

SINGLE PROGRAMMING DOCUMENT 2020-22

WORK PROGRAMME 2020

Amended Annex XI – 2020 Annual Procurement Plan –
GB/20/DEC/001

THE ETF'S MISSION

The European Training Foundation (ETF) is the European Union (EU) agency that supports transition and developing countries to harness the potential of their human capital as part of the EU's external action.

Through policy development, the ETF facilitates the adaptation of education and training systems to foster skills development in a lifelong learning perspective.

Enabling countries to provide their citizens with skills for employability contributes to their stability and prosperity. By promoting the external dimension of the EU's skills and employment policies, including the New Skills Agenda and the Pillar of Social Rights, the ETF actively contributes to the role of the EU as a global actor.

By encouraging partnership, dialogue and ownership, the ETF assists countries to develop evidence-based, inclusive and participatory policies, which reinforces democracy and the rule of law. Its work contributes to home-grown and sustainable reform agendas.

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EXECUTIVE SUMMARY

The ETF's Single Programming Document (SPD) 2020-22 and Work Programme 2020 represent a transition between the completion of the ETF Strategy 2014-20 and the newly approved Strategy 2021-27¹.

2020 will be a transition year for the ETF. The Single Programming Document (SPD) 2020-22 and the Work Programme 2020 therefore ensure delivery of the ETF's strategic objectives 2014-20 and pave the way for the newly approved strategy 2021-27.

The SPD 2020-22 provides an update of the previous analysis and planning assumptions as a basis for the ETF's work in 2020 taking into account the degree of flexibility required to ensure the full alignment of the agency to the priorities set by the new Commission under the Multi-annual Financial Framework (MFF) 2021-27.

The ETF will continue in the coming years to deliver on its mandate. Moreover, it will continue to contribute to international discussions on trends in human capital development and the future of skills, as well as promoting the role of education and training as a means to achieving the 2030 Sustainable Development Goals (SDGs).

The ETF's mandate is to contribute, in the context of EU external relations policies, to improving human capital development in partner countries by delivering high quality and timely support to the EU's external policies and actions, providing relevant policy advice and targeted direct technical support to partner countries to facilitate their development towards the adoption and implementation of policies that support the improvement of education and training systems and lifelong learning-oriented policies.

The ETF's mandate covers a wide range of countries and regions. This requires a high degree of understanding and in-depth knowledge of the country context to ensure the relevance and impact of the ETF's interventions.

Overview

The ETF's Expertise

The ETF brings together a unique mix of expertise, innovation, in-depth analysis and policy dialogue capacity in the field of human capital development with a deep-rooted understanding of the country context.

¹ ETF strategy 2021-27' approved by the ETF Governing Board on 14 June 2019

Through expertise development, thematic and system-level analysis and studies, the ETF ensures the continuous quality of its services, a key asset that is recognised by external actors through external evaluations and feedback from stakeholders.

In 2020, the ETF will launch three new multi-country initiatives, in the areas of (i) new methods of teaching and learning with a focus on key competences and digital skills, (ii) vocational excellence and innovation, and (iii) skills analysis including the use of big data. The three initiatives will bring EU and global expertise to the partner countries.

The ETF's multi-annual objectives

The ETF's multi-annual objectives for 2020-22 are based both on the strategic direction set in the ETF strategy 2014-20², and the new priorities and focus of the ETF Strategy 2027 approved by the agency's governing board in June 2019³.

The overall objective of the ETF as described in the agency's mandate is 'to contribute, in the context of EU external relations policies, to improving human capital development'⁴.

In 2020-22, the ETF will support EU priorities both at regional and country level by ensuring that quality analyses, expertise and policy lessons are used to provide input to the project cycle, policy dialogue and policy advice.

No activities are currently envisioned in Syria. The ETF resumed cooperation with Libya in 2018, focusing on preparations for the current round of the Torino Process and support to the EU Delegation. If conditions allow, this cooperation will continue in 2020-22.

In 2020-22, the ETF will also continue to provide thematic expertise to support emerging EU priorities in work with the African Union.

The ETF will maintain a degree of flexibility to integrate priorities of the new Commission under the MFF 2021-27 and ensure continued ad-hoc support to emerging requests resulting from the dynamic political and policy context in countries targeted by EU assistance.

² <https://www.etf.europa.eu/sites/default/files/document/ETF%20Strategy%202014-20.pdf>

³ <https://www.etf.europa.eu/sites/default/files/document/ETF%20Strategy%202027.pdf>

⁴ Art. 1.2 REG (EC) NO 1339/2008: human capital development shall be defined as work which contributes to the lifelong development of individuals' skills and competences through the improvement of vocational and education training systems

The ETF's objectives and key actions 2020

The ETF's overall objective is to support countries to develop their human capital, with a particular focus on skills in a lifelong learning perspective.

The ETF clusters its programmes under *three* specific objectives:

- supporting EU assistance in the context of EU external policies;
- ensuring intelligence and evidence gathering, analysis and diagnosis at all stages of policy dialogue;
- leading methodological developments to support skills policies and system change in partner countries.

The ETF's expertise enables it to provide policy advice and institutional support in the following key domains:

- analysis of relevance and identification of skills;
- skills development policies and practices;
- effectiveness of institutions and system efficiency.

Key actions in 2020 are:

- In 2020, the ETF will continue to provide support to the EU project and programme cycles at both national and regional levels, contributing to the EU-partner country policy dialogue processes, and provide direct policy advice and institutional development support;
- In 2020, the country and regional assessments in the fifth round of the Torino Process will be completed, bringing an updated forward-looking review of the progress, needs and strategic orientations in human capital development that will inform future reform policy options in the countries. The fifth round of the Torino Process promotes a more comprehensive analysis of human capital development issues enabling analysis of VET policies in a lifelong learning perspective, including links to general and higher education and their impact on the socio-economic environment. The Torino Process will inform future ETF work as well as providing solid evidence-based and participatory input to the post 2020 policy cycle in the partner countries and contributing to the next cycle of EU programming;
- In 2020, the ETF will engage with all partner countries, except Syria, through policy analysis and advice, intelligence-gathering and input to the European Commission and EU Delegations. In about 70% of partner countries, it will provide expertise for project/programme cycle and policy dialogue in the area of human capital for both national and regional EU actions. At the request of the European Commission, the ETF will continue to provide expertise input and advice in consolidated areas of thematic work in selected EU cooperation programmes to support African Union skills and employability development;
- In 2020, to strengthen the ETF's organisational performance as well as increase the level of digitalisation of products and services, the ETF will implement a digitalisation roadmap;
- The ETF will continue to work in close partnership with the European Commission and EU Delegations, EU Member States, bilateral and multilateral agencies and expert and donor organisations active in the field of human capital and skills development. Coordination with EU agencies, in particular Cedefop and Eurofound, will continue through an enhanced joint work programme agreed for 2020.

Context

The EU supports human capital development in third countries, as outlined in the Enlargement and Neighbourhood policies and related instruments⁵, as well as in the New European Consensus on Development⁶ and the Sustainable Development Goals⁷.

It is estimated that the EU's overall investment in human capital development will grow by over €1 billion per year under the MFF 2021-27. The new EU financial instruments confirm this growing trend.

Within its mandate, the ETF develops its work programme based on two main drivers:

- Specific partner country needs and challenges;
- EU policy and external relations priorities.

Current challenges in human capital development in the ETF's partner countries

In 2018, partner countries showed progress in their efforts to move towards more relevant, inclusive and effective education and training systems. However, new challenges and demands are emerging. There is a renewed focus on lifelong learning and adaptability of systems to meet growing demands from different groups throughout people's lives. The rate of change and transformation of work is putting more and more pressure on the ability of education and training systems to generate relevant skills for both new and emerging sectors as well as traditional ones. Despite progress in most of the countries, the 2018 ETF KIESE data⁸ confirms the following key challenges in the ETF's partner countries:

- Persistently high youth unemployment;
- School-to-work transition remains problematic in most countries;
- Upskilling through training is limited, with adults often unlikely to participate in further training, resulting in negative consequences on their careers and their being trapped in low-skilled jobs;
- Underachievement in key competences is a high risk, putting pressure on countries to shape lifelong learning policies.

EU policy and external relations priorities

The EU Global Strategy, the new European Consensus for Development and the Sustainable Development Goals provide the framework for EU external action and the ETF's work in its partner countries.

The EU's Enlargement Strategy confirms the priority of improving economic governance and the regional economic area. The ETF contributes to the Economic Reform Programme (ERP) assessment process, the Berlin Process and the Smart Specialisation Strategy, as well as to all relevant regional platforms and bodies.

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1540392552799&uri=CELEX%3A52018PC0460>

⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C:2017:210:FULL&from=EN>

⁷ https://ec.europa.eu/europeaid/policies/sustainable-development-goals_en

⁸ <https://www.etf.europa.eu/en/publications-and-resources/publications/key-indicators-education-skills-and-employment-2018>

In 2017, policy leaders from the Western Balkans and the EU renewed their commitment to enlargement and regional integration in particular, with a multi-annual action plan on a Regional Economic Area (2020). The “Credible Enlargement Perspective for the Western Balkans”⁹ of 6 February 2018 includes guidelines for the faster integration of the countries of the region. The ETF will contribute, within its mandate and with its resources, to the achievement and smooth implementation of this ambitious agenda.

The 2015 revised European Neighbourhood Policy is a key reference for the human capital dimension of governance reform; economic diversification; improving the business climate including entrepreneurship, job opportunities and migration. The ETF contributes to the implementation of the 2017-20 Work Programme of the Eastern Partnership Platforms 2 and 4.

Furthermore, the EU’s Development Policy focuses on good governance and human and economic development, and the new EU-Central Asia regional initiative, involving the ETF, will frame the ETF’s work in Central Asia.

Human capital development, including VET and skills development, has risen in EU priorities in recent years. A number of EU policies document this interest and address not only the education and labour market side of VET but also its social inclusion dimension.

Under the current priorities of the European Commission as regards human capital development, the areas of particular importance to the ETF’s work, are:

- The EU Skills Agenda package¹⁰;
- The European Pillar of Social Rights, which sets education and training as one of the 20 key principles and rights to support fair and well-functioning labour markets and welfare systems as an element of the social cohesion policy dimension;
- The ET2020 framework, together with the Copenhagen Process.

Furthermore, policies that are directly relevant for the ETF include:

- On migration, the “Towards a European agenda on migration” is an important priority given the reference to the human capital dimension in the Global Approach to Migration and Mobility. This includes contributing to the Recommendation on Key Competences and supporting qualification systems in the context of the revised Council Recommendation on the European Qualifications Framework of 2017. The Skills Profile Tool for Third Country Nationals will assist EU Member States in identifying and documenting the skills and qualifications of newly arrived third-country citizens;
- On employment and employability, the New Boost for Jobs, Growth and Investment and the new Youth Strategy for 2019-27 of May 2018¹¹ are of interest. The ETF’s policy support tools and indicators on entrepreneurship and enterprise skills also draw on the human capital principles of the Small Business Act for Europe (SBA) and its focus on entrepreneurship key competences and the Commission’s Entrepreneurship Competence Framework;
- The Future of Learning package adopted in 2018 includes the proposal for a Council Recommendation on Key Competences for Lifelong Learning and the Digital Education Action

⁹ COM(2018) 65 final

¹⁰ COM(2016) 381 final

¹¹ COM(2018) 269 final

Plan and the proposal for a Council Recommendation on common values, inclusive education and the European dimension of teaching. In this package, the European Commission proposes a comprehensive set of policy initiatives, which the ETF can explore and adjust to the needs of the partner countries, where appropriate. The ETF continues to give priority to complementarity between the proposal for a Council Recommendation on the Key Competences for Lifelong Learning¹ and the operational work in the areas of qualifications and VET provision;

- For VET and lifelong learning, the European Framework for Quality and Effective Apprenticeships¹ and the European Alliance for Apprenticeships initiative also provide policy and methodological inspiration for the ETF's operational work;
- The Council Recommendation on Upskilling Pathways¹ adopted by Council in 2016 is another reference document in the ETF arsenal to support partner countries in targeting adults with low skills;
- The Opinion of the Advisory Committee for Vocational Training (ACVT) on the future of Vocational Education and Training (VET) post 2020 provides a basis for the ETF's renewed thematic focus on 'excellent, inclusive and lifelong VET'. Its call for the ETF to 'continue to contribute to the development of Union VET policies and their implementation' in cooperation with other relevant international actors, underlines the relevance of the external dimension of EU policies, which reinforces the role of the ETF as a source of input, experiences and lessons from countries outside the EU.

The 2020 ETF Work Programme

Lifelong learning will be the main focus of the ETF's 2020 Work Programme, which will be based on the three overall objectives of the ETF until 2020:

- Support to EU assistance in the context of EU external policies;
- System and thematic intelligence and diagnosis;
- Methodological development.

The ETF will deliver these objectives in partnership with other stakeholders active in human capital development and in accordance with its financial and human resource allocations for 2020.

Support to EU assistance in the context of EU external policies

The ETF contributes to EU assistance in the context of EU external policies through high quality products and timely inputs to the EU programming and project cycles, including both technical assistance and budget support modalities, upon request of the EU external services (European Commission or EU Delegations). The ETF also provides technical input to EU bilateral and/or regional policy dialogue.

Key actions in 2020 will include the delivery of services as requested to support the programming of EU external assistance (in particular for the post 2020 programming period), including identification, formulation and implementation of EU funded projects, and EU bilateral and regional sector policy dialogue in the partner countries. The ETF will build on the results of its policy analysis and assessments, such as those stemming from the Torino Process and thematic studies to feed the policy dialogue process. Following up on the request received from the EU Delegation in Mongolia, in 2020 the ETF will provide input to policy dialogue and policy advice in the context of the new EU budget support programme.

The ETF will also contribute to EU regional initiatives and programmes by actively supporting the delivery of EU priorities and providing technical advice for EU projects delegated to third parties. Furthermore, the ETF will continue to provide support to the EU-African Union 'Skills for Youth Employability' programme.

The ETF's methodology for credibility assessment of governance and financing of sector strategies and its analysis of specific performance indicators used in budget support programmes in the partner countries, are unique methodological instruments that could also be used for further specific actions financed by the EU.

In South Eastern Europe and Turkey, the ETF will be involved in monitoring the outcomes of the flagship EU initiative 'Supporting Economic Development'. The ETF will support bilateral policy dialogue between the EU and partner countries through input to sub-committee meetings and the assessment of the Economic Reform Programmes (ERP) in the region. In the Eastern Partnership region, the ETF will provide input to monitoring the Association Agreements and the cluster meetings. In addition, it will prepare country fiches and contribute to the Mobility Partnerships.

Intelligence and evidence gathering, analysis and diagnosis

The priority for work on intelligence and evidence gathering, analysis and diagnosis will be to guarantee a solid information base, collect evidence systematically and deliver analytical reports, studies and prospective analysis to serve as a basis for decision making and policy advice both to the EU and directly to countries where the ETF operates. In the candidate countries, the ETF will conclude the monitoring and analysis of progress towards the achievement of the Riga Medium Term Deliverables (MTDs) with a closing event in cooperation with Cedefop to share results and findings.

Other key actions in 2020 include the completion of national and regional assessments conducted as part of the fifth round of the Torino Process with a broader focus on human capital development issues and policy analysis recommendations shared at both national and regional levels. The ETF will continue the collection of regular statistics (Key Indicators for Employment, Skills and Education – KIESE and NDC – National Data Collection on VET and Labour market indicators) and enhance its cooperation with Eurostat and ILOSTAT. A new Statistical Database will be fully operational in 2020. The ETF will also deliver thematic intelligence in the form of country fiches/inventories in the areas of qualifications, migration, work-based learning, career guidance, governance and quality assurance.

Methodological development

The ETF will continue developing and delivering methodological products used for policy advice and capacity building drawing on the solid expertise underlying its successful performance in supporting the development and adaptation of policies and systems in its partner countries. In 2020, the ETF will continue expertise development in its current thematic areas. At the same time, the ETF will develop new products which will be innovative in design and thematic composition and seek to assist countries in moving from narrower VET to comprehensive lifelong learning systems. In particular, from 2020, the ETF will begin developing three new integrated cross-thematic initiatives to be implemented on a multiannual basis, clustering existing thematic areas and bringing together experts across these themes. In 2020, the ETF will start a multi-annual initiative aimed at understanding the changing demand for skills by companies, individuals and the economy overall and identifying skills gaps and skills mismatches from qualitative and quantitative perspectives. Particular emphasis will be given to

the skills needed for societies aiming at being inclusive, innovative, green and digital as well as to skills for SME development and smart specialisation.

Key pillars and deliverables of the work of the ETF in 2020 will be:

- (i) the relevance of and demand for skills from a national and sectoral perspective;
- (ii) skills development processes;
- (iii) the efficiency of institutions and systems, including the functioning of governance, coordination of actors, quality assurance and increased sector performance.

The ETF will continue to focus on themes launched at the 2018 conference on “Skills for the Future”, with the publication of the results of studies conducted in 2019 aimed at assessing as well as supporting countries towards the transition to stronger lifelong learning policies and systems.

- (i) As regards the **relevance of skills**, the ETF will continue its actions on the modernisation of qualifications and qualification systems, as a key area of work. Actions will aim at achieving two results: modernising partner country national qualification systems and facilitating their alignment with the European Qualifications Framework and broader international systems. In selected countries, the ETF will support the development of skills and qualifications recognition systems as well as the validation of formal and informal learning (VNFIL). Of the 25 countries in the ETF’s portfolio that are reforming their qualification systems, the ETF is actively involved in 18 of them through practical policy advice and capacity building support, according to the specific level of development of each country. For all countries, the ETF maintains the NQF inventory accessible through its online platform ETF Open Space. This is the result of the ETF’s biennial contribution to the Global Inventory of Regional and National Qualifications Frameworks, a key co-production between the ETF, Cedefop and UNESCO.

The ETF will continue its actions in supporting countries to identify and better understand the **demand for skills** at national, territorial and sectoral levels based on skills anticipation and matching tools and methodologies developed by the ETF in partnership with the ILO and Cedefop. This approach will be enriched by work on use of Big Data for the analysis of labour markets, as well as from methodological work to understand how new technologies impact on skills demand at sectoral level.

In the field of **employment and employability**, special attention will be given to challenges linked to transition to work, young people at risk of exclusion and those not in employment, education or training (NEETs) with the publication of a specific study and methodological guidance.

The work of the ETF on the **skills development dimension of migration** will continue by

- (i) using policy lessons as input to EU programmes and actions aimed at developing and implementing migrant support measures, as well as to address the root causes of migration;
- (ii) providing policy advice and expertise input within the Mobility Partnerships; and
- (iii) continuing its support to recognition of skills and qualifications in selected partner countries.

- (ii) In the **development of skills**, the ETF will continue to support the modernisation of learning with a focus on work-based learning (WBL) and distance and on-line learning. Special attention will be given to apprenticeships and internships/traineeships involving social partners, companies, chambers and VET providers. Thematic expert advice and policy support in the

area of key competences will expand, including digital skills, entrepreneurial competences and support to policies and tools for their implementation. Also, the ETF will continue investing in policy advice and the dissemination of good practice in the area of continuing professional development of vocational teachers and trainers. The ETF will continue to work on the modernisation and excellence of education and training provision through its work on centres for vocational excellence.

In 2020, the ETF will also launch an initiative focusing on new learning processes and domains for the development of key competences and technical competences through innovative teaching and learning approaches (including digital and online learning and work-based learning). It will encompass innovation in curriculum development and delivery and its link to modern qualifications. It will look at how learning is changing by mapping innovative practices in curriculum development and teaching practice, acquisition of digital skills, use of online learning, non-formal and informal learning and how these can be validated, and at experiential and work-based learning. The initiative will seek to develop platforms for information exchange, knowledge sharing and the development of methodologies and tools to disseminate innovation taking place in partner countries, the EU and internationally.

In 2020, the ETF will build on its 2019 mapping of partner country practices in innovation to establish a new network of providers across several countries. It will then facilitate sharing of excellence, which will vary by country priority, so that themes will span excellence in provision, teaching, governance, and quality assurance. These providers, or centres of excellence, will act as multipliers for other providers. The ETF will also develop criteria and guidance on excellence and disseminate existing thematically-relevant tools via the network.

- (iii) Finally, to support the **efficiency of institutions and systems**, the ETF will continue its work on governance. In 2020, it will prioritise three areas of work: (i) the vertical dimension of governance including providing policy advice on decentralisation and institutional coordination arrangements within and between national and sub-national levels; (ii) VET financing; and (iii) public-private partnerships applied to skills development policies, and the VET sector in particular.

The ETF Quality Assurance Forum will continue to ensure policy learning between the EU and partner countries. This will lead to the further development and implementation of quality assurance mechanisms in VET in line with the EQAVET recommendation.

Thematic priorities will be supported by communication actions. In 2020, the ETF will strengthen the use of online systems/platforms and knowledge sharing tools which will allow greater accessibility and improved usability of ETF thematic and country intelligence, and expertise tools and policy lessons.

Across all themes, ETF will use its online community, ETF Open Space, to gather intelligence, develop its expertise, disseminate its products, and network and engage with partner country and other stakeholders.

Delivering in partnership

In 2020, the ETF will continue its international cooperation with stakeholders active in the field of human capital including actively seeking to put in place the 'delivering in partnership' approach,

building on the strengths of partners and actively seeking opportunities to share and exchange knowledge and expertise to the benefit of partner country progress.

Where operationally relevant, the ETF will seek complementarities in its operations with actions implemented at both national and regional level, and with thematic development actions at international levels. The ETF will continue to actively cooperate and coordinate with EU services, EU member states, EU agencies, and with public and private organisations, social partners and civil society, academia and think tanks active in the area of human capital development.

2020 will be a year of transition to the new ETF Strategy 2027, which places greater emphasis on partnerships, moving towards a more targeted and focused partnership approach.

Financial and resource assumptions

The ETF's budget in 2020 is €20,957,000. This figure is in line with Commission Communication COM(2013)519 final of 10 July 2013, reflecting an increase of 2%. Staffing costs (Title 1) are kept at a minimum throughout the period covering basic staff related costs only. In spite of this, there is a net increase in Title 1 in 2020 due to a cumulative salary adaptation in line with the Commission's assumptions¹² (+3.1% in 2019, +2.5% in 2020 and stable +2% in subsequent years). The forecast for expenditure on Infrastructure (Title 2) is stable at about €1.8m. This mainly covers expenditure on facilities and ICT. The significant improvements made to the premises in recent years should help to contain costs in 2020. The assumptions concerning staff costs lead the ETF to revise and reduce the budget forecast for Title 3 (operational activities) and look for ways to increase efficiency in delivering activities, as well as considering additional sources of operational funding such as project specific funding from the EU or other organisations. In line with established practice, savings in Title 1 will be assigned to operational activities and if appropriate to infrastructure improvements.

As regards human resources, the ETF has already implemented the 10% reduction in the establishment plan reaching 86 posts by the end of 2017. To counter the reduced availability of human resources, the ETF has gradually managed to increase the number of staff assigned to core operational activities from about 63% in 2015 to around 70%. In addition, the ETF has taken advantage of article 38.2 of the Financial Regulation and started to offset the effects of part-time work authorised by other appointments. One additional HCD specialist (Temporary Agent – AD7) was recruited in 2018. In 2020, the ETF's total staff population will be 129 plus any additional recruits to offset the impact of part time. The resources section confirms the priorities for the ETF's operational expenditure in accordance with guidelines from the EU institutions and the ETF Governing Board. The ETF, guided by its Governing Board and EU institutional partners, will constantly monitor and evaluate demands for its services and be ready to revise its priorities and actions to ensure effective support to the EU institutions and the partner countries.

The ETF will continue to strive to improve organisational efficiency and effectiveness by regularly identifying specific actions to enhance organisational performance. A framework of indicators based on the internal control principles and a core of 15 key performance indicators, outlined in Annex XIII, are measured and monitored on an annual and quarterly basis to track progress, monitor quality and performance, and ensure compliance with EU public administration standards.

¹² Budget Circular for 2020 – Agency Instructions (20 Dec 2018)

Section I - GENERAL CONTEXT

This section presents the general context in the ETF partner countries, as well as relevant EU and international development policies which inform the ETF's activities. It is based in particular on the results of consultation with EU institutions, Member States, partner countries and international actors.

The human capital development priorities of partner countries identified in the Single Programming Document 2020-22 are based on the ETF's intelligence gathering and analysis across its actions at country and thematic levels. In particular, the ETF KIESE report¹³, the Torino Process analyses as well as specific in-depth thematic intelligence published in the form of country fiches/inventories form the basis for the assumptions of ETF's intervention logic.

