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Les délégations trouveront ci-joint le document relatif au résultat de l'évaluation des recommandations par pays pour 2022 du Comité de l'emploi, en tant qu'addendum de l'avis conjoint du Comité de l'emploi et du Comité de la protection sociale sur les recommandations par pays 2022.

Horizontal Opinion of the Employment Committee and the Social Protection Committee on the 2022 Cycle of the European Semester

Annex 1 – Outcome of the 2022 Country-specific EMCO reviews

1. Review on Active Labour Market Policies and Public Employment Services – 7

March 2022	4
Country-specific conclusions	4
BELGIUM	4
FRANCE	4
HUNGARY	5
LITHUANIA	5
IRELAND	6
CYPRUS	6
CROATIA	7
CZECHIA	7
GREECE	8
LATVIA	8
LUXEMBOURG	8
POLAND	9
MALTA	9
ITALY	10
PORTUGAL	10
ROMANIA	11
SPAIN	11

2. Review on Labour Market Segmentation, Labour Taxation and Undeclared Work –

15 March 2022	12
Country-specific conclusions	12
AUSTRIA	12
GERMANY	12

ITALY (labour taxation)	13
ITALY (undeclared work)	13
LATVIA	14
NETHERLANDS	14
POLAND	14
PORTUGAL	15
SPAIN	15
3. Review on Education and Skills – 24-25 March 2022	16
Country-specific conclusions	16
GREECE	16
CROATIA	16
ESTONIA	17
IRELAND	17
FRANCE	17
SLOVENIA	18
LITHUANIA	18
CYPRUS	19
ITALY	19
POLAND	19
BULGARIA	20
ROMANIA	20
AUSTRIA	21
CZECHIA	21
MALTA	22
SLOVAKIA	22
SWEDEN	23
LATVIA	23
LUXEMBOURG	24
BELGIUM	24
SPAIN	24

1. Review on Active Labour Market Policies and Public Employment Services – 7 March 2022

Country-specific conclusions¹

WORKSHOP 1

BELGIUM

Belgium is showing progress in the implementation of ALMPs despite the downturn caused by the COVID-19 crisis. With regard to the integration of vulnerable groups in the labour market, the new reform on Individual Adapted Work – addressing people with occupational disabilities and health issues – represents a positive step, although its impact will need to be monitored. The support from the Belgian Recovery and Resilience Plan to enhance the provision of personalised support to vulnerable groups, strengthen the digitalisation of the PES, and promote social inclusion measures, is also welcomed. Overall, more efforts remain needed to promote and implement additional structural reforms, with a balanced approach that takes into account regional needs and different layers of governance.

Belgium also presented measures to promote and enhance upskilling and reskilling for all jobseekers and in particular for the most vulnerable, including the ‘Plan Relations Employers’ and the ‘Incitant 2000’. The impact of these measures remains to be monitored. Furthermore, the support from the RRF to improve digital and STEM skills will be key to address skills mismatches.

FRANCE

France is showing progress in the adoption of ALMP measures which aim at answering the employment challenges faced by the job seekers. The newly launched program “Contrat d’engagement jeunes” that focuses on more tailor-made measures for NEETs is welcome.

To mitigate the impact of the COVID-19 crisis, various measures were taken to support new hires. The main focus of these measures is on the youth, but some of them also benefits to vulnerable groups, such as people living in urban deprived neighbourhood and long-term unemployed. The hiring subsidies for young people, persons with disabilities and people with work-study contracts – all foreseen in the French RRP – have the potential to support these groups in their integration in the labour market. However, more efforts are needed to support

¹ In accordance with the operational arrangements agreed for the 2022 MLS exercise, given the focus on 2019 and 2020 CSRs Member States were given the option to opt out from each review in case they acknowledged no progress towards the implementation of their CSRs in the last 12 months. Bulgaria opted out of this review (with regard to the need to strengthen active labour market policies and improve access to distance working).

low-skilled unemployed and people living in more deprived areas, including people with a migrant background.

The reform of the unemployment benefit system goes in the right direction, but its employment and social impact remains to be assessed. The bonus-malus scheme could have a positive effect in incentivising the use of longer-term employment contracts. To improve the quality of service delivery, it is important that effective coordination among the main PES - Pôle Emploi - and the local PES is ensured. Regarding upskilling and reskilling, several measures have been implemented, including FNE-Formation, Transitions Collectives and the recent plan to reduce recruitment tensions. However, challenges still remain in addressing skills mismatches, including by fostering access to adequate training opportunities for the low skilled.

HUNGARY

Hungary has taken several measures that are having a positive effect on the employment rate. The adopted measures to promote the integration of vulnerable groups in the labour market, such as youth and disadvantaged people, are positively noted. However, more tailor-made ALMPs that offer training opportunities are needed in order to tackle youth unemployment, lower female employment and also to boost the employability of other vulnerable categories, such as people with disabilities and Roma.

Furthermore, up- and reskilling pathways for the unemployed, particularly the low-skilled, remain a challenge and further steps are needed in order to tackle labour shortages. In this regard, the improvement of PES capacity and quality of services is key. PES should also continue its efforts to address the challenges arising from the twin transformation of the labour market.

LITHUANIA

Lithuania has showed some progress in the recovery of the labour market after the crisis through the implementation of a number of ALMPs. Nonetheless, policy responses to address the CSR under review are still needed. In particular, while it was noted that funding is increased to support wages and introduce or expand several benefits, more financial support is needed in order to promote measures for the provision of apprenticeships and internships and also for ALMPs targeted at the long-term unemployed and low-skilled.

With regard to upskilling and reskilling, structural reforms have started being implemented, namely via the newly designed lifelong learning scheme and the strengthening of PES capacity. Measures focusing on digital skills are positively noted, with - in particular - the “customer-oriented employment support” measure.

