

ETF WORK PROGRAMME 2005

APPROVED BY THE ETF GOVERNING BOARD

Introductory remarks

On 1 July 2004, I took up post as Director of the European Training Foundation, immediately after the Agency had celebrated its 10th anniversary. Much has been achieved by the ETF during those ten years, and this Work Programme for 2005 builds on those achievements and seeks to further support our neighbouring countries in their efforts to create robust and effective vocational education and training (VET) and labour market systems.

During 2005, using our specialised knowledge and experience of VET and the labour market across all our partner countries, we will support the European Commission in the preparation of the new external relations instruments and programmes and in ensuring a smooth transition process towards the entry into force of the new programmes in 2007.

We will continue to support the Enlargement process through capacity building in candidate countries, the work of the national observatories and continuing close co-operation with Cedefop to help ensure a smooth transition from the status of candidate country to Member State. In South Eastern Europe we will ensure that CARDS projects in the field of human resource development (HRD) are appropriately designed, targeted and monitored, and that the European Charter for Small Enterprises is effectively implemented. In the Mediterranean region, we will be implementing the early stages of the Education and Training for Employment (ETE) regional programme as well as continuing to respond to requests to provide advice on policy development and capacity building to EC Delegations and their beneficiaries before and during the design and implementation of interventions related to HRD. We shall continue to work in Central Asia, acknowledging the increasing importance of the countries in the Southern Caucasus, supporting them in generating reliable data to inform their policy reforms. In these countries, we will pay particular attention to maximising the impact of EU assistance towards the alleviation of poverty. Throughout all of the regions in which we work, we will seek to raise the awareness of EU policy developments, especially the Lisbon and Copenhagen processes. We will also search for co-operation with other donors and organisations active in our partner countries to encourage consistency and coherence in the reform process.

One of the results of the successful accession of the new Member States is an increase in the number of applications for Tempus, and we expect 2005 to break all records. Our aim is to continue to provide the high level of service which participants are accustomed to, and to ensure that all possible IT solutions to cope with the volume are devised and implemented.

The reputation of ETF depends entirely on the quality of staff whom we send into the field, the advice they give, the actions they take, the publications they produce and their capacity to interact with other expert organisations. If ETF is to continue to be sought after as a specialist resource then efforts must continue to create as strong a team as possible within our defined area of expertise. In 2005, the strategies already in place for doing so will be achieved, revised and enhanced as necessary.

In support of our operational work, we have received positive feedback on our financial and administrative procedures in the form of successful discharge of the Budget 2002 and the European Court of Auditors report. Looking forward to 2005, we intend to improve the quality of these procedures, making them as efficient and streamlined as possible in order to keep overheads to a minimum whilst respecting the requirements of the Commission and our regulatory framework. This is critical as, in addition to the ETF basic budget, it is expected that the Commission and EU Member States will continue to ask us to manage specific conventions or contracts on their behalf. This will include, for example Tempus technical assistance and the MEDA regional project for the Commission. It is also expected that contributions from the EU Member States will be included, which will be budgeted under Title 4.

2005 will be another challenging year during which we expect requests for the services of ETF to continue to grow and the EU's policies towards its neighbouring regions to be refined. Our ability to respond to these challenges is greatly enhanced by the support we get from our Governing Board members, our colleagues in the Commission and our partners in the countries and the Advisory Forum. Many thanks to you all for your assistance to date and we look forward to continue working with you in 2005.

Muriel Dunbar
Director

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Summary of ETF Work Programme 2005

Activity	Specific Objectives	Expected results
Support for Enlargement	Impact of EU investment in HRD in candidate countries increased in line with EU pre-accession policies through input to the European Commission's project cycle and policy dialogue with the partner countries.	<ul style="list-style-type: none"> - Phare programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels and the Delegations in partner countries - Analytical input delivered, at the request of DG Employment and Social Affairs, in the process of monitoring the implementation of the priorities identified in the Joint Assessment Papers for employment policy as well as in their preparation for the European Employment Strategy and ESF - Raised awareness and wide dissemination (where possible in co-ordination with the EU presidency) of key messages in EU policy development (Copenhagen process) leading to improved understanding of their implications for the domestic policy making sphere - DG Enlargement kept up to date on progress of the candidate countries towards accession in the fields of vocational training and labour market - In line with EU programmes, capacity built in local institutions for the preparation of accession and for the preparation of structural funds management
	Updated national and cross-country quantitative and qualitative information and analysis and increased capacity of candidate countries for information and analysis	<ul style="list-style-type: none"> - The Commission able to enhance the accession process and in particular the JAP and Lisbon/Copenhagen processes through in-depth information and analysis of HRD in the candidate countries - Increased capacity in partner countries to deliver high quality information and analysis on performance of their labour market and training systems as a basis for policy making and monitoring. This will include helping the countries prepare for participation in ReferNet upon accession
	Systematic cooperation and communication with Cedefop through the full and effective implementation of the commonly agreed framework of cooperation ETF activities in other regions, in particular Western Balkans profit from pre-accession know-how and experience	<p>Joint projects developed in order to:</p> <ul style="list-style-type: none"> - support the participation of the candidate countries in Cedefop activities and networks - facilitate the shaping of national policies along the key priorities of European cooperation and through the dissemination of good practice from the 25 Member States; - collect good examples of LLL practice in candidate countries
Support for South Eastern Europe	Impact of EU investment in HRD in South Eastern Europe increased in line with EU external relations policies through input to the European Commission's project cycle and policy dialogue with the partner countries.	<ul style="list-style-type: none"> - CARDS programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels and the Delegations in partner countries - Contribution to effective implementation of running CARDS projects through monitoring actions - EU and its services regularly informed on progress in HRD through provision of updated information and analysis - Increased awareness and widely disseminated messages of EU policy developments (Lisbon, Copenhagen processes) - Implementation of European Charter for Small Enterprises supported through expertise and advice to DG Enterprise and through awareness raising in the countries on the importance of skill developments for SME growth and agreement among stakeholders on the necessary action to be taken in order to address gaps in entrepreneurial and other skills
	In depth information and analysis (at national and regional level) on recent HRD developments in South Eastern Europe developed with support of the Observatory network	<ul style="list-style-type: none"> - Increased capacity in partner countries to deliver high quality information and analysis on performance of their labour market and training systems as a basis for policy making and monitoring - Improved collection of more detailed quantitative and qualitative information (at national and trans-national level) on specific aspects of VET and employment analyses at national and trans-national level are provided by ETF to the CEC and wider public - Regional peer review has provided comparative analysis on a selected HRD issues and has provided the CEC and national stakeholders with policy recommendations
	Capacities of national actors improved to design and implement HRD strategies and policies within the framework of EU policies	<ul style="list-style-type: none"> - Better understanding by senior SEE officials of EU policies and of their relevance and implications for reform actions. Improved capacity of national policy makers to design and implement HRD policies in the fields of Adult Learning Strategies, National Qualifications Framework, Teacher and Trainer Training and local development. - Regional co-operation and exchange across the countries of the region supported through organisation of regional events

Activity	Specific Objectives	Expected results
Support for the Mediterranean region	Impact of EU investment in HRD in the Mediterranean region increased in line with EU external relations policy through input to the European Commission's project cycle and policy dialogue with the partner countries.	<ul style="list-style-type: none"> - MEDA programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels and the Delegations in partner countries - Contribution to the development of ENP action plans in concerned countries in the region and support to policy dialogue in the context of implementation of Association Agreements provided - Relevant analysis at country and/or regional level on HRD issues to support the implementation of reforms and the design of future interventions - Policy advice and capacity building actions for partner country stakeholders carried out to support the design and implementation of systemic reforms - EU policies and methodologies (in particular innovative approaches from the Leonardo da Vinci programme) disseminated in the region - MEDA ETE regional programme is implemented according to agreed Technical and Administrative Provisions (TAPs)
	Strengthened national capacities to collect, analyse and forecast employment/training needs and the exchange of good practice promoted to enhance transparency and comparability of data at regional level.	<ul style="list-style-type: none"> - Increased capacity in selected partner countries to deliver high quality information and analysis on performance of their labour market and training systems as a basis for policy making and monitoring.
	Innovative approaches and intelligence on key issues of relevance for the region to support the definition of future EU and partner country policies and interventions in the field of HRD	<ul style="list-style-type: none"> - Methodology for analysis of impact of continuing training on enterprise performance and career perspectives of workers in Morocco developed - A multi-annual development action on VET in a lifelong learning perspective designed - Analysis of issues of key interest carried out and dissemination actions implemented
Support for Eastern Europe, the Caucasus and Central Asia	Impact of EU investment in HRD in Eastern Europe, the Caucasus and Central Asia increased in line with EU external relations policies through input to the European Commission's project cycle and policy dialogue with the partner countries.	<ul style="list-style-type: none"> - Tacis programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels and the Delegations in partner countries - Impact of EU assistance maximised and absorption capacities of the beneficiaries enhanced. Increased stakeholder commitment and ownership. Enhanced government and stakeholder capacities in designing and implementing national VET reform programmes - Relevant analysis at country level on HR development issues to support the implementation of reforms and the design of future EU interventions - Support provided to the dissemination of EU policies and methodologies in the region, (e.g. Copenhagen and Bologna process related issues for Eastern European neighbours)
	Increased capacity of the partner countries to collect, summarise, analyse, and use intelligent information on VET and employment.	<ul style="list-style-type: none"> - Recommendations are delivered to local policy-makers and the European Commission for future programming and priority-setting in the Caucasus. - Increased capacity in selected partner countries to deliver high quality information and analysis on the performance of the labour market and training systems as a basis for policy making and monitoring. - ETF will have produced relevant analytic information as needed to support its own, European Commission, other donors or local initiatives.
	Knowledge on newer fields used for designing future EU assistance in the region	<ul style="list-style-type: none"> - Enhanced ETF knowledge and experience on training strategies for local development in a poverty alleviation context shared with CEC services in support to their programming cycle - Methodology for analysis of impact of management training on company development in the Russian Federation developed and tested. - Activities on the development of qualification frameworks as integral component of on-going VET reform processes in the Eastern European Neighbours are supported

Activity	Specific Objectives	Expected results
Expertise Development	Thematic expertise consistent with the priorities of the European Commission developed among the staff of the ETF Operational Departments	<ul style="list-style-type: none"> - Enhanced expertise of operational staff through internal knowledge sharing and experience - Reinforced expertise development by state of art tools and methodology including document management and library - Improved knowledge sharing between ETF and the outside world - Increased recognition of the quality of ETF expertise.
T.A. to Tempus Programme	Assistance provided for the implementation of the Tempus Programme in full compliance with Commission priorities and standards and within the regulatory framework	<ul style="list-style-type: none"> - Tempus projects selected for funding in context of increasing numbers of applications - Projects evaluated and project performance monitored - Improved visibility of Tempus programme - Improved management of Tempus projects through IT tools and workflows in context of increasing applications - Project funds (for ongoing projects prior to 2003) and Tempus operational funds managed - General programme development and administrative support provided
Organisational support	ETF has clear goals and resources for 2007-09	- ETF policy priorities and resource framework for 2007-09 adopted by Governing Board
	ETF has clear goals for 2005/6, allocates the resources to reach them, and can demonstrate and account for its achievements	<ul style="list-style-type: none"> - ETF achievements and budget execution for 2004, and ETF objectives and resources for 2006 agreed by Governing Board - Discharge granted by the European Parliament for budget year 2003 - Informed and enriched 2006 ETF Work Programme through outcomes of ETF evaluations
	ETF policy and procedure improvements are identified systematically and corrected during the financial year	<ul style="list-style-type: none"> - ETF is compliant with Internal Control Standards. A second action plan to meet the requirements of the Internal Control Standards implemented. Issues identified by the Court of Auditors and Internal Audit Service corrected - Strengthened ETF policies and approaches through systematic sharing of experience and expertise with other EU agencies
	ETF statutory bodies are managed effectively and efficiently according to their mandate and the outcomes of the 2003 External Evaluation	- Regulated, guided and informed activities by the active contribution of the statutory bodies
Administrative support	Information disseminated and exchanges of expertise, knowledge and experience encouraged through publications, the Internet, meetings and other appropriate means	- Increased visibility of the ETF, its expertise, its products and its services towards policy makers, experts, practitioners from EU Institutions, Member States, partner countries, and the general public.

