



European Training Foundation

CONSOLIDATED ANNUAL ACTIVITY REPORT 2022

EUROPEAN TRAINING FOUNDATION

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THE ETF IN BRIEF

The European Training Foundation (ETF) was established by Council Regulation No. 1360 in 1990, [recast as No. 1339](#) in 2008. The ETF is the EU Agency that supports countries outside the EU to improve their human capital development, in the context of EU external relations policies. It cooperates at country and regional level in the EU Neighbourhood and Enlargement regions, and in Central Asia, as well as contributing to the EU external policies and African Continental programmes. The ETF provides policy advice and support to 28 partner countries² and EU Delegations (EUDs) on the reform of education, training and labour market policies and systems. This contributes to social wellbeing, stability and prosperity in the countries surrounding the European Union.

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

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

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

² Albania, Algeria, Armenia, Azerbaijan, Bosnia and Herzegovina, Egypt, Georgia, Israel, Jordan, Kazakhstan, Kosovo (this designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ opinion of the Kosovo declaration of independence), Kyrgyzstan, Lebanon, Libya, Moldova, Montenegro, Morocco, North Macedonia, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual position of the EU Member States on this issue), Serbia, Syria, Tajikistan, Tunisia, Türkiye, Turkmenistan, Ukraine and Uzbekistan. ETF activities are in line with the EU positioning in these countries. ETF support to Belarus takes place in the context of Secretariat General (SG) note of 01/03/2022, Ares (2022)1502984. Also, in the context of the aforementioned note and EU Council Decision 2022/428 amending regulation 833/2014, and subsequent acts, the ETF has ceased to support Russia, which, until further notice, is no longer considered a partner country.

EXECUTIVE SUMMARY

This Annual Activity Report provides evidence of the successful implementation of the ETF's 2022 Annual Work Programme³, which was the second year of implementation of the 2027 ETF Strategy. In 2022, the ETF proved to be a mature and resilient organisation, with high response capacity to challenges. The ETF has continued to support the long-term recovery from the Covid-19 pandemic, to manage the impact of inflation and rise in utilities prices without major disruption to its delivery, to transition from online working modalities to hybrid ones, and to accompany partner countries in their process towards EU 'candidate' member status. Furthermore, it has been able to build further flexibility into its workplan and absorb shocks such as the Russian aggression towards Ukraine, thus ensuring its relevance in responding to and supporting human capital development (HCD) systems during or after conflict.

The ETF's response to and monitoring of the Ukraine crisis

Based on its long relationship with Ukraine, the ETF responds to the current crisis whenever possible and relevant, in close contact with different EC services, tapping into its thematic expertise and knowledge of education and training systems of the country, while strengthening partnerships with local stakeholders and beyond. In doing so, it continually adapts its annual work programme to incorporate new needs as they arise.

Beyond the emergency support programme for Ukraine, the ETF has developed an online resource hub for the recognition of qualifications, skills and study periods of Ukrainian refugees.

The ETF has also developed a proposal, in alignment with local actors and the Ukrainian government, for the recovery and reconstruction (post-conflict) of Ukraine, which aims at building a stronger, more resilient and fit-for-purpose vocational education and training (VET) network capable of driving local innovation and competitiveness for sustained growth and recovery.

Furthermore, the ETF is exchanging information with other EU agencies and EC services on the collective scientific efforts and data collection in response to the war in Ukraine, including: [Information for people fleeing Ukraine](#); [ETF - Big Data LMI - Ukraine](#); and [ETF weekly analysis of the invasion of Ukraine: the impact on human capital and education](#).

Finally, the ETF has been piloting a project on micro-credentials in Ukraine, comparing its qualifications with that of the EQF and supporting the EC in assessing its EU accession process.

In 2022, evaluations carried out by external parties on the ETF's work outlined a number of ways in which it adds value to its beneficiaries. The ETF has a comprehensive monitoring and assessment function that is distinguished by a unique methodology, broad stakeholder engagement (including social partners), and the use of high-quality data and evidence that is not available elsewhere. These factors enable the ETF to address real policy challenges and influence investments in human capital development (HCD).

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

Moreover, the ETF has received recognition for its ability to transform insights and information into relevant, future-proof prioritization of work. This capacity to anticipate future trends and developments is critical to preparing for future challenges and opportunities. It also plays an essential role in determining the ETF's future positioning and agenda-setting, as well as advancing knowledge development.

The ETF's success is rooted in its solid methods and innovative, flexible approaches that foster trust and effective communication with partner countries. The ETF is regarded as a valued broker of knowledge and a leader in inspiring system reforms and policy change. As such, it has created demand for impactful activities that leverage the ETF's global credibility and relevance as a human capital development player. Its influence extends beyond its immediate partners, making it an essential player in the broader human capital development community.

Therefore, regardless of the challenging context, the ETF has set out to influence labour markets and the workplace, boosting new skills' sets so that everyone can make the best use of opportunities while mitigating emerging risks. It has also supported countries to further reform their education, training and labour market systems to be responsive to geopolitical and socio-economic needs, to be more resilient to shocks and to move towards comprehensive, open and flexible lifelong learning systems. Furthermore, in 2022 the ETF proved that its strength lies in using its expertise and intelligence to provide contextualised policy advice. The knowledge and evidence generated by the ETF is adjusted to the different needs of countries and EC services, thus adding diversity and value in its contribution to the international dimension of human capital development.

In addition, in 2022 the ETF was entrusted by EC services with new agreements for collaboration and contracts or extra-subsidy projects. With DG INTPA a contract was signed for the delivery of two training sessions for the EU Delegations (EUDs) in Sub-Saharan Africa and Asia. The Service Level Agreement with DG EMPL on Centres of Vocational Excellence (CoVEs) unfolded in 2022 with the ETF ensuring its global visibility and positioning. The Dialogue and Action for Resourceful Youth in Central Asia (DARYA) contribution agreement was signed with DG INTPA and officially launched with an event in Uzbekistan and another in Kazakhstan, where the voices of youth from Central Asia have been widely disseminated. Work also progressed under the African Continental Qualifications Framework (ACQF), with 28 countries and two regional economic communities engaged.

2022 was the European year of youth. The ETF continued to support the Youth Guarantee in the Western Balkans, and provided support to youth measures in the regions of the Eastern Partnership and Southern and Eastern Mediterranean. The ETF has advocated and offered policy advice at the level of active labour market policies in partner countries to support young people not in employment nor in education and training (NEETs). When responding to youth policies there is a need for alliances with other stakeholders and organisations for systemic interventions.

In this context, the ETF has joined forces with a number of partners such as UNICEF for the promotion of the Youth Agenda or with organisations on the ground, like Enabel, to support the empowerment of youth and green skills in Palestine. It also engaged with its peer DG EMPL agencies on a number of issues stemming from knowledge sharing to building joint efficiencies. This successful collaboration between the agencies was highlighted at the

'Youth First!' event at the European Parliament in September. The event provided a platform for the agencies under the remit of DG EMPL to showcase to Members of European Parliament (MEPs) their ability to work together and leverage each other's knowledge and tools to create potential future synergies.

In the wake of the pandemic, networks have emerged as a new way of doing business. They bring together geographically and thematically diverse groups of experts. The ETF has engaged over 2000 stakeholders internationally forging new partnerships, which include teachers who excel in their domain, schools able to share their innovative practices, social partners and private sector actors interested in learning from one another, and organisations that can be strategic partners in delivering ETF's services.

The OneETF change process has been instrumental in facilitating the organisation's structural transformation following the adoption of the ETF 2027 strategy. In addition to reinforcing the implementation of ETF's new strategy, the change process has enabled the ETF to prepare for the new normality and hybrid work. As part of this process, the ETF has adopted a new approach to strategic communication, which has helped to align its messaging and outreach efforts with its strategic objectives. The organisation has also implemented a new set of values, new career framework, people management approach, and developed its internal communication function.

Furthermore, the ETF has made significant progress in digitalisation and has implemented a new corporate planning and monitoring system. The agency has also made strides in achieving sustainability goals, including EMAS registration and ISO 14001 certification, as well as implementing a sustainable commuting plan. In the area of diversity and inclusion, the ETF has adopted a new framework and signed the EU Agencies Diversity Charter, with measures underway to raise awareness and improve recruitment and employer branding. Despite the budget crisis caused by inflation and utilities prices, the ETF has been able to effectively manage its expenses, introduce cost-saving measures and reprioritise without major disruptions to its work programme.

These accomplishments are reflected in the agency's Key Performance Indicators (KPIs), which demonstrate its continued relevance and ability to respond to the changing needs of the partner countries, as well as the requests coming from the European Commission and the EU Delegations (EUDs).

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

The ETF has successfully achieved 93% of its planned actions across its 28 partner countries as part of its work programme. This is an impressive result, surpassing the organisation's target by three points. Additionally, 89% of these actions were completed in a timely manner, exceeding the target by nine points.

Key achievements during the year are highlighted below. These give an insight into the ways in which the ETF assists the Commission services and the partner countries. They are organised according to the ETF intervention logic (Annex 12) within its 2027 strategy. It is based on three strategic objectives with a focus on skills and education and training system development in a lifelong learning perspective. The three objectives are: skills relevance and

anticipation, skills development and validation, and performance and quality of education and training policies. These are delivered under eight thematic areas and three core services: knowledge hub, monitoring and assessment, and policy advice. The three core services are integrated across the ETF's projects to increase the impact of its operations and generate value for stakeholders. The knowledge hub and the monitoring and assessment services shape the ETF's diagnostic and anticipation capabilities that drive innovation and serve as a sound basis for providing policy advice to both partner countries and EC services. Finally, to align ETF operations to the objectives of the Commission and to further deliver on the SDGs, in 2022 the ETF reinforced its four transversal dimensions across its activity areas: greening, digitalisation, gender and migration. More details on the ETF's operational achievements can be found in Section 1 and in Annex 1.

Skills relevance and anticipation

Under this strategic objective, the ETF supports partner countries to anticipate and monitor changing skills demands (also including skills gaps and skills mismatch) at national, sectoral and territorial level through the generation of new evidence. Methodological support and policy advice is given for the development of modern labour market information systems as well as inclusive and effective active labour market policies. This takes place working closely with a wide spectrum of stakeholders, including social partners and employers. The ETF also provides policy advice for the modernisation of qualifications systems and the development of qualifications relevant to new labour market and workplace realities with particular attention to the comparison of national and regional qualifications frameworks to the European Qualifications Framework (EQF), and improved focus on validation, micro-credentials and the modularisation of curricula. The ETF also supports EU labour mobility and migration policies with a specific focus on the role of skills in tackling the root causes of migration, as well as in supporting talent partnerships and labour mobility.

In 2022, highlights include the recognition of the ETF's role in supporting the Joint Declaration of Ministers of Employment and Labour with the Union for the Mediterranean (UfM), and the launch of a new Team Europe Initiative in the Southern and Eastern Mediterranean. Also, the adaptation of the Cedefop EU Skills and Jobs Survey for application in ETF partner countries, the collaboration with UNDP that employed the ETF's Future of Work (FoW) methodology in Latin America, the platform economy regional report used for policy dialogue with partners and countries in South Eastern Europe and Türkiye, and the ETF's methodologies which were able to generate new data previously unavailable at country level. The ETF's contribution to the green transition was globally shared at the UN COP27 event in Egypt, and its work on big data was used by the State Employment Agency in Ukraine contributing to country progress based on an understanding of the investments required.

The ETF recently launched a new strand of expertise and evidence in the field of active labour market policies (ALMPs), resulting in ten country reviews on career guidance and two regional reports. Thanks to this work, the ETF has positioned itself as a leading provider of expertise and policy advice to partner countries and EC services on a variety of priorities including youth transition to work and youth employability, as well as activation and skills development policies. Moreover, the ETF has been instrumental in supporting the implementation of youth guarantee plans in the Western Balkans by introducing a skills

element to the agenda. This has led to a more balanced policy mix and increased the completeness of the implementation plans. Based on advice given to the Ministry of Labour in Armenia while designing its new employment strategy, the ETF supported the development of its work-based learning roadmap.

Under this objective, the ETF has also been able to support the African continent, by working with GIZ and the African Union (AU) on the African Continental Qualification framework (ACQF) engaging 28 countries and two regional economic communities, as well as virtual events and a second training week delivered to 157 stakeholders, including social partners and national authorities, among others. In Central Asia, the DARYA project (supported by INTPA) was launched, disseminating the voices of youth from the region to EU institutions.

The ETF has been working in partnership with Unesco, UIL and Cedefop on several important initiatives: the Global Inventory, widening the scope of the validation of non-formal and informal learning (VNFIL) to all partner countries, contributing to the design of the THAMMS2 programme, and working on the European Qualifications Framework, which includes both the comparison report prepared in consultation with EC services in which more partner countries joined, and an initial comparison with Cape Verde in the framework of the African Continental Qualifications Framework (ACQF). As a result, there is now more awareness among partner countries of micro-credentials and the importance of qualifications and their recognition for migrants. Finally, the training developed by the ETF in Malawi for DG INTPA aligns with EC priorities in the area of skills development for decent jobs. This training supports the EUDs in designing interventions that meet the country's needs in the area of education and training and skills development.

Skills development and validation

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

Highlights include the Partnership on Equity and Social as well as the Partnership on Going Green. The ENE network continued to expand in 2022 with a total of 258 Centres of Vocational Excellence (CoVEs) registered (15 more than in 2021) across 42 countries (10 EU, 16 PCs, 14 Sub-Saharan Africa, 1 in South Asia-Philippines and 1 in Switzerland). The self-assessment also progressed with 72 centres self-assessed on ENESAT and the second wave on track with 44 completed assessments. This work culminated in the ENE online conference in November which provided the opportunity for participants to share developments and results on the work of the thematic partnerships. Likewise, the work to support and strengthen the international dimension of CoVEs (Service Level Agreement – SLA 1) built on the ETF's knowledge and experience in this thematic area, thus reinforcing synergies and generating a multiplier effect. In doing so, it leveraged ENE as a channel for expanding the international dimension of CoVES and ensured the ETF's visibility and positioning, culminating in its participation at an international event in San Sebastian.

Within the ETF's Creative New Learning initiative, the flagship activity was the Innovative Teaching Award, which received 814 applications from over 50 countries and culminated in a Conference and Award Ceremony held in Turin with the 10 finalists. Moreover, the piloting of the READY model in Israel is a good example of knowledge uptake, further developed and customised by a partner country into a fully owned product. The SELFIE results in Azerbaijan provide another excellent example, as the exercise is being scaled up and integrated with digital initiatives established by the Ministry of Education as well as another initiative of the agency for Quality Assurance to enhance self-reflection practices for quality improvement.

Furthermore, the ETF strengthened its position within the community of stakeholders and policy agendas in the Western Balkans. Relevant developments include peer learning partnerships and activities with EU and partner countries on skilling, upskilling and reskilling, as well as career development support. In the agrifood sector, a stakeholder database was developed to map various types of institutions in the six Western Balkans countries, and technological changes and skills needs in the region were identified. Finally, it is also important to highlight the B2B type networking meetings between the EU and the Western Balkans facilitated by the ETF, which has prepared the ground for the signature of bilateral cooperation agreements on skills development and SME support.

Performance and quality of education and training policies

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

In 2022, the ETF's work has influenced and driven progress in the agenda and modalities of cooperation of EC services with ETF partner countries, such as: the inclusion of Torino Process deliverables and policy recommendations as criteria for planning and participation of eligible PCs in the new generation of the Erasmus+ programme; and the readiness of key partner DGs to incorporate the results of system and performance monitoring in 2022 in their programming and planning processes.

Highlights for the year also include the kick-off of the sixth round of the revamped Torino Process (New Monitoring Framework) and launch of its policy review for lifelong learning in partner countries (Level 2), the consolidation and presentation of National Implementation Plans within the Osnabrück Declaration and VET recommendation initiative, and the launch of the new study "Migrants as learners: individual pathways and prospects". Moreover, in 2022 preparations started for reworking country fiches, which will be a key contribution to the pool of country intelligence that the ETF is maintaining to benefit its partners and its internal work and planning. It is important to highlight that the ETF's Rapid Education Diagnosis (RED) in Kosovo produced policy recommendations for a digital agenda, including for the implementation of the digital education component of Kosovo's 2026 education reform.

The launch of GLAD (Governance Learning Action and Dialogue) was also a key achievement in 2022. GLAD is a network gathering 200 participants from 10 different countries and representing the variety of actors in the field of governance and lifelong learning, including social partners. The experience shared through GLAD reflected a new

appetite for ETF support. Finally, governance knowledge and evidence contributed to the ETF Policy Advice (PA) function, including public-private partnership arrangements to support the Youth Guarantee in the Western Balkans, the new Skills Agency in Georgia, active collaboration between local governments and civil society organisations (CSOs) for lifelong learning provision in Ukraine, and financing studies used in Palestine.

Key Performance Indicators (KPIs)

In 2022, the ETF achieved a very high level of performance in all its functional areas. This is demonstrated by the fact that for all KPIs measured in the year, the agency is above or well above target. The commitment rate was 99.98% (99.91% in 2021) and the timely payment rate remained high in 96.4% (97.6% in 2021) and well above the target of 90%. The rate of cancellation of payment appropriations was 0.29% in comparison to 0.44% in 2021 and the rate of outturn was 99.99% in comparison to 99.91% in 2021, both well above target and illustrating the fact that the measures that the ETF puts in place in response to shocks such as the Russian aggression in Ukraine and the continued effects of the Covid-19 pandemic were very effective in ensuring a continued and very high level of delivery of the annual work programme.

The above extends to the rate of achievement of planned activities in the 2022 work programme, which was 93% and the timely achievement of activities at 89%, well above target of 90% and 80% respectively, and proving that the ETF has effectively addressed both the pandemic and the budget constraints that impacted its operational work and the conditions in partner countries. Likewise, the rate of implementation of audit recommendations remained unaffected at a consistent high of 100% as in previous years, illustrating the commitment from the management to follow up on recommendations.

Moreover, the ETF has gradually managed to increase the overall allocation of staff to the operational job category: in 2022 it reached 74.41% compared to 74.08% in 2021, while reducing administrative support and coordination. The related indicator for administrative support in relation to the total of staff is 17.06%, hence well below the maximum ceiling of 30%. Finally, the average vacancy rate of ETF staff in authorised posts was 1% at the end of December 2022, also well below the target level of <5%.

The comparative table of the 15 Key Performance Indicators (KPIs) is presented in Annex 1 for the mid-term perspective 2017-2022, of which 11 KPIs are used for the assessment of Directors and benchmarking between agencies, and four are operational KPIs targeting the key activities of the ETF's work in the partner countries. The indicators reflect a high level of financial discipline, sound organisational management as well confirmation of the impact of ETF work in the partner countries. Conclusions drawn from audit and evaluation reports, as well as internal monitoring, also support the assessment of the maturity and stability of the agency, and its solid internal controls system.

Key conclusions on financial management and internal control

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

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

The 2022 annual review of the internal control system and organisational performance continue to provide reasonable assurance to the ETF management as to the level of compliance with all internal controls, on the correct functioning of the systems in place and on organisational performance. Overall, the results are positive as all the Internal Control Principles were assessed as effective and functioning with no principles assessed as having critical weaknesses.

The ETF uses a set of corporate performance KPIs to track and monitor organisational performance. They include the KPIs for Directors of EU decentralised agencies and other already existing corporate performance KPIs. They show that in 2022, the ETF used the resources provided by the EU to deliver its activities in due time, at an appropriate level of quantity and quality against agreed benchmarks and targets.

In addition, the ETF examined its functions and the delivery of its services, as well as its outputs, outcomes and impacts through systematic evaluations. Likewise, the ETF regularly analyses the available control results and indicators, as well as the observations and recommendations issued by the Internal Audit Service and the European Court of Auditors. These elements have been assessed to determine their impact on the management's assurance as regards the achievement of control objectives (please see PARTS II, III & IV for further details).

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

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

This section summarises the ETF's achievements for the 2022 operational activities in the second year of implementation of the 2027 strategy and the resulting reorganisation. It highlights the ways in which the ETF provides support to the Commission services and partner countries. It does so by combining, in different ways, the delivery of the ETF's three core services across its nine operational activities. The section also highlights the links between ETF operations with the general objectives of the von der Leyen Commission.

Contribution to the objectives of the Commission through four transversal themes

In order to align ETF operations to the objectives of the Commission, in 2022 the ETF has reinforced its four transversal dimensions across its activity areas: greening, digitalisation, gender and migration. In doing so, it ensures that attention is given to the impact of greening on skills demands, qualifications and skills development to support the transition of partner countries towards greener economies and societies in full alignment with the external dimension of the [European Green Deal](#) and its accompanying [Just Transition Mechanism](#), as well as the EU global agenda. Furthermore, by focusing on the impact of digitalisation on skills demands and development, as well as societal and economic dynamics, the ETF is aligned with [A Europe fit for the Digital Age](#).

Acknowledging that the green and digital transitions are not gender neutral, the ETF ensures an increased and constant attention to gender and equality across its work in line with the [European Consensus on Development](#) and the [EU Gender Action Plan III](#). Specific attention is given to addressing structural inequalities in HCD, including in the post Covid-19 recovery period. Moreover, the ETF fosters employment and skills development policies and programmes that strives to achieve a just transition that is gender-responsive. Finally, by focusing on the role of skills in tackling the root causes of migration, as well as supporting talent partnerships and labour mobility within EU labour mobility and migration policies, the ETF's work is in line with the [European Dialogue on Skills and Migration](#), the [New Pact on Migration and Asylum](#) and the [Global Approach to Migration and Mobility](#).

In 2022, highlights include ETF's participation at the UN COP27 in Sharm El Sheik in which it shared the results from its work on skills for the green transition globally. The RED Kosovo outlined policy recommendations for a digital agenda for the implementation of the digital education component of the Kosovo's education reform 2026. Also, the ETF produced expertise input to the EU external programming in Bosnia and Herzegovina, for a state-wide initiative to support the development of digital competences provided. In partnership with ITC-ILO, the ETF organised an exhibition on Digital Inclusion for the Biennale della Tecnologia of Politecnico di Torino where ETF launched the website www.digitallyexcluded.org.

ETF expert inputs on social partnership and PPPs, as well as on CSOs, were delivered via events and policy advice to Youth Guarantee bodies, UfM, EaFA, and EESC. These focus notably on enhancing the role of non-state actors for effective implementation of policies, beyond the policy design stage. Moreover, the ETF has delivered expertise to EGPA/IIAS discussions on the role of civil society in cooperation with governments. It has also supported

active collaborations between local governments and CSOs for LLL provision in Ukraine. Also, with ETUCe a joint workshop on education workers and teachers as social partners was agreed.

It is also relevant to bring to the fore ETF's contribution to gender responsive ALMPs, including the advocacy campaign on female VET role models together with Unesco and the analytical work presented at the UfM Conference Women Empowerment in Madrid. Likewise, it is important to mention the launch of the new study "Migrants as learners: individual pathways and prospects". Moreover, in the design of the THAMMS2 programme (migration project for Northern Africa) emphasis was put on the need to address potential and returning migrants, assessment of skills and qualifications, recognition processes including the importance of completing qualification system reforms, of establishing databases and of using EU tools such as Europass, ESCO, Comparison, Digital Credentials and databases. Finally, it is possible to highlight that the work of ETF in 2022 has led to PC increased awareness of micro-credentials and the roles of qualifications and their recognition for migrants.

Delivering impact through three core services

In 2022, the ETF put in motion synergies between its three core services, which are the pillars at the heart of its operational activities within its 2027 strategy. These synergies enable services to feed into one another within an integrated cycle that leverages ETF service delivery to countries, regions and EC services.

In the knowledge hub, the knowledge manifesto and its associated knowledge journey were implemented with a corresponding action plan, thus ensuring that the co-creation and use of knowledge at ETF enables it to fulfil its mandate through policy advice and support.

In this sense, it is relevant to bring to the fore that a variety of knowledge developments and sharing via networks and in collaboration with partners in 2022 were directly translated into policy advice, in particular on career guidance, skills mismatch, Ukraine qualifications, quality of teaching and learning, and digital education. Moreover, the ETF had around 160 thematic contributions to papers and debates organised by EC services, international partners and donors in the year (+27% in relation to 2021) on topics ranging from skills, ALMP, ITL, ENE, WBL and financing, as well as on the ETF's four transversal themes and youth.

The revamped Torino Process, now renamed under New Monitoring Framework (NMF) within the monitoring and assessment service, had the first round of implementation of Levels 1 (monitoring system performance for lifelong learning) and 2 (policy review for lifelong learning) in 2022. The response rate from countries was high and provided the ETF with a rich analytical body of evidence that will be disseminated in 2023. Other highlights for 2022 include the RED in Kosovo, the elaboration of the monitoring framework of the Osnabrück Declaration and EU Council Recommendation on VET, and the launch of the GLAD network. The monitoring and assessment function also coordinates the statistics across the ETF and has contributed with the KIESE data collection, country fiches, and the ETF updates on the situation of education in Ukraine.

