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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Work Programme of the Employment Committee for 2016

Delegations will find attached the 2016 Work Programme of the Employment Committee and its subgroups, as adopted in accordance with the Committee's rules of procedure, with a view to the meeting of the EPSCO Council on 7 March 2016 (Any Other Business item).

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EMCO Work Programme 2016

INTRODUCTION

The Employment Committee (EMCO) is the advisory Committee established under Article 150 TFEU. It is tasked with monitoring "the employment situation and employment policies in the Member States and the Union" and with the formulation "of opinions at the request of either the Council or the Commission or on its own initiative, and to contribute to the preparation of Council proceedings".

The main elements of the Committee's work programme for 2016 relate to preparing the EPSCO Council proceedings with regard to the European Semester and the Europe 2020 strategy, including the European Employment Strategy (EES) and its instruments. Much of the Committee's calendar is therefore determined by the rhythm of the Semester.

THE EUROPEAN SEMESTER

In early 2016 the Committee will contribute to the Council Conclusions on the Annual Growth Survey, the publication of which in November 2015 signifies the start of the 2016 Semester cycle. It will also finalise the Key Messages of the Joint Employment Report on employment-related issues.

The first half of 2016 will also see the Committee carry out its (by now well-established) cycle of multilateral surveillance on the implementation of the Country-Specific Recommendations (CSRs) endorsed by Council at the end of the 2015 Semester. EMCO will, together with its Policy Analysis (formerly "ad hoc") and Indicator sub-groups, review the implementation of all CSRs related to its areas of competence and update the Employment Performance Monitor to define the Key Employment Challenges that Member States labour markets' face. It will thus generate a multilateral position for EMCO to use for the discussions on Commission proposals for new CSRs.

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The Committee is also tasked with informing the Council of its views on the labour market aspects of the Country Reports, including the in-depth reviews prepared by the European Commission as provided for under Article 5 of the Regulation on the prevention and correction of Macroeconomic Imbalances. It will carry out this work in the period March to June.

In May and June the Committee will discuss the Commission's proposals for Country-Specific Recommendations for the 2016 Semester, providing country-specific opinions to the June EPSCO.

Between the June EPSCO Council and the October EPSCO Council the Committee will develop a new product: a high-level overview of the Key Employment Challenges which have been identified both through the process of multilateral surveillance and through the Employment Performance Monitor (the latter will be adopted in EMCO in May as in previous years, but will be sent to the EPSCO Council in October rather than in June, to ensure maximum visibility for this key EMCO product). This will represent EMCO's contribution to the preparation of the Annual Growth Survey for 2017, which will start the next Semester cycle.

In the same time period the Committee will review its multilateral surveillance activity strategically in the light of the experience of recent years to see whether it could be further refined or improved.

SOCIAL GOVERNANCE DEVELOPMENTS

In the wake of the Five President's Report, EMCO will monitor the development of the social governance agenda and its related elements, and contribute wherever it can usefully do so. In particular it will contribute its expertise to discussions on the promised Commission proposals on benchmarks for convergence and the European pillar of social rights. It will also contribute to any further discussions which may take place on the need for and the design of an "lautomatic stabiliser" mechanism, in particular as this relates to unemployment benefits or other labour market institutions.

G20

EMCO will continue to support the EU's contribution to the G20 Employment Working Group

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MONITORING OF COUNCIL RECOMMENDATIONS

The Committee is tasked with monitoring the implementation of the Youth Guarantee, as required under the Council Recommendation of 22 April 2013 establishing a Youth Guarantee. As with the implementation of the CSRs, this is done through multilateral surveillance supported by the specific indicator framework developed for this aim. Since the data necessary to carry out the monitoring will become available in the course of November, the Committee will do the review in December with the aim of reporting on the implementation of the Guarantee to the EPSCO Council in March 2017 (as it will report to ESPCO in March 2016 on the review it carried out in December 2015).