Furthermore, the ETF's skills for the future initiative has identified new patterns and needs in relation to the transforming role of VET, namely increased focus on lifelong learning policies, bringing closer together initial and continuous VET, general education and VET, VET and higher education, formal informal and non-formal education as well as training provision.

In recent years, the ETF's partner countries have engaged in the modernisation of their education and training systems. All countries are making efforts to improve the quality of education provision including modernisation of curricula for strengthening key competences and also making them more adapted to the emerging needs of the labour market. All countries also aspire to introduce or improve work-based learning and have taken actions to improve the transparency of their qualifications.

1. Country Context

EU Neighbourhood

Introducing key competences (also including entrepreneurship and digital competence) across the education and training system requires well prepared teachers and appropriate educational processes which are not yet mainstreamed. For example, the most recent Small Business Act assessment underlines that the readiness and capacity of teachers and schools to accommodate the methods and practice of entrepreneurship is a challenge. Countries are taking action to internalise digitalisation goals into education processes, but the physical endowment and readiness of teaching staff to embrace digital based education modalities remains limited. The current waves of technological change, globalisation, migration and climate change will have a profound impact on all countries in the world. They create new opportunities for economic and social development, but also risks of inequality and polarisation of societies. Developing human capital in an equitable manner is a pre-requisite for all countries to make the best use of emerging opportunities and mitigate risks. This implies investment in education and training systems that prepare citizens (and in particular young people) for upcoming changes and provide them with strong key competences and skills for employment throughout the course of their lives.

Education and Training systems in all enlargement and neighbourhood countries need to be substantially modernised if countries are to (i) address eminent and persistent youth unemployment,

¹³ <https://www.etf.europa.eu/en/publications-and-resources/publications/key-indicators-education-skills-and-employment-2018>

vulnerability and detachment from the labour market; (ii) ensure availability of skills to support sustainable economic development also taking advantage of technological change; and (iii) improve social cohesion.

The effort to modernise education and training systems is substantial because it needs not only to address present underperformance but also to catch up with new challenges and opportunities.

The educational attainment of young people is generally improving over time in all countries, albeit at a different pace in different countries. Access to higher education has substantially increased everywhere. Early school leaving is going down everywhere reaching very low levels in the vast majority of the pre-accession countries (with the exception of Albania and Turkey where it is nevertheless going down gradually) and the Neighbourhood East (with the exception of Moldova). Despite progress in access to basic education during the last decade, early school leaving remains critical in the Neighbourhood South where there is a large young population.

The improvement in the educational attainment of young people is not translated into better labour market outcomes. The phenomenon of young people not in employment, education, or training (NEETs) remains substantial everywhere and is critical, especially among young women in the Neighbourhood South. Youth unemployment remains high. While higher education graduates have higher employment rates, they are not protected from unemployment and are often in jobs below their qualification level. At the same time there are skill gaps in particular for middle level skills.

Despite improvements in access to education, the quality of education has not improved. The results of international surveys (such as PISA and TIMSS), where available, demonstrate underperformance in key competences among pupils in secondary education. Employers complain about gaps, not only in technical skills of young graduates, but also in key competences. Digital and entrepreneurship competences are still marginally addressed in the different levels of the education system. Moreover, inequalities in the quality of education are present, with poor conditions in schools in rural or depressed areas.

Countries recognise the need to reform their education and training systems, and in recent years they have worked on developing new policy frameworks, passing new legislation, experimenting with new governance structures, changing their curricula and modernising their qualification systems. However, real change in education and training provision and system change is slow. There is still a big gap between policy intentions and change on the ground. In particular in the Neighbourhood South political instability and weak system governance has led to significant discontinuity in policy development and implementation.

A key objective for the future is to proceed with structural and system change with sustained focus on quality and inclusiveness at all levels of education and training (both initial and continuing). This should include improving reform capacities not only at central level but also at grass roots level. Interaction between schools and the community is essential for successful reform, as is cooperation between education and the world of work.

Specific priorities for the future include:

System governance. All countries have been working on improving system governance creating mechanisms of inter-ministerial cooperation; coordination mechanisms between the world of education and work at all levels; reviewing roles and responsibilities among actors, addressing issues of school autonomy. However, these new governance arrangements are not consolidated and often function poorly due to the limited capacities of actors. Sustained efforts will be needed in the future to move gradually into more participatory governance modalities based on partnership and stronger coordination mechanisms.

Evidence for policy steering. Particular emphasis should also be given to further develop countries' diagnostic capacities for better policy targeting and steering. This includes improving capacities for monitoring and evaluating policies and system performance. It also includes improved capacities in generating skills intelligence, in particular anticipating skills demand and supply as well as monitoring skills utilisation.

Quality education. Four aspects should be given special attention: (i) the development of strong key competences, also including digital and entrepreneurship competences, at all levels of the education and training system; (ii) the reinforcement of practical training for graduates of secondary and post-secondary VET in particular through work-based learning; (iii) the use of innovative teaching and learning methods also using new digital technologies; and (iv) the improvement of pre-service and in-service teacher and trainer training. In some countries, investment in school infrastructure particularly in rural areas, is necessary.

Inclusiveness. Education systems should give special attention to the needs of pupils from vulnerable socio-economic backgrounds, rural areas or Roma communities who are more exposed to early school disengagement applying preventive measures. At the same time, they also have to address the needs of young adults who have left the education system prematurely, through remedial education and second chance programmes. At the moment in all countries only a small fraction of those in need of such compensatory measures are covered.

Basic education. In particular, in the Neighbourhood South countries which are characterised by large numbers of young people and high early school leaving rates, improving both access and quality of basic education is a prerequisite for any future improvement of the educational outcomes of young people.

Adult learning. Technological, economic and labour market changes with ever more frequent transitions between jobs means that ongoing enhancement of the skills of the population is essential. Adult learning becomes crucial as people need affordable access to training opportunities to improve and maintain their employability. Furthermore, validation and recognition of prior learning improves the portability of skills for migrants and people working in the informal economy. The neighbourhood and enlargement countries are weak in adult learning with fragmented provision and a lack of incentives for both people and companies to invest in skills.

Russia

ETF support to Russia takes place in the context of EU-Russia cooperation and, in particular, Council Decision 833/2014 and follow-ups, which include the continuation of the support for projects facilitating people-to-people contacts mainly in the fields of scientific research, education and cross-border cooperation.

In general, the ETF follows the EU policy on Russia, which was reconfirmed after the March 2018 presidential elections, which is centred on five guiding principles: full implementation of the Minsk Agreement, which is a precondition for the lifting of sanctions; strengthening relations with the EU's Eastern Partners including Ukraine and Central Asia; strengthening the EU's resilience; selective engagement with Russia; increasing support to civil society and promoting people-to-people contacts.

ETF actions in Russia focus on involvement in the fifth round of Torino Process (2018-2021) and on specific thematic discussions involving other partner countries and EU member states.

Central Asia

The text below mainly applies to Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, which took part in the 2016 Torino Process. Only very limited information is available on Turkmenistan.

The five Central Asian republics vary enormously in terms of population, size, economic development and openness to the outside world. Yet, they share a number of common features.

All countries are undergoing profound structural transformation. The service sector has in most countries over time developed into the most important sector in terms of GDP (value added) and mostly also in employment. At the same time, the importance of the agricultural sector in terms of GDP (value added) has been decreasing. Nevertheless, this sector still continues to account for a relatively large share of employment, ranging from 8% in Turkmenistan to an estimated 45% in Tajikistan.¹⁴

The labour markets of Central Asian countries are characterised by relatively low activity and employment rates. Women fare worse on the labour markets in all countries and their situation has deteriorated over recent years.

Due to strong demographic pressure and insufficient job creation, youth unemployment rates are, in most countries (with the exception of Kazakhstan), considerably higher than the rates for the total population. However, over recent years, youth unemployment rates have slightly decreased.

At the same time, the percentage of young people not in employment, education or training (NEET) goes from 6% in Kazakhstan to 21% in Kyrgyzstan¹⁵.

Central Asian countries boast high levels of educational attainment among the adult population. The percentage of people with only a low level of education has been decreasing, while the percentage with a medium or high levels has been increasing, with the strongest increases in the high attainment segment (higher education). At the same time, the percentage of students in vocational programmes (as % of total upper secondary students) ranges from 6.4% in Tajikistan to 40.3% in Kazakhstan, 32.6% in Kyrgyzstan, and as high as 93% in Uzbekistan¹⁶.

All Central Asian countries have started to make their VET provision more flexible and diversified to better cater for different target groups. This has mostly happened via the development of a larger offer of short-term courses (rather than changes to the standard initial VET provision), which are typically

¹⁴ Source: ETF Database

¹⁵ Source: ETF Database.

¹⁶ Unesco

directed at the unemployed, people with a low education attainment, or from vulnerable socio-economic backgrounds.

The 2016 Torino Process identified a number of priorities which are common to Central Asian countries. To a great extent these are in line with the priority areas outlined in the Riga (2015) and Astana (2017) declarations of the EU and Central Asian and Ministers of Education.

Engaging the private sector to strengthen labour market relevant VET: Labour market analyses are weak and, with the exception of Kazakhstan, ministries still drive curriculum development with little engagement of business. The lack of systematic data on labour market requirements has been identified by all countries as a bottleneck. There is also a need to increase the relevance of the VET system and the involvement of enterprises and social partners in VET policy development and implementation both at national and regional/local levels. This includes the review and, in many cases operationalisation, of social partnership arrangements, such as sector councils and the development of coherent policies for education-business cooperation. In this context, a further priority is to continue the development of national qualifications frameworks with active involvement of the private sector as a tool to reinforce VET relevance.

Quality VET provision based on competent VET staff: Countries have started to introduce a more systemic approach to quality assurance and management, and the capacity of schools to monitor VET quality is gradually improving. There is a need to adapt programmes to the needs of the labour market and provide continuing professional development (CPD) to vocational teachers and trainers, including enterprise-based CPD, to ensure the implementation of new approaches foreseen by VET reform.

Evidence-based policy making in a context of improved cooperation between ministries and with social partners could further strengthen the quality of policies. Although the 2016 Torino Process showed an increased engagement in evidence-based policy monitoring, more data collection and in particular data use for policy development and implementation remains a priority.

2. EU policy context

The basis for EU external action is the *EU Global Strategy*. The ETF contributes to this strategy by improving societal resilience of the EU's Eastern and Southern neighbours as well as the enlargement countries, in line with EU priorities and cooperation agreements with each partner country.

There is also a clear political commitment to support human capital development (HCD) as a key priority in the EU's external assistance to third countries. The European Consensus on Development (2017/C 210/1) specifies that ensuring access to quality education for all is a prerequisite for youth employability and durable development. The EU and its Member States will support inclusive lifelong learning and equitable quality education, particularly during early childhood and primary years. They will also promote education at secondary and tertiary level, technical and vocational training, and work-based and adult learning, including in emergency and crisis situations. Special attention will be paid to education and training opportunities for girls and women.

This political commitment to human capital development is also part of the overall EU support to the UN Sustainable Development Goals with a particular emphasis on education and training for all as well as jobs and employment.

The EU regional policies and priorities framing ETF's interventions in its partner countries are the following:

- The EU's **Enlargement Strategy** confirms the priority of improving economic governance and the regional economic area. Here the ETF contributes to the Economic Reform Programme (ERP) assessment process, the Berlin Process and the Smart Specialisation Strategy, as well as to all relevant regional platforms and bodies.
- In 2017, **Western Balkan** Policy Leaders and the EU renewed their commitment to enlargement and the regional integration process in particular, with a Multi-Annual Action plan on a Regional Economic Area (2020). The "Credible Enlargement Perspective for the Western Balkans"¹ of 6 February 2018 includes guidelines for the faster integration of the countries of the region. The ETF will contribute, within its mandate and with its resources, to the achievement and smooth implementation of this ambitious agenda.
- The 2015 revised **European Neighbourhood Policy** is a key reference for the human capital dimension of governance reform; economic diversification; improving the business climate including entrepreneurship; job opportunities and migration. The ETF contributes to the implementation of the 2017-20 Work Programme of the Eastern Partnership Platforms 2 and 4. Furthermore, the EU Development Policy focuses on good governance and human and economic development, and the new EU-Central Asia regional initiative, involving the ETF, will frame the ETF's work in Central Asia.
- In terms of the ETF's work outside its current partner countries, the communication on the Africa-Europe Alliance for Sustainable Investment and Jobs (COM(2018) 643 final) is of importance. Under heading 2 'Investing in people by investing in education and skills' two out of the ten proposed actions stress the importance of technical and vocational education and training and skills development both through Pan-African and national initiatives to support growth and job creation in strategic development areas. This is a call for a strengthened focus of the ETF on the African continent and in fact, the ETF was directly involved in the launch of a pilot scheme for VET mobility in enlargement countries and Africa¹ in February 2019 and contributed to the EU-African Union programme 'Skills for Youth Employment'.
- Furthermore, the EU Development Policy focuses on good governance and human and economic development, and the new EU-Central Asia regional initiative, involving the ETF, will frame the ETF's work in Central Asia.

Human capital development, including VET and skills, has been on the rise in the EU priorities in recent years. A number of EU policies document this interest and address not only the education and labour side of VET but also its social inclusion dimension.

Under the current priorities of the European Commission as regards human capital development, the areas, which particularly influence the ETF's work, are:

- The external dimension of the new EU *Skills Agenda* package¹
- The ET2020 framework together with the Copenhagen Process, in particular to support the implementation of the Medium-Term Deliverables (MTDs) from the 2015 Riga Conclusions.
 - The ETF is actively involved in the debate for the EU post-2020 framework of cooperation in VET towards a European Education Area by 2025. This will include many areas in which the ETF is active in its support to partner countries: the mutual recognition of diplomas, greater cooperation on curriculum development, promoting lifelong learning, mainstreaming innovation and digital skills in education, supporting teachers and supporting structural reforms to improve education policy;
 - The Riga interim report, drafted jointly by the ETF and Cedefop in 2017, provides input regarding possible areas that need further attention and will make the basis for the upcoming

Final Riga report in 2020. The Riga findings have already contributed to the discussions in ACVT and DGVET committees on shaping the next EU Framework for Cooperation in VET beyond 2020. A joint event with Cedefop is foreseen for the first half of 2020 to present the Riga final report;

- The European Pillar of Social Rights adopted by the Council, the Parliament and the Commission on 17 November 2017 sets out 20 key principles and rights (among which the right education) to support fair and well-functioning labour markets and welfare systems as an element of the social cohesion policy domain.

Furthermore, policies that are directly relevant for the ETF are:

- On migration, the “Towards a new Policy on Migration”¹ initiative is an important priority given the reference to the human capital dimension in the Global Approach to Migration and Mobility¹. This includes contributing to the Recommendation on Key Competences¹ and supporting qualification systems in the context of the revised EC Recommendation on the European Qualifications Framework of 2017. The Skills Profile Tool for Third Country Nationals will assist EU Member State services in identifying and documenting the skills and qualifications of newly arrived third-country citizens.
- On employment and employability, the New Boost for Jobs, Growth and Investment¹, EU Youth Employment Package (2012)¹ and the new Youth Strategy for 2019-27 from May 2018 are of interest. The ETF’s policy support tools and indicators in entrepreneurship and enterprise skills also draw on the human capital principles of the Small Business Act for Europe (SBA), as well as on Rethinking Education¹ and its focus on entrepreneurship key competences and the Commission’s Entrepreneurship Competence Framework
- The Future of Learning package adopted in 2018 included the proposal for a Council Recommendation on Key Competences for Lifelong Learning and the Digital Education Action Plan and the proposal for a Council Recommendation on Common Values, Inclusive Education and the European Dimension of Teaching. In this package, the EC has delivered a comprehensive set of policy items, which the ETF can explore and adjust for the needs of the partner countries, where appropriate. The ETF continues to give priority to complementarity between the proposal for Council Recommendation on the Key Competences for Lifelong Learning¹ and the operational work in the areas of qualifications and VET provision.
- For VET and lifelong learning, the European Framework for Quality and Effective Apprenticeships¹ and the European Alliance for Apprenticeships initiative, also provide policy and methodological inspiration for the ETF’s operational work.
- The Council Recommendation on Upskilling Pathways¹ adopted by Council in 2016 is another reference policy document in the ETF arsenal to support partner countries in targeting adults with low skills.
- The Opinion of the Advisory Committee for Vocational Training (ACVT) on the future of Vocational Education and Training (VET) post 2020 gives ground to support the ETF renewed thematic focus towards ‘excellent, inclusive and lifelong VET’. The call for the ETF to ‘continue to contribute to the development of Union VET policies and their implementation’ in cooperation with other relevant international actors, underlines the relevance of the external dimension of the EU policies which increases the role of the ETF as a source of input, experiences and lessons from countries outside the EU.
- The ETF has been actively involved in promoting the European Vocational Skills Week (EVSU) and expanding its international dimension. More and more partner countries are now involved in the EVSU initiative offering an even more rich set of experiences in VET from which both the EU

member states and the partner countries can benefit. The ETF will continue to actively engage in this initiative through its dissemination action in partner countries, contributing to relevant conferences and events, the ETF Award on Entrepreneurship as a Key Competence and in encouraging partner countries to register more events.

- SDGs drive the strategy and activities of the inter-agency group lead by UNESCO on TVET in which the ETF is an active participant. The ETF contributes to this agenda in different ways including the capacity building of officials in public administrations through targeted actions. The continued cooperation of the ETF with the key global players that lead on SDG 4 and 8 (ILO and UNESCO) reinforces the coordinated actions to support the partner countries to achieve the 2030 Agenda goals.

Multiannual Financial Framework (MFF) 2014-20. Under the current MFF, the ETF estimates¹⁷ that investments in South Eastern Europe and Turkey, through the Instrument for Pre-Accession (IPA II) are €907.5 million, i.e. 11% of the €8.4 billion total to employment, social policies, education, promotion of gender equality, and human resources development. Further to these investments, multi-country programmes such as education and employment platforms and the VET mobility initiative provide additional EU assistance.

Within the Neighbourhood region, the ETF estimates that at least €550 million, i.e. 8% of the total of €6.8 billion, was invested in human capital development by 2018. At regional level, this is complemented by the Eastern Partnership package for Youth and Education (€340 million) and some smaller scale Southern and Eastern Mediterranean regional programmes.

In Central Asia, 20% of bilateral aid was allocated to education and VET (€200m). This is complemented by regional programmes such as the Central Asian Education Platform (€4.2m). Furthermore, ETF partner countries have already benefitted from 128 TAIEX initiatives in the field of human capital development since 2014 and Erasmus+.

MFF 2021-27. In the proposed multiannual financial framework 2021-27, the annual allocations to 'Neighbourhood & The World' will increase incrementally starting at 2% in 2022, rising to 7% in 2027. The total amount foreseen is €118.5 billion. The total perspective for the new Neighbourhood, Development and International Cooperation Instrument (NDICI) is €89.2 billion and € 4.5 billion for the Instrument for Pre-accession (IPA). Compared to the current multiannual financial framework, the total support foreseen for ETF Neighbourhood and Enlargement partner countries will increase by about 35%. The geographical area, which will benefit from the highest global support will continue to be Sub-Saharan Africa at €32 billion.

3. Regional context

The ETF supports EU cooperation as framed by the *EU as a Global Actor* strategy. The ETF's contribution takes place under the specific policies and instruments for each region, and according to the priorities and cooperation agreements reached by the EU with each partner country.

The ETF continues to support the EU Regional policy dialogue for the Western Balkans, which is high on the global policy agenda due to the 2018 Communication on the *EU Enlargement Policy*. It includes priority areas recognised by the Western Balkans Six initiative and the Berlin process, a forum for

¹⁷ No central EC headquarters estimations are available. ETF estimates are based on its involvement in the programming, identification and formulation of assistance.

discussing regional cooperation between policy leaders/Prime Ministers. The South East Europe (SEE 2014-20) Strategy has remained a key reference document and mirrors the EU 2020 strategy. Since 2014, regional policy dialogue has seen the development of a number of frameworks for regional cooperation: the connectivity agenda, the positive agenda for youth, the digital agenda, and the creation of a Regional Economic Area (July 2017 in Trieste). At the London Summit in July 2018 implementation results were presented and the importance of investing in youth, the recognition of professional qualifications, cooperation with the business sector and making the digital agenda a reality was re-confirmed. The Summit in 2019 in Poland has confirmed these priorities and has taken the regional discussions further.

In this context, also the Western Balkans Ministerial Platform for Education and Training (set up in 2012) and the Western Balkans Steering Platform on Research and Innovation (established in 2007 and re-activated in 2017) have the objective of pushing reforms in the countries. In June 2019, a Western Balkans Ministerial meeting on employment and social affairs took place for the first time.

The main regional bodies that support regional co-operation and with whom the ETF cooperates in the region are the Regional Co-operation Council (RCC) and Education Reform Initiative for South East Europe (ERISEE).

The ETF will enhance its co-operation agreements (i.e. implementation of the work programme with RCC) and co-operation modalities (i.e. with OECD in relation to Competitive Outlook) with international organisations as well as regional bodies with the aim of bringing the highest value to partner countries.

The revised *Neighbourhood Policy* promotes stability on Europe's external borders and helps neighbouring countries develop and support deep democracy, partnership with society and sustainable economic and social development with a view to becoming stable and prosperous neighbours. The 2015 Review of the ENP reinforced the principle of flexibility in order to accelerate assistance and to ensure it is better adapted to rapidly evolving political circumstances and priorities.

For the countries bordering the EU to the East, there is the Eastern Partnership (EaP) initiative, which is a joint policy initiative started in 2009. The fifth Eastern Partnership Summit on 24 November 2017, among other important decisions, endorsed "20 deliverables for 2020"¹⁸ under four priorities for cooperation, with a clear work plan until 2020 based on concrete actions as outcomes of the policy dialogue.

In Eastern Europe, the ETF supports the regional policy dialogue of the *Eastern Partnership* platform 2 (economic development) and platform 4 (mobility and people-to-people contacts) in its objectives of inclusive economic development, with an emphasis on youth employment, digital skills, entrepreneurship key competence development, SME skills and skills intelligence. As acknowledged by the *Joint Declaration of the Brussels Eastern Partnership Summit* of 24 November 2017 (Council of the EU, 2018), the summit participants reaffirmed the importance attached to people-to-people contacts as an essential means to bring societies closer together, through education and training, youth, cultural and scientific exchanges, and mobility.

To the South, the ETF supports the *EU-Mediterranean dialogue on employment*, the dialogue with the Southern Mediterranean on education, the Euro- Mediterranean Industrial Cooperation Working Group and EU involvement in the Union for the Mediterranean. The ETF, in line with its functions to support

¹⁸ As specified in the European Commission Document 20 Deliverables for 2020 (EC 2017).

the EU, will continue to strengthen its input and contribution to EU regional interventions, following up on recommendations stemming from the fourth ministerial conference on Employment and Labour 'Opportunities for All' that took place in Cascais on 2-3 April 2019. The ETF is also involved in the Youth Employment in the Mediterranean (YEM) project, and cooperates with DG HOME in the area of mobility and legal circular migration.

Inspired by the Investment Plan for Europe, the EC presented an External Investment Plan (EIP) for Africa and the Neighbourhood in 2016, which became operational in September 2017. The ETF will continue to follow the possible implications for its future work in the light of the enhanced partnership with Africa on peace and security, and job creation for youth adopted in June 2017, and reconfirmed by the Communication on a new Africa-EU alliance for Sustainable Investment and Jobs in 2018. The second strand of the proposal aims to create more and better jobs, especially for youth. As a long-standing partner in the area of education, the EU emphasises the importance of increasing investments in inclusive quality education and training at all levels. In the area of "Advanced Knowledge and Skills", the contribution and support of the ETF is explicitly mentioned. The enhanced partnership was the basis for the fifth Africa-EU Summit in Abidjan in November 2017, the theme of which was "Investing in youth for a sustainable future".

In Central Asia, the Communication 'The European Union and Central Asia: new opportunities for a stronger partnership'¹⁹ followed by the Council's conclusions on the New strategy on Central Asia adopted in June 2019²⁰, reaffirm the EU's commitment to developing stronger relations and highlighted the need to contribute to the advancement of reforms in the region in the area of education and training. The communication assigns a key role to the ETF²¹ as regards the promotion of employability of young people and adults in a lifelong learning perspective.

4. International HCD policy context

Skills development and the future of work are issues of global concern for international and expert organisations, continental and regional bodies, national governments and civil society organisations. Programmes and projects are increasingly taking a more comprehensive and global approach to the factors shaping the labour market in different countries.