The integration of NEETs in the labour market has rebounded to pre-crisis levels in 2021. Due to the additional funding from RRF and ESF+, a further decrease in the NEET rate could be achievable in the foreseeable future. Overall, monitoring and evaluation of the measures and reforms presented remain key.

IRELAND

Ireland is showing some progress in adopting targeted measures for vulnerable groups and in particular persons with disabilities. Measures taken to enhance PES services are positive steps, although further efforts are needed to improve PES capacity to tackle the remaining structural challenges and accelerate the implementation of ALMPs targeted at long-term unemployed, inactive women, lone parents, and Roma/Travelers.

Furthermore, training opportunities for persons with disabilities remains an element to be considered in the policy design. The new “Early Engagement” approach for persons with disabilities, formulated in cooperation with stakeholders, is a positive novelty and should be closely monitored after its implementation starts in late 2022.

Furthermore, pilot programs for lone parents are positively noted, although further steps need to be taken in support of those households. The newly established LAES could play an important role in the reduction of the long-term unemployment rate, although its impact should be assessed at a later stage.

Furthermore, steps have been taken to enhance upskilling and reskilling opportunities to address skills mismatches. In this regard, the Recovery Skills Response Program and the Work Placement Experience Program are welcome.

WORKSHOP 2

CYPRUS

Cyprus has recently introduced or is planning to introduce several measures that broadly address the challenges related to strengthening the Public Employment Services and Active Labour Market Policies and to improve outreach towards young people. The digitalisation process of the PES is a welcomed step in increasing efficiency of the PES, but due attention should be given to staff training as well as to ensure that jobseekers lacking digital skills have access to adequate services.

Nonetheless, the low level of participation in ALMPs remains an issue of concern, pointing to the need of strengthening outreach to the unemployed and those inactive, including by ensuring better integration with social services. The quick development and implementation of an ALMP strategy could crucially contribute to provide effective activation and upskilling and reskilling opportunities for the youth and the more vulnerable groups.

Positive steps have also been made in introducing flexible working arrangements. However, to increase their take-up Cyprus is strongly encouraged to quickly adopt the legislative framework on telework.

CROATIA

Croatia is introducing measures to improve participation of vulnerable groups in the labour market, including by strengthening tailored integration plans and activation programs. Croatia will also enhance the IT system of the PES, which can contribute to enhance their capacity. Measures are also in the pipeline to better adapt training policies to employers' needs. In this context, it will be important they also target vulnerable groups.

If consistently implemented, such measures will broadly address some of the challenges Croatia still faces in order to strengthen labour market measures and institutions and to tackle the low level of participation in the labour market. Despite so, efforts are still needed to tackle regional disparities and undeclared work, include more people in the labour market, also by improving outreach to inactive people and vulnerable groups, reduce skills gaps and integrate employment and social services. Close monitoring of implementation will be needed to assess the cumulative impact of announced measures.

CZECHIA

The measures introduced to increase childcare availability represent a positive development in addressing the long-standing issue of gender disparities in the participation to the labour market. A number of promising measures are also planned in the context of ESF+ 2021-2027 programming period, aimed at fostering inclusive education, improving flexible work-time arrangements, enhancing employment services for long-term unemployed and low-skilled people, and enhancing the provision of digital skills.

Nonetheless, the participation of children under 3 in formal early childhood education and care remains very low. This is reflected in a gender employment gap that stands well above EU average and a percentage of women neither in employment, nor in education and training significantly higher than men. Czech Republic is therefore encouraged to introduce additional measures to foster work-life balance of women and men, such as flexible working arrangements, and to review the structure of parental leave entitlements.

A number of additional challenges on the labour market remains. ALMP participation is still low, support measures for disadvantaged groups are still insufficient and Public Employment Services have limited resources.

GREECE

Greece made positive steps to support job creation and facilitate the entry of women and young people in the labour market. Moreover, the temporary recruitment of additional public employment counsellors could create favourable conditions to strengthen individualized approach to jobseekers. The planned digitalization of tools and internal processes of the public employment services could reduce administrative burden.

Despite such increased efforts and a decreasing rate of young persons neither in education nor employment or training (NEET), activation of young people remains a challenge and the gender gaps in the labour market are still remarkably wide.

A more holistic approach is needed to address the persisting weaknesses of the ALMPs system, particularly the outreach capacity, the take-up rate, the case management system and the lack of a monitoring and evaluation system. Coordination of service delivery could also be improved. The efforts to fully roll out the new delivery model for ALMPs need to be stepped up, also in order to sustain the temporarily enhancement of counselling staff after the RRF funding expires.

Greece is also encouraged to swiftly implement the planned reform of the life-long learning system, in the view of increasing the quality and effectiveness of training programmes for the unemployed.

LATVIA

Latvia has made positive steps to increase ALMP support as it has amended ALMP regulation to include a new target group - people at risk of becoming unemployed (low-skilled employed, employed with disabilities and other), stepped up employment support to persons with disabilities, and is planning to introduce measures to improve functioning and capacity of PES. The Future skills initiative piloting an extensive online learning offer is also a positive development and will become a regular ALMPs programme.

Yet, these measures only partially address the structural challenges affecting ALMPs: expenditures are still low; coverage should be further increased; engagement of and support to those facing major challenges in the labour market, in particular the low-skilled and unemployed aged 50+ should be scaled up. Measures should also be introduced to further enhance the existing cooperation with educational institutions, social services and NGOs to reach those furthest away from the labour market.

LUXEMBOURG

Luxembourg committed to develop a genuine skill strategy to meet the requirements of the labour market, increase the employability of the workforce, and address skill mismatches.

This strategy will be also complemented by extensive use of sectoral studies to forecast the evolution of skills needs.

