



Brussels, 19 June 2026
(OR. en)

10400/26
ADD 2

SOC 390
EMPL 209
EDUC 260
ECOFIN 802
COMPET 806
ENV 789
ENER 421
JAI 859
GENDER 113
JEUN 156
SAN 502

NOTE

From: General Secretariat of the Council

To: Delegations

Subject: Assessment of the country-specific recommendations for 2026 and implementation of the country-specific recommendations for 2025: Opinion of the Employment Committee and the Social Protection Committee
- *EMCO multilateral surveillance reviews 2026 - Country-specific conclusions*

With a view to the EPSCO Council on 29 June 2026, delegations will find attached: EMCO multilateral surveillance reviews 2026 - Country-specific conclusions.

EMCO Multilateral Surveillance 2026

Country-specific conclusions

Contents

1. <u>Review on education and skills – 18-19 March 2026</u>	4
<u>Austria</u>	4
<u>Belgium</u>	5
<u>Cyprus</u>	6
<u>Czechia</u>	7
<u>Denmark</u>	8
<u>France</u>	9
<u>Malta</u>	10
<u>Netherlands</u>	12
<u>Poland</u>	13
<u>Portugal</u>	15
<u>Slovakia</u>	16
<u>Slovenia</u>	17
<u>Sweden</u>	18
2. <u>Review on labour market participation and mismatches, labour taxation, labour market segmentation and social dialogue and involvement of stakeholders – 28-29 April 2026</u>	20
<u>Labour market participation and mismatches</u>	20
<u>Austria</u>	20
<u>Belgium</u>	21
<u>Croatia</u>	22
<u>Czechia</u>	23
<u>Hungary</u>	25
<u>Ireland</u>	26
<u>Netherlands</u>	28
<u>Slovenia</u>	29
<u>Slovakia</u>	30

<i>Labour taxation</i>	32
<u>Slovenia</u>	32
<i>Labour market segmentation</i>	33
<u>Netherlands</u>	33
<i>Social dialogue and involvement of stakeholders in policymaking</i>	34
<u>Hungary</u>	34
<u>Portugal</u>	35
<u>Slovakia</u>	36

1. Review on education and skills – 18-19 March 2026¹

Austria

Austria's strategic and holistic approach to supporting vulnerable students is commendable. While Austria performs above the EU average, underachievement in basic skills remains a concern, especially among students with disadvantaged or migrant backgrounds.

The focus on literacy, the language support scheme for young migrants and the "Chancenbonus Programme", as well as the commitment to evidence-based policymaking are also welcome.

Austria introduced targeted measures to mitigate educational disadvantages; however, significant challenges persist. Staff shortages represent a structural risk that may undermine the efficacy of ongoing initiatives. The lack of access to compulsory training ("Ausbildungspflicht bis 18") for minor asylum-seeking students, especially in rural areas, could lead to early school leaving and NEET status.

Disparities in regional access to language support for pupils with migrant backgrounds also remain a priority area requiring further intervention and close monitoring of the measures being implemented.

¹ **Germany opted out (CSR 5):** *"This recommendation corresponds with slight changes to the 2024 CSR 3, to which we had a review in March 2025 and a virtual meeting with the Commission [in December 2025]. We will not have any significant news to report until March 2026".*

Estonia opted out (CSR 5): *"Several reforms related to CSR are still in the early stages, making it too early to provide substantive feedback or assess their outcomes".*

Hungary opted out (CSR 5): *"The country-specific recommendations concerning Hungary formulate recommendations of identical content for Hungary's public education system across the different years. The related governmental measures have already been adopted. Currently, the implementation of these measures is underway in the field of public education. At present, no new significant measures are being introduced in the area of public education; therefore, beyond the measures previously presented, we are not able to report on any additional new measures".*

The efforts to improve the attractiveness of the teaching profession and the training initiatives for ECEC should be continued, considering current shortages.

Regarding adult learning, the impact of recent changes in further training on upskilling and reskilling should be closely monitored. The ‘Level Up’ initiative would benefit from a dedicated language acquisition pillar to better align linguistic support with basic skills provision.

Finally, Austria has demonstrated substantial progress in the green skills agenda, with a comprehensive range of activities already in place.

Belgium

The strong commitment of the Belgian Communities and regions to enhancing excellence and equity within their respective education and training systems is commendable.

While targeted measures to improve proficiency in basic skills are underway, the regional and community-level structures need to ensure long-term coherence. In the Flemish Community, it is essential to ensure a seamless pedagogical transition by aligning secondary education curricula with reforms introduced in primary education. In the French Community, the ongoing evaluation of the Pact for an Excellent Education implementation will be crucial to identify necessary strategic adjustments to the long-term reforms. The German-speaking Community is encouraged to maintain the high standards of bilingualism and vocational integration that characterise its specific educational landscape.

Across the Communities, further intervention is advisable to mitigate the systemic tendency to refer underperforming students toward labour market-oriented tracks (cascade effect).

