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NOTE

From:	The Employment Committee
To:	Permanent Representatives Committee/Council
Subject:	EMCO review of the implementation of the Recommendation on individual learning accounts: Key messages - <i>Endorsement</i>

Delegations will find attached the EMCO PAG review of the implementation of the 2022 Council Recommendation on the individual learning accounts (ILA) to be endorsed by the Council (EPSCO) at its session on 2 and 3 December 2024.

Annex 1 – Country-specific conclusions can be found in ADD 1 to document 15564/24.

**EMCO PAG review of the implementation of the
2022 Council Recommendation on the individual learning accounts [ILA]**

Key messages for the Council

A. INTRODUCTION

The **Employment Committee (EMCO)** is tasked with monitoring the progress made in the implementation of *the Council Recommendation on the individual learning accounts (ILAs)*.

The first review on the implementation of the Council Recommendation took place on **29-30 October 2024 in Brussels** and was carried by the **EMCO Policy Analysis Group (EMCO PAG)**. In addition to discussing the extent to which Member States have taken into account the guidance of the Council Recommendation, the 2024 review gave the opportunity to the Member States not implementing ILAs to contribute to the multilateral exchanges. The 2024 review surveyed the progress made by 14 Member States which were selected for review on the basis of the currently ongoing or concretely planned ILA scheme.

Ahead of the review, **all 27 Member States completed a self-assessment questionnaire aimed at assessing their level of implementation of the Council Recommendation** by focusing on the key developments and future plans to implement ILAs and to reach the objectives of the Recommendation, specifically 1) ensuring support for all working-age adults to access learning/training opportunities and 2) increasing individuals' incentives and motivation to seek training. The main aim was to gather information in order to take stock of the starting points and evaluate the level of implementation or development of plans in Member States with respect to the main parts of the ILA Recommendation. The review aimed at assessing Member States level of implementation of the Council Recommendation by focusing on 5 key aspects: **1) characteristics of the ILA scheme in place/foreseen, (2) ILA-specific policy elements, (3) enabling framework, (4) support measures and (5) funding.**

The current Key Messages draw on the results of that review, with **country-specific conclusions provided in annex.**

B. IMPLEMENTATION PROGRESS

Currently, several Member States are facing high labour and skills shortages, therefore increasing the participation of adults in learning is crucial. In 2022, within the EU only 39.5 % of adults participated in learning in the previous 12 months, which is 20.5 pps below the 2030 headline target of 60 % of adults participating in learning every year. **The Recommendation on ILAs aims to widen access and increase the motivation and incentives of adults to take up training** which is of importance also in the context of the green and digital transitions, as well as in the light of the current demographic trends.

The review has shown that the **progress in implementing the Council Recommendation is still at early stage and varies across the Member States** given the Recommendation was adopted in 2022, although some common developments are visible. **Around half of the Member States have ILAs or have concrete plans to put in place an ILA scheme. Two additional Member States are exploring the possibility of putting it in place in the future.** The remaining Member States currently aim to reach the objectives of the Recommendation by other measures.

The operational implementation of the Recommendation provisions **started or will start in most of the Member States by first piloting an ILA scheme** with the aim of expanding it in the future. Other legal provisions in place to reach the Recommendation objectives are segmented and primarily targeted at specific groups of the population.

As regards the ILA-specific policy elements, **universality (i.e. availability to all working-age adults) can be observed in some of the ILA schemes**, with a number of Member States planning it in the future, while **transferability** (i.e. the possibility to keep the entitlements in the account independently from any change in job or labour market status) **and accumulation** of training entitlements over a certain period remain scarce across the surveyed schemes. Both for ILAs and other training provisions, **particular attention is focused on digital and green skills**.

The **enabling framework** components (i.e. career guidance, skills validation, national registry of learning opportunities, paid training leave, integration of support for training in a single national digital portal) are, in general, not fully integrated. The exception is the **single national digital portal, which is already available or planned in all of the Member States that have or plan to implement ILAs**.

Almost all of the Member States are using or will use EU funds or instruments to design, pilot or run the ILA scheme. However, the **sustainability of funding** of the scheme is currently not fully ensured. On the positive side, **stakeholders** are widely involved, in particular, in the design of the ILA scheme.

1. Individual learning accounts

While **14 Member States in total have an ILA scheme in place or have concrete plans for one in the future**, two of those report national ILA schemes that are already in place, while another two either have recently started or are in the process of transforming an existing scheme into an ILA scheme. The **majority are planning to or have started to first pilot the scheme**, in two cases this is for a specific type of skills (digital) and in one case in a particular sector (construction). Two other Member States are working on designing a national ILA scheme with concrete plans or options in mind. Additionally, there is **one regional scheme** with similar features to an ILA scheme.