While overall these steps represent a positive development, there is room for further progress. A comprehensive strategy is needed to increase the employment rate of older workers as well as to promote active ageing. In addition, lifelong learning should be encouraged, especially for the low-skilled and older workers.

WORKSHOP 3

POLAND

Poland has successfully cushioned the impact of the COVID-19 crisis on the labour market by using a wide range of measures and dedicating important financial resources, including via EU funds.

Regarding the challenges pointed out in the CSR, progress has been noted. Remote work has doubled in the context of the pandemic. It still needs to be better formalized via the Labour code, although this step has been announced for 2022. On the issue of flexible working arrangements, progress is more limited. Nevertheless, further changes are expected for 2022 in the framework of the implementation of provisions of the WLB directive.

When it comes to the low participation of certain groups to the labour market, Poland has taken steps but should implement further measures: the participation of vulnerable groups, including women over 55 years of age, remains relatively low. In addition, further measures are needed to address structural challenges such as labour market segmentation, the provision of skilling and reskilling policies, and the integration of ALMPs with social and health policies. Poland stated its intention to partially address these issues, including the labour market participation of women, also as part of its draft RRP.

MALTA

Thanks to the implementation of short-time working arrangements and the Wage Supplement Scheme, Malta has mitigated the negative impact of the pandemic on the labour market. These measures are considered to be effective and to provide a good coverage of both employed and self-employed. Accordingly, the extension of the Wage Supplement Scheme is welcomed. Nevertheless, there is still no plan to adopt any permanent STW framework. In addition, while adapting STW arrangements, Malta should put a greater focus on reskilling and upskilling policies and further support job transitions in the context of the economic recovery.

Regarding the provision of unemployment insurance for all workers, the review of the unemployment benefits system and its monitoring is a good starting point that can lead to significant improvements, including by taking into account existing gaps in effective access.

The planned implementation of upskilling measures may also be expected to improve the activation and employment of vulnerable groups, as well as gender equality.

ITALY

Italy has implemented relevant measures to limit the effect of the crisis and to develop and improve support to employment. Several measures were welcomed, from the GOL - Garanzia di Occupabilità dei Lavoratori (Workers Employability Guarantee) – which is financed by RRF – to the reinforcement of the active support to employment, measures improving ALMP in the framework of the 2022 Budget Law, as well as hiring incentives. The 2022 flexible work arrangement is also welcomed, but it has been underlined that there is no guidelines nor implementation norms at the current stage.

Overall, significant progress has been made to overcome the challenges highlighted by the CSR. Nevertheless, structural challenges remain: PES resources are still insufficient both in terms of budget and human resources, while coordination and harmonisation of PES between regions should be improved. Substantial efforts regarding these structural challenges are crucial to ensure the effective implementation of the measures presented.

PORTUGAL

Portugal has been continuing to implement relevant measures to address employment challenges, including ALMPs and PES challenges. After a swift response to the COVID-19 crisis, Portugal is currently implementing a comprehensive strategy including a wide range of measures to improve the functioning and outcomes of the labour market, with several measures benefiting from RRF support.

High youth unemployment and NEET rates remain the main challenges. As such, the focus on measures targeting youth - and especially vulnerable young people - via the updated National Youth Guarantee Plan is welcomed and may achieve good policy outcomes. Similarly, the review highlighted the positive steps taken by Portugal in developing several other measures, such as the *Compromisso Emprego Sustentável*, which addresses labour market segmentation, including youth job precariousness, and the modernisation of vocational education and training institutions.

Two complementary challenges have also been discussed: the high share of precarious jobs among young people and the room for improvement regarding the PES capacity and the integration of ALMPs with social services and training providers.

Portugal is therefore invited to further continue these efforts and ensure the full implementation of the presented measures in order to increase durably the share of permanent job contracts. The combination of different EU funds offer an important opportunity to continue tackling these challenges.

ROMANIA

Romania has implemented effective measures to cushion the impact of the pandemic on the labour market, including via the setting up of short-time work schemes. As regards structural challenges related to ALMPs, the extension in 2021 of certain measures to protect employment and to improve some PES processes and offer are also welcomed. The minimum income reform and the introduction of the voucher system for domestic workers were also mentioned as measures going in the right direction.

Nevertheless, further efforts are needed to improve effective ALMPs and tackle the skills mismatch: scope and coverage of ALMPs should be extended, with a stronger focus on activation. In particular, Romania should invest more in upskilling and reskilling policies. Vulnerable groups - including low-skilled, young and older workers and LTU - require a more targeted approach. Addressing these challenges requires to increase PES capacity. Regional and rural-urban disparities and the need to improve cooperation with social partners have also been underlined. Finally, Romania is recommended to make an efficient use of different EU funds in order to tackle the challenges mentioned.

SPAIN

Thanks to ambitious anti-crisis measures, including STWs, the impact of the crisis on the labour market has been cushioned and the Spanish labour market is now experiencing a positive recovery. When it comes to structural challenges pointed out by the CSR, Spain has established a permanent scheme supported by all social partners to provide internal flexibility mechanisms for companies during crises, including macroeconomic or sectorial ones. Spain has also launched a package of measures to support the employment of young people, including the Youth Guarantee Plus plan 2021-2027 for decent work of young people, in line with the reinforced Youth Guarantee. Finally, Spain is conducting a reform aimed at modernising ALMPs.

These measures may contribute to overcome the challenges pointed out by the CSR, although efforts are still needed. In particular, hiring incentives should be reorganized under a more consistent approach, targeting vulnerable groups with low participation or difficult insertion in the employment market, while public employment services need more intensive action: individualized support should be further developed, the management of job vacancies should be improved and the effectiveness of PES still face regional disparities. The need to enhance coordination among regional PES and cooperation with employers has also been underlined.