Activity	Specific Objectives	Expected results
	Reinforced capacity to deliver cost-efficient administrative services, full compliance with EU regulations and increased responsiveness to the needs of internal and external customers	<ul style="list-style-type: none"> - Appropriate implementing rules for the new Staff Regulations, in line with European Commission guidelines adopted and implemented. - The competences of ETF staff effectively developed in line with the expertise required to achieve its mission - ETF establishment plan in line with the best practices within EU Institutions - Procedures for document registration, filing and archiving completed in compliance with ICS - Procurement for goods and services required by ETF activities carried out in line with public procurement rules and in a timely and proportional manner. - Legal risks identified and controlled - Infrastructure maintained and evolving with ETF needs. - Full advantage of state of art information technology to provide services to external and internal stakeholders. - Future financial management software is deployed to accommodate new FR and accounting rules - Design and initial implementation of a Document Management System (DMS) enabling easy and secure management of documents and knowledge sharing. - ETF fully compliant with Financial Regulations - Active steps taken to assess and control the financial risks of ETF's activities. - ETF accrual accounting successfully implemented

ETF mission statement

As a centre of expertise, the ETF contributes to sustainable socio-economic development by enabling our partner countries to reform their vocational education and training systems mainly through the EC Phare, CARDS, Tacis and MEDA Programmes.

By sharing expertise in vocational education and training across regions and cultures, the ETF helps people to develop their skills, thereby promoting better living conditions and active citizenship in democratic societies that respect human rights and cultural diversity.

The ETF is an EU agency and promotes the values and objectives of the European Union. In particular, the ETF's work is based on the fundamental contribution that vocational education and training makes to competitiveness, employability and mobility in modern economies.

Policy objectives

The ETF works within four EU policy areas: External Relations; Enlargement; Education, Training and Youth; and Employment and Social Affairs. The European Commission, led by DG EAC, our parent DG, funds and co-ordinates the ETF's activities. The ETF works under the EU external relations policy agenda defined by DG RELEX and DG ELARG, which also provide the funding for ETF's activities. ETF's work draws on EU vocational education and training and employment policies defined by DG EAC and DG EMPL. ETF's activities in the partner countries are carried out in close co-operation with DG AIDCO and the EC Delegations.

Our medium-term policy objectives are to ensure that:

- The candidate countries are efficiently prepared for their integration in the EU and their full contribution to the success of the European strategy in education, training and employment (Lisbon strategy);
- The countries of South Eastern Europe have education and training policies that promote economic development and social cohesion, which are considered necessary preconditions for the integration of the countries into the political and economic mainstream of Europe;
- Human capital development is addressed in a comprehensive and systemic way becoming a key instrument to achieve the goals of the Euro-Med partnership and the European Neighbourhood Policy, to promote economic growth, social inclusion and active citizenship;
- Human capital development is recognised as key factor supporting institutional and administrative reform in Eastern Europe, the Caucasus and Central Asia, the strengthening of the private sector, and the measures designed to address the social consequences of transition including poverty reduction.

Added value

The ETF's **added value** comes from its unique established knowledge base consisting of:

- expertise in human capital development and its links to employment. This includes expertise in adapting the approaches to human capital in EU and its Member States to the context of the partner countries. It also comprises a comparative knowledge and assessment of the strengths and weaknesses of different reform strategies
- knowledge of the partner countries and their needs and priorities
- understanding of EU external relations policies, priorities, and instruments.

The ETF combines these three elements to provide tailored advice to the Commission and partner countries on how to achieve sustainable reform. This advice embeds human capital and employment policy in the overall economic and social development strategies of the partner countries in line with EU external relations priorities.

The ETF's established expertise base puts us in a strong position to provide tailored advice at a time when specialised knowledge on human capital reform is increasingly scarce among development agencies and donors.

The ETF's added value is reinforced by the different networks it manages. We draw on the knowledge within our networks to provide services to the Commission and partner countries. There are three types of network:

- The networks of stakeholders within individual partner countries underpin an approach based on consultation and ownership for reform at national and local levels.
- The networks of bilateral/multilateral development agencies and donor organisations provide a platform for sharing expertise and approaches in reform
- International networks of stakeholders from different partner countries, EU Member States and other multilateral organisations (such as the National Observatories and Advisory Forum) give the opportunity to share expertise within and between countries and regions.

The ETF is an established EU agency. It is fully integrated in the family of EU institutions and its work is dictated by EU policies and priorities. As an EU agency, the ETF provides advice that draws on best practice in the EU and the Member States. This enables partner countries to develop their reform approaches based on a comprehensive understanding of the EU heritage in this field. As an international organisation, the ETF is also in a position to assume the role of neutral broker in the reform process. The agency is able to bring different stakeholder groups together and provide objective expert advice.

Lessons learned from previous experience

In developing its Work Programme, the ETF draws on the **lessons learned** over the first decade of activity. The main lessons can be summarised as follows:

- Each partner country has its own traditions and context. Sustainable reform can only be achieved through policies tailored to the specificities of each partner country and developed in consultation with local policy makers. Policies cannot simply be copied from other countries;
- Reform is highly dependent on the capacity of partner country institutions and stakeholders to drive the changes forward. Capacity-building measures are a prerequisite for successful reform. In particular, capacity building should target potential 'agents of change' within the VET system;
- Reform should be system-driven rather than project-driven. Sustainable reform must be based on an established, stable reform policy agenda fully owned by local stakeholders and their institutions;
- True reform takes a long time to work through the system. Investment in reform by the partner country and from external agencies must have a long-term perspective;
- The ETF must maintain and develop its knowledge base and networks to ensure its expertise is state-of-the-art;
- The ETF must be proactive and flexible in its approach. It must work closely with the Commission to inform and anticipate its requests. It must also ensure structured communication with the European Parliament and Council;
- As an EU agency, the ETF must comply in full with EU standards of management and administration, though these may need to be adapted to the size and operational context of the agency.

Risks and assumptions

There are however a number of **risks** which may affect the achievement of ETF policy objectives at corporate level. Where possible, we will try to prevent the negative impact of these risks by adopting targeted actions. The main risks are:

- Possible changes in EU external relations policies, priorities, instruments and structures. The ETF will reinforce its communication with EU institutions and especially the Commission so it can adapt its expertise, activities and working practices to EU priorities. We need to work closely and proactively with the Commission to ensure that our contributions are timely and relevant. Equally, we will ensure our readiness to support the preparation for the new EU external relations instruments, programmes and implementing mechanisms relevant for our partner countries. Finally, we will ensure that ETF staff development and, in particular, expertise development, target new expertise requirements arising from such changes.
- Political changes affecting partner countries. The regions in which we work are volatile. This can have a substantial impact on EU external relations policies and programmes, which is difficult to predict.

These changes have a knock-on effect on our own work programme. The changes range from complex regional problems such as the Middle East, to the political uncertainty within individual partner countries. Partner countries have frequent changes of government that can block or stimulate the reform process. Institutional capacity building measures, which are a priority feature of Commission and ETF interventions can help to reduce the impact of political change on long term reform processes;

- Limited capacity of many of our partner countries to absorb the assistance provided by the EU and other donors. We will attempt to address this risk by fostering policy learning approaches that raise awareness among existing organisations and individuals of the different policy options available to them. In addition, we will reinforce our cooperation with other donors to combine assistance projects more successfully;
- Low profile of vocational education and training as a major component in the development of human capital and the labour market in our partner countries. We will use the full range of human, financial and information resources at our disposal, and our reputation as a facilitator, to encourage debate and progress on this issue.

Activity objectives, performance indicators & resources

Following our Medium-term Perspective 2004-2006, we divide our work into eight activities that together enable us to respond to the needs of the Commission and other stakeholders:

1. **Support for Enlargement**
2. **Support for South Eastern Europe (SEE)**
3. **Support for the Mediterranean region (Med)**
4. **Support for Eastern Europe, the Caucasus and Central Asia (EECA)**
5. **Expertise development¹**
6. **Technical assistance to the Tempus Programme**
7. **Organisational support²**
8. **Administrative support³**

Each of the regional activities (1-4) are divided into three different types of service known as “strands”:

1. **Support to EC programmes and dissemination of EU policies:** We provide expertise and advice on identifying and analysing needs and priorities, and on specific issues related to the following stages of the project cycle: programming; project identification, design and appraisal; monitoring the content of activities; evaluation and assessment of impact; and dissemination. We play an important role as a facilitator for policy learning and policy making in our partner countries by making available and sharing relevant EU policies, methodologies and good practice. In particular, the ETF helps to cascade innovative HRD approaches reflected in EC programmes such as Leonardo da Vinci to our partner countries. We also work to promote cooperation between partner countries and between regions.
2. **Provision and analysis of information and data in support of the Commission and partner countries:** We provide in-depth and comparative information and analysis to the European Commission. We also support our partner countries in developing their long-term capacity to gather and analyse information related to the labour market and vocational education and training to international standards as a basis for policy making and monitoring. This strand is also used to share information with partner countries on EU and Member State approaches to vocational education and

¹ Concerns the development of expertise across ETF on key VET and labour market issues which allow the organisation to continue in its role as a centre of expertise.

² Concerns the general management, co-ordination, development, external representation, planning, budgeting, monitoring and evaluation activities of ETF. Includes the Directorate, Planning, Monitoring & Evaluation, and a percentage of staff time in the External Communication Unit.

³ Concerns those parts of Finance Unit, Legal Service, Personnel Unit, Computer and Technical Services Unit and External Communication Unit devoted to the administration of ETF as such, and not to supporting operational activities. The time spent by members of these departments in directly supporting operational activities is included under activities 1-6.

training in a structured way. In 2005, we will complete a review of our approaches to the provision and analysis of information on partner countries, and of the national observatories which operate in candidate, Southern and Eastern European, Caucasian and Central Asian countries. The results of this review will be used to reinforce our work in this field during 2005.

3. **Development activities:** In each region a small number of our own activities will prepare the ground for potential more substantial measures at a later stage. It is through such development activities that we encourage and support partner country innovation across a wide range of issues associated with economies and labour markets in transition. The results of these test bed initiatives are also intended to contribute to the stock of knowledge at ETF and thus further its development as a centre of expertise.

Global resources by activity

Activity	Basic staff allocation ⁴	Total statutory ABB	BUDGETARY RESOURCES			Project funds	Total Budget
			Staff costs	Missions ⁵	Administration & infrastructure		
			Title 1	Title 1	Title 2	Title 3	Titles 1, 2 & 3
			(Title 1)	(Title 1)	(Title 2)	(Title3)	(Title 1-3)
Enlargement (Phare)	6	8.5	922 495	76 675		757 275	1 756 445
SEE (CARDS)	9	12.0	1 302 346	156 113		1 240 275	2 698 734
Mediterranean region (MEDA)	10	12.0	1 302 346	162 503		1 314 275	2 779 124
EECA (Tacis)	8	11.0	1 193 817	172 103		1 287 275	2 653 195
Expertise Development	10	12.0	1 302 346			110 000	1 412 346
Tempus Technical Assistance⁶						0	
<i>CARDS</i>	4	4.5	488 380	20 432		0	508 812
<i>Tacis</i>	8	9.0	976 760	22 525		0	999 285
<i>MEDA</i>	8	8.5	922 495	21 268		0	943 763
Tempus total	20	22	2 387 635	64 225		0	2 451 860
Organisational Support	9	9.0	976 760	71 649		266 900 ⁷	1 315 860
Administrative Support	32	17.5	1 899 255	56 732		24 000 ⁸	3 432 987
Total	104	104.00	11 287 000	760 000	1 453 000	5 000 000	18 500 000

⁴ Temporary Agents as foreseen in the Establishment Plan 2005.