According to OECD DAC statistics, aid to developing countries linked solely to education and training has grown by 48% from 2005 to 2016, increasing from an overall investment of \$5,168.23 million to \$7,670.46 million, with a total investment over 10 years of \$86,503.2 million. The highest investment has been in primary education, followed by education policy and administrative management, and vocational education and training. The highest growth has been in vocational education and training, basic life skills for young people and adults, teacher training and educational research. In the last 10 years, investment in vocational education and training has almost tripled from \$345.59 million to \$1,201.52 million.

This increased attention has followed both the global agenda for skills and education and the need to react to global trends and challenges. Across the world, actors are focussing on human capital

¹⁹ https://ec.europa.eu/europeaid/news-and-events/european-union-and-central-asia-new-opportunities-stronger-partnership_en

²⁰ <https://www.consilium.europa.eu/media/39778/st10221-en19.pdf>

²¹ Pp.13 The EU will strengthen cooperation on vocational education and training, in collaboration with the European Training Foundation, to promote the employability of young people and of adults in a lifelong learning perspective, to respond to the needs of the transforming economies of Central Asia and of European investors in the region.

development through the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs), in particular number four (Quality Education) and number eight (Decent Work and Economic Growth). These pave the way to joint action at global level.

Recent developments see a growing focus on human capital development support and the role of education and training, youth policies and skills policies in development assistance and cooperation with Africa, with significant implications for the EU and potentially the ETF's work in the region. In particular, the 2017 EU-Africa Summit identified (1) investing in youth, (2) supporting mobility, and (3) addressing the root causes of irregular migration as priorities.

These challenges, as outlined above, require a global and systemic approach, which will have implications on the effectiveness of the ETF's interventions on the African continent. Future EU external policies, as outlined in the Commission communication of 2 May 2018 will look at a 'stronger co-ordination between external and internal policies {...} with a view to implementing the Sustainable Development Goals and the Paris Climate Agreement, as well as the Partnership Framework with third countries on migration'.

Furthermore, the proposed new architecture for the EU's external action instruments reflects the need to focus on strategic priorities both geographically – the European Neighbourhood, Africa and the Western Balkans, as well as countries that are fragile and most in need, but also thematically – security, migration, climate change and human rights. This will pose new demands on the ETF in its support to EU actions in the pre-accession and neighbourhood regions as well as the rest of the world, and as support to the external dimension of EU policies. The ETF is an active member of the Inter-Agency Group led by UNESCO, in which key global players in the area of human capital development, skills and VET share information and actively cooperate for development of methodologies and tools in a range of key policy areas such as: the future of work, including digital skills; matching and anticipation of skills needs and shortages; qualifications and qualifications systems; the contribution of skills recognition for migration management; work based learning and apprenticeship; teacher and teacher training; education information systems/key performance indicators; and entrepreneurship.

Section II - MULTI-ANNUAL PROGRAMMING 2020-22

Section II outlines the principles, assumptions and objectives which shape the ETF's multi-annual programme and influence its annual work programme, which can be found in Section III.

Key principles

The ETF's interventions reflect priorities of the EU with reference to the human capital development (HCD) sector. Priorities for the operational direction of the ETF are agreed with the ETF Governing Board and EU services cooperating with the ETF.

Geographical prioritisation: Some interventions are common to all ETF partner countries, such as support to EU policy dialogue, and implementing data collection and periodic analysis. Specific country support on the other hand, is provided on the basis of criteria, taking into account EU priorities in the country, level of investments of the EU in the field of HCD, investments by other donors in the field of HCD and country ownership and commitment towards improving HCD policies and performance.

As regards particular circumstances, the ETF will not cover Syria in 2020 whereas active cooperation with Libya was resumed in 2018 and will continue in 2020 for the Torino Process if political and security conditions allow. In 2020-22, the ETF will also provide expert input and policy advice to the African Union and relevant EU programmes in the HCD sector in particular on qualifications and qualifications systems, skills and qualifications recognition, skills anticipation and matching tools and methods.

Differentiation: the ETF's interventions are differentiated according to the EU priorities as well as the context of each partner country; the ETF, through its Key Performance Indicator number 6 (country policy development progress) has developed a methodology for analysing the partner countries' policy context. This analysis guides the ETF's diversified approach to policy support and intervention logic in countries where it is actively engaged. In 2020, the ETF will release a report on the progress of the Country Progress Indicators (CPIs).

Ownership: the ETF's interventions consider the partner countries' readiness and willingness to engage in HCD reform; the ETF applies a participatory approach to policy learning, policy analysis and policy development which focuses on active engagement of relevant stakeholders from government, social partner organisations and civil society as well as experts and research organisations.

Cooperation and complementarity: the ETF engages in structured cooperation with the EU and with other international and bilateral actors to scale up ETF work and multiply its potential impact; this means in practice that the ETF manages its operations in a flexible manner, ensuring sustainability of actions, bridging between interventions where relevant, handing over to larger programs and ensuring its operational experience and lessons are constantly communicated to active projects for the benefit of the country and coordinated assistance in the field.

Impact: The ETF aims at contributing to the generation of impact at the system level in partner countries. Changes at system level are measured by indicators which track improvements in key areas of ETF support and thematic policy advice: the delivery of work-based learning; the modernisation of qualification systems and establishment of qualifications frameworks; inclusion of entrepreneurship as

a key competence; reinforcement of coordination and governance mechanisms; and production and use of evidence in monitoring and evaluating education and training policy;

Added-value: the ETF's added value comes from its neutral, non-commercial and unique knowledge base consisting of expertise in human capital development, in-depth knowledge of its partner countries and of EU policies, methodologies and tools, and its stakeholders' network encompassing national, regional and international level actors from the public and private sector, academia and civil society. ;

Organisational performance and development: the ETF applies a framework of indicators based on the Internal Control Principles and a core of 15 key performance indicators, to ensure efficient and effective organisational performance and proactive organisational change (see Annex VIII). This, together with a continued monitoring and evaluation of its operational delivery, performance and added value, provides the necessary evidence to ensure the quality of the work of the agency and a culture of quality enhancement and improvement.

Assumptions

The ETF multi-annual objectives have been proposed under the assumption that:

- the external environment in most of the partner countries remains socially and politically stable;
- institutional and political priorities in individual partner countries remain committed to and engaged in human capital development and socio-economic related policy reform processes;
- the network of key partner country stakeholders remains relatively stable;
- the ETF has resources in place to respond in a timely fashion and at a high level of quality and relevance to EC and EU Delegation requests, as well as to address country specific needs while safeguarding its thematic expertise focus and evidence and intelligence gathering function.

1. Objectives

The work of the ETF in the period 2020-22 derives on the one side from the strategic directions set in the ETF strategy 2014-20²², and on the other from the 'ETF Strategy 2027' approved by the ETF governing board in June 2019²³. The overall objective of the ETF is described in the mandate of the agency, namely 'to contribute, in the context of EU external relations policies, to improving human capital development'²⁴.

1.1 Specific objectives

The general objective is achieved through the focus on **three specific objectives** (i) supporting EU assistance in the context of EU external policies, (ii) ensuring intelligence and evidence gathering, analysis and diagnosis at all stages of the policy cycle, (iii) leading methodological development to support skills policies and systems change in partner countries.

The following sections outline the areas of intervention that will allow the ETF to achieve the specific objectives stated above.

²² <https://www.etf.europa.eu/sites/default/files/document/ETF%20Strategy%202014-20.pdf>

²³ <https://www.etf.europa.eu/sites/default/files/document/ETF%20Strategy%202027.pdf>

²⁴ Art.1.2 REG (EC) NO 1339/2008 : human capital development shall be defined as work which contributes to the life-long development of individuals' skills and competences through the improvement of vocational and education training systems

2. Areas of intervention

2.1 Support to EU assistance in the context of EU external policies

The ETF gives strategic priority to its EU support function both in its regional and country dimensions. Skills development interventions linked to education, training, employment, youth and other related social and economic policies remain high on the agenda of the Enlargement and European Neighbourhood Policies and consequently in the EU external assistance instruments. The financial allocation to the area of employment, social policies, education, promotion of gender equality and human resources development varies between 8% and 23% by country in the bilateral IPA II 2014-20 allocations. All the Single Support Frameworks 2014-20 for the European Neighbourhood Instrument South (ENI-South) include skills development as part of the three priorities for the programming period. In the ENI-East 2014-20 programming, priority is given to areas such as employment and VET, education or private sector development youth. In Central Asia all countries except Kazakhstan receive bilateral EU support for reforming the VET sector.

The ETF provides support to the EU institutions, namely the EC services, EEAS and EU Delegations, upon request, for:

1. the different phases of the EU bilateral and regional external assistance project cycle (identification, formulation, operationalisation and implementation, monitoring and evaluation, both for project and budget support modalities);
2. external assistance related EU bilateral and regional policy dialogue processes;
3. EU-led reporting and assessment processes on education and training reforms, such as the Riga mid-term deliverables or the ERP;
4. expert methodological support to external assistance and the facilitation of learning and sharing opportunities aiming at the most effective harmonisation and cooperation among EU actors active in supporting HCD in the context of EU external assistance.

Throughout 2020-22, the ETF will provide expertise support to enhance the relevance, efficiency and effectiveness of EU interventions and to contribute to their impact in the partner countries.

As a priority for 2020-22, the ETF will ensure high quality products and timely support for all relevant requests submitted by the EC and the EU Delegations related to EU external assistance programming, project cycle phases and sector/regional policy dialogue. The EU support function is based on a continuous interaction and consultation with the EU services and follows a specific assessment process allowing the ETF to determine the feasibility of timely delivering at the highest level of quality within the allocated resources. The ETF has in place a consultation mechanism which allows to anticipate demands and assess resources implications early on. At the same time, it retains a degree of flexibility to be responsive to new emerging needs and priorities in EU external assistance within the course of the year.

2.2 Intelligence and evidence gathering, analysis and diagnosis

The purpose of the ETF's work is to generate evidence on human capital trends and challenges for systematic monitoring and evaluation of education and training policies in a lifelong learning perspective. The ETF works both at system level as well as thematic and sector specific levels for analysis and diagnosis. This contributes to strengthening policy making in partner countries as well as proving support to the programming and project cycle of the EU in its external policies. The Torino

Process represents the ETF's flagship activity on assessment of human capital development and VET policy responses. It provides key deliverables in the form of country and regional assessments, that provide in-depth information and analysis on policy developments at country and regional levels. Furthermore, the ETF also aims to ensure in-depth thematic intelligence.

The ETF's priority for 2020-22 is to reinforce the information basis and systematic collection of evidence across all thematic domains. Both quality of evidence as well as its systematic use for policy dialogue and as input to EU programming and project cycle will be prioritised.

The ETF regularly collects evidence and analyses policies and performance of systems around the following areas: Qualification Systems (inventory), Governance (Inventory), Quality assurance (country fiches), Work based learning (country fiches), Employment and Employability (country fiches). Through its country intelligence function the ETF keeps up to date information on policy and sector developments, stakeholders in the sector including donors' interventions.

In 2020-22 the ETF will focus on:

1. consolidating the information basis and systematic collection of evidence across all ETF partner countries;
2. increasing access to evidence and information on human capital in partner countries;
3. increasing the policy relevance of analysis for supporting transition to life-long learning systems in partner countries.

2.3 Methodological development

Methodological development is a core area of work for the ETF, providing the basis for its policy advice and capacity building services. Among the key objectives of the ETF's work is to support the development of capabilities of partner country stakeholder groups to increase the relevance and effectiveness of sector and system performance.

The priorities under this area of work stem from the solid expertise domains of the ETF, which are the basis of its successful performance in supporting transition and developing countries. In 2020-22 the ETF will be widening the scope of its work to address the need to accompany countries towards a lifelong learning approach and support system and sector change to move in this direction at policy level. Key pillars of work will be (i) the relevance of skills, taking into account the changing demand from a national and sectoral perspective; (ii) the processes for the development of skills and (iii) across its thematic work, the ETF will continue to pay specific attention to the effectiveness of institutions and system efficiency, by supporting governance and the coordination of actors, quality assurance of systems and increased sector performance.

Relevance of skills: the ETF focuses on understanding skills demands from a territorial, national, sectoral and international perspective, as well as the effectiveness of skills and employment policies to ensure an adequate transition from the learning environment to the work environment. This is covered through a focus on (i) the modernisation of qualifications and qualification systems, (ii) the identification of present and future skills demand, (iii) the integration of young people in the labour market with special emphasis on transition from school to work and vulnerable groups (NEETs) and (iv) the skills dimension of mobility and migration.

Development of skills: the ETF's priorities are to support countries to make progress in the modernisation of skills development modalities and processes. In particular these areas are targeted

within ETF expertise support (i) introducing and enhancing work-based learning and digital and on line learning, (ii) strengthening the continuing professional development of vocational teachers and trainers; (iv) ensuring the development of key competences in VET, (v) working for excellence in VET with focus on centres of vocational excellence and (vi) career guidance.

Institutions and system efficiency: across its thematic work, the ETF focuses its attention on ensuring that policy advice is contextualised in the governance and specific context of beneficiaries. The ETF aims at supporting institutional development to increase system efficiency and performance. While this is ensured throughout its operations, specific actions are put in place in countries aiming at addressing specific governance challenges. In particular, the ETF supports countries in (i) assessing and developing financial mechanisms in support to reforms and management of the system, (ii) developing public-private partnerships, (iii) supporting the development of increased effective vertical and horizontal coordination mechanisms including decentralisation where relevant, in its dimensions of legal frameworks, institutional arrangements and participation of civil society. Furthermore, since 2017 the ETF has promoted a transnational forum on quality assurance, which is a key feature for ensuring the system efficiency.

Communication and stakeholder engagement

The delivery of the ETF's objectives is underpinned by strategic, innovative and user-centred communication ensuring a clear and coherent perception of the ETF, its relevance and added value among its different stakeholder groups. Communication is key to supporting open access to ETF products and outputs, evidence and thematic knowledge. Furthermore, as an EU agency, the ETF has a duty of transparency and accountability for its performance and use of public funds vis-à-vis the EU institutions and EU citizens. In 2020-22, special focus will be on enhancing the organisation's reputation and profile as a global centre of expertise and knowledge hub in the area of human capital development.

Networks of stakeholders are one of the ETF's key assets. The ETF works in cooperation with relevant international and regional stakeholders active in the field of human capital development including international and regional donors, and research and civil society organisations as well as private sector actors and social partners. The ETF works systematically with its stakeholders to share information, share expertise and methodologies and identify opportunities for joint methodological development and fieldwork cooperation.

Communication, knowledge dissemination and networking:

Besides meeting the day-to-day communication needs of the organisation, the main priorities for corporate communication in 2020-22 will be to:

- Integrate communication into the ETF's project and country activities starting from the planning stage and ensure timely dissemination of developments in the partner countries and results and findings of ETF activities through the ETF website, social media and publications;
- Further improve the ETF's digital communication platforms (intranet, website, online communities, social media) and integrate them more effectively with each other and with internal information systems;
- Promote a proactive approach to communicating with ETF stakeholder networks, producing tailored communication products for different target audiences in line with a map of ETF stakeholders and their communication needs;

- Maximise the value of the ETF's expertise content by packaging it effectively across multiple media (print, graphic, audio-visual, digital, etc.) to better meet the needs of different stakeholder groups and networks.

Partnership and stakeholder relations:

One of the key pillars of ETF's Strategy 2027 is to increase the ETF's delivery in partnership. A clear and well-defined partnership and stakeholder engagement approach is required in order to move the ETF towards more purposeful, efficient and focused partnerships, which will provide further benefit not only to partner countries through greater impact but also to the ETF itself.

Priorities for 2020-22 will therefore include continuing the cooperation already captured by institutional agreements (Annex VII) with EU member states, EU services and EU agencies (Annex XVI), as well as with international partner organisations including within the inter-agency network lead by UNESCO. With the review of the mandates of Cedefop and Eurofound completed in 2019, in 2020-22 the ETF will seek to increase exchange and synergies, in addition to thematic cooperation also in view of international cooperation now foreseen in the revised mandates of the tri-partite agencies under DG Employment. Cooperation will also be sought with newly established European Labour Authority (ELA).

A second priority will be to assess the opportunities to broaden the range and relevance of institutional partners and networks and increase the monitoring of the added value of partnership approach. Moreover, the ETF will explore opportunities for a stronger synergy with relevant partners for the dissemination and outreach towards wider groups of beneficiaries through digital and technological means, as well as by contributing to relevant networks by sharing the ETF expertise.

In 2020-22 ETF will prepare for the implementation of the Strategy 2027 and put in place mechanisms to differentiate its methods of work, streamline activities and make use of additional resources. The ETF's current and future partnerships will contribute to achieving this.

The ETF will continue to improve the quality and relevance of the membership of its networks, and seek opportunities to form more relevant and targeted partnerships to:

1. maximise the impact of its activities and interventions by increasing the scope and scale through partnerships;
2. disseminate its knowledge and products more accurately in order to maximise the uptake of its expertise, and share good practice;
3. support the EU external actions under the EU Enlargement and Neighbourhood policies and the global agenda for achieving the 2030 Sustainable Development Goals.

In 2020-22 the ETF will also:

4. foster stronger structured relationships on human capital development with multiple stakeholders for information dissemination and exchange, networking, methodological development and joint field activities according its priorities;
5. consolidate its international network including increasing the level of expertise sharing/contribution in regional and global networks so that its experience and expertise can benefit and contribute to the EU external relations priorities and actions in the field of HCD.
6. Increase cooperation and partnerships with relevant stakeholders to effectively allow the ETF to act as a knowledge hub in the field of HCD acting on the principle of 'delivering in partnership

3. Human and financial resource outlook 2020-22

Human resources management

The three main objectives for the period 2020-22 are to:

- strengthen the ETF's performance and expertise by investing in learning and development for all staff, and leadership and people management skills by promoting staff well-being and thus engagement;
- adapt and design human resources policies that promote modern HR management practices, support the sustainable development and performance of the organisation, and encourage the efficient and effective use of its expertise;
- ensure full compliance with the regulatory framework (i.e. Staff Regulations and their implementing rules) and adopt the Commission's human resources management system.

Finance and procurement management

For the period 2020-22 the challenge of optimising the trade-off between resources and performance will continue. The ETF will therefore keep focusing on budget performance and discipline while maintaining a robust, compliant and performing financial and procurement management cycle.

The main objectives in the area of financial and procurement management will be to:

- enhance the efficiency and effectiveness of budget implementation using information and communication technology, in particular e-procurement solutions;
- optimise the use of procurement instruments in particular by sharing standard procurement procedures with EC services and other agencies;
- implement the reformed EC financial regulation by adjusting administrative procedures, simplifying and streamlining financial rules when allowed by the regulation framework;
- implement efficient quality assurance measures within the performance management and risk assessment frameworks.

Information and communication technology management

ICT adds value to the ETF through excellent, staff centric products and services, providing solutions in a simple, innovative and agile manner. ICT solutions are secure, reliable and interoperable, focusing on the anticipation of ETF staff needs and initiatives and improving, enabling and leveraging ETF work.

The main objectives for 2020-22 will be to:

- deliver excellent ICT infrastructure;
- enhance ICT services and governance;
- enable seamless and secure mobility;
- advance information management, sharing and integration;
- be a catalyst for digital innovation.

Facilities management

Facilities ensures the effective and efficient operation of all aspects of the ETF site/premises to provide the agency, its staff and visitors with an optimal, safe and cost-effective working environment, while respecting corporate and regulatory compliance.

The main objectives for 2020-2022 will be to:

- develop and implement an appropriate Environmental Management System aligned with EMAS standards;
- improve the maintenance and management of the building and technological systems;
- improve safety on mission by fostering cooperation with EEAS and other agencies;
- provide healthy, safe and secure on site working conditions based on risk assessment and applicable regulations.

Accounting

For the period 2020-22, the ETF will continue to ensure high quality annual financial statements with the aim of receiving a positive audit opinion from the European Court of Auditors (ECA). The ETF will achieve this by maintaining and further enhancing its in-house accounting capacity. Therefore, the focus will be on maintaining robust, compliant and auditable accounts and related documentation.

Internal Control

In order to strengthen organisational performance, the ETF will continue to work in line with its internal control and risk management framework. Internal controls and audits help to provide reasonable assurance regarding the achievement of objectives in line with the principles of efficiency, effectiveness and economy.

For the period 2020-22, the ETF will continue to strengthen its internal controls through regular monitoring and assessment. Specific objectives for the period 2020-22 will include the development of an information security management framework.

The ETF will continue to benefit from and be active in the following EU agency networks regarding issues of common interest to exchange knowledge, experience, and examples of good practice: Audit Network, ICT Agencies Network, Accounting Network, Greening Agencies Network, Communication and Information Network, the Network of Agencies' Senior Procurement Advisors and the Inter-Institutional Security Training Awareness Group.

3.1 Overview of the past and current situation

The ETF's human and financial resources were defined in the Commission Communication (COM(2013)519 final) for the period 2014 to 2020, including a 10% staff cut and the cancellation of the annual 2% inflationary adjustment of the budget between 2014 and 2018. The ETF already completed the reduction of establishment posts from 96 to 86 in 2017. The 2019 budget increased again by 2% to €20 546 000.

To counter the reduced availability of resources, the ETF has gradually managed to increase the number of allocated staff to core operational activities from about 63% in 2015 to around 70% as highlighted in the job screening exercise whilst reducing administrative support, coordination and neutral functions. The increase in the operational category is noteworthy given that natural departures,

which were used to implement the staff cuts, took place almost exclusively amongst HCD specialists. In addition, the ETF took advantage of article 38.2 of the Financial Regulation and started to offset 'the effects of part-time work authorised ... by other appointments'. One additional HCD specialist (Temporary Agent – AD7) was recruited in 2018.

In parallel, the ETF has optimised its use of the budget contribution in particular by achieving a commitment rate of around 99.9% across the whole period. Savings under Title 1 staff costs have been carefully allocated to priority investments in order to improve working conditions (Title 2 premises and information technology) and to increase the operational budget in Title 3.

3.2 Resource programming for 2020-22

Financial resources

The source of the ETF's revenue is the EU contribution. The ETF may also receive additional financing from other sources such as project specific funding from the EU or other organisations.

Following a further 2% increase of the contribution from 2019 to 2020, the draft Multiannual Financial Perspective 2021-27 foresees an increase in 2021 to € 21 286 000 whereas after this period the budget will be capped at that level. The budget will therefore decrease in real terms in 2022, which will be accentuated each year until 2027.

The forecast for expenditure on Title 1 (staff costs) is based on the following assumptions: a cumulative salary adaptation in line with the Commission's assumptions²⁵ (+3.1% in 2019, +2.5% in 2020 and stable +2% in subsequent years) and a small decrease in the weighting factor. In addition, an upward impact on salary costs of the automatic increase in step and the annual reclassification exercise and savings deriving from staff turnover, working conditions and the retirement of senior staff replaced by more junior staff. Overall, the expectation is that there will be a small increase in staff costs.

The forecast for expenditure on Title 2 (infrastructure) is stable at a level of about €1.8m. This mainly covers expenditure on facilities and ICT. The significant improvements made to the premises in recent years should help to contain costs until 2020. However, in 2019, the ETF will work on an overarching digitalisation strategy, which may necessitate a subsequent increase in the ICT budget and therefore an overall increase of Title 2 beyond the €1.8m. In addition, an expected rise in the global cost of fees for Commission systems and services (e.g. ABAC, ABAC Assets, SYSPER, ePrior, a move to ARES and the signing of a service level agreement on cyber-security with CERT-EU) may outweigh savings from abandoning in-house systems.

The assumptions concerning the staff costs led the ETF to revise and reduce the budget forecast for Title 3 (operational activities) and look for ways to increase efficiency in delivering activities, as well as considering additional sources of operational funding such as project specific funding from the EU or other organisations. As per consolidated practice, savings in Title1 will be assigned to operational activities and, if appropriate, to infrastructure improvements.

Human resources

The ETF's total staff population will be 129 plus any additional recruits to offset the impact of part time during the period 2020-22. The ETF's HCD experts are a scarce resource, which creates the ETF's

²⁵ Budget Circular for 2020 – Agency Instructions (20 Dec 2018)

value added. All efforts will therefore continue to ensure that the proportion of staff allocated to operational activities is around 70% as demonstrated in the table below. By 2022, the increase in the job category of operational staff will be 10% compared to 2015. This will mainly be achieved by using more contract agents as junior experts.