These improvements regarding PES are necessary to ensure the effectiveness of ALMP. Finally, the success of the presented measures requires close monitoring and assessment.

2. Review on Labour Market Segmentation, Labour Taxation and Undeclared Work – 15 March 2022

Country-specific conclusions²

WORKSHOP 1

AUSTRIA

Austria has announced an ambitious and comprehensive reform tackling the challenges related to its tax mix. The socio-economic tax reform is expected to alleviate the labour tax burden especially for low and medium-wage earners, and make the tax mix more supportive to sustainable and inclusive growth. The reform tackles several aspects of the socio-fiscal system: on the one hand, it reduces fiscal burden on companies and on individuals and families; while on the other hand it supports the recovery and pursues longer-term goals, including those related to a fair green transition, through the implementation of a carbon pricing system combined to compensation measures and tax incentives that will support green investments.

However, despite these ambitious measures, the labour tax burden remains high. Further action should be taken in order to tackle disincentives for labour demand and supply, especially in the context of growing skills shortages. Further measures should also be implemented to reduce disincentives to work for second earners.

GERMANY

Germany has planned to implement a large package of ambitious measures to address the challenges related to labour taxation pointed out in the CSR.

As regards shifting taxation from labour to sources less detrimental to inclusive and sustainable growth, these measures include the creation of a carbon pricing system, the reduction of climate-damaging subsidies, new incentives for private investments in digitalization and climate protection, measures simplifying the tax system for individuals, as well as the alignment of taxes on fuel and petrol with the requirements of the EU Energy Tax Directive. On the other hand, taxes on labour will continue to be alleviated.

The tax wedge for second earners, which in Germany is among the highest in the EU, contributes to a large part-time employment gender gap. The reform of the parental benefit

² In accordance with the operational arrangements agreed for the 2022 MLS exercise, given the focus on 2019 and 2020 CSRs Member States were given the option to opt out from each review in case they acknowledged no progress towards the implementation of their CSRs in the last 12 months. Italy partially opted out of this review (only with regard to the need to reduce tax expenditures and reform the cadastral values).

(Elterngeld) in 2021 is expected to contribute to addressing the challenges by removing some obstacles to a better work-family reconciliation. The increase in mini-job and midi-job limits in 2022 shall strengthen the incentives for low-wage earners to take up work. The Social Guarantee (Sozialgarantie) 2021, included in the German RRP, also contains relevant measures reducing the high tax wedge on low and medium incomes, and will benefit from RRF.

All the measures presented are welcomed and their implementation will need to be closely followed.

ITALY (labour taxation)

Italy has been implementing relevant and significant measures since 2020 to reduce the tax wedge on labour and plans to continue these efforts for the coming years. A comprehensive reform of the tax system will be implemented in 2022-2023. After having modified the personal income tax in 2022, the government plans to further reduce taxes on labour and tackle disincentives, beyond a general simplification of the tax system.

Another positive element is that despite the pandemic the government has been able to earmark resources in order to finance tax reductions on labour: 15 billion euros were earmarked in 2021 to finance the 2022-2023 fiscal reform.

These substantial steps in reducing labour taxation are welcomed. They should be complemented by measures shifting the tax burden to other sources less detrimental to growth, such as consumption and property, while remaining attentive to the possible distributional effects.

ITALY (undeclared work)

Undeclared work has continually decreased in Italy over the last few years. Ambitious measures have continued to be implemented, such as a three-year action plan to combat labour exploitation in agriculture, following a multi-dimensional approach which was already welcomed in the 2021 EMCO review. A new plan is also being drafted under the Italian RRP, following a similar approach but now covering all sectors. It will include better monitoring, a strengthening of the capacity of and training opportunities for labour inspectorates, incentives and sanctions for employers, as well as communication actions with the involvement of social partners. This strategy is consistent with the approach recommended by EMCO last year and has the potential to contribute significantly to tackle undeclared work, if effectively implemented.

The reforms and interventions linked to the strategy should include elements such as the fight against under-declared work and measures supporting victims of undeclared work, taking into account their belonging to vulnerable groups and their lack of access to social protection and further explore the link with the minimum income scheme “Reddito di Cittadinanza”.

To conclude, Italy is also encouraged to make an extended use of European funds in order to tackle the remaining challenges related to undeclared work in all sectors and to support the further intervention of all stakeholders, including PES.

LATVIA

Latvia has reduced the tax burden for all workers in order to mitigate the impact of the pandemic. The rate of social security contributions was reduced by one percentage point. At the same time, the threshold up to which the non-taxable minimum is applied was raised to EUR 350 in January 2022, and is planned to increase to EUR 500 as of July 2022.

These steps contribute to addressing to some extent the long-standing CSR, but concerns remain as the capacity of Latvia's tax and benefits system to reduce inequality remains among the lowest in the EU. Furthermore, the impact of the newly introduced mandatory minimum social contribution scheme on low-income earners and the self-employed needs to be further and closely monitored. Latvia is yet to evaluate any potential negative effects of the scheme, in particular regarding risks of increasing tax wedge on low-income earners despite improving social protection coverage.

As regards shifting taxes to other revenue sources, progress has been limited to taxes on tobacco and beverages. Overall, progress in addressing the CSR is considered limited as the impact of all recent measures on low-income earners is yet to be evaluated.

WORKSHOP 2

NETHERLANDS

As labour market figures show, Netherlands tackled well the employment and social impact of the COVID-19 crisis by introducing large-scale support measures, which also targeted vulnerable groups. It is now urgent to address the structural challenge of labour market segmentation, which particularly impacts on young people, the low-skilled, people with migrant background and persons with disabilities.

To tackle the above-mentioned challenges, the Netherlands is planning to introduce a comprehensive reform of the labour market, in consultation with social partners. It will be important that such reform include the necessary measures for a more inclusive labour market and to tackle labour market segmentation.

