



ETF GOVERNING BOARD MEETING

6 JUNE 2006

MINUTES

Introduction

The meeting was chaired by Odile Quintin, Director General, DG EAC, European Commission, who took up this post at the beginning of 2006. Newly appointed Governing Board members and observers from Bulgaria, Croatia, Czech Republic, the former Yugoslav Republic of Macedonia, Ireland, UK and Cedefop were welcomed.

Adoption of the agenda

Item 1: The agenda was adopted, moving point 7(i) 'Progress report on the ETF internal evaluation programme 2005' to point 4(i) 'Progress on Commission policies and programmes that have an impact on the ETF'.

Reservations on the lack of availability of some documents in all Governing Board languages were expressed by the members from France, Italy and Spain (particularly with reference to document ETF-GB-06-014 (ETF implementing rules of the Staff Regulations)). On a proposal from the Chair, the board nevertheless agreed to discuss the documents in question.

Minutes of previous meeting

Item 3(i): The minutes of the previous meeting held in November 2005 were adopted without modification.

Action points from previous meeting

Item 3(ii): The 'implementing rules for the staff regulations' were submitted to the Governing Board for adoption during this meeting under point 6.

The 'Preliminary draft budget 2007' was submitted to the Board by written procedure in March 2006.

The introduction of a mechanism to confirm the receipt of electronic communications between the ETF and Governing Board members is proving difficult. Commercial systems appear to be rather invasive, so a policy of contacting Governing Board members directly by telephone seems to be the most practical and cost effective solution.

The remaining action points from the November 2005 meeting are covered under point 4.

Oral reports

Commission policies and programmes (Item 4(i))

The **Lifelong Learning programme** was agreed by the Council during its second reading. If the text is adopted by the European Parliament in the second half of 2006, it will be launched in 2007.

'Innovation and Learning' is the new title for the programme incorporating all EC education and training programmes.

The **Erasmus Mundus programme** will continue until 2007.

A **new Tempus programme** will follow on from Tempus III. The ETF will not provide technical assistance for the new programme, which will be managed either by AIDCO or by DG EAC (through the Executive Agency that deals with all education programmes). If the regulation is approved this autumn, the new programme could start activities in mid-2007.

Consultations with stakeholders and expert groups that took place in February 2006 highlighted five points related to the **European Qualification Framework**:

- It is necessary and relevant, particularly as a translation mechanism;
- It should be voluntary;
- The proposed eight-level structure is appropriate to cover the range of qualifications in Europe;
- It should be based on learning outcomes as the only practical way to translate qualifications between systems;
- It needs quality assurance principles.

A formal legislative proposal will be presented by the Commission in autumn 2006. It will use inputs from the technical working group comprising representatives from the Member States and the social partners.

ECVET should provide a common basis for recognising individuals' learning outcomes gained abroad so that they can be credited as part of a qualification when coming back home. The ETF and Cedefop have contributed to the development of this system and the ETF could have a role in familiarising its partner countries with it.

The establishment of a **European Institute of Technology** (EIT) is planned to bring the EU into line with other industrialised nations and to complete the triangle of innovation, research and the corporate world. It will be discussed by the Council at the end of the year.

External evaluation

Three ETF Governing Board members/observers (Mr Vantúch (SK), Mr François (F) and Mr Nelle (D)) participated in the steering committee for the external evaluation of the ETF. A presentation on its findings was also given to the Governing Board at its meeting in November 2005. DG EAC will prepare a Communication on the external evaluation for transmission to the European Parliament and the Council. Originally it was planned to present the Commission Communication and the revised ETF regulation at the same time, however it seems now more appropriate to have the two documents submitted separately. DG EAC shares the overall positive assessment of the efficiency and effectiveness of ETF's work.

The recommendations presented in the evaluation report, which will feed into the decisions on the revised ETF regulation, can be grouped into five main headings:

1. Policy and strategy

The growing importance of the lifelong learning approach and the importance of labour market issues to the work of the ETF suggest that a wider thematic mandate for the organisation would be advisable. It is likely that this will be taken up in the revised regulation, which may describe the mandate of the ETF as follows: 'to contribute, in the context of EU external relations policies, to the

improvement of human resources development, in particular education and training in a lifelong learning perspective, and related labour market issues'.

A certain degree of geographical focus is essential though and the primary scope of the ETF will remain with those countries that participate in the Instrument for Pre-accession Assistance (IPA) and the European Neighbourhood and Partnership Instrument (ENPI). However, in order to make use of the ETF's expertise in countries (such as those in Central Asia) which are not covered by these programmes, the Governing Board, on a proposal from the Commission, will decide on ETF interventions on an ad hoc basis.

2. Efficiency and effectiveness of programmes

The ETF is asked to analyse how the links between the mid-term priorities, the annual work programme, the country plans and the annual activity report can be strengthened.