Job type (sub category)	2015 (%) only ETF statutory staff	2016 (%) only ETF statutory staff	2017 (%) only ETF statutory staff	2018 (%) only ETF statutory staff	Estimation 2019-22 (%) only ETF statutory staff
Administrative support and coordination	23.83	18.56	18.15	19	20.08
<i>Administrative support</i>	16.69	14.55	14.23	13.30	13.57
<i>Coordination</i>	7.14	4.01	3.92	5.70	6.51
Operational	62.78	69.47	70.31	70.47	69.84
<i>Top level operational coordination</i>	3.01	2.27	2.31	2.17	2.17
<i>Programme management and implementation</i>	50.00	55.08	56.46	56.28	56.82
<i>Evaluation and impact assessment</i>	4.51	4.55	4.62	3.88	3.10
<i>General operational</i>	5.26	7.58	6.92	8.17	7.75
Neutral	13.38	11.97	11.54	10.47	10.08
<i>Finance/Control</i>	12.63	11.59	10.77	9.69	9.30
<i>Linguistics</i>	0.75	0.38	0.77	0.78	0.78

Growth of existing tasks

The EU budget will devote a significant increase of resources – to the tune of several billion euro – to the area of HCD in third countries during the next financial perspective. The ETF is the sole agency funded under the external relations part of the budget (Heading IV) and is the only agency devoted to the promotion of HCD in third countries. As such, it is expected that requests for the ETF's support to the implementation of EU actions will increase steadily during the coming years.

The ETF Strategy 2027 has also advanced on the question of EU resources, including assessing options for EU-funded initiatives. The proposals will be developed as of 2020.

Efficiency gains and internal redeployment

Since 2015, the ETF has implemented a series of initiatives aimed at making better use of staff resources. As highlighted by the job screening exercise, this has been successful, and the number of staff allocated to core operational activities has increased by 10% between 2015 and 2018 and is expected to be maintained until 2022. This has been possible by streamlining internal administrative procedures and workflows in spite of ever-increasing external demands on agencies to ensure good governance.

As part of the continuous reflections on how to make the delivery of ETF core business and support services strategic, efficient and impactful, management completed a functional review in 2018 with the aim of streamlining the organisation of operations and refocusing corporate efforts on strategic priorities. The resulting update of the ETF's organisational structure became effective as of January 2019 and a further alignment with the new strategy will take place in 2020.

In this context, the ETF will seek further opportunities to redeploy staff from support services to operational activities. In order to promote staff engagement and expand career perspectives, new calls for expressions of interest for voluntary internal mobility will be launched in 2020 and 2022 with the aim of creating positive challenges for staff through internal reassignments.

The ETF will continue to take into account the conclusions of the Common Approach regarding governance, management and efficiency. The ETF is already taking advantage of common services provided by the European Commission (activity-based accounting system (ABAC), Paymaster's Office (PMO), European Personnel Selection Office (EPSO), human resources management (SYSPER) and uses as far as possible common procurement procedures with the Commission and the other agencies including leading two inter-agency tenders. There has been emphasis on shared services between agencies in recent years and the ETF fully adheres to this principle. However, as a small agency, participation is not always cost effective. The ETF will assess all offers on a case by case basis to assess whether it will in fact lead to more efficient and cost-effective services both for the ETF and overall amongst the participating agencies.

Negative priorities/decrease of existing tasks:

The new strategy of the ETF redefines its working methods to take into account diminishing resources and increasing expectations on services of the agency and foresees a reduction in certain kinds of services:

- increase focus, review timing and introduce differentiation amongst regions in monitoring and policy assessment in partner countries;
- selective and diversified implementation of capacity building actions based on country context, EU political and programme framework and country ownership;
- replace stand-alone country level action with multi-country approaches;
- phase out ad-hoc pilot projects as well as one-off capacity building actions.

This will allow the ETF to focus its resources on two key areas in which the Commission can mobilise its services. These are policy dialogues, assessment, monitoring, and support to implementation through regional platforms and expertise sharing for countries beyond current partner countries.

Throughout the programming period, the ETF will actively seek guidance from European Commission services and its Governing Board to be able to adapt its activities to the changing priorities in EU external relations as well as internal policy developments.

Conclusion on the evolution of resources

The Commission's estimates for the adjustment of remuneration in 2020 has forced the ETF to revise the proposal for Title 3 downwards from an initially envisaged increase of €310 000 to a decrease of €48 900. This does not bode well for the next financial perspective where the forecast is an annual contribution of €21 286 000 without inflationary adjustments. In order to maintain a viable operational budget which can allow the Commission to take full advantage of the ETF to make the most of investments in HCD in third countries, it will be necessary to ensure alternatives to the EU contribution. This could be through targeted project funding to upscale ETF methodologies or to make

EU policy dialogue and regional actions more effective by using the EU's own agency as a project implementer.

Section III - WORK PROGRAMME 2020

Based on the context analysis in section I, and the ETF objectives in section II, this section outlines 2020 activities under three specific objectives: 1. supporting EU assistance in the context of EU external policies, 2. ensuring intelligence and evidence gathering, analysis and diagnosis, 3. leading methodological development to support skills policies and systems change in partner countries.

Lifelong learning will be the main focus of the ETF's 2020 Work Programme, which will be based on the three overall objectives of the ETF until 2020:

- Support to EU assistance in the context of EU external policies;
- System and thematic intelligence and diagnosis;
- Methodological development.

The ETF will deliver these objectives in partnership with other stakeholders active in human capital development and in accordance with its financial and human resource allocations for 2020.

1. Support to EU assistance in the context of EU external policies

The aim is to provide expertise support to enhance the relevance, efficiency and effectiveness of EU interventions and to contribute to their impact in the partner countries.

Outcomes	Indicators
The relevance of EU interventions in the partner countries on human capital development is enhanced with the ETF's support to programming/project design, monitoring and evaluation and implementation, and policy dialogue	80% of the EU services supported for programming/project design, monitoring and evaluation and implementation, and policy dialogue, assess the ETF contribution positively
The efficiency and effectiveness of EU interventions in the partner countries on human capital development are enhanced with the ETF's support to implementation, monitoring and evaluation	The ETF is requested to support implementation, monitoring or evaluation in 50% of its partner countries

Support to the EU is delivered through high quality and timely inputs and products to EU external assistance programming and project cycle phases both for project and budget support aid modalities, upon the request of EC services (headquarters and EU Delegations). The ETF also contributes to the implementation of EU regional initiatives and programmes with technical advice. It also provides inputs to the bilateral and regional policy dialogue embedded in the EU external relations and policy assessment processes by mobilising policy analysis and assessment results, such as those from Torino Process and thematic studies. The ETF facilitates knowledge and experience sharing among EU services involved in HCD related external assistance, by organising joint regional, thematic and methodological seminars to support increased harmonisation and effectiveness of EU external assistance in the field of HCD. In addition, the ETF develops methodological tools that are made available for use in the EU external assistance processes.

The number of requests in 2020 is expected to be at the same level as in previous years (2018: 106, 2017: 105, 2016: 105 requests) or slightly higher due to the expressed interest of the European Commission to involve the ETF in Africa and on an ad hoc basis in other countries such as Oman. The tendency of the geographical distribution of the requests is also expected to follow the trend of previous years: South Eastern Europe and Turkey 40-45%, Eastern Partnership and Southern and

Eastern Mediterranean both 20-25%, and Central Asia around 5%, the rest being cross-regional or not region specific. Support to the project cycle phases represents about 40% of the requests that the ETF receives, bilateral policy dialogue and reporting 40%, regional policy dialogue about 10%, the rest being thematic and methodological support requests.

1.1 Support to EU bilateral external assistance

The ETF provides support both for skills development programmes (or components within broader programmes) as well as sector programmes. The ETF is regularly requested by the EU Delegations to support identification, formulation and operationalisation of EU interventions in the partner countries as well as their implementation process through content and technical advice. In line with the end of the EU external assistance programming cycle 2014-20, in 2020 the ETF will be involved, based on the requests already received, in the identification and formulation of EU interventions in six of its partner countries, while it is expected that the ETF continues to provide content and methodological advice and monitoring support to EUDs in 17 partner countries for about 25 different EU interventions in the phase of implementation. The ETF has also been requested to conduct two project evaluations in 2020. The ETF is increasingly requested to support the EU Delegations in facilitating the sector policy dialogue related to budget support programmes. In 2020, this will take place in six of its partner countries. During the year, the ETF also responds to routine requests from the European Commission services such as providing an expert view on draft project proposals, monitoring and evaluation reports, disbursement files of budget support programmes etc. It is also expected that the ETF will continue to be asked to support the programming of the EU post-2020 external assistance through different expertise inputs.

1.2 Support to EU bilateral external assistance related policy dialogue and reporting processes

In 2020, the ETF will continue to support EU bilateral policy dialogue as part of its expertise input to DG EMPL, DG NEAR, DG EAC, DG HOME and EEAS. This is done by providing expertise and intelligence to bilateral sector policy dialogue meetings: (i) the Innovation, Information Society and Social Policy sub-committee meetings in the Enlargement region, (ii) the Cluster and People to People sub-committee meetings in the Eastern Neighbourhood, (iii), Education, Social Affairs and Health or Research and Innovation sub-committees in the Southern Neighbourhood as well as (iv) Mobility Partnership skills-related meetings and reports. In addition, in the Enlargement region, the ETF will contribute to the EC assessment of the Economic Reform Programmes within the Light European Semester, EC Country Reports (in particular Chapters 19 and 26) and the monitoring and reporting on the Riga mid-term deliverables thus facilitating the Enlargement dialogue and progress assessment in specific sectors. In the Neighbourhood regions, the ETF will prepare the annual Country Fiches on education, training and employment developments at the request of DG EMPL. Following up on the request received by the EU Delegation in Mongolia, in 2020 the ETF will provide input to policy dialogue and policy advice in the context of the new EU budget support programme.

1.3 Support to EU regional programmes

The ETF, as a member of Project Steering Committees, will provide advice on content issues to DG NEAR during the implementation of EU regional programmes. These include the YEM project in the SEMED region and the EU4Youth programme in the EaP region. In the EU4Youth programme, the ETF will also assist DG NEAR to guide the implementation of the studies on youth policies thematically and provide thematic input to regional events organised by the programme.

Upon request from DEVCO, in 2019, the ETF designed a new EU regional programme to reinforce dialogue and cooperation in skills and qualifications in Central Asia and Afghanistan. Following the approval of the programme by the DCI committee in 2020, the ETF will be involved in its launch and implementation.

Upon a request from DG NEAR, technical expertise will also be provided to the EU for the Digital Programme in the EaP region and its digital skills component in particular (specific input to be defined). In the WB6, the ETF will provide thematic expertise to the EU Policy Labs initiative and it will continue delivering expertise input to DG EAC for the implementation of the Pilot VET mobility scheme. Also, upon request from DG NEAR and DG CONNECT, the ETF will provide input to the digital agenda of the Regional Economic Area.

In 2020, the ETF will also continue to provide expertise inputs started in 2019 to the AU-EU Skills for Youth Employment Programme (SYEP) under the African Union EU agenda. The ETF will contribute through expertise to the thematic action focused on the development of the African Union Qualification Framework (AUQF) and the Pilot VET mobility scheme for Africa and the Enlargement countries, building upon its experience and expertise in the area of qualifications and qualifications systems in third countries. Furthermore, in its function as a knowledge broker, the ETF has been invited to be on the advisory board of the Development Cooperation VET Toolbox which provides services in the area of VET to countries outside the geographical area in which the ETF is currently operationally active.

1.4 Support to EU regional policy dialogue

Specific inputs will depend on the EU external assistance priority agenda, e.g. issues selected under the Eastern Partnership platforms, the Union for the Mediterranean ministerial agenda.

In the SEET countries, the ETF will be involved in the monitoring of outcomes of the Flagship initiative “Supporting Economic Development” in the area of VET, employment and social reforms, using the national and regional 2019 Torino Reports and other ETF monitoring products. In the WB6, support is provided to the European Social Affairs Platform (ESAP) implemented jointly by the Regional Cooperation Council and the International Labour Organisation.

Contributions to the EaP regional dialogue will be made within the framework of the Platforms 2 “Economic Development and Labour Market Opportunities” and 4 “Mobility and People to People Contacts” work programme through the organisation of peer learning actions and expertise contributions to events organised by relevant DGs. The ETF will also support DG NEAR in monitoring progress towards the 2020 deliverable number 18 in youth employment and transition to work and quality and attractiveness of VET, and in formulating new post-2020 deliverables for the regional cooperation.

1.5 Methodological support

The ETF will continue to develop its methodological expertise by building on previous work such as the methodology for assessing the credibility and relevance of sector strategies piloted by the ETF in

Montenegro²⁶ and, the guidelines for budget support indicators for budget support in the field of HCD²⁷

In 2020, the ETF will publish methodologies as part of a new publication series titled 'Methodological tools for EU external assistance in HCD'. The EC has also requested the ETF to conduct specific assessments of partner countries in 2020 for a detailed diagnostic analysis of the governance and financing of the education system²⁸.

Inputs will be provided to EC technical and methodological guidelines upon request and the ETF may deliver the annual training on HCD issues targeted at the EU Delegations for DEVCO.

The ETF facilitates knowledge and experience sharing among EU services involved in HCD related external assistance, by organising regional/thematic/methodological joint seminars to support increased harmonisation and effectiveness of EU external assistance in the field of HCD. In 2020 this series of seminars will continue in partnership with EU services, mainly focusing on thematic and methodological tools to support EU interventions.

1.6 Cross-country expertise input

The ETF participates and contributes to European Commission ET2020 Working Groups (WGs), on schools, higher education, VET, adult learning and digital education. Furthermore, the ETF is active in thematic groups such as the EQAVET Steering Committee, the Cedefop Network on career guidance and the Platform of European Associations of VET providers and the European Qualifications Framework (EQF) Advisory Group. The ETF is also a regular member of the Advisory Committee for VET (ACVT) and the Director Generals Committee for VET (DGVET). ETF expert opinions and comments will support EU documents in the thematic policy area as well as contribute to EU open consultations on relevant topics. Co-operation with Cedefop intensified through regular online meetings, systematic knowledge sharing and planning of a joint activity in 2020.

In the Eastern Partnership countries, the ETF will continue to support the regional "Make it Match" network started in 2014 under the Eastern Partnership platform 4 to support peer learning and exchange.

2. Intelligence and evidence gathering, analysis and diagnosis

Under this area of work the ETF will support partner countries in accessing evidence and using it for the systematic monitoring and/or evaluation of HCD policies.

Outcomes	Indicators
Increased availability of indicators and information across partner countries	Quantitative indicators (KIESE and National VET and LM indicators) increase by at least 50% Torino Process reports concluded Thematic inventories concluded

²⁶ The ETF methodological guidelines will be soon published on the ETF Website.

²⁷ In 2019, the ETF analysed the performance indicators in budget support programmes in the field of VET, skills development and employment in its partner countries. This work provides a valuable input for advising and designing future EU sector budget support programmes in the field of HCD. Based on its experience, the ETF will up-date the analysis and develop in 2020- a methodological note which will serve as a technical tool for supporting the selection, identification, and definition of performance indicators and respective targets in future budget support programmes in the field of HCD, as well as a key input for training to EU Delegations and other EC services involved.

²⁸ The scope, objectives, methodological approach, number of pilots and resources needed are being discussed with DG NEAR.

Increased policy relevance and uptake of ETF Torino process assessment by partner countries	Torino Process is used in at least half of participating partner countries for national and/or EU policy dialogue. Participation of stakeholders is increased by at least 10%
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In 2020 the ETF will continue gathering evidence and intelligence at both country and thematic level. The ETF will deliver key analytical reports covering both system level (Torino Process) and thematic level (inventories, fiches, specific thematic reports) including providing specific assessments aimed at supporting decision making or programming cycles.

As regards system level intelligence, in 2020, the focus will be on (i) the completion of the fifth round of the Torino Process, at national and regional level, (ii) reinforcing quantitative evidence collection with the updates of the KIESE and national data collection and (iii) completion of the ETF input to the Riga Conclusions and to the MTDs monitoring in candidate countries.

The fifth round of the Torino Process focuses on a quality and coherent assessment of VET policy²⁹ in a lifelong learning perspective in all ETF partner countries. This wider scope of analysis will take stock of human capital issues and assess the VET policy responses to address them.

To respond to demands from partner countries and EC, the fifth round of the Torino Process introduces a new deliverable, which is an ETF assessment. The purpose of the assessments is to provide a qualitative, consistent and reliable source of information for the planning of national policies and external support, in particular for EU assistance programming.

In 2020, the ETF will complete the Torino Process in the Eastern Partnership, with the regional analysis and policy dialogue organised as part of the Eastern Partnership Platform 4 work programme. Furthermore, in SEMED and Central Asia both the national and regional assessment and policy dialogue will take place in 2020. At regional level, in Central Asia, the ETF will contribute to the new post-CAEP EU regional initiative as well as incorporating the Torino Process principles in the monitoring of the Central Asia Strategy. In SEMED, the ETF will contribute to the follow-up to the 2019 ministerial conference on employment and labour, contributing to the declaration agreement through the establishment of a monitoring mechanism and relevant community(ies) of practice. The Torino Process cross-regional dimension including preparations for the 2021 international conference that concludes the fifth round of implementation of the policy analysis and assessment exercise, will start in the first half of 2020.

Regarding evidence collection, the ETF will continue to focus on the systematic collection of key indicators across ETF partner countries to reinforce policy monitoring and policy making. The ETF will continue with the production and release of KIESE indicators with reinforced cooperation national statistical offices. The ETF will also continue to actively cooperate with ILOSTAT, EuroStat in all regions and in particular take part in the ETS group and follow up developments under the new Stats regional project in the Eastern partnership. The ETF will continue to participate in the DGEAC working group on indicators. The National Data Collection exercise (specific indicators in VET and labour market) will be reviewed both in terms of methodology and feasibility of its sustainability via identified national data providers. The ETF Statistical Database will be fully operational and the reporting modules, in particular, will be further developed. The feasibility of opening up the database for external consultation will be investigated.

²⁹ A holistic view of VET is taken (IVET including post-secondary, CVT, ALMPs etc.)

Together with Cedefop, the will publish the findings of the progress achieved under each Riga MTD. The findings will be a key source of evidence supporting policy exchange on lessons learnt from Riga and the future perspectives post 2020, including a joint conference with Cedefop mid 2020.

Also, in 2020 the ETF will collect, analyse and disseminate evidence in the following themes and associated tools: the NQF inventory and validation inventory survey (4 SEET countries) in qualifications systems, the governance inventory, quality assurance country fiches, employment country fiches and new tools to monitor changing skills needs in partner countries and labour market dynamics, migration country fiches, careers guidance country factsheets, and Work-Based Learning country fiches. Furthermore, through its country intelligence function the ETF keeps up to date information on policy and sector developments, stakeholders in the sector including donor interventions. In order to improve the usability and accessibility of the country intelligence, in 2020 the ETF will launch the IT-based country intelligence monitoring system, IMAGE. This system aims at making information, knowledge and data accessible to different users and for different purposes, including interfaces with the Torino Process database and other digital platforms covering thematic expertise areas.

Under these priorities, the ETF will support partner countries in moving away from the ad-hoc creation of evidence and its limited use for policy making towards the importance of systematic evidence collection and communication among actors. Finally, the SBA analysis concluded in 2019, and follow-up recommendations for each of the 21 countries³⁰ will feed into the Torino Process analysis and will provide a basis for discussion in-country on priority setting particularly in the pre-accession region through the Economic Reform Programmes (ERPs) and programming assistance to the EU Delegations. The results of the SBA assessment finalised in 2019 in the EaP region will be disseminated in coordination with the EU and with the OECD.

The next phase of the SBA is being assessed with relevant services of the EC.

3. Methodological development

Methodological development is a core area of ETF work. It is the basis of its services in policy advice and capacity building and aims at supporting the development of the capabilities of partner country stakeholder groups to increase the relevance and effectiveness of sector and system performance. In 2020, the ETF will continue expertise development in its current range of thematic areas.

Complementing this continuity, new products will be developed, which will be innovative in design and thematic composition and seek to assist countries in moving from narrower VET to comprehensive lifelong learning systems. In particular, from 2020, the ETF will begin three new integrated cross-thematic initiatives, which will be implemented on a multiannual basis, clustering existing thematic areas and bringing together experts across these themes, to deliver products which support country needs: a) making skills relevant; b) developing skills; and c) making the systems and institutions efficient. These three new actions are further described below.

Across all themes, the ETF will use its online community, ETF Open Space, to gather intelligence, develop its expertise, disseminate its products, and network and engage with partner country and other stakeholders.

For each priority, a specific description of practice areas covered in 2020 is provided below.

³⁰ Syria and Libya are not included in the SBA assessment drive.

3.1 Relevance of Skills

The aim of the area 'relevance of skills' is to understand skills demands from a territorial, national, sectoral and international perspective, as well as the effectiveness of skills and employment policies to ensure an adequate transition from the learning to the work environment.

Outcomes	Indicators
NQFs and VNFIL systems developed or implemented in selected partner countries	Targeted partner countries apply ETF-developed policy recommendations, tools and methodologies in qualifications systems
Countries orient qualification system to EU systems and tools	SEET countries reference NQFs to EQF or progress towards; in SEMED and EE, NQF to EQF relationship is advanced; VNFIL and recognition systems progressed
Developed labour market and skills intelligence evidence, tools and mechanisms allow an improved alignment of E&T policies to the changing skills needs	At least half of the countries receiving ETF support use labour market and skills intelligence tools to inform VET and skills development policies
Comprehensive policies and mechanisms to facilitate transitions to work integrated in skills policies	At least 50% of countries covered by ETF activities use the information provided to establish mechanisms to support transitions to work
Increased information and awareness of partner countries about Mobility Partnerships with the EU to develop and implement migrant support measures	Follow-up reports to the EC services on progress achieved in the skills dimension of the Mobility Partnership in seven ETF partner countries

Modernisation of qualifications and qualification systems

ETF partner countries have made varying progress in modernising their qualification systems. Most of the 25 countries developing an NQF have adopted legislation, established some form of stakeholder platform body, allocated roles and functions to institutions, introduced some quality assurance tools and system elements aimed at quality-assuring qualifications and generated numbers of modern, outcomes-based qualifications.

ETF work on qualifications and qualification systems will continue to support countries in moving their NQFs through the development stages to make them a tool for modernising VET for lifelong learning, employability and competitiveness. All frameworks should produce similar benefits: relevant, portable qualifications that enable lifelong learning and are understood and trusted by employers. NQFs should also influence systems to be more outcome-oriented reaching into learning and teaching processes to directly benefit learners. Countries have developed and adopted outcomes-based occupational standards and qualifications. Now they need to properly implement them, which means linking to provision, the curriculum, teaching and guidance and information, their use in certification to underpin outcomes-based qualifications with quality assurance systems, and tools such as databases and registers.

ETF interventions are decided on the basis of an assessment of the development stage countries have reached. In SEET, priorities are to populate the frameworks more intensively, including by developing levelling methodologies; develop and operationalise systems for validation of non-formal and informal learning linked to the respective NQF; and produce tools such as handbooks and databases. The ETF will support four SEET countries in 2020 in analysing VNFIL progress, contributing four chapters to the broader European Inventory on Validation, a biennial production coordinated by the Commission which covers all EU and EEA countries. In SEMED, the priority is to define the role of the NQF in the respective national education and training system; provide advice on

legislation and the enabling infrastructure, including institutional arrangements. In Eastern Europe, the ETF will advise countries on integrating the VET and higher education components of NQFs, legislation, institutional functions and roles and methodologies for development, review and application of occupational standards; and, for more advanced NQFs, communication tools such as dedicated websites.

The revised European Qualifications Framework (EQF) Recommendation includes provision for third countries to compare their NQF to the EQF. In 2020, the ETF will advise the Commission and Member States, through its membership of the EQF Advisory Group, on the readiness of third countries to link their systems to the EQF. More broadly, the ETF will advise countries on national recognition practices, which will contribute to migrant integration into the labour market.

The ETF will disseminate its new toolkit “Qualifications and Skills, Benefits for People”, which advises partner country actors on how to channel the benefits of skills and qualifications to main user groups through decision-making on guidance, curricula and teaching.

Identification of present and future skills needs

Identification of present and future skills needs is a priority for ETF partner countries. Efforts so far have focused on the identification of mechanisms for better understanding skills demand at national, regional/local and economic sector levels including the launch of skills intelligence tools. They have also focused on using available information sources to understand the nature and extent of skills mismatch. However, these efforts are often ad-hoc, one off, donor-supported actions, while the intelligence they produce seems to have difficulties becoming embedded in regular planning routines.

Single tools and data from other sources (for instance Big Data) generate high amounts of complex information which are at times difficult to process and use due to capacity limitations. At the same time available information gives poor evidence for the identification of the nature and skills mismatch.

