

## European Training Foundation - ETF

### 1 : Overview

- Creation / modification (legal base)

Decision	Date	Mission / Tasks/ Functions
Council Regulation (EC) No. 1360/90	07/05/1990	a) Provide assistance in the definition of training needs and priorities b) Act as a clearing house to provide information on current initiatives and future needs in the training field, and provide a framework through which offers of assistance can be channelled c) On the basis of (a) and (b) above: <ul style="list-style-type: none"> <li>- Examine the scope for joint ventures of training assistance</li> <li>- Fund the design and the preparation of such projects</li> <li>- Implement, at the request of the Commission or of the eligible countries in cooperation with the governing board, vocational training programmes;</li> </ul> d) For activities and projects which are funded by the Foundation: arrange for the appropriate public and/or private bodies with a proven training record and the necessary expertise to design, prepare, implement and/or manage projects on a flexible, decentralized basis; e) In collaboration with the Commission, assist in the monitoring and evaluation of the overall effectiveness of training assistance to the eligible countries f) Disseminate information and encourage exchanges of experience, with a focus on the countries of Central and Eastern Europe designated as eligible for economic aid by the Council in Regulation (EEC) No 3906/89 or in any subsequent relevant legal act

- Other relevant decisions for the activities of the agency

Decision	Date	Mission / Tasks/ Functions
Council Regulation (EC) No.2063/90	27/07/1994	Addition to ETF's geographic scope to include the independent States of the former Soviet Union and Mongolia which are the beneficiaries of the programme to assist economic reform and recovery under Regulation (Euratom, EEC) No 2053/93 or in any subsequent relevant legal act.
Council Regulation (EC) No.1572/98	17/07/1998	Addition to ETF's geographic scope to include the Mediterranean non-member countries and territories which are the beneficiaries of the financial and technical measures to accompany the reform of their economic and social structures pursuant to Regulation (EC) No 1488/96 or any subsequent relevant legal act.
Council Regulation (EC) No. 2666 /2000	05/12/2000	Addition to ETF's geographic scope to include Albania, Bosnia-Herzegovina; Croatia; the Federal Republic of Yugoslavia, the Former Yugoslav Republic of Macedonia,
Council Regulation (EC) No. 1648/2003	18/06/2003	Amending Regulation (EEC) No 1360/90 establishing a European Training Foundation, in order to adapt it to the new Financial regulations of ETF..
Council Regulation (EC) No 1339/2008	16/12/2008	Recast of Council Regulation (EC) No 1339/2008 establishing a European Training Foundation. Recasting of ETF Regulation in

		<p>line with external assistance instruments, greater flexibility in geographic scope, and human capital development<sup>1</sup>. The ETF's functions<sup>2</sup> under the recast regulation are to:</p> <ul style="list-style-type: none"> <li>a) provide information, policy analyses and advice on human capital development issues in partner countries;</li> <li>b) promote knowledge and analysis of skills needs in national and local labour markets;</li> <li>c) support relevant stakeholders in partner countries in building capacity in human capital development;</li> <li>d) facilitate the exchange of information and experience among donors engaged in human capital development reform in partner countries;</li> <li>e) support the delivery of Community assistance to partner countries in the field of human capital development;</li> <li>f) disseminate information and encourage networking and the exchange of experience and good practice between the EU and partner countries and amongst partner countries in human capital development issues;</li> <li>g) contribute, at the Commission's request, to the analysis of the overall effectiveness of training assistance to the partner countries;</li> </ul>
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- Seat + Budget line

**Seat:** Torino, Italy

**Budget line:** 15 02 27 — European Training Foundation

- Human Resources

Human Resources	2009		2010	2011
	Authorised under the Community Budget	Actually filled as of 31/12/2009	Authorised under the Community Budget	PB request
<i>Establishment plan posts: AD</i>	59	50	59	59
<i>Establishment plan posts: AST</i>	37	36	37	37
<b>Total Establishment plan posts</b>	<b>96</b>	<b>86</b>	<b>96</b>	<b>96</b>
<b>Contract Agents</b>	<b>33</b>	<b>33</b>	<b>34*</b>	<b>34</b>
<b>Seconded National Experts</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>4</b>
<b>Total staff</b>	<b>133</b>	<b>120</b>	<b>134</b>	<b>134</b>

(\*) within the budget appropriations approved by the Governing Board for Title 1

The Agency is currently employing (and will likely continue to also in 2011) 3 Local agents, which did not exercise their right to conversion into CA, and which are not included in these figures.