⁵ Funds needed to finance ETF interventions in partner countries. Typically these funds are used to organise conferences and seminars, including the Advisory Forum regional meetings. They are also used for documentation, publications and translations attributable to these activities

⁶ The total HR (fte) does not yet include the additional staff requested following Enlargement

⁷ This includes €120 000 to finance the annual evaluation plan for 2005. In 2004 this activity was financed under expertise development

⁸ Insurance costs

Support for Enlargement

Following the successful integration of the ten new Member States in the European Union, to which the ETF contributed since the beginning of its operations by promoting their reform processes in the area of human resource development, the ETF will focus its work on the remaining acceding and candidate countries.

Our continuing support to these countries is framed by the respective stages of their overall pre-accession process and strategy.

Ongoing political processes regarding the candidate countries will influence our support for enlargement. As regards Turkey, the primary objective consists in the full implementation of the pre-accession strategy and sustaining and accelerating the reform process with a view to meeting the milestone of launching accession negotiations. The European Council's decision on the status of Turkey, which is expected in December 2004, may have an impact the type of service the ETF should provide. As regards Bulgaria and Romania, which are considered as an integral part of the on-going enlargement process, the key challenge will be to step up and complete their pre-accession preparations with a view to their becoming members by the beginning of 2007. For Romania in 2005 this means continued support to the annual and multi-annual programmes to prepare accession and the future use of structural fund mechanisms. In particular, we will contribute to the labour market strategy and the integration of minorities in the VET system, as well monitoring and evaluation. With respect to Croatia, the recent decision of the European Council in June 2004, endorsing its application for membership and granting it the status of candidate country, paves the way for its inclusion in our efforts to support enlargement.

Our approach to enlargement will be guided by the lessons of our previous experience with the candidate countries, in particular as regards the main challenges and gaps to be addressed, such as:

- The need to reinforce the coordination and partnerships between ministries, social partners and other stakeholders with the aim of increasing the effectiveness of EU support and internal policy making;
- The continuing investment and support in building the institutional capacity of the above actors in order to deal with reform processes in a concerted way and improve the continuity and stability of the internal policy making process;
- The need to maintain the opportunities for networking and exchange of experience with the new Member States which will help the candidate and other partner countries' to learn from the previous enlargement process;
- The need for a more effective participation of the four countries in the EU discussions on co-operation in vocational education and training through increased awareness raising among stakeholders and by facilitating links with national policy discussions.

In line with the general context outlined above, the overall aim of our support remains the efficient preparation of the countries for their integration in the EU and their full contribution to the success of the European strategy in education, training and employment (Lisbon strategy). In the pursuit of this aim, we will draw and capitalise on the valuable experience and know-how acquired through our long cooperation with, and assistance to, the ten new Member States.

Within this framework we have identified the following priority actions:

- Provide appropriate assistance to the Commission services as regards:
 - Monitoring national policies and measures in relation to the targets, objectives and priorities of the European strategy for education, training and employment through targeted analytical contributions and assessments;
 - The process of programming EU assistance in the field of human resource development and labour market strategies also in view of preparation for the new Instrument for Pre-Accession Assistance. In particular, ETF will provide regular expertise and information input to the design, monitoring and evaluation of EU funded programmes and projects in the above fields;
 - Supporting the more systematic involvement of the countries in the various European platforms established in the context of the process of increased European cooperation in VET (Copenhagen process)

- Reinforce the capacities of the countries to design and implement human resource development and labour market programmes under the relevant pre-accession programmes;
- Continue to support the wider familiarisation of the candidate countries' stakeholders with European policy developments in the field of lifelong learning and in particular vocational education and training (e.g. Copenhagen process) as well as the integration of the outcomes of these developments in their national policy making processes. Where possible, this will take place within the framework of EU presidency initiatives;
- Focus cooperation with Cedefop on those issues, which will contribute to the more effective preparation of the candidate countries to be fully engaged and follow the European policies as well as for their future integration in Cedefop's networks and activities. This process will include a review of ETF approaches to information and assessment of the contribution of national observatories in the candidate countries also in consideration of the perspective of full participation by the countries in ReferNet.
- Build on the expertise developed through our support to the enlargement process and cascade it whenever appropriate as valuable input to our activities planned in other regions, in particular in South Eastern Europe.

Enlargement

Strand	Specific Objective	Expected Results	Indicators	Project ref
Support to CEC	Impact of EU investment in HRD in candidate countries increased in line with EU pre-accession policy through input to the European Commission's project cycle and policy dialogue with the partner countries	<ol style="list-style-type: none"> 1. Phare programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels and the Delegations in partner countries 2. Analytical input delivered, at the request of DG EMPL, in the process of monitoring the implementation of the priorities identified in the Joint Assessment Papers for employment policy as well as in their preparation for the European employment strategy and ESF 3. Raised awareness and wide dissemination (where possible in co-ordination with the EU presidency) of key messages in EU policy development (Copenhagen process) leading to improved understanding of their implications for the domestic policy making sphere 4. DG Enlargement kept up to date on progress of the candidate countries towards accession in the fields of vocational training and labour market 5. In line with EU programmes, capacity built in local institutions for the preparation of accession and structural funds management 	<ol style="list-style-type: none"> 1.1. Advice and opinions delivered to DG ELARG and EC Delegations on a regular basis on Phare programming documents and project fiches 1.2. Programming and project review meetings and steering/evaluation committees in the candidate countries attended 2.1. Analytical input delivered at request of CEC services in the JAP progress meetings in BG and RO 3.1. Targeted events organised to disseminate outcomes of the Lisbon/Copenhagen process for stakeholders in candidate countries; 3.2. ETF participation in EU Presidency calendar 4.1. Review of progress in vocational training reform reports for BG, CRO, RO, TK submitted to the DG ELARG by 1 July 2005, as an input to their Regular Annual Reports; 5.1. National and regional stakeholders have been trained in several Institution Building workshops. 	<p>WP05-11-01 WP05-11-02 WP05-11-03</p>

Information & Analysis	Updated national and cross-country quantitative and qualitative information and analysis and increased capacity of candidate countries for information and analysis	<ol style="list-style-type: none"> 1. CEC able to enhance accession process and in particular the JAP and Lisbon/Copenhagen processes through in-depth information and analysis of HRD in the candidate countries 2. Increased capacity in partner countries to deliver high quality information and analysis on the performance of their labour market and training systems as a basis for policy making and monitoring. This will include helping the countries prepare for participation in ReferNet upon accession 	<ol style="list-style-type: none"> 1.1 Review of progress reports delivered by 1 July, cross-country analysis done by end 2005. 2.1 Reports and other contractual products/services according to agreed work plan; 2.2. Reporting and documentary services provided by National Observatories to Cedefop based on Cedefop deadlines. 	WP05-12-04
Development	<p>Systematic cooperation and communication with Cedefop through the full and effective implementation of the commonly agreed Framework of cooperation</p> <p>ETF activities in other regions, in particular South Eastern Europe, profit from the pre-accession know-how and experience</p>	<p>Joint projects developed with the aim of:</p> <ol style="list-style-type: none"> 1. supporting the participation of the candidate countries in Cedefop activities and networks 2. facilitating the shaping of national policies along the key priorities of the European cooperation and through the dissemination of good practice from the Member States; 3. collecting good examples of LLL practice in candidate countries 	<ol style="list-style-type: none"> 1.1. Common projects or initiatives developed with Cedefop in specific thematic areas (see annex) 2.1 Four EU Copenhagen discussion dissemination workshops held in the candidate countries and other partner countries 3.1 Database on LLL is set up at Cedefop with ETF input on methodology and examples, used by candidate countries by end of 2005 	WP05-13-05

Projects proposed to support Enlargement

Project N°	Partner countries	Project title	Human resource allocation (fte)	Project fund allocation
Support to EC programmes and dissemination of EU policies				
WP05-11-01	BG, RO, TR, CRO	Commission requests	2.5	50 000
WP05-11-02	BG, RO, TR, CRO	Review of progress in VET reform	0.1	p.m.
WP05-11-03	BG, RO, TR, CRO	Institution building	0.8	272 000
Sub-total			3.4	322 000
Provision and analysis of information and data				
WP05-12-04	BG, RO, TR, CRO	Capacity building in information and analysis	0.3	100 000
Sub-total			0.3	100 000
Development activities				
WP05-13-05	BG, RO, TR, CRO	Activities including implementation of co-operation programme with Cedefop	1.3	130 000
Sub-total			1.3	130 000
0.7 x secretary + 0.3 Head of Department			1.0	
Costs for Advisory Forum regional meeting and documentation, publications and translations attributable to the above activities				205 275
Total Department			6.0	757 275

Support for South Eastern Europe

The European Councils in Feira (June 2000) and Thessaloniki (June 2003) have provided the countries of South Eastern Europe with a clear prospect for future membership of the EU. The Thessaloniki Agenda foresees a number of instruments (including the European partnerships) to be introduced to the Stabilisation and Association process that will assist South Eastern European countries in their pre-accession process. However, as shown by the third *Annual Report of the Stabilisation and Association process for South East Europe*, these countries will need to deal with many challenges in order to manage their economic and social transformation process. High levels of unemployment, a large part of the population under the poverty line, slow economic restructuring; weak business environment and low competitiveness of industries are identified among the challenges. Strong economic development and effective social cohesion are essential if the countries are to develop closer relations with the EU. The first European partnerships prepared by the European Commission, and submitted to the European Council for approval, include support to employment and vocational education and training as one of the priorities for future action towards economic development in most of the countries of the region. This is in line with the EU's Lisbon/Copenhagen strategies and the European Employment Strategy that broadly recognise the importance of human capital development through lifelong learning for employment, productivity, competitiveness and economic growth as well as social cohesion.

Our experience has shown that countries in the region do not yet see human capital development as an integral part of their economic and social development. Support to vocational education and training is not high on their policy agendas. The biggest gaps are identified in the field of adult learning. Efforts to increase the employability of large numbers of unemployed and particularly impoverished population groups as well as inculcate the entrepreneurial spirit among youth and adults through education and training are still piecemeal, ad hoc and of small scale. Policies and measures to ensure the adaptability of the employed in view of the economic restructuring of enterprises and pressing needs for increasing their productivity and competitiveness are still absent. More systematic efforts should be made to ensure that countries in region develop a better understanding of the direct bond between education and training, economic development and social cohesion, which is today broadly recognised in the EU, and promote policies that sustain it.

More achievements can be recorded in the development of policies for the modernisation of VET provision within the frame of the formal education system (at secondary level). However, two limiting factors are present. First, the capacities for implementation of those policies are often limited and more efforts need to be made to enhance the capacity of professional staff within Ministries of Education and other agencies as well as teachers, trainers, school directors and other local actors to implement reforms. Second, existing policies for the modernisation of the VET system are occasionally disrupted by changes in national governments and evidenced by a lack of commitment to implement decisions of the previous government or a change of direction in the reforms. The main cause for this discontinuity is the lack of participative approaches and inclusion of a full range of stakeholders in decisions for policy development thereby promoting a common understanding of the challenges and necessary actions. More efforts need to be made to promote a partnership approach in policy development.

Finally, the large number of donors active in the field of education and training often overstretches the limited capacity of these smaller countries. Equally, since these countries have weak capacity to evaluate the relevance of donor projects and invest further in the successful ones, the impact of donor projects on VET reform is unclear. Better donor co-ordination, and more concerted efforts to assist these countries to develop their own VET reform and human capital development strategies using the experience of donor funded pilot projects will help to reduce the risk of continued fragmentation.

Our aim is to support the development of human resources through better education and training policies in order to promote economic development and social cohesion. These are necessary preconditions for the integration of the countries into the political and economic mainstream of Europe. Within this framework our specific objectives in the region are the following.

