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REPORT

From: General Secretariat of the Council
To: Permanent Representatives Committee (Part 1)

No. Cion doc.: 12137/19 - COM(2019) 620 final

Subject: Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Decision No 573/2014/EU on enhanced cooperation between Public Employment Services (PES)

Delegations will find attached the provisional agreement on the above proposal, subject to the agreement by the Committee of Permanent Representatives, with a view to reaching a first-reading agreement with the European Parliament.

The changes in relation to the Commission proposal are marked in *bold italics* and deletions by [...].

DECISION (EU) 2020/...
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of ...

**amending Decision No 573/2014/EU on enhanced cooperation between
Public Employment Services (PES)**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 149 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

After consulting the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure²,

¹ Opinion of 30 October 2019 (not yet published in the Official Journal).

² Position of the European Parliament of ...

Whereas:

- (1) Decision No 573/2014/EU of the European Parliament and of the Council³ establishes the European Network of public employment services (the ‘Network’) for the period from 17 June 2014 until 31 December 2020.
- (2) The Network aims *to modernise and strengthen* public employment services (PES), *with a view to enhancing their* capacity, *the quality of their services, their* effectiveness and *their* efficiency. *This would be achieved* through providing a platform for comparing their performance at *Union* level, identifying best practices and establishing a mutual learning system, *with a view to contributing to decent work and inclusive and sustainable jobs*. It also aims *to give* the PES more opportunities to help develop innovative, *future-oriented and* evidence-based policies in line with relevant Union policy initiatives *and with the economic, social and employment objectives set out in Article 3(3) of the Treaty on European Union*.
- (3) The Network has been key in encouraging further cooperation between the Member States within the areas of PES responsibility as well as contributing to the modernisation and strengthening of the PES. An evaluation of the [...] implementation of Decision No 573/2014/EU shows that the Network has had a positive impact and identifies lessons learned on the basis of the different activities and experiences. *Accordingly, the Network has increased its capacity and developed innovative evidence-based measures to implement employment policies*.

³ Decision No 573/2014/EU of the European Parliament and of the Council of 15 May 2014 on enhanced cooperation between Public Employment Services (PES) (OJ L 159, 28.5.2014, p. 32).

- (4) In order to capitalise on the results achieved so far and further foster cooperation between PES, the period of establishment of the Network should be prolonged until 31 December 2027.
- (5) *The Network should strengthen cooperation between its members and develop joint initiatives for the purpose of exchanging information and best practices in all PES operational areas, by providing comparative analyses and advice and promoting innovative job placement initiatives. In this context, and where appropriate, attention should be paid to PES cooperation to facilitate the integration of and assistance to persons who are covered by the Union rules on the coordination of social security systems. The work of the Network should allow an inclusive, evidence-based and performance-oriented comparison of all PES, so that best practices in their areas of activity can be determined, contributing to the better design and delivery of employment services within their specific remits. Network initiatives should improve the effectiveness of the PES and contribute to a more efficient use of public funds.*
- (6) The continuation of the Network should support the implementation of the European Pillar of Social Rights, which includes the provision of active support to employment among its principles. It should also contribute to *a socially just transition towards a green economy and to the implementation* of the *relevant principles and objectives of the* United Nations [...] Sustainable Development *Goals*, contributing to inclusive and sustainable economic growth *and* employment *as well as* decent work for all.

- (7) The Network should continue to ***intensify and strengthen its systematic and structural*** cooperation [...] with other ***relevant*** labour market stakeholders, including in particular [...] Union agencies in the area of employment, social policy, ***gender equality***, education and training ***as well as the social partners, service providers in the fields of employment and social affairs, organisations representing vulnerable groups, and local and regional authorities, to promote synergies, exchange best practices and*** ensure a consistent policy framework ***where relevant***.
- (8) ***The role of the PES in providing more effective services to jobseekers and undertakings should be adequately supported at national and, where relevant, regional level, with sufficient human resources and financial support for staff training and equipment. Member States should provide the PES with the necessary resources to allow them successfully to address the digitalisation of the economy, changing work patterns, including emerging platform economies, and societal and demographic developments.***
- (9) Union financial support for the Network should be made available in accordance with the Multiannual Financial Framework for 2021-2027.
- (10) ***The Network and its initiatives should be funded in accordance with the financial planning of the Union and within the appropriations set by the European Parliament and the Council.***
- (11) ***For projects developed by the Network or identified in the mutual learning activities and implemented in the individual PES, Member States should have access to funding from relevant Union programmes.***
- (12) Decision No 573/2014/EU should therefore be amended accordingly.
- (13) In order to ensure the seamless continuation of the activities of the Network, this Decision should apply from 1 January 2021,

