

ETF GOVERNING BOARD MEETING 21 NOVEMBER 2006

MINUTES

Introduction

The November 2006 meeting of the ETF Governing Board was held in Brussels and opened by European Commissioner Jàn Figel' responsible for Education, Training, Culture and Multilingualism. Odile Quintin, Director General of DG EAC chaired the meeting. The Chair welcomed the new members of the Governing Board, as well as newly appointed ETF Staff Committee observers.

Countries not represented were: Belgium, Denmark, Lithuania, Luxembourg, The Netherlands, Romania, Slovakia, Sweden, and Turkey.

Mr Figel' described the ETF's developing role in building closer links between the EU and the neighbouring countries around three main themes:

- a) As one of its areas for cooperation, the European Neighbourhood Partnership Instrument (ENPI) covers vocational education and training as means to support stability and security as well as a vehicle for promoting European values.
- b) Human resources development (HRD) is a wider field than education. It is not simply about getting people to work, but includes human rights, democracy, and the involvement of minorities in mainstream society. Lifelong learning is an essential element to combating unemployment, and enterprises need encouragement to get more involved. Knowledge must be at the centre of the EU's strategy towards globalisation and as such globalisation can be an opportunity for Europe.
- c) The ETF has proved itself as a long-term support to partner countries reform efforts and has become an important forum for exchange. The policy learning approach is the right way to go about providing this support in line with EU approaches.

1. Adoption of the agenda

The agenda was adopted moving point 5 "ETF external evaluation" before point 4 "Work programme and budget". The following topics were considered under point 6:

- Next Finnish Presidency meeting
- German Presidency agenda
- Portuguese Presidency agenda

2. Follow-up to previous meeting

Item i: Minutes of previous meeting

The minutes of the previous meeting held in June 2006 were adopted without modification.

Item ii: Oral report on action points and written procedures

1. Draft action plan on external evaluation: under discussion see point 4(i)
2. Raising awareness about the ETF in Member States: see point 3(iii)
3. Facilitating an active Governing Board member role in ETF initiatives: see point 3(iii)
4. Adoption of 2005 annual accounts via written procedure
5. Approval of revised 2006 budget via written procedure
6. GB members invited to comment on ETF website
7. Administrative regulations: adoption of new procurement and financial regulations
8. Distribution of second wave of the implementing rules for Staff Regulations before the June meeting.

Mr François (F) asked the ETF to maintain its efforts to ensure that documents are available in French on the website.

A minute's silence was held in memory of Mr. Peter de Rooij, former ETF Director.

3. Oral reports

Item i: Trends and developments in ETF

The main issues on which ETF was working in 2006 confirm the trend from technical assistance to the provision of policy expertise as foreseen in the Communication on the ETF under preparation by the Commission¹, in particular:

- Institutional developments: Strategic support provided to DG Relex and Enlargement in the programming process for the new instruments through country analyses and an increased number of Commission services actively involved in ETF work, including DG Enterprise and Justice;
- Policy work towards broadening the relevance of ETF expertise on HRD issues, including the project on the skills profiling of migrants and the conference on gender in education and training. The ETF also contributed to the analysis of the impact of the Tempus programme on social and economic development, higher education systems and institutions as well as cooperation between universities and enterprises;

Furthermore, in 2006 Governing Board members and EU Member States have become more actively involved in ETF work (see below).

In terms of internal developments, the following were highlighted:

- Legal action regarding the conduct of a member of ETF staff was being taken by a partner country contract holder.
- A restructuring of the Administration Department was underway in order to prepare for the changes to the regulatory environment

The importance of the migration issue was stressed by **Mr Perugini (I)**, **Ms Leclerc (F)**, **Ms Esteban (E)**, **Ms Medeiros Soares (P)** and **Ms Borg (MT)**, and they encouraged the ETF to get more involved in this area. Examples of possible future actions could include finding solutions with partner countries that allow migrants to reach Member States with the necessary qualifications to alleviate integration problems. Synergy in this area with other EU agencies such as Cedefop was suggested.

¹ Please note the Commission Communication on ETF (832/2006) was adopted 19 December 2006

A presentation and discussion on the results of the ETF's migration project will take place at the next Governing Board meeting. The results will help to define the ETF's future contributions in this area.

