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PART 1/2

**COMMISSION STAFF WORKING DOCUMENT**

**IMPACT ASSESSMENT**

*Accompanying the document*

**Proposal for a Regulation of the European Parliament and of the Council  
on a European network of Employment Services, workers' access to mobility services  
and the further integration of labour markets**

{COM(2014) 6 final}  
{SWD(2014) 10 final}

# 1. INTRODUCTION

## 1.1 Objective

The objective of this initiative is to enhance workers' access to intra-EU mobility support services. It builds on workers' right of freedom of movement under Article 45 TFEU and concerns Chapter II of Regulation EU (No) 492/2011<sup>1</sup> and the Commission Decision on the network of 'European Employment Services (EURES)'<sup>2</sup>. Increased mobility will widen employment opportunities for workers and help employers to fill vacancies better and faster. It will thus contribute to help further integrate European labour markets. The initiative is relevant for the EEA.

## 1.2 Context

There is a relatively low level of labour mobility within the EU which can be explained by a number of factors, some of which are exogenous (linguistic and cultural barriers, housing markets, family ties), others endogenous (lack of harmonisation of social security and taxation systems and of professional qualifications, as well as legal or administrative barriers) to the labour market. The EU has already addressed some of the endogenous factors, e.g. by establishing a EU system of recognition of professional qualifications and a EU system of coordination of social security benefits ensuring that EU workers do not lose out on acquired rights when taking a decision to cross borders.

Enhancing mobility requires that measures are taken in various fields (labour law, social security healthcare, active labour market policy etc.) which should as far as possible also address exogenous factors. This EURES initiative is among several responses recently put forward by the Commission. Others include:

- The proposal for a Directive on the "enforcement on free movement of workers"<sup>3</sup>, presented by the Commission on 26th April 2013, which aims to empower workers by ensuring that they can receive advice, information and support in the host country and have a genuine possibility of redress in cases of discrimination. This proposal aims to increase the effectiveness of existing EU legal provisions on free movement of workers in particular by improving information about the rights of workers and members of their families in relation to equal treatment arising from the Directive and from Regulations (EU) No 492/2011. The proposal leaves the choice of information tools to the Member States, but promotes synergies with existing EU on-line or digital tools, such as the Your Europe and EURES websites. The EURES initiative will contribute to reaching the information and support aims of the "enforcement Directive" by enlarging the reach and appeal of the EURES network towards jobseekers and by strengthening the provision of specific mobility support services by Public Employment Services (hereafter PES).

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<sup>1</sup> [Regulation \(EU\) No 492/2011 of the European Parliament and of the Council of 5 April 2011 on freedom of movement for workers within the Union](#), OJEU, 27.5.2011, L141, p.1

<sup>2</sup> [Commission Implementing Decision 2012/733/EU of 26 November 2012 implementing Regulation \(EU\) No 492/2011 of the European Parliament and of the Council as regards the clearance of vacancies and applications for employment and the re-establishment of EURES](#), OJEU, 28.11.2012, L328, p.21

<sup>3</sup> [Proposal for a directive of the European Parliament and of the Council on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers, COM \(2013\) 236 final](#)

- The proposal for a Decision on enhanced co-operation between Public Employment Services<sup>4</sup> that aims to establish a European network of PES to deepen cooperation and mutual learning, as well as to establish a benchmarking system. The PES network will contribute to reinforcing individual members' operational capacity, with a potentially positive impact on national EURES service delivery. In this regard the two PES and EURES proposals are complementary<sup>5</sup>.
- The Commission envisages a review of the EU Regulations on the coordination of social security systems. The Commission is preparing proposals for 2014 to review the unemployment chapter of Regulations (EC) No 883/2004 and 987/2009, with a view to increase the chances of jobseekers to reintegrate in the labour market and ensure that mobility does not have a negative impact on their right to unemployment benefits.

### 1.3 Definitions

The term 'worker' as used throughout this impact assessment refers to individuals who have the right to exercise, or benefit from, the freedom of movement for workers in the sense of Article 45 TFEU, as elaborated in Regulation 492/2011. Where appropriate, for the purpose of this impact assessment, it will also cover legally residing third-country nationals who, in accordance with national and Union law benefit from free movement, when they exercise an economic activity<sup>6</sup>.

When, in this document, reference is made to offers of employment, job vacancies and the like, this includes apprenticeships and traineeships provided they are regarded as work in accordance with the definition of worker under EU law.

### 1.4 Background

EURES was launched in 1993 as a network for co-operation between the PES of Member States and the Commission to exchange vacancies and applications for employment ("clearance"). Regulation 492/2011 obliges the Commission and the Member States to undertake this clearance, share information concerning living and work conditions and background information on the state and trends of the labour markets, and cooperate together towards the resultant placement of workers. The EURES network includes the 28 Member States, the EEA countries Norway, Iceland and Liechtenstein and also co-operates with Switzerland.

