



ETF GOVERNING BOARD MEETING

20 NOVEMBER 2007

MINUTES

Introduction

The November 2007 meeting of the ETF Governing Board was held in Turin and chaired by **David White**, Director for Lifelong learning: horizontal Lisbon policy issues and international affairs at the European Commission's Directorate General for Education and Culture. New members of the Board for Bulgaria, Cyprus, the Czech Republic, Germany, Ireland, Malta and the UK were present, as was a new observer from Turkey. The European Commission's DG Enlargement was represented by Tal Hasson, while the DG External Relations representative was Ronan MacAongusa. Sergio Piccolo was present as an observer for EuropeAid. Observers from Croatia, Turkey and Cedefop also attended.

Hungary, Latvia, Spain and Luxembourg were not represented at the meeting.

1. Adoption of the agenda

The agenda was adopted with no changes.

2. Follow-up to previous meeting

i: Minutes of previous meeting

The minutes of the previous meeting held in June 2007 were amended at the request of **Mr Perugini (I)** and adopted with a modification to point 4 (i) on the ETF's recast regulation (see revised document ETF-GB-07-026).

ii: Follow up on action points and written procedures

The following actions were carried out as a follow up to the June 2007 meeting:

- The ETF's Financial Statements (ETF-GB-07-011) document was amended in line with comments made at the previous meeting.
- The performance evaluation of the ETF Director was carried out.
- The budget surplus from the Translation Centre was integrated into the ETF's 2007 amended budget.
- Agenda points for the November meeting included the ETF's new human resources management strategy and a paper on new ETF networks.

- The ETF participated in a number of relevant Portuguese presidency events and is planning to be involved in several events under the upcoming Slovenian presidency.

Two written procedures were carried out in June and September. The first concerned the adoption of the ETF's final 2006 accounts. The second related to the adoption of the ETF's 2007 amended budget, which included the integration of surplus funds from the Translation Centre, information on accounts and payment appropriations, as well as a change to the minutes of the November 2006 meeting at the request of the member for France.

3. Oral reports

i. Trends and developments at the ETF

Preparing for recast regulation

Muriel Dunbar outlined the ETF's preparations for the recast regulation. The ETF anticipates that the recast will be accepted in the second half of 2008. Several activities have taken place recently in this regard, including the visit of MEP Lehideux to the ETF on 7 November. Mr Lehideux is the European Parliament's Employment and Social Affairs Committee rapporteur on the ETF recast regulation and he was given an extensive insight into the ETF's activities during his visit.

Along with colleagues from DG Education and Culture, the ETF will make a presentation to the Education Committee of the Council on 29 November.

The ETF has also presented its activities to the European Economic and Social Committee, and they have appointed a rapporteur who has been invited to meet ETF colleagues either in Brussels or at ETF premises.

The Committee of Regions will receive a visit from ETF staff on 23 November although it is not known yet if they will put forward an opinion on the text of the recast regulation.

The idea is to make sure that all those people involved in the process of approval of the recast regulation are fully informed about the ETF and its added value.

At the same time, the ETF is broadening its expertise through recruitment and active staff development in order to be able to fulfil its possible new mandate. Furthermore, staff are being encouraged to reflect on their work through peer reviewed publications and papers in the broader expertise community. Links with other international organisations are also being strengthened. Examples of this include the joint meeting of the Governing Boards of ETF and ERISEE on 19 November in Turin, meetings with OECD and meetings and staff exchanges with the World Bank and UNESCO. The aim is broaden the ETF's international perspective and reputation.

Situation in Tempus

Tempus technical assistance will be repatriated to the Executive agency for Education and Culture at the end of June 2008. Notices of termination of contracts have been given to the seven remaining temporary agents working on Tempus (from an original total of 23). This difficult situation is causing high levels of stress among Tempus colleagues, although ETF management is continuing to give as much support as possible to the staff members concerned within the legal, budgetary and administrative constraints. The European Food Safety Agency based in Parma and the European Personnel Selection Office have given presentations to staff about applying for upcoming vacancies and the Director and the Head of Administration of the Executive Agency have visited the ETF to talk to staff. All ETF vacancies are initially advertised internally and any options for internal mobility will be open to Tempus staff members right up until the end of their contracts. Some Tempus staff are benefitting from internal and external temporary attachments, including one at UNESCO's monitoring and evaluation unit in Paris.