The policy advice service further developed in 2022 through an open consultation process to partner countries and an event to gather inputs and reflections from high-level officials from the EC services and beyond. This helped the ETF to finetune its policy advice service

delivery which has been translated into a paper that will be published in 2023. It is important to highlight that key elements are the cooperation with EC services and the management of EU requests. Furthermore, the results of consultations were translated into a leaflet shared with EU Delegations (EUDs) in partner countries to both enhance the quality of requests to ETF and ensure these are linked to impact within the policy dialogue arena with partner countries, Commission Services, EU Member States, international organisations and financing institutions, among other stakeholders within Team Europe. Finally, in 2022 the dialogue with IFIs continued with a successful round table that identified actions for implementation from 2023.

The integration of ETF's three core services across its operational activity areas in 2022 aimed to increase the impact of ETF's work and generate value for stakeholders. The knowledge developed through the knowledge hub and the monitoring and assessment services shaped ETF's diagnostic and anticipation capabilities, thus building its ability for in-depth context understanding and to drive innovation. In turn, these served as sound basis to provide policy advice to partner countries (i.e. reform of education and training systems as well as participatory/inclusive governance systems) and the EC programming, as well as interventions in the wider Team Europe. Finally, the feedback received from partner countries and EC services through ETF's policy advice service, either in the form of demands or requests, was used as input for further knowledge development and monitoring, thus closing the cycle of ETF services integration.

In 2022 the dialogue with national stakeholders, EC services and EU delegations was also key to agree on joint actions as well as to building an overview and geographical coverage of ETF's three core services delivery: policy advice, expertise as a global reference for education and learning through ETF's knowledge hub, and monitoring and assessment. At the same time, this open and regular dialogue has ensured the continuity of activities in partner countries during 2022 in spite of protracted effects posed by Covid-19 and the war in Ukraine with a cascading crisis in the region and beyond, which added to pre-existing socio-political instabilities as well as economic and other fragilities.

Geographical coverage and reach

Geographically, it is important to highlight that the ETF has further strengthened its work and relationship in its partner countries in the EU Neighbourhood and Enlargement regions, including: South Eastern Europe and Türkiye (SEET), Southern and Eastern Mediterranean (SEMED), Eastern Partnership (EaP) and Central Asia (CA). In this context, the ETF operates under the EU Enlargement Policy and in particular the [Instrument for Pre-Accession Assistance](#). In the EU Neighbourhood region, the ETF operates within the framework of the [European Neighbourhood Policy](#). It also builds on the Joint Communication on a renewed partnership with the [Southern Neighbourhood](#) and its [economic and investment plan](#). In the Eastern neighbourhood, the ETF contributes to the [Eastern Partnership \(EaP\)](#) policy initiative and takes into account [Eastern Partnership policy beyond 2020 – Reinforcing Resilience – an Eastern Partnership for resilient economies, resilient digital transformation and for more inclusive societies](#), as well as the [new Deal for Youth](#). The [new EU Strategy for Central Asia](#) is the basis for the ETF's operations in that region.

In SEET, where youth unemployment and NEETS are high, the main achievement of the year was the commitment of the countries in the region to prepare for the implementation of

the EU Youth Guarantee Scheme, which will create opportunities for youth. Another highlight is the continuous commitment of candidate countries to implement the Osnabrück Declaration, including the delivery of National Implementation Plans on priority areas for VET reforms and planned measures in initial and continuing training for young and adults. An increasing number of the countries are also regular members of ACVT and DGVET meetings with the Commission and the EU Member States in view of vocational education and training reforms in a lifelong learning context, with the ETF stimulating and supporting these reforms.

Other highlights in SEET include: platform economy country reports published with regional report feeding discussions with partner organisations and countries in the region; RCC on digital skills and competences (DSC) and Education Reform Initiative of the South Eastern Europe (ERI SEE) on DSC for educators, their professional development and digital and online learning; career guidance country and regional reports in the Western Balkans; and support to youth guarantee implementation plans in the Western Balkans including via engagement with EU regions and countries, governance and QA expert advice, support in the prioritisation of EU IPA funding, concrete PPP arrangements, joint work with ILO for the Technical Assistance Facility, and the glossary of key terms concerning skills development in context of youth transition from school work developed in all Western Balkans' languages and posted on the European Interactive Multilingual Platform IATE.

The SEMED region is still fighting the protracted effects of Covid-19 and suffering from the global economic effects of the Russian aggression to Ukraine. The labour market continues to suffer from important challenges linked to unemployment and growing inactivity and NEETs rates, especially for women, and the transition from school to work remains difficult. In this context, the highlights for the region in 2022 include ETF's continual support to regional dialogue on employment and labour led by the UfM and DG EMPL; its contribution to the preparation of the new regional Action Youth Package (component 2 on NEETs); its involvement in Component 2 (inclusive entrepreneurship) of the Team Europe Initiative on Jobs through trade and investment and entrepreneurship; and its contribution in the design and launching of new initiatives including CoP for Youth Employment and the new Technical Assistance Facility for young people not in employment, education or training.

At country level, it is important to bring to the fore ETF's involvement in the THAMM 1 implementation and THAMM 2 formulation (Morocco, Tunisia and Egypt); in the preparation of PASE (support to the education sector programme in Tunisia); in the preparation of new actions in the TVET Sector in Egypt and Jordan; and in exchanges with ILO in the implementation of the SOLIFEM (social dialogue to move from informality to formality) project covering Algeria, Lebanon, Palestine and Egypt.

In the EaP region work has been disrupted by the Russian military aggression to Ukraine and the massive wave of refugees to neighbouring partner countries, especially Moldova. Countries with EU-Association Agreement (Ukraine, Georgia and Moldova) submitted applications to become EU member states and the EU granted candidate status to Ukraine and Moldova, as well as to Georgia under certain conditions. In spite of this challenging situation, ETF activities continued on a regular basis. Key highlights for the year include ETF's contribution via expertise input and regional policy dialogue to EaP initiatives EU4Youth and EU4 Digital; its knowledge creation and generation of intelligence via several studies implemented in the region and the preparation of country reports; and its facilitation

to peer learning and capacity building via countries' participation in the ETF Forum on Quality Assurance in VET, in the ETF network of Centres of Excellence, in the ETF peer learning and exchange event on ALMPs innovation, in the Global Careers Week, and in GLAD. Also, it is important to highlight that the ETF became an observer to the EaP Public Employment Services Network.

In Central Asia, ETF's work is interlinked with the extra-subsidy project DARYA that has been launched in 2022 and the highlight has been a consultation process with key regional stakeholders on their related interests and needs. Another relevant activity in the year was the involvement of region practitioners on ETF's cross-regional work and networks, such as the SkillsLab and the innovative educators. At country level, the ETF supported Kyrgyzstan and Tajikistan on the analysis of labour market statistical evidence, including on the identification of main trends and challenges, on the calculation and interpretation of mismatch indicators, and on the provision of coaching and recommendations. At the request of the EU Delegation in Uzbekistan, the ETF also supported the Ministry of Higher Specialised Secondary Education with input on the development of work-based learning (apprenticeship) and VET staff development.

In parallel to ETF's work in its partner countries in the EU Neighbourhood and Enlargement regions, it is also leading the consultation on the preparation of the Africa Action Plan and working on the three Africa-related projects: i) implementation of ACQF, which in 2022 progressed with 28 countries, a training week and two regional economic communities engaged; ii) the DG INTPA contract for delivering training to EU Delegations, which in 2022 happened in Malawi and counted also with participants from Eswatini, Kenya, Namibia, Mozambique, Rwanda, South Africa, South Sudan, Sudan and Zambia; and iii) the DG EMPL contract on CoVEs which overall engaged 14 Sub-Saharan African countries.

The above examples of cooperation with the African Union (AU) takes place considering that the EU's relationship with Africa is a key priority for the Commission. Furthermore, encouraged by the Commission opinions of July 2021 and of July 2022, the ETF is to use its agility in programming "to respond to the new European Commission priorities and to pursue opportunities to work beyond current partner countries or to engage in new priority thematic areas". Hence, the ETF looks forward to continuing to engage with Africa, to seek synergies with partners and uptake for its products to support the implementation of the wider EU-Africa strategy in line with the Joint Communication ["Towards a Comprehensive Strategy with Africa"](#) and other references such as the [Africa-EU partnership](#), the new [Africa Communication](#), the [Communication on the Africa-Europe Alliance for Sustainable Investment and Jobs](#), and the [African Continental Qualifications Framework](#).

Finally, in terms of reach, it is important to bring to the fore that, in 2022, 10 podcasts, 2 international awards and 10 joint communications were produced and promoted, and 7 LIVE LearningConnects interviews were streamed on LinkedIn, Facebook and YouTube. For the first time in its history, the ETF was invited to take part at the UN COP conference to present its work on green skills. The ETF also produced a new portal dedicated to Ukraine and 4 new networks were included on OpenSpace. The ETF achieved a significant increase in overall reach on social media. These include: +26.900 Facebook visits, +814 followers in Twitter, +5.448 visits in LinkedIn, +21.300 views in YouTube and +2.626 Instagram followers, all in

relation to 2021; as well as on its website and online community OpenSpace (+1.5000 members in relation to 2021).

EU requests in 2022

In 2022 the ETF received 38 new requests, of which 26 have been closed. These stem from Commission Services, including DGs and EUDs, throughout the implementation of the work programme (WP). This adds to the 28 requests received prior to January 2021 already included in the WP, totalling 40 EU requests. Addressing these ad-hoc requests is an indication of the flexibility of the ETF in the implementation of its WP and the priority given to the requests directly coming from the EU services, even when not initially planned. The geographical coverage of requests in 2022 were mostly related to Eastern Partnership countries, followed by South East Europe and Southern and Eastern Mediterranean. Central Asia registers two requests, one request is cross-regional and one is not country specific. Some regional requests may cover the whole region while others cover more than one single country. Regarding their institutional origin, EUDs, DG EMPL and DG NEAR made most of the requests, followed by DG INTPA and DG EAC.

In spite of the difficult context of fragility in partner countries, the protracted Covid-19 pandemic and the Russian aggression to Ukraine, the requests in 2022 covered multiple objectives of the EU external assistance. In particular, these are related to policy dialogue and programming or project cycle management. Ongoing support covers monitoring of large project interventions. The ETF expects the required input and contribution to new requests in the near future should increase. Thematic and country based expertise remain an asset of ETF in the area of EU support. Ultimately, the ETF was involved in different stages of programme implementation, corresponding to a total EU investment of €3,29bn with a direct ETF contribution to €1,05bn of EU investment. In terms of direct costs for ETF, in 2022 this represented € 207,513 for planned and €115,844 for unplanned EU ad-hoc requests.

Strategic objectives translated into activity areas

In a nutshell, in 2022 the ETF's operational activities developed knowledge, assessed the performance of learning systems, and provided policy advice for the EU services, the partner countries' stakeholders, and other international organisations and donors working in the partner countries in the field of human capital development. This took place in line with key EU policies and the objectives of the new Commission. Ultimately, this shows that through the combination and integration of ETF's three core services the institution has been able to service the Commission services and partner countries alike, while increasing its digital and green maturity. This has been materialised by delivering its three strategic objectives through its annual work programme 2022, which is operationalised through the ETF's activity areas.

1.1 Skills demand analysis

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

In 2022, the focus of this activity area moved from knowledge generation and sharing towards a stronger focus on the uptake of findings and intelligence generated. Such uptake took place both within this specific activity area and across the other ETF activity areas. For instance, via policy dialogue and upon requests from the Armenian and the Jordanian ministries of education and labour, respectively, the ETF helped the first to identify skills' demands and the latter to develop a Labour Market Information System (LMIS) system. Furthermore, the ETF contributed to the development of an Action Document (AD) regarding the identification/formulation of a new project in TVET upon request of the EUD in Egypt, while designing a component on skills development into the new EU Action for EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) implementation/economic development under Annual Action Programme/Plan 2022 upon the request of EUD in Georgia.

Other examples to highlight in 2022 include the ETF contribution to the green transition globally shared at the UN COP27 and in several events around the future of work (FoW). Also, the innovative nature of the methodologies employed in this area generated data that previously did not exist at country level. These contributed to anticipating skills' needs and prompted interest and requests from partner countries and beyond. Examples include the FoW studies in Egypt, Türkiye, Tunisia and Albania. Also, the big data for Labour Market Information (LMI) integrated systems in Tunisia, Ukraine, Georgia, Morocco, Egypt and Kenya, as well as for remoting work analysis in Ukraine. In fact, it is important to highlight that the ETF work on big data employed by the State Employment Agency in Ukraine is a good example of intelligence generated contributing to country progress.

Table 1 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

Table 1: skills demand analysis main achievements in 2022

Objective

Support the systematic generation and use of information on changing skills demand for the benefit of individuals, companies and economies in transition and developing countries.

Outcomes

- Analyses of skills (skills needs, skills gaps, skills mismatch) for PC and EU services on the basis of the methodologies developed through the project inform national, EU bilateral and regional policy dialogue.
- Experience, knowledge and good practice on skills identification mechanisms and tools systematically gathered and shared among a network of experts to foster a culture of skills anticipation in PCs.

Main achievements in 2022

Number of methodological instruments developed and their uptake

- FOW methodology successfully applied in Armenia (construction sector) and Egypt (energy sector).
- EU Skills and Jobs Survey adapted from the Cedefop model and applied in 6 countries (Serbia, Kosovo, Albania, Bosnia and Herzegovina, North Macedonia, and Israel).
- MoU concluded with UNDP to use FoW methodology in Latin America, based on request for ETF to be part of the UNDP community of practice on skills anticipation and to share its experience and knowledge.
- ETF big data methodology included in national processes in Egypt, with uptake from national authorities and linked with other national initiatives (Egypt Task Force on Labour Market Information or LMI).
- Release of the online job vacancies dashboard with methodology shared with Kenya upon request of DG EMPL, with uptake from national authorities ongoing.
- Support provided to Kyr statistical office to embed the mismatch ETF methodology in the national Labour Force Survey as from 2023.
- Use of LMI tools to provide policy advice to the Armenian Ministry of Employment.
- Employers' survey methodology implemented in Lebanon with appropriation by national authorities.

- ETF requested to support and adapt its monitoring framework to priorities of 5th Union For the Mediterranean Ministerial Declaration.

Number of studies disseminated and used to inform policy dialogue

- Results from ETF 's work on skills for the green transition globally shared at the COP27 in Sharm El Sheik with active participation of ETF in two events.
- Mismatch report published and disseminated.
- Platform economy country reports published with regional report feeding discussions with partner organisations and countries in SEET.
- FoW Tunisia energy report finalised and shared with national authorities and EBRD for follow up investments in the sector.
- FoW Albania energy report finalised and shared with national authorities, discussion on follow up actions ongoing with the country.
- FoW Armenia construction report finalised and discussed at Ministerial level for follow up actions.
- FoW reports used to feed policy dialogue as part of Darya, and to plan for a regional sector study in 2023.
- Use of findings generated in SEMED through different thematic reports feeding discussions with Team Europe Initiatives.
- Use of findings on the craft sector in Georgia feeding national dialogue and a national conference in October. Findings were also used to feed international reflections in cooperation with a variety of partners, such as World Craft Council.
- Contribution to several events on the future of work (FoW), greening and related aspects, such as contribution to Helveta (Albania), ITUC Perc (Türkiye), Festival del Futuro (Italy), LKDF UNIDO Annual Forum.

Membership and engagement of the network membership

- 163 researchers registered to the SkillsLab network (December 2022), after one year of its launch.
- First live event post-Covid-19 organised in June, with 50 participants from PC and EU MS, resulting in great engagement and a list of follow up proposals for action in 2023.
- Flash news circulated every month to members.
- Bilateral discussions with members following the live event in June.
- Open Space new platform launched and operational.
- Organisation of 3 webinars, launch of one call for proposal on innovative skills demand analysis methods.

2022 Highlights

- EU Skills and Jobs Survey adapted from the Cedefop model and applied in 6 countries.
 - Collaboration with UNDP to use FoW methodology in Latin America.
 - Platform economy regional report feeding discussions with partner organisations and countries in SEET.
 - Big data employed by the State Employment Agency in Ukraine contributing to country progress.
 - Contribution to the green transition globally shared at the COP27 and in several events around the FOW.
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In this context, this activity area contributes to [European Skills Agenda](#) Action 2 of strengthening skills intelligence as a means to achieve higher attention to and investment in skills for citizens across economic sectors and a better alignment of skills policies to demands. It also contributes to European Skills Agenda Action 6 of identifying skills that support the green and digital transitions, in line with the [European Green Deal](#) and its accompanying [Just Transition Mechanism](#), as well as [A Europe fit for the Digital Age](#) and the associated [Digital Education Action Plan 2021-27](#).

The contribution of this activity area extends to the [European Dialogue on Skills and Migration](#), the [New Pact on Migration and Asylum](#) and to the [Global Approach to Migration and Mobility](#), by covering the skills dimension of migration (labour mobility) through its support to improved skills matching, inclusion, and social fairness in line with the [European Pillar of Social Rights](#) and the [European Consensus on Development](#). In the youth dimension, ETF's contributions also reach out to the [Youth Action Plan \(YAP\) in EU external action 2022 – 2027](#), the [Reinforced Youth Guarantee](#) and the [Youth Employment Support: a Bridge to Jobs for the Next Generation](#).

In addition, this activity area promotes the [Council recommendation on vocational education and training \(VET\) for sustainable competitiveness, social fairness and resilience](#) and the

[Marrakech Ministerial Declaration](#). Regionally, it fosters the [Eastern Partnership policy beyond 2020 – Reinforcing Resilience – an Eastern Partnership that delivers for all](#), the [Joint Communication on a renewed partnership with the Southern Neighbourhood](#) and the [Towards a comprehensive strategy with Africa](#). Finally, this activity area also contributes to [Sustainable Development \(SDG\) Goal 4](#) on quality education, [SDG 5](#) on gender equality, and to [SDG 8](#) on decent work and economic growth.

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

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

In 2022 this activity area contributed to the strong positioning of the ETF as a provider of expertise and policy advice to partner countries and EC services alike. In particular for the EC, it is important to highlight advice delivered on youth transition to work and youth employability, as well as on career guidance and work-based learning in relation to activation and skills development policies. Also, a new strand of expertise on ALMPs practices and evidence was launched, with ten country system reviews of career guidance completed as well as two regional reports.

At regional level, the ETF contributed to regional dialogue in the WB, the EaP and in SEMED. The ETF also supported the youth guarantee implementation plans of the countries influencing the national policy agenda in the WB by introducing the element of skills on the agenda, thus increasing the completeness of the implementation plans with a more balanced policy mix. Furthermore, the WBL roadmap in Armenia was supported by ETF, which also gave advice to the Ministry of Labour on designing its new employment strategy.

It is also important to highlight that the results of the ETF-Eurofound survey on living and working were summarised in a cross-cutting factsheet covering 37 countries. The thematic development results fed both policy advice (e.g. Youth Guarantee-like schemes development) and monitoring countries progress on active labour market, employment policies and skills development policies. In a nutshell, in 2022 this activity area was fully integrated with EC priorities with a focus on collaboration with EU and international partners, including Eurofound, Inter-Agency Group on CGC, EAfA, Unicef and ILO, to name but a few. Finally, it is also relevant to bring to the fore ETF's contribution to gender responsive ALMPs, including the advocacy campaign on female VET role models together with Unesco and the analytical work presented at the UfM Conference Women Empowerment in Madrid.

Table 2 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

Table 2: sustainability, inclusion and resilience through active labour market policies and the skill dimension of labour mobility main achievements in 2022

Objective

Support countries to improve Active Labour Market Policies and employment services, as well as career guidance and counselling and work-based learning to increase skills relevance, labour market inclusion and social fairness.

Outcomes

- Policy buy-in on the role and effectiveness of Active Labour Market Policies (ALMPs) and Public Employment Services (PESs) in supporting the adaptation to socio-economic changes, labour market inclusion and social fairness.
- Increased collaboration and policy exchanges (peer learning) on the role of ALMPs and skills dimension in view of changing labour markets, twin transitions, and inclusiveness as well as flexibilization of skills development approaches and matching policies and services.
- Enhanced career development support systems and services as central building block of lifelong learning systems.
- Strengthened work-based learning systems through peer learning networks, policy advice, policy analysis, capacity building and international cooperation.

Main achievements in 2022

Number of countries advised to adapt their ALMPs and/or employment policies, WBL and CGC

- Armenia: clarified priorities and stakeholders cooperation for a WBL roadmap, and review of the ALMPs delivery, with particular focus on youth completed; as well as suggestions concerning the new draft employment strategy at the request of the Ministry of Labour.
- Azerbaijan: support to Ministry of Labour and EU project concerning ALMPs programmes and statistics, national skills observatory.
- Lebanon: further capacity building for career guidance in cooperation with education and VET sector.
- Albania, Montenegro, Kosovo, and North Macedonia: advice on Youth Guarantee Implementation Plans.
- Moldova: preparation of ALMPs evaluation approach for the Public Employment Service.
- Jordan: event and country report on innovative active labour market policies.
- Ukraine: developing together with Eurofound of the Working Life Country Profile.
- EaP and Western Balkans: career guidance country and regional reports.
- ETF working paper on youth disengagement and mismatches in EaP, four country reports on ALMPs deployment published and fully used in country policy advice and input to EC services.
- New strand of ALMPs intelligence development on practices and evidence focused on innovation, mutual learning and consolidation of information and statistics concerning PCs policy implementation.
- Global careers month implemented with a wide variety of events and activities all over the globe.
- Glossary of key terms concerning skills development in context of youth transition from school work developed in all Western Balkans' languages and posted on the European Interactive Multilingual Platform IATE with ETF contributing to the acceptance of non-EU languages to be used on this platform.

Number of partner countries advised for gender responsive ALMPs, employment policies, WBL, CG and other relevant gender related transition issues

- New evidence created through e-survey with Eurofound with a report published covering well-being and work life balance, lifelong learning, etc.
- ETF – UNESCO Cairo cooperation on advocacy campaign on female VET role models ongoing along the World Skills Egypt competition of 24-25 September, including inputs to ETF communication campaign months on data and career guidance.
- Preparation of a short analytical product focused on gender in the framework of UfM Women Empowerment working group presented in the UfM Conference Women Empowerment in Madrid 26-27 October.

Number of EU requests using evidence/findings from ALMPs, WBL and CGC knowledge and policy advice

- ETF strongly engaged in EU regions and countries policy dialogue processes, in particular in the design and implementation of Youth Guarantee in Western Balkans.
- ETF also engaged in the design and launching of new initiatives in SEMED (CoP for Youth Employment, new Technical Assistance Facility for young people not in employment, education or training).
- ETF contributed to re-focus of EU4Youth in Eastern Partnership.
- Methodological approaches and lessons transferred to the team dealing with the new EU programme for Central Asia, DARYA.
- ETF supported prioritisation of EU IPA funding for YG actions in Western Balkans.

Policy dialogue inputs delivered to EU institutions

- Within EU working group on adult learning, updates on policy measures to support adults' participation in learning. Also, in relation to the impact of the war in Ukraine on refugees and their needs for skills development,

upgrading and validation. Finally, feedback to EU public consultations on upskilling pathways and for the European Year of Skills, among others.

- Joint EC-ETF preparation of European Alliance for Apprenticeships event for participating PCs.
- Contribution to EU4Youth Days covering all EU neighbouring regions, while further supporting the implementation of the EU4Youth programme in EaP.
- ETF became an observer to the EaP Public Employment Services Network.
- ETF reviewed the Economic Reform Programmes of WBT and provided advice to EC on specific country recommendations.
- Upon request, advice to EC and EUDs concerning IPA prioritisation and effectiveness (i.e. Kosovo, North Macedonia).
- In Palestine, also upon request, the ETF provided expertise on youth employment and transition from school to work in the framework of EU and donor support.