<sup>1</sup> Human Capital Development - Refers to the expertise field of ETF core business as per Article 1, paragraph 2 of Recast regulation

<sup>2</sup> Article 2 of Recast - The article also states that the ETF may also undertake such other tasks as may be agreed between the Governing Board and the Commission, within the general framework of its Regulation

- Financial Resources

Revenues	2010	2011
	Revenues estimated by the agency	Budget Forecast
European Community subsidy	19,460,000	19,850,000
Other revenues		
<b>Total revenues</b>	<b>19,460,000</b>	<b>19,850,000</b>

Expenditure	2010		2011	
	CA	PA	CA	PA
<b>Title 1</b>	13,922,000	13,922,000	13,023,000	13,023,000
<b>Title 2</b>	1,481,000	1,481,000	1,305,000	1,305,000
<b>Title 3</b>	4,057,000	4,057,000	5,522,000	5,522,000
<b>Total expenditure</b>	<b>19,460,000</b>	<b>19,460,000</b>	<b>19,850,000</b>	<b>19,850,000</b>

## 2 : Human ressources

### 2.1 : Establishment plan posts

Function group and grade	2009				2010		2011			
	Authorised under the Community Budget		Filled as of 31/12/2009		Authorised under the Community Budget		Request of the Agency		PB Request	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts	Permanent Posts	Temporary Posts	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD 16				0				0		0
AD 15				0				0		0
AD 14		1		1		1		1		1
AD 13		3		0		3		4		4
AD 12		8		6		5		4		4
AD 11		10		11		13		12		12
AD 10		5		3		4		4		4
AD 9		13		10		18		11		11
AD 8		11		6		4		5		5
AD 7		8		12		10		18		18
AD 6				1		1		0		0
AD 5				0		0		0		0
<b>AD total</b>		59		50		59		59		59
AST 11				0						
AST 10		3		0		3		4		4
AST 9		8		5		6		6		6
AST 8		4		3		2		1		1
AST 7		7		7		7		6		6
AST 6		10		7		10		7		7
AST 5		4		3		4		3		3
AST 4		1		3		5		5		5
AST 3				3				2		2
AST 2				5				3		3
AST 1				0				0		0
<b>AST total</b>		37		36		37		37		37
<b>TOTAL</b>		96		86		96		96		96
<b>GRAND TOTAL</b>	<b>96</b>		<b>86</b>		<b>96</b>		<b>96</b>		<b>96</b>	

## 2.2 : External personnel

Contract Agents	Authorised 2009	Recruited as of 31/12/2009	2010 estimate (*)	PB 2011 estimate (*)
Function Group IV	3	3	4	4
Function Group III	18	18	17	19
Function Group II	12	12	13	11
Function Group I				
<b>Total</b>	<b>33</b>	<b>33</b>	<b>34*</b>	<b>34</b>

(\*) within the budget appropriations approved by the Governing Board for Title 1.

(\*\*) Number of contract agents in 2010 and 2011: estimate on the basis of average costs.

Seconded National Experts	Authorised 2009	Recruited as of 31/12/2009	2010 estimate (*)	PB 2011 estimate (*)
<b>Total</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>4</b>

(\*) Number of Seconded National Experts in 2010 and 2011: estimate on the basis of average costs.

The Agency is currently employing (and will likely continue to also in 2011) 3 Local agents, which did not exercise their right to conversion into CA, and which are not included in these figures.