Legal cases

Investigating a case of alleged sexual harassment and contract mismanagement on the part of an ETF staff member by a supplier from Azerbaijan, OLAF, the European Anti-Fraud Office, concluded that all allegations were unfounded.

A claim from a former staff member of unfair dismissal following the non-renewal of a contract after the expiry date was rejected on all grounds by the European Tribunal. However, an appeal is now being launched by the former staff member with the Court of First Instance.

A recent case of internet fraud using the ETF's logo and the names of some staff members is under investigation by the Italian police. A warning to potential recipients of the message has been put on the ETF website.

Performance indicators

The most recent regular ETF progress report on the corporate indicators has revealed an increasing number of requests from the Commission (88 in total so far in 2007), more than half of which were for programming and policy advice, although they vary in size and scope. One example is the request from the EC Delegation in the Ukraine to develop terms of reference for support to the joint EC-World Bank initiative on the development of human capital for economic growth, competitiveness and innovation.

Jointly funded projects such as those supported through the Italian Trust Fund are on the increase as well and there is potential to extend this area of the ETF's work. Discussions are ongoing on this issue for more jointly funded projects with the World Bank. Member States are also encouraged to work with the ETF through their education, labour and external aid ministries.

The ETF thanked the Government of Italy for their continued financial support through the Italian Trust Fund.

The number of expertise contributions to international conferences and external journals has also risen, as have the external subscriptions to the ETF's online newsletter.

Despite the difficult situation currently being faced by Tempus, the volume of projects is not decreasing. Tempus staff are currently coordinating the management of 1,200 running Tempus projects, as well as carrying out the contract and financial management of 800 running projects. The 2006 call for Joint European Projects led to 579 new applications and 150 successful projects were announced in July 2007.

The target of eight days of staff development per staff member will have been met and possibly exceeded by the end of the year and staff turnover has been kept to the lower end of the target range. Complete gender balance has been reached in terms of senior staff, although at assistant level females outnumber males. The nationality balance is another area for improvement (20 Member States and seven partner countries are currently represented). Governing Board members are therefore encouraged to distribute information about job vacancies as widely as possible in their home countries.

There will be an underspend in the 2007 budget as a result of the postponement of the repatriation of Tempus to the end of June 2008 and the late release of the reserve put on the ETF's budget by the European Parliament.

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

ETF recast regulation

David White reported on the proposed recast regulation which has been adopted by the Commission, translated into all official languages apart from Bulgarian and Romanian (these translations will follow shortly) and transmitted to the relevant legislative institutions. Formal discussions in the Council and the European Parliament are about to start. There will be a first exchange of views on the text in the Parliament on 22-23 January which will hopefully lead to adoption by the Parliament by the end of April. The Economic and Social Committee and the Committee of the Regions are also expected to express their opinions on the document.

Governing Board members are encouraged to contribute to the process as much as possible, particularly through their national representatives on the Education Committee of the Council.

Transfer of Tempus

The transfer of Tempus will take place on 30 June 2008. A modification to the mandate of the Executive Agency for Education and Culture is necessary and the European Commission is doing its upmost to ensure that the handover process goes as smoothly as possible.

European Neighbourhood and Partnership instrument

Ronan MacAongusa on behalf of DG External Relations gave an update on the progress of the European Neighbourhood and Partnership instrument which covers a geographical area extending from Morocco to Russia and aims at ensuring security stability and prosperity as well as promoting economic and social reform to align policies as much as possible to the EU's internal market in the countries concerned.

National strategy programmes have been adopted as have two regional programmes, one for the eastern area and another for the south corresponding to the EuroMed region. Cross border cooperation strategy and indicative programmes, which specifically mention education and training as an objective, aim to support sustainable development on both sides of the EU frontier in regions such as the Black Sea, the Baltic Sea, Italy-Tunisia, and Spain-Morocco. A total of EUR 283 million has been foreseen for this for the period 2007-10. An interregional programme for activities not covered by the regional programmes includes provision for a future scholarship scheme for students and lecturers proposed within the Erasmus Mundus programme.