2022 Highlights

- Policy advice to EC services on youth transition to work and youth employability, as well as on career guidance and work-based learning in relation to activation and skills development policies.
 - New strand of expertise on ALMPs practices and evidence launched, with ten country system reviews of career guidance completed as well as two regional reports.
 - Cross-cutting factsheet covering 37 countries based on results of the ETF-Eurofound survey on living and working.
 - Policy advice on Youth Guarantee-like schemes and monitoring countries progress on active labour market, employment policies and skills development policies.
 - Collaboration with EU and international partners, including Eurofound, Inter-Agency Group on CGC, EAfA, Unicef and ILO, among others.
 - Contribution to gender responsive ALMPs: female VET role models and UfM Conference Women Empowerment.
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It is possible to verify that the ETF builds its intervention on the [European Pillar of Social Rights](#) (EPSR) and its principles, in particular equal access to education and training, as well as relevance of skills development and access to employment, including proper social protection and support for activation during unemployment spells. In promoting gender equality and women's empowerment, this activity area contributes to the [EU Action Plan on Gender Equality and Women's Empowerment in External Action 2021–2025 \(GAP III\)](#). From a lifelong learning perspective and in particular adult learning, the ETF fosters the [UNESCO's CONFINTeA VII Marrakech Framework for Action](#).

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

1.3 Modernisation of qualifications and establishment of qualification systems

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

In 2022, this activity area was in the forefront of the ETF response to the Russian invasion of Ukraine, thus expanding on the planning for the year. This included building new solutions to support the new activities while delivering all activities planned for the year. In particular, the work in partner countries generated evidence and intelligence, as well as visibility, all of which contributed positively to countries' progress, including: Albania (EQF referencing), Armenia (webinar on skills anticipation, qualifications, ESCO), Bosnia-Herzegovina (VNFIL seminar), Egypt (Network of National databases), Israel (NQF twinning and follow up), Kosovo (governance), Moldova (Network of National databases), Morocco (Network of National databases), North-Macedonia (Network of National databases), Serbia (Network of National databases), Palestine (relaunch NQF), Tunisia (repertoire and Network of National databases), Türkiye (International TQF conference and Network of National databases), Ukraine (Comparison, Resource Hub, HRD Forum), Central Asia (Darya), Africa (ACQF), and Cape Verde Southern African Development Community (SADC) comparison.

Highlights for the year include the work in partnership with Unesco, UIL and Cedefop on the Global Inventory, the widened scope of the VBFIL to all partner countries, the contribution to the design of the THAMMS2 programme, and the work on EQF, which includes both the comparison report prepared in consultation with EC services in which more partner countries joined and an initial comparison with Cape Verde. Finally, it is important to outline that for all partner countries there is more awareness of micro-credentials and the roles of qualifications and their recognition for migrants.

Table 3 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

Table 3: modernisation of qualifications and establishment of qualification systems main achievements in 2022

Objective

Support countries to modernise qualifications / qualification systems for lifelong learning, employability and competitiveness.

Outcomes

- Qualification systems facilitate the validation and recognition of lifelong learning and support mobility.
- Access to qualifications is improved through linked and interoperable databases, including micro credentials; stackable qualifications become available to support lifelong learning.
- Partner countries develop stronger links with the EQF. Groups of countries compare their systems to the EQF and make use of/adapt EU instruments for own development.

Main achievements in 2022

NQF and VNFIL inventories record progress in countries on NQF stages of development, and record trends

- Adapted country fiches sent to partner countries for updating and ongoing discussions with Cedefop for possible changes in the structure of the fiches based on the presented questionnaire for the NQF inventory 2022.
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- GINRQF 2021 cross-country chapter under preparation with three draft papers already prepared for integration. Specific thematic chapters looking at digitalisation, micro-credentials, RQFs and a regional chapter on the ACQF under preparation.
- Extension of VNFIL monitoring to all partner countries in coordination with the Torino Process 2022/23.
- The VNFIL inventory for 11 countries has been contracted out and a kick off meeting took place in September. The final methodology is being clarified with Commission services and Cedefop.

EQF AG supports further comparison, EC requests ETF support for EQF external dimension

- Draft comparison report prepared in consultation with EC services, MS experts and Ukrainian stakeholders.
- The report will be published as a Commission document with EC, ETF, MoES and NQA logos. It will be introduced by Commissioner Schmid and MoES Shkarlet.
- A Joint Action Plan will be prepared as a next step supporting as well the integration of Ukrainian into EQF and the European VNFIL developments.
- Discussions have taken place on planning the next phase of comparison including with SADC QF and Cape Verde.
- The possibility of two additional extra-subsidy pilots for Georgia and Moldova have been discussed to support their participation in the EQF and VNFIL.

Number of instruments/tools promoted (i.e. qualification databases, micro-credentials and validation and recognition tools) are integrated in qualification systems in countries

- The project on the Network of National Databases has started and planning of the work with the countries (North Macedonia, Serbia, Türkiye, Moldova, Ukraine, Egypt, Morocco and Tunisia) is advancing.
- An animated short video on the Network of National Databases is in an advanced stage of preparation.
- In Tunisia, a questionnaire on the needs of users is prepared and will be launched early in 2023.
- In Ukraine, joint work on using ESCO to analyse learning outcomes of qualifications has started.
- A briefing was prepared for DG NEAR explaining how the network of national databases could be integrated with THAMMS2, explaining the costs and the possible roles of ETF.
- On Micro-credentials, several presentations took place for the network of centres of expertise in Italy, including for the Bologna Follow Up working Group and for a meeting on the Alliance for Apprenticeship.
- The project to develop guidelines on the recognition and development of micro-credentials has started and an online meeting opened by the EC and with approximately 100 participants took place in July.
- Work on the guidelines is advancing with a survey.

Qualification systems development by EU external assistance in partner countries

- A webinar took place with Armenia in July connecting labour market information to qualifications, and looking at approaches for skills' needs anticipation, linkages to qualifications and the possible use of ESCO.
- In Tunisia, work continued on preparing a questionnaire to identify the user needs of the planned repertoire.
- In the design of the THAMMS2 programme (migration project for Northern Africa) emphasis was put on the need to address potential and returning migrants, assessment of skills and qualifications, recognition processes including the importance of completing qualification system reforms, of establishing databases and of using EU tools such as Europass, ESCO, Comparison, Digital Credentials and databases.
- Meetings co-organised with DG EMPL took place for each of the EUDs in Egypt, Morocco and Tunisia. ETF Comments were integrated in the Action Document.
- For Ukraine, the resource hub has been updated and joint work with project 2.5 has taken place on developing micro-credentials for reconstruction of and via skills.
- Comments on a draft roadmap for VET developed by the RCC were delivered.

2022 Highlights

- Work in partnership with Unesco, UIL and Cedefop on the Global Inventory.
 - Widened scope of the VBFIL to all partner countries.
 - Work on EQF, including the comparison report prepared in consultation with EC services in which more partner countries joined and also included an initial comparison with Cape Verde.
 - Contribution to the design of the THAMMS2 programme.
 - PC increased awareness of micro-credentials and the roles of qualifications and their recognition for migrants.
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In this context, it is important to highlight that this activity area builds on the [European Skills Agenda](#), the [VET Recommendation](#) and the [Osnabrück Declaration](#) in close cooperation with the EQF advisory group and the European Commission, and thus in line with the [EQF Recommendation](#) and the [Council Recommendation on the validation of non-formal and informal learning](#). It also benefits from a longstanding partnership and joint work with Cedefop and the international community, in particular UNESCO, UIL and OECD. Moreover,

the ETF increasingly supports the African Continental Qualification Framework (ACQF) as part of the EU partnership with the African Union.

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

This activity area is also instrumental in the context of improving legal pathways of migration and the recognition of third-country nationals' competences on the EU labour market, in line with the EU new initiative on [Talent Partnerships](#) under the [New Pact on Migration and Asylum](#). This includes ETF work on Ukraine in line with the [Recommendation on recognition of Professional Qualifications](#) and the [recognition of qualifications for people fleeing Russia's invasion of Ukraine](#). Finally, this activity area also contributes to the [Sustainable Development Goal 4](#) on quality education.

1.4 Vocational excellence provision models

The ETF's Network for Excellence (ENE) is inspired by a Commission-led initiative in the EU countries, which establishes Centres of Vocational Excellence (CoVEs) partnerships, whose aim is to feed excellence and innovation as drivers for vocational skills for employment and education systems from a lifelong learning perspective, as well as to address quality, inclusion, innovation and relevance of skills through re-thinking institutional network set-ups and transitions needed by the labour market. Differently from the other ETF networks, ENE is the network through which this activity area unfolds beyond being a means for knowledge co-creation and sharing, reach out and capacity building, as well as policy support and advice.

As a bottom-up initiative, CoVEs operate in a local given context and enables VET institutions to rapidly adapt skills provision to evolving economic and social needs, including the digital and green transitions. In this sense, it is a driver for innovation and growth. Furthermore, the ETF plays a key role in developing the international dimension of the CoVE initiative, closely linked to its mandate of strengthening relations between the EU and neighbourhood countries in the field of human capital development (improving people's skills and capabilities), which requires high quality, well governed, and innovative vocational education and training systems that are responsive to labour market needs. In this context, ENE functions as a basis to develop an International Network of CoVEs. It brings together hundreds of organisations and CoVEs from the EU neighbourhood, Central Asia, Africa, and the EU. The network works around eight areas:

- Work-based learning.
- Pedagogy and professional development.

- Entrepreneurial dimension of vocational excellence.
- Industry 4.0 and digitalisation.
- Autonomy and institutional development (financing, leadership, governance).
- Going green – supporting sustainable goals.
- Smart specialisation – mobilising innovation, ecosystems and SMEs.
- Social inclusion and equity.

Highlights for the year include the Partnership on Equity and Social Inclusion (CoVEs working group under SIS initiative participated in the 2022 'Global partnerships for Vocational Skills' in November in San Sebastian, Spain). Also, the Partnership on Going Green (CoVEs from nine countries participation to GRETA initiative and online thematic webinars). Finally, the ENE online corporate conference in November provided opportunity for sharing developments and results on the work of the thematic partnerships.

Furthermore, the success story of the ENE network continued in 2022 with a total of 258 CoVEs registered (15 more than in 2021). These are spread across 42 countries (10 EU, 16 PCs, 14 Sub-Saharan Africa, 1 in South Asia- Philippines and 1 in Switzerland). The self-assessment is progressing with 72 centres self-assessed on ENESAT and the second wave on track with 44 completed assessments. Moreover, the activity areas contributed to a number of EU initiatives among which the EU-Treaty Article 166, The European Education Area 'Geopolitical Dimension' and 'Education as part of a stronger Europe in the world', 'Erasmus+' and 'EntreCOMP framework'. Table 4 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

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

Table 4: vocational excellence provision models main achievements in 2022

Objective

Enhance skills provision and inspire innovation through Centres of Excellence acting as hubs, beacons or models for systemic change.

Outcomes

- Improved policy buy-in on how centres of excellence develop in different contexts and how centres of vocational excellence contribute at system level.
- Fostering collaboration around the identified excellence dimensions as part of the ETF Network for Excellence.
- Contribution to the international dimension of VET within the Erasmus+ program, international partnerships and priorities set for different regions.

Main achievements in 2022

Number of Centres of Vocational Excellence mapped in the digital registry

- 258 CoVEs in 42 countries worldwide: 16 in ETF PCs, 10 in EU MS, 14 in Sub-Saharan Africa, 1 in South Asia- Philippines, and 1 in Switzerland.

Number of CoVEs which implemented self-assessment

- First wave: N=72 CoVEs self-assessed on ENESAT.
- Second wave launched in June 2022 with last update on 12/12/2022: N = 44.

Number of members in the ETF Network for Excellence by type of thematic dimension & Number of initiatives in which ETF PCs are participating as ENE members

- ENTRECoVEs: 7 CoVEs in total being 5 CoVEs from ETF PC countries (1 from Georgia, 1 from Moldova, 1 from Morocco, 1 from Tunisia and 1 from Azerbaijan) which have been leading developmental actions, plus 2 CoVEs from EU (Spain).
- Social Inclusion: 11 COVEs involved being 1 from Albania, 1 from Georgia, 2 from Israel, 4 from Türkiye, 1 from Moldova, plus 2 that are not from ETF countries including 1 from Zimbabwe and 1 from Malawi.
- Digitalisation of Teaching and Learning: there is not a specific partnership, but there are development projects ongoing and webinars open to all ENE Network. In this sense, there are 7 CoVEs involved in developmental projects including 1 from Moldova, 1 from South Africa and 2 from Mozambique (under Humana Network), 1 from Georgia, 1 from Spain, and 1 from Azerbaijan.
- Autonomy and PPP: 28 active CoVEs being 2 from Azerbaijan, 1 from Finland, 5 from Georgia, 2 from Israel, 1 from Kazakhstan, 1 from Morocco, 3 from the Netherlands, 4 from Spain, 3 from Tunisia, 4 from Türkiye, and 2 from Ukraine.
- GRETA Initiative: 18 CoVEs in total being 8 from Ukraine, 1 from Armenia, 1 from Georgia, 1 from Latvia, 1 from Slovenia, 3 from Türkiye, 2 from Spain, and 1 from Serbia.
- WBL Initiative: total of 6 CoVEs being 1 from Albania, 1 from North Macedonia, 2 from Kazakhstan, 1 from Moldova, and 1 from Armenia.
- Further, Türkiye, North-Macedonia, Bosnia and Herzegovina, Armenia and Albania are ETF PCs participating on project applications and grants in Erasmus+ K2 Excellence 2021. This has been done as affiliated and/or with partners roles. Currently being double-checked (via EACEA/Erasmus+ national contact points, ENE CoVEs members in these countries) if any ENE CoVEs are actively involved.

Involvement of ENE members in the reform of the VET system in their respective countries

- There is evidence based on regular dialogue/feedbacks and work in thematic partnerships/sub-initiatives with ENE members on which CoVEs from Morocco, Tunisia, Moldova, North Macedonia, Türkiye, Israel, Azerbaijan, Georgia and Ukraine (limited by war times) are those engaged in policy dialogue and/or monitored as good examples in PCs to inspire/develop VET reform processes.
- More evidence needed to assess engagement in current policy developments, in particular, on Serbia, Kazakhstan, Albania, and Armenia.

CoVEs number by type of peer learning activities

- 2 peer learning activities have been carried out: one in the Netherlands and another in Latvia, with a total of 34 guests from PCs and MS, plus ETF staff.

2022 Highlights

- Partnership on Equity and Social Inclusion (CoVEs working group under SIS initiative participated in the 2022 'Global partnerships for Vocational Skills in November in San Sebastian, Spain).
 - Partnership on Going Green (CoVEs from nine countries participation to GRETA initiative and online thematic webinars).
 - ENE online corporate conference in November providing opportunity to share developments and results on the work of the thematic partnerships.
-

This activity area contributes to the [EU Treaty Article 166](#), the geopolitical dimension of the [European Education Area](#) by making education part of a stronger Europe in the world, building on the [VET Recommendation](#) and the [European Pillar of Social Rights](#) (EPSR) and its principles. In this context, it is possible to pinpoint that this activity area contributes to the [Erasmus+ programme](#) and its [Key Action 2](#), in particular in the field of [Centres of Vocational Excellence](#). Also, that the ENE approach fits within the [European Skills Agenda](#) and the [Osnabrück Declaration](#). The dimensions of excellence supports EU priorities such as the [European Green Deal](#) and [A Europe fit for the Digital Age](#) in line with the [Digital Competence Framework for Citizens](#), the [European Sustainability Competence Framework](#) and the [Entrepreneurship Competence Framework](#). Also, in cooperation with [EU Danube strategy](#) Priority Area 9, ENE is advancing its engagement with centres of vocational excellence at regional level in the dimensions of green skills and social inclusion. Finally, this activity area also contributes to the [Sustainable Development Goal 4](#) on quality education.

1.5 Innovative teaching and learning

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

In 2022, this activity area has matured and began to strategically move from a focus on knowledge creation into solidifying the foundations for the ETF to deliver services around the M&A and PA dimensions. Highlights for the year include the Innovative Teaching Award, which received 814 applications from over 50 countries and culminated in a Conference and Award Ceremony with the 10 finalists held in Turin in November. The award was the flagship activity of the Creating New Learning (CNL) community of innovative educators, fully multilingual and featuring 1300 members and a network of ambassadors. Moreover, the piloting of the READY model in Israel is a good example of knowledge uptake, further developed and customised by a partner country into a fully owned product.

The results of the SELFIE in Azerbaijan is another prime example to bring to the fore, as the exercise is being upscaled and connected to digital initiatives founded by the Ministry of Education as well as to the initiative of the agency for Quality Assurance to boost self-reflection practices for quality improvement. Also, the Rapid Education Diagnosis (RED) in Kosovo (developed under Activity Area 1.7 'lifelong learning policies and system change') produced policy recommendations for a digital agenda, including for the implementation of the digital education component of the Kosovo's education reform 2026. Finally, it is important to highlight that this activity area was also at the forefront of ETF's response to the Russian military aggression against Ukraine by creating and launching the UA Re-emergency package.

Table 5 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

Table 5: innovative teaching and learning main achievements in 2022

Objective

Encourage the development, implementation and dissemination of innovative teaching and learning practices for more effective and inclusive education and training systems in a lifelong learning perspective.

Outcomes

- Buy-in for policy reforms in partner countries on the role of innovation in teaching and learning in contributing to equity and quality of education and training.
 - Improved capacity of countries to co-create new teaching and learning approaches by fostering collaboration through community of practitioners.
 - Innovative teaching and learning practices, piloting of EU tools for digital educators serve as inspiration for policy dialogue and policy advice at local, regional, national and EU level.
-

Main achievements in 2022

Number of practitioners engaged in the CNL network, by country and type of interactions (exchange on findings; adoption of new processes/models)

- CNL Community of innovative educators grown to 1300 members (95% community educators, 2% ETF staff, 2% ministries and 1% civil society) and has a network of Ambassadors
- The Innovative Teaching Award received 814 applications from over 50 countries. A Conference on innovative teaching and learning and an Award Ceremony with 800 applications, with 10 finalists selected and with 3 winners and 2 special nominations. [Innovation in teaching and learning: 2022 a year to celebrate | ETF \(europa.eu\)](#) 2 thematic webinars were organised between October and December.
- FOLLOW-UP launched: research and partnership projects with all finalists including case studies and cross-country initiatives.
- Developed an outreach strategy for the community and launched a survey (EN/AR/RUS) to all community members to map the community development.

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

- READY model (a Reference model for Educators' Activities and Development in the 21st-centuryY): developed by the CNL with the aim to offer a structured way to identify the professional practices and development needs of 21st-century educators. In 2022: first testing in country contexts; pilot and further development of the READY model in Israel kicked off in September 2022 and will continue in 2023 using a design thinking approach.
- Research article on READY model drafted and a workshop run in the ATEE Annual conference: the model was presented in the East and Southeast Asia, to UNEVOC consolidation workshops and to the finalists of the Innovative teaching and Learning award.
- READY model is on Open Space: [The 'READY' Model | Open Space \(europa.eu\)](#), RU and AR translations were further disseminated, the dissemination will continue in 2023.
- DG EAC – ETF dialogue on options for a closer collaboration on DEAP and for the internationalisation of EU tools for digital education, such as SELFIE launched in November, next meeting in March 2023.
- RED Kosovo: policy recommendations for a digital agenda for the implementation of the digital education component of the Kosovo's education reform 2026.
- AZ SELFIE Report (key findings, analysis and policy recommendations) & Policy Brief in EN and AZ delivered.
- Expertise input to the EU external programming in Bosnia and Herzegovina, for a state-wide initiative to support the development of digital competences provided.
- In partnership with ITC-ILO: delivered an event "Supporting the digitalization of the skills development system in Albania" in Tirana, ETF focusing on the policy dimension and the Osnabrück Declaration.
- In partnership with ITC-ILO: organised an exhibition on Digital Inclusion for the Biennale della Tecnologia of Politecnico di Torino where ETF launched the website www.digitallyexcluded.org.
- Lighthouse publication on the integrated approach to promote entrepreneurial learning in Tunisia.
- Scaffold deck of cards: visual tool on co-working EU key competence Frameworks; finalised graphic design.
- Open Badges: analysis of EU policies and practices completed, start of piloting upon availability of licence for CNL Community of Innovative Educators.
- Digital Education Reform Framework (DERF) final draft presented at the WB Summit and published on Open Space.
- 13 case studies on innovative practices in teaching and learning: the data collection for all case studies has been finalised. The case studies descriptions will be finalised by Q1 2023.
- Finalisation of the AZ SELFIE report and related Policy Brief; to be published in OpenSpace by January 2023.
- Following a request by DG EAC and DG JRC (Nov 2022), initial planning of a regional pilot of SELFIE for teachers in the Western Balkans.
- Kicked off the "UA Re-Emerge(ncy): e-learning and skills development to rebuild Ukraine – Pilot in Dnipropetrovsk region" work, open call for learning training courses and practices launched with StratCOMM support [UA Re-Emerge\(ncy\): e-learning and skills development to rebuild Ukraine | ETF \(europa.eu\)](#)
- In terms of communication of CNL: 10 info packages on CNL thematic areas were finalised.

2022 Highlights

- Innovative Teaching Award, which received 814 applications from over 50 countries and culminated in a Conference and Award Ceremony, which was fully multilingual, featured 1300 members and a network of ambassadors, and had 10 finalists with 3 winners and 2 special nominations.
 - Piloting of the READY model in Israel as a good example of knowledge uptake, further developed and customised by a partner country into a fully owned product.
 - SELFIE in Azerbaijan is being upscaled and connected to digital initiatives founded by the Ministry of Education as well as to the initiative of the agency for Quality Assurance to boost self-reflection practices for quality improvement.
 - RED Kosovo (under Activity Area 1.7 'lifelong learning policies and system change') produced policy recommendations for a digital agenda for the implementation of the digital education component of the Kosovo's education reform 2026.
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In this context, this activity area is aligned with the [European Skills Agenda](#) and its associated instruments, notably the [VET Recommendation](#) and the [Osnabrück Declaration](#). Activities in the partner countries are also aligned with the first priority of the [Digital Education Action Plan](#) of developing a high-performing digital education ecosystem, in particular those referring to online/distance learning, SELFIE for teachers, the European Digital Competence Framework and improving digital skills provision. Finally, this activity area also contributes to the Commission priority [A Europe fit for the Digital Age](#), the further development of the [European education Area to support future-oriented education and training systems](#), the Council conclusions on [European teachers and trainers for the future](#), and to the [Sustainable Development Goal 4](#) on quality education.

1.6 Engaging enterprises in skills development

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

In 2022, this activity area managed to position itself within the community of stakeholders' and policy agendas in the WB countries. Highlights include the peer learning partnerships and activities with EU and partner countries on skilling, upskilling, and reskilling and career development support, such as the implementation of the project action “skilling up the Western Balkans agri-food sector: digitalising and greening”, which included the development of a stakeholders database for the mapping of various types of institutions in the WB⁴ countries. The Agrifood sector in the Western Balkans and Türkiye (WBT) was also the focus of a concept note on career guidance and an assignment to identify technological changes and skills needs in the region.

Furthermore, a study has been initiated to perform a mapping of national systems of technology transfer in the WB6 economies as well as an overview of the skills related services, actions, and practices put in place by education and training providers and others technology transfer actors. Finally, it is also important to highlight the B2B type networking meetings between the EU and the WB facilitated by the ETF has prepared the ground for the signature of bilateral cooperation agreements on skills development and SME support.

Table 6 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

⁴ Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia.

Table 6: engaging enterprises in skills development main achievements in 2022

Objective

Provide high quality support in linking VET and SMEs for innovation, productivity-enhancing skills and quality of work.

Outcomes

- Engagement of business intermediaries and trade unions in PCs to support skills development of SMEs in the context of the twin digital and green transitions.
- Enhanced capacity of business intermediary bodies and trade unions to support implementation, scaling, and quality of skills development in enterprises.
- Strengthened links between VET, including higher VET, CVT and innovation actors and systems.

Main achievements in 2022

Number of business intermediaries and trade unions engaged in the network

- Networking event for business intermediary bodies held in conjunction with Terra Madre, a biennial international Slow Food event, and organised in cooperation with the Turin Chamber of Commerce, Enterprise Europe Network and the Western Balkan 6 Chamber Investment Forum.
- The above event brought together 10 business intermediaries and 20 SMEs from WB6 selected through a call for participation. B2B type networking meetings took place, and a dedicated meeting was held to prepare the ground for signature of bilateral cooperation agreements on skills development and SME support.

Number of studies on the state and practices on key topics

- SBA assessment completed, published and with launch events for each WB6 economy in collaboration OECD and EBRD.
- All studies planned for 2022 were launched: the first on 'identifying technological changes and skills needs in the Western Balkan agri-food sector' focuses on SME's in three priority areas of the agri-food value chain, including digital, biochemical and functional/organic foods.
- The above study is closely coordinated with DG JRC, DG RTD, DG EMPL and DG AGRI, as well as at national level the EUD's, the smart specialisation teams, and the Ministry of Education.
- The scope of the second study on 'analysing the skills dimension of technology transfer in the Western Balkans economies' has had its conceptual framework agreed.
- Discussions continued with DG AGRI, IPARD Agencies and Managing Authorities in North Macedonia, Albania, Serbia and Montenegro to translate ETF recommendations from studies into IPARD III (IPA agriculture and rural development) measures: M8-Improvement of skills and competences, M10-Advisory services, and M13-Promotion of cooperation for innovation and knowledge transfer.
- The cooperation between ETF, DG AGRI and IPARD was presented during a dedicated session, in the context of a networking event in Turin.

