (including the observations and the recommendations of the European Court of Auditors (ECA), of the Internal Audit Service (IAS), and of other ex-post audits

These reports result from a systematic analysis of the available evidence. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Director of ETF.

Cost effectiveness and efficiency of controls

Based on an assessment of the most relevant key indicators and control results, the ETF has positively assessed the cost effectiveness and efficiency of controls related to financial, budget and procurement management.

Legality and regularity of the transactions

The ETF has set up internal control processes aimed to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments concerned.

Ex-ante control systems are in place with the definition and regular review of the financial circuits and related controls on roles and responsibilities. Segregation of duties, risk management, absence of conflict of interests, adequate audit trails and procedures are control activities integrated in the ETF control strategy. This includes a variety of checks, supervision arrangements and where appropriate a balance of approaches to mitigate risks, considering manual and automated controls, and preventive and detective controls.

As in previous years, in 2021 the ETF has not received any critical recommendations from audits or control bodies.

Results of ex-ante payment verification show a constant low rate of risk of errors with a proportion of 7% of transactions being stopped for correction or refused, an improvement from 8% in 2020 and 9% in 2019.

Analysis of registered exceptions and non-compliance events

Twelve deviations were registered in the ETF central register relating to the financial year 2021. This is the same number of deviations recorded the previous year, of which 50% (6 deviations) are non-compliance events: these are ex-post deviations recorded after the event has taken place. The remaining 50% of deviations are 'exceptions' meaning ETF decisions signed and registered ex-ante before the action has been implemented.

In terms of materiality, the total value of deviations registered in 2021 is € 2,143.19. This represents 0.01% of the ETF budget 2021⁸ and is well below the ETF materiality threshold of 2%⁹.

Four exceptions registered in 2021 relate to deviations to contractual provisions, including in two instances also deviations to the financial regulation.

In early 2021 the ETF carried out an in-depth review of all decisions taken in view of the Covid-19 pandemic up to Q1-2021. This helped the ETF to ensure that all decisions resulting in a deviation to the ETF regulatory framework were properly recorded, including deviations of a non-financial nature.

Fraud prevention, detection and correction

Since 2014 the ETF has put in place an overall approach to develop and implement an in-house anti-fraud culture. In this context, an Anti-fraud Strategy 2020-27 has been adopted and complemented by an annual Action Plan. In 2021, the permanent working group implemented the following activities in accordance with the annual Action Plan:

1. Reinforced in-house awareness by holding annual anti-fraud training with special emphasis on professional ethics, conflict of interest
2. Updated the risk assessment related to sensitive functions
3. Assessed the use of Governing Board declarations of interest/absence of conflict of interest as implemented in 2020
4. Assessed the ETF register of exceptions over the years 2020-21.

No cases of fraud were detected and/or reported in 2021.

Results of internal transactional ex-post controls 2021

The ETF implemented ex-post controls on financial transactions with a risk-based sampling of payments. The 2021 exercise was carried out by internal financial verifying agents, based on externally reviewed methodology, in order to provide reasonable assurance on the legality and regularity of 2021 financial transactions. The outcome of the 2021 ex-post controls confirms that:

⁸ ETF Amending budget 2 of 2021 GB/21/DEC/011

⁹ ETF Policy on Materiality Criteria ETF/09/DEC/018 issue 2 of 03/02/2012

1. The expenses included in the payment sample, reflecting expenditure incurred between 1 January and 31 December 2021 through light workflow for low-risk transactions, were properly documented and duly authorised;
2. The control system set up surrounding light payment workflow is seen to be well designed and is operating effectively in all material respects;
3. The funds were used for their intended purpose and disbursed in accordance with the ETF regulatory framework and the principles of sound financial management;
4. The expenses incurred in respect of the workflows described above have been properly documented and duly authorised.

In addition, the time to pay has improved in 2021 (16.4 days on average compared to 17.5 days in 2020, 18.5 days in 2019, 20.63 days in 2018 and 20.09 days in 2017) with a decrease in the average time of suspension (0.7 days in 2021 vs 1.37 days in 2020, 1.74 days in 2019 vs 1.77 in 2018 and 2.22 days in 2017), indicating an improvement considering the reduced resources in the ex-ante control system and the same volume of transactions. This is due to the redesign of the payment process implemented a few years ago with the implementation of the light payment circuit involving two actors for low-risk payments, as well as with a stricter monitoring of end date of activities with reports automatically produced for the financial circuit's actors. Within the late payments (2% in 2021 vs 5% in 2020, 6% in 2019 vs 7% in 2018 and 6% in 2017), none of them implied the payment of late interest in 2021.

1. The average time-to-award was 1.8 months in 2021, which is an improvement compared to previous years (2.1 months in 2020, 2.2 months in 2019, 1.9 months in 2018 and 2.2 months in 2017).
2. Considering the benefits of the control strategy, namely low risk of fraud, favourable audit opinions, low reputational damage, low number of errors, the budget related control strategy is considered effective. In 2021, developments in financial and procurement management were guided by the overall objective of increased efficiency, digitalisation of processes and assessment of risks inherent to procedures, financial transactions and systems.
3. The payment process and the centralisation of the management of finance and procurement processes proved its worth in the reduction of the process duration and the removal of paper copies for procurement procedures and financial transactions. The e-procurement project progressed with the receipt of electronic invoices (100% of incoming invoices were received electronically in 2021 versus 54% in 2020) and the receipt of electronic offers for all open tenders (e-tendering and e-submission).
4. In 2021 the ETF has consolidated the deployment of advanced electronic signature.

Results of risk management process

In 2021 the ETF volunteered to lead and coordinate the risk management peer review exercise with agencies within the 'social and employment' cluster. The peer review exercise identified two risk clusters common to EMPL agencies: i) cyber-security risks and ii) the longer-term impact of Covid-19 and new ways of working on staff wellbeing. This peer review was also an opportunity to confirm that the ETF approach to risk management is effective and in line with the approach of the European Commission.

In October 2021, the ETF carried out an in-depth corporate risk assessment with management, which led to the development of the ETF risk register 2022. The process of risk assessment ensures that controls and actions are put in place to mitigate risks which may affect the achievement of the ETF's objectives at strategic, organisational and operational levels, and that controls are comprehensive and proportional to the level of risk involved.

The ETF risk register 2022 confirms the ETF risk profile as low/medium, with the ETF's key risk clusters including cyber-security risks and the longer-term impact of Covid-19 and the new ways of working (hybrid model) on staff wellbeing. In 2021, the ETF applied a holistic approach to security with a multi-disciplinary working group to look into state of preparedness of ETF from a policy point of view. Given the interconnectivity between different types of risks, e.g. cybersecurity and information, the group aims also at coordinate different strands of security under one umbrella. Key achievements in 2021 include the development of an over-arching security framework with policies adopted on overall security (bringing all different aspects of security under one umbrella), one specific policy on cyber-security and another one on information-security. Furthermore, a joint risk register, a common approach to risk incident reporting and the nomination of key roles for security officer, cyber-security officer and information security officer were completed. This development ensures a holistic and coordinated approach to security, anticipating the upcoming requirements linked to new EU legislation.

5.2 Reservations

One of the ETF's building blocks of assurance is the system of cascading declarations of assurance of (Sub) Delegated Authorising Officers and ICC declaration in place to support the ETF Director's declaration of assurance. In 2021, the ETF Director has a sound basis to support his reasonable assurance that the internal control system is in place and working as intended. Risks are monitored and mitigated as appropriate, and necessary improvements and reinforcement measures are being implemented. As a result, there have been no reasons to introduce any reservation for the year 2021.

