

MINUTES

GOVERNING BOARD

MEETING

15 JUNE 2018



The ETF Governing Board (GB) meeting took place in Turin on 15 June 2018, chaired by Joost KORTE, Director-General DG Employment, Social Affairs and Inclusion, European Commission (EC).

1. Adoption of the agenda

The Chair requested the addition of two extra points to the agenda: a first point for clarification on the situation of UK staff in EU institutions following Brexit, and a second point for information on the ETF conference on the Future of Skills, which will take place in November.

The Board unanimously adopted the agenda for the meeting.

2. Introductory remarks from the Chair

The Chair welcomed the new GB member for Sweden, Mrs Malin MENDES, and the new non-voting expert from the European Parliament, Mr Alejandro CERCAS ALONSO.

The following Member States were not represented at the meeting: Latvia, Malta, Romania and Slovakia. The three partner country observers (Nigar ISMAYILZADE, Dragana SAVIC and Monia RAIES MGHIRBI) were not present either.

The EC was also represented by Lluís PRATS, Head of Unit (DG EMPL), Heide NIDETZKY (DG EMPL), Myriam FERRAN, Director (DG NEAR), Christophe MASSON (DG NEAR) and Stefano SIGNORE, Head of Unit (DG DEVCO).

The Chair welcomed the representative of Cedefop, Head of Department Loukas ZAHILAS.

Martino RUBAL MASEDA represented the ETF Staff Committee.

3. Follow-up to previous meetings

The Board unanimously adopted the minutes of the previous meeting held on 17 November 2017.

The Chair presented the follow-up to action points and the written procedures since the last GB meeting.

Two follow-up activities were developed in more detail:

- Virtual, on-line participation in GB meetings through remote connection is technically possible for a monolingual meeting. It seems that no agency uses on-line facilities for a full GB meeting. For the ETF, the investment would be about €10,000, a small amount compared to current costs. Furthermore, a legal framework has to be worked out and adaptations to the procedures need to be approved. The ETF will continue to explore remote possibilities further;
- The Chair, as in previous GB meetings, recalled the importance for GB members to act in the public interest and independently of external influence. To this end, members and alternates are required to provide a CV, and to make a written Declaration of Commitment and absence of Interests *each year*. Given recent remarks, it was decided that GB members would receive the possibility to comment on the actual form of the Declaration and to suggest changes/improvements by end June. The outcomes will be presented to the GB in November.
- Ingrid MÜLLER-ROOSEN (Germany) suggested signing the forms at the meeting itself, and collecting them at the end of the GB meeting, a suggestion to which the Chair adhered.

4. Consolidated Annual Activity Report (CAAR) 2017 and its Analysis and Assessment

Cesare ONESTINI (ETF) presented the 2017 Consolidated Annual Activity Report.

Mimi DANEVA (Bulgaria), the GB member representing the current Presidency, congratulated the ETF on behalf of the GB members for the very comprehensive report.

She reported on one comment received from Edit BAUER (European Parliament non-voting expert) regarding the “Assessment” - § 3 p.5 of the “Analysis and Assessment”, and asked that “Notes the continued involvement of the ETF...” be replaced by a stronger wording into “Welcomes the continued involvement of the ETF...”. The Chair and members accepted the suggestion.

Dimitris PSYLLOS (Greece), whilst appreciating the length and the depth of the report, and to reiterate a comment that he has been making for the past three years, asked that more emphasis be put on teacher training based on a strong cognitive basis, mainly for issues related to digitalisation.

Cesare ONESTINI (ETF) agreed, and said that this remark was also valid for the 2019 work programme.

The Board adopted the 2017 ETF CAAR and its Analysis and Assessment unanimously. Both documents will be sent to the relevant institutions by 15 June 2018.

5. ETF 2017 Annual Accounts

Martine SMIT (ETF) presented the 2017 Annual Accounts.

Mimi DANEVA (Bulgaria), on behalf of the GB members, said there were no comments from the GB members and presented the Opinion of the GB on the Annual Accounts.

Ingrid MÜLLER-ROOSEN (Germany) congratulated the ETF with the excellent results and considered them as an achievement given the restricted resources. The Chair joined the comment.