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

1. ETF external evaluation

In December, the Commission plans to adopt a Communication on the external evaluation of the ETF sharing "the evaluator's overall positive assessment of the efficiency and effectiveness of the ETF's work and considers that the Agency has made a valuable contribution to the Community's activities". Some improvements are required, for example, to reinforce links between 'the mid-term priorities, the annual work programme, the country plans, the annual activity report' or the definition of relevant measurable indicators in order to facilitate the follow-up of objectives and impact assessment. As regards the new external relations instruments, the ETF should adapt its organisation and its way of working to its new environment. The ETF must - in coordination with the Governing Board and the Commission - establish clear priorities and concentrate its available resources on its core activities. This demands a renewed commitment from both sides to clear communication.

On the Advisory Forum the Commission shares the evaluator's opinion that it has largely lost its statutory function as an organ of governance of the ETF. In fact, the ETF's activities are decided as the result of a process of dialogue with the Commission on the basis of the EU's external assistance priorities. In this institutional context, the Advisory Forum cannot play a significant role in determining the content of the ETF's activities on an annual basis. Therefore, the Foundation should explore new, more flexible and cost-effective ways of benefiting from external expertise in its field of activity.

2. Tempus management

The Commission intends to transfer the management of Tempus from the ETF to the Executive Agency from the beginning of 2008. The Programme would be co-ordinated by DG EAC and DG AIDCO. The Commission would try to ensure that the knowledge of the programme built up by ETF would be safeguarded and warmly encouraged experienced Tempus staff from the ETF to apply for posts at the Executive Agency

Measures undertaken so far by the ETF in terms of supporting the staff members involved in this regard include:

- An internal mobility programme before external advertising of vacancies, which has so far resulted in one success case;
- Giving priority to Tempus staff in staff development opportunities;
- External support for preparing CVs, job search etc.;
- A presentation from the European Food Safety Authority in Parma, which is currently undergoing a large scale recruitment drive;
- A presentation from the European Personnel Selection Office on how to apply within the EU civil service;
- Ongoing discussions with the Executive Agency, which will be seeking staff with Tempus expertise for recruitment in 2008.

The ETF cannot, however, guarantee posts for Tempus staff either internally or externally.

Mr Perugini (I) pointed to the fact that the transfer of Tempus to the Executive Agency was a subject of great concern for ETF staff. He urged the ETF to do its best to reemploy these staff members either internally or in other institutions and asked whether the European Commission could collaborate on this.

3. Relevant European instruments in the field of education and training

The European Qualifications Framework has recently been adopted and national qualification frameworks built around the European model are widely regarded as useful reform tools in ETF partner countries. The Commission's efforts to ensure the recognition of key competences and the forthcoming communication on efficiency and equity would also be highly relevant for partner countries. The European Institute of Technology currently under preparation will radically transform European research and innovation.

4. New ETF Council Regulation

The background to the Commission's conclusion that the ETF's founding regulation needs to be revised involves the changes to the EU external relations instruments as well as the more holistic approach to education and training that emerged as a result of the Lisbon approach. The main changes under consideration for the new regulation can be summarised as:

- A broader thematic scope: human resources development in a lifelong learning perspective;
- A redefined geographical remit focusing on the pre-accession (IPA) and neighbourhood (ENPI) regions;
- An updating of the formulation of the ETF's functions so they correspond to the tasks actually being carried out;
- Modernised governing structures to promote effective decision-making and convergence with other agencies. The Commission was considering a Governing Board with fifteen representatives, the Commission and Council having six members each and three non-voting partner country members. All members would be appointed on the basis of their experience in the sector for a five-year term, and in respect of gender equality. The Advisory Forum will no longer hold a statutory function as an organ of governance of the ETF.

The first draft of the new regulation has been prepared and is undergoing an informal consultation within the Commission services. The process should be finalised at the beginning of 2007. The adoption procedure will depend on the article of the Treaties used as the legal basis. This is likely to be Article 150 on vocational education and training. As the whole procedure will probably take about a year, the regulation should, in principle, be adopted by the end of 2007 at the earliest.