POLAND

The labour market situation in Poland continued to improve, including in relation to the downward trend of temporary contracts. Some measures have been introduced that regulate specific-task contracts and increase social protection coverage for non-standard workers. The challenge of high incidence of temporary contracts, however, persists. Additional measures to increase protection of fixed-term contracts and to facilitate conversion of temporary job into

permanent contracts have been announced. If implemented, they could represent positive, yet still limited, steps in removing remaining obstacles to more permanent types of employment. A more comprehensive reform of the labour market is needed to address structural challenges, including labour market segmentation and civil law contracts.

PORTUGAL

Portugal continues to make progress on addressing labour market segmentation and to support sustainable work. The 2018 tripartite agreement and the Labour Code reform of 2019 – which increased limitations to fixed-term contract – were an example of the importance of social dialogue and the involvement of relevant stakeholders in policy design and implementation, resulting in a comprehensive package of measures and amendments.

Additional measures contained in the RRP, such as the “Agenda towards Decent Work and Valuing Youth” and the “Sustainable Employment Commitment” have the potential to further preserve employment and increase employment stability, notably among young people that are the most impacted by labour market segmentation.

It will be important for these measures to be both impactful and sustainable over the long-term. Temporary measures such as the Sustainable Employment Commitment should be followed-up by structural ALMPs, to ensure a solid increase of permanent employment. In this perspective, Portugal should also continue to ensure consistent and effective coordination mechanisms of different sources of financing to maximize their impact and benefits.

SPAIN

The widespread use of temporary contracts in private and public sectors – most of which are of a short duration – remains an important challenge in the Spanish labour market. Nonetheless, positive steps have been made. The labour market reform passed at the end of 2021 as part of the Spanish RRP may contribute to address the challenge of fostering transitions toward open-ended contracts.

Measures to increase internal flexibility have been also introduced and may help employers to better cope with economic fluctuations and shocks. Stabilisation of fixed-term employment in the Public Administration is also foreseen. While the impact of these provisions is still to be assessed, Spain should step up efforts to improve the capacity of the labour inspectorate for an effective enforcement of sanctions.

There has been no tangible progress in simplifying the system of hiring incentives. A reform is being currently prepared, which is expected to pay special attention to specific groups with low participation in the labour market.

3. Review on Education and Skills – 24-25 March 2022

Country-specific conclusions³

WORKSHOP 1

GREECE

Greece continues to show a strong commitment towards developing skills of both students and the adult population, as well as towards improving the quality and labour market relevance of education and training systems. Particular attention is being devoted to promoting digital skills and to upgrade digital infrastructure, tools and services to ensure inclusive education.

In the context of the RRP, Greece has planned a comprehensive reform of the adult learning system, including of continuous VET for adults. The reform of initial and continuous VET and higher educational education has the potential to address the persistent challenge of low attractiveness of vocational pathways, although measures to address the fragmentation of the education and training systems have still to be fully developed. The implementation and full deployment of these measures will require time and their outcomes need to be carefully monitored. In this context, the implementation of the “Greek PISA” in the current year is a positive step.

Further efforts are still needed to overcome structural regional disparities and reduce the high inequalities in education, especially those related to the socio-economic background of students.

CROATIA

Skills-related indicators point to the important challenges faced by Croatia in promoting skills, as well as improving access, quality and labour market relevance of the education and training system. In the context of the RRP, a number of relevant measures are planned and may contribute to address these issues, including via the establishment of vouchers for re- and up-skilling and the modernisation of VET and higher education. The development of a skills forecasting tool is also a welcomed step.

However, policy response – notably in the context of higher education - is fragmented and largely driven by individual project-based actions. A more comprehensive approach is needed to bridge the gaps created at different levels of education in the provision of skills and

³ In accordance with the operational arrangements agreed for the 2022 MLS exercise, given the focus on 2019 and 2020 CSRs Member States were given the option to opt out from each review in case they acknowledged no progress towards the implementation of their CSRs in the last 12 months. Hungary and Germany opted out of this review (Hungary with regard to the need to ensure access to quality education for all, as well as access to mainstream education and improvement of outcomes of Roma; while Germany with regard to inequalities in education).

thereby to address labour shortages. Further efforts are in particular needed to foster reskilling and upskilling of adult population - including the employed population - in the context of twin transitions. The ongoing efforts, and in particular the process of developing occupation and qualification standards in the context of the VET reform as well as in adult and higher education, should be sped up in order to continue addressing the aforementioned issues. Further measures are also needed to increase the participation in ALMPs.

ESTONIA

Skills shortages and mismatches remain an issue for the Estonian labour market, linked to, among others, early school leaving and the insufficient number of higher education and vocational education and training graduates in certain fields. The shortage and ageing of teachers also put pressure on the education and training system.

Aware of these challenges, Estonia has adopted a long-term comprehensive Education Strategy, which covers all levels of education and training, from early childhood education and care to adult learning and coherence between the education system and the labour market. An action plan on ensuring the next generation of teachers was adopted in early 2022. The reform is underpinned by a skills forecasting mechanism to support the development of labour market relevant curricula. It is also welcomed that the Strategy sets a number of targets to be achieved by 2035, which will contribute to monitor the effectiveness of the measures introduced. It will be important to continue involving social partners and relevant stakeholders in the implementation of the Strategy.

Despite so, further efforts are needed to address systematically the gender disparities in the education system.

IRELAND

Ireland is taking extensive measures and adopted various strategies to support employment through developing skills and addressing the digital divide, including by drawing from available EU funds, thus comprehensively responding to the 2020 CSRs.