5.3 Conclusions on the assurance

The information reported in Sections 1 to 5 stem from the results of the management and auditor monitoring contained in the reports listed in Section 5.1. These reports result from a systematic analysis of the evidence available. This approach provides sufficient assurance as to the completeness and reliability of the information reported and completely covers the budget delegated to the ETF.

The declaration of assurance of the ETF Authorising Officer in the 2021 Annual Activity Report does not contain any reservations.

In line with the ETF well-established materiality criteria¹⁰ developed to support the Director in his decision as to whether a reservation should be included in the annual declaration of

¹⁰ ETF/09/DEC/018 issue 2 of 03/02/2012 ETF policy on materiality criteria

assurance in the context of annual activity reporting, **the ETF confirms it has no reservations to report for 2021.**

Overall conclusion

In conclusion, the ETF management has reasonable assurance that overall adequate controls are in place and working as intended. In addition, risks are being appropriately monitored and mitigated, and the necessary improvements and reinforcements are being implemented. The Director, in his capacity as Authorising Officer, has signed the Declaration of Assurance.

Declaration of assurance in cascade by (sub) delegated authorising officers

In 2021, budgetary implementation powers were delegated by the Authorising Officer through a Director's Decision¹¹ which allocated the different budgetary areas, including specific budget lines, to the delegated and Sub Delegated Authorising Officers. In line with ETF rules and procedures on the deputising mechanism and the presence of managers on the ETF premises¹², the ETF introduces a second level of back-ups for delegated authorising officers, to reduce the number of transactions to be approved by the Director and ensure transactions are dealt with by the most informed authorising officer available.

The decision is accompanied by individual delegations, signed by the Director, the authorising officer by delegation and his/her back-up. They are also signed as confirmation of acceptance of the charter of the authorising officer by delegation.

The cascading declaration of assurance is strengthened by an annex containing for each (S)DAO: i) budget execution rates, ii) exceptions registered, iii) negotiated procedures without prior notice, and iv) space for any potential issues/potential problems that may lead to a reservation in the annual activity report.

11 ETF/21/DEC/002 of 12/01/2021 Delegation of Authorising Officers for Budget Implementation 2021

12 ETF/12/DEC/003 Deputising Mechanisms

6. DECLARATION OF ASSURANCE

I, the undersigned, Xavier Matheu de Cortada, Director ad-interim of the European Training Foundation¹³, in my capacity as Authorising Officer, declare that the information contained in this report gives a true and fair view¹⁴.

I also state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the Declaration of Assurance signed by Cesare Onestini¹⁵ (Director of the ETF throughout 2021 until 15 February 2022) the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors.

I confirm that I am not aware of anything not reported here which could harm the interests of the institution.

Turin, 10 May 2022

Xavier Matheu de Cortada

¹³ Governing Board Decision for appointing a Director *ad interim*: [GB/22/DEC/001](#)

¹⁴ True and fair in this context means a reliable, complete and correct view on the state of affairs in the institution.

¹⁵ Annex 14.

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List of acronyms

ABAC	Activity-based accounting system
ABB	Activity-based budgeting
ACQF	African Continental Qualifications Framework
ADB	Asian Development Bank
AFD	Agence Française de Développement
ALMPs	Active Labour Market Policies
AU	African Union
BC	British Council
ENABEL	Belgian Development Agency
Cedefop	European Centre for the Development of Vocational Training
CORLEAP	Conference of Regional and Local Authorities for the Eastern Partnership
CPD	Continuous Professional Development
CSOs	Civil Society Organisations
CVT/CVET	Continuing vocational training/ Continuous vocational education and training
DARYA	Dialogue and Action for Resourceful Youth in Central Asia
DCI	Development Cooperation Instrument
DG	Directorate General
DG EAC	Directorate General Education and Culture
DG EMPL	Directorate General Employment, Social Affairs & Inclusion
DG GROW	Directorate General Internal Market, Industry, Entrepreneurship and SMEs
DG HOME	Directorate General Home Affairs
DG INTPA	Directorate General International Partnerships
DG NEAR	Directorate General Neighbourhood and Enlargement Negotiations
DG REGIO	Directorate General Regional and urban Policy
DG SG	Directorate General Secretariat-General
DG TRADE	Directorate General Trade
DigComp	European Digital Competence Framework
DOL	Distance and open learning
DVV	Institute for International Cooperation of German Adult Education Association
EaFA	European Alliance for Apprenticeships
EaP	Eastern Partnership
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EEAS	European External Action Service
EEHub	Entrepreneurship Education Hub
EESC	European Economic and Social Committee
EISMEA	European Innovation Council and Small and Medium-sized Enterprises Executive Agency
EFSD+	European Fund for Sustainable Development Plus
EIP	Economic Investment Plan
ELA	European Labour Authority
ENABEL	Belgian Development Agency
ENE	ETF Network for Excellence
ENI	European Neighbourhood Instrument

ENP	European Neighbourhood Policy
EntreComp	Entrepreneurship Competence Framework
EPSO	European Personnel Selection Office
EQARF	European Quality Assurance Reference Framework
EQAVET	European Quality Assurance in Vocational Education and Training
EQF	European Qualifications Framework
ERI SEE	Education Reform Initiative of South East Europe
ERPs	Economic Reform Programmes
ESAP	Employment and Social Affairs Platform
ET 2020	Strategic framework for European cooperation in education and training
ETF	European Training Foundation
EU	European Union
EU-OSHA	European Agency for Safety and Health at Work
Euromed	Euro-Mediterranean Partnership
EVTA	The European Vocational Training Association
FTE	Full-time equivalent
GAP	Gender Action Plan
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
HCD	Human capital development
ICT	Information and communications technology
IFI	International Finance Institution
ILO	International Labour Organisation
IOM	International Organisation for Migration
IPA	Instrument for Pre-accession Assistance
LuxDev	Luxembourg Development Cooperation
MISMES	Migrant Support Measures from an Employment and Skills Perspective
MTD	Medium-term deliverables
NDICI	Neighbourhood, Development and International Cooperation Instrument
NEET	Not in education, employment, or training
NQF	National qualifications framework
OECD	Organisation for Economic Co-operation and Development
OIB	Office for Infrastructure and Logistics in Brussels
PES	Public Employment Services
PMO	Paymaster Office
PSD	Private Sector Development
QA	Quality assurance
RCC	Regional Cooperation Council
RCI	Regional Competitive Initiative
SBA	Small Business Act for Europe
SEE	South Eastern Europe
SEET	South Eastern Europe and Turkey
SEE2020	South East Europe 2020 Strategy
SEECCL	South East European Centre for Entrepreneurial Learning
SEMED	Southern and Eastern Mediterranean
SME	Small and medium-sized enterprise
SPD	Single Programming Document

SRC	Sector Reform Contract
THAMM	Towards a Holistic Approach to Migration
UfM	Union for the Mediterranean
UNESCO	United Nations Educational, Scientific and Cultural Organization
VET/TVET	(Technical and) vocational education and training
VNFIL	Validation of non-formal and informal learning
WB	Western Balkans
WBL	Work-based learning
WBPET	Western Balkans Platform on Education and Training
WP	Work Programme
YEM	Youth Employment in the Mediterranean