Mr Perugini (I) declared that he agreed to the changes to the ETF's thematic and geographic scope in the new Council regulation, pointing out that the Governing Board had not been given the chance to comment on the draft prepared by the Commission. He asked when this might be possible.

On the composition of the Governing Board he stressed the need for a mix of backgrounds and that an increased presence of members from ministries of foreign affairs would be beneficial. He opposed the proposal of an equal representation of the Commission and the Member States given that the current statute provided for the representation of all Member States.

Ms Leclerc (F) argued that the External Evaluation action plan and the Commission's proposal for the new Council Regulation provided essential background information for the Board to be able to approve the ETF Work Programme for 2007.

The Commission's position on the ETF Governing Board was taken from the proposed inter-institutional agreement on regulatory agencies, which states that as the Commission is held responsible for the regulatory agencies then it should have an equal representation on the Boards of such agencies. Reference was also made to the recommendations in the external evaluation regarding the need to ensure the cost-effectiveness of governance structures. Member States should have the responsibility to decide on the background of the Board members.

5. Activities in the IPA region

On 8 November 2006, the Commission adopted a strategy for Enlargement based on three pillars:

- Consolidation of existing actions and agreements;

- Access to support based on progress made by each country;
- Improved communication on the Enlargement strategy for EU citizens.

The three outstanding challenges for the future are:

- how the negotiations with Turkey will continue;
- the status of Kosovo;
- how to ensure that the Enlargement process is not delayed by the EU internal problems (institutional framework, reform of budget, etc.).

Significant progress has been made in the implementation of the IPA: the financial framework 2007-09 has been approved and the second phase of planning has started (with priorities for each country and sector). During the first semester of 2007 all planning documents for the year should have been approved. Programming will be carried out in the second half of the year followed by the implementation phase. The European Agency for Reconstruction is being phased out and will be replaced by the EC Delegations.

The ETF's contribution to the planning activities was highly appreciated by the Commission, particularly in terms of its assessment of labour market issues. The close cooperation between DG Enlargement and the ETF is expected to continue.

6. Activities in the ENPI region

An Commission Communication on the European Neighbourhood policy will be launched on 29 November 2006 to give the new instrument more visibility. The Communication will concentrate on issues relevant to the ETF's work, such as the free trade agreement, the people to people exchange programme and migration.

The ENPI will become operational from 1 January 2007. The overall budget will be €11.2 billion over the period 2007-13. Migration will receive 3% of the funds. A comparable amount has been earmarked for migration issues in the other external relations instruments.

Negotiations with the Council and the Parliament on the Development Cooperation Instrument, which will cover Asia, Latin America and South Africa, have been successfully concluded. The programme will be adopted in December.

The Nuclear Safety and Stability instruments will come into force in January together with the Human Rights and Democracy Instrument.

Item iii: Relations with EU Member States

Initiatives have been undertaken by the ETF 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 and June 2006 meetings whether they would be interested in taking an active part in ETF projects and a number of them replied favourably. **Ms Kylli Ali (EE)** and **Ms Paixao (P)** provided inputs to ETF conferences on the dissemination of EU policies (in Kiev and Tbilisi) and social partnerships (in Romania). **Mr Szent-Leleky (H)** provided support to the NQF study mission to Hungary, and **Mr Perugini (I)** supported the newly signed Italian Trust Fund donated to the ETF which amounts to €1 million over the period 2006-08.

Mr Constantinou (Cyprus) gave support to an ETF awareness-raising seminar held in Nicosia in October for the benefit of local authorities working in the field of HRD.

Members were asked to confirm their availability to provide support for ETF projects in 2007.

The ETF and Cedefop are committed to closer cooperation and priorities and linked programmes between the two agencies were recently agreed. The ETF will use Cedefop products to make information about best practice in the Member States available to the partner countries. Cedefop is currently mapping the sector approaches in the Member States, and a sector analysis on employment and qualifications could be particularly relevant to the partner countries. The SWAP (Sector Based

Approach) is an identification tool for aid delivery and EC Guidelines set in 2003 will be revised in 2007. A meeting between the ETF and DG Aidco should take place to discuss the forthcoming ETF manual on how to put the sector-based approach into practice in education and training.