### 3 : Financial Resources

#### 3.1 : Revenues

<b><u>REVENUES</u></b>	2009	2010	2011		VAR 2011/ 2010
	Executed Budget	Revenues estimated by the agency	As requested by the agency	Budget Forecast	
<b>1 REVENUE FROM FEES AND CHARGES</b>					
<b>2. EUROPEAN COMMUNITY SUBSIDY</b>	<b>18,800,000</b>	<b>19,460,000</b>	<b>19,850,000</b>	<b>19,850,000</b>	<b>+2%</b>
<i>of which Administrative (Title 1 and Title 2)</i>	<i>11,500,000</i>	<i>15,000,000</i>	<i>14,328,000</i>	<i>14,328,000</i>	
<i>of which Operational (Title 3)</i>	<i>2,200,000</i>	<i>3,282,000</i>	<i>5,522,000</i>	<i>5,522,000</i>	
<i>of which assigned revenues deriving from previous years' surpluses</i>	<i>5,100,000</i>	<i>1,178,000</i>			
<b>3 THIRD COUNTRIES CONTRIBUTION (incl. EFTA and candidate countries)</b>					
<i>Of which EFTA</i>					
<i>Of which Candidate Countries</i>					
<b>4 OTHER CONTRIBUTIONS</b>	319,303.34				
<b>5 ADMINISTRATIVE OPERATIONS</b>					
<b>6 REVENUES FROM SERVICES RENDERED AGAINST PAYMENT</b>					
<b>7 CORRECTION OF BUDGETARY IMBALANCES</b>					

<b>TOTAL REVENUES</b>	<b>19,119,303.34</b>	<b>19,460,000</b>	<b>19,850,000</b>	<b>19,850,000</b>	<b>+2%</b>
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(\*) In 2009, ETF has received, in addition to the EC subvention, € 225,856.49 from the Italian Ministry of Foreign affairs, 85,791.00 which have been reimbursed by Translation Center (CdT) and 7,655.85 other revenue.

### 3.2 : Expenditure

<b><u>EXPENDITURE</u></b>	<b>Commitment</b>			
	<b>Executed Budget 2009</b>	<b>Budget 2010</b>	<b>PB 2011</b>	<b>VAR 2011 /2010</b>
<b>Title 1 Staff Expenditure</b>	<b>13,119,925.99</b>	<b>13,922,000</b>	<b>13,023,000</b>	<b>-6.5%</b>
11 Salaries & allowances	11,912,411.25	12,342,630	12,440,000	<b>+0.8%</b>
12 Expenditure relating to Staff recruitment				
13 Mission expenses	940,934.35	1,035,000	120,000	<b>-88.4%</b>
14 Socio-medical infrastructure & Training	172,563.07	232,370	213,000	<b>-8.3%</b>
15 Staff exchanges between ETF and public sector	83,688.20	300,000	240,000	<b>-20%</b>
16 External Services				
17 Receptions and events	10,329.12	12,000	10,000	<b>-16.7%</b>
<b>Title 2 Infrastructure and operating expenditure</b>	<b>1,444,008.65</b>	<b>1,481,000</b>	<b>1,305,000</b>	<b>-11.9%</b>
20 Rental of buildings and associated costs	559,458.23	666,308	660,000	<b>-0.9%</b>
21 Information and communication technology	510,867.13	498,110	340,000	<b>-31.7%</b>
22 Movable property and associated costs	26,784.24	23,732	25,000	<b>5.3%</b>
23 Current administrative expenditure	134,876.32	117,450	110,000	<b>-6.3%</b>
24 Postage / Telecommunications	45,200.00	45,400	50,000	<b>10.1%</b>
25 Meeting expenses	166,813.73	130,000	120,000	<b>-7.7%</b>
26 Running costs in connection with operational activities				
27 Information and publishing				

28 studies				
<b>Title 3 Operating expenditure</b>	<b>5,271,500.52*</b>	<b>4,057,000.00</b>	<b>5,522,000</b>	<b>36.3%</b>
operating cost	5,271,500.52	4,057,000.00	5,522,000	36.3%
<b>TOTAL EXPENDITURE</b>	<b>19,835,435.16*</b>	<b>19,460,000.00</b>	<b>19,850,000</b>	<b>2%</b>

(\*) in addition to the subvention funds reported above, in 2009 ETF has committed €742,242.68 operational funds from external assigned revenue, including funds received in previous years originating from the MEDA-ETE convention and funds from the Italian Ministry of Foreign Affairs.