Annex 1 – Core business statistics

KPIs for ETF overall performance

KPIs		Description and target	2021	2020	2019	2018	2017
Activities completion rate*	😊😊	Rate (%) of completion of the activities of the ETF Work Programme. Target >90%	95.58%	86.84%	91%	91%	93%
Timely achievement of activities of WP*	😊😊	Rate (%) of activities of the ETF Work Programme timely achieved in year. Target 80%	91.15%	75.94%	85%	94%	88%
Timely submission of WP/SPD to EC*	😊	The annual WP/SPD timely submitted to the EC. Target 100%	100%	100%	100%	100%	100%
Knowledge uptake		Uptake of the developed ETF knowledge products**	85%	NA	NA	NA	NA
Programme design		Geographic and thematic coverage of EU Requests for support to projects and programmes design**	79%	NA	NA	NA	NA
Network level of participation		Engagement rate of active members in ETF networks**	61%	NA	NA	NA	NA
Stakeholder engagement		Number and typology of stakeholders engaged in ETF activities**	7,635 stakeholders engaged 75% primary stakeholders	NA	NA	NA	NA
Administrative support, / operational staff ratio*	😊	(Administrative support and coordination job type category) / (Operational job type category and neutral job type category). Target <30%	15.80%	16.59%	17.19%	19%	18.08%
Average vacancy rate*	😊	% of authorised posts of the annual establishment plan, which are vacant at the end of the year, including job offers sent before 31 December. Target <5%	0%	1%	0%	1%	3%
Staff engagement*		Rate (%) of staff engagement from satisfaction survey within the agency (every two years). Target >2% increase.	Biannual	56%	Biannual	55%	56% (in 2015)
Commitment appropriation implementation*	😊	Rate (%) of implementation of Commitment Appropriations. Target >98%	99.91%	99.88%	99.96%	99.99%	99.93%
Payment appropriations cancellation rate*	😊😊	Rate (%) of cancellation of Payment Appropriations. Target <2%	0.44%	1.46%	1.21%	0.11%	0.29%
Timely payments*	😊😊	Rate (%) of payments executed within the legal/contractual deadlines. Target >90%	97.6%	94.3%	94%	93%	94%
Rate of outturn*	😊	Total payments in year N and carry-forwards to year N+1, as a % of the total EU funding received in year. Target >96%	99.91%	98.79%	98.88%	99.94%	99.93%
Audit recommendation implementation*	😊	Rate (%) of external and accepted internal audit recommendations implemented within agreed deadlines. Target >90%	100%	100%	100%	100%	100%

*KPI for Directors and benchmarking | **New KPI in 2021 following the commission opinion of July 2021, which are subject to review

ETF Productivity indicators

Process/Service Area	Overall ETF Productivity	2021	2020	2019	2018
Governance and Management	No governing board decisions in year	12	14	14	19
Knowledge hub	% of knowledge products finalised and shared externally vs. initial plan NEW 2021	63%	NA	NA	NA
Knowledge hub	% of knowledge products finalised in time vs. initial deadline NEW 2021	84.8%	NA	NA	NA
Knowledge hub	N° of invitations/contributions from third parties for ETF participation to external events and knowledge products (articles, blogs, etc.)	121	68	98	82
Policy advice	N. of ETF knowledge products contributing to Policy Advice NEW 2021	45 (26% of completed knowledge products)	NA	NA	NA
Policy advice	Level of stakeholders engagement in Policy Advice NEW 2021	40.77%	NA	NA	NA
Systems Performance / Monitoring Process - Coverage	(%) Completion rate of Level 1 monitoring by partner country (target 100%) NEW 2021	100%	NA	NA	NA
Communication (reach)	No of people engaged with ETF on social media (Facebook, Twitter, LinkedIn, Youtube, Instagram) NEW 2021	Facebook visits 21,901 +23.8%), Twitter new followers 1,471 , LinkedIn 10,584 (+4,144), Youtube views 4.4K, Instagram 6,951)	NA	NA	NA
Communication (reach)	No of people engaged with ETF Website NEW 2021	No of people engaged with ETF Website / 364.060 unique visitors	NA	NA	NA
Communication (reach)	No of people engaged with Open Space NEW 2021	No of people engaged with Open Space / 4,268 members	NA	NA	NA
Communication (members & followers)	No of Followers/Members of networks NEW 2021	No of Followers/Members of networks	NA	NA	NA
Corporate services	N° of missions	NA for 2021(no missions allowed)	109 (81 claims, 29 cancelled)	631	697
Financial management support	N° of call for tender	21 (14 NPs and 7 OT)	27 (8 OT, 19 NP) (+ 41 re-opening of competition)	24 (8 OT, 16 NP) (+42 re-opening of competition)	23

	N. of inter-institutional tenders (new 2021)	28	NA	NA	NA
	No. of commitments	697	744	773	690
	No. of budget transfers <10	7	8	4	7
	N° of contract prepared	27	27	35 (3 inter-inst)	17 (2 inter-inst)
	N° of contract amendments	34	6	9	24
	N° of invoices	827	1113	1674	1683
	N° of payments	1097	1239 payment orders	1841	1929
Human resources management support	N° of L&D training sessions	268 (11 collective courses, 21 language courses, 49 individual courses, 187 courses / workshops / talks via EU Learn (EUSA, DG HR)	73 (8 collective courses/workshops with 8 sessions, 2 cappuccini, 48 individual training courses, 15 language courses)	117(21 courses with 37 sessions, 8 cappuccini, 56 individual training courses, 13 language courses)	144 (4 internal, 8 cappuccini, 16 L&D of which 4 masterclass, 88 ind. training, 28 lang. training requests)
	No. recruitment procedures launched	20 (concluding 3 launched in Q4 2020)	15 (concluding 2 launched in Q4 2019 and launch of recruitment procedures for 13 different profiles)	7 (concluding 4 launched in Q4 2018 and launch of 3)	6 (3+3 trainees)
Organisational development	Number of change management actions from OneETF project NEW 2021	XX	NA	NA	NA
	Number of improvement actions derived from QA processes (audits and evaluations) NEW 2021	0 actions	NA	NA	NA
Information technology services	IT Service Desks - Average resolution time of resolved service requests NEW 2021	Not measurable for 2021 – systems not in place yet	NA	NA	NA

ETF Quality indicators

Process/Service Area	Indicator	2021	2020	2019	2018
Management Governance	No. approved GB decisions / No. of proposed (Target 100%)	100%	100%	100%	100%
Policy advice	Share of ETF knowledge products contributing to Policy Advice NEW 2021	26.78% of completed knowledge products (45/168)	NA	NA	NA
Policy advice	Share of ETF budget invested in EU requests NEW 2021	226,104.82€ (4.9% of T3 4,598,211)16	NA	NA	NA
Systems performance / quality of output	(%) Positive assessment rate of policy review reports (target 90%) (methodology for quality assessment under development) New 2021	System not in place yet, will be monitored in 2022	NA	NA	NA
Corporate services support	Av time to assess and pay mission expenses reimbursement Target 15; 15 (30 days)	NA	14.57	12.53 (ass 2.81 Pay:9.72)	12.24 (asses: 4.61 Pay:7.92)
Working in Partnership	% of partnership agreements operationalised through annual action plans and implemented through joint activities, events	100%	NA	NA	NA
Financial management support	Av time consumed by procurement procedures -launch to award Target OT:<5 NP <2 mths	OT: 66 days NP: 47 days	OT: 104days NP: 40 days	OT:79 (2.6 mths) NP: 53 (1.7 mths)	OT: 68 (2.3 mths); NP: 44.5 (1,5 mths)
	No. of complaints following tenders (% of procedures)	0	0	0	0
HR management support	Satisfaction rate from feedback received upon participation in L&D activities	87%	92%	86.8%	86%
Organisational development	Change management actions implementation within deadline rate (%) NEW 2021	NA for 2021 // measures will start Q1/2022	NA	NA	NA
	Improvement actions implementation within deadline rate (%) NEW 2021	n.a. (0 actions)	NA	NA	NA
Information technology services	Availability of essential IT services provided to end users NEW 2021	NA for 2021 Essential IT Services to be redefined with Digitalisation Project / measures will start Q1/2022	NA	NA	NA
	IT Service Desk – % of service requests resolved same day opened NEW 2021	Not measurable for 2021 – systems not in place yet	NA	NA	NA