The regulatory framework for EURES dates back to 1968, when Council Regulation (EEC) No 1612/68 included a chapter on clearance of vacancies and applications for employment. The Regulation was amended at a number of occasions, but the provisions on the clearance were only revised once, in 1992<sup>7</sup>. For reasons of legal clarity, in 2010 the Commission put forward a proposal to codify the entire regulatory framework on free movement of workers<sup>8</sup>. This proposal did not involve substantive changes. Consequently, there have not been any

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<sup>4</sup> [Proposal for a Decision of the European Parliament and of the Council on enhanced co-operation between Public Employment Services \(PES\), COM \(2013\) 430](#)

<sup>5</sup> The legal basis of the Commission proposal COM (2013) 430 is Article 149 TFEU, referring to incentive measures in the field of employment. The current proposal has a different legal basis, Art 45 and 46 of the TFEU.

<sup>6</sup> For example following the application of Chapter III of Council Directive 2003/109/EC, OJEU L16, 23.1.2004, p.44

<sup>7</sup> [Council Regulation \(EEC\) No 2434/92, OJ L245, 26.8.1992, p.1](#)

<sup>8</sup> [COM \(2010\) 204 final](#)

changes in the provisions on the clearance of vacancies and applications for employment since 1992. Since then, significant changes have occurred on the ground as regards the technology for sharing vacancy data, the use of a variety of recruitment channels by job seekers and employers and an increasing role of other labour market actors next to the PES in the provision of recruitment services.

In 2003, at the eve of the enlargement, the Commission adopted a decision on the EURES network<sup>9</sup>, consolidating developments in the network and incorporating new opportunities afforded by emerging information and communication technology tools. The decision repealed the 1993 decision.

In line with the employment package<sup>10</sup> and to modernise and reinforce the EURES network, the Commission adopted in 2012 a Decision to adjust the functioning of EURES<sup>11</sup>, as the network supporting the clearance. The Decision replaces the 2003 Commission Decision and aims to create incentives to strengthen matching, placement and recruitment activities within the network, inter alia by opening up the network to Private Employment Services (hereafter PrES), to the extent possible, without modifying the legal basis (Regulation 492/2011). Accordingly, the Decision follows up on the findings of an evaluation on the EURES network carried out in 2009 and published in a report in 2010<sup>12</sup>.

The 2012 Decision is set to enter into force on 1 January 2014. Preparations are on-going, notably on the drafting of a "Charter"<sup>13</sup> to guide the implementation. The Charter would replace the Charter in force on the basis of the 2003 Commission Decision<sup>14</sup>.

During the preparations, in particular the consultations with the Member States on the draft Charter, it has become clear that Regulation 492/2011 no longer provides an appropriate basis for achieving the intended objectives of the reform and that other options and measures must be considered to make the EURES network an effective tool for employment policies.

The European Parliament (EP) launched a request for annulment of the Decision with the European Court of Justice<sup>15</sup>. The EP argues that in adopting the Decision the Commission has overstepped its implementing powers under Article 38 of the above Regulation. The outcome may have an impact on the extent to which this particular Decision can improve the functioning of the EURES network and/or the time line for doing so.

## **2. PROCEDURAL ISSUES AND CONSULTATION OF INTERESTED PARTIES**

### **2.1. Timing and internal consultation**

Work on this impact assessment started in 2013. An Impact Assessment Steering Committee was set up including representatives of the following Commission's services: SG, SJ,

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<sup>9</sup> [OJ L 5, 10.1.2003, p.16](#)

<sup>10</sup> [COM \(2012\) 173 final](#)

<sup>11</sup> [OJ L328, 28.11.2012, p.21](#)

<sup>12</sup> [COM \(2010\) 731 final](#)

<sup>13</sup> The Charter is a non-binding document for the employment services operating EURES in Member States. It provides guidance on technical standards, templates and procedures.

<sup>14</sup> [EURES Charter, C311/6, 16.11.2010](#)

<sup>15</sup> Case C-65/13, application from the EP in accordance with Article 236, third paragraph TFEU, registered by the ECJ on 8.2.2013 as nr 927137

COMM, EAC, ECFIN, ENTR, HOME, RTD and EMPL. The IASG met two times between July 2013 and August 2013.

## **2.2. Studies and consultation of experts and stakeholders**

### *2.2.1. Studies by independent experts and the Commission*

Employment policies have been subject to numerous studies of late with the following being used as sources for information for the purpose of this initiative: the European Commission, the European Policy Centre and the OECD. Among the reports from the Commission, information was gathered from the Employment and Social Developments in Europe report (ESDE) and the European Employment and Social Situation Quarterly Review (ESSQR).

No study by independent experts was launched for the specific purpose of the impact assessment. Questions relevant for the impact assessment were included in the above studies.

### *2.2.2. Public consultations*

Eurobarometer surveys regularly ask citizens questions on their view on mobility issues. The most recent one was released in October this year<sup>16</sup>.

Given the surveys on the needs and perceptions of citizens in this area and the information gathered from the network and the use of the EURES portal a specific public consultation was not deemed necessary.