The GB members unanimously adopted the 2017 ETF Annual Accounts and the Opinion of the Board. Both documents will be sent to the relevant EU institutions by 1 July 2018.

6. ETF Amending budget 2018

Henrik FAUDEL (ETF) presented the 2018 amending budget.

No comments were made by the Board.

The Governing Board adopted the ETF Amending budget 2018 unanimously.

7. Cross-cutting evaluation of the four agencies – final report

The Chair provided an update on the cross-cutting evaluation of the four agencies under the remit of DG EMPL (ETF, Cedefop, Eurofound and EU-OSHA). He stressed that the exercise was not yet finished and that the provisional conclusions were from the external evaluators, and not yet from the European Commission, which is working on the follow-up through the preparation of a Staff Working Document (SWD), to be finalised after the summer break. The 2016 evaluation of the ETF was integrated into this cross-cutting evaluation to avoid duplication.

Some confusion has arisen due to different exercises running in parallel, which was not initially planned in this way. These exercises include the proposal for the creation of a new agency – the

European Labour Authority (ELA) – launched in March, the evaluation of the ETF launched in 2016, the ongoing “trilogue” discussions on the alignment of the three other agencies with a tripartite structure to the common approach, and last but not least the discussions around the Multi-annual Financial Framework (MFF).

The Chair presented the main results of the evaluation and confirmed that there is no current plan to introduce major changes to any of the four agencies, and under this Commission, no fundamental reforms will therefore be proposed.

The evaluation assesses the four agencies individually, it looks at the cross-cutting perspective, and adds an analysis of future possible scenarios for the agencies. The evaluation is very broad, but focuses on effectiveness and efficiency.

Individually, the four agencies have operated effectively, delivered their outputs and achieved the objectives of their work programmes. As challenges and areas for future improvement, the report refers to: the quality of outputs, delays in delivery of outputs, accessibility and readability of outputs, and communication channels. For the ETF in particular, the report appreciates the timely contribution to EU and partner country policy making. The conclusions are very positive on the ETF’s work in the areas of governance and VET provision, quality assurance, qualifications and qualification systems, but less so on impact on labour market systems, skills for employability and entrepreneurial learning and enterprise skills. The Torino Process is considered as a key success for the organisation.

In order to achieve a higher level of efficiency overall, operational capacity needs to be strengthened and externalisation has to be considered. Communication and information has to be improved. The outputs and services of the agencies are relevant, from both top down and bottom up stakeholder levels. However, planning processes and resource limitations create a gap between the expectations of the Commission, the Member States and the social partners, and what the agencies can actually offer.

The ETF has a unique position, being the only agency working exclusively outside the EU. As such, it could develop a wealth of country expertise and is able to produce valuable policy recommendations, although the absorption capacity in the partner countries varies.

From a cross-cutting and forward-looking point of view, there is some potential overlap between Cedefop and the ETF on VET policies, but in practice mechanisms have been developed to avoid this. However, there is room for improvement as mechanisms are largely bilateral, one-off, bottom up, and mostly based on knowledge exchange. Joint strategic planning can be improved in the future.

Several merger scenarios have been developed in the evaluation report, but no major issues need to be addressed. Potential mergers are considered as a high-risk scenario. Nevertheless, there is a proven need to reduce costs, to come to stronger synergies and to develop a framework for reinforced cooperation. A present the Commission is analysing the different recommendations of the evaluation, and will prepare a Staff Working Document by early autumn as a follow-up aiming at maximising synergies between the agencies.

Cesare ONESTINI (ETF) thanked the Chair for the update and the GB members who were present in the December validation seminar for their input. He also mentioned that the ETF and the three other agencies are part of the Advisory Board of ELA.

Dimitris PSYLLOS (Greece) raised three issues: on communication, he agreed that EU citizens need to be better informed about the work of the agencies. Secondly, he requested clarification about the “more systemic link” mentioned in point 1.16 on p.10 of the “Synthesis Report”, where implementation and subsequent sustainability are put into question. He asked whether this would have an effect on future actions. Lastly, he mentioned that the development of synergies and related measures were

also discussed during the conference the day before, and suggested that this point could be further developed in the next GB meeting.