16 Total amount of commitments linked to EU requests 2021

EMAS Indicators (new 2021)

Type	Indicator	2021
Energy	Electricity consumption Total direct electricity consumption (MWh)	276,673 Kwh
	Thermal energy consumption Total direct electricity consumption (MWh)	57,772 mc
Materials	Internal paper consumption Number of sheets of paper printed (<u>internal</u>) kg	76,446
	External paper consumption Number of sheets of paper printed (<u>external</u> - suppliers) kg	0
	Total printed paper consumption Number of sheets of paper printed (internal + external) kg	76,446
emissions	Greenhouse gas emissions* CO ² eq	
	Greenhouse gas emissions due to business travel (ETF missions) ton CO ₂ eq	
	Greenhouse gas emissions due to participation in ETF events (ETF events) ton CO ₂ eq	
Water usage	Total water consumption (m³)	1,243
Waste	Special waste Total annual generation of special waste, broken down by type (kg)	
	Waste production special hazardous and not hazardous waste	

ETF Communication statistics 2021: social media and web

The statistics from social media and web show excellent trends in terms of followers, engagement, and active participation of stakeholders. Some key figures are reported below.

Social media

- Total followers 39.6k (Facebook, LinkedIn, Twitter). Compared to previous period +140%
- Post link clicks 17.2k (Facebook, LinkedIn, Twitter). Compared to previous period +262%

Social media followers growth

- Facebook: 17,273 to 20,760 (+3,487; +13%)
- LinkedIn: 6,440 to 10,584 (+4,144)

Open Space

OpenSpace followers from January 2021 – December 2021

- + 1798 users

Web News

Website visits from January 2021 – December 2021

- 383,490 unique views
- 364,060 unique visitors

Videos

Video engagement January 2021 – December 2021 (Facebook)

- 12.2K Video engagement
- +35.5% from previous 365 days

Most viewed Learning Connects video (Facebook): New forms of learning

- 8.2K Minutes viewed
- People reached 65.3K

Participants and votes green skills award

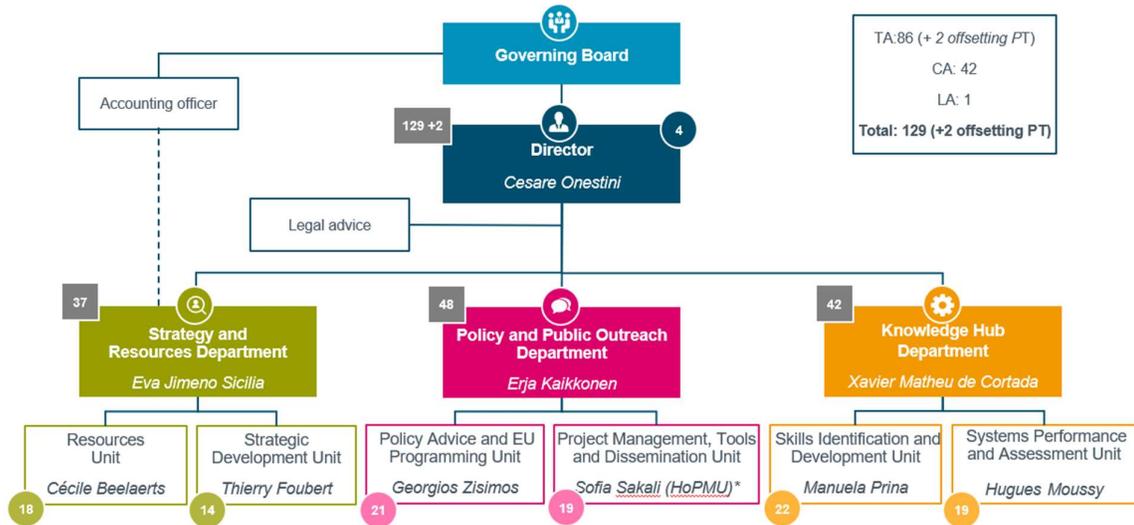
- 11 finalists selected from 134 applications from 39 countries.
- More than 23,000 from all over the world voting

Annex 2 – Statistics on financial management

FINANCIAL MANAGEMENT	2021	2020	2019	2018	2017
Overall Budget ETF (EU Contribution)	21,300,000 CA 21,000,000 PA	20,957,000 CA 20,400,000 PA	20,546,000	20,144,018	20,144,089
Committed (C1)	21,281,233	20,930,853	20,536,844	20,141,889	20,128,994
Rate (%) of implementation of Commitment Appropriations	99.91%	99.88%	99.96%	99.99%	99.93%
Rate (%) of cancellation of Payment Appropriations	0.44%	1.70%	1.20%	0.11%	0.28%
Rate of payments executed within the legal/Contractual deadline	97.6%	94.3%	93.7%	93.3%	94.0%
Rate (%) of outturn (Total payments in year N and carry-forwards to Year N+1, as a % of the total EU funding and fee income, where applicable, received in Year N).	99.91%	98.55%	98.88%	99.94%	99.93%
Payments Executed out of year's budget (PAY C1+ PAY C8T3) / Budget	95.74%	95.65%	96.01%	98.07%	97.97%
Overall CF+RAL into N+1	13.71%	12.32%	9.89%	8.53%	9.09%
Amount CF+RAL into N+1	2,920,538	2,581,707	2,032,829	1,719,011	1,831,540
CF in N+1 - T1	1%	1%	1.1%	0.7%	0.6%
CF in N+1 - T2	33%	19%	22.9%	14.7%	16.9%
Total CF (T1&T2)	5.2%	3.6%	3.8%	2.5%	2.6%
RAL in N+1 - T3	49%	42%	29.6%	27.8%	30.8%
Number of Transfers	7	8	4	7	7
Transferred budget	7.1%	6.4%	2.7%	4.2%	5.4%
Lines with more than 3 transfers	11	10	4	11	13
Number of transfers in the last 2 months	3	3	3	3	3
Amount committed last two months for T2	12.6%	9.1%	21.3%	8.1%	26.7%
Amount committed last two months for T3	30.1%	23.1%	15.1%	12.0%	10.6%
Cost of GB meetings (2 or 3* per year)	81,030.00	12,960.00	90,626.92	116,555.00	152,100.6*
Payments made within deadline	97.62%	94.26%	93.74%	93.30%	94.01%
Total to be reimbursed to EC:	93,863.79	347,202.46	246,713.17	20,101.00	57,010.39

Annex 3 – ETF organisational structure

ETF ORGANISATIONAL STRUCTURE 2021



*Acting Head of PMU as of 21 January 2021 and Head of PMU as of 1 January 2022

Annex 4 – Establishment plan and additional information on human resources

A. Statutory staff and SNE

Table 1 – Staff population and its evolution; Overview of all categories of staff

Human Resources	2021		
	Authorised Budget	Actually filled as of 31/12/2021	Occupancy Rate %
Administrators (AD)	57	59	103.5%
Assistants (AST)	29	29	100%
Assistants/Secretaries (AST/SC)	0	0	
ESTABLISHMENT PLAN POSTS*	86	88	102.3%
Contract Agents (CA)**	42	42	100.0%
Seconded National Experts (SNE)	0	0	
Local Agents	1	1	100%
TOTAL STAFF	129	131	101.6%

*As of 2018, on the basis of article 38.2 of the ETF Financial Regulation, the ETF uses the opportunity to “offset the effects of part-time work”. At the end of 2021, all posts have been filled in reaching 86 + 2 TA (corresponding to 2 FTE of part time work).