The ETF has supported partner countries in the identification of mechanisms to anticipate skills demand through the development of methodological guides (in cooperation with Cedefop and ILO) and peer learning activities. Based on the conclusions of the 2018 ETF International Conference “Skills for the Future” in 2020, the focus will be on: (i) supporting selected countries to upstream existing tools and mechanisms to analyse labour market needs or anticipate future skills needs or to set up new ones (ii) facilitating peer learning on the implementation and use of intelligence tools, with a specific focus on the use of Big Data for labour market analysis and skills needs identification (iii) creating new intelligence and deepening the debate with partner countries on the nature, extent and implications of skills mismatch in the broader frame of economic and technical change, (iv) understanding skills demand induced by technological change focusing on specific economic sectors.

In the skills dimension of smart specialisation, the ETF will build on its 2019 pilot of methodologies and tools in selected territories in the partner countries of the Enlargement and Neighbourhood regions. It will adapt the tool for use in new countries, also in EaP and SEET, and develop a working paper to share results and lessons to date. A full toolkit, with methodologies and country cases will be published in 2021.

In 2020 the ETF will develop the skills for the future case studies launched in 2019 as a follow up to the “Skills for the Future: managing transition” conference in November 2018, and publish a methodological tool and three national case studies. These case studies aim to observe changes that

technological transformation brings to the skills demand in specific economic sectors and how these are addressed in the ETF partner countries.

The ETF will complete and disseminate its compendium of representative cases, ETF and external, which describe and address challenges of new forms of employment, new occupations, skills demands and employment changes, impacts of new technologies, and employment relations in transition economies. As far as possible, findings will be discussed with social partners on the impacts of these changes in the employment relations and new forms of work and social partnership

The use of Big Data for skills intelligence, will continue, including the completion of a new guide with the ILO and Cedefop. The cooperation to design and deliver joint training courses with ITC-ILO on the future of work will also be launched as a follow up to the recent consolidated course on skills anticipation and matching. The ETF will provide capacity building and coaching/expertise support activities to selected countries and enhance the accessibility of methodological tools to stakeholders of the partner countries through digital means. Traditional approaches to country activities in terms of knowledge sharing on skills anticipation and matching will be replaced by thematic e-learning modules, where possible.

The ETF will start a multi-annual initiative to (i) understand the changing demand for skills by companies, individuals and the economy overall; and (ii) identify skills gaps and skills mismatches from qualitative and quantitative perspectives. Particular emphasis will be given to the skills needed for societies aiming at being inclusive, innovative, green and digital. In particular, this initiative will:

- Develop and generate new evidence on skills (skills needs, skills gaps, skills mismatches) using traditional labour market information sources and tools, Big Data and case studies.
- Develop and disseminate new methodological instruments and upgrade existing ones to better understand emerging skills needs (i.e. sector study methodology, Big Data methodology, skills mismatch methodology, etc.).
- Systematically share experience and knowledge on skills needs assessment tools in the context of developing and transition countries with the EU, international organisations and partner countries.

Transition to work

The 2016 round of Torino Process showed that most ETF partner countries are facing huge challenges in ensuring smooth transitions to work for young people, the low skilled, jobseekers and other vulnerable groups. To address this problem effectively, the ETF's priority will be to support partner countries to develop effective and systematic mechanisms to bring supply and demand together, so that people are equipped with the skills required on the labour market. The ETF will continue its policy advice and methodological support to countries, as well as through regional platforms and programs, aiming at increasing effectiveness of their actions and policies directed at addressing the challenge of youth employment.

Based on studies conducted in 2019 and 2020 in all regions, the ETF will disseminate the results of the analysis, and provide policy recommendations with the specific goal of shedding light on the challenges of labour market integration of different groups of young people with special focus on NEETs and young women. The study will inform policy makers, steer specific targeted actions and bring coherence to EU/international interventions on youth. Upon request, the ETF will also provide policy guidance on youth employability and overall labour market transitions aspects in all regions.

Skills development dimension of mobility and migration

Increased labour mobility puts education and training systems under pressure to provide skills that enable people to work both in domestic and foreign labour markets. However, as demonstrated by previous ETF work, imperfect labour markets and asymmetric information often prevent labour migrants from using their skills both in their country of origin or in their destination country, as recognition of qualifications, validation of skills, job matching mechanisms remain weak.

In addition to the work to better understand and recognise qualifications, the ETF will support EU policy dialogue with partner countries in the framework of the Mobility Partnerships, with a specific focus on labour market needs in the EU and on the development of links between EU and partner countries services (as launched in Tunisia in 2018). Mobility Partnerships are an opportunity to focus more closely on a country's skills development agenda and link migration developments with other domestic policy issues, in particular the domestic labour market and VET policy in partner countries. The ETF will systematically gather evidence on existing strategies, policies and measures in the field of migration in the partner countries. This work will contribute to reporting and monitoring progress in the implementation of Mobility Partnerships and, more broadly, to the EU partner country policy dialogue on migration. It could eventually inform support to the countries on how to better integrate migration policy with human capital development policies.

Because of this intelligence, the ETF will improve its way of reporting to the EU on the skills dimension of migration and mobility. The focus of the reporting will be on progress in related policy areas (NQFs, VNFIL, employability policies, attractive VET programmes, etc.) that could have an impact on the root causes of migration, with a particular focus on facilitating the transparency and portability of qualifications and skills in legal mobility schemes (including, circular mobility and return). It will also include a follow-up/update of the MISMEs inventories.

The ETF will complete and disseminate its study on migration and human capital in the Western Balkans, which looks at the relationship between migratory flows and human capital development and their use in the six economies.

The ETF will continue its partnership with the European Bank for Reconstruction and Development on the assessment and recognition of refugees' skills, as part of its continued facilitation of the exchange of information and experience among other relevant donors or players engaged in the development of human capital.

The ETF will foster cooperation with international organisations (ILO, OECD) and the EU agencies (Cedefop and Eurofound) bilaterally and within the framework of the Inter-agency Group on TVET, for knowledge-sharing on new approaches in this field

3.2 Development of skills

The aim of this area is to support countries to make progress in the modernisation of skills development modalities and processes.

Outcomes	Indicators
Work-based learning enhanced in different forms, with special attention to apprenticeships and internships/ traineeships, by involving social partners, companies, chambers and VET providers	All 5 candidate countries implement MTD WBL policy options and participate in EAfA A majority of EaP countries participate in the WBL Annual Forum / Modular Training

Partner countries exchange of good practice in vocational excellence and innovation in order to trigger change, reform and modernisation of HCD in partner countries	Network of providers established in participating countries Provision of information, knowledge, experience and advice on vocational excellence and innovation practices to experts, officials, institutions and providers from ten partner countries.
Countries develop capacity to innovate in curricula, teaching and qualifications.	New learning, innovative curricula and teaching identified. ETF-developed methodologies applied. Sustained best practice networks established.

Strengthening work-based learning (WBL) and digital and online learning

As in the EU, ETF partner countries have recognised the need to engage the private sector and business in VET provision and to strengthen the development and implementation of work-based learning in VET including apprenticeships. The first phase of ETF support to the partner countries focused on raising awareness on the potential and modalities for enhancement of work-based learning as well as the development of relevant tools. This prepared the ground for policy development and implementation. Facilitated by the ETF, all EU candidate countries have joined the European Alliance for Apprenticeships (EAfA) and made a commitment towards the EU to implement the Riga Medium Term Deliverables on work-based learning by 2020.

The priority for the next phase of ETF interventions is to help partner countries to develop and implement concrete policies to strengthen work-based learning in VET. More specifically, this will be achieved by (i) raising quality in work-based learning provision and (ii) improving mechanisms for employers' engagement and cooperation with vocational schools. The regional approach applied both in the SEET and Eastern Partnership regions in the previous awareness-raising phase has moved towards more country-specific actions since 2017.

The enhancement of work-based learning (WBL) will be addressed in the South Eastern Europe and Turkey and the Eastern Partnership countries. In the SEET region, the focus will be on country specific actions in the five candidate countries that have selected work-based learning as the top-priority among the EU Riga medium-term deliverables (MTD) for VET in 2015 and the organisation of the annual EAfA seminar jointly organised in co-operation with DG EMPL. The ETF will continue aligning its work with the European Skills Agenda, including the recently adopted Framework for Quality and Effective Apprenticeships; while more attention will be paid to the acquisition of key competences and qualifications through work-based learning.

On digital and on-line learning, the aim of the work is to ensure it is part of the modernisation of the VET systems in the countries. The specific objective is to raise awareness among policy makers and practitioners about the use of EU developed tools in supporting the introduction of distance and online learning in enhancing the quality of education provision. It is also to work with selected partner countries in introducing those tools in their systems.

Ensuring the continuing professional development of vocational teachers and trainers

The 2016-17 round of the Torino Process demonstrated that vocational teachers are a priority for almost all ETF partner countries. Strengthening the continuing professional development (CPD) of vocational teachers and trainers is a precondition for improved learning and teaching in VET and was established as one of five key priorities for VET in the EU until 2020. Over the last three years, the focus of ETF actions has been on improving the knowledge base, informing policy making and supporting the implementation of policy for professional development of vocational teachers in the SEET region through a series of demonstration projects, plus a network of national continuing

professional development coordinators and tools such as video pedagogy. Building on work carried out to date in this area, the ETF will give priority to: (i) expanding the geographical scope of the project, expanding the CPD network to other countries; (ii) going beyond continuing professional development to address the issues and opportunities of vocational teachers more broadly and extensively to help policy makers and practitioners benchmark provision and understand the conditions and the needs of the vocational teaching profession in their countries.

The ETF will increase its policy advice in this area, benefitting from the analysis completed in 2019 and lessons learned, and benefitting from further intelligence collected through the Torino Process. Close co-operation will be sought with ERISSE to support the regional network for teacher development in SEET.

Developing key competences

The interest and efforts of countries to increase the focus on key competences across curricula, and demands from the world of work, make this area one of the fastest developing in the interest and investments across partner countries.

Under this area, building on the thematic work completed in 2019 and on the experience in specific areas of work (in particular entrepreneurial learning, digital competences development), the ETF will focus on informing policy makers and practitioners in selected partner countries on the use of EU tools and instruments to develop digital skills as an integral part of the modernisation of their vocational education and training systems. The ETF will also support selected partner countries in the implementation of tools and instruments. Specifically, as part of the EU-Western-Balkans initiative, an ETF regional action will support VET providers to analyse their digital readiness and support digital competence development (by making use of EU tools such as DigComp and the JRC developed Self Reflection Tool for Digital and Online Learning (SELFIE)). This action will be supported by joining an existing EU platform or alternatively by setting up an ETF virtual network on Digital Skills. In 2020, having been instrumental in building the European Entrepreneurship Competence Framework (EntreComp)³¹, the ETF will disseminate its lessons learned to conceptualise and produce instruments for mainstreaming key competences in VET curricula for the 21st century, in collaboration with JRC.

The development of the digital economy is a key area of regional cooperation in both the WB6 and EaP regions and the development of digital skills is an integral part of it also supported by the EU. Building on the ETF position paper on Digital Skills and Competences, and Digital and Online Learning in VET published in 2018, country case studies in EU candidate countries as well as its hands-on knowledge of recent EU policies and tools (e.g. DigComp, DigCompOrg, DigCompEdu) developed by the European Commission, the ETF will increase its action in this policy area. The aim of the work is to ensure that the development of digital skills is part of the modernisation of the VET systems in the countries. The specific objective is to raise awareness among policy makers and practitioners about the use of EU developed tools in supporting the development of digital skills as a key competence in enhancing the quality of education provision. It is also to work with selected partner countries in introducing those tools in their systems. Finally, if requested by the partner countries or the EC, the ETF will support selected partner countries in the development of digital skills strategies/action plans

³¹ Bacigalupo, M., P. Kampylis, Y. Punie and G. Van den Brande (2016). EntreComp: The Entrepreneurship Competence Framework. Luxembourg, Publication Office of the European Union (<http://publications.jrc.ec.europa.eu/repository/bitstream/JRC101581/lfna27939enn.pdf>)

The ETF will continue working with selected countries on the introduction of entrepreneurship and digital skills as a key competences in the VET curriculum and in non-formal learning based on the approaches and instruments for key competences in a lifelong learning perspective developed in the European Commission's working groups in which the ETF has participated over the past few years in a consolidated partnership with main EU actors on the field (the EC WG on entrepreneurship education learning outcomes, the EntreComp framework WG, the DigComp WGs, etc.). The ETF will host a peer-learning event on EntreComp in Turin for partner country experts from SEET, SEMED and EAP, linking them with EU and JRC experts.

The ETF will start an initiative to create and apply new learning, including developing key competences. New learning encompasses key competences, innovative curricula development, digital and online learning, digital skills, innovative teaching and learning and modern qualifications. It will look at how learning is changing by mapping innovative practices in curriculum development and teaching practice, acquisition of digital skills, use of online learning, non-formal and informal learning and how these can be validated, and at experiential and work-based learning. It will seek to develop platforms, methodologies and tools to disseminate this innovation.

Career guidance

The latest round of the Torino Process confirms that the demand for career guidance in partner countries is on the rise. In recent years, the ETF has developed specific methodologies and tools, such as questionnaire-based policy reviews, a position paper, a practical tool to identify the best mix of delivery models/modalities, and tailor-made policy papers for countries on demand. The ETF has also designed and offered a one-week course on career guidance policy and practice for policymakers and planners in cooperation with ILO-ITC.

The ETF will complete, produce and disseminate its 2019-initiated innovative study on career guidance, which addresses career information systems; the key competence of career management; balancing formal and informal guidance sources; and coordination mechanisms among the various actors in the field, providers, careers services and so on.

Vocational Excellence and Innovation

Following the May 2018 EC Communication on Building a stronger Europe: the role of youth, education and culture policies, which proposed the establishment of Vocational Education and Training Centres of Excellence, the ETF is already engaged in the development of Centres of Vocational Excellence (CoVE) and has launched projects in Ukraine and North Macedonia. At the same time, the ETF is involved in Smart Specialisation development projects in cooperation with partners such as the JRC, in which CoVEs could play a crucial role in linking skills to competitiveness and innovation.

The Centres of Excellence concept offers an opportunity to enhance cooperation between initial and continuing training and formal and non-formal learning, promote cooperation between employers and training, including work-based learning and eventually other functions such as validation of non-formal and informal learning and social partnership in VET.

The ETF will build on its 2019 mapping of partner country practices in innovation, to establish a new network of providers across several countries. It will then facilitate the sharing of excellence, which will vary by country priority so that themes will span excellence in provision, teaching, governance, quality assurance and so on. Such providers, or centres of excellence, will act as multipliers for other providers. The ETF will link these centres to networks in EU countries and help them to apply for EU or international partnership and support. The ETF will seek to build partnerships mainly in existing

partner countries but potentially also in African countries and China. It will also develop criteria and guidance on excellence and disseminate existing thematically-relevant tools via the network.

3.3 Institutions and system efficiency

The aim is to support institutional development to increase system efficiency and performance.

Outcomes	Indicators
Social partners and other civil society organisations have stronger capacity to take an active role in VET governance at national and/or territorial level in selected partner countries	Social partners and other civil society organisations increased participation by 20% in VET governance actions in selected partner countries
Targeted countries introduce mechanisms for national and sub-national coordination in VET	85% of targeted countries
VET governance analyses inform policy options for good and multilevel governance including financing in selected partner countries.	ETF analysis on the sustainability of VET strategy informs decisions on potential new EU intervention
Further development and implementation of quality assurance mechanisms in VET in line with the EQAVET recommendation	At least 16 partner countries participate in the Transnational Forum on QA in VET and at least five partner countries identify systemic QA measures / or focus on the systematic monitoring of QA improvement

Many partner countries are developing initiatives in quality assurance and recognise the role of providers in this process, but measures remain mainly ad-hoc. The improvement of VET provision and VET systems requires a systemic and systematic approach to quality assurance (QA). The ETF will give priority to advocating systems for the regular review and modernisation of quality assurance policies, and mechanisms need to be regularly reviewed and modernised to be effective in meeting labour market demands and learners' needs.

Through knowledge sharing and peer learning, the ETF has raised partner country awareness and commitment to developing a systemic quality assurance approach in VET. The ETF's priority in 2020-21 will be to support partner countries in the systematic monitoring of QA improvements to allow partner countries to progress in planning and/or implementing policies and practices. The main tools will continue to be the ETF Transnational Forum for exchange and collaboration on QA issues in VET established in 2017 (SEET and SEMED regions). The ETF will expand the Forum in 2020, through extending participation to EaP countries.

Governance for lifelong learning

Public-private cooperation will be promoted across ETF operational activities with special emphasis on reinforcing the capacity and role of social partnership at national, territorial or sectoral level and the implementation of public-private partnerships in VET. The study on public-private partnerships conducted by the ETF in 2018 will be disseminated and the lessons learnt from the study will be integrated in the interventions under different thematic areas. In the area of governance, the ETF will focus on the following actions: Public-private cooperation will be promoted across ETF operational activities with special emphasis on reinforcing the capacity and role of social partnership at national, territorial or sectoral level. In this area, the ETF will continue its cooperation with the EBRD to ensure a wider involvement of the private sector at policy and system levels.

The ETF will continue engaging and promoting the role of civil society organisations, in particular in SEMED through follow up actions which will build on the dissemination of the survey on CSO completed in 2019.

In the field of subsidiarity, including decentralisation where relevant, the ETF will focus on countries that have opted to implement improvements in their VET governance through direct policy advice and facilitation of institutional capabilities development.

Cooperation with EU, international (in particular OECD), and regional institutions and initiatives will contribute to the implementation of these actions. More specifically, cooperation will continue with the Committee of the Regions, including ARLEM and CORLEAP, the European Economic and Social Committee and with EU social partners, including the Euro-Mediterranean Partnership (EuroMed) Follow up Committee. The ETF will continue to cooperate and exchange information and knowledge with Eurofound on social partnership issues.

The EGPA/IIAS network, the ITC ILO, Anna Lindh Foundation, will be partners for dissemination and knowledge sharing. Expertise input will continue for the institutional network of VET Centres and ERI SEE Steering Committee. The ETF will seize the opportunity of these forums and initiatives to disseminate the toolbox of governance products developed to support partner countries.

4. Communication

The objectives for communication are to ensure a clear and coherent perception of the ETF, its relevance and added value among its different stakeholder groups, support the achievement of the ETF's operational objectives through effective communication and ensure access to ETF products and outputs, evidence and thematic knowledge.

Outcomes 2020

- The ETF engages with its target publics and communicates a clear consistent message to stakeholders about its achievements and how they fit into the bigger picture of EU policy and support to the partner countries;
- Communication of the ETF's operational activities is coordinated and tailored to specific target audiences using an appropriate mix of channels and media;
- The ETF implements actions to build its reputation among policymakers, practitioners and experts as a knowledge hub on human capital development in developing and transition countries.

In 2020, the ETF will review its communication activities and develop a new communication blueprint to support delivery of the strategy 2027. The agency will focus on coordinating communication activities across the organisation to enhance their strategic impact. The ETF will broaden its engagement and reach through the use of digital and social media and step up online dissemination of its knowledge and outputs. The agency will prioritise cooperation with the EU Delegations and other institutional partners to widen dissemination and outreach at EU and country level as well as internationally to enhance the visibility and recognition of ETF outputs and knowledge.

5. Partnership and stakeholder relations

The ETF works with a wide range of external partners and stakeholder groups to ensure (i) that ETF's knowledge and expertise is known internationally and plays a role in thematic development at global level, (ii) that it contributes through partnership to ensure a harmonised and coordinated approach to interventions in partner countries, (iii) that innovative practices, research results and lessons learned by partners are feeding ETF's knowledge and expertise and, (iv) that the ETF can build on knowledge of, as well as contribute to global networks and relevant policy dialogues in the field of HCD.

Outcomes 2020

- Enhanced dialogue with the EU institutions and relevant EU bodies to ensure consistency with EU priorities and complementarity with EU policies and assistance actions.
- Reinforced cooperation with relevant EU Member State institutions by mobilising significant experience and practice with a view to disseminating them to the partner countries.
- Strengthened exchange with international and bilateral organisations and other relevant international and regional actors to ensure complementary approaches to HCD reforms

The joint work programmes with Cedefop and Eurofound will be strengthened through both knowledge and practice exchange as well as joint actions in the analysis of survey results, and expertise development in the ETF's thematic areas. Furthermore, the ETF will continue its cooperation with Eurostat in the area of statistics and evidence collection methods and take part in relevant regional actions.

The ETF will strengthen partnerships with international actors active in the field of human capital seeking opportunities for synergies aimed at developing new areas of work, disseminating ETF expertise and products. In particular, this will be done through partnerships involving the Interagency Group members (ILO, OECD; UNESCO and Cedefop) as well as with the EC and Member State actors and EBRD. The ETF will continue its exchange and cooperate with bilateral donors and regional organisations and seek to increase opportunities in 2020 for dialogue and cooperation with academia and research organisations as well as civil society.

The ETF will continue its cooperation with the ITC-ILO Turin based centre for the delivery of jointly designed training programmes.

ANNEXES

Annex I - Resource allocation

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ANNEX I - RESOURCE ALLOCATION

Planned resource allocation by areas of intervention in 2020

Specific objectives	Staff	Planned Budget	%
1. Support to EU assistance in the context of EU external policies	25.1	€4.20m	20%
2. Intelligence and evidence gathering, analysis and diagnosis	36.8	€5.61m	27%
3. Methodological development ³²	67.0	€11.15m	53%
Total ETF	129.0	€20.96m	100%

³² Includes direct capacity support to the partner countries.

ANNEX II – FINANCIAL RESOURCES 2020-22

TABLE 1 – EXPENDITURE

Expenditure	2019	2020	2021	2022
	Commitment and Payment appropriations (initial)	Commitment and Payment appropriations	Commitment and Payment appropriations	Commitment and Payment appropriations
Title 1	13 827 300	14 173 200	14 457 000	14,731,000
Title 2	1 764 800	1 878 800	1 832 500	1,808,500
Title 3	4 953 900	4 905 000	4 996 500	4,746,500
Total expenditure	20 546 000	20 957 000	21 286 000	21,286,000

Expenditure	Committed 2018	Budget 2019 (initial)	Forecast for 2020	2020/ 2019	Planned 2021	Planned 2022
Title 1 - Staff expenditure	13 343 844	13 827 300	14 173 200	+2.5%	14 457 000	14 731 000
Salaries & allowances	12 675 232	13 169 300	13 500 200	+2.5%	13 769 000	14 043 000
- Of which establishment plan posts	10 440 129	10 777 300	11 100 200	+3.0%	11 322 000	11 548 000
- Of which external personnel	2 235 102	2 392 000	2 400 000	+0.3%	2 447 000	2 495 000
Expenditure relating to Staff recruitment	11 850	9 000	19 000	+111.1%	9 000	9 000
Employer's pension contributions			-		-	-
Mission expenses	116 430	100 000	65 000	-35.0%	65 000	65 000
Socio-medical infrastructure	23 909	25 000	25 000	0.0%	25 000	25 000
Training	183 701	210 000	245 000	+16.7%	245 000	245 000
External Services	321 298	260 000	280 000	+7.7%	300 000	300 000
Receptions, events and representation	1 000	4 000	4 000	0.0%	4 000	4 000
Social welfare	10 424	50 000	35 000	-30.0%	40 000	40 000
Other Staff related expenditure	-	-	-		-	-
Title 2 - Infrastructure and operating expenditure	1 977 880	1 764 800	1 878 800	+6.5%	1 832 500	1 808 500
Rental of buildings and associated costs	946 353	649 347	737 024	+13.5%	712 700	712 700
Information, communication technology and data processing	841 450	911 253	937 576	+2.9%	915 600	891 600
Movable property and associated costs	11 500	20 000	20 000	0.0%	20 000	20 000
Current administrative expenditure	51 702	69 000	69 000	0.0%	69 000	69 000
Postage / Telecommunications	10 320	15 200	15 200	0.0%	15 200	15 200
Meeting expenses	116 555	100 000	100 000	0.0%	100 000	100 000
Running costs in connection with op.activities	-	-	-		-	-
Information and publishing	-	-	-		-	-
Studies			-		-	-
Other infrastructure and operating expenditure			-		-	-
Title 3 - Operational expenditure	4 820 164	4 953 900	4 905 000	-1.0%	4 996 500	4 746 500
Communications	477 556	422 000	375 000	-11.1%	375 000	375 000
Corporate Performance and Stakeholders	179 668	200 000	247 000	+23.5%	247 000	247 000
Operational Projects	3 522 534	3 681 900	3 648 000	-0.9%	3 768 500	3 518 500
Operational Missions	640 406	650 000	635 000	-2.3%	606 000	606 000
TOTAL	20 141 889	20 546 000	20 957 000	+2.0%	21 286 000	21 286 000

TABLE 2 – REVENUE

Revenues	2018	2019	2020	2021	2022
	Actual	Budget	Budget Forecast	Planned	Planned
EU contribution	20 056 297	20 488 990	20 937 022	21 286 000	21 286 000
Other revenue(Recovery from surplus)	87 703	57 010	19 978		
Re-used interest	17.91				
Total revenues	20 144 018	20 546 000	20 957 000	21 286 000	21 286 000

Revenues	2018	2019	2020		VAR (2020 /2019)	2021	2022
	Actual Budget	Budget	As requested by the agency	Budget Forecast		Planned 2021	Planned 2022
1. Revenue from fees and charges							
2. EU contribution	20 144 000	20 546 000	20 957 000		+2.0%	21 286 000	21 286 000
of which Administrative (Title 1 and Title 2)	15 323 249	15 592 100	16 052 000		+2.9%	16 289 500	16 539 500
of which Operational (Title 3)	4 820 751	4 953 900	4 905 000		-1.0%	4 996 500	4,746,500
of which assigned revenues deriving from previous years' surpluses	87 704	57 010	19 978		-64.7%		
3. Third countries contribution (incl. EFTA and candidate countries)							
of which EFTA							
of which candidate countries							
4. Other contributions							
of which delegation agreement, ad hoc grants	18						
5. Administrative operations	18						
6. Revenues from services rendered against payment							
7. Correction of budgetary imbalances							
TOTAL REVENUES	20 144 018	20 546 000	20 957 000	-	+2.0%	21 286 000	21 286 000

TABLE 3 – BUDGET OUTTURN AND CANCELLATION OF APPROPRIATIONS

Budget outturn	2016	2017	2018
Revenue actually received (+)	20 200 627.28	20 161 249.30	20 146 935.71
Payments made (-)	-20 415 006.34	-19 821 618.96	-19 757 647.62
Carry-over of appropriations (-)	- 539 762.94	- 395 807.83	- 377 681.40
Cancellation of appropriations carried over (+)	83 430.34	42 925.35	8 934.73
Adjustment for carry over of assigned revenue appropriations from previous year (+)	757 423.69	71 125.85	1 300.05
Exchange rate differences (+/-)	991.78	- 863.32	- 1 740.15
Adjustment for negative balance from previous year (-)			
Total	87 703.81	57 010.39	20 101.32

Cancellation of commitment appropriations

At the end of 2018 the ETF had only cancelled EUR 1 542.42 commitment appropriations which were not used in Titles 1 and 2.