Edit BAUER (European Parliament non-voting expert) raised a complementary question in relation to p.2 of the Executive Summary, describing the relevance of the agency, and, more specifically, the sentence “discrepancy between what is expected from the agency by the European Commission, Member States and social partners and what the agencies can offer”. Whereas everybody agrees on the budget limitations, the ETF receives yearly more than 100 requests from the Commission, which is one request every other working day. This point has been raised for several years now, and therefore she requested a more detailed explanation on this.

Peter VAN IJSSELMUIDEN (Netherlands) agreed with the Chair that the conclusions of the evaluation were somehow disappointing. He confirmed that the difference between the four agencies and the ELA was still not completely clear to him. He also inquired about the future host Member State for ELA.

The Chair informed that he would provide more details on the ELA later in his oral report, and that no decision had been taken on the seat of the new agency. As an answer to the Greek member, he acknowledged that, for communication, the ETF does better than the three other agencies, but that there is no reason for complacency. He agreed that communication with EU citizens is difficult, complex, and subject to an ongoing debate. On the systemic approach between agencies, he confirmed that this is what the EC is considering, and the staff working document will structure this better taking into account that agencies are independent and autonomous bodies. The Commission will encourage cooperation and alignment, to ensure that agencies’ strategies are fully aligned with the EU’s priorities.

Myriam FERRAN (DG NEAR) picked up on the remark on communication with both beneficiary countries and EU citizens, agreeing with the Chair that it is a collective responsibility involving Member States as well.

Cesare ONESTINI (ETF) referred to the meeting of the previous day, the aim of which was to engage in change. On EU requests, he confirmed that 25% of the ETF’s collective effort is invested in these requests, which confirms the close working relations between the Commission services and the ETF as an EU agency.

8. 2017-20 Programming Document– 2019 Work Programme

Cesare ONESTINI (ETF) presented an update on the 2019 Work Programme, and its links with partner country policy dialogue, as well as EU and Member State projects. The next round of the Torino Process will run in 2019-20, focussing on quality and implementation, in close cooperation with Member States and Member State agencies operating in partner countries.

On EU input to the 2019 Work Programme, he mentioned that DG EMPL was gathering the requests from other DGs through an Inter-Service Consultation, for a discussion on priorities in the next Structured Dialogue meeting in Brussels. He also confirmed continued and enhanced cooperation with both Cedefop and Eurofound.

The GB welcomed the update.

9. Oral reports

See annex

10. Any other business

Cesare ONESTINI (ETF) updated the members on the procedure foreseen for UK staff in agencies. EU officials of UK nationality in the Commission have been given the right to continue working in the Commission. Concerning staff of UK nationality on temporary agent and contract agent contracts in agencies, the Commission decided that each Director, as the Appointing Authority, would determine whether an exception would be granted. Decisions will have to be taken in the interest of the service, in a transparent and generous manner, and on an individual basis. The Brexit date or, if the transition period is agreed by the EU and the UK, the end of the transition period will trigger these decisions.

Cesare ONESTINI (ETF) also informed the GB members about the ETF conference of 21-22 November 2018 on the Future of Skills, back to back with the GB, and invited GB members to provide proposals for speakers.

The Chair also invited Board members to complete their evaluation form of the meeting.

11. Date of next meeting

The next meeting of the Governing Board will take place in Turin on 23 November 2018.

Follow up actions:

- The ETF to send the CAAR and Analysis and Assessment to the EU institutions by 15 June 2018;
- The ETF to send the 2017 Accounts and GB Opinion to relevant EU institutions by 1 July 2018;
- The ETF to investigate further on possible remote GB participation;
- GB Members to provide comments on the Declarations of Commitment and Interests by end June.