<b><u>EXPENDITURE</u></b>	<b>Payment</b>			
	<b>Executed Budget 2009</b>	<b>Budget 2010</b>	<b>PB 2011</b>	<b>VAR 2011 / 2010</b>
<b>Title 1 Staff Expenditure</b>	<b>13,119,925.99</b>	<b>13,922,000</b>	<b>13,023,000</b>	<b>-6.5%</b>
11 Salaries & allowances	11,912,411.25	12,342,630	12,440,000	<b>0.8%</b>
12 Expenditure relating to Staff recruitment				
13 Mission expenses	940,934.35	1,035,000	120,000	<b>-88.4%</b>
14 Socio-medical infrastructure	172,563.07	232,370	213,000	<b>-8.3%</b>
15 Training	83,688.20	300,000	240,000	<b>-20%</b>
16 External Services				
17 Receptions and events	10,329.12	12,000	10,000	<b>-16.7%</b>
<b>Title 2 Infrastructure and operating expenditure</b>	<b>1,444,008.65</b>	<b>1,481,000</b>	<b>1,305,000</b>	<b>-11.9%</b>
20 Rental of buildings and associated costs	559,458.23	666,308	660,000	<b>-0.9%</b>
21 Information and communication technology	510,876.13	498,110	340,000	<b>-31.7%</b>
22 Movable property and associated costs	26,784.24	23,732	25,000	<b>5.3%</b>
23 Current administrative expenditure	134,876.32	117,450	110,000	<b>-6.3%</b>
24 Postage / Telecommunications	45,200.00	45,400	50,000	<b>10.1%</b>
25 Meeting expenses	166,813.73	130,000	120,000	<b>-7.7%</b>
26 Running costs in connection with operational activities				
27 Information and publishing				
28 studies				
<b>Title 3 Operating expenditure</b>	<b>4,528,571.77*</b>	<b>4,057,000</b>	<b>5,522,000</b>	<b>36.3%</b>
operating cost	4,528,571.77	4,057,000	5,522,000	36.3%
<b>TOTAL EXPENDITURE</b>	<b>19,092,506.41</b>	<b>19,460,000.00</b>	<b>19,850,000*</b>	<b>2%</b>

(\*) In addition to using payment appropriation from the subvention reported above, in 2009 ETF has paid €985,626.51€ related to activities funded through external assigned revenue, including funds received in previous years originating from the MEDA-ETE convention and funds from the Italian Ministry of Foreign Affairs.



### 3.3 : Budget outturn

Budget outturn	2008 (referring to activities in 2007)	2009 (referring to activities in 2008)	2010 (referring to activities in 2009)
Revenue actually received (+)	20,547,409.86	19,186,628.48	19,119,303.34
Payments made * (-)	18,646,271.50	19,115,143.93	18,970,267.68
Carry-over of appropriations (-)	-4,702,689.85	-2,519,308.49	-2,061,837.19
Cancellation of appropriations carried over (+)	200,030.54	399,018.75	213,061.56
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	4,474,312.58	3,230,609.92	1,627,950.94
Correction adjustments to previous years for carry forward from assigned revenue	6,077.79	0.00	0.00
Exchange rate differences (+/-)	-1,057.25	1,158.53	1,462.62
<b>Total</b>	<b>1,877,812.17</b>	<b>1,182,963.26</b>	<b>-70,326.41</b>

(\*) this is different from the total from point 3.2(2009) as it includes only payments effectively made, while 3.2 refers to payment appropriation consumption.