Moreover, **two additional Member States have reported no concrete plans but are exploring the feasibility of putting in place an ILA scheme**.

2. Other legal provisions for training purposes

As concerns the legal frameworks, all Member States have reported existing other legal provisions for training purposes. In most cases, this concerns certain rights to attend learning programmes and training opportunities for specific groups of the population. In this context, six Member States have reported offering training opportunities in the form of vouchers at national or regional level. Further schemes include training cards, development pathways, or other types of training provision. Some Member States have mentioned having regional or local training schemes.

The training opportunities aim to develop specific **types of skills** - digital, green, language skills, basic skills and the adjustment of the offer depending on indication of specific skills shortages reported by employers' or based on other data.

The training support is mainly **targeted** at the unemployed, the employed (under certain conditions), all working age-adults or the self-employed, as well as at employers, while in a few Member States also specifically at SMEs.

In this context, the role of social partners and collective bargaining agreements were pointed out by a few Member States.

Besides training itself, other services such as **validation** of professional knowledge and skills and **counselling and guidance** are frequently offered. A certain **right to training or learning** is mentioned in the labour code, collective agreements or elsewhere in most of the Member States, further some forms of **paid training leave** are also widely reported. Tax benefits or refunds for costs associated with training are offered under certain conditions in two Member States. Some of them mentioned also the promotion of lifelong learning culture and continuing vocational education and training (CVET).

The sections 3-7 below are specific to the existing or planned ILA schemes and refer to the 14 Member States reviewed.

3. ILA-specific policy elements

In most of the Member States the universality of the ILA, i.e. availability to all working-age adults, and provision of training entitlements allowing for substantial training are reported. The social partners and stakeholders were involved in some of the Member States already at the design phase of the scheme. However, in terms of transferability and conditions for accumulation some progress is still to be expected with several Member States reporting that it is not possible or not considered.

So far, **the ILA is or will be universal in seven Member States**. The remaining ILA schemes target specific subgroups of adults, at least for a certain period (e.g. during the **pilot phase**). The most common target populations are either the employed or the unemployed people, including with further conditions like sector, education attainment level or length of unemployment, and persons below a certain income.

Regarding the **involvement of all relevant stakeholders**, the majority report having worked on the ILA design and the draft of the legal framework in close collaboration with social partners. In other Member States, active cooperation with representatives of different social partners, trade unions and employers' organizations is envisaged.

In terms of the **provision of training entitlements** for each ILA, Member States offer different solutions. The size of the entitlement varies significantly as in some Member States the allocation is for one year, while in others for three or five years. Moreover, some Member States specify that full or part of the course fee can be paid by the individual interested in the training.

Regarding the provision of **additional entitlements to individuals most in need of upskilling and reskilling**, currently most Member States do not offer additional individual training entitlements within the ILA scheme. However, vulnerable groups can access training opportunities through the Public Employment Service (PES) by participating in active labour market policy measures. In a few cases additional entitlements are provided and, in a couple more, it has been foreseen that persons with the greatest need for upskilling and professional retraining may have additional individual training rights in their account in the future. Currently, three Member States are not considering this aspect.

In some Member States, the **transferability** of entitlements in professional transitions, i.e. when changing jobs or professional status, is already established while in others it is planned. In a few Member States, the situation regarding this aspect is still unclear. Only in two cases, entitlements are not transferable due to the way they are implemented.

When considering the possibility of **accumulating and storing** individual training entitlements, only one Member State effectively allows this and in another one, accumulation and storage are only partially possible. In three Member States, storage is not possible, but the time allowed for using entitlement is relatively long. In six Member States, accumulation is currently not possible, but remains an open question for future discussions. In two cases, accumulation and storage will be tested during the pilot phase.

The majority of Member States emphasize the **relevance of training** in relation to the labour market with particular attention to the green and digital transition, while others offer wider training options.

4. Enabling framework

While the availability of a public national registry of learning opportunities eligible for the use of the ILA entitlements is widely observed, the validation opportunities seem to be not well integrated with the surveyed ILA scheme. The other components include career guidance, a single national digital portal and paid training leave which are established at medium level, showing possibilities for improvement.

Most Member States offer **career guidance** opportunities for all working-age adults, mainly through local employment services or within the framework of other projects. Some of them either include or plan to include career guidance in the ILA scheme, while others are contemplating this possibility. A few Member States do not offer yet this opportunity.