Biennial progress reports on the implementation of action plans for each country are due to be finalised in April.

On 5 March 2007, the Council gave the Commission a mandate to open up community programmes and cooperation with EU agencies to countries covered by the ENPI. Additional protocols for such cooperation are being signed with Israel, Morocco and the Ukraine. Other countries will follow shortly.

Following the resolution of the Bengasi hostage crisis in Libya, work has started on establishing the future framework of EU relations with the country. Libyan representatives have expressed an interest in working on education and training related issues. A proposal will be submitted to the Council early in 2008 and activities could start later in the year. Any requests for ETF support will be made in this context.

Instrument for Pre-accession

Tal Hasson of DG Enlargement reported on developments in the Instrument for Pre-accession on behalf of Dirk Meganck.

Recent developments in this area have included an event to present the 2007 enlargement package, the preparation of a strategy paper with detailed country conclusions and progress reports on all countries, and revised financial figures in the multi indicative financial framework (MIFF) which has an allocation of EUR 4.8 billion for the period 2009-11. The enlargement strategy is based on the principles of the consolidation of commitments, fair and rigorous conditionality and better communication with the public combined with the EU's capacity to integrate new members. DG Enlargement is trying to improve the quality of the enlargement process by encouraging countries to tackle difficult issues such as judicial reform and the fight against corruption, as well as making accession negotiations as transparent as possible.

Progress has been made in 2007, but more work is needed on state building, good governance, civil society development, as well as good neighbourly relations. A Communication will be adopted by the Commission to review progress early in 2008.

The Erasmus Mundus programme is also underway in the region providing scholarships for undergraduates, graduates and lecturers.

DG Enlargement and the EC Delegations in the pre-accession region have cooperated closely with the ETF and the number of requests that they have made for ETF support have increased. One example is the project on social inclusion in the region. The project, which is coming to an end, has the objective of identifying examples of good practice in this field and the results will be fed into a potential regional programme. There are plans to continue with this kind of cooperation with the ETF in the future.

Ms Soares (PT) highlighted the benefits for students under the Erasmus Mundus scholarship programme, which is currently at the inception stage. The framework is being established, but no details are available at this stage.

iii. Cooperation with Member States and institutional partners

ETF collaboration with Member States has progressed. On 19 November, 16 ETF Governing Board members participated in the ERISEE governing board meeting that was held in Turin. ERISEE is the Education Reform Initiative for South Eastern Europe which came about as a result of the 2003 Thessaloniki Declaration that aimed at strengthening regional cooperation in the Western Balkans. The countries involved are now being encouraged to take ownership of their reforms. In 2008, the focus will be on intercultural dialogue, the European theme of the year.

Members were asked to complete a questionnaire on their possible future involvement in ETF activities and return it to **Mariavittoria Garlappi** at their earliest convenience.

Five Governing Board members have been particularly heavily involved in ETF work in 2007.

Mr Nobauer (A) reported on his role in a project on school and business training involving Mediterranean countries. He was asked to describe the Austrian, German and Swiss models of the dual system, elements of which could be put into practice in some of the countries involved in the project.

Ms Ali (EE) organised a successful awareness raising seminar in Estonia earlier in the year, and more recently visited Kosovo as part of an ETF study visit exchange between the two countries looking at qualification framework development. She was able to share Estonian experience in using European instruments in human resources development.

Ms Soares (PT) supported the ETF in the organisation of a number of events in Portugal as part of the Portuguese presidency. Portugal was honoured to host a South Eastern Europe teacher training event in Lisbon in September, where they had the opportunity to present the Portuguese context and share vocational training reform experiences. Visits to local schools allowed the conference participants to see the recent reforms in this area in practice.

Other relevant events organised in the context of the presidency included a conference on flexicurity, which looked at the issues of education and training, lifelong learning and the labour market, an informal meeting of the employment committee, which tackled investment in human capital and the rate of return, as well as the regular meeting of the Directors General for Vocational Training at which the ETF was present. Upcoming events include a meeting on the validation of formal and non-formal learning and a joint OECD conference on local development partnerships including the role of education and training.