## 4 : Justification of needs

### 4.1 : Human Resources

#### 4.1.1 : Number of staff requested

The preliminary draft budget has been prepared to fulfil ETF's obligations under its recast regulation and the implementation of its Mid Term Perspective for 2010-2013.

Appropriations for 2011 represent an increase of 2% in the Foundation's subvention compared to 2010 (+5% in commitment appropriations). This growth is meant to cover increased investments in the operational projects, as well as the natural increase in staff costs linked to promotions, step-increases and annual adaptation. Currently, ETF is facing additional demands in the IPA region and especially in the ENPI East area (**Eastern Partnership**) and as a result of the development of the **Union for the Mediterranean**. In particular, this affects areas such as evidence-based policy making, education-business cooperation (including entrepreneurship), equity and social inclusion, as well as labour mobility and support to the management of legal circular migration, bearing in mind that "Despite its substantial contribution to growth, the potential of migration is not fully factored into policy making at EU or national level."<sup>3</sup>. From this perspective, while more staff might be required in the future, in 2011 ETF aims at making full use of its available resources, consolidating its staff levels at the maximum foreseen by the establishment plan.

Function (posts)	Planned 2010	Planned 2011	Var
Experts	48	48	
Assistants	35	33	-2
Professionals	36	38	+2
Coordinators	3	3	
Managers	12	12	
<b>Total</b>	<b>134</b>	<b>134</b>	

<sup>3</sup> Consultation on the Future "EU 2020" Strategy Brussels, 24.11.2009 COM(2009)647 final, page 6

The Agency is currently employing (and will likely continue to also in 2011) 3 Local agents, which did not exercise their right to conversion into CA, and which are not included in these figures.

Many partner countries are focusing on Vocational Training as a specific instrument to fight the crisis and unemployment in particular, which translates into increased needs for ETF services. This links in with the key messages of the European Economic Recovery Plan<sup>4</sup> of reducing the social impact of the crisis in employment in the short-term and preparing for an increase of competitiveness in the longer term

ETF's work is also increasingly affected by the growing external dimension of internal EU policies<sup>5</sup> in the area of human capital development, such as the *Strategic Framework For European Cooperation In Education And Training ("ET 2020")*<sup>6</sup> the *New Skills for New Jobs* initiative<sup>7</sup>, and, in the area of the management of legal migration, *The Stockholm programme 2010-2014: – an Open And Secure Europe, Serving And Protecting The Citizen*. This is prompting mutual learning between the education and training systems of Pre-accession and Neighbourhood countries and the approaches of the EU. This is expected to generate additional demand for policy support in the areas of qualification frameworks, quality assurance, skills forecasting and matching of labour-market needs as well as for stronger engagements at local and regional levels. In this way, vocational education and training in the neighbouring countries, will optimise its contribution to sustainable development, in particular, to economic growth and social cohesion.

The impact of the ETF's new mandate is having an effect on ETF staffing. The likelihood of this was highlighted by the Commission in its proposal for the recasting of ETF's regulation, which noted that 'the wider thematic scope as well as the focus on information and policy analysis tasks (with a parallel reduction of project management as from 2008) should represent a more labour intensive work that is expected to require an important investment on behalf of the ETF in terms of staff training and qualification'<sup>8</sup>. Evidence of this is provided by the ETF's time tracking records<sup>9</sup> for 2009, which show that current staff members are working more than 1500 days more than the statutory working time, which is equivalent to more than 6 additional FTEs, which ETF is planning to overcome by making full use of the human resources allowed by the establishment plan.

#### 4.1.2 : Standard abatement ("*abattement forfaitaire*") applied

Budgetary estimations for staffing are considering a 96% fulfilment of the establishment plan, taking into account regular turnover.

#### 4.1.3 : Vacancy rate as of year-end N-2

At the end of 2009, 86 of the 96 posts foreseen in the establishment plan were filled.