Number of cross-border peer learning partnerships with EU and partner countries

- Institutional partnership to benefit of WB6 economies with Turin Chamber of Commerce, Enterprise Europe Network and the Western Balkan 6 Chamber Investment Forum, in which a networking event brought together a total of 35 SMEs and business intermediaries from WB6 selected through a call for participation. Over 70 B2B meetings took place between WB6 SMEs and intermediary bodies and Italian companies. In addition, the Torino Chamber discussed bilateral cooperation and prepared the ground for signing bilateral cooperation agreements with WB6 business intermediaries. The partnership will continue with new joint activities being planned.
- Partnership with EIT Food started.
- Partnership with BioSens, a Horizon funded Centre of Excellence on agri-food in Serbia, started.
- Partnership with DG AGRI started and expanded to national IPARD agencies.

Number of vocational schools engaged in innovation processes in the context of collaborative partnerships with SMEs

- To be implemented from 2023.

2022 Highlights

- Skilling up the Western Balkans agri-food sector: digitalising and greening, as peer learning partnership and activity with EU and partner countries on skilling, upskilling, and reskilling and career development support.
 - Concept note on career guidance for the agri-food sector in the Western Balkans and Türkiye (WBT).
 - B2B type networking meetings between the EU and the WB preparing the ground for the signature of bilateral cooperation agreements on skills development and SME support.
 - Mapping of national systems of technology transfer in the WB6 economies including an overview of the skills related services, actions, practices put in place by education and training providers and others technology transfer actors.
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In this context, this activity area is in line with the [European Skills Agenda](#) on the need to acquire new skills and the [European Charter for Small Enterprises](#), which calls upon taking action to support and encourage small enterprises. Furthermore, the work linking VET and SMEs for innovation, productivity-enhancing skills and quality of work supports the Western Balkan economies in ensuring that their industrial ambitions consider the new circumstances following the Covid-19 crisis and in line with the '[Small Business Act](#)' for Europe. By fostering networking within the Western Balkans, this activity area also supports the implementation of '[A credible enlargement perspective for and enhanced EU engagement with the Western Balkans](#)', which identifies lack of job creation and a low level of innovation as key challenges.

It also supports regional industry to lead the way in transitioning to a green, digital and resilient economy, in line with the [updated European industrial strategy](#). The focus on the twin digital and green transitions supports the new [SME Strategy](#) for a sustainable and digital Europe and the [Green Action Plan \(GAP\) for SMEs](#), which aims at helping SMEs take advantage of the opportunities offered by the transition to a green economy in line with the Commission priority [European Green Deal](#). Furthermore, it also contributes to the DG RTD policy on research, science and innovation, which aims to help create growth and jobs.

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

1.7 Lifelong learning policies and system change

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

In 2022, work focused on the collection of evidence and insights from partner countries and international partners in view of prioritising the provision of policy advice from 2023. However, there are already examples to bring to the fore in terms of how the work of this activity area has influenced and driven progress in the agenda and modalities of cooperation of EC services with ETF partner countries, such as: the inclusion of Torino Process deliverables and policy recommendations as criteria for planning and participation of eligible PCs in the new generation of the Erasmus+ programme; and the readiness of key partner DGs to incorporate the results of system and performance monitoring in 2022 in their programming and planning processes.

Highlights for the year also include the Torino Process sixth round and launch of Level 2 reviews in partner countries, the consolidation and presentation of National Implementation Plans within the Osnabrück Declaration and VET recommendation initiative, and the launch of the new study "Migrants as learners: individual pathways and prospects". Moreover, in 2022 work has already started for the preparation of the country fiches, which will represent a key contribution to the pool of country intelligence that the ETF is maintaining to the benefit of its partners and its internal work and planning. Finally, it is important to pinpoint that this activity area has a strong transversal dimension, in which the cooperation with and input to

other projects often resulted in success stories, such as the RED in Kosovo, which contributed to activity area 1.5 on innovative teaching and learning.

Table 7 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

Table 7: lifelong learning policies and system change

Objective

Provision of policy support to partner countries for the creation of effective and inclusive opportunities for lifelong learning through system change.

Outcomes

- Reliable and relevant system monitoring data, collected and analysed and disseminated.
- Knowledge on system change developed for policy dialogue/advice in line with lifelong learning approach.

Main achievements in 2022

Policy uptake of ETF regional reviews and demand for follow-up in the form of requests for thematic follow-up report and targeted support to selected partner countries in 2023 in the regions covered by the LLL policy review activity (SEMED)

- Torino Process Level 2 presented and explained in different fora and the countries' interest is rather high to join.
- ETF received multiple requests for carrying out the reviews and for basing the thematic focus of these reviews on the results of the Torino Process Level 1 monitoring, well beyond the SEMED region.
- At present, the ETF is closely cooperating with Armenia, Bosnia and Herzegovina, Morocco, and Tunisia, as well as exploring with Kazakhstan and Ukraine.

Timely availability of evidence gathered with the help of solutions within the new monitoring framework

- Completion of the first strand of evidence collection (quantitative data), compilation of the qualitative country questionnaires, their translation and sharing to all participating countries in view of completing the evidence collection phase of the TRP system performance monitoring by the end of January 2023.
- Several countries provided support through national experts based on request.
- Composite performance indices advanced, which are currently being prepared based on the Level 1 evidence and will become a key element of the performance monitoring in 2023.
- Monitoring framework was presented and deliverables anticipated to DG NEAR, DG EMPL, DG INTPA and DG EAC, with agreed follow-up of the monitoring results for capacity building and programme planning purposes.

Publication and dissemination of thematic studies on drivers of system change, and of the RED methodology, i.e., number of dissemination occasions and degree of stakeholder participation

- The thematic studies on [elements of LLL](#) and the [RED methodology](#) were released publicly online and disseminated on cumulatively more than 20 occasions among stakeholders from a number of partner countries, as well as EC services, including: 19,7% ministries, 17,2% ETF staff, 15,8% public administration bodies, 11,6% other stakeholders, 5,1% civil society, 5,1% trade unions or professional associations, 5% industry and businesses, 4,5% donor organisations, 3,4% academics, 3,4% EUDs, 3,2% EU MS, 2,6% EC services, 1% public subnational organisations and 2,4% VET providers.
- The thematic documents on digitalisation and distributed ledger technologies are available in Sharepoint [Blockchain part final.pdf](#), [D - LiteratureReview Digitalization 2022.pdf](#).

2022 Highlights

- Influencing and driving progress in the agenda and modalities of cooperation of EC services with ETF partner countries via the inclusion of Torino Process deliverables and policy recommendations as criteria for planning and participation of eligible PCs in the new generation of the Erasmus+ programme.
- Readiness of DG EMPL, DG NEAR, DG INTPA and DG EAC to incorporate the results of system and performance monitoring in 2022, in their programming and planning processes.
- Torino Process sixth round and launch of Level 2 reviews in partner countries.
- EDA/RED Lebanon report and RED in Kosovo, which contributed to activity area 1.5 on innovative teaching and learning.
- Consolidation and presentation of National Implementation Plans within the Osnabrück Declaration and VET recommendation initiative, which were submitted to the EC.
- KIESE publication: [KIESE 2022 Final.pdf \(europa.eu\)](#)
- Launch of the new study "Migrants as learners: individual pathways and prospects".
- Preparing the ground for the country fiches, which will represent a key contribution to the pool of country intelligence that the ETF is maintaining to the benefit of its partners and its internal work and planning.

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

The NMF also adds value by including dimensions linked to skills for green transition, technological transformation including digitalisation as well as lessons learned from Covid-19 and recovery in alignment with EU skills agenda and VET recommendations. In doing so, it contributes to the [European Green Deal](#) and its accompanying [Just Transition Mechanism](#) as well as with [A Europe fit for the Digital Age](#). Moreover, attention is paid to gender aspects, particularly the monitoring of women in education, training and labour markets through their participation, for instance, in STEM or entrepreneurship. Hence, its work is inspired and contributes to the [European Consensus on Development](#) and the [EU Gender Action Plan III](#).

For EC services and partner countries alike, this activity area also provides reliable and relevant country data and key performance indicators on Education, Skills and Employment (KIESE) monitoring system for policy review and analysis, as well as for monitoring system performance informed by the [Council Recommendation on Key Competences for Lifelong Learning](#). In addition, it enables partner countries to advance national implementation plans, monitoring frameworks and reporting, and the co-creation of country briefings. The ETF also contributes to the [European Dialogue on Skills and Migration](#), the [New Pact on Migration and Asylum](#) and the [Global Approach to Migration and Mobility](#) by focusing on the role of skills in tackling the root causes of migration as well as on the need for the EU to attract new talents while ensuring win-win solutions with the countries of origin and the migrants themselves.

Finally, this activity area also contributes to the [Sustainable Development Goal \(SDG\) 4](#) on quality education, to [SDG 8](#) on decent work and economic growth and to [SDG 10](#) on reduced inequalities.

1.8 Quality assurance and governance mechanisms

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

In 2022, this activity area consolidated its work both with EC services and PCs, meeting more closely the demand of stakeholders as well as ensuring better thematic connections and consistency. Highlights for the year include the launch of GLAD (Governance Learning Action and Dialogues), a network gathering 200 participants from 10 different countries and representing the variety of actors in the field of governance and LLL. The experience shared

through GLAD prompted reflections and contributed to increased self-awareness of participants, which in turn resonated in new appetite for ETF support.

This activity area also has a strong transversal dimension, in which the cooperation with and input to other projects often resulted in success stories, such as the Selfie exercise in Azerbaijan, under activity area 1.5 on innovative teaching and learning. Finally, governance knowledge and findings developed within this activity area contributed to the other two ETF services, including support in the design the NMF at a broader level (M&A function). Contributions to the ETF PA function include the PPP arrangements supporting the Youth Guarantee in the Western Balkans, the new Skills Agency in Georgia, the active collaborations between the local governments and CSOs for LLL provision in Ukraine, and the financing studies used in Palestine.

Table 8 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

Table 8: quality assurance and governance mechanisms main achievements in 2022

Objective

Support conditions at system level that enable the transition from education and training to performant lifelong learning.

Outcomes

- Partner countries are familiar with and apply mechanisms for participatory governance (including quality assurance and financing mechanisms) in order to move to lifelong learning systems.
- EU programmes in partner countries are informed by multi-level and multi-actor governance, quality assurance and financing's ETF knowledge.
- QA Forum members advise their respective country on quality assurance mechanisms, and selected countries implemented them.

Main achievements in 2022

The participants in the GNL (final network title changed to GLAD), social partnership and CSOs related actions, and QA Forum represent the diversity of lifelong learning actors

- The Governance Learning Action and Dialogue (GLAD) network was launched and became fully operational counting with around 200 participants, of which 100 regular and active.
- GLAD participants represent 16 countries and the variety of actors such as government, social partners and CSOs, including: 5% ministries, 9% public administration bodies, 47% civil society, 3% trade unions or professional associations, 3% industry and businesses, 8% donor organisations, 2% EUDs, 1% MS organisations, 2% EC services, 1% public subnational organisation, 14% VET providers and 5% other stakeholders.
- GLAD focus on governance for LLL: i) in the area of financing, in all together 16 dedicated thematic GLAD sessions were organised on the topics of network interest, being 2 of them full-scale hybrid meetings at ETF with active participation of partner countries; and ii) 2 QA Forum peer visits (to Montenegro and Georgia); capacity building training on QA was organised.

At least 20% of those taking part in the mutual exchange and/or policy advice actions report about implementing participatory governance mechanisms

- Concrete PPP arrangements are supporting the YG in the WB, including in Albania and Serbia, among others.
- A new and participatory Skills Development Fund is being set up in Palestine.
- Georgia created a new Skills Agency co-managed by the government and the Chamber of commerce and industry.
- Morocco has envisioned a concept of VET centres to provide skills jointly with private sector.
- Ukraine is advanced in active collaborations between the local governments and CSOs, for LLL provision.
- Overall, more than 20% of mutual exchange participants have reported on the implementation of participatory governance mechanisms. Furthermore, participants in the mutual exchanges have demanded for active policy learning, which the ETF is currently designing.

Country and regional platforms – e.g., the EAfA, EOSOC Platform, Youth Guarantee bodies, UfM, etc. – informed by ETF expert input on Governance and Quality Assurance

- Forum members provided feedback and suggested improvements to the external evaluation system of VET providers in Montenegro, and the authorisation process of VET providers in Georgia.
- Input has been provided to the reflection on national QA system (BiH and MA).
- The Youth Guarantee bodies, UfM, EaFA, EESC received the ETF expert inputs on social partnership and PPPs, as well as on CSOs, through input in ETF monitoring, contributions to regional events, and direct advice. The input focuses notably on enhancing the role of non-state actors for effective implementation of policies, beyond the policy design stage.
- Governance and QA expert advice was used for YG national implementation plans in WB.
- Expert advice to the Enhancements in the Quality of Education and Training (EQET) project implementation by the Education Reform Initiative of the South Eastern Europe (ERI SEE).
- Expertise to European Group of Public Administration (EGPA), which is the European constituency of the International Institute of Administrative Sciences (IIAS), discussions on the role of civil society in cooperation with governments.

EU assistance and policy dialogue embed participatory and partnership-based mechanisms of governance, quality assurance, financing

- Expert input to assist the EU in its interventions in EGY, UZB, TAD, TUN and Darya.
- Review of Student-School selection process in education systems of Bosnia Herzegovina (B-H). Review suggests VET system is not equitable in B-H and provides data on school selection processes, which will be used for input to EU programming. Review consistent with OECD PISA findings from 2018 PISA round.
- Input to ETF knowledge hub on social partnerships, highlighting key issues, actions and further work needed in PCs.
- High-level and multistakeholder policy dialogue on governance-related topics in Kosovo with active contributions from ETF. The dialogue covers issues such as: i) changing the role and mandate of the central agency for VET & adult education in the decentralised VET system; ii) the establishment of new forms of dual training; and iii) a new National VET curriculum framework; among others.
- Quality assurance part of new EU project design.
- Expertise provided regularly into ETF position papers such as: Adult Learning (Marrakesh summit), Career Guidance, IAG paper on Resilience, Social Partnership, Work-based Learning, Governance of Digitalisation of Education in Azerbaijan, and Civil Society Organisations.

EU assistance support building capacities to effectively implement participatory and partnership-based governance

- Quality Assurance Forum integrate the EQAVET principles in its debate and advice.

2022 Highlights

- Launch and work of GLAD (Governance Learning Action and Dialogues), which in turn was reflected in new appetite for ETF support.
 - Cooperation with and input to other activity areas, such as the Selfie exercise in Azerbaijan contribution to activity area 1.5 on innovative teaching and learning.
 - Support in the design the NMF at a broader level (M&A function).
 - Contribution to the ETF PA function, including support to the YG in the WB, the new Skills Agency in Georgia, the active collaborations between the local governments and CSOs for LLL provision in Ukraine, and the financing studies used in Palestine.
-

The approach employed draws from the [European Pillar of Social Rights](#), the [European Skills Agenda](#), the [VET Recommendation](#), the [European cooperation in education and training towards the European Education Area and beyond \(2021-30\)](#), the [European Quality Assurance Reference Framework for VET](#), the [Sectoral Blueprint for Cooperation on Skills](#), the [European Alliance for Apprenticeships](#), the [Youth Guarantee](#), the [UNESCO Marrakech Framework for Action](#) and the [Osnabrück Declaration](#). It aligns with the [European Green Deal](#) and its accompanying [Just Transition Mechanism](#) and [Fit for 55': delivering the EU's 2030 Climate Target on the way to climate neutrality](#), as well as [A Europe fit for the Digital Age](#) and related EU recommendations on skills development. It does so by encouraging cross-fertilisation between lifelong VET and both the greening and digitalisation of the economy, and with industrial strategies that pursue sustainable competitiveness, social fairness and resilience. Finally, it contributes to the [SDG 4](#) on quality education, to [SDG 8](#) on decent work and economic growth, to [SDG 10](#) on reduced inequalities, to [SDG 16](#) on peace, justice and strong institutions, and to [SDG 17](#) on partnerships for the goals.

1.9 Responding to the new EU policy and geographical priorities

The aim is to enable the ETF to retain a certain amount of flexibility to react to information needs and policy advice, as well as to ad hoc requests from EU services and other important stakeholders, in line with the Commission opinions of July 2021 and of July 2022, including pursuing opportunities to work beyond current partner countries or to engage in new priority thematic areas. This is key to respond to relevant requests supported by the Commission and the Member States, paying particular attention to the Team Europe approach.

In 2022, the work on extra-subsidy projects further expanded as the ETF was entrusted by EC services with new agreements for collaboration and contracts. With DG INTPA a contract was signed for the delivery of two training sessions for the EU delegations (EUDs) in Sub-Saharan Africa and Asia. The first session took place in November in Malawi, and the second in Laos is being organised and is due in Q1 2023. Participants to the first training from outside ETF partner countries included Eswatini, Kenya, Namibia, Malawi, Mozambique, Rwanda, South Africa, South Sudan, Sudan, Zambia. Through these trainings, the ETF is contributing to DG INTPA priorities in the area of skills developments for decent jobs, and is supporting the EUDs in the design of interventions to meet the country needs in the area of education and training and skills development.

The Service Level Agreement on CoVEs, signed at the end of 2021, unfolded in 2022 with final results foreseen in 2023. During the year, the SLA core team ensured ETF visibility and positioning by actively participating to an international event in San Sebastian and to the CoVEs Forum. Negotiations with DG EMPL are ongoing for the potential signing of a second SLA (SLA2) extra-subsidy contract on the international dimension of CoVEs, which is expected to be signed in early 2023.

Also during the year, the long-awaited DARYA contribution agreement was signed. The project was officially launched in 2022 with an event in Uzbekistan, which was attended by the DG INTPA Deputy Director-General Marjeta Jager in the context of the EU-Central Asia Connectivity Conference and in the presence of Central Asian Youth. A dedicated launch event was also held in Kazakhstan. In the context of the launch, eight successful vlogs (video blogs) with the voices of youth from Central Asia have been produced and disseminated widely, both by the ETF and the EU institutions.

In 2022, work also progressed under ACQF, with 28 countries and two regional economic communities engaged. Activities also included virtual events and the 2nd training week delivered with a participation of 157 stakeholders. Table 9 below summarises the main achievements and contributions to partner countries reforms and/or EU policies for 2022 under this activity area.

Table 9: responding to new EU policy and geographical priorities main achievements in 2022

Objective

To respond to the evolving global and EU priorities in order to advance the EU agenda on skills and human capital development.

Outcomes

- EU agenda on skills and human capital development is further promoted.
- ETF responds to the needs of the European Commission and addresses EU priorities at both thematic and geographical levels.
- Partnerships are established with strategic partners and TEI is taken into account.

Main achievements in 2022

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

- DG INTPA requested the organisation of two VET trainings for EU Delegations (one in November in Malawi and another in Laos in Q1 2023). Participants to the first training from outside ETF partner countries included Eswatini, Kenya, Namibia, Malawi, Mozambique, Rwanda, South Africa, South Sudan, Sudan, and Zambia.

Number of partners involved for organising global actions and debates

- Partners involved in the delivery of the VET training course in Malawi included ILO and the British Council.

2022 Highlights

- Trainings for EUDs in Sub-Saharan Africa and Asia, with training delivered in Malawi for 10 EUDs.
- CoVEs (SLA1) with an international event in Sn Sebastian in which the ETF secured its positioning and visibility.
- Darya with consultations across all countries by thematic area, a launch event and another on youth voices.
- ACQF with second training week delivered for 60 onsite participants and around 100 online addressing 28 countries and 2 regional economic communities.

In this context, the ETF has been encouraged by the Commission to use its flexibility to respond to new EU priorities including, but not limited to, those related to the [European Skills Agenda](#), the [European Green Deal](#), the [Youth Guarantee](#), the [Digital Education Action Plan](#) and [A Europe fit for the Digital Age](#), the [Erasmus+ programme](#), the [European Dialogue on Skills and Migration](#), the [New Pact on Migration and Asylum](#), the [Global Approach to Migration and Mobility](#), the [Comprehensive Strategy for Africa](#), the [Africa-EU partnership](#), the new [Africa Communication](#), the [Communication on the Africa-Europe Alliance for Sustainable Investment and Jobs](#), and the [African Continental Qualifications Framework](#). In particular, the trainings contribute to DG INTPA's priority to use 10% of development budget eye marked for education of skills development for decent jobs.

Likewise, it can potentially contribute to several Sustainable Development Goals, including [SDG 4](#) on quality education, to [SDG 5](#) on gender equality, to [SDG 8](#) on decent work and economic growth, to [SDG 9](#) on industry, innovation and infrastructure, to [SDG 10](#) on reduced inequalities, to [SDG 12](#) on responsible consumption and production, to [SDG 16](#) on peace, justice and strong institutions, and to [SDG 17](#) on partnerships for the goals.

2. MANAGEMENT (PART II)

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

2.1 Governing Board

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

The ETF Governing Board (GB) is chaired by the Director General of DG EMPL. In 2022, one Governing Board meeting was organised in June and another in November. The Board adopted 14 decisions in 2022, including: the adoption of the Consolidated Annual Activity Report 2021, Annual Accounts 2021, Annual Work Programme 2023, Budget 2023 and the appointment of the future ETF Director.

Following the departure of the ETF Director on 16 February 2022, DG EMPL and the ETF run the recruitment procedure for the future Director, who was appointed by the Governing Board in the 2022 November meeting, provided the subsequent hearing in 2023 January in the European Parliament would have a positive outcome.

In addition, DG EMPL organised and chaired two Structured Dialogue (SD) meetings between the Commission/EEAS Members and Observers in the Governing Board, and the ETF management on ETF's draft Consolidated Annual Activity Report 2021, the draft agenda of the November GB meeting, the ETF's draft Annual Work Programme 2023, the list of requests to ETF, the findings and actions addressing the IAS audit, options for ETF premises post-27 and an initial reflection on the design of a foresight exercise to engage key stakeholders in framing ETF's new vision and strategy post-27. Prior to the Governing Board meeting in November, DG EMPL organised and chaired the Troika meeting to discuss the agenda of the GB meeting with the representatives of the current, former and future Presidencies, DG NEAR and the ETF.

The same applies to engagement (beyond the formal SD and GB) with core geographical DGs (e.g. DG NEAR, DG INTPA), EEAS and thematic DGs close to ETF core business (DG EMPL, DG EAC, DG HOME, DG JRC, among others). In the second year of implementation of its new strategy, in 2022 the ETF has further strengthened its bilateral engagement with thematic and geographic EC services, in particular through more regular exchanges and meetings.

2.2 Major developments

In 2022, the ETF continued to **support the long-term recovery from the Covid-19 pandemic**, to transition from online working modalities to hybrid ones, and to accompany partner countries in their process towards 'candidate' EU member status. Also, it has been

able to build further flexibility into its workplan and **absorb shocks such as the Russian aggression towards Ukraine**, thus ensuring its relevance in responding to and supporting HCD systems during or after conflict.

For the ETF, **2022 was also the second year of implementing its 2027 strategy**. The strategy is organised around three strategic objectives that are translated into activity areas with a focus on skills and education and training system development in a lifelong learning perspective. These are delivered through three core services, which are the pillars at the heart of ETF's operational activities. During the year the ETF strengthened the synergies between its three core services to enable them to feed into one another within an integrated cycle that leverages ETF service delivery to countries, regions and EC services.

In terms of **implementing its work plan**, in 2022 the ETF strengthened the links between its work and the priorities of the Commission through a transversal approach to migration, green, digital and gender in its annual work programme. As the European year of youth, this was also a transversal theme for ETF in 2022. The Commission also asked the ETF to use its flexibility to pursue opportunities to work beyond its current partner countries, using its expertise to support other priority thematic areas.

For the ETF, the process of expanding activities beyond partner countries is an incremental one and subject to assessment and approval of the Governing Board. This is the case because ETF resources are limited and the first priority is to ensure that it works closely with the partner countries. However and in alignment with ETF strategy to become **a global knowledge hub**, whenever feasible, the ETF can and will support other wider priorities. For instance, in 2022, the ETF has supported further the partnership between the European Union and the African Union in the framework of the ACQF project with DG INTPA. It also provided training on HCD to EU Delegations in Africa, and advanced on the network and internationalisation of Centres of Vocational Excellence (CoVEs) through contracts with DG INTPA. With DG EMPL the DARYA project was launched connecting Central Asian Youth with EU stakeholders and institutions.