Concerning the attractiveness of the teaching profession, while several initiatives are being implemented to tackle teacher shortages across all communities, the long-term retention of qualified young graduates and late entrants remains a challenge. Enhancing teacher well-being and providing attractive, differentiated career pathways are vital to supporting large-scale curricular reforms.

Increasing enrolment in STEM fields remains a priority, both in medium-level VET and higher education. In the French Community and Walloon Region, concrete steps for a unified vision for STEM skills with measurable targets and strategies would be of help. The further development of graduate tracking mechanisms could provide the evidence base needed to guide these policies. Further investment in continuous training - with an emphasis on STEM and advanced digital skills - will be crucial to addressing persistent skills mismatches and ensuring inclusive economic growth.

Cyprus

EMCO acknowledge Cyprus' ongoing efforts to address the CSR. Many relevant RRF measures are underway, although at an early stage of implementation, and quantifiable results are not yet measurable, especially regarding basic skills and digital skills proficiency, participation in STEM, and enrolment in VET programmes and adult learning.

To ensure a more effective alignment between skills acquisition and labour market requirements, further sustained efforts are required.

Continuous intervention is necessary to bridge gaps in basic skills and further expand access to ECEC services. Additionally, promoting greater engagement in STEM fields remains a priority.

To enhance the overall vocational system, Cyprus should improve the attractiveness of VET and significantly increase participation in adult learning programmes, also by finalizing the reform of the national VET strategy.

To meet evolving labour market needs, Cyprus should increase targeted training provision and uptake and prioritise the full roll-out of the individual learning accounts (ILA). Furthermore, it is essential to ensure the systematic integration of digital competencies and green transition skills across all levels of the education and training systems.

Overall, Cyprus needs to strengthen its implementation capacity and accelerate the execution of pending reforms. Addressing the multifaceted education and skills challenges will require a more rapid transition from strategic planning to tangible, measurable outcomes.

Czechia

Czechia shows generally strong labour market outcomes and clear awareness of the challenges, but labour and skills shortages remain large. There is scope to increase the number of higher education graduates. The initiatives to increase access to general secondary education and tertiary education are a promising step in that direction.

The recognition of the need to increase the number of students in STEM fields, particularly among women, was also welcomed. Many initiatives in this area exist, but a less fragmented, national-level approach might be needed to truly address the challenge. In other areas as well, the measures are sometimes fragmented and rely on initiatives developed at institutional level rather than on a coordinated national strategy.

Teacher shortages in STEM fields remain an important challenge. Some programmes are being implemented to improve teacher training, especially in technical fields, but this could be accompanied by additional initiatives improving the attractiveness of the teaching profession.

Czechia shows strong attention to disadvantaged groups in policy, with the aim of tackling segregation and providing equal opportunities, but the challenges remain large, as is illustrated by the worsening educational results of Roma, in particular the declining completion of secondary education.

Czechia provided useful details of the policy measures and reforms, but additional information relating to evaluations or monitoring would be welcomed. Ensuring regular impact assessment will be key to assessing the effectiveness of policy and designing future measures.

While funding is already provided through different sources, EU funding instruments could play a complementary role in supporting some of these initiatives.

Denmark

With adequate and well-aligned measures, Denmark shows strong commitment to addressing the challenges under review and is making progress in implementing the 2025 CSR.

Denmark's policy response reflects a comprehensive policy mix combining education reforms, labour market policies, and labour supply measures. The measures are financially supported, and several are already being implemented.

Through its comprehensive reforms that have been launched as part of the strategy 'Prepared for the Future', Denmark shows strong commitment to improving excellence and equity in its education system, including measures focusing on basic skills and reducing school absences.

Furthermore, active labour market policies to meet the demand for skilled workers in healthcare and green jobs were implemented. In addition, Denmark targets to significantly improve the quality of the vocational education programmes with regard to, among other things, equipment investments, enhanced teacher competencies and improvement of students' and teachers' green skills.

Some challenges remain. Inequalities in education outcomes are observed particularly for foreign-born students, and early school leaving is on the rise. Ensuring continuous monitoring and evaluation is crucial to follow progress on systemic reforms, and special attention should be directed towards less advantaged regions, municipalities, and schools during the implementation of this extensive reform package, to prevent widening disparities and ensure equitable education opportunities for all.

Continuing efforts to boost the number of new STEM graduates in higher education will contribute to addressing skills shortages and increase competitiveness, especially when done in consultation with all relevant stakeholders, including the social partners.

France

France continues to show a high level of commitment and has made efforts to address the challenges identified in the 2025 CSR. The overall policy response is assessed to have a positive impact if put in place as foreseen. A strong evidence-based approach, including evaluations, is noted.

Related to addressing skills shortages, recognition is given to the development of the training offer. It is, however, noted that skills and labour shortages remain an important challenge. The lack of adequately skilled candidates remains an important barrier to employment, which calls for a better alignment of training offers with labour market needs.