On the basis of Article 32 of the Financial Regulation, the ETF Governing Board approved a revision of the 2009 Establishment Plan involving a reduction in number of Assistants (Function Group AST) from 42 in 2008 to 37 in 2009 in favour of an increase in the number of Administrators (Function Group AD) from 54 in 2008 to 59 in 2009.

<sup>4</sup> The second pillar rests on the need to direct short-term action to reinforce Europe's competitiveness in the long term. The Plan sets out a comprehensive programme to direct action to "smart" investment. Smart investment *means investing in the right skills for tomorrow's needs*; investing in energy efficiency to create jobs and save energy; investing in clean technologies to boost sectors like construction and automobiles in the low-carbon markets of the future; and investing in infrastructure and inter-connection to promote efficiency and innovation, pg. 2 COM(2008)800 final. See also ILO report: 'Global Employment Trends 2009.

<sup>5</sup> "Europe in the World COM(2006)278 final. Political guidelines for the Next Commission, Jose Manuel Barroso, September 2009, and Consultation on the Future "Europe 2020" Strategy, Brussels, 24.11.2009 COM(2009)647 final.

<sup>6</sup> Council conclusions of 12 May 2009 on a strategic framework for European cooperation in education and training ('ET 2020') (2009/C 119/02)

<sup>7</sup> Communication from the Commission to the European Parliament, the Council, the European Economic And Social Committee and the Committee Of The Regions: New Skills for New Jobs: Anticipating and matching labour market and skills needs Brussels, 16.12.2008 COM(2008) 868 final

<sup>8</sup> Brussels, 25.7.2007 COM(2007) 443 final.

<sup>9</sup> The ETF time tracking system was introduced during the last MTP and, following an opinion provided the European Data Protection Service, is used to estimate the relative work load of ETF staff and units and departments through the year.

In addition, following the non-approval of the proposed recast regulation in May 2008, ETF was asked by the Budgetary Authority to place close to € 2 Millions and 17 posts in reserve in 2009. While the reserve has not been confirmed by the parliament in December 2008, it represented a strong constraint on ETF's staffing policy during 2008. This explains why at the end of 2008 ETF deployed 10 fewer Temporary Agents than its establishment plan would have allowed.

In December 2008, the European Parliament cleared ETF's recast regulation and consequently the reserve on the 2009 budget was lifted. The backlog of vacant positions from 2008 was gradually reduced, with 6 new colleagues starting work in 2009. However these 6 newly filled positions were counterbalanced by 2 factors which led to still 10 posts remaining vacant at the end of 2009:

1. 6 staff members left the ETF during 2009;
2. The need to adapt the profiles of the vacancies and positions to better reflect the objectives of the work programme 2010 and the ETF's Term Perspective 2010-2013 led to a pause in recruitment in the middle of the 2009.

Nevertheless, starting from the 10 posts still vacant at the beginning of 2010, with recruitments started in 2009 based on the newly stated objectives for 2010, already two posts have been filled in January, and by the end of May 2010 another three posts will be filled in. The other 5 posts will be filled in the second half of 2010, due to the budget availability which does not foresee to have the full 96 posts filled in for the whole year. Also, out of the 4 foreseen, by March 2010 ETF will already have 3 Seconded National Experts, with the fourth one being planned for the second half of the year.

Human Resources	2009		2010		2011
	Authorised under the Community Budget	Actually filled as of 31/12/2009	Authorised under the Community Budget	Situation by May 2010	Planned
<i>Establishment plan posts: AD</i>	59	50	59	54	59
<i>Establishment plan posts: AST</i>	37	36	37	37	37
<b>Total Establishment plan posts</b>	<b>96</b>	<b>86</b>	<b>96</b>	<b>91</b>	<b>96</b>
<b>Contract Agents</b>	<b>33</b>	<b>33</b>	<b>34*</b>	<b>33</b>	<b>34</b>
<b>Seconded National Experts</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>4</b>
<b>Total staff</b>	<b>133</b>	<b>120</b>	<b>134</b>	<b>128</b>	<b>134</b>

(\*) within the budget appropriations approved by the Governing Board for Title 1

Overall, in 2010 ETF will completely fill the 96 posts foreseen by the Establishment Plan, recruiting 5 temporary agents by mid-2010 (with 4 contracts already offered as of now) and the other 5 before the end of 2010.