Regarding skills **validation**, only in two Member States validation opportunities are widely available. In the other Member States, skills validation is available under certain conditions or is rather limited in scope. However, validation opportunities are planned to be implemented in the future in a few Member States, particularly within the ILA scheme.

Regarding the **public national registry of learning opportunities** eligible for the use of the ILA entitlements, this is already available in most Member States. In four Member States, there is currently no single public national registry, while others have plans to establish one.

In most Member States, the integration of support for training into a **single national digital portal** will be either available or partially available. Plans are in place for future integration, including in combination with the upcoming ILA scheme or associated with it.

Paid training leave or income replacement provisions during training for all employed adults are available in four Member States. In two of these Member States, employers are financially involved in providing training or upskilling, which may include maintaining employee remuneration during training. In five Member States, paid training leave or income replacement provisions are only partially available. Some Member States offer unpaid training leave as an additional option or as the sole option. In two Member States, the right to paid vocational training or even unpaid vocational training is not currently enshrined in legislation. In these Member States, discussions are ongoing about the possibility of establishing training leave, also as part of the ILA scheme.

5. Support measures

Support measures should accompany the ILA scheme to ensure it is implemented to its highest potential. Around half of the Member States are routinely implementing or planning to implement **awareness-raising campaigns or outreach activities**. A few Member States are not yet implementing or do not have specific plans at the moment concerning their communication activities, mainly due to being in the design phase of their schemes. Only two Member States report having well-developed (medium-high to high) awareness-raising and outreach activities which are linked to them having schemes already in place or are building upon existing schemes.

For schemes already in place, larger-scale events like conferences and other dissemination channels are being used, including TV, print, radio, social networks, and/or public transport advertisements. Beyond the general public, activities are primarily aimed at training providers and employers and the promotion is taken care of by the government, training providers or employers themselves. For the remaining Member States, awareness-raising campaigns and activities are planned once the scheme is launched, this can include, for example, conferences, workshops and other types of events, awareness-raising materials and advertising campaigns across mass media and social media.

A similar pattern can be observed with **monitoring and evaluation activities**, where around half of the Member States are routinely implementing or planning to implement monitoring activities. For around five Member States it is too early to monitor or even design monitoring processes. Only a minority has well-established monitoring and evaluation system in place which includes regular reporting and evaluations.

6. Funding

In general, the sustainability of the funding of the ILA scheme is not fully ensured. In most of the cases, the current funding mainly relies on EU funds and national co-financing. A co-funding based on a combination of public and private sources is incorporated into the scheme or being examined in some Member States acknowledging its importance for the future.

Most Member States do not have a **sustainable funding** model in place or planned and envisage developing it during the design phase or following the assessment of the pilot results. To ensure sustainability, some Member States are already considering certain options, such as assigning a certain **share of social security income** to fund the scheme, **sectoral funds**, a **training loan**, public funding and/or **public and private co-financing**. For the top-ups, **co-financing** on the side of the employer and/or individual is being considered.

The **sustainability of the enabling framework** is mostly related to the maintenance of the **single national digital portal** which is being done internally.

Almost all Member States are using or will use **EU funds or instruments** to design, pilot or run the ILA scheme. EU funds are primarily used to finance the pilot of the scheme, the training provision, the development of the portal, or to assist in the design of the scheme. Some Member States affirm they plan to continue using EU funds, if available in the future.

7. Effective outreach

In most of the Member States, it was not possible to determine the coverage rate or the rate of use of the ILAs due to the recent start or planning stage of the ILA scheme implementation.

Nevertheless, based on the indication of some Member States the percentage of the working-age adult population with access to learning/training opportunities varies significantly reflecting also the limitations of the availability of the funds allocated to the ILA pilot.

C. CONCLUSIONS

The multilateral surveillance review on the implementation of the Council Recommendation on the individual learning accounts, with involvement also of Member States currently not implementing ILA schemes, has shown that **ILA represent not just a new financing tool but rather a mechanism to critically review and reform the adult learning system**. In general, there is a strong commitment to implement the ILA scheme among the 14 reviewed Member States. Implementing Member States have demonstrated a **broad understanding of ILA, their elements and awareness of areas to work on in the longer term**. Furthermore, the review has fostered a positive learning spirit among them. There are several positive commonalities such as the declared **involvement of social partners in the development of the ILA schemes**. Overall, the review has shown that a successful implementation and **further progress requires not only active involvement of the Member States but also a mindset shift in the attitude of the recipients and stakeholders at central and local level** to allow the ILA Recommendation to act as a strong accelerator of reforms in the area of adult learning in many of the Member States.

Annex 1. 2024 EMCO PAG ILA Country-Specific Conclusions