Nonetheless, most strategies are at an early stage, or they will start to roll out in the course of 2022. Monitoring their implementation, as well as monitoring the overall progress on re- and upskilling and its ensuing impact on the employment situation of disadvantaged groups on the labour market - including persons with disabilities and low-skilled adults - will be key to ensure an inclusive and targeted approach and to help determine the success of the Irish measures.

FRANCE

Prior to the COVID-19 outbreak, France made substantial efforts to promote and support skills development, notably through revamped individual learning accounts, the Skills

Investment Plan and the reform of the vocational education system. Further measures are being implemented as part of the French RRP.

However, as reflected by statistics, the COVID-19 crisis has impacted the implementation of these measures and more broadly access of workers to training opportunities. The high level of skills shortages and the low employment rate of vulnerable groups, despite some improvements, point at the need to increase access to training leading to qualifications, in particular for the low-skilled, to improve the labour market relevance of education and training systems, and to provide adequate guidance to pupils and students. Addressing the high level of inequalities in the education system and the significant level of school drop-outs in some regions remains a priority and could significantly contribute to reduce the number of low-skilled in the workforce.

SLOVENIA

The level of ambition of the policy measures Slovenia is adopting to address the challenge of strengthening digital skills, improving labour market relevance of education and training, fostering lifelong learning and enhancing activation measures is very encouraging. A full implementation of these measures is very likely to fully implement past CSRs related to education and skills.

It will notably be important to monitor the impact of the measures on the gaps vulnerable groups still face in terms of higher risks of unemployment, and on skills gaps between low and highly educated adults.

WORKSHOP 2

LITHUANIA

The measures taken in Lithuania provide a step forward towards addressing the CSR. The implementation of comprehensive reforms, aiming at strengthening the quality of education at all education levels and skills, addresses the past CSRs. Measures have been taken to tackle lifelong learning and have been accompanied by innovative tools, such as the establishment of a one-stop-shop electronic information system. Other relevant measures contained in the Lithuanian RRP are also welcome.

However, more efforts are needed to ensure an effective implementation of the education reforms in the next years, taking into account a better involvement of stakeholders, a more central steering and a better coordination among different levels of government, in order to ensure a smoother implementation and a shared understanding of the education needs across the whole territory. Globally speaking, Lithuania has achieved some progress in promoting skills and the ongoing efforts to promote adult learning are going in the right direction.

CYPRUS

Cyprus has taken measures to improve the quality of education and strengthen the links between schools and the labour market, especially through reforms in the areas of education and investments in school infrastructure. The measures put forward broadly address the issues underlying the CSR.

Nevertheless, it is important that Cyprus progresses in the reforms planned, ensuring that better links between the education system and the labour market are established. Measures should also be taken to improve basic skills, complete the teachers' and schools' evaluation system and increase the quality, availability and affordability of ECEC. Digital skills and investments in digital infrastructure need to be further strengthened. Measures should also be taken to decrease the high share of early school leavers from education and training. Overall, Cyprus made progress but the ongoing efforts to upgrade the quality of education and promoting inclusion and equity at all levels need to be continued.

ITALY

Italy has taken measures that will fully implement the CSR, if put in practice as foreseen. The overall policy response to the CSRs has been well designed and addresses the challenges regarding strengthening distance learning and skills, including digital ones. The policy response covers a broad scope of actions and has a multidimensional character. It also includes important measures aimed at improving students' digital skills in the field of primary and secondary education.

Italy is also very engaged in the field of upskilling and lifelong learning of public employees and addressed the challenges related to strengthening digital skills. Nonetheless, the new measures are yet to be tried out. The COVID-19 pandemic has given new impulse to the implementation of the National Digital Education Plan. The measures in the RRP for developing digital education through significant investments are also welcome.

Regarding improving learning outcomes, Italy made steady progress on early school leaving and tertiary attainment but further efforts are needed to bridge the gap with the EU average, which is still significantly distant. Finally, making up for learning losses incurred during the Covid-19 pandemic will be important.

POLAND

The measures taken by Poland broadly address the issues underlying the CSRs. Poland continued its efforts to improve digital skills and digital education. The continuation of measures which promote digital skills among society seems to be strengthened and the urge to face the challenges related to the COVID-19 pandemic pushed forward decisions in line with the overall digitalisation goals. The use of the EU funds, together with national funding, allows for more concrete results in developing skills relevant for the labour market.

Nonetheless, there is a lack of mechanisms monitoring reforms in education, especially for measures aimed at improving digitalisation and adult learning. The proposals are still more theoretical with limited outcomes so far. There is also a need for a focused digital strategy for schools developed via a multi-stakeholder approach and as part of a systemic change still needed in the Polish education. Regarding adult education, policy measures to increase participation continue to be very limited and not effective so far. Schools continue facing multiple challenges, which affect the learning and working conditions, and there is regress in fostering the quality of higher education. The attractiveness of the teaching profession is limited, also due to low salaries, and there are pronounced teacher shortages. Finally, the quality of Polish education at all levels would greatly benefit from reviving the wide stakeholder engagement and a genuine civil dialogue.

BULGARIA

Bulgaria has taken measures that broadly address the issues underlying the CSR. Many policy actions and projects are well aligned to the directions planned in the national strategies and the focus on young people is particularly welcome. Improving digital skills and equal access to education are high priorities in Bulgaria and continuity and commitment towards digitalisation are also welcome. The Bulgarian Recovery and Resilience Plan will significantly contribute to the digitalisation of education.

However, the level of digital skills remains low and equal access to education is still a challenge. Lack of adequate IT infrastructure and insufficient digital skills among teachers create additional difficulties. Moreover, participation in early childhood education and care remains low and therefore continues to be a major challenge. Educational outcomes are also low, with almost half of Bulgaria's teenagers lacking basic skills. Roma inclusion in education remains a challenge, as well as access to training and skills development, especially since the pre-existing low rates of adult participation in learning have worsened due to the pandemic. Overall, the recent measures taken by Bulgarian authorities, including with the support of the Recovery and Resilience Facility and of EU Cohesion funds are going in the right direction, but they are still in early phases of implementation and their impact is not yet visible.