Mr Degiovanni (MT) reported on the successful ETF awareness raising seminar that was held in Malta on 18 October and involved major vocational training institutions, social partners, trade unions, job placement agencies, educationalists, human resource managers and career guidance practitioners. Participants expressed an interest in following up with further ETF contacts. After the meeting there was a visit to the Malta college of Science, Arts and Technology, which the ETF helped to establish when Malta was an ETF partner country.

Mr Bandelj (SLO) was invited to present Slovenian experience in managing the accession process in the field of education to representatives from Bosnia and Herzegovina at a meeting which took place in Sarajevo on 15-16 October.

Mr Simonic was present as an observer from the Slovenian Ministry of Education and is part of a group that will coordinate the Slovenian presidency activities in the field of education. He presented the activities planned by Slovenia in this field. The main priority will be raising the profile of education and training in the Lisbon strategy. Slovenia will also make use of its experience in multilingualism and intercultural understanding to support the European Year of Intercultural Dialogue. Specific events include:

- A conference on gender equality to be organised by the Ministry of Labour on 30 January
- A ministerial conference on multilingualism on 15 February
- Directors General for Vocational Training meeting from 1 to 4 March
- Higher education – universities and lifelong learning conference on 9-10 March
- Integration of young people in the labour market conference in March
- The social impact of education flagship event on 8-10 April

- A meeting on disadvantaged young people and their role in society on 18-21 April
- A demography event at the end of April
- A ministerial conference on promoting common values and intercultural dialogue from 5-7 June in cooperation with Norway.

Mr Lindqvist (FIN) welcomed the Slovenian programme and underlined the fact that the topic of quality in education was becoming ever more important particularly as education quality is decreasing as volume is increasing.

5. Work programme and budget

i. 2008 Work Programme

Peter Greenwood presented the draft 2008 Work Programme. The planning for 2008 is consistent with the Mid-term Perspectives and continues on from the 2007 Work Programme in terms of the country focus and the three pillars of operational work, communication and organisational learning.

As a result of the reduced 2008 budget, innovation and control activities have been scaled down. Furthermore, more emphasis will be put on making use of internal expertise, rather than external.

The geographical prioritisation has also been affected by the budget restrictions and the work programme reflects this by focussing on a limited number of priority countries. The countries chosen are those prioritised by the EU and those that demonstrate their conduciveness to reform. The ETF cannot provide equal support to all of its partner countries. As an example of the impact of the reduced budget, the ETF has been asked to extend its work on migration in a number of countries, but has been forced to continue with only one country, Egypt.

Mr Mezel (F) referred to his recent work with the ETF on its migration project and mentioned a planned interministerial conference that will be held on this study in Paris and a follow-up conference on employment in the EuroMed region as part of the French presidency in December 2008. He requested that the ETF be as involved as possible in the EuroMed framework and asked for a specific evaluation on the MEDA-ETE project which comes to an end next year and for which the ETF has provided technical support to the Commission, in order to investigate how this type of network can be strengthened in future.

Mr Perugini (I) expressed his appreciation of the fact that the Work Programme guaranteed consistency with the relevant regulations and the Mid-term Perspective and the coherence and priority given to the countries of the pre-accession region. He stated that the Italian authorities would like to see Libya included in ETF activities from 2009.

Ms Scheys (B) asked whether the ETF had sufficient internal expertise to carry out its activities in view of the fact that external support will be reduced as a result of the budget cuts.

Ms von Hopffgarten (DE) congratulated the ETF on a thorough and ambitious work programme, although questioned whether it is in line with the current regulation as its legal basis. She expressed doubts with regard to the legality of covering issues in anticipation of the recast regulation. She pointed out that only the current regulation can be the legal basis for the Work Programme as long as the proposed recast regulation has not been adopted by the Council and the European Parliament.

ETF colleagues explained that through the activities in the 2008 Work Programme the ETF is positioning itself in the wider context of its proposed new mandate. Moreover, the understanding of the term vocational education and training has changed since the ETF's first Council Regulation was adopted in 1990. The recast regulation is therefore a confirmation of the way in which the ETF has been evolving over the past years and does not represent a complete change of direction for its work.