## 4.2 : Financial Resources

### 4.2.1 : Title 1

The funds allocated to Title 1 in 2011 represent a 6.5% reduction over 2010 – falling from 13.922m € in 2010 to 13.023m € in 2011. This reflects:

- a. the re-allocation of operational mission expenses for core ETF operations from Title 1 to Title 3 as approved by the ETF Governing Board in November 2009. Mission costs associated with administrative operations will remain in Title 1

- b. natural increase of 2% (related to promotions, step-increases, annual salary adaptation)

#### 4.2.2 : Title 2

Funds in this title are 11.9% lower than in 2010. The decrease focuses mainly in the area of ICT, as a result of capitalising on previous and ongoing IT developments..

All the other budgetary components should remain relatively stable, ensuring the regular infrastructural support for ETF, including also the organisation of the usual two Governing Board meetings (there were exceptionally three in 2009).

#### 4.2.3 : Title 3

Operating expenditure for the year is increased by 36.1%. from €4.057m to €5.522m reflecting the increase in activities linked to the achievement of ETF's objectives, as well as the transfer from Title 1 to Title 3 of operational mission costs (leading to more transparency and flexibility in the implementation of the operational budget)..

	commitments	2008	2009	2010	2011
	<b>ETF budget</b>	<b>€17.98m</b>	<b>€19.87m</b>	<b>€19.46m</b>	<b>€19.85m.</b>
Out of which:		Committed	Committed	Planned	Planned
<b>Title 1</b>	Staff Costs	€11.97m	€12.16m	€12.88m	€12.9m
	<i>Missions</i>	€0.93m	€0.94m	€1.04m	€0.12m
<b>Total</b>		<b>€12.9m</b>	<b>€13.1m</b>	<b>€13.92m</b>	<b>€13.02m</b>
<b>Title 3</b>	Operational Expenses	€0.82m	€1.5m	€0.7m	€0.8m
	Priority actions	€2.7m	€3.8m	€3.35m	€3.822m
	<i>Missions (operational)</i>				€0.9m
<b>Total</b>		<b>€3.52m</b>	<b>€5.3m</b>	<b>€4.05m</b>	<b>€5.522m</b>

The surge in Title 3 funding of 2009 (€5.3m committed vs. €4.3m originally planned) should be considered as exceptional, due to increased effort in positioning ETF in line with its new mandate by launching more projects (Education – Business Cooperation project, prepare the Turin process, the conferences on the external dimension of EQF and Education – Business cooperation), enabled in 2009 by the availability of funds resulted from the postponed recruitments.

The perspective above shows that the funds available for priority actions are in continuous growth, which ETF is strategically complementing by an adequate human resource development.

#### 4.3 : Budget outturn

Considering the previous years' achievements, 2009 has been a year with specific focus on budget execution, resulting in an unprecedented 99.82% commitment rate, sustained by a similarly high payment rate. More accurate forecasting and better control of our payment needs translated into a reduced request for the last instalment of ETF's subvention, which resulted in a small negative outturn of 0.07m€, in comparison with ETF returning 1.18m€ in 2009.

## 5 : Other information

### 5.1 : Buildings

City	Building	Surface Area (square metres)	Annual Rental in euros	Host country grant or support	Agency = owner ?	If yes: present value ?	Other Comment
Torino	Villa Gualino	6,000	1		No		The building is provided by the host government for a symbolic rent of 1€ for the next 30 years. The costs of the renovation were provided partly by the host government and by the European Union. The ETF contributed 5,000,000€ to its original restructuring.
Brussels	Tour Madou	16	5500 + annual indexation	NO	No		