We will support the European Commission in:

- The process of programming EU assistance in the field of human resource development and labour market strategies, especially in preparation for the Instrument for Pre-Accession Assistance envisaged for 2007;

- The monitoring of the Stabilisation and Association process by providing information on human resource development in the countries of the region and evaluating needs and priorities for further development based on the outcomes of the labour market reviews and targeted analyses for the annual country reports and European partnerships;
- The implementation of the CARDS project cycle by contributing to the design and content monitoring of CARDS projects linked to human resource development;
- The monitoring of the implementation of the European Charter for SME's by raising awareness in the countries on the importance of skills development for SME growth and development of recommendations for further action agreed among national stakeholders.

Secondly, in 2005, we will complete a review of our approaches to information and assessment of the contribution of national observatories in the partner countries. Building on the outcomes of this review, we will reinforce our capacity to collect up to date information on developments in the fields of VET and the labour market and to undertake in depth analyses at national and regional level. Particular emphasis will be given to capacity building of local actors for the improvement of targeted quantitative information that will be able to provide evidence on needs and achievements.

Finally, we will develop expertise and build capacity of a broad range of national actors/stakeholders as well as facilitate the exchange of experience and promote co-operation in the region by:

- Familiarising the countries with EU approaches and policy in the field of human capital development, in particular with the principles of lifelong learning, the outcomes of Lisbon/Copenhagen process and the European Employment Strategy, and exploring opportunities to integrate them into national policy making; and
- Implementing innovative projects in the fields of adult learning, national qualification frameworks, teacher training and training strategies for local development; all innovative projects will aim at a better understanding of the issues, exploration of most appropriate solutions for the local context, development of strategic thinking and promotion of a partnership approach to policy development and implementation.

South Eastern Europe

Strand	Specific Objective	Expected Results	Indicators	Project ref
Support to CEC	Impact of EU investment in HRD in South Eastern Europe increased in line with EU external relations policies through input to the European Commission's project cycle and policy dialogue with the partner countries	<ol style="list-style-type: none"> 1. CARDS programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels, the Delegations and EAR in partner countries 2. Contribution to effective implementation of running CARDS projects delivered through monitoring actions 3. EU and its services are regularly informed on progress in HRD through provision of updated information and analysis 4. Increased awareness raised and widely disseminated messages of EU policy developments (Lisbon/Copenhagen Process) 5. Implementation of European Charter for Small Enterprises supported through expertise and advice support to DG Enterprise and through awareness raising in the countries on the importance of skill developments for SME growth and agreement among stakeholders on the necessary action to be taken in order to address gaps in entrepreneurial and other skills 	<ol style="list-style-type: none"> 1.1. Project fiches and TORs for seven new CARDS projects linked to HRD provided to CEC services (including EAR) 2.1. At least 2 monitoring reports for current CARDS projects per country provided to CEC services by end of 2005 3.1. Targeted inputs to SAP⁹ and European partnership reports provided to CEC by May 2005 3.2. Labour market studies in four countries delivered to the CEC by September 2005 4.1. At least one national event per country and one regional event for the dissemination of the results of the Copenhagen process organised by end 2005 5.1. National stakeholder groups on monitoring skills developments for SMEs (as part of the monitoring of the implementation of the Charter for SME's) established in each country by February 2005; report on monitoring developments and recommendations for further actions drafted and agreed by the groups by end 2005 	WP05-21-01 WP05-21-02 WP05-21-03 WP05-21-04 WP05-21-05

⁹ SAP: Stabilisation and Association process

Provision of Information	In depth information and analysis (at national and regional level) on recent HRD developments developed with support of the Observatory network	<ol style="list-style-type: none"> 1. Increased capacity in partner countries to deliver high quality information and analysis on performance of their labour market and training systems as a basis for policy making 2. Improved collection of more detailed quantitative and qualitative information (at national and trans-national level) on specific aspects of VET and employment at national and trans-national level are provided to the CEC and wider public 3. Regional peer review provides comparative analysis on a selected HRD issues and provides CEC and national stakeholders with policy recommendations 	<ol style="list-style-type: none"> 1.1. National reports and factsheets on vocational training and the labour market developed for all countries by Sept 2005 2.1. Seven studies on vocational guidance undertaken by Dec 2005 2.2. Full set of key indicators on vocational training and labour market in developed and disseminated by Dec 2005 2.3. Transnational analysis, using 6 labour market studies, finalised by Dec 2005 3.1 Regional Peer review report finalised and discussed in seminar by end of 2005 	WP05-22-06
Development	Capacities of national actors build up to design and implement HRD strategies and policies within the framework of EU policies	<ol style="list-style-type: none"> 1. Better understanding by senior SEE officials of EU policies and of their relevance and implications for reform actions. Improved capacity of national policy makers to design and implement HRD policies in the fields of adult learning, national qualifications framework, teacher and trainer training and local development 2. Regional co-operation and exchange across the countries of the region supported through organisation of regional events 	<p>1&2 Analyses and strategic papers produced by the ETF; development projects on ALS, NQF, TT and local development are refined and EU concepts included:</p> <ul style="list-style-type: none"> - Key stakeholders of each country trained in at least 4 capacity building seminars organised at national level on ALS, NQF, TTT and local development by Dec 2005 - National adult learning strategies finalised and action plans developed by end of 2005 - Strategies for setting up National Qualification Frameworks prepared by end of 2005 - TTT network in SEE exchanged experience on strategies and tools for new pedagogies in VET teacher training - Local development partnerships in Albania and Kosovo have prepared HRD action plans and have organised a regional dissemination meeting by end 2005 	WP05-23-07 WP05-23-08 WP05-23-09 WP05-23-10

Projects proposed to support South Eastern Europe

Project N°	Partner countries	Project Title	Human resource allocation (fte)	Project fund allocation
Support to EC programmes and dissemination of EU policies				
WP05-21-01	All	Commission requests	2.7	50 000
WP05-21-02	ALB, FYROM, KOS, SER	Labour market Studies	1.0	150 000
WP05-21-03	All	Regional Peer Review	0.3	100 000
WP05-21-04	All	Dissemination of Copenhagen Process	0.3	100 000
WP05-21-05*	All	Monitoring of implementation of SME charter (pillars 1 and 4 on entrepreneurship and skills development)	0.3	50 000
Sub-total			4.6	450 000
Provision and analysis of information and data				
WP05-22-06	All	Capacity building in information and analysis	1.0	225 000
Sub-total			1.0	225 000
Development activities				
WP05-23-07	All	Organisation of learning processes and teacher training	0.4	60 000
WP05-23-08	CRO, MON, KOS, SER	Adult Learning strategies	0.5	100 000
WP05-23-09	All	National Qualification Frameworks	0.5	100 000
WP05-23-10*	ALB, KOS	Local Development of HRD strategies in Albania and Kosovo (LEEDAK)	0.5	100 000
Sub-total			1.9	360 000
0.8 secretary + 0.7 Head of Department			1.5	
Costs for the Advisory Forum regional meeting and for documentation, publications and translations attributable to the above activities				205 275
Total Department			9.0	1 240 275

* Co-funding under the Italian Trust Fund under negotiation

Support for the Mediterranean region

The integrated policy approach reflected in MEDA programming instruments emphasises human capital development as a key component in broader socio-economic development programmes. The continued formulation of the European Neighbourhood Policy and its implementing instruments, progress on reforms in Mediterranean countries, and the move towards lifelong learning approaches on EU sectoral policies, will all have an impact on the design of human capital development policies and thus on EU interventions in the region.

ETF experience in the region has shown that given the high fragmentation of VET/employment systems in most of the countries, a large number of ministries and agencies are involved in the design and delivery of training provision. In this context, the existence of external agents that can facilitate internal policy debate and policy learning processes is of key importance to maintain momentum for reform. Our role as a permanent and objective external advisor that can facilitate internal dialogue, development of capacities and the exchange of good practices has in this sense been of particular importance.

Although each country in the region has a specific socio-economic context and challenges to face, most of the modernisation programmes have included issues such as governance, development of relevant information and monitoring mechanisms, development of private-public partnerships, increased autonomy of VET institutions, improved quality of VET provision and the strengthening of continuing training schemes. We have, thus, accumulated a wealth of experience on different modernisation strategies that allows it to draw lessons on critical success factors in the reform process.

At regional level, our experience has shown that cooperation on technical issues among the countries is highly welcome. There is a wealth of experience to take advantage of, and a common language and cultural values facilitate the transfer of experience. Thanks to our technical profile, we are in a privileged position to promote South-South cooperation, ranging from the exchange of good practice to joint projects and twinning initiatives. Our experience shows, however, that successful regional cooperation depends on the ability to keep the right balance between stakeholders and nationalities to ensure ownership by all the countries concerned.

As regards risks, the evolution of the Middle East Peace process, the situation in Iraq, the EU partnership for the Mediterranean and the Middle East, and the US Greater Middle East initiative will have an impact on international cooperation in the region, and thus on EU priorities. This will mean that we must remain highly flexible in responding to requests for our services. The evolution of the situation in the region will also influence the conditions for successful implementation of regional actions such as the MEDA ETE programme.

A key characteristic in the region given its important geo-political situation has been a constant high presence of donors. Donor interventions if not properly coordinated may lead to a waste of resources, and may limit the effectiveness of certain actions and the absorption capacities in the countries. Promoting government-led donor coordination will lower this risk. The current drive towards sector approach interventions and our contribution to the design of such interventions on VET issues in the region is a positive development in this sense.

In line with the priorities outlined in the Medium-term Perspective 2004-06, our activities in 2005 will aim at enhancing the quality and relevance of EU human resources development policies and interventions in the Mediterranean region as a tool for improving social inclusion, the development of a knowledge society and the promotion of economic growth. In this framework, we propose three main objectives and lines of intervention:

We will support the European Commission at their request in certain areas of the development of EU policies by:

- Supporting the programming of EU assistance in the field of human resource development and labour market strategies in preparation for the European Neighbourhood and Partnership instrument
- Providing support in the formulation, start-up and follow-up phases of projects and sector policy support programmes (SPSP)
- Assisting the European Commission in its policy dialogue with Mediterranean partners in the framework of the Barcelona process and/or the ENP action plans, by providing relevant analyses, promoting the dissemination of relevant EU policies, and improving national capacities in the region

- Implementing the MEDA regional programme on Education and Training for Employment (ETE) on behalf of the Commission. On the basis of our knowledge of human capital and employment reform, and our understanding of the complexity of the region as a whole and individual partner countries, the Commission validated the proposal made during the project identification process by Mediterranean region and EU Member State representatives to appoint the ETF as the implementing body for the programme. Our responsibilities include not only programme coordination and management, but, more importantly, providing expertise input for the definition and direct implementation of the activities.

Secondly, we will strengthen the capacity of Mediterranean countries to collect, analyse and forecast employment and training needs, and to promote the exchange of good practices to enhance transparency and comparability of data. One of the components of the MEDA ETE programme is the establishment of a regional observatory network. We will support this process, by supporting national capacity building, particularly for those countries that are less advanced in the development of the observatory function. We will ensure complementarity with other MEDA initiatives, such as MedStat and national MEDA VET reform programmes.

Finally, we will support the formulation of new EU and partner country policies and interventions in the field of human capital development through innovative approaches and intelligence on key issues in the region.

- Continuing multi-annual research on VET in a lifelong learning context, namely the development of a new methodological approach to the evaluation of continuing training in Moroccan enterprises. In the context of the European Neighbourhood Policy that promotes the circulation of human resources and the integration of labour markets, we will also start work in the field of National Qualifications Frameworks, recognition of prior learning and other related issues as instruments to promote transparency of qualifications;
- Carrying out analysis on innovative issues and disseminating results. This will include the dissemination of ETF/WB regional review on “skills development for the knowledge economy” that focused on Egypt, Jordan, Lebanon and Tunisia.