Recent reforms and investments to tackle skill shortages are welcomed as positive steps. Important remaining difficulties are noted, mostly due to implementation barriers or lack of sufficient targeting for low-qualified and older workers.

Recognition is given to progress in teachers' initial training. The reforms of initial and continuous training of teachers are welcomed and should be pursued. The effect of the reforms can be assessed after their full implementation. France is encouraged to make further efforts with regard to educational outcomes and inequalities and teachers' working conditions.

France is encouraged to keep pace with reforms and to allow enough time and resources for changes to take effect.

Malta

EMCO welcomed the progress made by Malta in addressing the CSRs through structural reforms in curricula, teacher careers, digital and STEM competencies, and skills governance. The ambition of the reform agenda is high; therefore, effective implementation capacity will be a determining factor.

The establishment of new structures in charge of the strategic governance of the different reforms is expected to help the implementation of all the strategies launched in the last years.

Further efforts are required to strengthen the STEM pipeline through early intervention in compulsory education, enhanced work-based learning, and increased enrolment in medium-level VET.

The severity of the challenge regarding basic skills, combined with socio-economic inequality, requires an intensified and persistent implementation strategy, as well as clear monitoring frameworks and adequate data collection.

The recruitment and retention of teachers, particularly in scientific subjects, is crucial for the success of ongoing reforms. Furthermore, inclusive education requires further consolidation of specialist educational provision and greater consistency across schools.

While progress is noted, Malta could further address disparities in adult learning participation, focusing specifically on upskilling low-qualified adults. A skills forecasting system would be useful for this purpose.

Many of these initiatives are backed by EU funding and leverage international cooperation, enhancing both their strategic credibility and long-term sustainability.

Ultimately, full compliance with the CSRs will depend on translating these strategic frameworks into measurable improvements in basic skills, vocational attractiveness, and the alignment of educational outcomes with labour market requirements.

Netherlands

The Netherlands has already achieved the EU 2030 target of 80% for basic digital skills, with a current level of 83%. It is laudable that the Dutch authorities do not consider this objective as an end point, but acknowledge that 17% of the population still lacks these skills, which shows a realistic understanding of the remaining challenge. However, there is a substantial decline in the performance of students in PISA and the gap between disadvantaged students and the rest is higher than the EU average, which constitutes a significant challenge. In this context, it is promising that the new government intends to increase the education budget, countering somewhat the EU trend in expenditure on education.

The Master Plans for Basic Skills, launched in 2022, are being regularly monitored and communicated to the Dutch parliament, which is a good example of how to implement reforms that are accompanied by regular and timely monitoring. There is scope to apply this approach to other measures as well.

The Netherlands also show clear awareness of the importance of increasing graduation in STEM fields, particularly among women, although positive effects have not yet been confirmed with data. While many initiatives exist, a more structural approach might be needed.

The decrease in teacher shortages is also encouraging, but they remain persistent, and the projections show that the challenge will exacerbate. The measures aimed at reducing teachers' workload, supported by a substantial budget, appear promising and inspiring. However, it remains somewhat unclear how these funds will be used in practice and what outcomes are expected.

While the policy direction is clear, and the involvement of many different actors is inspiring, the challenges remain vast, and the effectiveness of the measures will depend on their scope, on how many schools are reached, how they are implemented at school level, and whether schools have sufficient capacity to adopt these changes. Finally, the gap in underachievement will probably require additional measures.

Poland

Poland has taken steps to address the challenges identified in the 2025 CSR. Overall, the comprehensive set of measures introduced to foster quality and inclusive education and skills relevant to the labour market, as well as to increase participation in lifelong learning, has the potential to broadly address the recommendation if fully implemented and, where relevant, scaled up.

Positive steps are noted. One such step is Poland's upcoming comprehensive curriculum reform, 'Compass of Tomorrow', which aims to improve quality and equity in education. It is also positive that Poland has started to implement the strategy for the digital transformation of school education. Ensuring monitoring and evaluation of these systemic reforms from the early stages will be important to enable their effective implementation and to achieve the expected results.

Recognition is given to Poland's measures and investments to foster inclusive education. Further systemic efforts are, however, needed in this regard, given the persistent disability gaps, reliance on segregated settings, and the early stage of measures to improve the inclusion of students with a migrant background. Adopting a long-term strategic approach to inclusive education could enable greater stakeholder involvement, awareness, and continuous improvement.

Poland's plans to improve the evaluation process of higher education institutions and to develop strategic approaches to improving the quality of higher education are welcomed. Poland is encouraged to design proactive measures to attract talent to STEM tertiary programmes.

Recognition is given to progress in vocational education and training, including the development of Sectoral Competence Councils. The implementation of the model of Centres of Vocational Excellence via the Sectoral Skills Centres is noted.

Poland is encouraged to make further efforts to boost the participation of adults in training, to support competitiveness and ensure that no one is left behind.