The Committee will also look to contribute to the Commission's review of the Youth Guarantee, which is scheduled to be submitted to the European Council in October 2016.

The Committee will develop a framework for monitoring the implementation of the Council Recommendation on Long-Term Unemployment, as required by that Recommendation.

EMCO will seek to exploit synergies between these monitoring exercises and the Semester work to the highest possible extent.

WORK WITH SOCIAL PARTNERS

The Committee will continue to consult Social Partners on all pertinent aspects of its work under the European Semester, and to implement the agreed working methods for cooperation with Social Partners. The Committee will also continue to participate actively in the Macro-economic dialogue at all levels.

EMCO will also seek to conduct a thematic review with social partners to look at the extent to which they are involved in the European Semester process at national level.

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THEMATIC WORK

Given the large amount of work which "business as usual" now requires of the Committee, particularly in the first half of the calendar year, and the need for the Committee to be able to react to new developments and demands from the EU institutions, it is necessary to be realistic about what additional work may be taken on in the course of 2016. Rather than spreading limited capacity thinly over several thematic priorities, the Committee therefore has the intention to focus its additional thematic work primarily on these themes:

- the question of the impact of technology on the labour market;
- the labour market aspects of the refugee situation, particularly the integration of newly arrived migrants into the labour market;
- labour market mobility

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Provisional calendar for EMCO's work in 2016

	Activity	Deliverable
Jan - Feb	Preparatory work for adoption of Joint Employment Report, and analysis of social and employment scoreboard	Finalised JER and scoreboard adopted by March EPSCO
Jan - Feb	Analysis of relevant employment issues on the 2016 Annual Growth Survey	Contribution to Council Conclusions on the AGS in context of EPSCO input into Spring European Council
Jan - Feb	Contribute to Commission work on possible "social benchmarks"	TBC
Jan - May	Multilateral surveillance on implementation of Country-Specific Recommendations and progress towards tackling Key Employment Challenges	EMCO Conclusions to the June EPSCO
April - May	Adoption of the Employment Performance Monitor	EPM adopted by EMCO in May, to October EPSCO
Feb – June	Discuss employment aspects of the in-depth reviews prepared under the Macroeconomic Imbalance Procedure and presented in the Commission's Country Reports	EMCO views presented to Council
May – June	Discussion on Commission proposals for Country-Specific Recommendations for 2016	Country-specific opinions for the proposals to the June EPSCO
July – October	Evaluation of the 2016 European Semester process	EMCO opinion on the Semester process to October EPSCO
July – October	EMCO input to preparation of 2017 Annual Growth Survey on basis of multilateral surveillance and the Employment Performance Monitor	Overview of key policy challenges presented to October EPSCO alongside EPM
Nov	Initial discussions on 2017 Annual Growth Survey and Joint Employment Report	Feed-in to EPSCO debate and EMCO discussions in early 2017
Dec	Review on the implementation of the Youth Guarantee ¹	Reporting to EPSCO in March 2017

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This will also incorporate monitoring of implementation of youth-related CSRs and KECs, as in previous years.

EMCO SUB-GROUPS

EMCO will continue to be supported by two sub-groups, whose work programmes are attached as annexes to this document:

- The **Policy Analysis Group** (previously known as the Ad Hoc Group) will continue to provide evidence based advice to underpin EMCO work and debate. To this end, the group will play a prominent role in the thematic reviews of the Country-specific Recommendations so that the Committee builds in-depth knowledge on each country. The Mutual Learning Programme (MLP)/European Employment Observatory (EEO) activities will be coordinated to ensure that the results of the MLP/EEO contribute systematically to the Policy Analysis Group's work.
- The **Indicators Group** will continue to support EMCO in the quantitative description and analysis of the policy issues. The continued work of the group on the Joint Assessment Framework (JAF) and in developing the annual Employment Performance Monitor, including its benchmarking tool, will provide the quantitative background for EMCO's work. This group will also provide advice to EMCO on the technical aspects of the development and refinement of the Scoreboard of Key Employment and Social Indicators. The Group will also continue its work on evaluating the Indicator Framework on Monitoring the Youth Guarantee and analysing the results of the data collection. It will also pursue work on the assessment and monitoring of the Council recommendation on the integration of the long-term unemployed into the labour market.