3. Monitoring

The ETF should improve its monitoring system at country level to address the shortcomings identified in the report.

4. Governance structures

The strategic role of the Governing Board could be strengthened through the establishment of sub-groups on specific themes.

5. Communication and information dissemination

The ETF was asked to look at and act upon the shortcomings described in the report on activities in this area. The progress made since the previous evaluation was welcomed.

Mr Perugini (I) suggested the formation of working groups of Governing Board members in order to improve the functioning of the Board. He also proposed that reports presented to the Board should be examined in more detail and that follow up actions should be undertaken.

Ms Muñozguren Lazcano (E) pointed out that the external evaluation report was sent out late and was not translated into the Board's agreed working languages. Working groups should have the possibility to study the various documents available on the future perspectives and members should have the opportunity to discuss them before November 2006.

Mr François (F) remarked that the way in which the budget is presented to the Governing Board is rather as a 'fait accompli' and that as such the Board was not in a position to provide much input. Furthermore, he asked that the added value of the agencies in general be discussed in the future, mentioning that the French government had recently made recommendations such as how to avoid duplication of activities between agencies.

Mr Vantúch (SK), one of the members of the external evaluation steering committee, supported the idea of creating sub-groups of Governing Board members to focus on specific issues of relevance. He also suggested taking advantage of the different specialisations of each of the members in the composition of such groups. DG EAC supported this initiative.

The ETF was asked to submit a draft action plan to the Governing Board outlining its analysis and proposed actions on the recommendations made by the evaluator. The Board will have the opportunity at the next meeting to further discuss the external evaluation and the resulting action plan. Furthermore, the recommendations made in the evaluation will feed into the ongoing work on the new ETF Council Regulation.

External relations

The proposed new External Relations instruments represent a simplification in the EU's delivery of aid to third countries. The final number of new instruments has not yet been settled, although the four major ones are IPA (Instrument for Pre-Accession Assistance for which €11.6 billion has been set aside), ENPI (European Neighbourhood and Partnership Instrument, €12 billion), DCECI (Development Cooperation and Economic Cooperation Instrument, €17 billion), and ACP (an intergovernmental convention for relations with African, Caribbean and Pacific countries, €25 billion). In addition, there will be a Stability Instrument (€50 billion) to deal with crisis, crisis prevention and follow-up.

All should be adopted this year so that they can enter into force by 1 January 2007. Education and training have a particular priority in the new ENPI, which will include scholarship programmes, a revised Tempus programme and institutional capacity building. It will work through action plans designed for each partner country.

Enlargement

IPA will replace the existing pre-accession instruments: Phare, ISPA, Sapard, CARDS and the instrument for Turkey. Its focus will be on five areas: adoption and implementation of the *acquis communautaire*, development of cross border cooperation, support for regional development, development of human resources and support for rural development.

Mr Perugini (I) confirmed Italy's commitment and support for a more active role for the ETF within the various new external relations instruments.

Trends and developments at the ETF (Item 4(ii))

Two new senior members of ETF staff were introduced: Mr Romuald Delli Paoli (Internal Auditor) and Ms Jocelyne Rase (Head of Personnel Unit).

The Director has held discussions inside the ETF with groups of staff on the developments to the organisation and the possible extension to the mandate that could come about with the new Council Regulation. The issue of visibility highlighted in the External Evaluation could be improved as the ETF becomes more established as a centre of expertise and begins to prioritise the countries with which it works.

The Director presented an analysis of the evolution of ETF's activities in the first two phases of its work. She argued that the first phase of ETF's work from 1995-2000 largely consisted of technical assistance to EU projects, while the second phase 2000-2006 was characterised by the provision of expertise services to the Commission and the piloting of policy learning approaches in the countries. She then presented her vision of the main features of ETF's work for the forthcoming programming period. In particular, the Director argued that ETF's contribution to reform in its partner countries would be characterised by a sector driven approach that integrated human resources development into a lifelong learning policy perspective. ETF would reinforce its policy learning methodology with the partner countries with a focus on priority countries. This development would require a higher level of expertise and specialisation within ETF staff.

Ms Serban (RO) requested further clarification on the complementarity of the role of the ETF with regard to other agencies, particularly the executive agency for education programmes and Cedefop, and with regard to other international organisations, such as the World Bank. In view of the weaknesses in the open method of coordination and the subsidiarity approach to education and training, she also asked for further discussion on how the ETF could really influence policy makers in the partner countries as these methods do not leave much room for moving from agreements to implementation at national level.

Mr Wisniewski (PL) posed the question of to whom the ETF's expertise should primarily be addressed: the European Commission or the partner countries. He also asked how the partner countries could be made more aware of the expertise that was on offer and how to identify their needs and respond to them.