Poland has taken steps to improve the situation of vulnerable groups in the labour market. Further actions are encouraged to strengthen and expand the current set of measures that help vulnerable groups, including persons with disabilities, find employment.

Portugal

Portugal shows strong commitment to addressing the skills' challenges identified in the 2025 CSRs and progress is being made.

Overall, Portugal has adopted a broad and integrated policy response that represents a structural and forward-looking approach, with strong potential in the medium to long term, provided that implementation quality, coordination, and targeted public-sector upskilling are ensured.

Portugal reports an array of programmes and measures to address the skills' mismatches CSR. To maximise results and achieve the desired impacts, Portugal is encouraged to take advantage of all available evaluations and monitoring data to refine the measures and focus them on those groups underrepresented in the labour market or with greater upskilling and reskilling needs.

Portugal is encouraged to continue improving the participation of adults in education and training programmes. In parallel, consideration should also be given to improving the labour market participation of young people and the efficiency of public employment services (PES) provision.

Deploying robust, effective and timely skills anticipation mechanisms is a long-awaited policy response to avoid persistent mismatches and reinforce the labour market adjustment system. After the conclusion of the strategy, Portugal is encouraged to ensure that its findings lead to a more relevant educational offer and curricula, while also feeding career guidance and counselling offered both in schools and through PES.

Furthermore, attention is drawn to the importance of finding a balance between the demand and the provision of green skills that can ensure fair transitions. While the integration of green skills is progressing more slowly than digital skills, Portugal is encouraged to continue to systematically integrate this dimension into education and training programmes. Acknowledging Portugal's efforts to equip the private sector labour force with proper skills to cope with the green transition, Portugal is encouraged to consider allowing these efforts to cover also the workforce of the public administration.

Slovakia

Slovakia's overall policy response presents a coherent and well-aligned approach to addressing the challenges identified in the 2025 CSR and will contribute to addressing the recommendation if put into practice as foreseen. Progress is underway, but the full impact of the measures introduced in the last year is yet to be seen and should be carefully monitored.

Slovakia's efforts to increase the quality of education, enhance digital transformation in schools, and broaden opportunities for reskilling and upskilling of adults are welcomed. A number of measures have been taken to address persistent challenges, and several national projects have been contributing to implementing the country-specific recommendations.

Slovakia is encouraged to continue these reforms. Alongside digital and green skills, a strengthened focus on foundational literacy and numeracy is important. Investments in teacher training and enhancing participation in STEM might need additional efforts. A more integrated approach towards STEM education and a more impactful teacher training approach could be considered.

Furthermore, efforts are needed to continue to create pathways for low-skilled adults, enabling them to access further training and counselling and participate more fully in the labour market.

The effectiveness of the measures taken to address the CSR will depend on implementation quality, coordination capacity, and long-term sustainability. The ambitious scope and reliance on multiple funding streams place significant demands on governance, and stronger outcome-oriented and ex post evaluation would be needed to fully assess impact, including on equity and regional disparities.

Further efforts are needed to improve the overall quality, performance, and inclusiveness of the education system. This includes a greater focus on effective pedagogical methods and support to teachers.

Slovenia

Slovenia has taken steps to address the challenges identified in the 2025 CSR. Overall, Slovenia presents a coherent policy approach by implementing a wide range of measures in the education and training system and labour market. Several of the reported measures are, however, in pilot or early phases, and their impact will depend on their effective implementation and successful scaling and integration into systems. Slovenia is encouraged to fully and swiftly implement the reported measures. Recognition is given to efforts made to address the challenge of declining basic skills, though noting that the curricula reform has not yet been implemented. Slovenia is encouraged to focus on preparing schools for the smooth implementation of the reform and monitoring students' performance in basic skills.

Slovenia is encouraged to take further action to raise the level of basic digital skills of adults, as insufficient digital competences limit access to employment, lifelong learning, and public services, and risk widening social and labour market inequalities.

Consideration should be given to further promoting the availability of affordable upskilling and reskilling opportunities to the entire adult population. This would contribute to raising adult learning participation towards the EU 2030 target, closing digital and green skills gaps, supporting labour market participation, extending working lives, and promoting social inclusion.

Slovenia is encouraged to speed up implementation of the measures targeting adult education, as well as digital and green skills within the Cohesion Policy programme 2021-2027.

Sweden

Sweden demonstrates strong labour market performance, with an employment rate of 81.8% and particularly high employment among women. The NEET rate stands well below the EU average, and youth unemployment is relatively low. While Sweden also performs above the average in the TIMSS results, educational outcomes declined in the latest PISA results as in most Member States, underachievement is high for pupils with a migrant background or from disadvantaged socio-economic groups, and there are large employment gaps between those born in Sweden and those born abroad, especially those born outside the EU. While measures aimed at these target groups are welcomed, most are still either at the planning stage or in the early phases of implementation.