The ETF is no longer as dependent on external expertise as it used to be some years ago as more experts are being recruited as staff members. Nevertheless, the ETF will always need to draw on expertise from the outside the organisation. In this respect Member State contributions are very welcome.

Work in Libya is likely to start in 2009 as developments are progressing quickly. However, until a mandate has been approved by the Council, the Commission cannot get involved in the country, although an inter-service mission on a broad range of issues, including education, has already taken place.

The Work Programme was approved by the Board.

ii. 2008 Draft budget

Olivier Ramsayer explained that the approval process of the 2008 budget was different from usual as the Board gave its initial opinion on a proposal of EUR 19.48 million, but assumptions have now changed and the draft budget is based on a total of EUR 17.98 million. The main premise behind the budget breakdown is that the ETF is a centre of expertise in its field and therefore its human resources are its main asset. The ETF will also ensure the provision of technical assistance for the Tempus programme until the end of June and maintain its infrastructure and investment in information technologies. The budget cuts will result in more focussed investment in operational expenditure and a 15% reduction in communication expenditure.

The cut of €1.6 million in the 2008 budget represents exactly half the amount estimated for the annual running of the Tempus programme (€3.2 million). The reduction is therefore proportional to the work that the ETF is expected to do for the Tempus programme in 2008. However, additional expenditure for the repatriation of the programme to Brussels and possible legal costs arising from staffing issues are to be expected.

Both the budget for 2008 and the Work Programme are subject to the approval of the Parliament and the Council in December.

Ms Soares (PT) noted the clear link with the Mid-term Perspectives in the objectives of the Work Programme and the draft 2008 budget and the positioning of the ETF in a wider education and training context. She mentioned the new cycle of innovation projects planned and the fact that they were more limited than usual due to the budgetary constraints. However, she nevertheless congratulated the ETF on its ambitious work programme and questioned whether or not it was achievable within the limits of the restricted budget for 2008. She expressed appreciation for the development of different kinds of partnership and collaboration with similar organisations like the World Bank, the ILO and the Foundation for the Improvement of Living and Working Conditions in Dublin. She remarked on a possible issue of legality with regard to the widening of the context in advance of the approval of the recast regulation, and a possible lack of balance in geographical coverage.

Mr Nobauer (A) suggested that as the approval of the recast regulation might be slowed down by disagreements in the Member States about the composition of the Governing Board, this part be removed from the proposal.

Mr Perugini (I) insisted that the changes to the ETF's 2008 budget should not jeopardise future subsidies and appropriations from 2009 onwards. In view of this comparisons for 2009 should be made with 2007, while 2008 should be considered an exception. He also referred to the absurdity of a situation in which the ETF was being asked to provide more support to the Commission and the partner countries, transform itself in terms of its extended mandate while at the same time receiving fewer resources.

Mr Vantuch (SK) pointed out that if the repatriation of Tempus is delayed again, the ETF doesn't have the resources to continue to provide technical assistance for the programme. He stated that the budget cuts applied to 2008 were a form of crisis management and could be disastrous for the organisation.

The 2008 draft budget was adopted by the Board.

iii. Rationale for ETF estimate of revenue and expenditure for 2009

The ETF's 2009 budget has been planned in line with the activities in its extended mandate. It does not envisage the provision of technical assistance for Tempus as confirmed by the Commission. It is also based on the premise that in terms of budget, 2008 is a transitional year, and 2009 would represent a return to the basis established in the Mid-term Perspective (2007-10). The budget breakdown has

therefore been kept in line with that of the 2007 budget and the division between administrative and operational costs is 30%/70% as in previous years.

Mr Mezel (F) complimented the ETF on the clear breakdown of resources and stated that the budget matched the priorities for the Neighbourhood and Pre-accession areas as outlined in the Mid-term Perspective (2007-10).

The Board approved a technical point on the presentation of the redistribution of funds in the 2007 amended budget which was made at the request of the Court of Auditors following their recent visit to the ETF.