4. ETF external evaluation

Item i: ETF external evaluation action plan

The draft external evaluation plan is based on recommendations made in the external evaluation of the ETF and the Commission's proposed communication. Five key areas for improvement have been identified: policy and strategy, efficiency and effectiveness, monitoring of activities, governance and communication. Thirty-two improvement actions have been identified and their implementation is foreseen over the next one and a half to two years. The ETF will report regularly to the Governing Board on progress. The adoption of the plan would follow, based on a written procedure.

Item ii: ETF support networks (Advisory Forum after 2006)

The ETF's networks will be reshaped to reflect the recommendations in the external evaluation report, which for example, questioned the cost-effectiveness of the Advisory Forum. The new concept includes networks in partner countries, Member States, international bodies and donors active in the ETF's field, centred around a new International Advisory Panel (IAP), made up of eight to ten ETF stakeholder representatives. This new panel would be a forum for debate on thematic issues, while the Governing Board would retain its responsibility for defining the ETF's mid-term perspective and annual work programmes. The exact format of the IAP is still under discussion and a final decision will be taken shortly.

Ms Seng (D) recognised the cumbersome nature of the current Advisory Forum and its lack of relevance for the new mandate. She asked that IAP members be appointed by the Governing Board to ensure ownership and a balanced representation, and that the conclusions of the IAP guide the decisions of the Governing Board.

Ms Esteban (E) proposed that the IAP should work with the Governing Board.

Ms Medeiros Soares (P) expressed her support for the suggestion that the Governing Board should appoint the IAP members. Moreover, she suggested that the Governing Board itself should discuss whether the IAP should give guidance to the ETF directly or to the Board.

Ms Leclerc (F) agreed on the need to discuss the paper more in detail and declared the IAP should not jeopardise the role of the GB.

Mr Perugini (I) recognised the many reasons behind the phasing out of the Advisory Forum. The IAP however, must be consistent with the functions of the Governing Board in line with Para 78 of the evaluation report.

The Governing Board has traditionally had the role of appointing the members of the Advisory Forum. The Board could continue to appoint the members of the IAP on the basis of proposals made by the ETF. The strategic guidance that should be provided by the IAP is necessary as a means of informing the content of the Work Programme.

It would also be possible for selected Governing Board members to be represented on the IAP. Governing Board members could also contribute by helping to identify experienced civil servants in the Member States who would be suitable IAP representatives.

The proposal will be reviewed in the light of the member's comments and the forthcoming new Council Regulation.

5. ETF Work Programme and Budget

Item i: ETF Mid-term perspectives 2007-2010

The ETF's activities have evolved in harmony with developments in EU external relations, training and regulatory frameworks. In the period 1994-2000, the ETF was largely a project implementation or technical assistance body, whereas in the period 2000-06, it had to raise its contribution by providing project design services and adapt its internal management to the Commission reform. In the next phase, the ETF will again need to raise its level of intervention by providing programming and policy support while continuing to comply with the regulatory framework. In this context, the ETF mid-term perspectives 2007-10 have been drawn up within the following conceptual framework:

- There had been a distinct change in the type of requests from the Commission that call on the ETF to provide policy analysis, formulation and implementation and move away from project management. Policy learning becomes the tool to support such a shift.
- Among its five new functions proposed by the Commission, the ETF is called upon to reinforce capacity in partner countries to formulate and implement policies.
- The ETF needs to develop human resource strategies and staff development measures to support its staff in the expertise demands being made on the organisation. Examples of ETF staff refreshing their qualifications include the staff exchanges with the World Bank and the Qualifications and Curriculum Authority for England.
- The mission of the ETF has been revised in the light of the expected new functions. In turn, this has required greater effort to develop new knowledge and solutions to ensure access to different kinds of expertise.
- Cooperation with other agencies and EU bodies (e.g. Cedefop, the Joint Research Centre and the European Food Safety Authority) is high on the agenda.

Mr Perugini (I) recognised the document is well articulated and reflects the ETF's challenges. He suggested the further development of the following topics: collaboration with Meda partners particularly in institution building with the ILO centre in Turin, migration, and collaboration with the European Investment Bank.