As teacher shortages remain a challenge, notwithstanding the forecasted considerable reduction, the further measures related to addressing these – including, among other things, improving teachers’ working conditions and reducing their workload – were welcomed. However, it is very important that this reform and possible diverging effects of the entry conditions are monitored and evaluated.

The strengthened cooperation and data exchange between the PES and municipalities point to a more integrated approach to skills development. The PES has also been tasked with enhancing support for long-term unemployed persons, including foreign-born women and people with disabilities, supported by additional funding.

The proposed reform of the curricula to improve learning outcomes and expand access seems promising and EMCO looks forward to its results. The success of education reforms, of course, depends on all schools’ and teachers’ capacity to implement them effectively, and continuous monitoring will be essential to ensure that the compensatory grading principle indeed supports educational quality.

2. Review on labour market participation and mismatches, labour taxation², labour market segmentation and social dialogue and involvement of stakeholders – 28-29 April 2026

Labour market participation and mismatches

Austria

Despite a recent increase in unemployment, including in the number of long-term unemployed, the labour market situation remains relatively resilient. Yet, in order to achieve the 2030 target, labour market participation of underrepresented groups has to be increased.

To this end, Austria has already introduced a number of measures to boost employment rates for a wide range of specific groups. In particular, targeted labour market measures supporting women's participation and gender equality are welcomed, as are initiatives for those over 55. However, these measures should be scaled up, remain sufficiently funded, and, most importantly, be accompanied by additional measures for these and other underrepresented groups, such as the low-skilled, people with a migrant background, and persons with disabilities. They should also be part of a more general reform addressing other potential barriers to employment, for example through the tax and benefit system or housing policy.

² **Austria opted out (CSR 1):** *“The opt-out was used because there was no room for a reduction in the tax wedge on labour due to strict budget consolidation”.*

Czechia opted out (CSR 1 and CSR 6): *“A new Government is currently being installed, and we do not anticipate the adoption of significant new measures by the end of March, when the fiche is due. We have already presented relevant measures addressing the respective CSRs for Czechia on tax-benefit systems during the EMCO review in April 2025 and provided updates on their implementation during bilateral meetings with the Commission in early December”.*

Germany opted out (CSR 1): *“This recommendation corresponds with slight changes to the 2024 CSR and to the CSRs Germany had during the last at least six years regarding taxation of second earners. As again there cannot be reported on substantial progress in the impact of the measures taken or current new measures that would be worth reviewing. Therefore we would like to make use of the opt-out-option and abstain from a presentation”.*

Slovakia opted out (CSR 1): *“The priority of the Slovak Republic was to stabilize the development of public finances through consolidation; there have been no substantive policy developments since last year's reviews.”*

While many measures are presented, their results should be carefully monitored and evaluated to assess their effectiveness over time and the extent to which they address these structural challenges.

Belgium

Despite the record employment rate recorded in 2025, the employment rate is still low and Belgium is still experiencing high labour shortages, and some regions still lag behind in labour market participation, especially for people with vulnerabilities.

Large-scale reforms were introduced in the last year. In particular, the 2026 reform of the unemployment benefit scheme at federal level has prompted the Regions to take action to ensure job opportunities and support for the unemployed, particularly before they lose their entitlement to unemployment benefits. However, several measures have been very recently introduced and need to be monitored and assessed over time.

Both the “Flanders Works” action plan and the Start Fokus programme in the German-speaking Community should be assessed for their impact, particularly in terms of the timing and effectiveness of the response to the situation of persons losing their unemployment benefits.

Very interestingly, the reform of unemployment benefits also introduces measures facilitating professional mobility: the one-off right to unemployment benefits after voluntary resignation , and special transitional rules related to jobseekers’ training for shortage occupations.

Very importantly, the agreements between the public employment services of Brussels-Capital Region, Flanders and Wallonia on promoting geographical mobility should be subject to monitoring and evaluation; this should help ensure that they are not limited exclusively to low-skilled professions and sectors.

Despite regional initiatives - such as Flanders' focus on the social economy and Brussels' personalised employment pathways - the labour market participation of persons with disabilities remains critical. Addressing their disproportionately low employment necessitates a more robust commitment to effective active labour market policies and the strengthening of specialised institutional frameworks tailored to this vulnerable target group.

Croatia

Croatia has put in place a comprehensive policy response to the CSR. Labour market outcomes continue to improve and are approaching EU averages.

EMCO acknowledged the progress made with the adult education voucher system to increase labour market participation among vulnerable people, as well as the measures to improve skills and attract talent. Yet, labour shortages and skills mismatches, as well as employment gaps among underrepresented and inactive groups, remain a key constraint on inclusive growth.

The reform of VET curricula marks an important step forward, although work-based learning participation remains below the EU average.

Some measures are still at an early stage of implementation, and the results of planned impact evaluations would help better assess their effectiveness.

To strengthen human capital, it is essential to improve education performance and increase training uptake, particularly for underrepresented groups. Strengthening the link between employers and training providers, supported by robust skills intelligence, will ensure that the education system effectively addresses current and future labour market needs.