6. Establishment of an International Advisory Panel

As a follow up to the paper on ETF networks (ETF-GB-06-030) presented to the Board in November 2006, **Vincent McBride** presented the ETF's thoughts on the creation of an International Advisory Panel. As the Advisory Forum is not included in the recast regulation, the IAP has been conceived as a way for the ETF to obtain external advice and guidance on its work. The panel would be concerned with scientific and methodological issues and would comprise thematic (as opposed to geographic) expertise. In comparison to the Advisory Forum, the panel should represent a more cost-effective way of consulting external peers and it should attract high profile people working at the cutting edge in their different fields.

Ms Soares (PT), Ms von Hopffgarten (DE) and Mr Perugini (I) outlined a number of questions and areas for clarification that should be answered in a follow-up paper to be presented to the Board in June 2008:

- More clarity is needed on the relationship between the Governing Board and the proposed panel, including the division of labour between the two bodies.
- The tasks and mandate must be made more transparent
- The means of selection of all members, particularly the permanent members, should be explained (for example, the members of the Governing Board troika couldn't be used as they have an 18-month term).
- The difference compared to the Advisory Forum should be highlighted as should the function of providing technical advice and expertise to the Governing Board.
- Clearer reference to the recast regulation should be made.
- The Governing Board should approve the membership and work programme of the panel.
- There is a contradiction between the membership breakdown in terms of regional representation and the panel's proposed independence from geographical origin and this requires further explanation.

7. Human resources issues

i. ETF human resources management strategy

Muriel Dunbar presented the new human resources management strategy for information. Through the strategy the ETF recognises that its human resources are key to its success and it also identifies three main strands for human resources management at the ETF: putting the right people in the right places, maximising the potential of staff members, and ensuring that performance is managed effectively.

The new Head of Human Resources, **Giancarlo Senatore**, was also introduced to the Board.

ii. Implementing rules for staff regulations

The new staff regulations for officials and other staff of the European institutions entered into force in 2004. The implementing rules are designed to harmonise the interpretation of the staff regulations across 25 EU agencies (excluding the executive ones) and have been prepared by DG Administration. The Board adopted the implementing rules presented on the recruitment of temporary agents and on part time work. Other implementing rules will be presented for the Board's approval at subsequent meetings.

8. External evaluation action plan

Outi Kärkkäinen presented the progress that ETF is making on the action points from the 2006 external evaluation of the ETF. The ETF has now completed or is continuously complying with 30 of the 31 action points, i.e. 97% which compares to 27 action points (87%) six months ago. The Board will be updated on further progress at both the June and November meetings in 2008.

Mr Lindqvist (FIN) congratulated the ETF on its work in this area, particularly in terms of becoming a learning organisation. He pointed out that it is easy to follow the rules of evaluation, but measuring impact and effectiveness in the education field is very difficult but essential.

9. Internal control standards

Olivier Ramsayer reported on progress made in the implementation of the internal control standards which are designed to help the organisation to achieve its objectives while respecting all relevant rules and procedures and which were adopted by the Governing Board in June 2004.

A first visit from the Commission's Internal Audit Service took place in 2005 and a second in October 2007. A report on this second visit is due by the end of the year and the IAS will report to the Governing Board on their findings in June 2008.

Any other business

Muriel Dunbar reminded members of the upcoming changes in the ETF management team as a result of the departure of **Sandra Stefani** (current head of the Operations Department) at the end of 2007. She will be replaced by **Peter Greenwood** (current head of the planning, monitoring and evaluation unit), who in turn will be replaced by **Xavier Matheu de Cortada**.

Next meeting: 10 June 2008

Action points

- International Advisory Panel paper to be revised in line with the comments of the Board.
- Minutes of June 2007 meeting to be amended according to the comments from the Italian member.
- June meeting update on Internal Control Standards from the Internal Audit Service.
- The 18 additional Implementing Rules for the Staff Regulations to be submitted to the Governing Board for approval in future.
- ETF to continue to provide technical assistance for Tempus until 30 June 2008.
- ETF to follow developments on possible future support to Libya.

- ETF to be involved in developments in the EuroMed framework particularly in the context of the French presidency.
- ETF to participate in Slovenian presidency events.