ROMANIA

Measures planned by Romania (including through the NRRP) will substantially address the CSRs if put in practice as foreseen. Romania presented a comprehensive set of measures to address the challenges highlighted by the recommendations, including via several measures to improve and accelerate the digitalisation of education. Measures address not only digital equipment and infrastructures but also motivational issues, teaching and non-teaching staff training, as well as digital contents. The Romanian RRP will significantly contribute to the digitalisation of education through investments in digital pedagogical skills, educational content and equipment and resources. The relevant measures contained in the RRP, such as the overarching strategy for reforming and digitalising the education system are welcome.

Nevertheless, strengthening skills and digital learning and ensuring equal access to education remain major challenges in Romania. The digital school infrastructure still lags significantly

behind, especially in rural areas. Participation in early childhood education and care is low and on a decreasing trend, with a particularly low rate in rural areas and for the Roma population. Furthermore, skills mismatches as well as shortages persist and may worsen if new measures are not implemented. Overall, progress remains limited although it is acknowledged that Romania is constantly trying to improve on these issues.

WORKSHOP 3

AUSTRIA

The measures taken by Austria represent a step forward towards addressing the CSRs. Overall, the comprehensive approach presented as well as the innovative suggestions are welcome, even though they do not fully address the main target groups of the CSRs. Ensuring equal opportunities in education and improving digital learning are high on the national education agenda and it is acknowledged that Austria continues to take relevant measures. Digital skills are generally advanced and Austria continues to take measures to improve basic skills of disadvantaged groups and to increase digital learning. Austria has also made efforts to facilitate education in distance learning mode.

However, equity in education and the lack of teachers being fully trained in ICT remain key challenges. While the rate of early school leaving has reached the EU level target, it remains considerably higher for disadvantaged young people. Moreover, adult learning participation is above the EU average, but reskilling and upskilling could be further strengthened to ensure the adaption of the workforce in line with labour market needs.

Overall, Austria is engaging in various reforms and activities to ensure equal opportunities in education that still have to demonstrate their full positive impact. Although the measures taken by Austria go in the right direction, they are mainly still in early phases of implementation, therefore with limited progress on the 2020 CSR regarding ensuring equal opportunities in education and increasing digital learning.

CZECHIA

The measures put forward broadly address the issues underlying the CSRs. Czechia recognises the need to cater for the requirements of a digitally and globally interconnected labour market and society. Czechia has taken measures to reduce the impact of the pandemic on the education system and especially on children with vulnerable socio-economic backgrounds. Furthermore, the new accredited retraining programs in the field of lifelong learning were evaluated positively.

Nevertheless, education outcomes remain closely linked to the socio-economic status of pupils and students, although Czechia maintains a good overall performance in education. The COVID-19 pandemic has exacerbated existing challenges and the share of early school leavers from education and training is an emerging challenge. The rate of early school leaving has increased in Czechia between 2015 and 2020 and the early school leaving rate of

Roma pupils remains significantly higher than the population average. Moreover, tertiary educational achievements are stagnating at a level below EU average.

Overall, Czechia has progressed towards the implementation of the CSRs with the adoption of several measures and programmes. However, more efforts remain necessary to support reskilling, upskilling and the digital transition, as well as to promote the inclusiveness of the education and training system, advance the reform of VET and to increase the attractiveness of the teaching profession. Full implementation of the 2021–2030 Roma Inclusion Strategy will be also crucial for addressing the remaining challenges.

MALTA

The measures put forward by Malta will significantly contribute to implement the CSR if put in practice as foreseen. Malta has developed measures which should help improve the quality of the education system as well as its inclusiveness. The recent positive developments regarding skills are welcome. Malta has also introduced measures to reduce the numbers of early school leavers. If the measures are implemented effectively, they should help decrease further the relative high early school leaving rate. The relevant measures contained in the Maltese RRP are also welcome as they may help Malta to further address its education challenges.

However, Malta continues to face important challenges in the provision of skills and digital skills. At school level, average levels of basic skills are low and a large percentage of pupils fail to achieve minimum proficiency levels. In addition, differences in the provision of digital skills between education levels are significant. Despite significant progress in reducing the high ESL rate, which remains one of the key priorities for Malta, improving education outcomes remains a key challenge not fully addressed by the RRP or other national measures. More attention should be given to coherence between the different initiatives and investments to ensure a more holistic approach and better results.

SLOVAKIA

Slovakia has taken measures which broadly address the issues underlying the CSRs, especially regarding equal access to quality education and digital education. The policy responses of Slovakia and priority areas of its RRP address the challenges relating to access to quality and inclusive education. Slovakia has initiated a number of measures to foster inclusivity and enhance quality education. Measures regarding compulsory pre-school education are welcome as it is particularly positive for the school success of socially disadvantaged children, including Roma children. Moreover, the development of digital infrastructure as a basic element to strengthen digital skills of citizens through public education is appropriate and continuing this process is essential.

Nevertheless, educational outcomes and equity of the Slovak education system currently remain weak. The COVID-19 has aggravated the existing equity challenges and brought out the existing digital divide, leaving some groups at risk of educational exclusion, in particular Roma. Skills outdated is a major issue and migration flows have contributed little to

alleviating skills mismatches. Furthermore, the youth unemployment rate increased considerably and the proportion of NEETs remains above the EU average.

Overall, the policy response to the quality and inclusive education has been relatively strong as Slovakia has adopted several key strategic documents and embarked on a number of reforms at all levels of education and training. Their full implementation, in close cooperation with stakeholders, will be needed to achieve the desired results. The substantial measures included in the RRP are welcome, covering the further expansion of ECEC, the school curricular reform and the measures aimed at digitalisation, teacher training, desegregation of Roma children in schooling, quality of higher education, as well as improving inclusiveness at all levels.