HAVE ADOPTED THIS DECISION:

Article 1

Decision No 573/2014/EU is hereby amended as follows:

- (1) in Article 1, the first paragraph is replaced by the following:

"A Union-wide network of public employment services (PES) (the 'Network') is hereby established for the period **from 1 January 2021** until 31 December 2027. The Network shall carry out initiatives laid down in Article 4.";

- (2) Article 3 is amended as follows:

- (a) the introductory wording is replaced by the following:

"The aim of this Decision is to encourage cooperation between Member States through the Network in the field of employment, within the areas of PES responsibility, in order to contribute to the implementation of the Union's employment policies. This will also help implement **the principles in** the European Pillar of Social Rights, **contribute to the European Green Deal objectives** and **pursue the achievement of** the United Nations Sustainable Development Goals, thereby supporting:";

- (b) **point (a) is replaced by the following:**

"(a) all vulnerable social groups with high unemployment rates, especially older workers and young persons not in employment, education or training (NEETs) as well as people with disabilities and people facing discrimination on multiple grounds;";

(c) *points (c) and (d) are replaced by the following:*

"(c) the better functioning and inclusiveness of the labour markets;

(ca) gender equality;

(d) *the identification of skills shortages and the provision of information on their extent and location, as well as the better matching of the skills of job-seekers with the needs of employers, including through the identification of needs for vocational training, as well as the employability of job-seekers and the prevention of unemployment, for example through career counselling and training;"*;

(3) Article 4(1) is amended as follows:

(a) *in point (a), point (i) is replaced by the following:*

"(i) contribution to reducing unemployment for all age, gender and vulnerable groups;";

(b) point (c) is replaced by the following:

"(c) contribute to the modernisation and strengthening of PES in key areas, in view of the Union's employment and social policies, and having in mind the European Pillar of Social Rights, the European Green Deal and the United Nations Sustainable Development Goals, as well as challenges related to digitalisation, the changing world of work and work patterns as well as demographic changes;";

(c) *points (f) and (g) are replaced by the following:*

"(f) the adoption and implementation of its annual work programme setting out its working methods, deliverables and the details related to the implementation of benchlearning as well as dissemination and cooperation strategies;

(g) the promotion and sharing of best practices on the identification of NEETs, on the development of initiatives to ensure those young people gain the skills necessary to enter and remain in the labour market, and on the integration of the long-term unemployed and other vulnerable groups into the labour market.";

(4) Article 5 is replaced by the following:

Article 5

Cooperation

The Network shall develop cooperation with relevant labour market stakeholders, including other providers of employment *and social* services *and the social partners*, and, where appropriate, *Union* agencies in the area of employment, social policy, *gender equality*, and education and training [...] organisations representing unemployed persons or *other* vulnerable groups, *equality bodies, vocational training organisations*, NGOs working in the *fields* of employment *and just transition*, and regional and local authorities, by involving them in relevant activities and meetings of the Network and by exchanging information and data with them. *Where appropriate, the Network may exchange best practices with relevant public employment services from third countries."*

(5) *in Article 6, paragraph 5 is replaced by the following:*

"5. The Board shall be assisted by a Secretariat provided by and based within the Commission. The Secretariat, in cooperation with the Chair and Vice-Chairs, shall prepare the Board meetings, the annual work programme and the annual report of the Network. The Secretariat shall closely cooperate with the EMCO Secretariat, in order to coordinate initiatives and step up cooperation between the Network and EMCO.";

(6) Article 7 is replaced by the following:

"Article 7

Financial support

The global resources *necessary* for the implementation of this Decision shall be made available in accordance with the Multiannual Financial Framework 2021-2027 [...], the annual appropriations of which shall be authorised by the European Parliament and by the Council within the limits of the financial framework.";

(7) in Article 9, paragraph 2 is replaced by the following:

"2. The delegation of power referred to in Article 8 shall be conferred on the Commission until 31 December 2027.";

(8) Article 10 is replaced by the following:

"Article 10

Review

By **30** September 2026, the Commission shall submit an evaluation **report** on the application of this Decision to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. ***That report shall, inter alia, assess to what extent the Network has contributed to the achievement of the objectives set out in Article 3.***"

Article 2

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2021.

Done at ...,

For the European Parliament

For the Council

The President

The President