Mediterranean region

Strand	Specific Objective	Expected Results	Indicators	Project ref.
Support to CEC	Impact of EU investment in HRD in the Mediterranean region increased in line with EU external relations policies through input to the European Commission's project cycle and policy dialogue with the partner countries.	<ol style="list-style-type: none"> 1. MEDA programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels and the Delegations in partner countries 2. Contribution to the development of ENP action plans in concerned countries in the region and support to policy dialogue in the context of implementation of Association Agreements provided 3. Relevant analysis at country and/or regional level on HRD issues to support the implementation of reforms and the design of future interventions delivered 4. Policy advice and capacity building actions for partner country stakeholders carried out to support the design and implementation of systemic reforms 5. EU policies and methodologies (in particular innovative approaches from the EC Leonardo da Vinci programme) disseminated in the region. 6. The MEDA ETE regional programme is implemented according to agreed TAPs 	<ol style="list-style-type: none"> 1.1. By mid 2005 ETF has delivered a design for an SPSP in Tunisia and has provided support for the launching and follow up of VET/LM reform programmes in Syria, Lebanon, Tunisia and other countries, as requested 2.1. By end 2005 ETF has provided input, as requested, to the definition of action plans in the framework of the ENP in concerned MEDA countries and supported implementation of Association Agreements, as requested 3.1. By end 2005 analysis of best practices on training in the context of ALMP and other relevant analysis as agreed with CEC 4.1. On the basis of the analysis above, by end of 2005, organisation of at least one capacity building action to raise understanding among stakeholders in the region on key VET and LM issues. 5.1. By end 2005, experts from region have participated in Leonardo evaluation events and activities, as appropriate and as agreed with DG EAC 6.1. By end 2005, the 2005 MEDA ETE work programme fulfilled according to plans and first Forum held to disseminate results and prepare 2006 work programme 	<p>WP05-31-01 WP05-31-02 WP05-31-03 WP05-31-04 WP05-31-05 WP05-31-06</p>
Information & Analysis	Strengthened national capacities to collect, analyse and forecast employment/training needs and the exchange of good practices promoted to enhance transparency and comparability of data at regional level.	<ol style="list-style-type: none"> 1. Increased capacity in selected partner countries to deliver high quality information and analysis on performance of their labour market and training systems as a basis for policy making and monitoring 	<ol style="list-style-type: none"> 1.1. At least two capacity building activities organised in partner countries selected for support by end 2005 	<p>WP05-32-07</p>

Development	Innovative approaches and intelligence on key issues of relevance for the region to support the definition of future EU and partner country policies and interventions in the field of HRD	<ol style="list-style-type: none"> 1. Methodology for analysis of impact of continuing training on enterprises performance and career perspectives of workers in Morocco developed 2. A multi-annual development action on VET in a Lifelong learning perspective designed 3. Analysis of issues of key interest carried out and dissemination actions implemented 	<ol style="list-style-type: none"> 1.1. A report summarising the methodology and the outcomes of the evaluation action finalised by end 2005 1.2. At least 20 Moroccan staff trained on the use of the developed methodology by end 2005 2.1. Awareness on VET issues in the context of LLL increased and consensus on a research action to be carried out in at least one country achieved by end 2005 3.1. By end 2005, at least one regional dissemination action has been carried out based on the ETF/WB regional review "skills development for the knowledge economy" 	<p>WP05-33-08 WP05-33-09 WP05-33-10</p>
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Projects proposed to support the Mediterranean region

Project N°	Partner countries	Project Title	Human resource allocation (fte)	Project fund allocation
Support to EC programmes and dissemination of EU policies				
WP05-31-01	All	Support to MEDA project/sector policy support programme cycle	2	250 000
WP05-31-02	All	Support to policy dialogue, definition and implementation of EU policies in the region	0.5	70 000
WP05-31-03	All	Elaboration of ad hoc analysis on human resources development in the context of socio-economic reform	1	200 000
WP05-31-04	All	Policy advice and capacity building measures for partner country stakeholders in support to design and implementation of systemic reforms	0.25	50 000
WP05-31-05	All	Support to dissemination of EU policies, methodologies and instruments in the region	0.25	30 000
WP05-31-06	All	Implementation of MEDA ETE regional project	1.25	-
Sub-total			5.25	600 000
Provision and analysis of information and data				
WP05-32-07*	All (selected number)	Capacity building in information and analysis at national level	0.75	160 000
Sub-total			0.75	160 000
Development Activities				
WP05-33-08	Maghreb	Research on VET in a lifelong learning context: CVET impact assessment	0.75	100 000
WP05-33-09	All (selected number)	Research on VET in a lifelong learning context: national qualifications framework	0.75	125 000
WP05-33-10	All	Innovative analysis and dissemination	0.5	92 000
Sub-total			2	317 000
1 x Head of department; 1 x secretary			2	
Costs of the Advisory Forum regional meeting and for documentation, publications and translations attributable to the above activities				237 275
Total Department			10	1 314 275

* Co-funding under the Italian Trust Fund under negotiation

Support for Eastern Europe, the Caucasus and Central Asia

Tacis Regulation 2000-06 identifies education and training as a key component supporting institutional and administrative reform in the partner countries of the region. Training is also considered a significant factor for restructuring in the private sector, with particular reference to management training and training for SMEs, and to address the social consequences of transition. Under the European Neighbourhood Policy (ENP) launched by the European Commission in 2003, new Action Plans should soon be adopted for Ukraine and Moldova, reflecting their enhanced strategic importance to the EU, while the EU and Russia have decided to develop their specific strategic partnership in the context of the four common spaces. Armenia, Azerbaijan and Georgia were included in the ENP by the Council Conclusions of June 2004.

Despite considerable progress in most countries to establish a market economy and democracy in the last decade, our experience indicates that the region still faces considerable problems related to the transition process. Economic development and growth has been extremely volatile in the region. Unfavourable macro-economic conditions have drastically limited investment in education and training, with a consequent negative impact on the sustainability of the system, quality of training provision, modernisation and innovation of the teaching process. If this situation continues, then it is likely to lead to further reductions in public investment in education and training, and also limit the active participation of the private sector in the VET system.

The poor economic situation in the region has led to an increase in poverty. As a result, poverty reduction is high on the agenda of a number of major international organisations and donors, including the EU. The rapid increase of poverty in most countries in the region urgently requires comprehensive strategies with fully integrated skills development as a key instrument for poverty alleviation. As a result, there is an increasing focus on education and training as effective tools for social inclusion, local development and job creation. This is particularly relevant for the countries of Central Asia, for which poverty alleviation is identified as a primary focus by the Tacis Programme.

Both initial and continuing VET system reforms are urgently required, to bring training supply in line with fields that could become the basis for future economic development. The need for new and higher-level qualifications and skills for young people and adults geared to the market economy is a pressing one. However, labour market information is not yet transparent or reliable. In particular, access to information needed for efficient labour market monitoring is limited and is not regularly shared among the different actors involved. This is largely due to limited capacities of enterprises in assessing human resources development needs and low awareness of the role training can play in stimulating economic growth and competitiveness. As a result, demand for specific skills on the labour market is still hard to detect, which makes it difficult for the VET system to develop graduates with relevant competences.

The traditional links between vocational schools and state enterprises of Soviet legacy have collapsed and have not yet been replaced by new forms of partnership and co-operation between the world of education and of labour. The lack of integration of work and learning means that training institutions are often not open to the outside world. Their staff need to develop new entrepreneurial skills to link with the production sector and innovative teaching methods that can foster technical as well as core skills now needed by graduates to flexibly respond to the future requirements of fast-changing labour markets.

Capacity building at regional and local level is also badly required, for development of effective capacities to design, implement and manage training reform policies and modernisation programmes at the decentralised level with direct involvement of socio-economic partners. In this context, it is important to emphasise the importance of active participation by different stakeholders in policy development and implementation, a process that remains mainly government driven across the region.

As a result the capacity to absorb the new developments in VET is limited, which may affect the pace of change. This situation can only be overcome in the long run by intensifying support and pressure to change the way the main actors should be used in the VET reform process. Increasing importance should be given to discussions on policy formulation and development and the integration and consistency of policies related to education and training on the one hand and employment and social development on the other. Wherever possible such dialogue should be turned into real partnership in the longer term.

On the basis of the above rationale, the 2005 work programme for the region supports the EU's strategic priorities and consolidates the line agreed in the Medium-term Perspective 2004-06. We therefore aim to enhance the relevance, quality and impact of EU assistance in the field of human capital development, mainly through direct support to the European Commission in its Tacis project cycle. Our objectives and main intervention lines will have three elements:

Firstly, we will provide support to the current EC project cycle, as well as the design and implementation of the European Neighbourhood Policy through:

- Tailored contributions at relevant steps of the Tacis project cycle, with a special focus on project preparation (project outlines, terms of reference) and content monitoring (participation in Steering Committees, commenting on Inception and Progress Reports, providing expert CVs, presentations at project events, mid-term reviews).
- Supporting the programming of EU assistance in the field of human resource development and labour market strategies in preparation for the new external relations instruments relevant for Eastern Europe, the Caucasus and Central Asia. This implies supporting the Commission in the preparation of the European Neighbourhood and Partnership instrument for partner countries in Eastern Europe and the Caucasus. As regards partner countries in Central Asia, the ETF will support the preparation of the new Development Cooperation and Economic Cooperation instrument. ETF support will include in-depth studies on VET and labour market systems of the Caucasian countries where information and analysis are scarce, advice at thematic seminars designed to disseminate EU policies such as the Copenhagen process, and support to the further development and implementation of action plans.
- Capacity building and policy learning initiatives for partner country VET stakeholders at both central and local levels on the design and implementation of training reform policies and programmes. This will be of particular significance for those countries where VET systemic reform is supported by the Tacis Programme, so as to further maximise the impact of EU assistance in the field and enhance absorption capacities of the beneficiaries.

Secondly, in 2005, the ETF will complete a review of the contribution of national observatories in the partner countries. Building on the outcomes of this review, the ETF will increase partner country capacity in collecting and analysing information on VET and employment through:

- Support to initiatives aimed at gathering, analysing and disseminating customised information and data on training and labour market systems to policy makers and socio-economic partners in their respective countries.
- Promotion of knowledge sharing and exchange of practices at the regional level; we will carry out specific country or thematic analyses upon request.

Thirdly, we will support the design of future EU assistance in the region in innovative HRD fields through the continuation of initiatives launched in 2003 and 2004. These set out to assess the impact of management training on company development and to design training strategies for local development for poverty alleviation. In addition, given the aims of the European Neighbourhood Policy, which include working towards convergence with EU labour market standards and practices, the issues of national qualifications frameworks will be of major importance in the medium to long-term, and are already part of reform debates in the Russian Federation and Ukraine. In 2005 we will therefore prepare the ground for the modernisation of national qualifications frameworks in the region.