Ms Leclerc (F) **Ms Leclerc (F)** expressed a reserve on approving the mid-term perspectives ahead of the adoption of the Commission Communication in December. She urged the ETF to identify criteria for geographical prioritisation and to continue to integrate migration issues into its work.

Ms Medeiros Soares (P) underlined the need to link education, training and employment, as well as stressing the importance of poverty reduction.

Ms Seng (D) appreciated the ETF's efforts to raise the capacity of its staff.

Mr Wieczorek (A) expressed his concern about circulation of information among Member States not sitting on the Governing Board. This was echoed by **Mr Nupponen (FI)**.

The ETF was encouraged to further develop its criteria for prioritising its geographical focus and ensuring synergy with other bodies working in the field. The ETF was asked to revise the document in line with the comments made by the Board, and to resubmit it by written procedure once the Commission Communication had been adopted.

Item ii: ETF Work Programme 2007

The 2007 Work Programme clearly reflects the shift in the ETF's work from technical assistance in the field of vocational training to the provision of policy support to human resources development in a

lifelong learning perspective. The ETF will also focus and target its interventions more. The work programme is structured around three pillars as follows:

Pillar 1: IPA, ENPI, DCI, Innovation and learning and Tempus; Pillar 2: Corporate communication; and, Pillar 3: Organisational learning to complement the core business under Pillar 1.

Mr Nupponen (FI) asked that reference be made to the Helsinki Communiqué (rather than the Helsinki study, which has been delayed) in the annex on cooperation between the ETF and Cedefop (page 30).

The ETF's 2007 Work Programme was approved on condition that a more detailed description of Tempus activities is included, and the forthcoming Commission Communication on the ETF does not lead to alternative actions.

Item iii: ETF Draft budget 2007

The ETF's approach to the 2007 budget can be summarised in three key words: continuity, innovation and capacity building to meet new challenges.

The 2007 budget was approved (pending the approval of the overall EU budget by the European Parliament) with a provision that 2007 is a transitional year in view of the uncertainties regarding Tempus and the new Council Regulation.

Item iv: Rationale for ETF Estimate of Revenue and Expenditure 2008

The ETF's subsidy from the European Commission in 2008 is €19.484 million, slightly lower than 2007 (€19.7 million). The balance between titles established for the 2007 budget as well as staffing levels will be maintained in 2008. The planned distribution of the 2008 budget by partner region/theme will be as follows:

- 36% for neighbourhood countries
- 36% for candidate and potential candidate countries
- 8% for Central Asian republics
- 20% for innovative actions building up the ETF's body of knowledge and experience through pilot actions.

Item 6: Any other business

Mr Nipponen (FI) informed about the upcoming informal ministerial meeting to adopt the Helsinki Communiqué on EU cooperation in VET to be held at the beginning of December.

Ms Seng (D) outlined the main priorities of the German Presidency in support of the Lisbon process:

- High level meeting of Directors General in Bonn in November
- National Qualifications Frameworks
- Lifelong learning programme, with a major conference in Berlin in March
- Bologna process
- Copenhagen process, with a key conference in June
- Under discussion: identity and education
- National strategies for early childhood

Ms Medeiros Soares (P) reported that the Portuguese presidency will have the following priorities:

- European Qualifications Framework
- Lifelong learning
- Erasmus
- Training of adults
- Teacher training
- Evaluation of schools
- Social inclusion
- Recognition of informal qualifications and skills

The Commission stressed the importance of the preparation of a human resources development plan for ETF staff.

Item 7: Date of next meeting

The proposed date is 11 June 2007 in Torino.

Action points

- Tempus section in WP 2007 to be revised to add further detail
- Cover note to budget to be revised to emphasise the transitional nature of the year
- MTP to be revised to include reference to co-operation with other bodies. MTP to go through written procedure after adoption of the Commission Communication
- Final budget and work programme to be sent to the European Parliament with a cover note on differences between the pre-draft budget and the draft budget
- ETF to disseminate Helsinki Communiqué to partner countries
- External evaluation action plan to be submitted to the Board for adoption by written procedure
- ETF networks paper to include reference to Governing Board approval of members of the International Advisory Panel. Revised paper to be discussed with the Board once the Commission has adopted the new Council Regulation proposal
- All communication on GB matters to be copied to the desk officer in EAC