COOPERATION WITH OTHER COMMITTEES:

EMCO will continue to promote close working relationships with all other relevant committees, particularly on work related to the European Semester. In order to ensure a coordinated input to EPSCO, EMCO will regularly cooperate with the Social Protection Committee and the Education Committee to account for their views on social and education policy. The Committee will also seek the advice of the European Network of PES on relevant aspects of the CSRs.

EMCO will also, for the first time, contribute to the ECOFIN examination of the reform programmes of EU candidate countries via a review planned for April 2016.

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PROVISIONAL MEETINGS CALENDAR FOR 2016

The calendar below is of necessity provisional and subject to change. There is very little distinction between meetings of EMCO and the Policy Analysis Group (PAG) in the period January to April, as this will be mostly taken up with multilateral surveillance activities, which are shared between the groups. The exact formation of each meeting will be decided closer to the time. This calendar includes planned joint meetings with the SPC. However it does not cover joint

meetings with the EPC, one or more of which are likely to take place around March.

EMCO / EMCO PAG
EMCO IG
EMCO IG (with SPC ISG)
EMCO
EMCO PAG
EMCO IG
EPSCO Council
EMCO
European Council
Informal EMCO (Amsterdam, NL)
PAG
EPSCO informal (Amsterdam, NL)
EMCO IG
EMCO (Country Review)
EMCO IG
EMCO
EMCO
EMCO
EPSCO
European Council
Informal EPSCO (Bratislava, SK)
EMCO
EMCO IG
SPC-EMCO conference (Bratislava, SK)
Informal EMCO(Bratislava, SK)
EPSCO
EMCO IG
EMCO
EMCO PAG
EMCO
EMCO IG (with SPC IG)
EMCO PAG
EPSCO
EMCO

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Annex 1 - EMCO Policy Analysis Group Work Programme 2016

The newly renamed Policy Analysis Group of the Employment Committee (EMCO) will continue to undertake the activities of the ad-hoc group with a view to delivering policy-based analysis to support the work of EMCO. In this regard, it will contribute to EMCO's preparatory work for the EPSCO. One of the key elements in underpinning EMCO's work is conducting thematic reviews and providing multilateral surveillance analysis in the framework of the European Semester examination on implementation of the country-specific recommendations (CSRs).

While in the first half of the year the Policy Analysis Group will continue the multilateral surveillance of the implementation by the Member-States of the 2015 Council recommendations on the National Reform Programmes on selected topics, the second half of the year will be devoted to reinforcing its thematic and country examination of employment and labour market reforms.

Moreover, the Policy Analysis Group will continue its cooperation with other committees (e.g. the Social Protection Committee, the Education Committee, the Economic Policy Committee and the Network of Heads of Public Employment Services). These tasks will require a close coordination between the group and EMCO. Therefore, this work programme necessarily is reflecting the priorities of EMCO in the coming months.

Work Priorities

In 2016, the Policy Analysis Group will continue to play an important role in the reinforcement of the multilateral surveillance so that the Committee builds in-depth and fact-based knowledge on the employment policies and the European labour markets situation.

In particular, the Policy Analysis Group will:

- Carry out multilateral surveillance and thematic reviews on the policy measures and reforms implemented by the Member States in response to the country-specific recommendations issued by the Council;
- Develop the qualitative analytical background for further policy debates on the thematic priorities of EMCO;
- Contribute to the qualitative analysis of key employment indicators that are not part of the Joint Assessment Framework, as well as to the development of the policy aspects of benchmarking instruments in close collaboration with the EMCO Indicators Group;

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- Support EMCO in monitoring the implementation of the Youth Guarantee;
- Support EMCO in revisiting and updating its work on flexicurity;
- Ensure a close cooperation with the Mutual Learning Programme and the European Employment Observatory in order to provide input to the Employment Committee's work for preparing the EPSCO Council debates and other thematic priorities of the Europe 2020 Strategy;
- Broaden evidence by exchange of views with e.g. Eurofound and other organisations and expert networks.