Cancellation of payment appropriations for the year

In Title 3 (differentiated appropriations), there were EUR 9 967.98 payment appropriations which were not disbursed.

Cancellation of payment appropriations carried over

In 2018 there were EUR 8 934.73 payment appropriations carried forward and cancelled.

ANNEX III – HUMAN RESOURCES TABLES

TABLE 1 – STAFF POPULATION AND ITS EVOLUTION; OVERVIEW OF ALL CATEGORIES OF STAFF

Staff population		Actually filled as of 31.12. 2017	Authorised under EU budget for 2018	Actually filled as of 31.12. 2018	Authorised under EU budget for 2019	In draft budget for 2020	Envisaged in 2021	Envisaged in 2022
Officials	AD							
	AST							
	AST/SC							
TA	AD	55	56	55	56	56	56	56
	AST	30	30	30	30	30	30	30
	AST/SC							
Total headcounts		85	86	85	86*	86*	86*	86*
CA GF IV		9	10	9	12	13	13	14
CA GF III		23	25	22	24	24	24	24
CA GF II		8	6	8	5	5	5	4
CA GF I								
Total CA in FTE		40	41	39	41	42	42	42
SNE		0	1	1	1	0	0	0
Local Agent		1	1	1	1	1	1	1
TOTAL		126	129	126	129	129	129	129
External staff for occasional replacements		4.29		4.13		4.5	4.5	4.5
External structural providers		2.5	2.5	2.5	2.5	2.5	2.5	2.5

The Local Agent is responsible for mass copying, mailing and dissemination of ETF publications

* In 2018, on the basis of article 38.2 of the ETF Financial Regulation, for the first time the ETF used the opportunity to “offset the effects of part-time work” by recruiting one additional Temporary Agent (function group AD). Should all posts be filled in, the number of Temporary Agents employed would therefore be 86 +1. From 2020 it is expected to reach 86 +2

TABLE 2 – MULTI-ANNUAL STAFF POLICY PLAN YEAR 2020-22

Category and grade	Establishment plan in voted EU Budget 2018		Filled as of 31/12/2018		Modifications in year N-1 in application of flexibility rule 2018*		Establishment plan in voted EU Budget 2019		Modification in year N in application of flexibility rule 2019		Establishment plan in Draft EU Budget 2020		Envisaged in 2021		Envisaged in 2022	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA
AD 16		0		0				0				0		0		0
AD 15		0		0				0				0		0		0
AD 14		1		1				1				1		1		1
AD 13		4		3				5				5		5		5
AD 12		14		4				15				10		10		12
AD 11		8		9				9				10		12		10
AD 10		6		11				6				9		10		11
AD 9		12		13				12				13		12		12
AD 8		9		8				7				6		5		4
AD 7		2		5		1		1				1		1		1
AD 6		0		0				0				1		0		0
AD 5		0		1				0				0		0		0
Total AD	0	57	0	55	0	1	0	56	0	0	0	56	0	56	0	56
AST 11		3		1				3				1		1		1
AST 10		5		0				6				3		5		5
AST 9		8		8				8				10		9		10
AST 8		6		9				7				10		10		9
AST 7		4		0				4				4		4		4
AST 6		4		3				2				1		1		1
AST 5		0		5				0				1		0		0
AST 4		0		4				0				0		0		0
AST 3		0		0				0				0		0		0
AST 2		0		0				0				0		0		0
AST 1		0		0				0				0		0		0
Total AST	0	30	0	30	0	0	0	30	0	0	0	30	0	30	0	30
AST/SC1																
AST/SC2																
AST/SC3																
AST/SC4																
AST/SC5																
AST/SC6																
Total AST/SC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	86	0	85	0	1*	0	86*	0	0	0	86*	0	86*	0	86*

In 2018, on the basis of article 38.2 of the ETF Financial Regulation, for the first time the ETF used the opportunity to “offset the effects of part-time work” by recruiting one additional appointment (function group AD). Should all posts be filled in, the number of TA employed would therefore be 86 +1. . From 2020 it is expected to reach 86 +2

ANNEX IV – HR POLICIES

A. Recruitment policy

Officials

There are no posts for Officials at the ETF.

Temporary agents

Main selection principles:

There is no major difference in selection principles for contract or temporary agents. Both are governed by the Staff Regulations and their respective Implementing Rules as adopted by the ETF Governing Board. The selection principles for Temporary Agents (GB/15/DEC/09) were revised in 2015, and those for Contract Agents (GB/19/DEC/10) in 2019 on the basis of model decisions.

Both selection procedures include the following main steps:

1. setting up of a Selection Assessment Board (SAB) to be approved by the Director;
2. drafting of the vacancy notice and approval by the Director before publication. The vacancy notice includes amongst other things, the eligibility and selection criteria, the type and duration of contract and the recruitment grade;
3. publication and dissemination of the vacancy notice;
4. questions for the interview and written tests are prepared by the SAB with the support of HR staff before the names of applicants are disclosed to the SAB;
5. pre-screening of CVs of candidates, based on the eligibility criteria outlined in the vacancy notice, performed by HR staff;
6. screening of eligible candidates on the basis of CVs according to selection criteria outlined in the vacancy notice is performed by the SAB;
7. each time the SAB meets, minutes are drafted and included in the recruitment file;
8. assessment of candidates by the SAB. Proposal of a short-list of successful candidates to the Director for decision on the potential job offer and establishment of a reserve list where applicable;
9. all candidates who participated in the selection process are informed in writing of the outcome of the selection procedure.

Type of key functions, typical entry grades:

Temporary agents are normally recruited at the levels indicated below taking into account, in particular, the job market for the specific job profiles concerned:

- AST/SC: the ETF does not intend to recruit staff in this category, as such secretarial and clerical activities are mainly carried out by Contract Agents.
- AST1-AST3 are generally no longer recruited as Contract Agents are recruited instead for those related administrative functions.
- AST 4 as an ad-hoc decision (as in principle, Contract Agents is the preferred option) for Professionals where specific technical knowledge is required and longer professional experience (posts such as IT officer, budget officer, HR officer, ...).

- AD 5 - AD 9 for Experts (posts such as HCD Specialists), Professionals / Senior Professionals (posts such as Legal advisor etc.), Team Leaders where specific deep or very deep technical knowledge and expertise are required.
- AD 9 for Middle Managers (Heads of Units) and AD 12 for Managers at senior level (Heads of Department).
- AD 14 for the post the Director of the ETF.

Typical length of contracts of employment:

Unless otherwise specified in the vacancy notice, Temporary Agents are generally offered contracts of up to 3 years that may be renewed for another fixed period of generally up to 3 years. If further renewed, it leads to an indefinite duration contract as per article 8 of the CEOS. This does not apply to the Director's position, which is for a 5-year initial contract and may be renewed for not more than 3 years.

Contract agents

Type of key functions, typical entry Function Groups:

- FGI for archivist, mailing and mass copy support staff (manual and administrative support tasks) under the supervision of a Temporary Agent.
- FGII for administrative and technical support staff (clerical and secretarial tasks; financial, HR, IT, events and project assistance) under the supervision of a Temporary Agent.
- FGIII for senior administrative and/or professional staff (executive and/or technical tasks such as executive secretary, financial, HR, IT, events and project officers) under the supervision of a Temporary Agent.
- FGIV for professional/senior professional staff where specific deep or very deep technical knowledge is required (administrative, advisory tasks...) under the supervision of a Temporary Agent or for Junior HCD specialists.

Typical length of contracts of employment:

Unless otherwise specified in the vacancy notice, Contract Agents are generally offered contracts of up to 3 years that may be renewed for another fixed period of generally up to 3 years. If further renewed, it leads to an indefinite duration contract in line with article 85 of the CEOS and the related ETF Implementing Rules. For Contract Agents FGIV, they need to demonstrate a B2 level in a third EU language before renewal for an indefinite duration.

Seconded National Experts³³

Main selection principles:

Please refer to "Temporary Agents main selection principles" as selection principles are very similar

SNEs: type of key functions:

SNEs usually cover expert positions (posts such as HCD Specialist) where specific deep or very deep technical knowledge is required.

SNEs: typical length of secondment:

³³ NB SNEs are not employed by the agency.

SNEs are generally offered secondment for an initial year. The initial period of secondment may not be less than 6 months or more than 2 years. It may be renewed up to a total period not exceeding 4 years.

Structural service providers³⁴

Key tasks:

IT consultants/Software developers; Receptionists; Facilities support;

Tender procedure: Open tender

Duration of the contract - Framework contract signed for 4 years.

B. Appraisal of performance and reclassification/promotions

The agency's policy on performance appraisal and promotion/reclassification – short description

The ETF encourages each Reporting Officer to have open, constructive and frequent discussions with their staff to review progresses against objectives set, learning and development activities, to identify difficulties and support needs throughout the year as best practice in performance management. Staff members are also encouraged to have open, constructive and frequent discussions with their Reporting Officer.

The appraisal procedure

The Implementing Rules (GB/15/DEC/008 and GB/15/DEC/007) adopted by ETF Governing Board on the basis of model decisions describe the appraisal procedure for Temporary and Contract Agents respectively. Both comprise the following main principles and steps.

Main principles

An appraisal report is made on an annual basis for each staff member with at least one-month of service.

The report is a qualitative appraisal on efficiency, ability and conduct in service and must include a conclusion on whether the performance has been satisfactory or not, based on factual elements.

The Reporting Officer is the direct superior of the jobholder.

Main steps

- Each jobholder (JH) has eight working days to write their self-assessment;
- The Reporting Officer (RO) arranges for the formal dialogue (on performance and identification of training needs);
- Within 10 working days from the formal dialogue, the RO writes the appraisal report, adding a conclusion on whether the performance has been satisfactory; a specific conclusion on managerial performance is also added for managers (only for TAs);
- The JH has five working days to accept or refuse (with a reasoned explanation) the report.
- Where the report is accepted (with or without comments), the report is considered final and archived
- Where the report is refused, it automatically triggers the appeal process

³⁴ NB Structural service providers are not employed by the agency.

- Where the report concludes the performance has not been satisfactory, it triggers the approval by the countersigning officer

Reclassification procedure

The ETF Governing Board Decision adopted new reclassification rules for Temporary and Contract Agents in November 2016 on the basis of a model decision and has applied them as such from 2017 reclassifications.

STEP 1

The HR Unit launches the reclassification exercise once the appraisal exercise has been finalised.

The HR Unit informs the Director of the available budget.

STEP 2

The Heads of Department consult the Reporting Officers.

STEP 3

The Heads of Department (HoDs) and the Director examine the comparative merits of eligible staff. This comparison takes into account the following criteria:

- the appraisal reports
- the level of responsibilities exercised
- the use of languages

In case of:

- equal merits of staff based on the three factors above and/or
- if the budgetary resources available are exhausted and/or
- if the limitations of the multiplication rates for TAs are exceeded

the Director can consider additional factors for the comparative examination of merits.

The Director shall also take account the desired average reclassification period for CAs.

STEP 4

The Director meets the Staff Committee and discuss the proposals for reclassification and the possible additional criteria considered in case of equal merits

STEP 5

Following this meeting, the Director decides on the list of staff proposed for reclassification, fulfilling the conditions of not exhausting the budgetary resources available and the limitations of the multiplication rates for TAs.

The Director shall also take account of the desired average reclassification period for CAs.

This list is forwarded to the Joint Reclassification Committee (JRC) and made public to all staff by HR.

Staff eligible for reclassification, who are not in the list, can make an appeal within 10 working days. Staff can do so by addressing a memo, with supporting arguments, to the JRC.

STEP 6

The JRC carries out a comparison of the merit of staff eligible, taking into account the complaints received and the list published.

The JRC proposes to the Director a report including a recommendation on each appeal and a recommendation on the final reclassification list, which shall not exceed the budgetary resources available and the multiplication rates of average career for TAs.

Any complaints are also forwarded to the Director.

STEP 7

The Director carries out a final comparison of the merits of eligible staff and adopts a final list of staff reclassified, taking into account the budgetary resources available and the multiplication rates for guiding average career for TAs. The Director also takes account of the desired average reclassification period for CAs.

This final list is published to All Staff.

STEP 8

After each reclassification exercise, the Joint Committee draws up a report that may contain recommendations on the process.

This report is sent to the Director and to the Staff Committee and made public to staff.

As opposed to the previous Governing Board decision on reclassifications which referred to 1st July as the date for taking effect, the new decision, on the basis of a model decision refers to 1st January as the date for taking effect, implying a higher budget need.

TABLE 1 – RECLASSIFICATION OF TEMPORARY STAFF

The data will be updated by end 2019 with the reclassifications that took in 2019 (pending third EU language certification)

Category and grade	Staff in activity at 1.01.2017		No. of staff members reclassified in 2018		Average number of years in grade of reclassified staff members
	Officials	TA	Officials	TA	
AD 16					
AD 15					
AD 14		1			
AD 13					
AD 12		8		1	8.3
AD 11		9			
AD 10		7		1	4.5
AD 9		11		5	5.4
AD 8		10		2	4.3
AD 7		8		2	6.0
AD 6		2		1	3.5
AD 5		1			
Total AD		57		12	5.3
AST 11					
AST 10		1		1	4.5
AST 9		8			
AST 8		6			
AST 7		4		3	3.5
AST 6		2			
AST 5		4			
AST 4		5		1	2.0
AST 3		1			
AST 2					
AST 1					
Total AST		31		5	3.4
Total AST/SC					
TOTAL		88		17	8.7

Data for the reference period 2014-18 (as per Annex II §1 of the ETF classification rules GB/16/DEC/015 of 25 November 2016):

The data will be updated by end 2019 with the reclassifications that will take place in 2019 (pending 3rd EU language certification)

From	To	N° of reclassifications between 2014-2018	Total Average years
AD13	AD14		
AD12	AD13	3	5.1
AD11	AD12	4	11.4
AD10	AD11	2	4.3
AD9	AD10	10	5.4
AD8	AD9	9	3.6
AD7	AD8	11	4.4
AD6	AD7	2	2.8
AD5	AD6	2	2.7
Total AD		43	5.0
AST10	AST11	1	4.5
AST8	AST9	4	3.4
AST7	AST8	10	5.7
AST6	AST7	3	4
AST5	AST6	3	2.7
AST4	AST5	5	3.1
AST3	AST4	5	5.7
AST2	AST3	1	7
AST1	AST2		
Total AST		32	4.6
TOTAL		75	4.8

TABLE 2 – RECLASSIFICATION OF CONTRACT STAFF

Function Group	Grade	Staff in activity at 1.01.2018	How many staff members were reclassified in 2019	Average number of years in grade of reclassified staff members
CA IV	18			
	17			
	16	1	1	3.83
	15	4		
	14	4		
	13			
CA III	12	2		
	11	5	1	4.5
	10	10	1	2
	9	5		
	8			
CA II	7	3		
	6	1	1	7.5
	5	4	2	3.2
	4			
CA I	3			
	2			
	1			
TOTAL		39	6	4.0

C. Mobility policy

There are two types of mobility:

- Internal mobility
- Mobility between European Union agencies

Internal mobility

The ETF adopted a revised internal mobility policy in June 2012 that highlights the two ways in which staff can move from one position to another one. However, now that the ETF Governing Board has adopted the Implementing Rule governing the recruitment of Temporary Agents 2f (GB/15/DEC/009) that entered into force on 01/07/2015, the mobility of Temporary Agents is governed by that Implementing Rule. The principles in the ETF policy and Implementing Rule remain overall the same though and are presented hereafter.

Internal Mobility can have two different forms:

- Through reassignment of staff members in the interest of the service as par article 7 of the Staff Regulations

- Through internal publication of a post. In that case, the post is published at a range of grades within a function group corresponding to the type of post to be filled. Staff members are invited to send their application for the specific post with a view to its being filled further to a selection procedure.

In addition, to promote staff engagement and enlarge career opportunities, calls for expressions of interest for voluntary mobility were launched and resulted in a number of reassignments.

Mobility between EU agencies

The ETF Governing Board adopted the Implementing Rule governing the recruitment of Temporary Agents 2f (GB/15/DEC/009), which also governs the mobility of Temporary Agents between EU agencies. The main principles are highlighted hereafter.

In the vacancy notice, the post is published at the same range of grades as in the internal publication. It specifies that applicants must be Temporary Agents with at least two years' service, and have successfully completed a probation period.

In case of a successful procedure, the selected Temporary Agent will keep his/her grade, step and seniority. The contract duration shall be that of the preceding contract and his/her personal file shall be transferred to the new "employer".

Staff movement between the agencies and the institutions.

As can be seen from the table below, the ETF recruits circa twice as many staff from other agencies/institutions than depart from the ETF to other agencies/institutions. The majority of applications from other agencies/institutions are in the Administrative and Management areas whereas it is limited in the core business area due to the requirements linked to prior experience.

Year	Staff (TA+CA) recruited FROM other institutions/agencies	Staff (TA+CA) leaving TO join other institutions/agencies
2007	4	4
2008	5	0
2009	2	1
2010	4	1
2011	2	3
2012	8	5
2013	5	1
2014	1	0
2015	2	1
2016	3	3
2017	4	3
2018	0	3
TOTAL	40	25

D. Gender and geographical balance

Gender balance

The data provided below refers to **posts occupied** on 31/12/2018 and not FTEs, therefore 126 (85 TAs, 39 CAs, 1 SNE and 1 LA).

Contract (Function Group)	F	M	Total
Temporary Agents (AD)	31	24	55
Temporary Agents (AST)	24	6	30
Local Agents (AL/N2)		1	1
Contract Agents (II)	5	3	8
Contract Agents (III)	20	2	22
Contract Agents (IV)	6	3	9
SNE	1		1
Grand Total	87	39	126
TA, CA, LA, SNE	F	M	Total
AD associated level	38	27	65
AST associated level	49	12	61
Total	87	39	126
Managerial position	F	M	Total
Middle Managers	4	1	5
Managers at Senior level	2	3	5
Total Managers	6	4	10

Geographical balance

The data provided below refers to **posts occupied** on 31/12/2018 and not FTEs, therefore 126 (85 TAs, 39 CAs, 1 SNE and 1 LA).

Nationality ³⁵	Total	%
AT	4	3%
BE	8	6%
BG	1	1%
CY	1	1%
CZ	1	1%
DE	6	5%
DK	1	1%
EE	3	2%
ES	6	5%
FI	3	2%
FR	5	4%
GR	2	2%
IE	3	2%
IT	51	40%
LU	1	1%
LV	2	2%
MA	1	1%
MK	1	1%
NL	4	3%
PL	2	2%
PT	2	2%
RO	5	4%
SL	1	1%
TN	1	1%
TR	1	1%
UA	2	2%
UK	8	6%
TOTAL	126	100%

³⁵ Austria (AT), Belgium (BE), Bulgaria (BG), Cyprus (CY), Czech Republic (CZ), Germany (DE), Denmark (DK), Spain (ES), Estonia (EE), Greece (GR), France (FR), Finland (FI), the Republic of North Macedonia (MK), Hungary (HU), Italy (IT), Ireland (IE), Luxembourg (LU), Latvia (LV), Morocco (MA), Netherlands (NL), Portugal (PT), Poland (PL), Romania (RO), Slovenia (SL), Tunisia (TN), Turkey (TR), United Kingdom (UK), Ukraine (UA).

E. Schooling

Turin has a range of international schools, which aim to attract students from the wider community. Examples of international schools include:

- *Altiero Spinelli*: international state school covering ISCED 0 to 3. In every grade, languages are taught by Italian state school teachers, and by English, French and German native speaker advisors;
- *International School of Turin*: private international school offering a complete academic programme in English covering ISCED 1 to 3. The school follows an international curriculum, which leads to the completion of both the American College Preparatory Diploma and the International Baccalaureate (IB) Diploma;
- *Lycée français Jean Giono*: French school, covering ISCED 0 to 3 offering curricula in French, Italian and English;
- *Istituto Vittoria*: Italian state-recognised private school covering ISCED 0 to 3 offering a 4-year upper secondary programme in English, which leads to the Cambridge International Certificate of Education (ICE) and the International Baccalaureate (IB) Diploma;
- *Wins World International School of Turin*: private international school offering a complete academic programme in English covering ISCED 0 to 3.

Due to the absence of a European School in Turin, and to support the ETF's capacity to attract and retain staff, the ETF covers up to 50% of the cost above the ceiling foreseen in the Staff Regulations. This is considered as a social support measure.