** In 2021, DG HR recommended to offset long-term absences and part-time of CA with short term contracts of CA. The ETF may use this option in the future

B. Other Staff

Structural service providers

	Actual filled as of 31/12/2021
Security	1
IT	1
Receptionist	1
Facilities support	1

Interim workers

	Actual filled as of 31/12/2021
Number	2

Table 2 – Establishment plan

Function group and grade	2021			
	Authorised Budget		Actually filled as of 31/12 *	
	Perm. posts	Temp. posts	Perm. posts	Temp. posts
AD 16				
AD 15				

AD 14		1		1
AD 13		5		2
AD 12		10		7
AD 11		10		8
AD 10		9		14
AD 9		13		12
AD 8		6		6
AD 7		3		8
AD 6				1
AD 5				
AD TOTAL	0	57	0	59
AST 11		1		1
AST 10		3		1
AST 9		13		13
AST 8		6		2
AST 7		4		2
AST 6		1		5
AST 5		1		4
AST 4				1
AST 3				
AST 2				
AST 1				
AST TOTAL	0	29	0	29
AST/SC 6				
AST/SC 5				
AST/SC 4				
AST/SC 3				
AST/SC 2				
AST/SC 1				
AST/SC TOTAL	0	0	0	0
TOTAL	0	86	0	88
GRAND TOTAL		86		88

*As of 2018, on the basis of article 38.2 of the ETF Financial Regulation, the ETF uses the opportunity to “offset the effects of part-time work”. At the end of 2021, all posts have been filled in reaching 86 + 2 TA (corresponding to 2 FTE of part time work).

External personnel

Contract Agents

Contract agents**	Authorised 2021	Recruited as of 31/12/2021
Function Group IV	14	15
Function Group III	23	21
Function Group II	5	6
Function Group I	0	0
TOTAL	42	42

** In 2021, DG HR recommended to offset long-term absences and part-time of CA with short term contracts of CA. The ETF may use this option in the future

Local Agents

Local agents	Authorised 2021	Recruited as of 31/12/2021
Function Group AL/N2	1	1

Seconded National Experts

Seconded National Experts	Authorised 2021	Recruited as of 31/12/2021
TOTAL	0	0

Human Resources Qualitative

Appraisal and reclassification/promotions

Table 1 - Reclassification of temporary agents/promotion of officials

Average seniority in the grade among reclassified staff							
Grades	2017	2018	2019	2020	2021	Actual average over 5 years	Average over 5 years (annex IB SR)
AD05	0.0	0.0	3.8	0.0	0.0	3.8	2.8
AD06	2.0	3.5	0.0	0.0	0.0	2.7*	2.8
AD07	3.2	6.0	2.5	2.2	2.0	3.2	2.8
AD08	3.6	4.3	2.8	2.8	3.0	3.2	3
AD09	0.0	5.4	5.9	3.2	6.0	5.9	4
AD10	0.0	4.5	5.0	2.0	2.5	4.2	4
AD11	22.7	0.0	0.0	16.2	6.0	13.5	4
AD12	3.5	8.3	0.0	0.0	0.0	5.1*	6.7
AD13	0.0	0.0	0.0	0.0	0.0	0.0	6.7
AST1	0.0	0.0	0.0	0.0	0.0	0.0	3
AST2	0.0	0.0	0.0	0.0	0.0	0.0	3
AST3	2.5	0.0	0.0	0.0	0.0	2.5*	3
AST4	3.5	2.0	0.0	3.5	4.3	3.5	3
AST5	2.0	0.0	5.5	0.0	4.3	4.3	4
AST6	0.0	0.0	4.5	3.5	3.5	4.0	4
AST7	2.0	3.5	0.0	0.0	0.0	3.1	4
AST8	2.5	0.0	0.0	4.8	3.7	4.0	4
AST9	N/A	N/A	N/A	N/A	N/A	N/A	N/A

AST10 (Senior assistant)	0.0	4.5	0.0	0.0	0.0	4.5	5
AST/SC1							4
AST/SC2							5
AST/SC3							5.9
AST/SC4							6.7
AST/SC5							8.3

* to be noted: if the number of reclassifications at that grade during the reference period is 3 or less, the average can be below the minimum set in annex IB of the SR

Table 2 -Reclassification of contract staff

Function Group	Grade	Staff in activity at 01/01/2021 and eligible for reclassification	How many staff members were reclassified in 2021	Average number of years in grade of reclassified staff members	Average number of years in grade of reclassified staff members according to decision C(2015)9561
CA IV	17	1			Between 6 and 10 years
	16	3	3	3.8	Between 5 and 7 years
	15	3	1	2.3	Between 4 and 6 years
	14	2			Between 3 and 5 years
	13				Between 3 and 5 years
CA III	11	4			Between 6 and 10 years
	10	5			Between 5 and 7 years
	9	3			Between 4 and 6 years
	8				Between 3 and 5 years
CA II	6	3			Between 6 and 10 years
	5	1			Between 5 and 7 years
	4				Between 3 and 5 years
CA I	2				Between 6 and 10 years
	1				Between 3 and 5 years

Gender representation

Table 1 - Data on 31/12/2021 statutory staff (only officials, TA and CA)

	Official		Temporary		Contract and Local Agents		Grand Total	
	Staff	%	Staff	%	Staff	%	Staff	%

Female	Administrator			30	34%	12	28%	42	32%
	Assistant (AST & AST/SC)			23	26%	22	51%	45	34%
	TOTAL			53	60%	34	79%	87	66%
Male	Administrator			29	33%	3	7%	32	24%
	Assistant (AST & AST/SC)			6	7%	6	14%	12	9%
	TOTAL			35	40%	9	21%	44	34%
GRAND TOTAL				88	100%	43	100%	131	100%

Table 2 - Data regarding gender evolution over 5 years of the Middle and Senior management

	2017		2021	
	Number	%	Number	%
Female Managers	4	50%	5	50%
Male Managers	4	50%	5	50%

Job screening exercise

Job Type (sub)category	2016 (%)	2020 (%)	2021 (%)
Administrative support and Coordination	18.56	16.59	15.8
Administrative support	14.55	13.26	12.3
Coordination	4.02	3.33	3.5
Operational	69.47	72.71	74.08
Top Level Operational Coordination	2.27	2.95	2.14
Programme Management & Implementation	55.08	57.36	59.73
Evaluation & Impact Assessment	4.55	3.49	2.9
General Operational	7.58	8.91	9.31
Neutral	11.97	10.7	10.12
Finance/Control	11.59	9.54	8.97
Linguistics	0.38	1.16	1.15

Geographical Balance

Explanatory figures to highlight nationalities of staff (split per Administrator/CA FG IV and Assistant /CA FG I, II, III)

Nationality	AD+FGIV	AST+FGII+FGIII+LA	Grand Total
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	Number	% of Total staff in AD + FGIV	Number	% of Total staff in AST+FGII+III+ LA	Number	% of total staff
AT	3	4%		0%	3	2%
BE	4	5%	3	5%	7	5%
CY	1	1%		0%	1	1%
CZ	1	1%		0%	1	1%
DE	5	7%	2	4%	7	5%
DK	1	1%		0%	1	1%
EE		0%	2	4%	2	2%
ES	5	7%		0%	5	4%
FI	3	4%	1	2%	4	3%
FR	4	5%	2	4%	6	5%
GR	3	4%		0%	3	2%
IE	3	4%		0%	3	2%
IT	21	28%	35	61%	56	43%
LU		0%	1	2%	1	1%
LV		0%	1	2%	1	1%
MA	1	1%		0%	1	1%
MK	1	1%		0%	1	1%
NL	3	4%	1	2%	4	3%
PL	2	3%	2	4%	4	3%
PT	2	3%		0%	2	2%
RO	2	3%	3	5%	5	4%
SI		0%	1	2%	1	1%
TN	1	1%		0%	1	1%
TR	1	1%		0%	1	1%
UA	3	4%		0%	3	2%
UK	4	5%	3	5%	7	5%
Grand Total	74	100%	57	100%	131	100%

Table 2 - Evolution over 5 years of the most represented nationality in the Agency

Most represented nationality	2017		2021	
	Number	%	Number	%
IT	53	42%	56	43%

The ETF constantly receives a higher proportion of applications from its host country despite the wide publication of its vacancy notices, in particular for administrative and support positions (AST/FGII-FGIII), which explains the constant higher number of Italian nationals recruited. The ETF selection procedures are merit-based but where there are equal merits, the ETF would favour the under-represented nationalities.