Activities

- (January April 2016) Multilateral surveillance on the implementation of employment policies at national level and preparing the Council's country-specific recommendations under Art.148
 - The Policy Analysis Group will continue to provide input to EMCO in the preparation of its opinion to the Council on the implementation of employment policies of the Member States, as required by the Treaty. For this purpose, the Policy Analysis Group will conduct a series of multilateral reviews of the implementation of the country-specific recommendations. The conclusions of these reviews will feed into the Employment Committee's opinion on the Commission proposals for Council Recommendations.
- 2. (October December 2016) Thematic peer reviews of employment and labour market policies
 - The Policy Analysis Group will prepare evidence-based input to the work of EMCO through a more effective cooperation with the Mutual Learning Programme; by inviting external expertise where relevant; and through the use of the Scoreboard of key Employment and Social indicators along with the Employment Performance Monitor and any benchmarking instruments as appropriate.

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At this stage, several thematic priorities have been identified in the EMCO Work Programme for 2016:

- Labour mobility and the effects on sending and receiving countries;
- The labour market aspects of the refugee situation, particularly the integration of newly arrived migrants into the labour market;
- Long-term unemployment and the labour market participation of excluded groups;
- Job quality, income inequality and the development of the wage share;
- The labour market impact of technological change and the digital economy.

Timetable for the EMCO Policy Analysis Group meetings in 2016 (provisional)

Date	Review / agenda topics	Countries proposed for thematic peer review
26 January 2016	MLS review on long-term unemployment	BG, CY, DE, ES, EL, HR, IE, LV, SI, SK, RO
25 February 2016	MLS review on active labour market policies and reform of the Public Employment Services	CY, ES, FR, HR, HU, IT, LT, LV, NL, PL, PT
15 April 2016	MLS review on labour taxation	AT, BE, CZ, DE, FR, HU, LT, LV
27 October 2016	Mutual Learning Programme Thematic review on labour mobility (tbc)	
1 December 2016	Mutual Learning Programme Technical Assistance in apprenticeships and the Youth Guarantee schemes (tbc) Thematic review on the labour market integration of refugees (tbc)	

Annex 2 - EMCO Indicators Group Work Programme 2016

EMCO IG Core Business

The Indicators Group in 2016 will continue to support EMCO in the quantitative description and analysis of the policy issues. The broad EMCO priorities imply that the Indicators Group will continue to support the surveillance and monitoring capacities of EMCO in various ways:

- It will continue its work in the framework of the European Semester, mainly through the preparation of the update of the Employment Performance Monitor, the key tool to identify key employment challenges of the Member States and the EU as a whole and to monitor progress towards Europe 2020 employment targets.
- It will contribute to further refine the indicators and methodology used under the Joint Assessment Framework, also in view of the new Employment Guidelines adopted by the Council on the 5th of October 2015. This will include additional work to explore in more depth the monitoring of selected policy areas, a list of which is outlined in the following section.
- It will pursue work on providing an input to EMCO's report to the October's EPSCO Council.
- It will pursue work on the assessment and monitoring of the Council recommendation on the integration of the long-term unemployed into the labour market.
- It will continue its work on evaluating the Indicator Framework on Monitoring the Youth Guarantee and analysing the results of the data collection. Moreover, this will allow for a deeper analysis of the situation of young people and further research on the NEET concept.
- It will continue its work, in the area of employment, on improving the scoreboard of key
 employment and social indicators to broaden the understanding of the employment and social
 developments.
- It will support any work which EMCO may carry out on the issue of benchmarks for convergence and the European pillar of social rights.

