



Council of the  
European Union

Brussels, 30 September 2016  
(OR. en)

12493/16

SOC 556  
EMPL 367  
ECOFIN 829  
EDUC 298

**NOTE**

---

From: Employment Committee

To: Permanent Representatives Committee/Council

---

Subject: Indicator Framework for Monitoring the Council Recommendation on the integration of the long-term unemployed into the labour market  
- Endorsement of the main messages of the EMCO

---

Delegations will find attached the main messages of the EMCO on the Indicator Framework for the monitoring of the long-term unemployment (LTU) Recommendation.

## **Key messages on the Council Recommendation on integrating long term unemployed into the labour market**

Long-term unemployment (LTU) remains a major concern in the EU, with almost 10.2 million Europeans looking for a job for more than one year in Q1 2016. In ten Member States, long-term unemployment still accounts for more than 50% of unemployment. The recovery seen since 2012 has seen varying trends across the Member States, with LTU falling sharply in some but continuing to increase in others. Overall, LTU declined more rapidly than short-term unemployment in 2015, but its incidence remains very high amongst the low skilled, migrants, younger and older workers.

Long-term unemployment is an acute problem because the longer people are out of work, the more problematic it is to return. Many risk leaving the labour market altogether. This trend needs to be reversed to ensure that more of the people who are currently long-term unemployed can benefit from the economic recovery. Tackling long-term unemployment would contribute to sustainable growth and cohesion. It would reduce the impact of higher social assistance and lower tax revenues on public finances. It would also open a way out of poverty for both the workers affected and their families, as half of those finding a job also escape the risk of poverty. Improving overall performance on employment and unemployment is essential to the reduction of LTU. However, even when new jobs are created it is often very difficult for the long-term unemployed to successfully re-enter the labour market.

The Council Recommendation on the integration of the long-term unemployed into the labour market, adopted on 15 February 2016, aims to address this by encouraging Member States to

- (i) support the registration of jobseekers;
- (ii) provide in-depth individual assessments and guidance leading to a specific offer of a job-integration agreement at the very latest when reaching 18 months of unemployment;
- (iii) identifying a single point of contact in charge of coordinating support.

EMCO mandated the EMCO Indicators Group to develop an Indicator Framework for monitoring the implementation of the Recommendation. In developing such a Framework, the Indicators Group drew on the existing monitoring instruments, including the Employment Performance Monitor and in particular on its previous experience in developing the Framework for the Youth Guarantee. A proposal for an Indicator Framework was tested through a pilot data collection in July-August 2016 and comprises indicators at the following three levels: aggregate, direct and follow-up monitoring. EMCO endorsed the Indicator Framework at its informal meeting on 22 September 2016 and the final document is attached alongside this note. The Indicator Framework will be integrated into the Joint Assessment Framework (JAF) and the first regular data collection will be launched by the Commission at the beginning of 2017.

In addition to the work on indicators, EMCO has also been tasked with monitoring the implementation of the Council Recommendation through multi-lateral surveillance. A first thematic review is planned for December 2016. Going forward, Member States should consider nominating national contact points for better coordination of policy implementation and monitoring. The EU Network of Public Employment Services (PES) has also contributed to work on the monitoring of the Recommendation by developing proposed quality thresholds for a Single Point of Contact (SPOC) as well as for Job Integration Agreements.

The EMCO Informal meeting in Bratislava on 22 September 2016 offered an opportunity for detailed discussion on the steps Member States are already taking to tackle LTU and the qualitative aspects of the implementation of the Council Recommendation. A certain number of key messages emerged from these discussions:

- A thorough review of the unemployed through a broad profiling of all factors potentially affecting employability, such as skills, health, financial and family situation is a key element in reinforcing prevention of LTU. Prevention is more effective than remedy.
- When prevention fails, job integration agreements should contain clear provisions on mutual responsibilities, pointing out who is in charge of follow-up actions. Integrating clear goals, job search commitments, benefit conditionality and sanctions are important elements for effective job integration agreements.

- Follow-up and updates to job integration agreements are vital in keeping them operational and thereby ensuring successful integration into the labour market.
- Effective channels for personalised contact between the unemployed and the counsellor are particularly important for addressing LTU. Evidence shows that intensified counselling is particularly promising and should complement IT interfaces or purely 'organisational' guidance.
- Incentives for job search for the long-term unemployed need to be combined with protocols of cooperation with employers, and well-designed hiring and training incentives.
- While the organisation of a single point of contact can be based on hard or soft coordination, it is vital to broaden and strengthen partnerships between employment and social services (both public and private). Coordination or even (depending on the specific situation of the country) integration of services can help the integration of the long-term unemployed into the labour market. There could also be a need to increase the capacity and coverage of social services including those addressing care, health, addiction, and debt issues.
- Well-developed IT infrastructure allowing relevant organisations to access client data and transfer individual files and case histories between service providers (within the limits of protection of private life legislation) is essential for the single point of contact.
- Identifying the lead organisation in delivery of the single point of contact is necessary, although roles may need to be adapted to local situations or the particular characteristics of the individual unemployed. Institutional budgetary incentives should be aligned in order to ensure that the incentives for service providers to jointly activate the long-term unemployed work as intended.
- Some PES may need to build capacity and explore ways to transform their service provision, including by engaging in or improving private-public-partnerships, in order to enhance their performance and meet the Recommendation standards. Funding for such PES development should be sustainable.

---