Mr Perugini (I) made reference to the problem of awareness of the ETF's added value particularly in terms of measuring the cascade effects of the ETF's activities. He also referred to the interim report, which explicitly indicates how difficult it is to evaluate the ETF's contribution to the reform of vocational education and training. He suggested that it would be particularly important to monitor the ETF's activities in those countries where it provides policy advice to gauge the impact on local government policy. The ETF should also establish agreements with various countries in order to better channel their choices as these depend very much on local contexts.

The issue of the ETF's role in terms of cooperation with other agencies will be explained at the next Governing Board meeting, including a detailed overview of where services are shared and where joint work is being carried out. The ETF sees its expertise as being aimed at both the partner countries and the European Commission. In the past the ETF may have concentrated on taking EU experience and

policies to the partner countries and in the future it should add to this by using the experience and knowledge gained in its work with the partner countries to help inform policy making in Brussels. Reinforcing strategic partnerships with other organisations, agencies and donors offering specialist services as well as taking on the challenge of raising awareness of the impact of the organisation are areas that will be tackled in the future.

Member States and ETF joint activities (Item 4(iii))

The ETF intends to act upon the recommendations made in the external evaluation report to reinforce its cooperation with Governing Board members, Member States and candidate countries.

Governing Board members were asked at the November 2005 meeting whether they would be interested in taking an active part in ETF project and 12 members replied favourably. As an example Mr Østerlund (DK) brought Danish experience to a project in Turkey earlier in the year.

Governing Board members were also asked to help to strengthen the links between the ETF and the Member States/candidate countries. Awareness raising events have taken place in the UK, where the Director presented the ETF to the International Department of the UK Department of Education and Skills, and in Sweden where Mr Henriks (S) supported the organisation of a seminar involving different Swedish education agencies, and donor and labour market organisations. As a direct result a study visit to Sweden involving representatives from Mediterranean countries has been organised and a future joint Swedish/ETF/Russian project is under discussion.

A questionnaire was distributed requesting information on the possibilities of holding further such information meetings in other Member States/candidate countries.

An ETF aid cooperation project has been developed in line with the discussions held at international level on Aid Harmonisation and alignment. The project aims to raise awareness of priorities in vocational education and training in the partner countries; strengthen the capacity of ETF staff to work with donors; increase the understanding among donors as to how to implement the sectoral approach in education and training; present case studies on the integration of vocational education and training reform; and share knowledge on project evaluation. Furthermore, the ETF will participate in the next meeting of the OECD Donors working group.

Mr Lindqvist (FI) stressed the need for vocational education and training to have more political and practical visibility in Europe as he felt that the area falls between higher education (very visible through the Bologna process) and schools engaged in the PISA competition.

Ms Serban (RO) encouraged the ETF to raise awareness about its activities not only in Member States but also in partner countries.

Ms Medeiros Soares (PT) supported the proposal that Governing Board members needed to become more proactive. She also suggested that vocational education and training be introduced into education systems and used in the fight against poverty and that ETF should do more in this area, particularly in terms of coordinating the efforts of all players in this field.

As a wrap-up to the discussions, the ETF should do more to publicise itself as an organisation as well as distributing and promoting information about lifelong learning in both the partner countries and the Member States. Partnerships could play a significant role in this, particularly in view of the limited budget that the ETF has at its disposal.

By contributing to the debate about exploitation of synergy effects from different organisations, the ETF could highlight the importance of education and lifelong learning.

Annual activity report 2005 (Item 5(i))

The basis for the Annual Activity Report is the financial regulation adopted by the Governing Board in 2003 (see article 40). The structure of the report mirrors that of the annual Work Programme. A total of 40 of the 50 results set out in the work programme were achieved on time, and eight of the remainder were achieved in the first quarter of 2006. Two had to be cancelled in consultation with the European Commission. Improvements with respect to previous years can be noted particularly in meeting Commission requests, publications, staff development, communication and the website, networking and increasing the efficiency and effectiveness of the statutory bodies. Investment has been made in the

Internal Control and Management Standards, while increased attention has been paid to risk assessment.

Mr van Isselmuizen (NL) suggested the distribution of a summary of the report to be distributed separately and to a wider audience in order to disseminate the results of the work and the activities of the ETF. The 'Highlights' publication, which has been produced annually since 2003, answers this request.

The report from the Court of Auditors will be distributed to all Governing Board members as soon as it is finalised. The Annual Activity Report for 2005 and its analysis were approved provided further clarification on annex 5(i) 'Draft annual accounts and other financial reports', is given. The report from the Court of Auditors is expected on 15 June and will be distributed to all members once available.

Staff regulations (Item 6 (i and ii))

The implementing rules for the staff regulations are needed in order to harmonise the staff regulations throughout the EU public service. This is a topic that will be on the Governing Board's agenda for the next two years.

A total of 18 implementing rules were submitted to the Governing Board for approval.