Outstanding specific methodological issues

In order to enhance surveillance and monitoring capacities and facilitating the link with the qualitative aspects of the monitoring, a number of additional specific methodological issues would merit further attention. Work in these areas will be prioritised to follow the work of EMCO. Remaining issues will be dealt with where the EMCO IG has the resources and capacity to do so.

- The refinement and further development of the Joint Assessment Framework constitutes a main area of work of the IG. The following policy areas have been identified as requiring additional work with the aim of enhancing monitoring:
 - Skills mismatches: The area of skills mismatches is not adequately covered through JAF indicators. The IG should undertake work, in cooperation with other relevant bodies e.g. CEDEFOP, OECD, ILO, in exploring and developing indicators on skills mismatch to facilitate the monitoring and feed better into the multilateral surveillance carried out in the framework of the European Semester.
 - Labour mobility: The issue of labour mobility has been more and more discussed in recent years, also as a tool for matching the supply and demand in the labour market. The IG should undertake work, in exploring and developing indicators in this area especially in relation to skills gaps.
 - Undeclared work: Further discussion will be pursuit on undeclared work, especially relating to the viability of developing indicators in this area.
 - Wages: Further development of the Policy area 10: "Wage setting mechanisms and labour cost developments", especially with the aim to analyse wage adequacy and the wage link to productivity.
 - Reconciliation of work and private life: The IG will continue to follow the work being carried out in EUROSTAT in view of improving the quality of the LFS variable NEEDCARE (Need for care facilities: as a reason a person is not searching for a job or is working part-time).

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- **Disability:** The possibility of integrating to the JAF the policy area of integration of people with disabilities into the labour market will be discussed.
- Migrants and refugees: Further improving the policy area on migrants will be discussed as well as the integration of newly arrived migrants into the labour market.
- Social Dialogue: In cooperation with social partners the IG will explore the possibility to develop an indicator on social dialogue.
- It will pursue activities for the analysis of the LFS Ad Hoc Modules leading to the presentation of the main findings.
- The IG will continue its work on the monitoring through the JAF of multidimensional policy concepts. Taking as an example the adopted module on Job quality and flexicurity, the IG will return to the work on the modules of ICT and green jobs, when and if necessary.
- The IG will continue to explore ways of strengthening, where feasible, synergies between EPM and SPPM, taking good practice from both monitoring instruments.
 - The IG will look at the results of impact assessment studies, especially as regards, the impact of ESF financed measures in the context of employment policies and the effectiveness of labour market policies

Working Methods

The main discussions of the IG take place during its scheduled meetings. In order to facilitate the discussion and to allow Members to prepare adequately for the meeting, documents should be sent in due time.

Written procedures can be helpful in the follow-up to meetings and/or when agreements have to be reached before the next scheduled meeting.

Building on past successful experience the IG will organise ad hoc working groups consisting of a few Member States to develop proposals to be discussed in the EMCO Indicators' Group concerning specific areas of the IG work such as: revising/developing a policy area or developing indicators for monitoring a specific subject.

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Co-operation with other Committees and institutions

The EMCO IG will continue to promote close working relationships with all other relevant committees, particularly on work related to the implementation of the Europe 2020 strategy and the JAF. In particular, these include the EPC Group which deals with the Europe 2020 monitoring (LIME) to enhance consistency between our work and macro-economic monitoring, the Social Protection Committee sub-group on indicators (ISG) in the context of the Joint Assessment Framework, DG EAC's Standing Group on indicators and benchmarks (SGIB) especially with respect to measuring of the education headline targets and its impact on and by the labour market, as well as the Eurostat Working Group on labour market statistics (LAMAS), the HoPES network with particular focus on their PES benchlearning Group and the new European Platform on preventing and deterring undeclared work.

Also, the Indicators Group will continue to promote the cooperation with other institutions and bodies carrying work in the area of analysis of the labour market, including CEDEFOP, EUROFOUND, and international organisations such as ILO and OECD.

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