Annex 5 – Human and financial resources by activity

Activity Areas	Planned 2021	Actual 2021
Strategic objective 1 Skills relevance and anticipation	€4.9m (23.1%)	€6.3 (29.5%)
Skills demand	€3.2m (14.9%)	€2.8 (13.1%)
Active labour market measures	€0.3m (1.2%)	€1.6 (7.6%)
Qualifications	€1.5m (7.0%)	€1.9 (8.9%)
Strategic objective 2 Skills development and validation	€5.7m (26.5%)	€5.9 (27.9%)
Vocational Excellence	€1.0m (4.8%)	€1.8 (8.4%)
Innovative teaching and learning	€2.4m (11.4%)	€2.3 (10.7%)
Engaging enterprises in skills development	€2.2m (10.4%)	€1.9 (8.8%)
Strategic objective 3 Performance and quality of E&T policies	€5.0m (23.3%)	€3.2 (15.2%)
Lifelong learning policies and system change	€2.7m (12.7%)	€1.8 (8.6%)
Quality assurance and governance mechanisms	€2.3m (10.6%)	€1.4 (6.5%)
Horizontal	€5.8m (27.1%)	€5.8 (27.4%)
New EU and geographic priorities	€0.9m (4.0%)	€1.1 (5.4%)
Communication & stakeholder engagement	€2.3m (11.0%)	€1.8 (8.4%)
Digitalisation	€1.2m (5.7%)	€1.6 (7.4%)
Organisational development & support	€1.4m (6.3%)	€1.3 (6.3%)
TOTAL	€21.3m (100.0%)	€21.3 (100.0%)

Annex 6 – Contribution, grant and service level agreement. Financial framework partnerships agreement

REVENUE	
Additional EU funding stemming from grant agreements (FFR Art.7)	
<i>none</i>	
Additional EU funding stemming from contribution agreements (FFR Art.7)	102 739
<i>INTPA (DEVCO) ADM-MULTI/2020/417-237 - Delivery Of Vet Training Seminars And Study</i>	102 739
<i>Ongoing agreements with GIZ - Developing the Africa Continental Qualifications Framework (ACQF)</i>	0
Additional EU funding stemming from service level agreements (FFR Art. 43.2)	1 000 000
<i>The International Dimension Of Centres Of Vocational Excellence: Building A Strong International Cooperation Dimension On Vocational Excellence - ARES (2021) 659864417</i>	1 000 000
Total	1 102 739

17 While being signed during 2021, the funds corresponding to the SLA with DG INTPA have only been received during the Christmas break, and no action has been implemented.

Annex 7 – Environment management

The ETF vision is to contribute to the Sustainable Development Goals following the EU approach¹⁸. Hence, to promote environmental protection and sustainable development to optimize the use of resources by both reducing their use as much as possible and using renewable resources. To contribute to environmental protection and to implement the above-mentioned vision, the ETF has established an Environmental Management System, which complies with the EU Eco-Management and Audit Scheme (EMAS)¹⁹. Within the overall regulatory framework, the ETF is committed to:

1. Protecting the environment and minimizing pollution through the sustainable use of resources;
2. Complying with the relevant environmental legislation, regulations and other compliance obligations;
3. Creating, maintaining and continuously improving the Environmental Management System and its environmental performance;
4. Ensuring awareness of environmental issues and the active participation of all staff, with a view to reducing the ETF environmental impact;
5. Encouraging suppliers and external stakeholders to abide by the environmental protection principles established by the ETF.

With the help of its Environmental Management System, the ETF pursues the following strategic environmental goals:

1. Shifting towards the use of renewable energy sources and reducing overall energy consumption;
2. Reducing the general use of resources and materials (incl. paper, plastics, gadgets, office equipment and furniture, stationery and other supplies);
3. Reducing greenhouse/polluting gas and particulate matter emissions resulting from ETF-related travel (incl. commuting by staff, staff missions, travels of event participants and contractors);
4. Reducing water consumption;
5. Reducing and effectively managing waste;
6. Shifting towards more sustainable events;
7. Raising awareness among staff on environmental issues.

Progress in 2021

The ETF makes available the resources necessary to implement its Environmental Policy and to achieve its strategic environmental goals. The ETF has obtained EMAS and ISO certification in 2021. Following the EMAS certification, the ETF indicators and targets were used to monitor the implementation of the action plan and report in the Annual Activity Report (Annex 1). The ETF approach to a more environmentally responsible way of working has an impact on programming, planning and implementation of the ETF work programme, particularly in relation to missions and events, whether physical or online.

18 https://ec.europa.eu/info/strategy/international-strategies/sustainable-development-goals/eu-approach-sustainable-development-0_en

19 https://ec.europa.eu/environment/emas/index_en.htm

Annex 8 – Draft annual accounts and financial reports

BALANCE SHEET	31/12/2021	31/12/2020
NON-CURRENT ASSETS		
Intangible fixed assets	933,372.72	1,184,131.78
Property, Plant and Equipment	844,868.00	824,329.00
CURRENT ASSETS		
Receivables and recoverables	197,677.35	210,354.55
Pre-financing	313,484.10	288,646.18
Cash and cash equivalents	1,960,062.76	947,876.40
TOTAL ASSETS	4,249,464.93	3,455,337.91
CURRENT LIABILITIES		
Payables	2,551,523.99	1,605,899.53
TOTAL LIABILITIES	2,551,523.99	1,605,899.53
NET ASSETS		
Accumulatd surplus/deficit	1,829,085.12	1,816,213.18
Economic result of the year	-131,144.18	33,225.20

STATEMENT OF FINANCIAL PERFORMANCE	2021	2020
Operating revenue	21,089,473.0 1	20,068,175.2 0
Operating expenses	- 21,220,829.9 6	- 20,033,238.2 1
Financial expenses	-1,313.61	-1,232.06
Extraordinary losses - exchange rates	1,526.38	-479.73
ECONOMIC RESULT OF THE YEAR	-131,144.18	33,225.20

CASH FLOW STATEMENT	2021	2020
Cash and cash equivalents at beginning of the year	947,876.40	824,671.34
Net increase in cash and cash equivalents	1,012,186.36	123,205.06
Cash and cash equivalents at year-end	1,960,062.76	947,876.40

BUDGET RESULT ACCOUNT	2021	2020
Revenues	22,108,581.3 9	20,424,932.2 8
Expenditures	- 22,114,115.5 1	- 20,129,982.5 5
Outturn for the year	-5,534.12	294,949.73
Adjustment for carry forward from previous years	24,932.28	1,149.57
Appropriations carried forward and cancelled	72,935.25	51,565.16
Exchange gains/losses	1,530.38	-461.71
Balance for the financial year	93,863.79	347,202.75
Balance carried over from previous year	347,202.75	246,713.17
Amount reimbursed to the EC	-347,202.75	-246,713.17
Amount related to 2021 (2020) to be reimbursed to EC	93,863.79	347,202.75

Annex 9 – Cooperation with international and bilateral organisations

The ETF's cooperation with international and bilateral organisation contributes to the fulfilment of the ETF functions as outlined in its mandate²⁰, more specifically:

- To facilitate the exchange of information and experience among donors engaged in human capital development reform in partner countries; and
- To disseminate information and encourage networking and the exchange of experience and good practice between the EU and partner countries and among partner countries in human capital development issues.