Eastern Europe, the Caucasus and Central Asia

Strand	Specific Objective	Expected Results	Indicators	Project ref.
Support to CEC	Impact of EU investment in HRD in Eastern Europe, the Caucasus and Central Asia increased in line with EU external relations policies through input to the European Commission's project cycle and policy dialogue with the partner countries	<ol style="list-style-type: none"> 1. Tacis programming cycle supported by ETF expertise in line with EU priorities and in close co-operation with Commission services in Brussels and the Delegations in partner countries 2. Impact of EU assistance maximised and absorption capacities of the beneficiaries enhanced. Increased stakeholder commitment and ownership. Enhanced governmental and stakeholder capacities in designing and implementing national VET reform programmes 3. Relevant analysis at country level on HR development issues to support the implementation of reforms and the design of future EU interventions developed 4. Support provided to the dissemination of EU policies and methodologies in the region, (e.g. Copenhagen and Bologna process related issues for Eastern European neighbours) 	<ol style="list-style-type: none"> 1.1. By end 2005 ETF has produced Terms of Reference and provided content monitoring for a number of Tacis-funded projects in RF, UKR, KAZ, KYR, TJS, UZB, ARM and AZB. 2.1. ETF has implemented at least one capacity building/policy learning initiative in complement to the support provided to Tacis project cycle in the countries concerned 3.1. By end 2005 ETF has provided input, as requested, to the definition of action plans in the framework of the New Neighbourhood Policy in Eastern Europe and southern Caucasus 4.1. By end 2005 one policy workshop organised in Eastern Europe on EU policies and methodologies as relevant to on-going reform in the country concerned 	WP05-41-01 WP05-41-02 WP05-41-03
Provision of Information	Increased capacity of the partner countries of collecting, summarising, analysing, and utilising intelligent information on VET and employment.	<ol style="list-style-type: none"> 1. Recommendations are delivered to local policy-makers and the European Commission for future programming and priority-setting in the Caucasus. 2. Increased capacity in selected partner countries to deliver high quality information and analysis on the performance of the labour market and training systems as a basis for policy making and monitoring. 3. ETF will have produced relevant analytic information as needed to support its own, European Commission, other donors or local initiatives. 	<ol style="list-style-type: none"> 1.1. By end 2005 ETF has developed three in-depth studies on VET systems and their relevance to labour market needs in Armenia, Georgia and Azerbaijan. 2.1. December 2005 a number of capacity building and dissemination initiatives organised in the region. 3.1. Specific country or thematic analyses delivered as required. 	WP05-42-04

Development	Knowledge on newer fields utilised for designing future EU assistance in the region	<ol style="list-style-type: none"> 1. Enhanced ETF knowledge and experience on training strategies for local development in a poverty alleviation context and shared with CEC services in support to their programming cycle 2. Methodology for analysis of impact of management training on company development in RF developed and tested. 3. Activities on the development of qualification frameworks as integral component of on-going VET reform processes in Eastern European neighbours supported 	<ol style="list-style-type: none"> 1.1. By end 2005 one final report produced on the results of the Local Development Project phases I and II covering KAZ, KYR, UZB, MOL, GEO and ARM 1.2. Analysis and strategic recommendations produced and delivered to partner country policy makers and CEC services. 2.1. By end 2005 preliminary results of impact analysis of management training on company development in the RF shared with Russian counterparts and relevant CEC services 3.1. By end 2005 EU experiences in the field of NQF presented to Eastern European neighbours and an action plan for project continuation in 2006 developed 	WP05-43-05 WP05-43-06 WP05-43-07 WP05-43-08
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Projects proposed to support Eastern Europe, the Caucasus and Central Asia

Project N°	Partner countries	Project Title	Human resource allocation (fte)	Project fund allocation
Support to EC programmes and dissemination of EU policies				
WP05-41-01	All	Support to the Tacis project cycle (Project identification - Content monitoring)	1.25	60 000
WP05-41-02	ENPC	Expertise provision including support to European Neighbourhood Policy	0.25	20 000
WP05-41-03	All	Policy advice and capacity building measures	1	200 000
Sub-total			2.5	280 000
Provision and analysis of information and data				
WP05-42-04	All	Capacity building in information and analysis	1.75	330 000
Sub-total			1.75	330 000
Development activities				
WP05-43-05	RF	Impact assessment of training for company development (2 years)	0.5	140 000
WP05-43-06	UZB, KAZ, KYR, MOL, GEO, ARM	Training strategies for local development in a poverty alleviation context (2 years)	0.5	100 000
WP05-43-07	ENPC*	National Qualification Frameworks	0.5	170 000
WP05-43-08	All	Cooperation with other donors	0.25	30 000
Sub-total			1.75	440 000
1 secretary + 1 HoD			2	
Costs for the Advisory Forum regional meeting and for documentation, publications and translations attributable to the above activities				237 275
Total Department			8	1 287 275

*ENPC: European Neighbourhood Partner Countries

Expertise development

The ETF performs as a Centre of Expertise to support the European Commission in the implementation of its external assistance programmes in the field of human capital and labour market reforms. In order to analyse, review and communicate relevant policy and technical options, we must make a continuous investment in maintaining and developing a strong expertise base and learning from its own, and other agencies' experiences. Our expertise must draw on the following interlinked fields:

- The field of human capital and its links to employment. This policy area is dynamic and subject to continuous innovation. It also needs to be understood in relation to its broader links to social and economic development. As an EU agency, our expertise must include knowledge of the EU policy framework in this field as well as the different approaches followed by individual Member States.
- The context of partner countries and their traditions, socio-economic situation, needs, priorities and stakeholder groups.
- EU external relations policies, programmes and project cycle.

Expertise development will build on the work undertaken to date in the fields of skills for enterprise development; the labour market; the organisation and content of VET learning processes, including the role of teachers; and lifelong learning as defined in the mid-term perspective 2004-6. In addition, the expertise development plan will incorporate the outcomes from the November 2003 Advisory Forum. The Forum encouraged us to develop expertise in policy learning approaches, and in methodologies that help evaluate the fitness of human capital policies to local circumstances. A key element in the 2005 plan is anticipating and responding to thematic needs arising from the partner countries, as well as preparing for thematic needs from current and emerging EU policies such as the Lisbon Process, lifelong learning and the European Neighbourhood Policy.

The expertise development function is an essential activity for all operational staff. This function focuses on providing expertise development opportunities for those ETF staff whose responsibilities include delivering expertise to external stakeholders (such as the Commission and partner countries). By involving all operational staff in expertise development and knowledge sharing, we will consolidate the level of expertise at corporate level as well as provide for personal development and learning at an individual level.

The principle internal vehicles for expertise development will remain the expertise development co-ordination group and the Focus Groups set up in 2003. Knowledge sharing tools and methodologies in the house such as document management systems and the library will support these teams. It is essential for knowledge development within the ETF to draw on expertise and best practice from external sources. We will therefore continue to develop strategic partnerships and encourage opportunities for exchange and co-operation with other leading organisations in our field, such as the World Bank, UNDP, ILO, OECD, as well as bilateral development agencies and donors especially from EU Member States.

Given the strategic importance of this work, we will also take steps in 2005 to assess the impact of our investment in expertise development on the organisation, as well as on the individual staff member. This evaluation is expected to look in particular at the outputs which expertise development is generating.

In the longer term, we will develop itself as a 'learning organisation'. To achieve this goal, we will ensure that expertise development is fully integrated into our overall staff development and training policies. Indeed, as this function matures, it will increasingly become integrated into everyday operations and a significant feature in the line management of operational staff.

Expertise development

Specific Objective	Expected Results	Indicators	Project ref.
Thematic expertise consistent with the priorities of the European Commission developed among the staff of the ETF Operational Departments	1. Expertise of operational staff enhanced through the internal sharing of knowledge and experience	1.1. By end first quarter 2005, individual expertise development objectives and programme established for all operational staff 1.2. By end 2005, each ETF project has resulted in at least one paper outlining lessons learned 1.3. By end 2005, all focus groups have developed at least one thematic information paper in line with ETF expertise development plans. 1.4. By end 2005, ETF has analysed expertise implications from EU policies 2007-2013 1.5. By end 2005, a programme of at least 8 internal knowledge sharing events based on the work of focus groups, operational department and development projects has been completed 1.6. By end 2005, impact of expertise development on the institution and individual staff has been assessed and, where relevant improvement actions launched	WP05-53-01
	2. Reinforced expertise development by state of art tools and methodologies	2.1. Document management system has been introduced improving capacity of ETF staff to store, share and capitalise on its knowledge 2.2. By end 2005, new library facility supporting ETF expertise in place	
	3. Improved knowledge sharing between ETF and the outside world	3.1. By end 2005, the number of strategic partnerships between ETF and related organisations and networks has expanded 3.2. By end 2005, at least 9 ETF expertise development activities are organised in co-operation with external organisations and include participation by external organisations	
	4. Increased recognition of the quality of ETF expertise	4.1. By end 2005 all focus groups have developed a professional contribution to an external publication on their thematic issue 4.2. By end 2005, ETF operational staff (including expertise development and focus groups) have provided expertise input to at least 10 international conferences 4.3. ETF operational staff take part in relevant CEC expertise groups, and CEC experts take part in similar ETF initiatives 4.4. By end 2005, 75% of operational staff have contributed to ETF Yearbook 4.5. ETF Editorial Board gives favourable opinion on all ETF Expertise Development publications (for example, Yearbook published by end of 2005)	

Projects proposed to support expertise development

Project N°	Partner countries	Project Title	Human resource allocation (fte)	Project fund allocation
WP05-53-01	All	Expertise development	10	110 000

Technical assistance to the Tempus Programme

The 2005 objective of ETF's technical assistance for Tempus is to provide assistance in the implementation of the third phase of the Tempus Programme in full compliance with Commission priorities and standards and within the ETF's regulatory framework. In this context, priority will be given to carrying out the activities laid down in the Tempus Conventions for the partner countries in the CARDS, Tacis and MEDA regions.

The assistance provided by the Tempus Department covers the full project cycle. It therefore comprises selection, contract management and monitoring, information and publications, including general administrative support. Since mid-2004, the Tempus Department provides the same type of support for the Joint Call on the Bologna Process organised in cooperation with the Socrates Programme. We provide the general overall framework in terms of infrastructure, human resources and administrative support for the implementation of the different Tempus operations.

The 2002-3 external evaluation of ETF showed that a clearly defined and regularly reviewed and agreed framework of tasks and responsibilities between the Commission and the ETF is a prerequisite for good and efficient provision of technical assistance services. We will work in close co-operation with the Commission to draw up and implement this framework for 2005

Experience has also confirmed that ICT tools such as the website, on line application and reporting forms greatly facilitate the administrative management of the different project cycles, achieve a higher customer satisfaction, result in increased visibility and thus contribute to the positive reputation of the Programme as a whole. This is a critical feature in a programme that relies on participation by higher education institutions and stakeholders in over 50 countries. Improvements in IT have also resulted in a better flow of data on the performance of the programme. This information represents an important contribution to monitoring the programme and defining recommendations on future developments. We will continue to develop this facility, and in particular the Tempus website and on-line systems in 2005.

Recent changes in the structure of Tempus have had repercussions for the organisation of technical assistance. The introduction of the Complementary Measures and modifications to mobility strands and an improvement in the user-friendliness of Tempus procedures have resulted in a significant increase in participation by partner country institutions, and a higher demand for grants. In addition, the ETF and the Commission have made efforts to streamline procedures (such as guidelines, contracts etc.) in order to improve the monitoring of projects and respect for the Financial Regulation. This has required a redefinition of internal workflows and redeployment of human resources. Further efforts will be made in this direction in 2005.

Our role in Tempus is also a source of knowledge on higher education issues in partner countries. In particular, the projects provide interesting examples of the role of higher education institutions as change agents in the reform process, as well as on general higher education policy developments in the countries. We will strengthen our institutional memory of the progress of higher education reform in our partner countries in line with the EU lifelong learning approach. This represents an important contribution to the overall development of ETF expertise at the service of the Community.

There are specific risks that may influence the provision of technical assistance at ETF from 2005. Firstly, the addition of ten new Member States to the Union in May 2004 has brought a significant increase in the number of institutions that can apply for support under Tempus. We expect this to lead to increased numbers of project applications. This will have an impact on the human and other resources needed for technical assistance in 2005. Secondly, during 2004-5, the successor to Tempus III should be adopted. This process should include clarification on our role in the future programme. Any uncertainties regarding the future of technical assistance are likely to provoke greater turnover in staff with negative consequences on the knowledge base and capacities in the Tempus Department.