Mr François (F) explained that he still needed the feedback from the French Ministry of Finance in order to give his opinion on the document. He was asked to give his opinion in writing after the meeting.

Ms Serban (RO) requested more information on the use of the European benchmark for secondary education in the regulation. She also asked for details on the input from the staff committee.

Ms Muñozguren Lazcano (E) repeated her reservations about the document not being available in Spanish.

Mr Perugini (I) restated the Italian position, making it clear that the trend to use three working languages in the EU institutions was not acceptable and was not provided for in the treaties or the ETF Governing Board rules and procedures. As the document was not available in Italian, he would not be able to give his approval.

Note was taken of the Spanish and Italian position and the objections raised by the members in view of the lack of Spanish and Italian versions of the document. The chair of the Board indicated that she would ask the competent Commission services for clarification. .

The regulations and implementing rules were approved taking into account the position of the French, Spanish and Italian members.

Monitoring, Evaluation and Audit

Internal evaluation programme 2005 (Item 7 (i))

Several actions to follow up on the 2004 evaluation have been carried out, notably the introduction of a document management system through the nomination of a document and knowledge manager, improvements to the project selection process and criteria, more rigorous planning and improvements to internal ownership and structure. The new team-based approach should also help to ensure the continuity of project activities, while the introduction of a time-tracking system monitors the amount of staff time spent on particular projects.

Ongoing monitoring efforts include the production of regular progress reports, the introduction of corporate indicators, budget monitoring, monitoring of Commission requests and the preparation of detailed country plans.

Internal control standards action plan (Item 7(ii))

The ETF has undertaken a number of corrective actions with regard to the Internal Control Standards as a result of comments provided by the Internal Audit Service. Several areas have been looked at

including strategic objectives, monitoring, corporate performance, risk management, external and internal communication, document management, transparency, as well as monitoring and evaluation.

Mr van Isselema (NL) requested more emphasis on monitoring customer satisfaction in the partner countries.

Ms Serban (RO) asked for more input from partner countries in the formulation of the country plans and encouraged the ETF to work more closely with policy makers in the partner countries themselves.

It is hoped that the new team-based structure implemented in the ETF Operations Department from the beginning of 2006 will help to put more priority on the partner countries and thus increase the impact of ETF activities.

Advisory Forum membership

A total of 11 new nominations were put forward and these were approved by the Board.

Other business

Mr Lindqvist (FI) reported on the Helsinki Communiqué which will be released in December 2006. He urged Governing Board members to work through the appropriate channels in their countries to discuss the content and priorities of the communiqué. Issues to be covered included increasing the visibility of vocational education and training, vocational training for disadvantaged groups, as well as links between training and the labour market. Members were encouraged to answer the survey on these issues launched as part of the Finnish EU Presidency.

Reference was made to the letter sent to all Governing Board members by the ETF section of the Union Syndicale. Members agreed that they would not comment on staff management practices at the ETF, which is the responsibility of the Director. The Chair will meet representatives of the ETF section of the Union in the near future.

The ETF thanked the Austrian Presidency, the Italian authorities at national, regional and local levels and the European Commission for their support in the organisation of the upcoming Advisory Forum plenary meeting (held in Turin from 7 to 9 June).

The 2005 accounts have been affected by the change from cash to accrual accounting. Furthermore, the deadline for presenting the accounts was brought forward from 15 September to 1 July. This has put a lot of pressure on financial services in all agencies. As a result, the Court of Auditors visit in March highlighted a number of inaccuracies in the first draft of the accounts. However, these have now been addressed and the second visit of the Court at the end of May resulted in positive informal feedback. Their written comments are expected by 15 June. The final accounts should be presented to the budgetary authority by 1 July, although the Governing Board's opinion needs to be sought first through a written procedure. In view of the time required for this, the 1 July deadline will be missed by a week and the budgetary authority will be informed accordingly.

Governing Board members were reminded that they would be presented with a revised 2006 budget for approval by written procedure at the end of the summer. The amendment takes into account progress in the implementation of the Work Programme.

Governing Board members were invited to look at the new style ETF website launched at the meeting. Any comments from members on the site, its content and structure would be welcome.

Date of next meeting

21 November 2006 in Brussels.

Action points

- A draft action plan on the recommendations made in the external evaluation to be presented to the Governing Board (ETF);
- Discussion on the external evaluation and the action plan to be included in next Governing Board meeting agenda (ETF);
- Further work to be done on publicising the ETF in the Member States and partner countries (ETF);
- Questionnaire on possible actions to be undertaken by Governing Board members to ensure that they have a more proactive role to be completed (Governing Board members);
- Further clarification on the draft annual accounts and the report of the court of auditors to be distributed to Governing Board members (ETF);
- Revised budget for 2006 to be distributed for approval to the Governing Board (ETF);
- Governing Board members to provide comments on the new-style ETF website (Governing Board members).