ANNEX: on Oral reports

Progress on Commission policies and programmes that have an impact on the ETF

For DG NEAR, Myriam FERRAN gave an update on:

- **Enlargement:** since 2015, the Economic Reform Programmes (ERPs) have been updated annually by the seven countries concerned, mirroring as much as possible the European Semester. Of the eight areas involved, three are of direct relevance to the ETF: education and skills, employment and labour market, social protection and inclusion. Cooperation with the ETF is excellent in these three areas. Each year, DG NEAR tries to reinforce the importance of the ERPs, and this year for the first time they were published together with the annual enlargement package on 17 April, when a full Communication was issued as a clear signal of complementarity and mutual reinforcement.
- **The adoption of the Western Balkans strategy in February:** an unequivocal commitment of the EU towards a European perspective, a strong description of the shortfalls that still exist in the countries today compared to EU standards, and increased support from the EU and the Member States through six flagship initiatives. One flagship on social-economic development is crucial for the ETF.
- **For the Neighbourhood:** commonalities and priorities (like good governance, economic development, security, migration and mobility) have been identified, with differentiation through specific agreements or partnerships that are now at the implementation stage. The EaP Summit of November 2017 in Brussels was an important milestone, where a list of recommendations “20 Deliverables for 2020” (including areas such as skills, entrepreneurship and employability) was commonly adopted.
- **In the Neighbourhood South,** the situation is slightly more complex, due to instability factors, demographic problems and high levels of youth unemployment and skills mismatch, which require more, stronger and urgent interventions.

For DG DEVCO, Stefano SIGNORE provided an update on two institutional files:

- The **financial perspectives** for the period 2021-27: the European Commission tabled its MFF proposal on 2 May and on 14 June, a proposal was made for a new “NDICI”, the new “Neighbourhood, Development and International Cooperation Instrument”, grouping the bulk of the actual external dimension instruments while tackling the fragmentation of the current MFF. NDICI will allow for more consolidation and coherence with a budget of €89 billion for global action, whilst allowing for more budgetary flexibility. NDICI will have a strong geographical focus, with more than 75% of funds allocated to different geographical regions to allow for more ownership of partner countries’ authorities, and to avoid overlap.
- On the **post-Cotonou** file, given that the actual partnership with 79 ACP countries expires in 2020, after a long process of consultation, the Commission has proposed a new legal framework consisting of one binding text and three regional partnerships, with a strong focus on Africa. Discussions are still ongoing on the text of the negotiation mandate in the Council, in particular on issues linked to migration.

Furthermore, Stefano SIGNORE referred to the recently launched **VET toolbox**, mirroring ETF’s Torino Process, and the work in progress for a **new programme on youth employment and skills** following the summit in Abidjan of November last year. It should include, in principle, a financial facility,

capacity building and technical assistance, and a pilot on VET mobility addressed to mainly teachers and managers for exchanges between Africa and EU countries.

The Chair, Joost KORTE (DG EMPL) gave an overview of the latest developments in the EU on social policy and employment, including the proposal for the creation of the European Labour Authority (ELA).

Social Europe is at the top of this Commission's agenda, including skills and access to the labour market, and has resulted in concrete actions on several fronts. Funding is provided by the European Social Fund (ESF) and its successor ESF+, proposed on 31 May 2018. ESF+ regroups several programmes such as the existing fund for the most deprived, the Youth Employment Initiative, the health programme and EaSI; it streamlines and simplifies the different social funds. The ESF+ envelope of €100 billion for seven years shows the commitment of this Commission to Social Europe. Next to the ESF+, the new Erasmus programme, with double funding of €30 billion, has now been opened up to the non-university sector (VET), and the EU Invest Fund has been given a social window with €4 billion. Finally, a number of new reform programmes, like the Reform Delivery Tool, will support Member States with their reform of the education systems through budget support.

On the legislation side, nine proposals for European Directives and Regulations in the social field are currently on the table; these legislative proposals contribute to the implementation of the European Pillar of Social Rights. The social dimension of the European Semester has also been strengthened, which is reflected in country-specific recommendations.

Regarding the proposed creation of the ELA, Mr Korte underlined that it will not change anything to the *EU acquis*, nor will it create any new competences or powers for the Commission. It will not change the division of work between the EU and the Member States, nor is it comparable to any of the current four agencies under DG EMPL's remit. Instead, the ELA will be an operational body created to assist the Member States. It will not be involved in legislative activities and nor will it administer projects. The new authority can best be compared to Eurojust or Europol, both operational agencies supporting Member States. The ELA will bring existing activities together and group staff into one body: the Commission colleagues dealing with the EURES portal, seconded Member State officials as national liaison officers, seven already existing operational committees. With a lean structure, the ELA will recruit a director and horizontal staff, while funding will be largely redeployed. The seat of the ELA has not yet been decided.