SWEDEN

The measures put forward by Sweden will provide some progress in the implementation of the CSR if put in practice as foreseen. Despite the initial shocks experienced in the labour market as a result of the COVID-19 pandemic, there are encouraging signs of increased employment activity in the post-pandemic recovery period. Sweden has continued to increase funding and is introducing initiatives aimed at upskilling and reskilling with a focus on supporting low skilled immigrants, as well as initiatives supporting lifelong learning for those already in employment.

However, while on average educational outcomes are relatively good, inequalities are present in school education and early childhood education and care. Measures have not yet led to significant improvements regarding inequalities despite the increased allocation of funds. Teachers' shortages persist and are more pronounced in disadvantaged schools, with current measures appearing not to be very effective and the number of qualified teachers not increasing significantly. Moreover, skills mismatch remains an issue. There is a need for high-skilled labour on the Swedish labour market, which makes it particularly difficult for people with low levels of skills to enter the labour market. As the challenges are structural, it remains to be seen if the investments and measures presented will effectively address the skills mismatch. Finally, a number of measures have been introduced recently or are being proposed as possible solutions, so it is difficult to assess their efficacy as they are still in the early stages of implementation or proposal.

WORKSHOP 4

LATVIA

Latvia has made important steps to improve education and adult learning outcomes by introducing a number of structural measures, such as the VET reform and the higher education reform, as well as the adoption of an education and skills policy for the next seven years. The Future skills initiative, piloted by the PES aims to foster digital skills, enhance employment services provision and develop professional skills of workers. Timely and coordinated implementation of the above-mentioned reforms will be key to their success and

necessary to support the employment recovery after the pandemic, which is slower than expected.

However, Latvia still faces important challenges to address further the CSR: participation in adult learning and active labour market policies remains low, especially for the low-skilled and unemployed aged 50+, while more than a half of the population still lacks basic digital skills. Concerns remain that the implemented measures do not go far enough to tackle these challenges, thus continuous efforts and investment are needed to raise the attractiveness of and participation in adult learning.

LUXEMBOURG

Luxembourg has made progress to promote vocational training to re-skill or up-skill jobseekers and workers, promote adult learning, and reinforce the anticipation of skills needs. The development of a national skills strategy based on extensive analysis of sectoral skills needs is underway as a part of the RRP. The introduction of individual learning account would contribute to make further steps in the right direction.

Nevertheless, further efforts are still required to increase the participation in training and learning activities of low skilled and older workers and to foster equal opportunities and social inclusion to improve residents' employability.

BELGIUM

Belgium has introduced a wide range of measures to address skill mismatches – although these are at different stage of implementation – and has shown a strong commitment to invest in education and training. As part of the RRP, all Belgian governments have invested a significant amount of resources in education and up-skilling and re-skilling, in particular in digital skills.

Nonetheless, some structural challenges remain. The share of young people with low digital skills is increasing, inequalities in education based on socio-economic background persist, skills mismatches affect many sectors, while participation to adult learning is low and VET quality and attractiveness should be increased. There is therefore further room to improve the outcomes of the education system and increase the inclusiveness of education and training systems. In addition, while the focus on digital skills of many measures included in the RRP is welcomed, further attention should be devoted to developing basic and green skills.

SPAIN

Spain made some positive steps in addressing the several challenges faced in promoting skills development, improving access to digital learning, tackling early school leaving and reducing regional disparities. Recent initiatives to upgrade the skills of the workforce and improve adult learning could help reducing the high rate of low-skilled people and tackle skills

mismatches. To ensure that measures effectively benefit workers displaced or at risk of displacement, the Ministry of Labour, the PES and the Ministry of Education and Vocational Training should ensure coordination among different initiatives to guarantee skills' labour market relevance.

The reforms and investments in the area of VET have potential to increase participation in initial VET and adult learning. The validation of informal qualifications shall facilitate mobility and reallocation of workers across sectors and firms. It is important to keep adopting specific actions to engage MSMEs in on-company training and boost work-based learning.

Some promising steps have been also undertaken to boost digital skills and digital infrastructures, improve access to digital learning and reduce the digital divide, also thanks to a fruitful cooperation with relevant stakeholders. Yet, coordination of digital skills policies at regional level and addressing the digital divide among regions, men and women, and employees from large and small businesses remains a challenge.

The early school leaving rate has decreased in the last years, indicating some positive outcomes of past interventions. Yet it remains very high and uneven across regions. The Education Law could contribute to further results as well as to improve educational outcomes. Its impact is, however, still to be seen. Some important measures remain to be fully implemented, such as the implementation of the new curriculum for key competences and the PROA+ program.

Less progress has been observed in educational outcomes. The share of low-skilled young people is still high, thus reducing their employability. The participation of girls in STEM also remains low. This is also reflected in increasing skills mismatches and labour shortages in ICT professions. Further coordination and cooperation among regions would contribute to reduce regional disparities in educational outcomes, which remain significant.

While making extensive use of available EU funds is welcomed, Spain should ensure continuity and sustainability of investments in formal education and professional training as well as their complementarity with the national budget. In addition, it should assess the long term effects of measures to reduce the ELET, increase VET enrolment and the uptake of professional training by undertaking evaluations. The Ministry of Education and Vocational Training along with the National Institute of Statistics periodically conducts a Survey of Educational-Formative Transition and Labour Insertion (ETEFIL) that includes data about educational trajectory; activity, employment and unemployment rates; professional situation, occupation, adaptation of the knowledge acquired in their training to the performance of their first job and their current employment and other training carried out, and national and international mobility.