### 5.2 : Privileges and immunities

Agency privileges	Privileges granted to staff	
	Protocol of privileges and immunities / diplomatic status	Education day care
Local premises have been provided by local authorities on the basis of a convention that provides for the following main essential points: ETF to participate in the costs of reconstructing the premises to be used, ETF to pay a symbolic rent, ETF to participate in the costs of maintenance of the building	Staff immune from legal proceedings for acts performed in the exercise of their official duties.	No provision in Site Agreement.
General support is provided by Italy against unauthorised access or other forms of disturbances to the premises.	Staff exempted from taxes on salaries and emoluments paid by ETF.	
ETF is authorised to install and operate communications systems.	Staff, spouses and dependent members of family not subject to immigration restrictions or registration formalities for	

	foreigners.	
ETF official communication is not subject to any restrictions or to confidentiality breaches.	For currency exchange staff has the same privileges as officials of equal rank in the diplomatic missions.	
The Protocol of privileges and immunities is applicable to ETF.	Staff, spouses and dependent members of family receive assistance for repatriation in the event of international crises.	
ETF, its assets and funds may not be subject to administrative or legal measures of constraints.	Staff may, duty-free and without prohibitions and restrictions, import from the country of their last residence or the country of which they are nationals, when they first take up their post, for a period of one year from their appointment for a maximum of two shipments, their own furniture and personal effects, including a vehicle bought at the conditions of that country, which will be registered in special series.	
Premises (including temporary premises) and buildings are inviolable, except in case of emergencies/ fire.	Staff may export, in the year following the date of cessation of their duties, without prohibitions and restrictions, their own furniture and personal effects, including vehicles.	
ETF, its assets and funds are exempt from taxes or direct duties, except for taxes on public services.	The ETF Director, spouse and dependent members of family, is granted privileges and immunities, facilities and concessions granted by the Italy to members of equivalent rank in the diplomatic corps in Italy.	
ETF is exempt from the payment of VAT for all purchases of goods or services or for imports above 259 Euros.	Staff, who is not permanently resident in Italy at the time of their appointment, may purchase a motor vehicle free from taxes and charges for the period of their residence in Italy.	
ETF imports and exports are exempted from customs duties, taxes, prohibitions or restrictions.	Italy issues a special identity card to staff, spouses and dependent members of family to prove that the holder is ETF staff and enjoys privileges and immunities.	
Goods transported as hand baggage are treated as diplomatic luggage.		
ETF vehicles are exempted from any taxes, duties or fees or from any import prohibitions/ restrictions.		
ETF exempted from payment social security and health insurance contributions on salaries paid to staff, except for local agents		

### 5.3 : Evaluation

An external evaluation was completed in 2006, as required by the Legal Basis. This evaluation found e.g. that:

- ETF's programmes were in line with both EU and individual country strategies, recognising that ETF (especially in smaller countries) was able to assist and inform through a process of "policy learning" in developing and shaping the direction the reform might take.
- From the perspective of both the Commission Services in Brussels and the Delegations, the contribution of ETF was perceived as very positive as it brought value to its users through provision of expertise in VET and Human Resource Development (HRD) across a range of services.
- The provision of support activities to the Commission were satisfactorily carried out. In most cases this was to a very high standard of efficiency.
- Looking at added value from the perspective of the costs of ETF staff compared to other EU decentralised agencies, ETF emerged as one of the lowest cost organisations.

A horizontal evaluation of the Agencies, commissioned by the SecGen, was finalised in December 2009. Conclusions on ETF were, e.g.:

- ETF has proved able to follow the evolution of Commission's thinking, as traditional vocational training has evolved into lifelong learning. The whole concept of society of knowledge within Lisbon has been effectively incorporated in the agency's activities.
- ETF has a strong added-value in partner countries, but a risk was identified in the geographical and thematic expansion of its mandate.
- The main driver of effectiveness is the strong credibility of ETF, built on a reputation of quality and independence.
- Recent improvements in human resource management and budgeting still have to be fully implemented, but they show a positive trend towards internal efficiency.

DG EAC intends to launch the next evaluation in 2010.