In conclusion, while Croatia is moving in the right direction, there is a need for further efforts to ensure effective implementation, improve labour market inclusiveness, and enhance coordination across policies.

Czechia

Czechia has taken steps to address the challenges identified in the 2025 CSR. Reported measures reflect a coherent policy mix, including a focus on lifelong learning, digital upskilling and targeted activation of underrepresented groups. They can contribute to addressing the CSR if coupled with adequate implementation capacity, inter-institutional coordination, and systematic outcome evaluation.

It is noted that expanding access to reskilling programmes is key to tackling labour shortages and skills mismatches. Acknowledgement is given to Czechia's successful efforts to improve digital education, including through financial support and the introduction of an online database.

Positive measures include the introduction of a retraining benefit for selected retraining programmes and the increase in unemployment benefits during the initial phase of unemployment. Evaluations are encouraged to measure long-term employment outcomes.

As Czechia has one of the highest numbers of regulated professions in the EU, the potential benefit of simplifying the recognition of foreign qualifications is noted. Czechia is encouraged to consider a review of regulated professions in order to streamline the lengthy adaptation periods required.

Acknowledgement is given to Czechia's measures that have substantially increased the availability of early childhood education and care, with support from the ESF+ and the RRF, as well as to Czechia's legislative changes allowing for a new, more flexible type of children's groups, "neighbourhood children's groups". The still relatively low percentage of children attending formal early childhood education and care services, however, remains one of the key barriers women face in entering and remaining in employment. Czechia is encouraged to continue efforts in this area.

Acknowledgement is given to the so far good results of the Integration Job pilot and the Integration Social Enterprise Law. Czechia is encouraged to continue monitoring the results of these measures.

Hungary

Hungary has taken steps to address the challenges identified in the 2025 CSR, though relying on measures taken in previous years. The overall policy response appears relevant and broadly adequate in addressing key labour market challenges in Hungary. If well implemented and complemented by a robust monitoring and evaluation framework, the policy response has the potential to improve labour market participation and employability among the targeted groups. Its success will largely depend on the quality, intensity, and accessibility of the measures, as well as the capacity to track and adjust interventions to ensure sustainable employment outcomes.

The Hungarian labour market overall performs well. Significant inequalities, however, remain regarding access to employment. Vulnerable groups continue to face barriers to entering the labour market. Hence, further efforts are needed to address these barriers.

The 2024 amendment of the ALMP regulation, making it possible for the Public Employment Service to procure labour market training, is a positive step in improving the long-term employability of the unemployed. Specific attention should be paid to ensuring the quality and labour market relevance of these courses. Measures to support basic skills development could furthermore be strengthened, and more consideration could also be given to the use of training that could provide longer-term prospects, especially for the low-skilled.

Hungary is encouraged to ensure stable national funding for ALMPs, as reliance on EU funding creates uncertainties during periods between EU programmes, gaps in service provision, and loss of PES capacities. Hungary is furthermore encouraged to take measures to improve coordination between the PES and various bodies and NGOs in order to ensure the provision of comprehensive services that meet the complex needs of the long-term unemployed.

The strengthened Youth Guarantee is acknowledged and welcomed. Hungary is encouraged to make efforts to transform the current project-based approach into a long-term structural policy. Specific attention should be paid to inactive NEETs.

Ireland

Ireland's overall policy response, combining targeted income support, mainstream and specialised employment supports, and cross-government social inclusion strategies, broadly addresses the challenges identified in the CSR. However, given the magnitude and persistence of structural challenges, important gaps persist.

Progress has been achieved in implementing measures to strengthen labour market participation and social inclusion for disadvantaged groups. This includes reinforced income support, the expansion of schemes for persons with disabilities such as "EmployAbility" and "WorkAbility", and enhanced employer incentives to hire persons with disabilities. While preliminary outcomes suggest a positive impact, data gaps persist and the uptake of certain disability supports remains low.

Access to key services remains a major constraint. Childcare affordability and availability continue to limit labour market participation for single parents, especially lone mothers, who could benefit from a statutory right to childcare.

As regards programmes for disadvantaged groups, the new initiative for social and labour inclusion of the Traveller and Roma communities was acknowledged. To continue improving social inclusion and employment participation for disadvantaged target groups, adequate resources should be allocated through the annual budget, and stronger cross-government coordination should be ensured.

In order to consolidate progress in employment participation for disadvantaged groups, sufficient funding must be secured in annual budgetary cycles, alongside a more integrated whole-of-government approach to policy coordination.

In conclusion, while Ireland has implemented various measures to address these challenges, they remain insufficient to bridge the structural gaps highlighted in the Commission's CSR. Sustained and more targeted interventions are required to ensure that the positive trends in overall labour market performance translate into tangible and inclusive outcomes for disadvantaged groups.

Netherlands

EMCO welcomed the country's commitment to addressing the country-specific recommendations on active labour market policies. The Dutch approach to tapping into labour potential is comprehensive and addresses the main barriers to labour market participation, taking into account the characteristics of the underused labour force.