The ETF is open to be a partner in support of the **Team Europe** approach in the partner countries. This support can take many forms in view of supporting wider EU investments. For instance, in 2022 the ETF became involved in the preparations for the regional Team Europe Initiative on jobs through trade and investment and inclusive entrepreneurship. When requested and relevant, ETF can also contribute through extra-subsidy projects enlarging the impact of its work, building synergies within the EC family and in view of widening its operational resources. An example includes the ambition of the Commission to consolidate the work already done with the African Union through a second phase of the African continental qualifications framework (ACQF II), with the support of DG INTPA.

In 2022, the agency continued and completed the implementation of its multifaceted internal change project, labelled **OneETF**. The **project** was designed to accompany the organisation and structural changes that followed the adoption of the new ETF 2027 strategy. The change project included three different strands to work on culture change and leadership, people management, and internal communication. The project was implemented in a participatory way through a number of working groups, with support from staff committee, and exchanges with the management team. It also included exchanges of experiences with other Agencies and companies on change management issues in particular in the context of new normality.

Based on the above and thanks to the wealth and diversity of inputs, the OneETF project led to wide range transformations. These include the implementation of a new HR strategy with new processes on people management, a new model for hybrid work, a new career framework and job architecture. New internal communication channels and tools have been set (intranet, workplace, ETF Times newsletter, 'how to' practical guides). A new values framework has been agreed and broadly discussed. A leadership programme was also put in place. These efforts under the OneETF project have been supported by the digital transformation plan that has provided a sophisticated digital architecture ensuring its digital maturity and ability to transition from online working modalities to hybrid ones. Also, the knowledge manifesto project has complemented the change process, bringing a new integrated approach to co-creation and use of knowledge to fulfil its mandate through policy advice and support.

In parallel and against this change background, in 2022 the ETF initiated a deliberation on the current 2027 strategy mid-term review together with a fully-fledged foresight process for reflecting on the ETF post-2027. This should equip the ETF to embed an anticipatory culture in its strategic development and to continue building its staff's futures literacy as well as its institutional resilience, efficiency and agility. It should also support the identification of skills required to position the ETF as an innovative and pioneering organisation, as well as relevant technological developments, such as AI, big data and blockchain. Ultimately, this process should interact with future oriented exercises at the Commission and enable the ETF to deepen existing institutional arrangements to liaise with Commission Services, international organisations and partner countries.

2.3 Budgetary and financial management

Out of the €21,726,208 available as the EU contribution, in 2022 the ETF committed 99.98% (compared to 99.91% in 2021, 99.88% in 2020, 99.96% in 2019, 99.99% in 2018), paid 97.70% (against 95.74% in 2021, 95.65% in 2020, 96.01% in 2019, 98.07% in 2018) and performed nine budgetary transfers (7 in 2021, 8 in 2020, 4 in 2019, 7 in 2018), therefore maintaining the excellent level of previous years.

In addition to the EU Contribution, as highlighted in Table 10 below, the ETF has received and implemented €3,130,000 through Service Level agreements and Contribution agreements:

- €30,000 – Service level agreement with EU-OSHA for sharing of accounting services (started in July 2022, continuing).
- €1,000,000 – Service level agreement with DG EMPL for Internationalisation of CoVEs (2022).
- €2,000,000 – Contribution agreement with DG INTPA for DARYA (Dialogue and Action for Resourceful Youth in Central Asia) project for Central Asia (€10m for 5 years, started in 2022).
- €100,000 – Contribution agreement with DG INTPA for Opportunity-Driven VET Seminars (2022).

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

Table 10: Budget management

Budget	2022	2021	2020	2019	2018
Overall Budget ETF (EU Contribution) (€)	21,726,000	21,300,000	20,957,000	20,546,000	20,144,018
Additional revenue (€)	3,130,000	102,739			

The ETF commitment rate of 99.98% in 2022 indicates the continued upholding of high standards of budget management, planning and monitoring. In this context, Table 11 outlines commitment and payment rates by title.

Table 11: Commitment and payment rates by title

Budget 2022	Available Budget (€)	Committed (€)	%	Paid (€)	%
Title 1 - Staff	14,859,658	14,859,016	100.00%	14,786,107	99.51%
Title 2 - Infrastructure	2,023,083	2,020,835	99.89%	1,600,330	79.10%
Title 3 - Operational	4,843,466	4,842,667	99.98%	4,840,987	99.95%
Grand Total ⁵	21,726,208	21,722,517	99.98%	21,227,424	97.70%

Transfers

The 9 budgetary transfers carried out in 2022 show the challenge of managing the budget against a critical situation of high inflation and steep increase in the cost of utilities (gas and electricity). This has impacted consistently the staff costs (+5.1% result of salary adaptation and correction coefficient for Italy) and on the infrastructure costs. Thanks to a dynamic, very close and constant monitoring of associated impacts on the operational funds, their impact on the delivery of the work programme has been minimised, which demonstrates ETF's consistency compared to previous years. The overall amount transferred was 4.7% (compared to 7.1% in 2021, 6.4% in 2020, 2.7% in 2019, 4.2% in 2018).

⁵ Includes €21,300,000 from EU Contribution, €102,739 from Coves SLA and €31,375 re-used 2020 and 2021 appropriations (C4 and C5).

Payment times

In 2022 the ETF continued the good trend of respect of payment times with only 25 out of 716 payments paid after the legal due date (3.5%). This confirms the positive trend of timely payments in comparison to previous years (2.4% in 2021, 5.7% in 2020, 6.3% in 2019, 6.7% in 2018, 6% in 2017).

Amount returned to the EU budget (or budget outturn)

The 2022 budget outturn was EUR 62,209, representing 0.29% of the EC contribution, a considerable improvement from the last years (0.4% in 2021, 1.7% in 2020 and 1.2% in 2019) and a return to the good performance of 2018 and 2017 (0.1% 2018 and 0.3% in 2017). The main reason behind the outturn is cancellation of appropriations carried forward from 2021 for Titles 2 (EUR 48,608).

Carry forward and RAL 2022-23

Overall, the carry forward (Titles 1 and 2) has decreased from the level of last year (2.9% compared to 5.2% in 2021-22, 3.4% in 2020-21, 3.8% for 2019-20, 2.5% in 2018-19, 2.6% in 2017-18, 3.1% in 2016-17, 3.3% in 2015-16) and continues to illustrate a positive alignment between the ETF's administrative activities and payments to its annual cycle through regular monitoring of open commitments and follow-up of payments. The RAL (reste à liquider) under Title 3 is in line with recent years at 44% (49% in 2021, 42% in 2020, 29.6% in 2019, 27.8% in 2018, 30.8% in 2017-18, 30.3% in 2016-17; 36.4% in 2015-16). The budget implementation overview is depicted in Table 12 below.

Table 12: Budget implementation overview

Budget 2022 implementation	Title	Budget 2022	Committed in 2022 (%)	Paid in 2022 (%)	To be paid in 2023 (CF + RAL) (%)	of which:		
						Done in 2022 pending payment	To be implemented in 2023	
							Planned	Delayed
Admin (Titles 1 and 2, CF)	T1	14,859,658	100.00%	99.51%	0.49%	0.27%	0.27%	0.01%
	T2	2,023,083	99.89%	79.10%	20.90%	14.43%	6.01%	0.35%
	T1+T2	16,882,742	99.98%	97.06%	2.94%	1.97%	0.96%	0.05%
Operational (Title 3, RAL)	T3	4,843,466	99.98%	60.47%	44.35%	41.10%	2.74%	0.50%
	T3 – pre-2022	2,206,852		86.65%				
Overall ETF		21,726,208	99.98%	97.70%	14.51%	12.22%	2.11%	0.18%

Cancellation and carry overs from 2021

At the end of 2022, the cancelled carry overs amounted to €57,230, lower than 2021 and in line with previous years (€72,935 in 2021, €51,565 in 2020, €18,733 in 2019, €10,235 in 2018, €42,925 in 2017, €87,788 in 2016) linked mainly to the conservative estimates made at the end of 2021 about the actual cost of the utilities, in the context of an unknown level of occupancy of the building.

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

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

Inter-institutional tenders and service level agreements

Synergies with other institutions (EC or agencies) on procurement has been sought with a systematic tailored opportunity assessment to all procurement needs. In 2022, the ETF was part of 41 inter-institutional contracts, had 10 service-level agreements with other EU institutions and bodies, and had 5 ETF contracts open to other agencies. The ETF led the launch of two inter-agency procurement procedures that will be awarded in 2023.

2.4 Delegation and sub-delegation

Materiality criteria

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

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

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

The total value of exceptions and non-compliance events in 2022 is €154,930.93. This is 0.7% of the ETF budget for 2022 and is well below the materiality threshold of 2%. In 2022, no reservations were reported in the CAAR.

2.5 Human resource management

In 2022, the focus was on the implementation of the OneETF change process, including the development and review of policies and initiatives under the four pillars of the HR 2027

strategy: attracting and deploying, growing and development, managing and retaining, and caring. The aim was to reinforce ETF's underlying principles of diversity, communication and transparency. In doing so, the ultimate objective is to ensure staff's wellbeing. As already mentioned the ETF has put in place a new job architecture in 2022, thus reviewing its people performance processes to match its new organisational structure and the challenges of hybrid work.

In addition, the ETF has put emphasis on the area of Diversity and Inclusion (D&I). This culminated in the adoption of the ETF framework on D&I and the formal adoption of the EU Agencies Charter. The ETF has also formally joined the ad hoc working group on diversity and inclusion. This will be followed in 2023 by specific actions to be implemented in recruitment (employer branding), awareness raising, among others.

In a nutshell, the above developments strives to foster and ensure diversity, inclusion, self-learning, engagement and alignment to the new hybrid modalities of working, all of which are embedded in ETF's career and people management procedures within its HR 2027 strategy. In this context, key initiatives to highlight in 2022 in relation to the four pillars of the HR 2027 strategy are:

- Under 'attracting and deploying', on top of regular support to selection procedures (12 in 2022), the team completed the market research for the 'digitalisation of selection procedures' and focused on the enhancement of in-house transparency and communication (planning of selection procedures regularly published, management of requests for feedback, information to managers and staff committee, etc).
- 'Growing and development' reports an impressive number of learning activities broken down into 228 courses/talks via EU Learn, 24 collective training courses, 8 webinars, 30 ITRs (excluding EU Learn courses) and 20 language courses. The team also launched GIM (Grow with Internal Move), a new learning initiative by participating in hands-on projects and activities within the ETF. This aims as well to foster cross-department cooperation and diversity in the composition of ad hoc projects.
- 'Managing and retaining' completed the new job architecture and talent profiles, the new guidelines on reclassification, the new implementing rule on hybrid working and relevant guidelines, as well as ensured anticipatory and dynamic budget management to respond to the inflation on salaries and diminish impact on core business.
- Under 'caring', continued support took place on issues related to managing the return to the office and the still uncertain situation of the Covid-19 pandemic. Medical and psychological support continued to be offered to staff. Furthermore, as abovementioned, the diversity and inclusion agenda advanced with the adoption of the EUAN Charter on Diversity and Inclusion.

In striving to further improve staff's wellbeing, effort has been put also in aspects of health, safety, security, facilities and internal communication. In terms of facilities, as well as health and safety, these have been key in 2022, with the dynamic management of the return of staff to the office premises and the management of the utilities crisis.

Regarding security, the reprise of missions and the emerging threats in the cybersecurity area have been in focus. A reinforced support security for missions will be implemented in 2023 with the implementation of the interagency contract and the ongoing negotiations with EEAS for a Service Level Agreement. In the area of Cybersecurity, the ETF has

implemented the CERT-EU Security Guidance 22-001 on mitigation measures against critical threats (Microsoft Security Score increase from 48% to 85%).

Building infrastructure and information security were also ensured in the year, including the revamp of the fire brigade as well as the information assets security risk assessment and treatment plan completed.

In terms of facilities' improvements, the two highlights for the year were the conclusion of the pre-feasibility study on possible options for post-27 premises for ETF (current agreement expiring in mid-2027) and the dynamic and efficient management of the energy crisis with actions to reduce the energy consumption and close follow up of budget.

On internal communication, further development of the Intranet, the ETF Times internal newsletter, and the new 'how to guide' on effective meetings followed by several AMA sessions.

Business Continuity Plan

In 2022 the Business Continuity Plan has been tested twice, during the evacuation exercises. The plan will require further updates once the new regulations on information and cybersecurity will be adopted.

2.6 Strategy for efficiency gains and innovation

In 2022, the ETF continued to identify opportunities to introduce efficiency gains in its operations. This took place in line with its strategy of an integrated and holistic approach to monitoring performance. On an annual basis improvement actions are identified through the assessment of internal controls, annual performance assessments, risks assessment, audits and evaluations, and an action plan is prepared in line with the ETF's 2027 strategy.

In 2022, the ETF was able once more to increase the numbers and level of staff allocated to operational activities (Annex 3). This is strived for annually through reallocation of duties, staff mobility and training. This demonstrates that the restructuring of ETF initiated in 2021 brought about the rebalancing of line management, thus rationalising its organisational structure to deliver core services.

The abovementioned systems in place to strengthen ETF's efficiency enabled it to complete 12 recruitment procedures in 2022, including one reserve list for HCD experts profile, internal mobility for a project manager or administrative specialist/officer, communication officer, and HR officer (using for the first time the reserve lists of other EU agencies). Moreover, 2 traineeship calls' selection were also completed and the ETF welcomed 4 new trainees in 2022.

Furthermore, the ETF's project management function streamlined through the Project Management & Tools Unit delivered efficiency gains in 2022 via the implementation of a new project management toolkit and usage of MS Power BI, as well as the creation of templates for HCD expertise framework contract and regional in-country services.

In the area of procurement, the positive effects of an advance planning and of a strategic procurement reflection on core business activities materialised in increased ETF readiness,

agility and timeliness of contracts in place to implement the work programme activities. Innovation was also possible in specific tenders as well as in green and sustainable procurement for which ETF is in the lead within the EUAN network. Key highlights that aim to raise the ETF bar for a fairer, more inclusive and sustainable procurement are:

- Deployment of a new procurement strategy for operational business, including launch of key procurement procedures such as a revised HCD consultancy contracts, regional contracts for in country support services, and contracts for the implementation of extra budgetary projects.
- Re-design and introduction of innovative aspects in key procedures for other areas related to ETF facilities and visibility as well as staff's wellbeing, such as canteen, temporary workers services, doctor's services, stationary and promotional material. Here, relevant green criteria were identified and included in the technical specifications for assessment in the evaluation phase.
- Integrated use of eProcurement swift implying a complete digital workflow for all types of procedures and achievement of efficiency gains in workflow steps, including in advertising, publication and opening.

In the area of budget and finance, the year 2022 finished with very good results in terms of budget implementation and audit of financial transactions. Sound financial management and efficient budget management remained the focus of the year, together with efficiency gains in financial management practices within the new matrix organisation and project management model. Furthermore, the pursue of a modern and digitalised resource management system in HR, finance and procurement areas were also key in bringing efficiency gains. The year 2022 has seen a major step forward with the preparation, development, integration and/or deployment of IT tools such as SYSPER, eProcurement swift, onboarding portal, MIPS and intranet pages.

The attention dedicated to the management of extra-subsidy projects enabled the ETF to deploy and negotiate a proper right legal instrument and to secure the necessary financial and human resources. It was also able to ensure the necessary procurement instruments for the conclusion and implementation of the 3 running extra-subsidy projects: DARYA, INTPA Training, and CoVEs.

Cooperation with other EU Agencies

As for collaboration with other institutions and networks, it is important to highlight in particular the development of cooperation with other EU Agencies. These collaborations aim at efficiency gains in resources, to improve the quality of internal services at a standard common across all agencies and to foster reflections on innovative topics for public administrations.

Also in 2022, ETF's continued with a pro-active participation to the EU Agencies network and its different working groups, as it considers these exchanges a true value added. At the end of 2022, the ETF Director participated in the livestreamed panel discussion organised by ECA and EU Agencies' Network to celebrate the launch of the ECA annual report for Agencies. At the level of EMPL cluster Agencies the ETF started the implementation of the SLA with EU-OSHA for the sharing of accounting services. Furthermore, the EMPL cluster agencies implemented the joint peer review of risks. Also, ETF and CEDEFOP initiated at the

end of 2022 a comprehensive dialogue to explore synergies and cooperation in the fields of HR, procurement and cyber-security.

Moreover, in the field of cybersecurity, the ETF joined the EUAN working group and participated in a pilot launched by ENISA on implications of the new regulation. In addition, the ETF has been leading the EU Agencies procurement working group (NAPO) on sustainable procurement, including the preparation of the handbook for agencies' use. Here, at inter-agency level the ETF also fostered the solidarity initiative and exchanges on best practices, including at the ECA conference on Sound Financial Management. ETF has also led on two inter-agency procedures, one with CEDEFOP for evaluation services and another with EIGE for communication services.

In the field of sustainability and greening, ETF has been sharing its experience on EMAS and ISO to other agencies as part of the greening network.

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

This section sets out the observations, opinions and conclusions reported by auditors, including the limited conclusion of the Internal Auditor on the state of internal control. The management measures taken in response to the audit recommendations are also included, together with an assessment of the material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

The information provided below confirms the trend of positive audit results and is a strong indicator of ETF performance to support the management assurance on the achievement of internal control objectives.

2.7.1 Internal Audit Service (IAS)

The Internal Audit Service (IAS) of the European Commission is the Internal Auditor of the ETF. In this capacity, at the end of 2022 and in line with the current IAS strategic internal audit plan for the period 2021-2023, IAS concluded an multi actor audit on complementarity and cooperation mechanisms between the ETF and EC services. The scope of the audit covered the period 2019-2021 and focussed on the effectiveness of interactions and communication between the ETF and the Commission; the design of controls over resource allocation during the planning process of activities; and the prioritisation of activities and tasks.

IAS issued the final audit report in December 2022. The audit opinion is positive and concludes that *“overall the ETF has put in place adequately designed management and control systems to support the coordination and cooperation mechanisms with the EC services”*. The audit report also noted two key strengths: i) ETF activities are supported by highly knowledgeable staff, and ii) the ETF, together with the European Commission, has set up a bi-annual Structured Dialogue in order to ensure better coordination for the preparation of Governing Board (GB) meetings.

Nevertheless, IAS identified two very important issues on ETF's mandate and monitoring of indicators, and two important issues on alignment of priorities, and improvement of EU

requests database and procedure. In close cooperation with DG EMPL, the ETF has prepared an action plan to address all four recommendations for improvement, and this will be implemented as of 2023.

Having implemented all previous IAS recommendations, the ETF does not have any outstanding open audit recommendations issued by IAS in 2021 or earlier. The ETF has also never been issued with any IAS audit recommendations classed as ‘critical’ by IAS.

2.7.2 Audit of ETF provisional and final accounts

Audit of ETF accounts 2022: As in previous years, the audit on ETF provisional and final accounts for the financial year 2022 was outsourced under an inter-institutional framework contract. The final audit report 2022 is expected to be issued in June 2023. There were no changes between the provisional accounts and the final accounts. The provisional accounts were issued in March 2023 and these contain a clean unqualified audit opinion with no findings.

2.7.3 European Court of Auditors (ECA)

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

In October 2022, ECA published the annual audit report for EU agencies for the financial year 2021⁶. This contains a **clean unqualified audit opinion for the ETF**, whereby ECA conclude that: *“in our opinion, the payments underlying the accounts for the year ended 31 December 2021 are legal and regular in all material respects”*.

Follow up to previous ECA findings: With the audit report of 2021, ECA have formally closed the 2020 finding on the importance of registering non-financial exceptions.

Therefore as of the end of 2022, the ETF has only one open ECA finding on the procurement procedure for interim workers. This was issued in 2018, and as previously acknowledged by the European Parliament in its discharge report, the ETF addressed this issue when launching the new framework contract, due to be signed in 2023.

ECA carried out two audits for the FY2022, the first as a site visit and the second as an online audit.

⁶ ECA audit report for EU agencies for the financial year 2021

2.8 Green sustainability and sound environmental management



EMAS

In 2022 the ETF achieved its goal of confirming and maintaining its EMAS registration and ISO 14001 certification

The ETF implements its Environmental Policy to achieve its strategic environmental goals (Annex 7). The ETF obtained EMAS registration and ISO certification in 2021. The ETF approach to a more environmentally responsible way of working has an impact on programming, planning and implementation of the ETF work programme. As such, the ETF is fully committed to reducing its carbon footprint and devising new sustainable solutions in line with the European Commission's ambition of becoming carbon neutral by 2030, as outlined in the Commission's European Green Deal.

As a concrete sign of that commitment, in 2022 the ETF achieved its goal of obtaining for the second year in a row, EMAS registration and the ISO 14001 certification. This was confirmed following an EMAS audit, as well as a verification and compliance inspection of the ETF's environmental management system. As part of this process, the ETF published its environmental declaration of commitment to reducing its carbon footprint. A set of environmental indicators was defined with clear targets, and these were subsequently embedded within the ETF corporate monitoring framework of indicators (Annex 1). A transversal and agile working group was set up to support the implementation of the ETF's thematic environmental improvement plans on energy, waste, emissions, materials and water under the coordination of the EMAS Project Leader.

The ways in which the ETF complies with its EMAS registration and the ISO 14001 certification are briefly outlined in Annex 7. Highlights of actions implemented in 2022 include:

- **Energy and building management:** increased efforts on energy management have led to savings of 2,000 mc of gas and 49,107 kWh of electricity in 2022 despite the increased presence of staff in offices throughout the year due to hybrid working modalities in place. Closing the office in August while most staff were on holidays contributed positively to energy savings.
- **Waste / material consumption:** positive results have been maintained and further efforts made to reduce the use of plastic in the ETF. A key achievement of 2022 includes the elimination of single use plastic water bottles from the ETF canteen, combined with the installation of new drinking water dispensers. The new tender for canteen services includes specific green criteria which will lead to further improvements and at the end of 2022, the ETF donated its older office equipment to charities.

- **Hybrid working and digitalisation of processes:** in 2022 the ETF developed enhanced functionalities with fully hybrid ETF meeting rooms, and the full integration of Teams for use at the office, home and whilst on mission. Work progressed on the digitalisation of selection procedures as part of the recruitment process and the ETF developed and adopted a Diversity and Inclusion Framework.
- **Sustainable commuting:** an important development is the first ETF sustainable 'commuting plan'. This was completed and sent to competent local authorities in December 2022. It built upon the results of the staff survey launched in November. It is complemented by an action plan focusing on the continuation of the ETF car pool scheme as a way of promoting car sharing for every day commuting to ETF offices.
- **Awareness and communication campaign to staff:** development and publication of a guide for ETF staff on how to be greener whilst teleworking, as well as development and publication of a guide for ETF staff on how to be 'greener' whilst on mission.

Furthermore, sustainability was at the heart of several procurement procedures in 2022. These include the design and introduction of innovative aspects in areas such as ETF facilities and visibility as well as staff's wellbeing, including ETF's canteen, temporary workers services, doctor's services, stationary and promotional material. Here, relevant green criteria were identified and included in the technical specifications for assessment in the evaluation phase.

As previously mentioned, in 2022 the ETF engaged with other agencies and was very active within the EU Agencies' Network on greening and sustainable procurement, such as in leading the inter-agency Network of Procurement Officers (NAPO) and its outputs. It also shared first-hand knowledge experience of setting up and implementing an environmental management system and the journey towards EMAS registration and ISO 14001 certification. Finally, the ETF also had the opportunity to present the methodology it uses for calculating CO2 emissions in a knowledge sharing session.

2.9 Digital transformation and information management

In 2022, the ETF continued implementing its digital transformation strategy and roadmap. The rationale is to strengthen organisational processes and improve the efficiency of digital products and services, with the aim of becoming a digitally smart and mature organisation. The ETF's digital transformation process is centred across four key pillars: IT as a digital partner, data centric projects, investment in cloud-based solutions for software and hardware, and European Commission integrations.

Digital maturity should also contribute to an improved efficiency of ETF functions and underlying processes through the application of digital solutions and upskilling ETF staff in digital skills. The progressive implementation of cloud infrastructure supported by a mature digital strategy enables a data-centric organisation and maximises the value of information produced.

Following the heightened alert status due to the Russian aggression towards Ukraine, the ETF has geared up its preparedness in terms of IT and cyber security. It has also worked closely with relevant EC services and in coordination with its sister agencies in anticipation of new expected cyber security framework and guidelines for EU agencies.

Also, in 2022 the ETF invested in the digitalisation of its knowledge products and in strengthening collaborating with communities and stakeholders in the partner countries. The move towards cloud applications also enabled the ETF to further reduce its environmental footprint and to have a more climate-sensitive purchase of hardware.