ANNEX V - BUILDINGS

	Name, location and type of building	Other comment
Information to be provided per building:	Villa Gualino, Torino, Italy	The ETF closed its Brussels Liaison Office 31.05.2019
Surface area (in square metres) Of which office space Of which non-office space	6,000 2,175 3,825	
Rent (in EUR)	1	
Type and duration of rental contract	Rent is covered by a Convention for 30 years until 2027 complemented by detailed service contracts	
Host country grant support	NO	
Present value of the building	N/A	

ANNEX VI - PRIVILEGES AND IMMUNITIES

Agency privileges	Privileges granted to staff	
	Protocol of privileges and immunities / diplomatic status	Education / day care
<p>* Local premises have been provided by local authorities on the basis of a convention that provides for the following main essential points: ETF to participate in the costs of refurbishing the premises to be used, ETF to pay a symbolic rent, ETF to participate in the costs of maintenance of the building</p> <p>* General support is provided by Italy against unauthorised access or other forms of disturbances to the premises.</p> <p>*ETF is authorised to install and operate communications systems.</p> <p>* ETF official communication is not subject to any restrictions or to confidentiality breaches.</p> <p>*The Protocol of privileges and immunities is applicable to ETF.</p> <p>* ETF, its assets and funds may not be subject to administrative or legal measures of constraints.</p> <p>*Premises (including temporary premises) and buildings are inviolable, except in case of emergencies/ fire.</p> <p>* ETF, its assets and funds are exempt from taxes or direct duties, except for taxes on public services.</p> <p>* ETF is exempt from the payment of VAT for purchases of goods or service. The value of the exemption is established in the law applicable to international organisations in Italy.</p> <p>* ETF imports and exports are exempted from customs duties, taxes, prohibitions or restrictions.</p> <p>* Goods transported as hand baggage are treated as diplomatic luggage.</p> <p>* ETF vehicles are exempted from any taxes, duties or fees or from any import prohibitions/ restrictions.</p> <p>* ETF exempted from payment social security and health insurance contributions on salaries paid to staff, except for local agents.</p>	<p>*Staff immune from legal proceedings for acts performed in the exercise of their official duties.</p> <p>* Staff exempted from taxes on salaries and emoluments paid by ETF.</p> <p>* Staff, spouses and dependent members of family not subject to immigration restrictions or registration formalities for foreigners.</p> <p>* For currency exchange staff has the same privileges as officials of equal rank in the diplomatic missions.</p> <p>* Staff, spouses and dependent members of family receive assistance for repatriation in the event of international crises.</p> <p>* Staff who is neither permanently resident in Italy at the time of their appointment, nor Italian, may, duty-free and without prohibitions and restrictions, import from the country of their last residence or the country of which they are nationals, when they first take up their post, for a period of one year from their appointment for a maximum of two shipments, their own furniture and personal effects, including a vehicle bought at the conditions of that country, which will be registered in special series.</p> <p>* Staff may export, in the year following the date of cessation of their duties, without prohibitions and restrictions, their own furniture and personal effects, including vehicles.</p> <p>* The ETF Director, spouse and dependent members of family, is granted privileges and immunities, facilities and concessions granted by the Italy to members of equivalent rank in the diplomatic corps in Italy.</p> <p>* Staff, who is neither permanently resident in Italy at the time of their appointment nor Italian, may, when they first take up their post, for a period of one year from their appointment purchase a motor vehicle free from taxes and charges.</p> <p>* Italy issues a special identity card to staff, spouses and dependent members of family to prove that the holder is ETF staff and enjoys privileges and immunities.</p>	None

ANNEX VII – STRATEGY FOR COOPERATION WITH THIRD COUNTRIES AND/OR INTERNATIONAL ORGANISATIONS

The ETF Mandate

The ETF mandate is to ‘Contribute, in the context of EU external relations policies, to improving human capital development’ in countries identified under Article 1.1 of the regulation. These are:

- countries eligible for support under Regulation (EC) No 1085/2006 and subsequent legal acts
- countries eligible for support under Regulation (EC) No 1638/2006 and subsequent legal acts, and
- other countries designated by decision of the Governing Board on the basis of a proposal supported by two-thirds of its members and a Commission Opinion, and covered by a Community instrument or international agreement that includes an element of human capital development, as far as resources allow.

The ETF refers to the above named third countries as its ‘partner countries’.

ETF’s multi-annual objectives and annual work programme are based on

- EU priorities and external relations policies in the field of HCD,
- Level of investments of the EU in countries in the field of HCD,
- Presence of other donors in the HCD sector, and by
- An in-depth assessment of reform needs based on participatory processes and evidence based analyses.

The ETF mandate (Art.2.d/ Art.2.f) further refers to the

- facilitation of exchange of information and experience among donors engaged in human capital development reform in partner countries, and
- the dissemination of information and encouragement of networking and exchange of experiences and good practices between the EU and partner countries and amongst partner countries in the human capital development issues.

Based on the mandate of the ETF, this work programme (SPD 2020-22) is in full its response to the strategy for cooperation with third countries and international organisations and includes strategic directions, areas of interventions and outcomes.

The ETF 2027 strategy approved in June 2019 by the Governing Board provides the basis for the strategic direction of cooperation with international partners for the years to come.

Stakeholder engagement strategy

The ETF has a stakeholder policy in place, which outlines priorities, levels and modalities of cooperation with groups of stakeholders involved in the interaction with the agency at different levels of cooperation.

Furthermore, in 2019 the ETF introduced a new Stakeholders Relations Management System (SRM) which will allow the ETF to monitor interaction with a wide range of stakeholders from third countries

and international organisations more closely, and identify areas for further engagement and cooperation development in support to the achievement of its multi annual objectives.

The ETF will continue to engage with international donors and stakeholders active in the human capital development sector to exchange knowledge, develop expertise and coordinate actions in accordance with the Paris Declaration in countries where the ETF operates.

Cooperation with stakeholders in third countries

Countries of operational relevance. In countries where the ETF is operationally active, stakeholders are both involved in policy dialogue as well as are beneficiaries of actions. The ETF has a system through which for each country 'Key country stakeholders' are identified. These are mainly decision makers and key policy setters in the area of human capital development. The network of country stakeholders is wider including both public and private organisations at both national and sub-national levels, providers' organisations, social partners, academia, think tanks and civil society organisations.

In countries where the ETF is not active, the ETF maintains a relation of knowledge sharing based on access to its tools, knowledge and experiences through the website and the ETF Open Space network, which is accessible across the world.

Cooperation with international organisations

Cooperation with wider international actors investing in the area of human capital development is a key component of the ETF outlook for 2020-22. Whilst a new ETF partnership policy is being defined as part of the ETF Strategy 2027 implementation, ETF already cooperates and will seek further cooperation with international financial institutions, as well as other multilateral and bilateral donors, research organisations and civil society, driving thematic development and implementation.

Joint work with other EU agencies, in particular Cedefop and Eurofound, will be strengthened in areas of shared interest to ensure mutual benefit and exchange of experience between the EU and partner countries.

Currently, ETF cooperates with international organisations (bilateral, multilateral, and knowledge/policy networks/platforms/processes) at three different levels:

- **Operational level:** In countries where the ETF is active, it engages with international organisations to exchange best practices, provide expertise, share knowledge, coordinate activities and ensure synergy in the delivery of its support to these partner countries. In several countries, specific joint actions have been agreed in the form of a specific letter of intent/cooperation agreement, or through a more formal Cooperation Agreement, signed after endorsement by the ETF's Governing Board.
- **Thematic cooperation.** The ETF cooperates with international organisations through the 'Interagency group' as well as with regional actors involved in human capital development to exchange information, agree on cooperation as well as development of joint knowledge products. ETF contributes through its unique in-depth knowledge of HCD policies and practices as well as a wide experience in country contexts supporting the development and improvement of policies in the sector. Thematic cooperation is part of ETF's mandate but where specific actions take place in the form of a joint publication, a joint training programme or a joint event, a letter of intent/memorandum of understanding is exchanged.

- **Knowledge networks.** The ETF contributes to thematic and regional knowledge networks, or policy platforms in the area of human capital development.

ANNEX VIII – STRATEGY FOR ORGANISATIONAL MANAGEMENT AND INTERNAL CONTROL SYSTEMS INCLUDING THEIR ANTI-FRAUD STRATEGY AS LAST UPDATED

The ETF has followed the Commission's approach to internal control to:

- Ensure the highest efficiency of ETF management systems (optimal use of resources, reduced disruption of normal operations, reduced disruption of management time)
- Ensure the identification of gaps/future management needs (in particular in view of implementing the ETF strategy 2020-2027)

Recent actions

April 2017: The ETF reviewed its performance management framework. This was inspired by CAF (Common Assessment Framework, 2013 version) and supported by a performance, planning measurement and reporting policy, and a set of corporate performance indicators

November 2017: The ETF formally adopted the 17 Internal Control Principles. The new principles follow the Commission's revised approach to internal control.

January 2018: The ETF adopted the internal control methodology and indicators. The aim was to strengthen the internal control systems through regular and integrated monitoring and strengthened annual assessment.

2019: Awareness training of an ETF anti-fraud strategy to all ETF newcomers and action plan (November, 2014). This has been implemented and followed up by continuous awareness raising initiatives

January 2019: The role of the Internal Control Coordinator and support function was transferred from the Strategic Development Department to the Resources and Services Department.

Ongoing and future developments

Information Security: in 2019 a project started to put in place a management system in the spirit of IEC/ISO 27001 in 2020

Environment: end 2019 a project will start to create an environmental management system with the objective to be EMAS registered and possibly ISO 14001 certified

ANNEX IX - EVALUATIONS

Evaluations in the ETF are integrated into the overall performance management system of the Agency. They aim to assess the results, impact and added value of the ETF activities using the evaluation principles based on the European Commission, 'Better Regulation Guidelines and Toolkit' to:

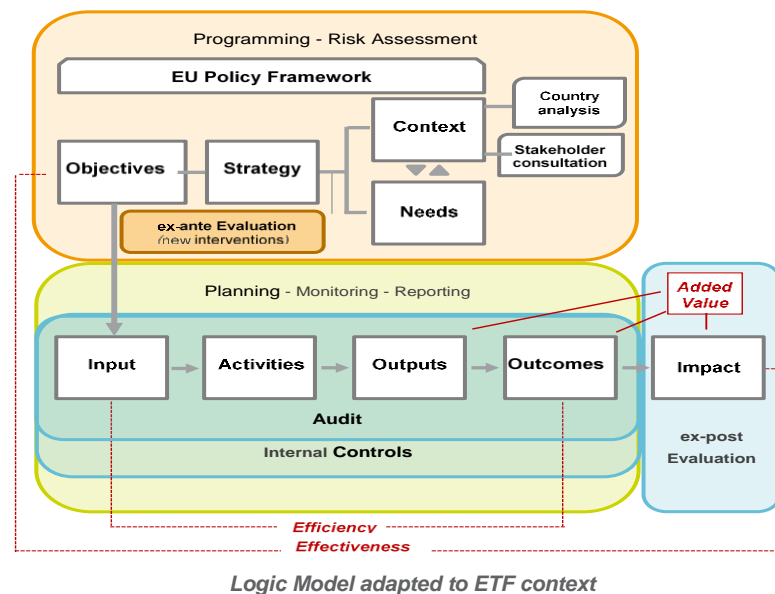
- Capture the results of ETF's interventions and provide evidence of the ETF's results and impact and added value
- Improve the ETF's long-term capacity to achieve results and impact by identifying and disseminating the lessons learned from experience
- Identify opportunities to adapt ETF's interventions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

Evaluations are commissioned either by the ETF or by the European Commission.

As an Agency of the European Commission, the ETF is subject to 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. The action plan is entered into the ETF Improvement Plan with regular report to the Commission and Governing Board.

ETF commissioned evaluations mainly focus on assessing the extent to which the ETF's activities have achieved the planned results, the added value and impact. According to the ETF Financial Regulation³⁶, retrospective evaluations shall 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.



³⁶ Financial Regulations of the European Training Foundation, Turin, 15 June, 2019 (GB-19-DEC-008)

Evaluation of EU Agencies in the field of employment and social affairs - Action plan

Agency specific recommendations for the ETF³⁷

Recommendation in Staff Working Document	Response by ETF	Proposed action by ETF	Time frame
28. Given that the capacity of ETF's partner countries varies considerably, ETF must do more to understand where its interventions are likely to have the most effect and how the nature of the required activities may vary.	Country interventions are designed following a detailed analysis of the country context, policy analysis and stage of development as well as taking into account the criteria of EU prioritisation and related assistance; country ownership and commitment for reform; and country stability.	The findings from the 2019 Torino Process conducted in all partner countries as well as the new strategic orientation on differentiation adopted by the GB as part of the new ETF strategy 2027 will be used to programme country interventions for 2021 – 2024.	November 2020
29. To ensure sustainability and adequate policy implementation by partner countries following ETF activities, more systematic links could be put in place between ETF projects and EU programming and technical assistance.	As part of the operationalisation of the ETF strategy 2027 the ETF has initiated an enhanced collaboration with the EU services in programming and technical assistance in the partner countries with DGs (in particular with EMPL, NEAR, DEVCO, EAC, GROW and HOME) to identify better synergies with EC programming and technical assistance.	The ETF receives over 100 requests for support from EU services on an annual basis. More discussion with EC services through the structured dialogue process on how best to put in place systematic links for this support. The ETF continues close collaboration with EU Delegations on programming.	October 2019
30. In the same vein, better use could be made of the Torino process to identify the conditions needed for successful interventions and to inform about the choice and right sequence of interventions.	The Torino Process has as its primary objective the analysis and assessment of human capital policies in partner countries. As such the Torino process is an input to the identification of needs and intervention but it is not to be intended as a direct outcome of the Torino process and its assessment reports.	The ETF has reinforced the dissemination of the TRP findings and policy uptake by countries, EU and other donors through specific actions, which have been added to the Torino Process milestones in the preparation and validation and dissemination phase at country and regional levels.	June 2020
31. ETF's operational capacity could be strengthened based on cost savings stemming from improved cost-effectiveness and efficiency gains. Any gaps in internal expertise could be filled by using external experts with specific country knowledge.	The ETF constantly strives to identify areas for cost-effectiveness and efficiency gains in the annual work programme. Additional expertise is contracted when resources are available. However, given the current Multiannual financial framework forecasts, the ETF operational budget will decrease over the next 7 years.	ETF to explore with EU services on how to deploy ETF expertise in actions such as thematic studies and surveys.	November 2020
32. In addition to the biannual structured dialogue meetings between ETF and the Commission, communication and coordination could be strengthened to better focus on strategic issues in work programmes.	In the future the ETF will continue to strengthen EC involvement in ETF-led processes wherever possible. The ETF benefited from the input of the Commission during the consultation process for the development of the new ETF Strategy 2027.	ETF will continue to explore better synergies between ETF and programmes funded by Community instruments in the area of human capital development through the structured dialogue and the Commission opinion on the work programme.	October 2019

³⁷ Evaluation of EU Agencies in the field of employment and social affairs, Staff working document and Executive summary
<https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=9348&furtherNews=yes>

33. A more systematic basis could be created for the triangular relationship between ETF, the Commission and EU delegations in partner countries.	The ETF has begun a series of structured regional meetings with EU delegations. The first meetings with the delegations in the partner countries in South Eastern Europe & Turkey and the Eastern Partnership have taken place.	ETF will continue with the regular Regional meetings with EU delegations, ETF and the Commission services and the annual DEVCO delegation training.	December 2020
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Overall recommendations for the Agencies

Recommendation in Staff Working Document	Response by ETF	Proposed action by ETF	Time frame
a) Service-level innovation (effectiveness and impact) <p>1. There is room to improve the quality and relevance of research/monitoring reports and activities by:</p> <p>1.1 improving the readability and policy focus of publications, in particular for non-academic users and policy-makers;</p> <p>1.2 basing their activities on a robust quality assurance process (see the points for improvement on the quality of agency deliverables in Section 5.1.1.b).</p> <p>2. Agencies' research/monitoring reports and activities could be improved by making use of the most effective means of communication/dissemination. In particular the agencies could be advised to:</p> <p>2.1 continue to explore and utilise innovative communication channels such as webinars, communities of practice, interactive videos and live streaming, while maintaining and, if needed, expanding their social media presence, as this is a cost-effective way of reaching diverse groups of stakeholders;</p> <p>2.2 further adapt communication activities to different target group, and identify intermediaries who could support the dissemination of outputs;</p> <p>2.3 better disseminate and use their results at national level, in particular by encouraging governing/management board members to take a more proactive role in disseminating and using results.</p>	<p>ETF strives to continuously improve the quality and relevance of its publications and reports. It has an international editorial board with expertise in the field of human capital development who provide support and guidance to the ETF on the relevance and quality of its publications.</p> <p>ETF Communication and Operations departments plan annually on how to best target and disseminate ETF outputs using webinars, communities of practice, interactive videos and live streaming and social media presence.</p> <p>The ETF Strategy 2027 focuses on further developing partnerships with international and national stakeholders to extend the reach of ETF products and services</p>	<p>1.1 A quality assurance process for publications has been introduced in the revised ETF publication policy and the editorial board has been tasked to support ETF on improving the readability and policy focus of publications</p> <p>1.2. Use of ETF outputs and services and quality will continue to be measured using indicators that will be tracked and reported on in the annual activity reports.</p> <p>2.1 ETF Open Space – a platform for all ETF networks for an enhanced interaction with communities of practice and stakeholders will be launched in November 2019.</p> <p>2.2 and 2.3 Indicators for tracking of effectiveness of partnerships in disseminating ETF products and services developed and use of ETF Open Space.</p>	<p>June 2020</p> <p>March 2021</p> <p>June 2020</p> <p>December 2020</p>
b) Agency-level innovation (efficiency) <p>3. While there is no single optimal internal structure or process, it is advised that the agencies revisit internal structures to better balance operational and administrative functions within the organisation.</p> <p>4. Transparency in decision-making based on results of performance measuring systems could be introduced</p> <p>5. The agencies' performance measuring systems can be further aligned and made more comparable. Therefore the agencies could work to further align their performance indicator methodologies. They</p>	<p>A further alignment of the ETF organisational structure with the new strategy will take place in 2020 to identify further opportunities to redeploy staff from support services to operational activities. In order to promote staff engagement and expand career perspectives.</p> <p>Decision making at ETF is based on results of the performance management systems</p>	<p>3. Updated organisational structure approved by GB</p> <p>4. The ETF has an effective performance management system in place therefore no additional actions proposed.</p> <p>5. Compare methodologies of performance measurement (indicators) related to inputs and outputs between the four Agencies, and align where possible.</p>	<p>November 2020</p> <p>November 2020</p>

<p>are advised to consider developing a more systematic approach to measuring use of their outputs at national level, while taking account of individual agencies' mandates and the cost-effectiveness of the additional investments this requires.</p>	<p>in place through the internal control assessment and the quarterly and annual management reports. ETF actively participates in the EU Agencies Network (EUAN) and in particular with the Performance Development Network (PDN) on sharing methodologies and experience.</p>	<p>ETF will continue to share ideas on performance indicator methodologies with other Agencies in the context of the PDN</p>	
<p>c) Governance (for the three tripartite agencies)</p> <ol style="list-style-type: none"> 6. Following the revision of the founding regulations, the three tripartite agencies, in cooperation with the Commission, are advised to clarify the roles of the various institutional actors involved and provide training to governing board members on the more technical issues within the boards' remit, such as the programming cycle. 7. Governing/management board members could brief national stakeholder networks about the agencies' work, and the feedback received could inform members' work in the board. 8. Electronic decision-making (e.g. written procedure) and, where appropriate, virtual meetings of the governing boards could be further explored as a way to achieve more efficient and quicker decision-making. This will be a cost-effective way to make tripartite stakeholders feel represented, committed, involved and consulted. 	<p>ETF has these in place already Training of Board members Involve GB member institutions in ETF activities use an annual survey for expressions of interest ETF has electronic decision making in place through a written procedure.</p>	<p>No additional actions proposed, as ETF is not one of the tripartite agencies.</p>	
<p>d) Reinforced cooperation</p> <p>The four agencies could engage in a structured common framework of reinforced cooperation with the following elements:</p> <ol style="list-style-type: none"> 9. Corporate functions such as strategy, human resources, legal and financial management, coordination and support services such as ICT could be shared. Logistical arrangements could also be shared as regards the Brussels Liaison Offices (e.g. sharing a single office). 10. On performance management, common or coordinated systems among the agencies would lead to cost savings, as detailed in point b), while respecting each agency's specific objectives. 11. Mutual learning and sharing of services with decentralised agencies outside DG EMPL or with the Commission, and other forms of cooperation through the EU Agencies Network. This would save resources allocated to horizontal functions by relying when necessary on other agencies' expertise. 12. Joint delivery where common tools and approaches exist, for example, managing expert networks and running surveys (e.g. a joint company 	<p>Cooperation with Agencies and other institutions is ongoing and referred to as a specific strategic component in the draft Single Programming Document 2020-2022.</p> <p>The ETF however has doubts that corporate functions could be shared between agencies in the absence of common governance structures.</p> <p>Through the well –established process of exchanging draft annual work programmes with Cedefop and Eurofound, meaningful options for joint delivery are explored.</p> <p>ETF intends to continue its exploration of cooperation between other Agencies</p>	<p>ETF SPD 2020 – 2022 and WP2020 contains annexes detailing cooperation actions with Cedefop and Eurofound.</p>	<p>November 2019</p>

<p>panel). Agencies may join efforts and resources without substituting specific targeted surveys carried out by the EMPL agencies.</p> <p>13. Joint programming and planning could be put in place, but focused exclusively on areas suitable for cooperation and/or joint delivery.</p> <p>14. In practical terms, such reinforced inter-agency cooperation could be reflected by broadening and aligning the time-frames of the agencies' multiannual programming documents, since the annual work programmes will continue to be agency-specific.</p>	<p>through the EUAN. ETF is currently participating in joint tenders with other agencies and seeks opportunities for shared services where there are cost benefits or efficiency gains.</p>		
<p>e) Policy support for the EU</p> <p>15. The four agencies could aim to better align with and support EU policymaking. Work programmes must be flexible enough to allow for changes in the case of sudden reconfigurations of EU priorities.</p> <p>16. Negative priorities could continue to be a tool for addressing ad hoc requests. The agencies may consider introducing a more structured and formalised reprioritisation mechanism and embedding a certain room for manoeuvre in its programming document to allow for unforeseen activities of high policy relevance.</p> <p>17. Other adaptability instruments could be used, such as:</p> <ul style="list-style-type: none"> • adjusting the aims of tasks or projects at the implementation stage; • designing intermediate project outputs to feed into policy discussions rather than waiting until the project ends; • producing short-term deliverables and updates (e.g. briefing notes) and further recalibrating ad hoc procedures so that they can be deployed relatively quickly. 	<p>Since 2014, the ETF receives over 100 ad hoc requests annually from EU services that amount to approximately 20% of the total ETF budget. The ETF has been able to accommodate and to flexibly address these requests, whilst maintaining implementation priorities as laid out in the annual work programmes.</p> <p>ETF is currently faced with resource constraints in terms of addressing the volume of requests due to the fact that the number and size of ad hoc requests in terms of resource needs has increased in the past years. However, as regards cost-effectiveness of EU action, empowering agencies such as ETF carry out actions such as in-depth analyses, surveys, or the creation of thematic platforms would provide closer synergies between the agencies' mandates and the EU's impact. The ETF incorporates negative priorities in the work programme and through the planning process has a mechanism for prioritising activities.</p>	<p>The ETF is exploring avenues for collaboration with EC services to address this issue through the structured dialogue and bilaterally with relevant EC departments.</p>	<p>December 2020</p>
<p>f) Policy support for Member States</p> <p>18. Cedefop, Eurofound and EU-OSHA could broaden the scope of demand-driven support to the Member States on policy issues and initiatives high on the EU agenda, while striving to maintain the balance with their research function, which is a pre-requisite for successful delivery of the direct support.</p>	<p>n/a</p>	<p>n/a</p>	

ANNEX X - ETF RISK REGISTER 2020

Risk	Mitigating Actions	Risk Level
Disruption in the external environment limits partner country engagement in ETF activities and leads to failure/delays in achieving related objectives, caused by changing priorities of individual countries. This could be either due to institutional political changes in the country or differences in the national agenda, resulting in limited ownership of ETF activities.	<ul style="list-style-type: none"> ▪ Constant follow up and communication with partner countries by ETF managers, country coordinators and project teams; ▪ Identification of priority countries already done for WP2020 with 3 levels of priorities from 1 (high priority) 2 (neutral/business as usual) and 3 (low); ▪ Adaptation of project implementation plans. Country Strategy Papers (CSP) are revised. 	Medium
Risk of cyber-attacks disrupting business continuity as a result of non-optimal levels of the ETF's security measures in its IT systems or gaps identified in IT security practices	<ul style="list-style-type: none"> ▪ Close cooperation with CERT-EU (SLA signed between with CERT-EU and the ETF in 2019); ▪ Regular testing of IT systems to prevent vulnerabilities and running THOR on the local network; ▪ Anti-virus on all ETF virtual desktops; ▪ ETF business continuity plan in place, including mitigating measures; ▪ Information security management system to be further developed. 	Medium
Changes in the EC and EP, including a change of priorities in external policies increasing the focus on HCD and relations with individual countries, could generate an increased demand for ETF support to partner countries beyond ETF capacity.	<ul style="list-style-type: none"> ▪ Coordination with European Commission services, the European External Action Service, the European Parliament and EU Delegations. ▪ Constant follow up and communication with partner countries by ETF managers, country coordinators and project teams. 	Low
Risk of fragmentation caused by an exponential increase in demand for ETF input from bilateral agencies and international organisations.	<ul style="list-style-type: none"> ▪ Define clear criteria for assessing the added-value of each request prior to engagement. 	Low
Risk of not optimising ETF resources caused by the ETF being committed by the European Commission to enter into an engagement with a contractor without prior consultation with the ETF.	<ul style="list-style-type: none"> ▪ Close coordination with the European Commission to allow for an ex ante assessment of the value added of the ETF's engagement in relation to the relevance of the action and resources required 	Low
Risk of reduction of resources caused by further linear budget cuts across agencies could reduce the quality, impact and added value of ETF interventions.	<ul style="list-style-type: none"> ▪ Rank planned WP actions in terms of priority, in order to ensure that the highest value actions are retained. 	Low
Risk of not being able to ensure duty of care in relation to staff security on mission.	<ul style="list-style-type: none"> ▪ Close cooperation with EEAS, including signing a SLA for the provision of security assessment, and onsite incident support to staff in difficulty; ▪ Provision of training to ETF staff; ▪ Procedure in place. 	Low