The broad policy context for the ELA is firstly about fair and effective labour mobility. Currently, 17 million individuals are living and working in another country, confronted with a variety of issues and problems. Regarding the authority's objectives, firstly the ELA will inform citizens who want to exercise their rights for free movement on the actual formalities for both workers and employers. Secondly, a core task will be better cross-border enforcement, including inspections. Thirdly, the ELA will be a mediator between national authorities. As regards its governance, the ELA will not be tripartite, but social partners will be part of the stakeholder group.

The proposal made in March will hopefully be adopted before next year's elections (May 2019), with the European Parliament report expected to be ready in October. However, timing can only work if sufficient energy is spent on this file, i.e. by the Austrian Presidency.

Reinhard NÖBAUER (Austria) asked whether the new Erasmus Programme, in terms of cooperation with third countries in the field of VET, contained interesting elements for the ETF. Joost KORTE (DG EMPL) promised to take this question back to Brussels, as he is not in charge of the file.

Trends and developments at the ETF

Cesare ONESTINI (ETF) concentrated on recent highlights, showing the progress of the ETF's work based on agreed indicators. Cooperation with the EC is going well, as demonstrated by the requests list. ETF support has mainly been requested in the area of monitoring and evaluation in a number of countries, mainly in the EaP countries in the context of 2020 deliverables; in the area of policy dialogue with DG NEAR and to support to the project cycle. Cooperation with Cedefop and Eurofound has increased over the past years and will be reinforced in future, mainly in the areas of digital and VET attractiveness. On the ETF evaluations, a meta-evaluation has been launched in which previous evaluators collectively assess the ETF's performance, not simply looking at how well the ETF did what it promised to do, but also evaluating what has not been done according to the mandate. An evaluation on work-based learning has also been launched, while the ones on teachers and trainers and the Torino Process have been finalised. A new freshly printed multi-purpose publication sums up the ETF's most recent key achievements.

Update on the Bulgarian Presidency

Mimi DANEVA (Bulgaria) provided an update on the key priorities of the Presidency in the area of education: investment in growth and jobs, entrepreneurial mind-sets and digital competences, the modernisation of education, equity and quality, cohesion, and the role of schoolteachers and other educators.

During the Education Council meeting of December 2017, conclusions were adopted on upskilling pathways, stepping up mobility and exchanges, strengthening strategic partnerships in higher education, the creation of the EEA, foreign language learning, and mutual recognition of higher education and school diplomas at secondary level. The Bulgarian Presidency took all these forward, and some resulted in the Council Conclusions of 22 May with the adoption of Communications announcing a network of universities and platforms of VET excellence, and with proposals for Council Recommendations on the recognition of diplomas and learning periods, fostering language learning and early childhood and care.

On events, she mentioned that 22 were organised in Bulgaria. The VET Expo on partnerships and cooperation in VET, the DGVT meeting with the discussions on future of work and future of VET, and a VET flagship conference on the topic "VET as a first choice" were the most relevant ones.

Update on the upcoming Austrian Presidency

Karl WIECZOREK (Austria) presented the priorities in the area of VET of the Austrian Presidency. In Austria, a large share of upper secondary students (around 72%) are enrolled in VET, with a broad diversification and a range of educational offers at this level.

The Presidency will focus mainly on the renewal of the strategic framework for European policy cooperation in VET 2030, on the Erasmus+ and VET 2020 follow-up, on the Recommendations on mutual recognition and on language learning.

The calendar foresees an expert conference on the future of VET on 9-12 July, focusing on external factors in EU VET systems and joint EU challenges. On 20-21 September, an expert conference in higher education on "The New Student – flexible learning paths and future learning environments" will be organised. On 8-9 October, an expert conference on ICT will be organised. The DGVT will take place in Vienna on 6-7 November, as part of the EVSW (European Vocational Skills Week) organised from 5 to 9 November.