The modernisation of labour market infrastructure through the deployment of regional “one-stop shops” will optimise the provision of comprehensive career and training advice. This evolution, alongside a proactive upskilling and reskilling agenda, is vital for the inclusive growth of the SME sector, ensuring that lifelong learning remains a cornerstone of economic adaptation.

A granular, ongoing assessment of both current and planned initiatives is essential to measure their real impact on lifelong learning and labour market inclusivity. Such monitoring would clarify long-term outcomes for businesses, including employment stability, productivity gains, and career advancement. Furthermore, it would allow for a better evaluation of specific programmes aimed at integrating migrants into the national workforce.

In conclusion, to fully meet the CSR objectives, further targeted action is needed to mobilise untapped labour potential, increase working hours and further support proactive labour reallocation and career mobility.

Slovenia

Slovenia is making considerable efforts to address the challenges identified in the 2025 CSR, and progress has been made. Given the complexity of the challenges, additional efforts would be needed to reflect the full scope of the CSR. The long-term effectiveness of the efforts will furthermore depend on the extent to which the totality of labour supply weaknesses is addressed in future policy development.

Acknowledgement is given to the comprehensive set of measures and reforms adopted by Slovenia to improve working conditions, particularly in the healthcare, social and long-term care, and teaching sectors. While some of these measures show initial results, the implementation of many measures is still at an early stage, and further monitoring is needed to assess their overall long-term effectiveness.

Progress on the public sector wage reform is being made. Ongoing monitoring is, however, needed to assess the impact of wage reforms and training programmes on financial conditions, staff retention, and service quality.

Acknowledgement is given to the Strategy for Healthcare Workforce Management and Development 2026–2036, which is expected to provide a comprehensive plan for recruitment, retention, and skills development.

Furthermore, it is noted that an Action Plan for Skills (planned for 2026) will further align healthcare training with sector-specific labour market needs.

Persisting shortages point to remaining challenges with regard to working conditions and the attractiveness of these sectors. Slovenia is encouraged to consider further efforts to this end.

The importance of attracting talented candidates into the teaching profession is highlighted. Slovenia is encouraged to consider further efforts to strengthen continuous professional development for teachers and to address the administrative burden.

While acknowledgement is given to efforts made to increase Slovenia's attractiveness for highly skilled foreign workers, it is too early to assess their potential overall medium- and long-term effectiveness. Slovenia is encouraged to consider further measures to boost the inflow of foreign talent.

Slovakia

Slovakia has taken steps to address the challenges identified in the 2025 CSR. Reported measures, such as efforts to reduce the cost of childcare services for children up to 3 years of age, counselling support for single parents, and expanding the types of childcare facilities, have the potential to contribute to positive developments, provided they are implemented in a sustainable manner.

Slovakia is encouraged to ensure better targeted and more inclusive active labour market policies, particularly in high-unemployment regions and among vulnerable groups such as Roma and migrants. In light of ALMP spending being highly dependent on EU funding, attention should be given to ensuring long-term financial sustainability. Slovakia is encouraged to consider shifting ALMPs from a basic social safety net towards an approach of strategic human capital development, strengthening vocational training quality, job counselling, and alignment with labour market needs.

Given that flexible work arrangements, including part-time work, are an important factor in women's labour market participation across the EU, Slovakia is encouraged to make further efforts to create better conditions for parents to pursue a gradual return to work.

Acknowledgement is given to Slovakia's efforts to improve access to early childhood education and care, and Slovakia is encouraged to continue efforts to this end. In combination with measures supporting early skills development, this could bring tangible and long-lasting benefits, particularly for disadvantaged children and children from Roma marginalised communities. Access to quality early childhood education and care is also key to increasing labour market participation of parents with young children.

Labour taxation

Slovenia

Slovenia has a strong labour market performance, with a historically low unemployment rate, but ageing, structural skills and labour shortages, and the high cost of labour risk causing employment stagnation.

Slovenia has demonstrated a willingness to adapt its tax system in the past, and it has also adopted new tools for better monitoring and distributional impact assessment.

However, the policy response continues to rely largely on measures already implemented, with limited new initiatives presented. Earlier introduced measures, such as the tax deduction on personal income tax, did not lead to a significant decrease in the tax wedge, which remains high compared to the EU average.

There is therefore still a need for future policy reform in this area. The improved knowledge of the tax system, through enhanced capacity for evaluation, should be used to develop a growth-friendly tax reform, significantly reduce the labour tax wedge, and stimulate labour supply.

Labour market segmentation

Netherlands

The Netherlands exhibit strong labour market performance overall and demonstrate awareness of the relatively high incidence of flexible contracts and the polarisation that this can lead to.

Recent legislative proposals address a number of negative effects of flexible contracts and can reduce forms of precariousness for workers in these jobs. While they do not always have a direct impact on the high incidence of flexible contracts, they can make some of the most insecure forms more permanent.