ANNEX XI - PROCUREMENT PLAN 2020

Table 1: Indicative planning (GB/20/DEC/001)

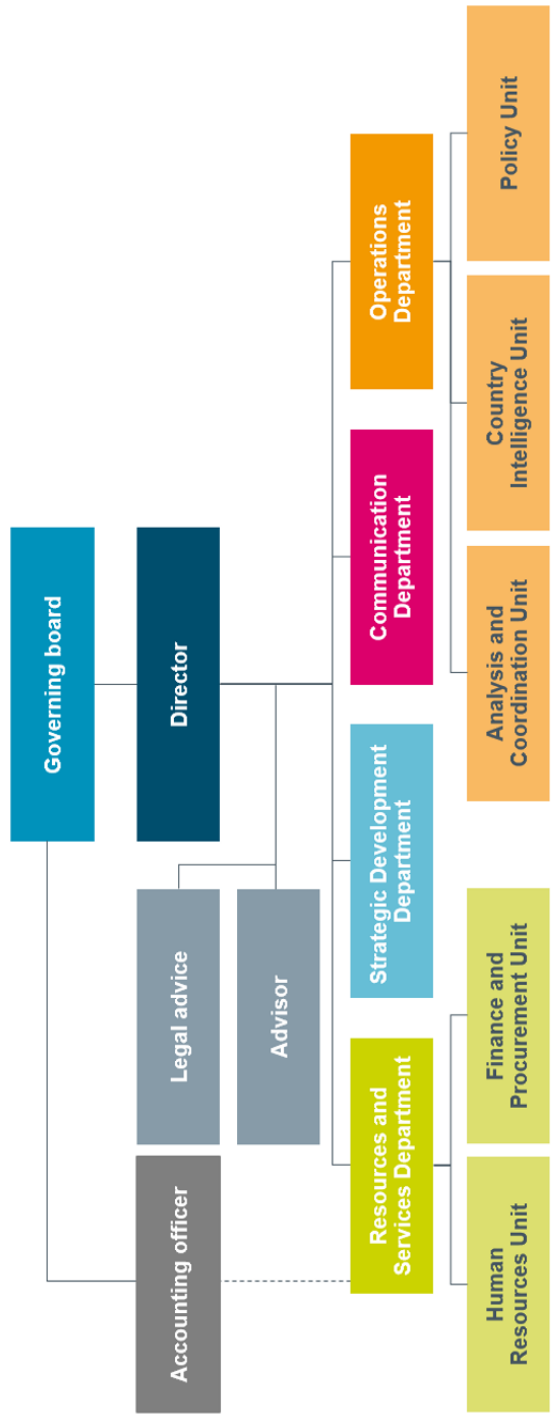
2020 Indicative planning of procurement procedures needed for the implementation of the projects

Title	Estimated value in € for 4 years	Contract Tool	Tentative launch timeframe (quarter)
Services to support ETF project activities in the Republic of Armenia	150,000 €	Framework	Q1
Services to support ETF project activities in Morocco	80,000 €	Framework	Q1
Services to support ETF project activities in Lebanon	40,000 €	Framework	Q1
Services to support the setting-up of partnerships for members of ETF Network for excellence (ENE): "The role of CoVEs in work-based learning"	60,000 €	Framework	Q1
Services to support the setting-up of partnerships for members of ETF Network for excellence (ENE): CoVEs as hubs for building up and steering VET & Skills Public Private Partnership (PPPs) networks	60,000 €	Framework	Q1
Provision of strategic, design and development services for the ETF's digital communication tools and activities	1,000,000 €	Framework	Q1
Maintenance of digital printer for booklets	140,000 €	Framework	Q1
Provision of photographic services	60,000 €	Framework	Q1
Provisional promotional materials	200,000 €	Framework	Q1
Professional conference organiser services	4,000,000 €	Framework	Q1
Services to support ETF project activities in Ukraine	150,000 €	Framework	Q1
Expert services to support the skills lab initiative	500,000 €	Framework	Q2
Case studies on the Future of Work	50,000 €	Service	Q2
Skills mismatch	100,000 €	Service	Q2
Study on employment in Eastern Europe	45,000 €	Service	Q2
Metadata	100,000 €	Framework	Q2
Services to support ETF project activities in Jordan	100,000 €	Framework	Q3
Services to support ETF project activities in Turkey	150,000 €	Framework	Q3
Creating New Learning initiative: Selection of applied research implementation company	80,000 €	Framework	Q3
Maintenance and Hosting Big Data	140,000 €	Framework	Q3
Servizio di stampa speciale e grande formato	100,000 €	Framework	Q3

Table 2. Contracts in force

Activities to be procured under contracts in force		
Contracts in force	Estimated value in € (needs 2020)	Contract Tool
Provision of expertise to support ETF initiatives for human capital development	1,000,000 €	Framework
Services to support ETF project activities in partner countries	800,000 €	Framework
Provision of Professional Conference Organisation Services	1,000,000 €	Framework
Provision of creative design services	200,000 €	Framework
Provision on content services	50,000 €	Framework
Provision of digital communication services	500,000 €	Framework

ANNEX XII - ORGANISATION CHART



STAFF SITUATION AS OF 31 DECEMBER 2018

NB: The data provided below refers to **posts occupied** on 31/12/2018 and not FTEs, therefore 126 (85 TAs, 39 CAs, 1 SNE and 1 LA).

Organisational structure	CA	SNE	LA	TA*	Total	Vacant posit.	GRAND TOTAL
ETF Operations							
OPS Core (Manager, sup. staff)	1			2	3		3
Analysis and Coordination Unit	6	1		9	16		16
Country Intelligence Unit	2			16	18	1	19
Policy Unit	8			26	34	2	36
Sub-Total Operations Department	17	1	0	53	71	3	74
Resources & Services Department							
RSD Core (Manager, Facilities, ICT and sup. staff)	3			6	9		9
Accounting	1			1	2		2
Finance & Procurement Unit	6			5	11		11
Human Resources Unit	3			5	8		8
Sub-Total Resources & Services	13	0	0	17	30	0	30
ETF Directorate							
DIR Core (Director, sup. staff)	1			2	3		3
Legal Advice				1	1		1
Strategic Advisor (p.m.)					0		0
Sub-Total ETF Directorate	1	0	0	3	4	0	4
COMM (Communication Department)	6		1	6	13	0	13
SDD (Strategic Development Department)	2			6	8	1	9
Grand Total	39	1	1	85	126	4	130
Vacant positions	2			2	4		
Total including vacant positions	41	1	1	87	130		

* In 2018, in line with article 38.2 of the Financial Regulation, the ETF used the opportunity to “offset the effects of part-time work” by recruiting one additional appointment (function group AD). Should all posts be filled in, the number of TA employed would therefore be 86 +1

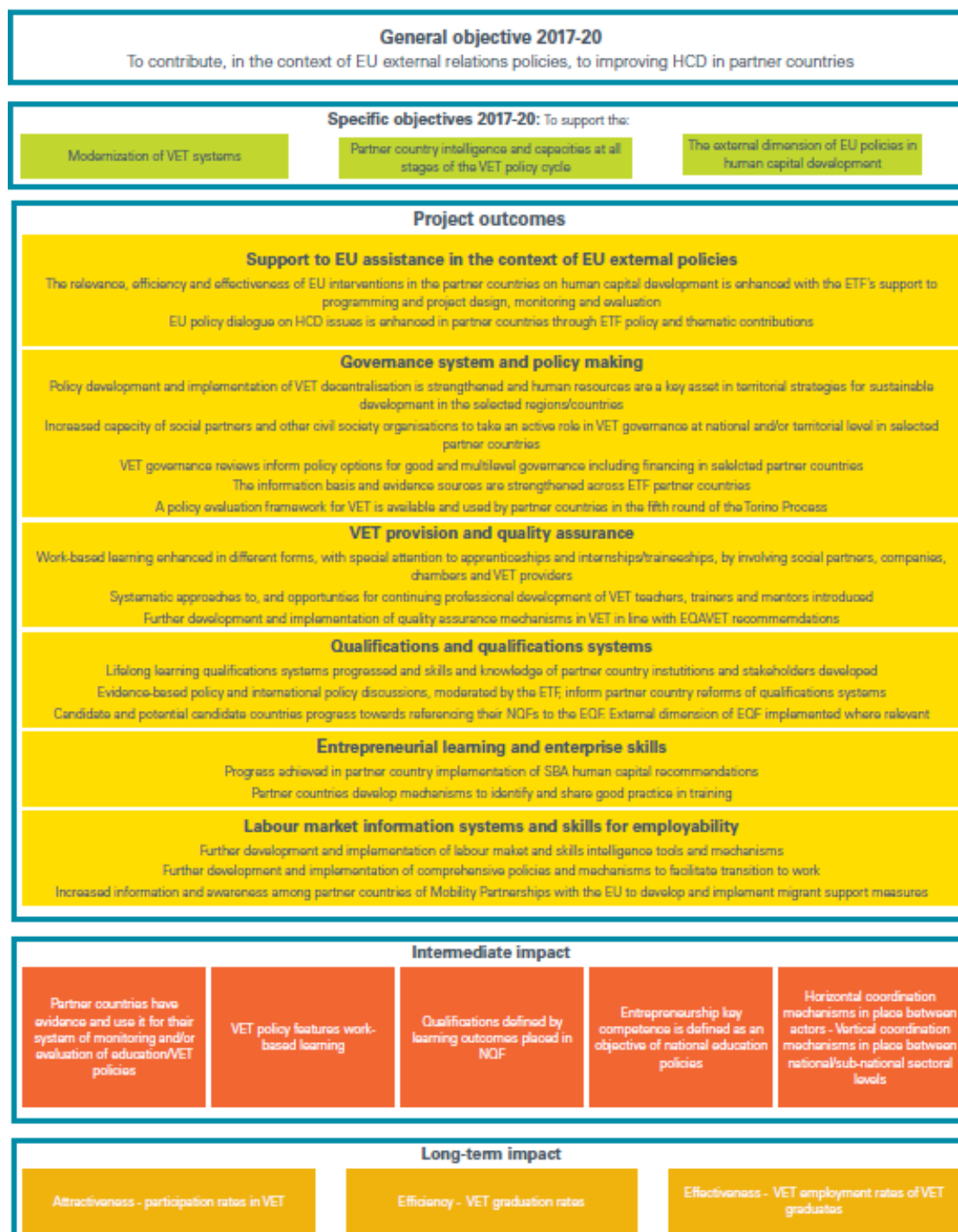
ANNEX XIII - ETF KEY PERFORMANCE INDICATORS

The key performance indicators for measuring ETF performance are comprised of operational and human and financial resource indicators for the period 2017-20.

Categorisation	No	KPIs			Target
Operational Indicators	1	Activities completion rate	★	Rate (%) of completion of the activities of the ETF Work Program: No. of activities of the ETF Work Program completed/ No. of activities of the ETF Work Program planned	90%
	2	Timely achievement of activities of the ETF Work Program	★	Rate (%) of activities of the ETF Work Program timely achieved: No. of activities of the ETF Work Program achieved on time/ No. of activities of the ETF Work Program achieved	80%
	3	Timely submission of Annual WP/SPD to the EC	★	The Annual WP/SPD timely submitted to the EC	100%
	4	Administrative support and coordination / operational staff ratio	★	(Administrative support and coordination job type category)/(Operational job type category and neutral job type category)	<30%
	5	Level of satisfaction of EC requests		Rate (%) of positive feedback from EC requests implemented in Year N	80%
	6	Countries' policy development progress		Rate (%) of countries successfully progressed within stage or next stage of policy development: No. of countries successfully progressed within stage or next stage of policy development/ Total no. of partner countries expected to progress within stages or next stages of policy development	70%
	7	Stakeholder engagement		% of Key country stakeholders that have participated in ETF activities / N. of Stakeholder Types	90%
	8	Dissemination reach		Weighted sum of: no people reached through digital media, downloads and event	Baseline 2016
Human Resource & Finance Indicators	9	Average vacancy rate	★	% of authorized posts of the annual establishment plan which are vacant at the end of the year, including job offers sent before 31st December	< 5%
	10	Staff engagement	★	Rate (%) of staff engagement from staff survey within the Agency.	>2% increase
	11	Commitment Appropriation Implementation	★	Rate (%) of implementation of Commitment Appropriations	98%
	12	Payment Appropriations cancellation rate	★	Rate (%) of cancellation of Payment Appropriations	<5%
	13	Timely Payments	★	Rate (%) of payments executed within the legal/contractual deadlines	>90%
	14	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 N	96%
	15	Audit recommendation implementation	★	Rate (%) of external and accepted internal audit recommendations implemented within agreed deadlines	90%

Legend ★ KPI's for Directors& benchmarking

ANNEX XIV - THE ETF INTERVENTION LOGIC



ANNEX XV - OUTCOMES AND INDICATORS 2020

SUPPORT TO EU ASSISTANCE IN THE CONTEXT OF EU EXTERNAL POLICIES

Outcomes	Indicators
The relevance of EU interventions in the partner countries on human capital development is enhanced with the ETF's support to programming/project design, monitoring and evaluation, implementation and policy dialogue	80% of the EU services supported for programming/project design, monitoring and evaluation, implementation and policy dialogue assess the ETF contribution positively
The efficiency and effectiveness of EU interventions in the partner countries on human capital development are enhanced with the ETF's support to implementation, monitoring and evaluation	The ETF is requested to support implementation, monitoring or evaluation in 50% of its partner countries

INTELLIGENCE AND EVIDENCE GATHERING, ANALYSIS AND DIAGNOSIS

Outcomes	Indicators
Increased availability of indicators and information across partner countries	Quantitative indicators (KIESE and National VET and LM indicators) increased by at least 50% Torino Process reports concluded Thematic inventories concluded
Increased policy relevance and uptake of ETF Torino process assessment by partner countries	Torino Process reports used in at least half of participating partner countries for national and/or EU policy dialogue Participation of stakeholders is increased by at least 10%

METHODOLOGICAL DEVELOPMENT

RELEVANCE OF SKILLS

Outcomes	Indicators
NQFs and VNFIL systems developed or implemented in selected partner countries	100% of targeted partner countries apply ETF-developed policy recommendations, tools and methodologies in qualifications systems
Countries orient qualification systems to EU systems and tools	SEET countries reference NQFs to EQF or progress towards; in SEMED and EE, NQF to EQF relationship is advanced; VNFIL and recognition systems progressed
Developed labour market and skills intelligence evidence, tools and mechanisms allow an improved alignment of E&T policies to the changing skills needs	At least half of the countries receiving ETF support uses labour market and skills intelligence tools to inform VET and skills development policies
Comprehensive policies and mechanisms to facilitate transitions to work integrated in skills policies	At least 50% of countries covered by ETF activities use the information provided to establish mechanisms to support transitions to work
Increased information and awareness of partner countries about Mobility Partnerships with the EU to develop and implement migrant support measures	Follow-up reports to the EC services on progress achieved in the skills dimension of the Mobility Partnership in seven ETF partner countries

DEVELOPMENT OF SKILLS

Outcomes	Indicators
Work-based learning enhanced in different forms, with special attention to apprenticeships and internships/ traineeships, by involving social partners, companies, chambers and VET providers	All 5 candidate countries implement MTD WBL policy options and participate in EAfA A majority of EaP countries participate in the WBL Annual Forum/Modular Training
Partner countries exchange of good practice in vocational excellence and innovation in order to trigger change, reform and modernisation of HCD in partner countries	Network of providers established in participating countries Provision of information, knowledge, experience and advice on vocational excellence and innovation practices to experts, officials, institutions and providers from ten partner countries.
Countries develop capacity to innovate in curricula, teaching and qualifications	New learning, innovative curricula and teaching identified ETF-developed methodologies applied Sustained best practice networks established

INSTITUTIONS AND SYSTEM EFFICIENCY

Outcomes	Indicators
Social partners and other civil society organisations have stronger capacity to take an active role in VET governance at national and/or territorial level in selected partner countries	Social partners and other civil society organisations increased participation by 20% in VET governance actions in selected partner countries
Targeted countries introduce mechanisms for national and sub-national coordination in VET	85% of targeted countries
VET governance analyses inform policy options for good and multilevel governance including financing in selected partner countries	ETF analysis on the sustainability of VET strategy informs decisions on potential new EU intervention
Further development and implementation of quality assurance mechanisms in VET in line with the EQAVET recommendation	At least 16 partner countries participate in the Transnational Forum on QA in VET and at least five partner countries identify systemic QA measures / or focus on the systematic monitoring of QA improvement

ANNEX XVI - COLLABORATION WITH OTHER EU AGENCIES

CEDEFOP ACTION PLAN FOR COLLABORATION IN 2020

Core Themes	Specific themes for 2019	Information Exchange and good practice	Joint actions	Knowledge sharing seminars
Vocational education and training system development and provision	VET policy reporting Riga and post 2020	Exchange of information and experience on EU and third country policy and operational issues	<ul style="list-style-type: none"> - Joint publication of Riga final report, March 2020 - Organization of a joint policy conference with Cedefop, June 2020, Thessaloniki - Joint presentations of policy reporting including Riga outcomes at ACVT-DGVT platforms 	Two knowledge-sharing seminars, during 2020, covering a number of the themes specified; one seminar at Thessaloniki, June 2020 one seminar at Torino, December 2020
	Adult learning and continuing training with a focus on guidance, validation and work-based learning		<ul style="list-style-type: none"> - Participation in events: ETF-led seminar, under EaFA, for EU candidate countries, Cedefop PLF on upskilling pathways for adults. - Coordinate with Cedefop in development of European Inventory on validation (ETF covers 4 partner countries), for publication 2021 - ETF participation in Cedefop-led Career NET (European Expert Network) sharing good practices of career guidance system in candidate countries - Developing and disseminating advocacy tool for career guidance as part of the work programme of the IAG on WBL 	
	Qualifications, validation, European Qualifications Framework Advisory Group, World Reference Levels		<ul style="list-style-type: none"> - In EQF Advisory Group, cooperation, in particular in new Project Group on third-country QFs to EQF comparison, analysis etc. - Provision by ETF to Cedefop of NQF country chapters for the candidate and potential candidate countries - Development with Cedefop and UNESCO of Global NQF Inventory, fourth edition (publication in 2021) - Collaboration with Cedefop, UNESCO and other international organizations in development of World Reference Levels; 1-2 meetings during 2020 - Contribution to Cedefop seminars on VNFIL, and qualifications and learning outcomes as they request 	
	Skills matching and anticipation and identification of skills needs		<ul style="list-style-type: none"> - Knowledge sharing on methodologies on skills demand anticipation - Developing a note on the use of Big Data for skills anticipation, as part of the work program of the IAG on skills identification 	
Agency Governance	Agencies strategies and planning, international inter-agency initiatives, post-2020	Exchange of information on strategic and methodological issues	<ul style="list-style-type: none"> - Participation in the respective Governing/ Managing Board meetings: Cedefop MB: October 2020; ETF GB: June and November 2020 - Coordination of participation to the Vocational Skills week 2020 - Regular exchange of views and input on "Future of VET" and related items e.g. Centers of Vocational excellence, digital skills, etc. 	

EUROFOUND ACTION PLAN FOR COLLABORATION IN 2020

Actions	Activities
Participation in activities and exchange of information	<p>Social partnership Cooperation will focus on exchange of information and knowledge, with a special focus on EU level social dialogue, in particular: ETF will invite EF in Conferences and digital meetings for the dissemination of the results of the ETF study on PPP involves peer reviewing of draft report, a dissemination event, and possible input to final publication (to be decided) Knowledge sharing on governance issues and social dialogue Digital economy ETF to raise awareness of the EF platform on digital economy in its expert networks in the partner countries; and explore possibilities to include in the platform papers on the situation on the ETF partner countries Annual knowledge sharing seminar will be organised on “digital economy” (also with the participation of Cedefop) ETF to invite EF in the Advisory Board of its new initiative on the identification of the changing skills demand in its partner countries. The initiative will give particular emphasis on the impact of digital technologies on employment patterns and occupations and skills. Skills shortages and mismatch EF and CEDEFOP to share the draft paper on skills shortages and mismatch –analysing the data of the ECS- with ETF; and invite ETF in any expert meetings on the topic.</p>
Development of Programming Document	<p>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.</p>
Organisation of the annual consultation	<p>Organisation of an annual meeting (possibly teleconference) to discuss and assess progress on the above and other relevant issues.</p>

LIST OF ABBREVIATIONS AND ACRONYMS

ABAC	Activity-based accounting system
ABB	Activity-based budgeting
ADB	Asian Development Bank
AFD	Agence Française de Développement
ALMPs	Active Labour Market Policies
BC	British Council
ENABEL	Belgian Development Agency
Cedefop	European Centre for the Development of Vocational Training
CORLEAP	Conference of Regional and Local Authorities for the Eastern Partnership
CPD	Continuous Professional Development
CVT/CVET	Continuing vocational training/ Continuous vocational education and training
DCI	Development Cooperation Instrument
DG DEVCO	Directorate General International Cooperation and Development EuropeAid
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 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
EAfA	European Alliance for Apprenticeships
EaP	Eastern Partnership
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EEAS	European External Action Service
EEhub	Entrepreneurship Education Hub
EESC	European Economic and Social Committee
ENI	European Neighbourhood Instrument
ENP	European Neighbourhood Policy
EntreComp	Entrepreneurship Competence Framework
EPSO	European Personnel Selection Office
EQARF	European Quality Assurance Reference Framework
EQAVET	European Quality Assurance in Vocational Education and Training
EQF	European Qualifications Framework
ERI SEE	European 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
Euromed	Euro-Mediterranean Partnership
FTE	Full-time equivalent
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
HRD	Human capital development
ICT	Information and communications technology
ILO	International Labour Organisation
IPA	Instrument for Pre-accession Assistance
LuxDev	Luxembourg Development Cooperation
MISMES	Migrant Support Measures from an Employment and Skills Perspective
MTD	Medium-term deliverables
NEET	Not in education, employment, or training
NQF	National qualifications framework
OECD	Organisation for Economic Co-operation and Development
OIB	Office for Infrastructure and Logistics in Brussels
OSHA	European Union information agency for occupational safety and health
PET	Western Balkans Platform on Education and Training
PMO	Paymaster Office
PSD	Private Sector Development
QA	Quality assurance
RCC	Regional Cooperation Council
RCI	Regional Competitive Initiative
SBA	Small Business Act for Europe
SEE	South Eastern Europe
SEE2020	South East Europe 2020 Strategy
SEECCL	South East European Centre for Entrepreneurial Learning
SME	Small and medium-sized enterprise
SPD	Single Programming Document
SRC	Sector Reform Contract
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
WBL	Work based learning

ETF PARTNER REGIONS & COUNTRY ACRONYMS³⁸

South Eastern Europe and Turkey

Albania
Bosnia and Herzegovina
Kosovo*³⁹
North Macedonia
Montenegro
Serbia
Turkey

SEET

AL
BA
XK⁴⁰
MK
ME
RS
TR

Southern and Eastern Mediterranean

Algeria
Egypt
Israel⁴¹
Jordan
Lebanon
Libya
Morocco
Palestine⁴²
Syria
Tunisia

SEMED

DZ
EG
IL
JO
LB
LY
MA
PS
SY
TN

Eastern Partnership

Armenia
Azerbaijan
Belarus
Georgia
Moldova
Ukraine

EaP

AM
AZ
BY
GE
MD
UA

Central Asia

Kazakhstan
Kyrgyzstan
Tajikistan
Turkmenistan
Uzbekistan

CA

KZ
KG
TJ
TM
UZ

Other Partner Countries

Russia⁴³

RU

³⁸ These acronyms are taken from International Standardisation Organisation (ISO) <https://www.iso.org/obp/ui/#search>

³⁹ This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

⁴⁰ 'XK' is a code used for practical reasons and not an official ISO country code.

⁴¹ ETF support to Israel takes place in the context of EU-Israeli cooperation and related Guidelines on eligibility of Israeli entities and their activities in the territories occupied by Israel since 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards

⁴² This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

⁴³ ETF support to Russia takes place in the context of EU-Russia cooperation and with respect to Council Decision 833/2014 and subsequent acts