In 2021, the ETF counted 24 formal partnerships in force. Five partnerships were renewed in last quarter, with new Declarations of intent signed with partners from IIAS/EGPA; RCC; ERI SEE, UNIMED, WB 6 CIF. All formal partnerships have been active during the year and have contributed to ETF operations. More in general, cooperation has grown beyond formal partnerships and there is an increased engagement of the ETF with actors active in human capital development (HCD). This highlights the fact that, in 2021, partnerships became increasingly perceived as both operational and political tools to deliver, to increase ETF's impact in partner countries, to augment efficiency in terms of resources, as well as to expand the ETF's perception as a global reference for HCD.

Therefore, in 2021 the added value of partnerships and cooperation triggered wider influence and access to capacities and resources beyond ETF's current means. The growing cooperation with partners manifested in knowledge co-creation, peer learning and policy advice, international exchanges, networking, consolidation of existing partnership and exploration of new ones.

In 2021, cooperation and exchanges happened with all groups of main ETF stakeholders:

- EU services including but not limited to DG EMPL, DG INTPA, DG NEAR and DG EAC.
- EU agencies, such as Cedefop, Eurofound, EIGE, ELA and OSHA.
- EU Member States following the VET toolbox and Team Europe approach, including thematic and cooperation partners like Enabel and GIZ, among others.
- International Organisations such as IAG, OECD, UNEVOC/UNESCO/UIIL, UNICEF, UNIDO, ILO/ITC-ILO, IOM, among others.
- International Financial Institutions including EBRD, EIB, ADB, WB and EDFIs.
- Platforms and networks like ERI SEE, RCC, Skillman, ASEM, WB6 CIF and UNIMED.

Highlights of partnerships in 2021 across ETF's activity areas:

1. Skills demand analysis

- SkillsLAB: new cooperation with ILO and UNICEF launched for the work on Youth in SEMED (Youth Summit in April 2022).

²⁰ Art.2 (paragraph c, d and f) of the ETF Regulation No 1339/2008.

- Work with U4M, UNIMED, EBRD (cooperation as regards stakeholders in Tunisia and Albania for Energy), continued cooperation with Eurofound, ESCO and the cooperation with CEDEFOP in the context of the new launch of the Skills and Jobs Survey in WB countries and Israel. Expertise input to UNIDO (Textile Egypt).
2. Active Labour Market Policies
 - Cooperation with ILO and EC services in the context of Youth guarantee and defined role of ETF in knowledge sharing (on top of policy advice), and continued cooperation with UNICEF in youth focusing on Europe and Central Asia regions.
 3. Modernisation of qualifications and establishment of qualification systems
 - Cooperation with UNESCO, UNESCO-UIL and CEDEFOP on the inventory and digitalisation of products. Outstanding work in the context of support to ACQF and the wide network developed in the African region, extended network developed around the regional qualification frameworks work, and the contribution to regional networks meetings.
 4. Vocational excellence provision models
 - ENE network continued to build up partnerships among members and follow up internationally with several partners, to be noted work with SkillMAN and specific work with the Danube region.
 5. Innovative teaching and learning processes and practices
 - Launch of the community of innovators as well as the increased partnerships and reach out done around SELFIE.
 6. Skills for enterprise development
 - Key partnerships implemented both within activities at local level (smart specialisation) and international level with JRC, EBRD and UNIDO, OECD and BUsinessMED.
 7. Lifelong learning policies and sector policy development
 - Corporate conference and follow up in cooperation with UNESCO, UNICEF and EBRD.
 8. Quality assurance and governance mechanisms
 - Contribution to IIAS/EGPA Conference in July, and the OECD Kazakhstan project.

Cooperation with Member States development actors

The roundtable “Implementing system change together” organised by the ETF on 19 October 2021 gathered actors working on human capital development (HCD) from the Member States (from ministries of education, foreign affairs or development cooperation agencies), EU institutions (DG INTPA and DG NEAR) and ETF staff. From the Member States, nine countries participated including Austria, Belgium, Bulgaria, Czech Republic, Germany, Spain,

France, Netherlands, Portugal. Governing Board (GB) members from Bulgaria and Portugal took part at the exchange.

The roundtable discussed experiences, opportunities and challenges in supporting policy implementation in HCD areas in partner countries and beyond. Building on previous interactions and further encouraged by the Team Europe approach, it also opened the road to the identification of cooperation and coordination possibilities.

Furthermore, the ETF also launched a questionnaire to its GB Members to identify possible synergies, to which Austria, Finland, France, Germany, Latvia, Malta and Portugal replied. Also, the GB Member of Belgium took part in the Employment Case Study – Flanders and dissemination case study in Bosnia Herzegovina.

Cooperation with International Financial Institutions

A round table with International Financial Institutions (IFIs) took place on 30/11. The aim of this online event was to discuss opportunities and challenges in supporting policy implementation in HCD areas in partner countries. The discussion was structured around the potential added value of each institution in different cooperation and coordination possibilities together with IFIs. The ADB, EIB, EBRD and World Bank participated together with representatives from DG EMPL and DG NEAR. The discussion highlighted potential for collaboration which will serve as basis for cooperation plans to be established in 2022.

Extra-subsidy activities

- Cooperation with GIZ as reimbursement of ETF activities for expertise and missions for ACQF.
- Cooperation with DG EMPL for implementation of activities in the area of “The international Dimension of centres of Vocational Excellence: Building a strong international cooperation dimension on Vocational Excellence”.
- Cooperation with DG INTPA on VET training and study in 2021, as well as for the implementation of the DARYA project for Central Asia in 2022 and the ACQF2 with African Union.

Cooperation with EU agencies

The ETF actively participates in the EU Agencies Network (EUAN) for regular exchange of practices and exploring areas for joint actions or shared services.

As required by its mandate, the ETF has a cooperation agreement with Cedefop and Eurofound. An annual plan for cooperation has been established with both agencies and implemented to ensure mutual benefit and exchange of experience between the EU and partner countries. See Annexes 10 and 11 which follow.