Tempus Programme

Specific Objective	Expected Results	Indicators	Resources
			Total HR (fte)
Assistance provided for the implementation of the Tempus Programme in full compliance with CEC priorities and standards and within the regulatory framework	1. Tempus projects selected for funding in context of increasing numbers of applications	1.1. Assessment guidelines drafted and agreed 1.2. Calls for application for different project types organised for agreed deadlines ¹⁰ 1.3. All applications received, processed and assessed ¹¹ 1.4. Statistical data on results of assessment made available in requested format	6.5
	2. Projects evaluated and project performance monitored	2.1. Assessment guidelines drafted and agreed 2.2. Progress reports registered and assessed ¹² ; 2.3. Audit campaigns implemented and followed up 2.4. Regular counselling and guidance on contract monitoring issues provided to running projects ¹³ . 2.5. Field monitoring campaign agreed and implemented	9
	3. Improved visibility of Tempus programme	3.1. General information on the Tempus Programme provided and relevant materials for specific information events produced 3.2. Publications produced and disseminated to relevant target publics 3.3. Promotional materials produced and disseminated 3.4. General information and guidance on overall Tempus issues provided	1.5
	4. Improved management of Tempus projects through IT tools and workflows in a context of increased applications	4.1. IT tools developed: JEP on-line application forms and JEP on-line report forms 4.2. Continued implementation and fine-tuning of existing tools: IMG report forms on-line; SCM report forms on-line, etc. 4.3. Improved functionality of the Tempus Database (TDB) 4.4. Technical upgrading and further development of Tempus website ensured 4.5. Increased numbers of on-line users	2
	5. General programme development and general administrative support provided	5.1. Assistance to CEC provided in a timely, professional and efficient manner	2
	6. Tempus project funds (for ongoing projects prior to 2003) and Tempus operational funds managed	6.1. Payments to grant holders made within fixed deadlines and in respect of financial and legal guidelines 6.2. Sound and efficient management of Tempus operational funds in accordance with the new Financial Regulations	1

* The total HR (fte) does not include yet the additional staff requested following Enlargement.

¹⁰ JEPs: 15 December 2005; SCMs: 15 February 2005 and 15 October 2005; IMGs: : 15 February 2005, 15 June 2005 and 15 October 2005

¹¹ Estimated numbers: JEPs: +/- 900 applications; SCMs: +/- 520 applications; IMGs: +/- 2600 applications

¹² Estimated numbers: JEPs: +/- 333 reports; SCMs: +/- 220 reports; IMGs: +/- 1250 reports

¹³ Running projects in 2005 (estimations): JEPs: +/- 410 projects; SCMs: +/- 220 projects; IMGs: +/- 1580 projects

Organisational support

In 2005, we will consolidate our response to the organisational challenges defined in the Commission Communication COM (2003) 287 and subsequent Medium-term Perspective 2004-2006. The main objective for organisational support for 2005 is therefore to reinforce ETF's effectiveness as a centre of expertise and prepare the Agency to make a full contribution to EU's external relations policy challenges 2007-2013.

As regards effectiveness and efficiency, we will continue to develop our capacity to plan, implement and report on our annual activities in line with the standards and approaches expected of EU bodies. In particular, we will consolidate our application of the Financial Regulation and Council Regulation to ensure that relevant information is provided according to the timeframe defined in the relevant statutory regulations. In this context, ETF will work closely with other EU agencies that are facing similar challenges. An important indicator of success in this respect will be the remarks made in the regular reports from the European Court of Auditors and the discharge process driven by the European Parliament. In 2005, we will also reinforce our efforts to ensure that the outcomes of our Evaluation Plan are fed directly into our annual planning cycle. ETF will support the Commission's External Evaluation of the agency planned for 2005 and will draw on its conclusions and recommendations for its future work. Further information on the Evaluation Plan is available in Annex 1.

The ETF's statutory environment also requires the application of internal control standards (ICS) common to EU bodies as adopted by ETF Governing Board in June 2004. Compliance with the ICS helps us to put in place high quality policies and systems that are considered essential for the effective management and accountability of EU organisations. Respect for the ICS requires the long-term process of quality improvement and monitoring of performance. Based on outcomes from the first action plan in 2004, the ETF will define and implement a second action plan in 2005. This will be achieved in full consultation with the Commission's Internal Audit Service and with regular reporting to our Governing Board.

We will be proactive in preparing for our contribution to the policy challenges facing the Enlarged Union 2007-2013 (COM (2004) 101 final/2 of 26/2/04). We will develop scenarios to anticipate changes in the EU external relations policies, programmes and structures. These scenarios will be developed in full consultation with the Commission before strategies are discussed and agreed with the Governing Board. The strategies will also need to take into consideration the role of the ETF within the next generation of EU education programmes, and the future of Tempus technical assistance after Tempus III. A key output from this process will be the definition of our next Medium-term Perspective for the period 2006-8 as required by our Council Regulation. This is expected to outline the future priorities and resource framework and will guide our work in partner regions and our investment in staff and expertise development.

Finally, we will improve the management of our statutory bodies (the Governing Board and the Advisory Forum) in line with the framework agreed with the Governing Board in 2004. As regards the Governing Board, we will develop opportunities for Board members to participate actively in our work beyond the formal meetings. As regard the Advisory Forum, we will ensure that members can provide a meaningful opinion on the annual Work Programme. In addition, Advisory Forum members will be encouraged to make their expertise available to the ETF to monitor progress in reform in the regions and identify future priorities.

Organisational Support

Specific Objective	Expected Results	Indicators	Resources	Project ref.
			Total HR (fte)	
ETF has clear medium term goals and resources for 2007-9 in the context of a development strategy 2007-2013	1. Policy priorities and resource framework for 2007-9 confirmed by Governing Board	1.1. Medium term Perspective 2007-9 adopted by Governing Board by November 2005	2.0	WP05-73-01 WP05-73-03
ETF has clear objectives for 2005/6, allocates the resources to reach them, and can demonstrate and account for its achievements and effectiveness	2. ETF achievements and budget execution for 2004, and objectives and resources for 2006 agreed upon by Governing Board. 3. Discharge for the financial year 2003 granted by European Parliament 4. Informed and enriched Work Programme 2006 through outcomes of evaluations and audits	2.1. Annual Activity Report 2004 adopted by June 2005, and Work Programme and Budget 2006 agreed by Governing Board by November 2005. 3.1. Discharge for budget 2003 granted in European Parliament resolution in April 2005 4.1. Governing Board has adopted Evaluation Report as part of Annual Report 2004 4.2. Outcomes of ETF External Evaluation report 2005 and audit reports feed into 2006 Work Programme and Medium term Perspective	4.0	
ETF policy and procedure improvements are identified systematically and corrected during the financial year	5. Compliance with Internal Control Standards. A second action plan implemented to meet the requirements of the Internal Control Standards. Issues identified by the Court of Auditors and Internal Audit Service corrected.	5.1. Governing Board adopted a second action plan for internal control by July 2005 5.2. Compliance with ICS given a positive opinion by CEC Internal Audit Service 5.3. European Court of Auditors makes favourable remarks in their regular reports on ETF organisation	2.0	WP05-73-02
ETF statutory bodies are managed effectively and efficiently according to their mandate and the outcomes of the 2003 External Evaluation	6. Regulated, guided and informed activities through the active contribution of the statutory bodies	6.1. Minutes of ETF Governing Board testify adoption of statutory documents and active participation by members 6.2. Advisory Forum opinions on annual work programme and progress in VET reform delivered to Governing Board.	1.0	

Projects proposed for organisational support

Project N°	Partner countries	Project Title	Human resource allocation (fte)	Project fund allocation
WP05-73-01	All	Advisory Forum	1.0	PM ¹⁴
WP05-73-02	All	Annual Evaluation Plan	1.0	118 600
WP05-73-03	All	Audit	0.5	PM
Additional HR to provide organisational support			6.5	
Costs for documentation, publications and translations attributable organisational activities, including the Governing Board				148 300
Grand total			9	266 900

¹⁴ Please note that the Advisory Forum regional meetings are funded under each programme budget. This project is co-ordinated at organisational level.

Administrative support

External Communication

In 2005, we will consolidate and further develop external communication to increase our profile as a Centre of Expertise supporting vocational education and training reform in partner countries. This exercise will be carried out in the framework of the External Communication Strategy approved in 2004.

The overall aim of our external communication is to support policy development and knowledge-sharing in the field of our competence and responsibility and to enhance the impact of the EU external assistance programmes as well as identification and exchange of good practice.

To be successful our information and communication activities must be distinct, visible, proactive, regular and transparent. The ETF must stand out as an EU body which is open to politicians, authorities, organisations and the public, and the information gathered must be made freely available to the European Community.

Our communication policy is to provide a balanced range of information and communication services and publications. In 2005 this will include the following priorities:

- Further develop the production and dissemination of high quality information on key issues in hard copy and electronic publications to a wide audience comprising policy-makers, partners and practitioners.
- Secure more extensive press coverage of our activities and vocational education and training issues by establishing closer contacts with journalists.
- Carry out targeted promotional activities at conferences, fairs and exhibitions in the field in vocational education and training.
- Introduce a re-designed, more user-friendly website providing a dynamic information architecture that allows an extended use of the website for knowledge sharing and allowing access to disabled users, in conformance with WAI recommendations.
- Strengthen dialogue-generating communication and face-to-face communication between the ETF and its main audiences by organising conferences, events and visits.

Central Services

In 2005 we will continue to operate a lean and efficient administration ensuring compliance with the rules and standards of the EU public administration and empowering the operational departments to deliver their services in responsive manner.

Our administrative framework has recently been revised through the introduction of new financial and staff regulations, and new rules for accounting and procurement. Guided by the objectives of the reform of the European Commission, and using the instruments it provides, we will evaluate, and where necessary revise, the existing procedures ensuring increased attention to sound management and compliance with EU standards of administration. Core to this process is compliance with the Code of Good Administrative Behaviour and the regulation on public access to documents, as well as the above-mentioned internal control standards in the field of administration.

Two key objectives for 2005 will be full compliance with the principle of annuality in the budget and better management of the risks inherent in our activities. We also intend to take corrective action to ensure that our document management capability matches the need to draw on a sharply increased amount of information linked to our mission.

We will also take steps to implement recommendations regarding administrative issues given by our auditing and governing bodies. In this context, we will pay special attention to the Court of Auditors' reports, the European Parliament's discharge decision for 2003, and the recommendations of the Internal Audit Service and Governing Board. As a consequence, in 2005 we will reinforce our financial services in line with the expected number and volume of transactions we must process with a view to minimising risks. Drawing on the recommendations of the European Parliament in its 2002 discharge decision, we will:

- Continue to invest in developing specific networks on administrative issues such as legal rules, information and communication technology and accounting software, enabling agencies to share

experience, seek economies of scale and adopt compatible and convergent approaches in their administration.

- Help build administrative capacity in the European Food Safety Agency in Parma, and assess the possibility of common and more cost-effective administrative services.

Administrative Support

External Communication

Specific Objective	Expected Results	Indicators	Resources
			Total HR (fte)
Information disseminated and exchanges of expertise, knowledge and experience encouraged through publications, the Internet, meetings and other appropriate means	1. Increased visibility of the ETF, its expertise, its products and its services towards policy makers, experts, practitioners from EU Institutions, Member States, partner countries, and the general public	1.1. Results of ETF work published and disseminated in a number of high quality publications and periodicals, including the ETF Yearbook 2005, Highlights 2004, Annual Report 2004, five "flagship" publications, a number of regional and thematic reports as well as six periodicals (four ETF newsletters and two "Live&Learn" magazines). 1.2. A re-designed structure and user-friendly and inter-active technologies to improve usability and access, and the exchange of expertise and knowledge implemented on the website. 1.3. Disabled users allowed access to the website in conformance with WAI recommendations 1.4. Number of visitors to the website increased to an average of 50 000 per month 1.5. Added value for the ETF and its stakeholders provided by organising high quality meetings, workshops and events in Turin, the EU Member States and in the partner countries	8