Broader labour market and skills policies in the Netherlands will also have several positive effects on job quality, but effectively and swiftly implementing measures to directly reduce incentives - including through taxation - for flexible or temporary contracts is necessary.

As several measures are still under discussion or in the process of being implemented, their impact remains uncertain. However, it is commendable that each measure presented will be subject to an *ex-post* impact evaluation. This should include close monitoring of whether everyone benefits from improved working conditions, or mainly those already in the strongest position. It should also include monitoring of whether people are simply moving to different types of less secure contracts.

Social dialogue and involvement of stakeholders in policymaking

Hungary

Hungary acknowledges the importance of involving social partners in developing balanced public policies. The reported measures, including tripartite working groups established in the Permanent Consultation Forum of the Private Sector (VKF) and capacity-building support, have the potential to contribute to strengthening the institutional and operational framework for social dialogue, if fully implemented. Additional information on the details of these measures would be needed to fully assess their potential impact.

However, the effectiveness of social dialogue in Hungary remains limited, and collective bargaining coverage is low.

The institutional framework has improved with the establishment of the legal framework for the Permanent Consultation Forum of the Private Sector (VKF) in 2024. It is, however, noted that the use of this forum beyond information-sharing is limited. Hungary is encouraged to take further steps to reinforce the systematic, meaningful and timely involvement of social partners in policies affecting the labour market.

The four tripartite expert working groups set up in 2025 to address key economic issues represent a positive step and could improve ownership in policymaking. The initiative is, however, still at an early stage of implementation, with so far limited evidence of concrete outputs or policy outcomes.

The dedicated working group set up to develop and review the action plan to improve collective bargaining coverage is noted, and the key importance for the government to fully engage in dialogue with social partners and take their views into account throughout the process is underlined. Hungary is encouraged to adopt and implement an action plan for the promotion of collective bargaining as soon as possible.

In order to fully benefit from the expertise of social partners, it is necessary to reinforce support for their capacity-building in both the public and private sectors. Hungary is encouraged to pay particular attention to further measures to support workers' rights in the public sector.

Portugal

Portugal has a wide range of structures and instruments to ensure stakeholder participation in the design, monitoring and evaluation of public policies. Overall, within the existing structures, there is potential to further strengthen stakeholders' involvement, promote better evaluations and increase transparency. A challenge is to ensure effective coordination between the different stakeholders involved in order to avoid potential inefficiencies.

The social partner dimension and participation are comprehensively streamlined. Participation is ensured by the Portuguese Constitution through the Economic and Social Council. Recent tripartite agreements have demonstrated the importance of promoting social dialogue on social and economic challenges, fostering a sense of ownership of policy implementation among the different parties involved.

Portugal is encouraged to ensure that participation processes are swift, efficient and transparent, to allow for better decision-making and enhanced legitimacy. It is important to ensure that the added value of stakeholders' participation genuinely benefits the quality and impact of policymaking and is not limited to compliance with regulatory requirements. The European Semester process is noted as a potential area for improvement in this regard.

Note is taken of the recently approved Law on Interest Representation, which is expected to enter into force in July 2026. It establishes rules applicable to private, national and foreign entities carrying out legitimate interest representation activities with public entities, creates a Code of Conduct governing the relationships between representatives of legitimate interests and public entities, and establishes a Transparency Register for Interest Representation. In addition to increasing transparency, it also has the potential to enhance the quality of policymaking.

Slovakia

Slovakia has taken steps to address the challenges identified in the 2025 CSR. The measures to strengthen the capacity and professionalism of social partners and to modernise the regulatory impact assessment (RIA) framework, aimed at improving the quality and proportionality of policymaking, have the potential to address both the quality of stakeholder input into the legislative process and the institutional conditions under which consultations and impact assessments take place. The overall impact will depend on sustained political commitment, consistent application in practice, and the extent to which monitoring frameworks can demonstrate real changes in policymaking outcomes, including how stakeholder input is reflected in final legislative decisions.

Collective bargaining coverage in Slovakia is low compared to many other Member States, and social partners have limited capacities. This results in social partners having limited influence in shaping wages and working conditions, despite the existence of formal tripartite dialogue mechanisms. The current use of EU funding represents an opportunity to enhance social partners' capacity.

As regards the involvement of civil society in policymaking, signs of deterioration are noted with concern. Slovak authorities are encouraged to restrict fast-track procedures to exceptional cases and to ensure mandatory, high-quality consultations and impact assessments for all legislative initiatives.

In the area of the regulatory and business environment, acknowledgement is given to the comprehensive reform of the impact assessment (Regulatory Impact Assessment) framework, in line with the Unified Methodology for the Assessment of Selected Impacts.

Slovakia is encouraged to make further efforts to ensure that stakeholder consultations are effective and meaningful in all cases, as well as to step up efforts to avoid a worsening of the regulatory, economic, and business environment.