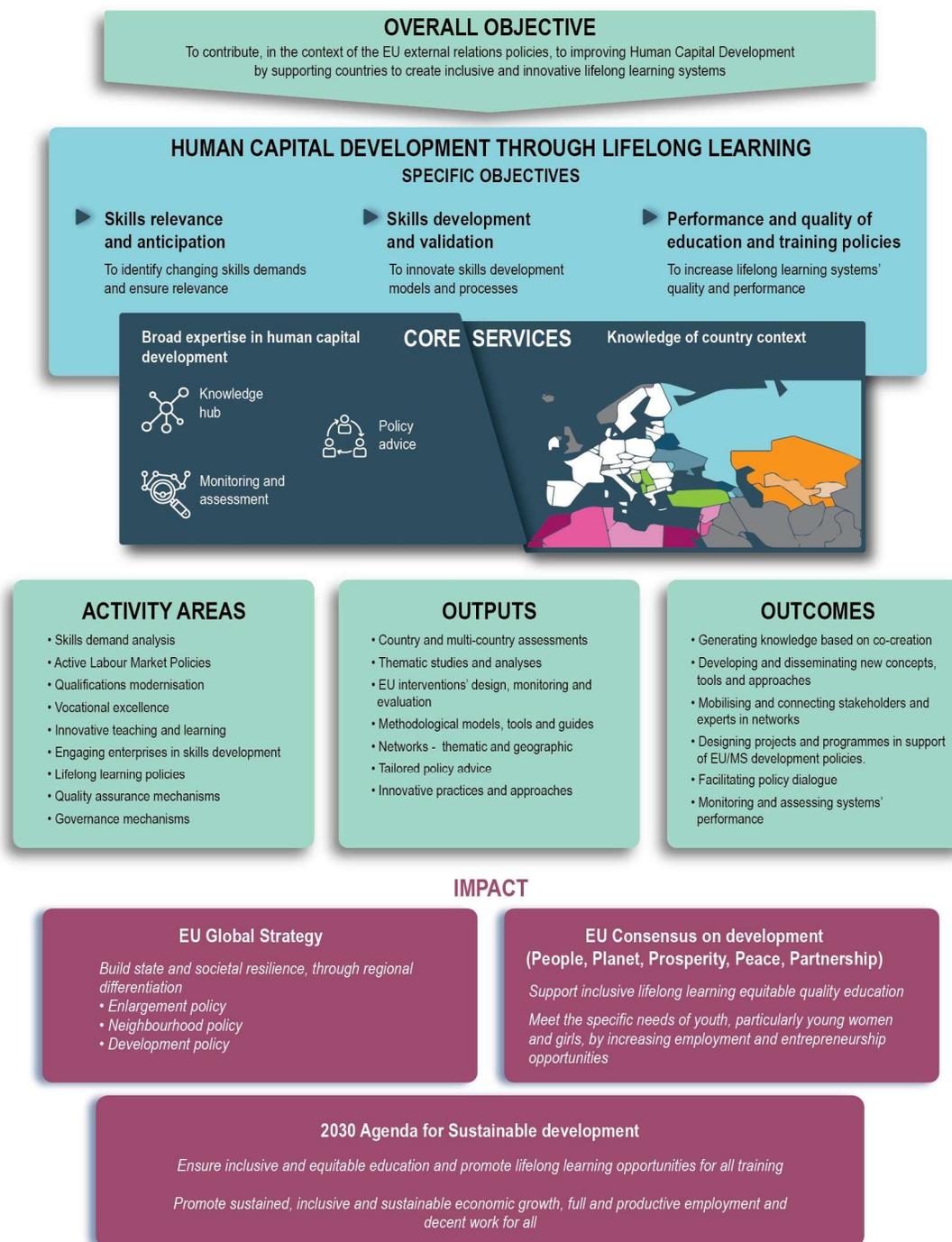
Annex 10 – Collaboration with Cedefop 2021

Themes	Joint activities progress
Qualifications development	<p>Forthcoming edition of the European Inventory on Validation (DG EMPL coordinates).</p> <p>Fifth edition of the global inventory of national and regional qualifications frameworks (also with UNESCO).</p>
Skills matching and anticipation/identification	<p>Technical-level discussions ongoing: methodological approaches and further research options on the skills dimension in the platform economy; draft outcomes of the ETF research shared for consultation.</p> <p>ETF exploring feasibility replicating Cedefop's CrowdLearn study in one or two ETF partner countries; joint seminar in autumn 2021 to discuss outcomes of ETF and Cedefop recent research.</p>
Innovative teaching and learning	<p>Member of Advisory Board of Cedefop project of entrepreneurship competence in VET. Coordination with Cedefop in the course of CNL.</p> <p>Dialogue and institutional exchanges cooperating with EC DG Employment on ETF ENE and Cedefop roles.</p>
Centre of Excellences Copenhagen/ Osnabruck process follow up	<p>Participation and inputs to ACVT/DGVT on 24-25 March 2021 with joint presentation by Cedefop and ETF of a proposal for integrated monitoring framework of the Recommendation on VET and the Osnabruck Declaration.</p> <p>Organisation of a preparatory meeting of the next ACVT with the five candidate countries on 5 May 2021.</p> <p>Jointly revision of the methodological note proposal of integrated monitoring framework, including structure of National Implementation Plans and agreed timelines finalised and presented to the ACVT members in 8-9 June.</p> <p>Knowledge sharing events in June and December 2021.</p>

Annex 11 – Collaboration with Eurofound 2021

Themes	Joint activities progress
<p>Participation in activities and exchange of information on cooperation themes:</p> <ul style="list-style-type: none"> - Social partnership - New forms of work and Active Labour Market Policies (ALMP) - Covid-19 	<p>Platform work: ETF invited Eurofound to a knowledge sharing seminar on ALMP and new forms of work on 28 October, session on platform work. Exchange to be continued in 2022.</p> <p>COVID-19: a presentation of the Eurofound survey findings to the ETF event (29/6/2021) by Eurofound.</p> <p>Exchange of methodologies on skills mismatch, in-company survey</p> <p>ETF has distributed to Partner Countries (via social media) the call concerning Round 3 of Eurofound's e-survey on 'Living, working and COVID-19'.</p> <p>Youth related studies exchanged between the two organizations. Exploratory meeting set on 30 November to identify collaboration opportunities in context of Youth Guarantee and NEETs policy approaches in the ETF PCs.</p> <p>Social Partnership: Joint ETF-Eurofound working seminar on social dialogue and skills development (29 June 2021): recent trends and emerging priorities. Participation in Expert workshop on capacity-building for effective social dialogue on 3 November 2021.</p>
<p>Shared services</p>	<p>The specific exchanges mentioned in the action plan relate to the continuation of quatro-lateral exchanges between the four agencies under DG EMPL which are taking place already since 2018, and following the cross-agencies evaluation and respective action plans.</p>
<p>Development of programming document</p>	<p>Exchange of draft work programmes before approval by the respective Administrative Boards. Both agencies refer to each other's work and cooperation where appropriate.</p>
<p>Organisation of the annual consultation</p>	<p>The annual meeting to discuss and assess progress on the above and other relevant issues, as well as to discuss cooperation plan for 2022 took place in June 2021.</p>

Annex 12 – ETF intervention logic



Annex 13 – Statement of the Head of Unit in charge of Risk Management and Internal Control (Internal Control Coordinator)



ref: 2022-189

Statement of the manager in charge of risk management and internal control

I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in the European Training Foundation in 2021 to the ETF Director.

I hereby certify that the information provided in the present Consolidated Annual Activity Report and in its annexes is to the best of my knowledge, accurate, reliable and complete.

4 April 2022

Signed by Thierry Foubert
04/04/2022 18:03:54

A digital signature block showing the name 'Thierry Foubert' and a timestamp '04/04/2022 18:03:54'. The signature is represented by a stylized blue 'C' shape with a green checkmark inside a square box.

Thierry Foubert
Head of Strategic Development Unit

¹ C(2017)2373 of 19.04.2017



Annex 14 – Declaration of Assurance signed by Cesare Onestini



Ref.: 2022-101

DECLARATION OF ASSURANCE

I, the undersigned, Cesare ONESTINI, Director of the European Training Foundation in my capacity as Authorising Officer,

■ declare that the information contained in the annual progress and performance report 2021 gives a true and fair view

■ state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as:

- the end of year declaration of assurance issued by (Sub) Delegated Authorising Officers based on the knowledge gained from daily operation and management supervision activities;
- the results of the annual review and management self-assessment of the internal control system and organisational performance;
- the results of the internal transactional ex-post exercise;
- the progress and follow-up of risk management activities;
- the results and follow-up of ex-post audits and controls;
- the results of ex-post evaluations and the monitoring of ETF activities;
- the recommendations of the Internal Audit Service, the accompanying action plans and their follow-up; and
- the lessons learnt from the reports of the Court of Auditors for the years prior to the year of this declaration.

I confirm that I am not aware of anything not reported here which could harm the interests of the European Training Foundation

Signed and dated:

Firmato da Cesare Onestini
Cesare Onestini
il 10/02/2022 alle 10:04:16
CET