In 2022, the ETF closed its first year in the new digital governance and operational structure of the digital transformation strategy. This included deep dive discussions around the digital needs mapping across the ETF and the prioritisation and budgeting of the 2023 digital transformation roadmap at the level of digital governance. Internally, the three strands of Digital Solutions continued to take shape and to ensure running the business (99.99% of the assigned budget committed). The following digital products and actions stand out:

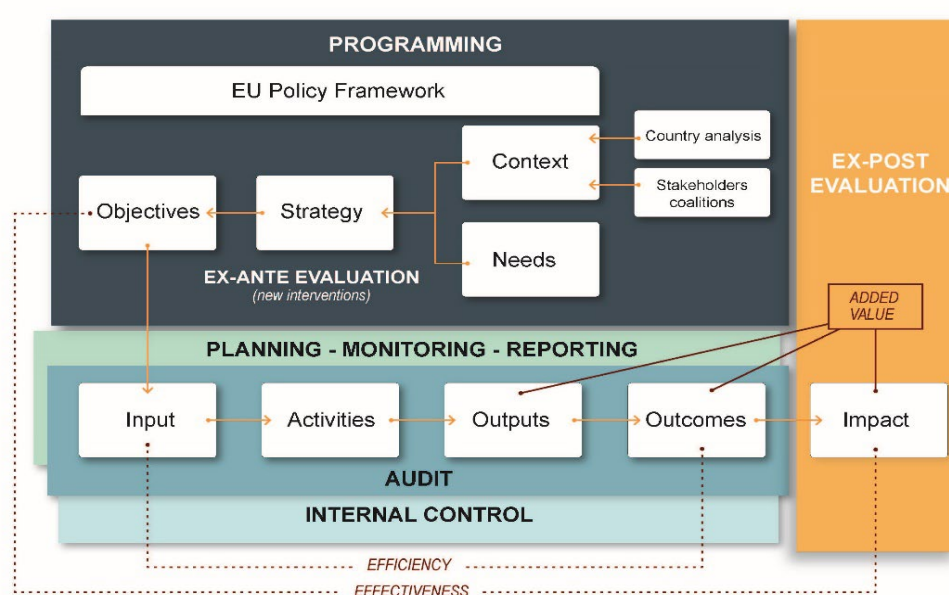
- In terms of telecom, the ETF has successfully switched to another service provider and fully onboarded Microsoft Teams, integrating chat, video calls and voice calls in the ETF office, in the home office, or on mission.
- The provision of hardware and software to ensure all staff are equipped for the new hybrid work guidelines and hybrid meeting rooms are operational to facilitate connecting with colleagues and stakeholders anytime.
- The new IT ticketing system is up and running, with 630/650 tickets addressed successfully over 3 months, and a first response within one hour in more than 77% of the requests and an average resolution time of less than 1.5 working days to resolve more than 94% within the established time.
- The digital pipeline continued to roll out digital products, with minimal viable products going live such as ETF's internal management system (i.e. Carmen), SYSER, and other EC software in use. In addition, preparatory work is ongoing for various developments such as ENE platform, ARES and EU sign onboarding, etc.
- Finally, to ensure better project management of the digital developments, the roles and responsibilities workflow has been spelled out. High pressure to deliver with limitations in both financial and human resources will require constant reprioritisation and planning ahead of time in 2023.

3. EVALUATION (Part II B)

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

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

ETF logic model



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

In addition, the ETF commissions evaluations mainly focussing on assessing the extent to which its activities have achieved planned results, their added value and impact. According to the ETF Financial Regulation⁷, retrospective evaluations should be undertaken periodically and in sufficient time for the findings to be taken into account in ex-ante evaluations or impact assessments that support the preparation of related programme activities.

⁷ Financial Regulation of the European Training Foundation, Turin, 15 June 2019 (GB-19-DEC-008)

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

Evaluations 2022

In 2022, the ETF closed one ongoing external evaluation on its operational work and commissioned another one. The first evaluation on the ETF's mid-term review of its 2027 strategy was also commissioned in 2022. To sum up, these were:

1. Evaluation of the ETF monitoring and assessment (launched in 2021, closed in 2022)

The evaluation outlined unique and value-added elements of the ETF's monitoring and assessment function, including: unique methodology; wide stakeholders involvement, including of social partners; high quality of data that is not available elsewhere and of evidence that are highly applicable to solving real policy challenges as well as to influencing investments in HCD; continuity over a long period of time; geographical scope and strong connections with national governments and stakeholders; and strong theoretical background and focus on LLL rather than only on VET.

Key recommendations that have already been taken onboard include: cross-country comparisons between partner countries and with EU countries; improved data visualisation; thematic analysis and analytical insights; and country-specific analysis. The importance of maintaining the usage of the Torino Process' brand for the monitoring and assessment function of ETF was considered of high importance by all stakeholders.

2. Evaluation of skills demand analysis and ETF's anticipatory function (commissioned in 2022, with the final report delivered in Q1 2023)

In terms of ETF's capacity to anticipate future trends and developments, across all its activity areas, this was considered as an important corporate feature that helps ETF determine its future positioning on issues, agenda-setting and knowledge development. Hence, it is understood to refer to the ETF's ability to prepare for future challenges and opportunities. Externally, the ETF's anticipatory function is judged positively. ETF was praised by its ability to transform insights and information into relevant and future-proof prioritisation of work.

The evaluation of ETF's work on skills demand analysis concluded that the Agency succeeded in integrating stakeholders in the development of concepts and usage of solid methods that can be applied in the different circumstances of all individual partner countries. Also, that its flexible approach enabled it to establish trust and solid communication with partner countries, further creating demand for impactful activities that leverages ETF's global credibility. Moreover, the work contributed to the development of academic and expert networks, and provided important input for such communities, with ETF being considered as a valued broker of knowledge and between peers. Capacity building was also conducted successfully and the ETF's work inspired reforms and policy change.

3. Mapping of HCD players (commissioned in 2022 under the ETF strategy 2027 MTR)

The aim is to provide a comprehensive mapping of the European and international context, actors and trends in human capital development (HCD), which will provide contextual information for the mid-term review of ETF's 2027 strategy and to position the ETF for the next strategic planning exercise being conducted for reflecting the ETF post-27.

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

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

4.1 Effectiveness of internal control systems

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

The ETF has assessed its internal control system in 2022 and has concluded that it is effective, and the components and principles are present and functioning, with only minor improvements needed. The 2022 assessment is a good opportunity to take stock and reflect on the effectiveness of internal controls in the context of the new hybrid model of working.

Results

The results of the 2022 assessment show a robust framework of internal controls is in place and functioning, with no principles considered to be ineffective or requiring major improvements. Eleven (11) principles were assessed as fully effective and six (6) principles as effective with only minor improvements needed.

The assessment of the internal control principles are closely related to the situation created by the return to the office and the transition towards the hybrid model of working. The Internal Control Coordinator confirms the results of the assessment of the effectiveness of internal controls for the year 2022. As such, controls in place are in line with the ETF's risk register 2022. Moreover, in 2022 the ETF addressed its risks holistically by focusing on key areas of security and learning and development.

Economy of controls

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

Regarding the **effectiveness of controls**, in 2022, the European Court of Auditors issued the ETF with an unqualified “**clean**” **audit opinion for the financial year 2021**, with no comment on the annual accounts or the legality and regularity of underlying financial transactions.

In terms of **efficiency and economy of controls**, the ETF estimates that the overall cost of controls in 2022 is € 946,714. This is 4.4% of the annual subsidy based on payments. The ETF considers the costs of controls 2022 to be proportionate to the risks involved, with costs reported in Table 13 below. The ETF methodology used for the calculation of costs of controls (Table 13) is based on guidance received from DG EMPL, considering how the ETF

implements its budget in terms of payments. The methodology has been inspired by the approach of the European Commission, considering latest guidance from the Commission and specifically for Agencies.

Table 13: Cost of controls 2022

Control System	Internal Cost Cost of Staff Time		External Costs		Total	Ratio (cost compared to annual subsidy)
AREA:	Time of ETF Staff	Total Cost of Staff Time (EUR)	Cost (EUR)	Type of External Cost	Internal + External Costs	Annual Subsidy: 21,102,739 EUR
Financial management	4.9 FTE TOTAL	541,622			531,322	2.5%
Budget and accounting	1.3 FTE TOTAL	143,696			143,696	0.7%
External audit	0.15 FTE TOTAL	16,580	14,136	audit of ETF accounts 2022 costs*	30,716	0.1%
Coordination (strategic planning & programming, internal control)	0.60 FTE TOTAL	66,321			66,321	0.3%
Anti-fraud	0.05 FTE TOTAL	5,527			5,527	0.3%
Programme management	0.2 FTE TOTAL	22,107	89,650	2021 evaluation costs	111,757	0.5%
ICT	0.2 FTE TOTAL	22,107	24,969	CERT-EU costs	47,076	0.2%
Grand Total	7.40 FTE Total	817,599	69,885		946,714	4.4%

4.2 Conclusions of assessment of internal control systems

The results of the 2022 assessment of the effectiveness of internal controls support the Director's declaration of assurance. They provide reasonable assurance that the internal control system in the ETF is present and functioning, with only minor improvements needed which have been considered in the respective 2023 ETF action plans / work plans.

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

I declare that in accordance with the Commission's communication on the internal control framework, I have reported my advice and recommendations on the overall state of internal control in the European Training Foundation in 2022 to the ETF Director. I hereby certify that the information provided in the present Consolidated Annual Activity Report and in its annexes is to the best of my knowledge, accurate, reliable, and complete⁸.

⁸ Annex 13.

5. MANAGEMENT ASSURANCE (PART IV)

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

5.1 Review of the elements supporting assurance

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

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

Audit reports (including the observations and the recommendations of the European Court of Auditors (ECA), of the Internal Audit Service (IAS), and of other ex-post audits. These reports result from a systematic analysis of the available evidence. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Director of ETF.

Cost effectiveness and efficiency of controls

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

Legality and regularity of the transactions

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

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

As in previous years, in 2022 the ETF has not received any critical recommendations from audits or control bodies. Results of ex-ante payment verification show a constant low rate of

risk of errors with a proportion of 6% of transactions being stopped for correction or refused, an improvement from 7% in 2021, 8% in 2020 and 9% in 2019.

Analysis of registered exceptions and non-compliance events

Fourteen deviations were registered in total in the ETF central register in 2022, including 9 exceptions (ex-ante) and 5 non-compliance events (ex-post).

In terms of materiality, the total value of deviations registered in 2022 is €154,930.93. This represents 0.07% of the ETF budget 2022⁹ and is well below the ETF materiality threshold of 2%¹⁰.

A highlight of 2022 is the development and implementation of a new policy on handling deviations (exceptions and non-compliance events). The ETF materiality criteria is embedded within the policy and it is underpinned by a clear procedure with streamlined workflows clear monitoring criteria.

An in-depth analysis of all exceptions and non-compliance events registered in 2022 confirms the policy and procedure are being correctly implemented and that both financial and non-financial exceptions and non-compliance events were correctly registered in 2022.

Prevention, detection, correction and follow-up of fraud and irregularities

Over time the ETF has developed a strong internal anti-fraud culture. In this context the ETF has an anti-fraud strategy in place covering the period 2020-2027. This is underpinned by a robust ethics framework and complemented by annual action plans.

In 2022 the ETF assessed the risk of fraud within its annual corporate risk assessment and mitigating controls were assessed as in place, relevant and functioning. Examples of controls include adoption of the ETF guidelines on whistleblowing and the clear policy on accepting gifts.

All managers and governing board members of the ETF must sign an annual declaration of absence of conflict of interest, and all declarations are published on the ETF website in line with the established procedure. A list of meetings with the ETF Director and externals is regularly updated and published on the ETF website for transparency. The ETF has appointed an OLAF correspondent as well as an ethics correspondent and deputy.

In 2023 the ETF will continue to strengthen its anti-fraud culture by focusing on the consolidation of achieved in-house awareness together with further awareness raising aimed at preventing conflicts of interest, irregularities and fraud. The ETF/OLAF Correspondent will interact with the relevant in-house actors through a working group on “fraud risks” to achieve yearly planned actions, review key target areas and oversee preventive/mitigation actions in place.

Results of internal transactional ex-post controls 2022

The ETF implemented ex-post controls on financial transactions with a risk-based sampling of payments. The 2022 exercise was carried out by internal financial verifying agents, based on externally reviewed methodology, in order to provide reasonable assurance on the legality

⁹ ETF Amending budget 2 of 2022 GB/22/DEC/012

¹⁰ ETF policy on handling deviations (exceptions and non-compliance events) and ETF materiality criteria

and regularity of 2022 financial transactions. The outcome of the 2022 ex-post controls confirms that:

1. The expenses included in the payment sample, reflecting expenditure incurred between 1 January and 31 December 2022 through light workflow for low-risk transactions, were properly documented and duly authorised;
2. The control system set up surrounding light payment workflow is seen to be well designed and is operating effectively in all material respects;
3. The funds were used for their intended purpose and disbursed in accordance with the ETF regulatory framework and the principles of sound financial management;
4. The expenses incurred in respect of the workflows described above have been properly documented and duly authorised.

In addition, the time to pay has improved in 2022 (14.0 days on average compared to 16.4 days in 2021, 17.5 days in 2020, 18.5 days in 2019, 20.63 days in 2018 and 20.09 days in 2017) with a decrease in the average time of suspension (0.5 days in 2022 vs 0.7 days in 2021, 1.37 days in 2020, 1.74 days in 2019 vs 1.77 in 2018 and 2.22 days in 2017), indicating an improvement considering the reduced resources in the ex-ante control system and the same volume of transactions.

This is due to the redesign of the payment process implemented a few years ago with the implementation of the light payment circuit involving two actors for low-risk payments, as well as with a stricter monitoring of end date of activities with reports automatically produced for the financial circuit's actors. Within the late payments (3.6% in 2022 vs 2.4% in 2021, 5% in 2020, 6% in 2019, 7% in 2018 and 6% in 2017), none of them implied the payment of late interest in 2022. In a nutshell:

1. The average time-to-award is less than three months for open tenders and less than two months for low and middle value negotiated procedures, thus demonstrating efficient organisation of the work involved.
2. Considering the benefits of the control strategy, namely low risk of fraud, favourable audit opinions, low reputational damage, low number of errors, the budget related control strategy is considered effective. In 2022, developments in financial and procurement management were guided by the overall objective of increased efficiency, digitalisation of processes and assessment of risks inherent to procedures, financial transactions and systems.
3. The payment process and the centralisation of the management of finance and procurement processes proved its worth in the reduction of the process duration and the removal of paper copies for procurement procedures and financial transactions. The e-procurement project progressed with the receipt of electronic invoices (100% of incoming invoices were received electronically in 2022 and 2021 versus 54% in 2020) and the receipt of electronic offers for all open tenders (e-tendering and e-submission).
4. In 2022 the ETF has taken steps towards integrating the European Commission solutions for Digital signature (ARES and EU-Sign, which will be implemented in the first few months of 2023).

Results of risk management process

In October 2022, the ETF carried out an in-depth corporate risk assessment with management, which led to the development of the ETF risk register for 2023. The process ensures that controls and actions are put in place to mitigate risks which may affect the achievement of the ETF's objectives at strategic, organisational and operational levels, and that controls are comprehensive and proportional to the level of risk involved.

The ETF risk register developed for 2023 confirms the **ETF risk profile as low/medium**, with the ETF's key risk clusters identified in the areas of security, operational budget squeeze and the longer-term impact of new modality of working (hybrid model) on staff wellbeing. In 2022, the ETF continued its holistic approach to security with a multi-disciplinary working group looking at the state of preparedness of ETF from a policy point of view. Given the interconnectivity between different types of risks, e.g. cyber and information security, the aim of the group is to coordinate different strands of security under one umbrella.

Key achievements in 2022 include implementing security guidance as recommended by CERT-EU against critical cyber threats, and implementing mitigating measures as per Microsoft Defender 365 Security recommendations. This resulted in an increase of the ETF's Microsoft Security Score from 48% to 85%. For 2023 this continues to be an area of particular attention given the external context and also in view of the preparations for the implementation of the upcoming regulation on cybersecurity.

In 2022 the ETF actively participated in the risk management peer review exercise with agencies within the 'social and employment' cluster. The peer review exercise identified three risk areas common to EMPL agencies: i) cyber-security risks, ii) operational budget squeeze and iii) the longer-term impact of new ways of working on staff wellbeing. The peer review was also an opportunity to confirm that the ETF approach to risk management is effective and in line with the approach of the European Commission.

5.2 Reservations

One of the ETF's building blocks of assurance is the system of cascading declarations of assurance of (Sub) Delegated Authorising Officers and ICC declaration to support the ETF Director's declaration of assurance. In 2022, the ETF Director has a sound basis to support her reasonable assurance that the internal control system is in place and working as intended. Risks are monitored and mitigated as appropriate, and necessary improvements and reinforcement measures are being implemented. As a result, **there are no reasons to introduce any reservation for the year 2022**.

5.3 Conclusions on assurance

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

The declaration of assurance of the ETF Authorising Officer in the 2022 Annual Activity Report does not contain any reservations.

In line with the ETF materiality criteria¹¹ developed to support the Director in her decision as to whether a reservation should be included in the annual declaration of assurance in the context of annual activity reporting, **the ETF confirms it has no reservations to report for 2022.**

Overall conclusion

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

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

In 2022, budgetary implementation powers were delegated by the Authorising Officer through a Director's Decision¹² which allocated the different budgetary areas, including specific budget lines, to the delegated and Sub Delegated Authorising Officers. In line with ETF rules and procedures on the deputising mechanism and the presence of managers on the ETF premises¹³, the ETF introduces a second level of back-ups for delegated authorising officers, to reduce the number of transactions to be approved by the Director and ensure transactions are dealt with by the most informed authorising officer available.

The decision is accompanied by individual delegations, signed by the Director, and the authorising officer by delegation and his/her back-up. In addition, they also signed to confirm acceptance of the charter of the authorising officer by delegation.

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

¹¹ ETF policy on handling deviations (ETF/22/DEC/004)

¹² Delegation of the authorising officer for 2022 budget implementation (ETF/22/DEC/001)

¹³ Rules and procedures on the deputising mechanism and presence of managers (ETF/21/DEC/003)

6. DECLARATION OF ASSURANCE

I, the undersigned, **Pilvi Torsti**, Director of the European Training Foundation, in my capacity as Authorising Officer, declare that the information contained in this report gives a true and fair view¹⁴.

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

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the Declaration of Assurance signed by Xavier Matheu de Cortada¹⁵, Director ad-interim of the European Training Foundation¹⁶, the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors.

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

Turin, 07 June 2023



Pilvi Torsti

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

¹⁵ Annex 14.

¹⁶ Governing Board Decision for appointing a Director *ad interim*: [GB/22/DEC/001](#)

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List of Acronyms

ABAC	Activity-based accounting system
ABB	Activity-based budgeting
ACQF	African Continental Qualifications Framework
AD	Action Document
ADB	Asian Development Bank
AFD	Agence Française de Développement
ALMPs	Active Labour Market Policies
AU	African Union
BC	British Council
BiH	Bosnia and Herzegovina
B2B	Business to business
ENABEL	Belgian Development Agency
CA	Central Asia
Cedefop	European Centre for the Development of Vocational Training
CNL	Creative New Learning
CORLEAP	Conference of Regional and Local Authorities for the Eastern Partnership
CoVEs	Centres of Vocational Excellence
CPD	Continuous Professional Development
CSOs	Civil Society Organisations
CVT/CVET	Continuing vocational training/ Continuous vocational education and training
DARYA	Dialogue and Action for Resourceful Youth in Central Asia
DCFTA	Deep and Comprehensive Free Trade Area
DCI	Development Cooperation Instrument
DG	Directorate General
DG EAC	Directorate General Education and Culture
DG EMPL	Directorate General Employment, Social Affairs & Inclusion
DG GROW	Directorate General Internal Market, Industry, Entrepreneurship and SMEs
DG HOME	Directorate General Home Affairs
DG INTPA	Directorate General International Partnerships
DG JRC	Directorate General Joint Research Centre
DG NEAR	Directorate General Neighbourhood and Enlargement Negotiations
DG REGIO	Directorate General Regional and urban Policy
DG SG	Directorate General Secretariat-General
DG TRADE	Directorate General Trade
DigComp	European Digital Competence Framework
DOL	Distance and open learning
DSC	Digital Skills and Competences
DVV	Institute for International Cooperation of German Adult Education Association
EafA	European Alliance for Apprenticeships
EaP	Eastern Partnership
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECA	European Court of Auditors
EEAS	European External Action Service

EESC	European Economic and Social Committee
EFSD+	European Fund for Sustainable Development Plus
EIP	Economic Investment Plan
ELA	European Labour Authority
ENE	ETF Network for Excellence
ENI	European Neighbourhood Instrument
ENP	European Neighbourhood Policy
EntreComp	Entrepreneurship Competence Framework
EP	European Parliament
EPSO	European Personnel Selection Office
EPSR	European Pillar of Social Rights
EQARF	European Quality Assurance Reference Framework
EQAVET	European Quality Assurance in Vocational Education and Training
EQF	European Qualifications Framework
ERI SEE	Education Reform Initiative of South East Europe
ERPs	Economic Reform Programmes
ESAP	Employment and Social Affairs Platform
ET 2020	Strategic framework for European cooperation in education and training
ETF	European Training Foundation
EU	European Union
EUDs	European Union Delegations
EU-OSHA	European Agency for Safety and Health at Work
Euromed	Euro-Mediterranean Partnership
EVTA	The European Vocational Training Association
FTE	Full-time equivalent
FoW	Future of Work
GAP	Gender Action Plan
GB	Governing Board
GDP	Gross domestic product
GIM	GIM (Grow with Internal Move
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
GLAD	Governance Learning Action and Dialogue
HCD	Human capital development
IAS	Internal Audit Service
ICT	Information and communications technology
IFI	International Finance Institution
ILO	International Labour Organisation
IOM	International Organisation for Migration
IPA	Instrument for Pre-accession Assistance
KH	Knowledge hub
KIESE	Key Performance Indicators on Education, Skills and Employment
KPI	Key performance indicators
LMI(S)	Labour Market Information (System)
LLL	Lifelong learning
MEPs	Members of the European Parliament
MISMES	Migrant Support Measures from an Employment and Skills Perspective
MTD	Medium-term deliverables

M&A	Monitoring and assessment
NAPO	Inter-agency Network of Procurement Officers
NDICI	Neighbourhood, Development and International Cooperation Instrument
NEET	Not in education, employment, or training
NMF	New monitoring framework
NQF	National qualifications framework
OECD	Organisation for Economic Co-operation and Development
OIB	Office for Infrastructure and Logistics in Brussels
PA	Policy advice
PES	Public Employment Services
PMO	Paymaster Office
PPP	Public-private partnerships
PSD	Private Sector Development
QA	Quality assurance
RCC	Regional Cooperation Council
RCI	Regional Competitive Initiative
RED	Rapid Education Diagnosis
SADC	Southern African Development Community
SBA	Small Business Act for Europe
SD	Structured Dialogue
SDG	Sustainable Development Goal
SEE	South Eastern Europe
SEET	South Eastern Europe and Türkiye
SEE2020	South East Europe 2020 Strategy
SEECCL	South East European Centre for Entrepreneurial Learning
SEMED	Southern and Eastern Mediterranean
SG	Secretariat General
SLA	Service Level Agreement
SME	Small and medium-sized enterprise
SPD	Single Programming Document
SRC	Sector Reform Contract
THAMM	Towards a Holistic Approach to Migration
UfM	Union for the Mediterranean
UNESCO	United Nations Educational, Scientific and Cultural Organization
VET/TVET	(Technical and) vocational education and training
VNFIL	Validation of non-formal and informal learning
WB	Western Balkans
WBL	Work-based learning
WBPET	Western Balkans Platform on Education and Training
WBT	Western Balkans and Türkiye
WB6	Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia
WP	Work Programme
YAP	Youth Action Plan
YEM	Youth Employment in the Mediterranean
YG	Youth Guarantee

Annex 1 – Core business statistics

KPIs for ETF overall performance

Administration

KPI	Description	2022	2021	2020	2019	2018	2017	Frequency
Activities completion rate ^{3*}	Rate (%) of completion of the activities of the ETF Work Programme Target >90%	93%	95.58%	86.84%	91%	91%	93%	Quarterly
Timely achievement of activities of WP*	Rate (%) of activities of the ETF Work Programme timely achieved in year: Target 80%	89%	91.15%	75.94%	85%	94%	88%	Quarterly
Timely submission of WP/SPD to EC*	The Annual WP/SPD timely submitted to the EC. Target 100%	100%	100%	100%	100%	100%	100%	Annually

Human resources

KPI	Description	2022	2021	2020	2019	2018	2017	Frequency
Administrative support, / operational staff ratio*	(Administrative support and coordination job type category)/(Operational job type category / Neutral job type category) Target <30%	17.06%	15.80%	16.59%	17.19%	19%	18.15%	Annually
Average vacancy rate*	% of authorised posts of the annual establishment plan which are vacant at the end of the year, including job offers sent before 31 December. Target <5%	1%	0%	1%	0%	1%	3%	Annually
Staff engagement*	Rate (%) of staff engagement from satisfaction survey within the agency. (every two years) Target >2% increase	NA (Q1 2023)	-	56%	-	54%	-	2-3 years

Finance

KPI	Description	2022	2021	2020	2019	2018	2017	Frequency
Commitment appropriation implementation*	Rate (%) of implementation of Commitment Appropriations. Target >98%	99.98%	99.91%	99.88%	99.96%	99.99%	99.93%	Quarterly
Payment appropriations cancellation rate*	Rate (%) of cancellation of Payment Appropriations. Target <2%	0.29%	0.44%	1.46%	1.21%	0.11%	0.29%	Annually
Timely payments*	Rate (%) of payments executed within the legal/contractual deadlines. Target >90%	96.4%	97.6%	94.3%	94%	93%	94%	Quarterly
Rate of outturn*	Total payments in year N and carry-forwards to Year N+1, as a % of the total EU funding received in Year Target >96%	99.98%	99.91%	98.79%	98.88%	99.94%	99.93%	Annually
Audit recommendation implementation*	Rate (%) of external and accepted internal audit recommendations implemented within agreed deadlines. Target >90%	100%	100%	100%	100%	100%	100%	Quarterly

Operational*

KPI	Description	2022	2021	2020	2019	2018	2017	Frequency
Knowledge uptake	Uptake of the developed ETF knowledge products (targets being defined)	84%**	85%	NA	NA	NA	NA	Annually
Programme design	Geographic and thematic coverage of EU Requests for support to projects and programmes design (targets being defined)	78%	79%	NA	NA	NA	NA	Q2 and Q4
Network level of participation	Engagement rate of active members in ETF networks (targets being defined)	73%	61%	NA	NA	NA	NA	Q2 and Q4
Stakeholder engagement	Number and typology of stakeholders engaged in ETF activities (targets being defined)	10,237 stakeholders engaged 84% of primary stakeholders	7,635 stakeholders engaged 75% primary stakeholders	NA	NA	NA	NA	Annually

* Operational KPIs are new and targets should be set in 2023 after two years of analysis.