Central Services

Specific Objective	Expected Results	Indicators	Resources
			Total HR (fte)
Reinforced capacity to deliver cost-efficient administrative services, full compliance with EU regulations and increased responsiveness to the needs of internal and external customers	1. Appropriate implementing rules for the new Staff Regulations, in line with CEC guidelines and in coherence with other agencies adopted and implemented, including: <ul style="list-style-type: none"> - ETF's human resource competencies effectively developed in line with expertise requirements - ETF establishment plan in line with the best practices within EU institutions implemented. 	1.1 ETF implementing rules for the new Staff Regulations adopted by the Governing Board by April 2005. 1.2 Effective implementation of HR policies in the area of recruitment, performance appraisal, training and development. 1.3 Less than 5% vacant posts at the end of the year 1.4 No negative remarks from Court of Auditors on HR issues addressed in previous reports.	5.4
	2. Procedures for document registration, filing and archiving completed in compliance with ICS.	2.1 E-mail correspondence added to correspondence registration policy by July 2005 2.2 Mid year assessment on application of registration, filing and archiving policies and procedures / systems used / user comprehension and satisfaction by July 2004, resulting action plan by September 2004 2.3 At least 35% of document types/processes deployed in new document management system by December 2005 2.4 Creation of collection development committee, meeting at least once every six months	1.4
	3. Procurement for goods and services required by ETF activities carried out in line with public procurement rules in a timely and proportional manner., including: <ul style="list-style-type: none"> - Legal risks identified and controlled. 	3.1 No delay in ETF activities attributed to procurement. 3.2 Draft amendment to the ETF Financial Regulation, in line with provision of the new public procurement directive (2004/18/EC) ready by December 2005 3.3 No remarks in 2005 from Court of Auditors on procurement issues. 3.4 Measures to safeguard ETF financial interests in procurement and contracts are implemented by the assessment of financial viability of contractors and through the use of the EC Early warning System 3.5 Regulation on public access to documents is fully implemented, including allocation of data protection responsibility to ETF staff.	3.4
	4. Infrastructure maintained in line with ETF needs, including: <ul style="list-style-type: none"> - Full advantage of state of art information technology taken to provide services to external and internal stakeholders. - Future financial management software is deployed to accommodate new FR and accounting rules requirements. - Design and initial implementation of a Document Management System (DMS) supported, enabling easy and secure management of documents and promoting knowledge sharing 	4.1 No disruption reported in IT and infrastructure. 4.2 New ABAC financial management software is deployed by end 2005 to enter into active use by January 2006. Other accounting and financial IT tools adapted. 4.3 Help to implement the identified DMS solution by supporting IT related issues and related procurement by end 2005.	7.4

Specific Objective	Expected Results	Indicators	Resources
			Total HR (fte)
	5. ETF fully compliant with Financial Regulations, including: <ul style="list-style-type: none"> - Active steps taken to assess and control the financial risks of ETF's activities. - Accrual accounting successfully implemented 	5.1 No remarks in 2005 from Court of Auditors on previously flagged-up issues. 5.2 10 000 financial transactions carried out in line with Internal Control Standards and Financial Regulation requirements. 5.3 Risk assessment analysis and control measures are defined and implemented and regularly assessed. Bank guarantees are requested when required. 5.4 ETF fully compliant with the IPSAS standards for accrual accounting and indications given by DG BUDG	6.4
Sub-total central services			24
Total HR administrative support			32

Annex 1: ETF Evaluation plan

As recommended by the European Commission in its Communication on ETF (COM (2003) 287), in 2004 the ETF started to implement a new monitoring and evaluation policy that includes specific measures to assess thematic or country activities.

The first pilot evaluations¹⁵ coordinated by the Planning, Monitoring and Evaluation Unit in 2004 are:

- Project evaluation: Entrepreneurship in Education and Training – Project in the Russian Federation and in Ukraine
- Country evaluation: Bulgaria

The 2005 Evaluation Work Programme will cover all three VET operational departments. The following evaluations are proposed for 2005:

- One country evaluation
- One project evaluation
- One thematic evaluation

If required by operational needs, one supplementary evaluation might be undertaken in any of these categories.

In addition, the Planning, Monitoring and Evaluation Unit will start the preparation of the evaluation of the Italian Trust Fund projects.

The ETF will support the Commission's external evaluation process planned for 2005.

¹⁵ Excluding evaluations that are part of the Work Programme of the operational departments.

Annex 2: ETF/Cedefop: joint work in 2005

Introduction

- Cedefop and ETF have complementary expertise [see attached comparative table (Annex Va)]. Although both agencies are working in the vocational education and training area, there is no functional overlap between their work. ETF uses Cedefop as a source of information and best practice in the EU and EEA countries in the field of vocational education and training and labour market for supporting third countries' economic and social reform. Cedefop benefits from the ETF's experience and knowledge both in the candidate and in other partner countries. They join forces where necessary to help technically and scientifically the EU in reaching its objectives.
- In order to consolidate their cooperation which started in 1997, a framework for cooperation between the two agencies was established in 2001 setting out the scope, principles, priorities and modalities for their cooperation¹⁶. The main purpose was to prepare the acceding and candidate countries (ACCs) for accession whilst also clarifying for them the role of each agency.
- Building upon the achievements of their cooperation in previous years, the priorities and methods of joint work of the two agencies in 2005 will reflect the new reality marked by the enlargement of the European Union with 10 new Member States in May 2004.
- Therefore in 2005, the cooperation between the two agencies will focus on the remaining candidate countries (CCs) in the following priority areas for action:
 - (a) Facilitating their involvement in the policy development and related programmes of the Community in the field of VET;
 - (b) Supporting their further familiarisation and where appropriate preparation for full participation in the Cedefop activities and networks by the time of accession.

However, concerning the strategy of familiarisation and particularly the gradual integration of the CCs into Cedefop's work, we should make a distinction between those CCs whose accession is already on track (RO, BG) and those where this issue is still pending (HR) or to be seen in a longer perspective (TK).

- The two agencies will also strengthen their general and thematic cooperation by:
 - (c) Continuing the organisation of regular knowledge sharing events between their experts;
 - (d) Involving ETF experts in the thematic development activities in the EU member states and EEA countries;
 - (e) Associating Cedefop experts in the dissemination of the European policy developments in education and training in the CCs, the Western Balkans and other ETF partner countries.

Facilitating the participation and involvement of candidate countries in the policy development of the Community

- The candidate countries, especially Bulgaria and Romania, have been already involved in the cooperation with Cedefop and they expressed their particular interest in continuing to do so especially in some activities which have been already taken into consideration.
- Cedefop and ETF support the European Commission in the implementation and monitoring of actions related to the work on the future objectives of education and training systems in the EU and the enhanced European cooperation in VET. In view of their mission both organisations concentrate their support on vocational education and training issues. There is a need to intensify the assistance towards the candidate countries to take on board the conclusions and recommendations of the Joint Interim Report "Education and Training 2010" as well as the messages of the Maastricht Communiqué in terms of the updated framework of priorities for the reform of the national VET systems and the development of European labour market.

¹⁶ See http://www.CEDEFOP.eu.int/download/current_act/CEDEFOP_etf_0601.doc

- More specifically both agencies will continue to work together in the following areas:
 - (a) *lifelong learning (LLL)*: both agencies will cooperate with the European Commission and other partners on the identification and transfer of good examples of policy and practice in LLL (including examples from the 10 new member states and the candidate countries);
 - (b) *Europass*: ETF along with Cedefop will continue to assist candidate countries in their preparation of implementing this single framework for transparency of qualifications and competencies and participating in the European network of Europass correspondents;
 - (c) *Recognition of competences and qualifications*: the ETF and Cedefop will support the participation of the candidate countries in the implementation of the Council Conclusions on identification and validation of non-formal and informal learning; they will also continue to inform and involve the candidate countries as regards the development of a European credit transfer system for vocational education and training;
 - (d) *quality in VET*: ETF in cooperation with the Commission and Cedefop will continue to raise awareness and update the countries on the progress and outcomes of the work in this field as well as provide appropriate support to those countries which may wish to promote the pilot implementation of the Common Quality Assurance Framework ;
 - (e) *guidance and counselling*: building on the results and recommendations of the Council, Resolution on lifelong guidance, ETF and Cedefop will cooperate with the European Commission to support CCs' participation in further European cooperation and exchange as well as in informing their national policies with the objectives set out in the Resolution;
 - (f) *follow-up of the Maastricht Communiqué*: Cooperation will also be extended to encompass other priority areas emerging from the "Maastricht Communiqué";
 - (g) *eLearning and eSkills, eCertification*: Cooperation between ETF and Cedefop will also be extended to information exchange activities on eLearning and eSkills, eCertification and related activities in view of a future integration of both candidate countries (and where appropriate, the Western Balkans) into action programmes (eEurope and eLearning);
 - (h) Cedefop will continue to involve stakeholders and practitioners in the CCs and in the Western Balkan countries in virtual communities established by Cedefop (<http://cedefop.communityzero.com/>) and ETF will promote their participation as well as registration in the ETV (<http://www.trainingvillage.gr/etv/default.asp>).

Social Dialogue

- Cedefop and the ETF will continue to work together to promote the participation of social partners from CCs in the implementation of the 'Framework of actions for the lifelong development of competences and qualifications' agreed between the European social partners in 2002. They will also deliver support to the European social partners in carrying out their work programme 2003-05 on the lifelong learning theme under the priority of 'Enlargement'.

Continued support to candidate countries for participation in Cedefop

- Cedefop will continue to draw on ETF's experience for reinforcing participation of CCs in the following activities:

(a) reporting

Building on the positive experience in the ten new Member States, Cedefop and ETF will continue to provide adequate support for the further familiarisation of the ETF National Observatories in CCs with Cedefop's ReferNet. The ultimate goal is to ensure that they will be ready and able to play a role as potential members of the Network after accession;

The two agencies and Eurydice will continue to work closely together to ensure compatibility of the reporting structures. This work will be closely connected with KMS. Their collaboration in the joint publication of Structures of education, vocational training and adult education systems in Europe will continue.

Statistics and indicators: ETF and Cedefop will continue to be involved in the methodological work of the European Commission and particularly Eurostat regarding indicators (e.g. in LLL, quality of VET, follow-up of the work programme 2010).

TT-net: Cedefop and ETF will continue to facilitate the association of the CCs¹⁷ in Cedefop's networks, in particular the Training of Trainers network (TT net) and in the Skillsnet.

(b) e-learning

ETF and Cedefop will focus their cooperation on the VET-related aspects of the Commission's e-learning and eEurope action plan and seek to integrate candidate countries in the implementation of the e-learning action programme as well as in the eSkills field (see the VC's on eskills)

(c) participation of CCs in the Leonardo da Vinci study visits programme

In 2005, Cedefop will organise study visits in CCs. ETF will continue providing support to involve the CCs in the programme. ETF drawing on its networks and experience will propose to Cedefop appropriate contact organisations and persons in candidate countries for contributing to the visits/seminars. ETF will also contribute to analysing the results of the visits and provide input to the synthesis seminar.

(d) support for research cooperation

Developments in candidate countries are reflected in the third report on European research in VET dedicated to 'Evaluation and impact of VET' (published by Cedefop in 2004), through the contribution of ETF and researchers from these countries.

The ETF and the CCs will have more opportunities to be associated with Cedefop's research work through their involvement in the *European journal vocational training*, the fourth report on VET research in Europe, Agora meetings and the Skillsnet - the network on early identification of skill needs.

(e) Cedefop and ETF will continue to facilitate the association of the CCs in Cedefop's networks, in particular the Training of Trainers network (TT net) and in the Skillsnet.

(f) information and knowledge management

Cooperation aimed at reinforcing the electronic exchange of information will continue, in particular through more systematic links to be developed between the Cedefop European training village (ETV) and ETF website. ETF and Cedefop will promote the ETV in CCs to facilitate access to information about vocational education and training in the EU and increasing involvement in Cedefop activities. Through the ETV, users from CCs can also order Cedefop publications online.

The two agencies will also continue to work together with Eurydice in the field of documentation and terminology to improve the sharing of resources and to make tools more compatible. They both will be part of the consortium of international organisations, which is under development.

Cedefop and ETF will give specific attention to organising joint events during the Luxembourg and UK presidencies. The Dutch presidency conference in December 2004 aiming to update the Copenhagen Declaration and take forward its practical implementation is of particular importance as a guiding framework for the two agencies cooperation areas in 2005.

In the framework of the network of reference and expertise, Cedefop is looking to consolidate and extend the co-operation with the ETF and the candidate countries in the light of the European dimension in education and VET.

¹⁷ Until further clarifications, only Romania and Bulgaria are considered officially candidate countries. However, Turkey and Croatia will be involved in Cedefop's activities with the support of the ETF.