** Survey to be launched in January 2023 to further refine indicator and target.

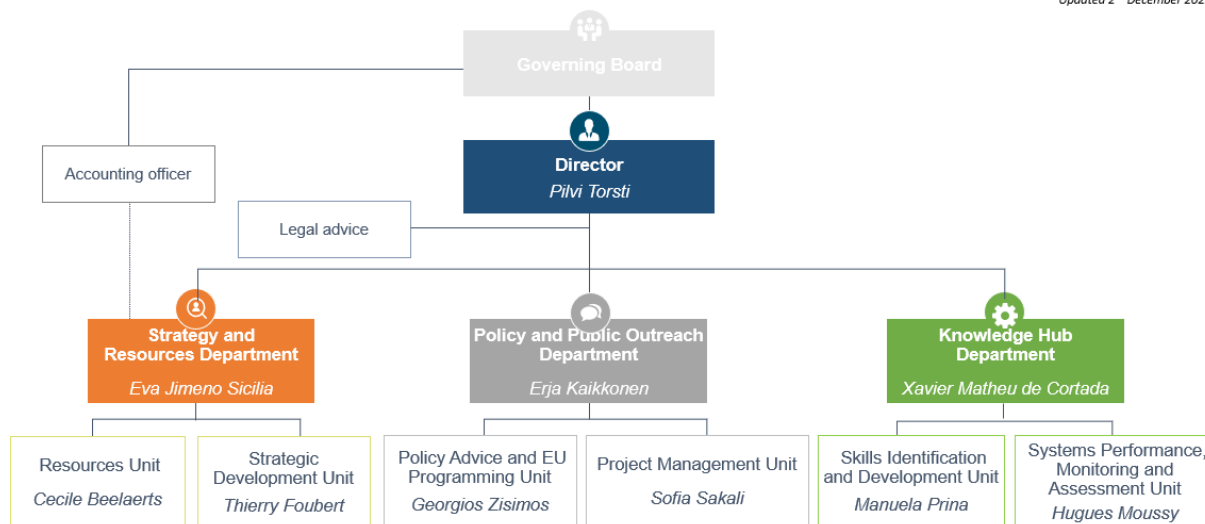
Annex 2 – Statistics on financial management

FINANCIAL MANAGEMENT	2022	2021	2020	2019	2018
Overall Budget ETF (EU Contribution)	21,726,208	21,300,000 CA 21,000,000 PA	20,957,000 CA 20,400,000 PA	20,546,000	20,144,018
Committed (C1)	21,722,517	21,281,233	20,930,853	20,536,844	20,141,889
Rate (%) of implementation of Commitment Appropriations	99.98%	99.91%	99.88%	99.96%	99.99%
Rate (%) of cancellation of Payment Appropriations	0.29%	0.44%	1.70%	1.20%	0.11%
Rate of payments executed within the legal/Contractual deadline	96.4%	97.6%	94.3%	93.7%	93.3%
Rate (%) of outturn (Total payments in year N and carry-forwards to Year N+1, as a % of the total EU funding and fee income, where applicable, received in Year N).	99.98%	99.91%	98.55%	98.88%	99.94%
Payments Executed out of year's budget (PAY C1+ PAY C8T3) / Budget	97.70%	95.74%	95.65%	96.01%	98.07%
Overall CF+RAL into N+1	11.08%	13.71%	12.32%	9.89%	8.53%
Amount CF+RAL into N+1	2,407,361	2,920,538	2,581,707	2,032,829	1,719,011
CF in N+1 – T1	0%	1%	1%	1.1%	0.7%
CF in N+1 – T2	21%	33%	19%	22.9%	14.7%
Total CF (T1&T2)	2.9%	5.2%	3.6%	3.8%	2.5%
RAL in N+1 – T3	44%	49%	42%	29.6%	27.8%
Number of Transfers	9	7	8	4	7
Transferred budget	4.7%	7.1%	6.4%	2.7%	4.2%
Lines with more than 3 transfers	8	11	10	4	11
Number of transfers in the last 2 months	3	3	3	3	3
Cost of GB meetings (2 or 3* per year)	116,751.00	81,030.00	12,960.00	90,626.92	116,555.00
Payments made within deadline	96.40%	97.62%	94.26%	93.74%	93.30%
Total to be reimbursed to EC:	62,209.00	93,863.79	347,202.46	246,713.17	20,101.00

Annex 3 – ETF organisational structure

ETF ORGANISATIONAL STRUCTURE

Updated 2nd December 2022



Annex 4 – Establishment plan and additional information on human resources

A. Statutory staff and SNE

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

Human Resources	2022		
	Authorised Budget	Actually filled as of 31/12/2022	Occupancy Rate%
Administrators (AD)	58	57	98.3%
Assistants (AST)	28	28	100%
Assistants/Secretaries (AST/SC)	0	0	
ESTABLISHMENT PLAN POSTS*	86	85	98.8%
Contract Agents (CA)**	42	39	92.9%
Seconded National Experts (SNE)	0	0	
Local Agents	1	1	100%
TOTAL STAFF	129	125	96.9%

*As of 2018, on the basis of article 38.2 of the ETF Financial Regulation, the ETF has been using the opportunity to “offset the effects of part-time work”. At the end of 2022, except for 1 post, all positions (including 2 FTE for offsetting) were filled in or job offers were made.

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

B. Other Staff

Structural service providers

	Actual filled as of 31/12/2022
Security	1
IT	1
Receptionist	1
Facilities support	1

Interim workers

	Actual filled as of 31/12/2022
Number	5

Table 2 – Establishment plan

Function group and grade	2022			
	Authorised Budget		Actually filled as of 31/12 *	
	Perm. Posts	Temp. posts	Perm. Posts	Temp. posts
AD 16				
AD 15				
AD 14		1		0
AD 13		5		2
AD 12		11		6
AD 11		10		10
AD 10		10		11
AD 9		12		12
AD 8		5		5
AD 7		4		11
AD 6				
AD 5				
AD TOTAL	0	58	0	57
AST 11				
AST 10		3		2
AST 9		13		12
AST 8		6		2
AST 7		4		3
AST 6		2		4
AST 5				5
AST 4				
AST 3				
AST 2				
AST 1				
AST TOTAL	0	28	0	28
AST/SC 6				
AST/SC 5				
AST/SC 4				
AST/SC 3				
AST/SC 2				
AST/SC 1				
AST/SC TOTAL	0	0	0	0

TOTAL	0	86	0	85
GRAND TOTAL	86		85	

*As of 2018, on the basis of article 38.2 of the ETF Financial Regulation, the ETF has been using the opportunity to “offset the effects of part-time work”. At the end of 2022, except for 1 post, all positions (including 2 FTE for offsetting) were filled in or job offers were made.

External personnel

Contract Agents

Contract agents**	Authorised 2022	Recruited as of 31/12/2022
Function Group IV	14	13
Function Group III	23	21
Function Group II	5	5
Function Group I	0	0
TOTAL	42	39

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

Local Agents

Local agents	Authorised 2022	Recruited as of 31/12/2022
Function Group AL/N2	1	1

Seconded National Experts

Seconded National Experts	Authorised 2022	Recruited as of 31/12/2022
TOTAL	0	0

Human Resources Qualitative

Appraisal and reclassification/promotions

Table 1 – Reclassification of temporary agents/promotion of officials

Average seniority in the grade among reclassified staff							
Grades	2018	2019	2020	2021	2022	Actual average over 5 years	Average over 5 years (annex IB SR)
AD05	0.0	3.8	0.0	0.0	0.0	3.8	2.8

AD06	3.5	0.0	0.0	0.0	3.0	3.3	2.8
AD07	6.0	2.5	2.2	2.0	2.8	3.2	2.8
AD08	4.3	2.8	2.8	3.0	4.0	3.2	3
AD09	5.4	5.9	3.2	9.7	4.0	5.8	4
AD10	4.5	5.0	2.0	4.5	4.9	4.5	4
AD11	0.0	0.0	16.2	7.5	10.5	10.4	4
AD12	8.3	0.0	0.0	0.0	7.5	7.8	6.7
AD13	0.0	0.0	0.0	0.0	0.0	0.0	6.7
AST1	0.0	0.0	0.0	0.0	0.0	0.0	3
AST2	0.0	0.0	0.0	0.0	0.0	0.0	3
AST3	0.0	0.0	0.0	0.0	0.0	0.0	3
AST4	2.0	0.0	3.5	4.3	6.5	4.1	3
AST5	0.0	5.5	0.0	4.3	0.0	4.9	4
AST6	0.0	4.5	3.5	0.0	4.5	4.2	4
AST7	3.5	0.0	0.0	0.0	0.0	3.5*	4
AST8	0.0	0.0	4.8	3.7	0.0	4.3	4
AST9	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AST10 (Senior assistant)	4.5	0.0	0.0	0.0	0.0	4.5	5

AST/SC1							4
AST/SC2							5
AST/SC3							5.9
AST/SC4							6.7
AST/SC5							8.3

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

Table 2 – Reclassification of contract staff

Function Group	Grade	Staff in activity at 01/01/2022 and eligible for reclassification	How many staff members were reclassified in 2022	Average number of years in grade of reclassified staff members	Average number of years in grade of reclassified staff members according to decision C(2015)9561
CA IV	17	1			Between 6 and 10 years

	16	4			Between 5 and 7 years
	15	2			Between 4 and 6 years
	14	1	1	2.17	Between 3 and 5 years
	13				Between 3 and 5 years
CA III	11	4			Between 6 and 10 years
	10	6	2	4.8	Between 5 and 7 years
	9	5	2	3.73	Between 4 and 6 years
	8				Between 3 and 5 years
CA II	6	1			Between 6 and 10 years
	5	1			Between 5 and 7 years
	4				Between 3 and 5 years
CA I	2				Between 6 and 10 years
	1				Between 3 and 5 years

Gender representation

Table 1 – Data on 31/12/2022 statutory staff (only officials, TA and CA)

		Official		Temporary		Contract and Local Agents		Grand Total	
		Staff	%	Staff	%	Staff	%	Staff	%
Female	Administrator			31	36%	10	25%	41	33%
	Assistant (AST & AST/SC)			22	26%	21	53%	43	34%
	TOTAL			53	62%	31	77%	84	67%
Male	Administrator			26	31%	3	8%	29	23%
	Assistant (AST & AST/SC)			6	7%	6	15%	12	10%
	TOTAL			32	38%	9	23%	41	33%
GRAND TOTAL				85	100%	40	100%	125	100%

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

	2018		2022	
	Number	%	Number	%
Female Managers	6	60%	5	56%
Male Managers	4	40%	4	44%

Job screening exercise

Job Type (sub)category	2017 (%)	2021 (%)	2022 (%)
Administrative support and Coordination	18.15	15.80	17.06
Administrative support	14.23	12.30	13.18
Coordination	3.92	3.50	3.88
Operational	70.31	74.08	74.41
Top Level Operational Coordination	2.31	2.14	2.32
Programme Management & Implementation	56.46	59.73	61.24
Evaluation & Impact Assessment	4.62	2.90	2.32
General Operational	6.92	9.31	8.53
Neutral	11.54	10.12	8.53
Finance/Control	10.77	8.97	8.53
Linguistics	0.77	1.15	0.00

Geographical Balance

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

Nationality	AD+FGIV		AST+FGII+FGIII+LA		Grand Total	
	Number	% of Total staff in AD + FGIV	Number	% of Total staff in AST+FGII+III+ LA	Number	% of total staff
AT	3	4%		0%	3	2%
BE	5	7%	3	5%	8	6%
CY	1	1%		0%	1	1%
CZ	1	1%		0%	1	1%
DE	5	7%	2	4%	7	6%
DK	1	1%		0%	1	1%
EE		0%	2	4%	2	2%
ES	5	7%		0%	5	4%
FI	3	4%	1	2%	4	3%
FR	3	4%	2	4%	5	4%
GR	2	3%		0%	2	2%
IE	2	3%		0%	2	2%
IT	18	26%	35	64%	53	42%

LU		0%	1	2%	1	1%
LV		0%	1	2%	1	1%
MA	1	1%		0%	1	1%
MK	1	1%		0%	1	1%
NL	3	4%		0%	3	2%
PL	2	3%	1	2%	3	2%
PT	2	3%		0%	2	2%
RO	2	3%	3	5%	5	4%
SI		0%	1	2%	1	1%
TN	1	1%		0%	1	1%
TR	1	1%		0%	1	1%
UA	4	6%		0%	4	3%
UK	4	6%	3	5%	7	6%
Grand Total	70	100%	55	100%	125	100%

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

Most represented nationality	2018		2022	
	Number	%	Number	%
	IT	51	40%	53

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

Annex 5 – Human and financial resources by activity

Activity areas	FTEs	Planned Budget	Actual FTEs	Actual Budget
Strategic Objective 1 Skills relevance and anticipation	28.0	€6.4m (29.6%)	28.4	€6.4m (29.6%)
Skills demand	9.8	€2.3m (10.6%)	11.0	€2.5m (11.6%)
Active labour market measures	7.8	€1.7m (7.9%)	9.3	€2.0m (9.0%)
Qualifications	10.5	€2.4m (11.1%)	8.1	€1.9m (8.9%)
Strategic Objective 2 Skills development and validation	30.9	€6.3m (29.1%)	20.9	€4.7m (21.7%)
Vocational Excellence	9.9	€2.1m (9.7%)	5.8	€1.4m (6.3%)
Innovative teaching and learning	10.2	€2.1m (9.7%)	8.3	€1.8m (8.5%)
Engaging enterprises in skills development	10.9	€2.1m (9.7%)	6.8	€1.5m (6.9%)
Strategic Objective 3 Performance and quality of Education and Training policies	14.9	€3.1m (14.3%)	19.3	€3.8m (17.4%)
Lifelong learning policies and system change	7.8	€1.6m (7.5%)	11.7	€2.2m (10.3%)
Quality assurance and governance mechanisms	7.1	€1.5m (6.8%)	7.6	€1.5m (7.1%)
Horizontal	29.1	€5.9m (27.0%)	34.3	€6.8m (31.4%)
New EU and geographic priorities	7.1	€1.0m (4.7%)	12.3	€1.8m (8.4%)
Communication & stakeholder engagement	9.0	€1.8m (8.3%)	9.0	€1.9m (8.9%)
Digitalisation	7.0	€1.7m (7.6%)	7.0	€1.8m (8.1%)
Organisational development & support	6.0	€1.4m (6.4%)	6.0	€1.3m (6.0%)
TOTAL	103	€21.7m (100.0%)	103	€21.7m (100.0%)

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

REVENUE	
Additional EU funding stemming from grant agreements (FFR Art.7)	0
<i>none</i>	
Additional EU funding stemming from contribution agreements (FFR Art.7)	2,177,400
<i>Opportunity-Driven VET Seminars (INTPA Training)</i>	100,000
<i>Ongoing agreements with GIZ – Developing the Africa Continental Qualifications Framework (ACQF)</i>	77,400
<i>Dialogue and Action for Resourceful Youth in Central Asia (DARYA)</i>	2,000,000
Additional EU funding stemming from service level agreements (FFR Art. 43.2)	1,030,000
<i>The International Dimension Of Centres Of Vocational Excellence: Building A Strong International Cooperation Dimension On Vocational Excellence – (COVES SLA)</i>	1,000,000
<i>Provision of accounting services to EU-OSHA</i>	30,000
Total	3,207,400

Annex 7 – Environment management

The ETF vision is to contribute to the Sustainable Development Goals following the EU approach¹⁷. Hence, to promote environmental protection and sustainable development to optimize the use of resources by both reducing their use as much as possible and using renewable resources. To contribute to environmental protection and to implement the above-mentioned vision, the ETF has established an Environmental Management System, which complies with the EU Eco-Management and Audit Scheme (EMAS)¹⁸. Within the overall regulatory framework, the ETF is committed to:

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

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

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

These goals are in line with the EU KPIs to help organisations to monitor, plan and improve their environmental performance. The indicators are classified as follows:

- Energy efficiency
- Material efficiency
- Water
- Waste
- Biodiversity
- Emissions

¹⁷ https://ec.europa.eu/info/strategy/international-strategies/sustainable-development-goals/eu-approach-sustainable-development-0_en

¹⁸ https://ec.europa.eu/environment/emas/index_en.htm

Compliance with EMAS

The requirements to become a EMAS registered organisation are outlined below together with the ways in which the ETF complies with such requirements as well as achievements in 2022.

EMAS requirements	ETF compliance	Focus and achievements in 2022
Conduct an environmental review	The first Environmental Review was carried out in 2019, at the start of the EMAS project. Since the first review, ETF has been compliant with the requirements and continues to maintain its compliance through careful management of the site and related services.	Compliance maintained via <ul style="list-style-type: none"> - Legislative, operative and management gap analysis - Environmental context and requirement analysis (ISO 14011 and EMAS) - Management review and commitment
Adopt an environmental policy	ETF environmental policy (published on ETF website)	Commitment to the objective of the Policy verified and renewed each year during the Management Review Meeting with the Director – translated in the ETF Work Programme
Develop an environmental programme	Improvement plans created in 2020, in line with the objectives of the Environmental Policy and translated into concrete actions with an indication of the resources needed and the date of implementation. ETF reports annually on their implementation in the Environmental Statement.	Continuous commitment
Establish an Environmental Management System	The ETF has an environmental system in place, developed in 2020	The system is regularly maintained and updated with the changes of the reference framework, via a management performance review
Carry out an internal environmental audit	Every year, at least two internal audits are carried out	<ul style="list-style-type: none"> - Checking improvements onsite - Interviews with contractors impacting on environment - Collection of data on indicators - Carbon footprint calculation - Continuous improvement recommendations
Prepare an environmental statement	ETF environmental declaration 2022 (published on ETF website)	Revision of the Environmental Statement in line with the comments from the auditors
Independent verification and validation by an environmental verifier	EMAS verification audit	Audit successfully passed, with some suggestion on how to improve the Environmental Statement
Registration with the competent body and use of EMAS logo	EMAS registration	Registration confirmed

Annex 8 – Draft annual accounts and financial reports

BALANCE SHEET	31.12.2022	31.12.2021
NON-CURRENT ASSETS		
Intangible assets	791,306.48	933,372.72
Property, Plant and Equipment	781,705.00	844,868.00
Land and buildings	155,863.00	175,844.00
Plant and equipment	143,991.00	177,885.00
Computer hardware	141,675.00	149,869.00
Furniture and vehicles	161,390.00	207,246.00
Other fixtures and fittings	178,786.00	134,024.00
Financial assets	0.00	0.00
Long-term receivables and recoverables	0.00	0.00
Pre-financing	0.00	0.00
CURRENT ASSETS		
Receivables and recoverables	260,747.00	197,677.35
Current receivables	90,195.07	1,912.82
Short-term receivables falling due within a year		
Sundry receivables	42,586.07	10,760.38
Prepaid expenses	127,965.86	185,004.15
Accrued income		
Pre-financing	1,416,185.46	758,243.12
Accrued expenses related to pre-financing	-1,183,106.28	-444,759.02
Current Pre-financing at cut-off	233,079.18	313,484.10
Cash and cash equivalents	3,081,775.68	1,960,062.76
TOTAL ASSETS	5,148,613.34	4,249,464.93
NON-CURRENT LIABILITIES	0.00	0.00
CURRENT LIABILITIES	4,290,764.64	2,551,523.99
Provisions for risks and liabilities	0.00	0.00
Financial liabilities	0.00	0.00
Payables		
Current payables	15,000.00	0.00
Long-term liabilities falling due within the year		
Sundry payables	0.00	207.96
Accrued charges and deferred income	1,913,657.66	1,354,713.25
Accounts payable to consolidated EU entities	2,362,106.98	1,196,602.78
TOTAL LIABILITIES	4,290,764.64	2,551,523.99
NET ASSETS	857,848.70	1,697,940.94
Accumulated surplus/deficit	1,697,940.94	1,829,085.12
Economic result of the year	-840,092.24	-131,144.18
CASH FLOW STATEMENT	2022	2021
Net increase in cash and cash equivalents	1,121,712.92	1,012,186.36

Cash and cash equivalents at the beginning of the year	1,960,062.76	947,876.40	
Cash and cash equivalents at year-end	3,081,775.68	1,960,062.76	
BUDGET RESULT	ACCOUNT	2022	2021
Revenue (a)	23,939,530.88	22,108,581.39	
EC subsidy	21,726,000.00	21,000,000.00	
Bank interest re-used	0.00	0.00	
Other subsidy from Commission - DG EMPL (SLA)	0.00	999,999.99	
Other subsidy from Commission - DARYA	2,000,000.00	0.00	
Other subsidy from Commission - INTPA	100,000.00	102,739.00	
Other subsidy - GIZ	77,400.00	0.00	
Miscellaneous revenue	36,130.88	5,842.40	
Expenditure (b)	-24,943,514.23	-22,114,115.51	
Staff - Title I of the budget			
Payments	-14,819,622.88	-14,593,533.37	
Appropriations carried forward	-72,908.69	-196,039.66	
Administration - Title II of the budget			
Payments	-1,600,330.29	-1,346,161.64	
Appropriations carried forward	-420,504.23	-678,964.65	
Operating activities - Title III of the budget			
Payments	-5,064,713.69	-4,290,174.13	
Appropriations carried forward	-865,434.45	-1,009,242.06	
Operating activities - Title IV of the budget			
Payments	-388,615.32	0.00	
Appropriations carried forward	-1,711,384.68	0.00	
Outturn for the financial year (a + b)	-1,003,983.35	-5,534.12	
Appropriations carried over and cancelled	57,230.51	72,935.25	
Adjustment for carry forward from the previous year of appropriations available on 31 December arising from assigned revenue	1,009,242.06	24,932.28	
Exchange rate differences	-279.73	1,530.38	
Balance of the outturn account for the financial year	62,209.49	93,863.79	
Balance carried over from the previous financial year	93,863.79	347,202.75	
Reimbursements to EC	-93,863.79	-347,202.75	
Amount related to 2022 to be reimbursed to EC	62,209.49	93,863.79	

Annex 9 – Delivery in partnership and cooperation with HCD actors

The ETF's cooperation with international and bilateral organisations and other actors active in HCD contributes to the fulfilment of the ETF functions as outlined in its mandate¹⁹, more specifically:

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

In 2022, the ETF counted 25 formal partnerships in force. Two partnerships expired at the end of the year, one with the Regional Cooperation Council (RCC) and the German Adult Education Association DVV (likely up for renewal in the second half of 2023 with the taking up position of new ETF Director), and another with the Michelangelo Foundation for Creativity and Craftsmanship (MFCC) which expired in October 2022.

Five new or renewed partnerships were signed in the course of the year:

- With the German cooperation GIZ DECIDE (Serbia) a one-year Declaration of intent on innovation pedagogies.
- With the Union for the Mediterranean (UfM) to recognise cooperation linked to ETF active participation in monitoring UfM Ministerial Declaration on Employment and Labour. ETF is part of the Task Force coordinated by UfM and DG EMPL.
- With the International Training Centre of the ILO to collaborate in training programs in the area of human capital development, as well as sharing participation and contribution in events of joint thematic/political interest and exploring emerging areas of cooperation.
- With Huawei Technologies (Belgium) for knowledge exchange in the field of female leadership and female participation in the digital economy and jobs.
- With the United Nations Development Programme (UNDP) represented by RBLAC, the Regional Hub for Latin America and the Caribbean, which is interested in enhancing its development activities by implementing one of the methodologies created by the European Training Foundation named "Skills for the Future" and to apply it in different countries of the Region.

All formal partnerships have been active during the year and have contributed to ETF operations. More in general, cooperation has grown beyond formal partnerships alone and there is an increased engagement of the ETF with actors active in human capital development (HCD). Continuing the trend of the last 4 years, partnerships in 2022 became increasingly perceived as both operational and political tools to deliver, to increase ETF's impact in partner countries, to augment efficiency in terms of resources, as well as to expand the ETF's perception as a global reference for HCD. In 2022 the added value of partnerships

¹⁹ Art.2 (paragraph c, d and f) of the ETF Regulation No 1339/2008.

and cooperation triggered wider influence and access to capacities and resources beyond ETF's current means.

In 2022, cooperation and exchanges happened with all groups of main ETF stakeholders:

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

The growing cooperation with partners manifested in knowledge co-creation, peer learning and policy advice, international exchanges, networking, consolidation of existing partnerships and exploration of new ones.

Highlights of partnerships in 2022 across ETF's activity areas:

Overall highlights for 2022 include:

- Co-design and joint publication, e.g. Global NQF Inventory.
- Joint surveys, e.g. ESJS, ECS.
- Joint studies, joint methodologies, e.g. youth preferences on career guidance services and job facility tools.
- Increased promotion and dissemination of good practices and evidence of ETF methodologies, e.g. ACQF, ARPEJ, gender, promotion of the Youth Agenda, ETF's participation at the UN COP27 and sharing results from its work on skills for the green transition globally.
- Growing Networking, engaging over 2000 stakeholders internationally, as main instruments to cooperate in ETF projects, e.g. CNL, SL, GLAD, GRETA.
- Opportunities to increase ETF influence and provide opportunities to expand the knowledge base, e.g. ACQF, gender, launch of a new Team Europe Initiative in the region of South Eastern Mediterranean, Team Europe Initiative exchanges and meeting on green and round table with Financial Institutions.
- Expertise contribution to events of partners, e.g. supporting the Joint Declaration of Ministers of Employment and Labour with the Union for the Mediterranean meeting, and ARLEM award.

Highlights per activity area are:

1. Skills demand analysis

Delivering in partnership in 2022

- UNIDO: joint work on FoW on energy sector in Egypt; participation in LKDF forum in October with joint presentation with OECD on resilience.
-

- UNIDO + UFM + Michelangelo Foundation + UNESCO: joint preparatory work for 2023 activities on craft. Preparation of joint seminar and joint publication on emerging skills needs in the craft sector.
- CEDEFOP: cooperation and exchange in the framework of the implementation of the EUSJS EU Skills and Jobs Survey (EUSJS). Continuous exchange in the field of work, organisation of knowledge sharing session on preliminary results of EUSJS in EU.
- UFM: discussions on joint activities for 2023, including the organisation of a joint event on platform work at the end of 2023 in Barcelona.
- IAG: work on a joint paper on resilience after Covid-19.
- ITC ILO: organisation of a visit of Association of Southeast Asian Nations (ASEAN) delegation to Torino. Presentation of main methodologies and tools on skills anticipation and matching.
- EUROFOUND + CEDEFOP + ELA + EU-OSHA: joint organisation of event at the European Parliament in September on Youth.

2. Active Labour Market Policies

Delivering in partnership in 2022

- Eurofound: development of Ukraine working life country profile; as well as e-survey and resulting report on living and working.
- UNICEF: methodological preparation of forthcoming joint study for measuring youth perceptions and expectations concerning career services.
- IAG CGC: joint preparation of global career month; as well as coordination of the WG activities in 2022.
- ITC ILO: input to various courses.
- UNESCO: cooperation on advocacy campaign on female VET role models along the World Skills Egypt competition.
- ILO: Youth Guarantee in Western Balkans Technical Assistance Facility.
- UFM, RCC, GIZ: in the framework of country and regional activities.
- Preparation of Global Career Month based on large international and European partnership.
- IAG CGC and IAG WBL: exchanges and cooperation with international actors and donors to promote youth, WBL and CGC agenda in the PCs.

3. Modernisation of qualifications and establishment of qualification systems

Delivering in partnership in 2022

- Unesco, UIL, Cedefop: Global Inventory of National and Regional Qualifications Frameworks.
- Commission, Cedefop: EQF AG, European Inventory on NQFs, VNFIL inventory, micro-credentials.
- Council of Europe: support to Bologna follow up Working Group on NQFS and micro-credentials.
- Commission (DG EMPL, DG GROWTH, DG EAC) and ENIC NARIC Network: recognition.
- Commission, EQF AG: comparison of EQF to third country NQFs.
- AU, Commission: ACQF.

4. Vocational excellence provision models

Delivering in partnership in 2022

- European Commission (DG EMPL) EACEA.
- Cedefop.
- EU VET & H.E. provider associations (EVTA, EVET, EVBB EURASHE).
- Skillsman.eu.
- CoP CoVEs (TKNIKA & Katapult on the lead).
- Danube region PA9-Skills (CoVEs platform).
- ITC-ILO.
- HUMANA.
- ENABEL.
- MOVETIA. Swisscore (Switzerland).
- Unesco-UNEVOC (VET Excellence and internationalization & BILT project).
- EurAsia dialogue +ASEAN (TVET Regional Council) - GIZ-.

5. Innovative teaching and learning processes and practices

Delivering in partnership in 2022

- DG JRC, DG EMPL, DG EAC, DG GROW, as well as Cedefop and other key players like EPALE, Council of Europe, ITC-ILO, ILO, GIZ, UNESCO-UNEVOC, UNESCO Teachers Taskforce, and OECD, among others.
- In SEET region: RCC on digital skills and competences (DSC) and ERI SEE on DSC for educators, their professional development and digital and online learning (DOL).
- In the EaP region: DVV, at regional level - EU4Digital.
- In SEMED: ENABEL, UNESCO, DVV International in Jordan and Palestine.

6. Skills for enterprise development

Delivering in partnership in 2022

- Discussions continued with DG AGRI, IPARD Agencies and Managing Authorities in North Macedonia, Albania, Serbia and Montenegro to translate ETF recommendations from studies into IPARD III (IPA agriculture and rural development) measures.
- Cooperation with DG JRC continued on smart specialisation with ETF invited to speak in two JRC events: one on digital skills for implementing smart specialisation strategies in WB6, and another on JRC tools for mapping economic potential and the role of human capital data.
- Meetings were held with DG EMPL on Pact for Skills. The agri-food sector has a skills partnership under the Pact for Skills. The goal of the partnership is to upskill and reskill people in the agri-food sector, the largest producing and manufacturing sector in Europe.
- EIT Food joined the networking event and provided concrete answers to working with EIT Food in terms of SME training and coaching.
- Contribution to the more efficient use of the Enterprise Europe Network which helps SMEs with European and international ambitions to make the most out of business opportunities in the EU and beyond.

7. Lifelong learning policies and sector policy development

Delivering in partnership in 2022

- Partner countries
- Partner regions

8. Quality assurance and governance mechanisms

Delivering in partnership in 2022

- YG: expert inputs on PPPs and CSOs for YG implementation. Inputs on the YG country implementation plans.
- LLLP: joint conference of Role of CSOs for HCD.
- DVV Intl: new collaboration on CSOs role in Ukraine.
- EGPA-IIAS: joint plenary session on Government and CSO collaboration on education for sustainability, within EGPA Conference 2022.
- EU MS and QA Forum: joint online workshops.
- ETUCe: agreed on a joint workshop on education workers and teachers as social partners.

Cooperation with Member States development actors

In 2022, in the spirit of Team Europe, the ETF brought together actors working on human capital development (HCD) from the Member States (from ministries of education, foreign affairs or development cooperation agencies), EU institutions (DG EMPL and DG NEAR) and ETF staff, for a round table focussing on skills for the green transition. The roundtable discussed experiences, opportunities and challenges linked to the green transition in partner countries and beyond. Participants confirmed their interest to continue the conversation as a group of practitioners with ETF in the role of a broker. Building on previous interactions and further encouraged by the Team Europe approach, it also opened the road to the identification of cooperation and coordination possibilities.

Also in December, a very fruitful institutional visit by GIZ took place, with colleagues from headquarters and the field, allowing for direct matching on country and thematic portfolios, but also seeking synergies at institutional level.

Cooperation with International Financial Institutions

Observing a shift in the geopolitical partnership between the EU and the rest of the world, moving towards a 'partnership of equals', and shifting from simply grant funding towards more integrated investment packages under NDICI and IPA III. In this evolving context, the role of International & Development Financial Institutions is changing and they are relevant partners for ETF.

In 2022 the ETF continued the engagement with the IFIs, enlarging the reach out to new partners. Bilateral meetings have been carried out with EDFI, the European Association of Development Institutions, the AfDB, the African Development Bank, and the IDB, the Islamic Development Bank. Communications have been established also with the units in charge of innovative financing and the EFSD+ at both DG NEAR and DG INTPA.

Building on the 2021 roundtable discussion with International Financial Institutions, the ETF organised a fruitful roundtable discussion in Turin at the end of September 2022 on the topic of 'Human Capital Development as enabling factor for sustainable financial investments'. The meeting proved eye opening for the variety of IFI partners and provided various ideas and suggestions on how to move forward on the important challenge of incorporating HCD in all major investments.

Extra-subsidy activities

Delivering in partnership in 2022

- DG EMPL.
 - DG INTPA and EUDs.
 - AU.
 - ITC-ILO.
-

Cooperation with EU agencies

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

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

Annex 10 – Collaboration with Cedefop 2022

Thematic Areas	Actions	Progress
Qualifications development	<p>Shared products (publications):</p> <ul style="list-style-type: none"> (i) co-design, development and drafting of the European Inventory on Validation; (DG EMPL coordinates). (ii) co-design, development and production, (also with UNESCO) of the fifth edition of the Global NQF Inventory. <p>Joint advice to Commission:</p> <ul style="list-style-type: none"> exchange of data and intelligence on qualifications systems and frameworks in the Advisory Group's sub-group on NQF to EQF comparison for the third countries. <p>Information-sharing, expertise exchange, peer learning:</p> <ul style="list-style-type: none"> contribute to skills Agenda implementation in micro-credentials, individual learning accounts, interoperable databases of qualifications, common European VET profiles, upskilling pathways and international qualifications, use of ESCO and Europass in third countries. 	<p>Shared products (publications):</p> <p>(i) co-design, development and drafting of the European Inventory on Validation; (DG EMPL coordinates).</p> <p>(ii) co-design, development and production, (also with UNESCO) of the fifth edition of the Global NQF Inventory.</p> <p>Provision of joint advice to the EC.</p>
Skills matching and anticipation/identification	<p>Concrete thematic cooperation:</p> <ul style="list-style-type: none"> Platform economy/platform work: participation in events, exchanges through peer learning events and technical meetings. A discussion is foreseen with Cedefop on the methodological aspect of the research on platform work, including a possibility to replicate/adjust the Cedefop's CrowdLearn methodology in selected ETF countries in 2023. European Skills and Jobs survey (ESJS): ETF will implement the survey in 6-8 of its partner countries in 2022, using the same questionnaire developed and tested by Cedefop and building on lessons learnt from the survey implementation in EU countries in 2021. ETF and Cedefop will exchange information and findings, have regular interaction to support the development/adaptation of the questionnaire and preparatory work for a joint publication to be developed indicatively in 2023, where selected results from the EU and surveyed ETF PCs will be analysed. Upskilling pathways and addressing the needs of low-skilled adults and/or at social risk Flexible and individualized skills development approaches and novel arrangements to access and participate in (re)training via Active Labour Market Programmes (including the potential of individual learning accounts). <p>Network building and knowledge sharing:</p> <ul style="list-style-type: none"> Following Cedefop work and expertise on new skills needs and skills anticipation, experts will be invited in the ETF's network of researchers from both PCs and EU MSs, with a strategic approach on skills anticipation. Cedefop will be invited to join and actively participate in three online network conferences/seminars on three selected topics. Regular communication and exchange regarding the skills for green transition, use of Big Data in LMI, future of skills needs in selected economic sectors, and future skills needs in craftsmanship. 	<p>Platform economy/platform work: the knowledge sharing continues in 2022</p> <p>European Skills and Jobs survey (ESJS): ETF will implement the survey in 6-8 of its partner countries in 2022.</p> <p>Upskilling pathways and addressing the needs of low-skilled adults and/or at social risk</p> <p>Cedefop's experts will be invited in the ETF's newly established Network of Experts.</p> <p>Regular communication and exchange regarding the skills for green transition, use of Big Data in LMI, future of skills needs in selected economic sectors, and future skills needs in craftsmanship.</p>

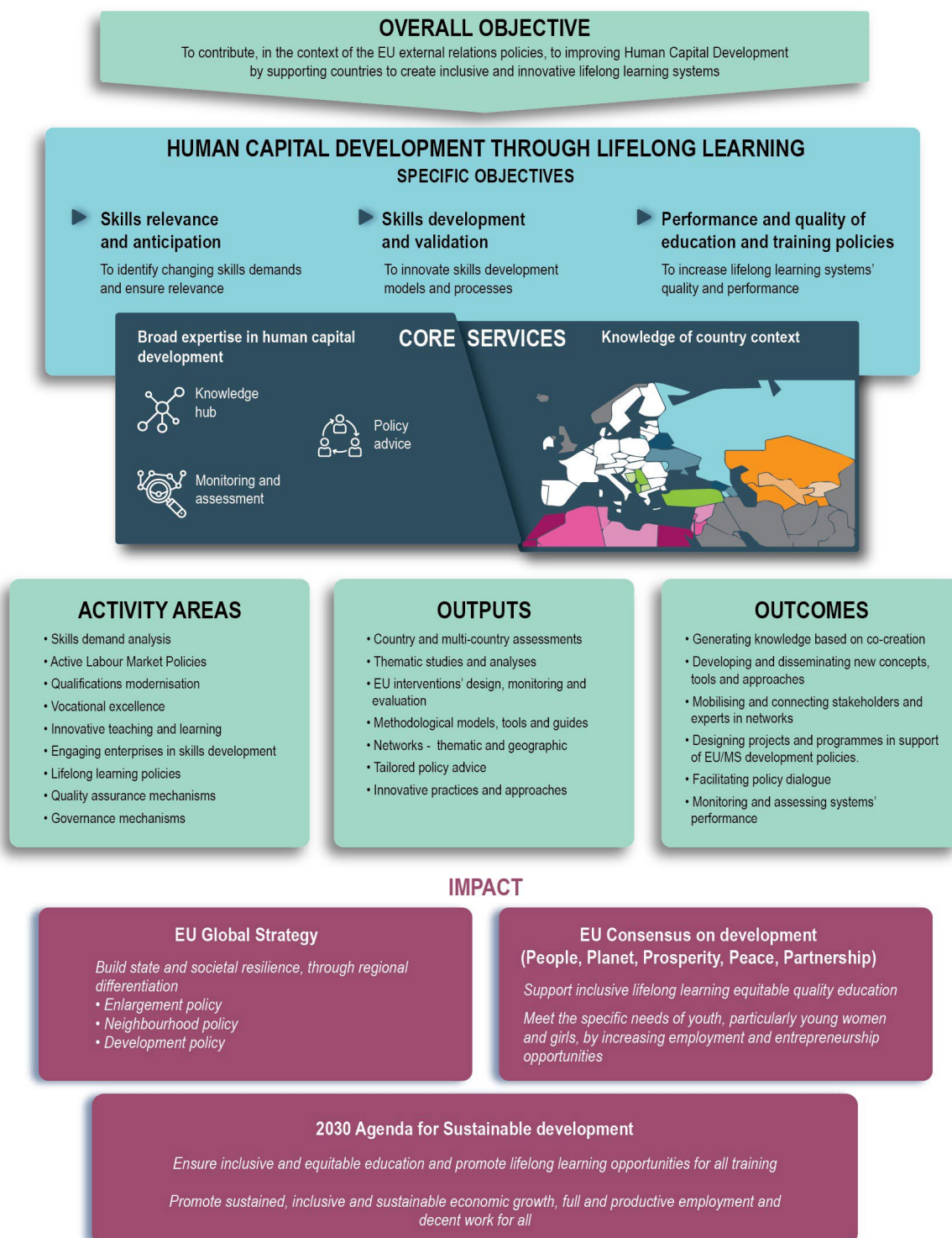
Effective teaching and learning	<p>Network-building:</p> <ul style="list-style-type: none"> - Cedefop's participation in ETF's new expert group steering its Creating New Learning's project. <p>Co-development of common tools:</p> <ul style="list-style-type: none"> - sharing research tools and experiences in their use, and pooling of data, in respective projects in curricula innovation (notably Key Competences), VET teachers and trainers' professional development (Cedefop's feasibility study); teaching, learning and assessment methods. - Dissemination and enrichment of Cedefop practical tools for policy makers and VET practitioners. - VET toolkit for tackling early leaving (www.cedefop.europa.eu/TEL-toolkit). - Empowering young NEETs (new). 	<p>Network-building: Cedefop's participation in ETF's new expert group steering its Creating New Learning's project;</p> <p>Co-development of common tools: sharing research tools and experiences in their use, and pooling of data.</p>
Entrepreneurship competence in VET	<ul style="list-style-type: none"> - ETF's expert engaged in consultations/expert steering group for the Cedefop project on Entrepreneurship competence in VET (continued from 2020 and 2021). 	Member of Advisory Board of Cedefop project of entrepreneurship competence in VET.
Centres of Vocational Excellence	<ul style="list-style-type: none"> - Exchange of knowledge and expertise. 	<p>Exchange of knowledge and expertise on vocational excellence.</p> <p>Cedefop is consulted regularly on developments in vocational excellence.</p>
VET Recommendation/ Osnabrück declaration follow up – Reporting	<ul style="list-style-type: none"> - Cooperation in the development and implementation of the joint monitoring framework for the policy objectives and reform priorities under the Osnabrück Declaration and the VET Recommendation. - Joint participation and presentation of findings in the ACVT/DGVT meetings. 	<p>Cooperation in the development and implementation of the joint monitoring framework for the policy objectives and reform priorities under the Osnabrück Declaration and the VET Recommendation. Regular cooperation on the follow up of the Implementation Plans.</p> <p>Joint participation and presentation of findings in the ACVT/DGVT meetings</p>
Knowledge sharing seminars	<ul style="list-style-type: none"> - Thessaloniki, June 2022. - Torino, December 2022. 	<p>Thessaloniki, 29 June 2022</p> <p>Torino, December 2022</p>

Annex 11 – Collaboration with Eurofound 2022

Actions	Activities	Status
Knowledge coordination/ exchange/ joint products	<p>New forms of employment, including platform work:</p> <ul style="list-style-type: none"> - continuation of the discussion on methodological approaches, research findings, as well as contributions to events and joint meetings. - organisation of a knowledge sharing seminar on new economic, social and labour market trends and their policy implications in terms of working conditions and skills development. The knowledge sharing seminar could involve the participation of EC, Cedefop, JRC and other experts. - final knowledge product for dissemination. <p>Skills Lab Network of Experts:</p> <ul style="list-style-type: none"> - active participation of Eurofound in the first live event of the Network and presentation of preliminary findings of the future of telework and hybrid work in the post Covid world in 2035. <p>Post COVID event at the EP in Brussels:</p> <ul style="list-style-type: none"> - together with other agencies (Cedefop, EU-OSHA, ELA), discussions are ongoing for the joint organization of an event at the EP on 8 September on the situation of workers and skills after COVID19 (specific content under discussion). The event is at Directors level. 	<p>New forms of employment, including platform work: Activities are postponed to 2023 in view of new research findings.</p> <p>Skills Lab Network of Experts: Eurofound invited to several workshops including the launch of the SkillsLab network (with speaking slot) and the ETF regional conference on the present and future of work for young people in the Western Balkans.</p> <p>Post COVID event at the EP in Brussels: An event was jointly organised with other agencies (Cedefop, EU-OSHA, ELA), at the EP on the 8th of September. The topic of the event was Youth first! Employment, skills and social policies that work for young Europeans in times of uncertainty. The European Parliament hosts (Mr Pişlaru, Dragoş, chair of the EMP committee) and the Director General DGEMP appreciated the joint work of the five Agencies and welcomed their decision to host a similar event (on a different topic) next year.</p>
Implementation of surveys/ data collection/ sharing of evidence and joint analytics	<p>Surveys (ECS):</p> <ul style="list-style-type: none"> - initiating joint discussions to explore possible implementation and adaptation of the ECS questionnaire to the needs of the partner countries (PC) in case the ECS survey is extended to the Candidate countries or other ETF partner countries. <p>Sharing of data:</p> <ul style="list-style-type: none"> - exploring cooperation options for expanding the Eurofound e-survey to the Candidate countries or other ETF partner countries and sharing of data. 	<p>Discussion on ECS not yet started – the ECS fieldwork is likely to take place in 2027 or 2028 – hence it will be important to see if a joint investment can be done with a clear identification of countries and respective responsibilities. Collaboration plans to be finalised in 2026.</p> <p>ETF joined Eurofound in the implementation of the 5th wave of the 'Living, working and COVID-19 e-survey' covering 10 ETF partner countries: Albania, Kosovo, North Macedonia, Georgia, Moldova, Lebanon, Palestine, Morocco, Tunisia, Jordan</p> <p>Almost 18,000 fully filled in questionnaires have been collected across the 10 countries, and results will be made available jointly with Eurofound in late 2022 (joint Eurofound-ETF report). Opportunity to continue jointly as of 2023 with regular e-survey on living and working conditions covering more ETF PCs.</p> <p>ETF developed the Country Profile on working life for Ukraine, building on its intelligence and data, which was sent to the Ukrainian Minister for Economy with a joint letter of the Agencies' directors.</p>

Administration, shared services, internal control and risk management	Exchange and building on good practices in internal control and risk management (including peer review)	Ongoing exchange of info the Agencies' performance indicator methodologies.
Development of Programming Document	In consideration of the different mandates of the Agencies the joint action plan for the next year will be prepared following the exchange of draft work programmes before their approval by the respective Administrative Boards. Both agencies will refer to each other's work and cooperation where appropriate.as well as in relevant strategic discussion	Eurofound shared with ETF its final updated draft PD 2023 for information on the 21st of September and the 3rd draft of PD2024 for review 7 October 2022. The Eurofound Management board with its decision on 29 April 2022 agreed the appointment of observer status at board meetings to ETF.
Organisation of the annual consultation	Organisation of annual meetings (possibly teleconference) to discuss and assess progresses on the above and other relevant issues	The event took place on 26th of September 2022.

Annex 12 – ETF intervention logic



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



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

I declare that in accordance with the Commission's communication on the internal control framework¹, I have reported my advice and recommendations on the overall state of internal control in the European Training Foundation in 2022 to the ETF Director.

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

7 March 2023
Digitally signed by:

EVA INÉS JIMENO SICILIA (EUROPEAN TRAINING
FOUNDATION)

Date: 2023-03-07 14:52:22 UTC

Eva Jimeno Sicilia
ETF Internal Control Coordinator
Head of Strategy and Resources Department

¹ C(2017)2373 of 19.04.2017



Annex 14 – Declaration of Assurance signed by Xavier Matheu de Cortada, ETF Director a.i.

DECLARATION OF ASSURANCE

I, the undersigned, Xavier MATHEU DE CORTADA, Director ad interim of the European Training Foundation in my capacity as Authorising Officer,

- Declare that the information contained in the annual progress and performance report 2022 gives a true and fair view.
- State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

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

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

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

Signed and dated