### *2.2.3. Consultations with Member States*

The starting point for the development of the 2012 Decision was the 2010 evaluation of the EURES network<sup>17</sup>.

In the context of the preparation towards the 2012 Decision, consultations have taken place with Member States on the shortcomings of and the future orientation for the EURES network, which have proved of use for the preparation of this initiative.

The Advisory Committee on 'Freedom of Movement of Workers' was formally consulted on the draft Decision in the autumn of 2012. The main aim of the Decision, to reorient the EURES services from general information and guidance towards more matching, placement and recruitment, was generally welcomed. All Member States have also supported the idea of a programming cycle and common indicators on EURES activities to increase transparency on performance, enhance information exchange and improve the coordination of actions.

Since then individual Member States in expert meetings have clarified their positions on the scope of possible implementation measures in light of national practices and constraints. As a result of these meetings, it was agreed to adjust the approach towards opening up the network to service providers other than the PES to allow Member States more time and leeway on how to develop partnerships at national level.

Further information on the individual positions of Member States is provided in section 3.5.4.

The Social Partners have been consulted throughout the process of the preparation of the 2012 Decision and they have also been involved in the preparation of its implementation.

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<sup>16</sup> [Special Eurobarometer 398, Internal market, October 2013](#)

<sup>17</sup> [COM \(2010\) 731 final](#)

#### 2.2.4. *Consultations of experts and practitioners*

Building on the above consultations on the future of the EURES network in general, questionnaires were sent out in 2013 to review practices on the access to job vacancies at national level, the access for job seekers and employers to the EURES network, and the organisation of matching, placement and recruitment activities across the EURES network.

As part of a regular review of the adjustments subsequent to the crisis, a questionnaire was sent to the PES on how they address job vacancies and direct job seekers to EURES.

The representatives of Member States and social partners in the Advisory Committee on Free movement of Workers were asked on access for workers of another Member State to active labour market policies (hereafter ALMPs) and registration with the PES. The Commission's network of (academic) experts on free movement of workers was also consulted on this matter.

Questionnaires were sent out to (a) EURES managers<sup>18</sup> on the organisational set-up of EURES within the PES and division of tasks between services of Member States in cross border placement and recruitment activities and (b) EURES IT correspondents on (access to) national job portals, sources of vacancies at national level, the share of the national vacancy market covered by these portals and interoperability between these systems and the EURES IT platform.

An informal expert work shop with a selection of mobility experts and practitioners examined which services and/or support measures by employment services in general help jobseekers to move to another Member State and what role financial support could play to this end, including for employers looking for skilled workforce from another Member State.

A detailed overview of the consultations of experts and practitioners and the main findings of these consultations can be found in Annex 1 to this document. The findings of the consultations are at the basis of the assessment regarding the shortcomings of the current situation as outlined in chapter 3.

### **3. PROBLEM DEFINITION**

#### **3.1. The State of Play**

##### *3.1.1. So far the potential for intra-EU labour mobility has not been realised*

The labour force in the EU (i.e. the total of employed and unemployed persons) reached 241.1 million persons in 2012, of which 216.1 million persons were in employment<sup>19</sup>.

Only approximately 7.5 million though were Europeans working (employed or self-employed) in another Member State. Albeit small, this figure constitutes an increase from 4.7 million in 2005<sup>20</sup>. This increase is mostly owed to the recent enlargements of the EU but

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<sup>18</sup> These managers are responsible for coordinating EURES activities at national level and are the contact points for the Commission in the Working Party established by Decision 2003

<sup>19</sup> European Union Labour force survey

<sup>20</sup> European Union Labour force survey

indicates also progress in removing administrative barriers inter alia due to the coordination of social security systems<sup>21</sup>.

Intra-EU labour mobility is relatively low when compared to the size of the labour market and the active population of the EU. Annual mobility within the former EU27 is 0.29%, below the rates of Australia, (1.5% between 8 states) and the United States of America (2.4% between 50 states)<sup>22</sup>. Only approximately 7.5 million of the European labour force of around 241 million (i.e. 3.1%) is economically active in another Member State<sup>23</sup>. At present high unemployment rates in some Member States coexist with high numbers of open vacancies in others.

There has been a significant increase in the number of workers that indicate "firm intentions" (i.e.: the proportion of those planning to migrate in the following 12 months) to move to work abroad<sup>24</sup>.

The share of persons with firm intentions per Member State, in relation to people with intentions to work abroad in the future in general, is shown Chart 1.

Today only about 700.000 persons on average move annually to work in another Member State<sup>25</sup>, whilst extrapolations on the surveys show that about 2.9 million EU citizens would like to move in the following 12 months<sup>26</sup>. This represents a significant mobility potential and a challenge for the EURES network.

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<sup>21</sup> Only recently the Commission has adopted the proposal for a Directive ("the enforcement Directive") to tackle discrimination on ground of nationality and unjustified obstacles to free movement in a more systematic way

<sup>22</sup> [OECD: Economic Survey of the European Union 2012](#)

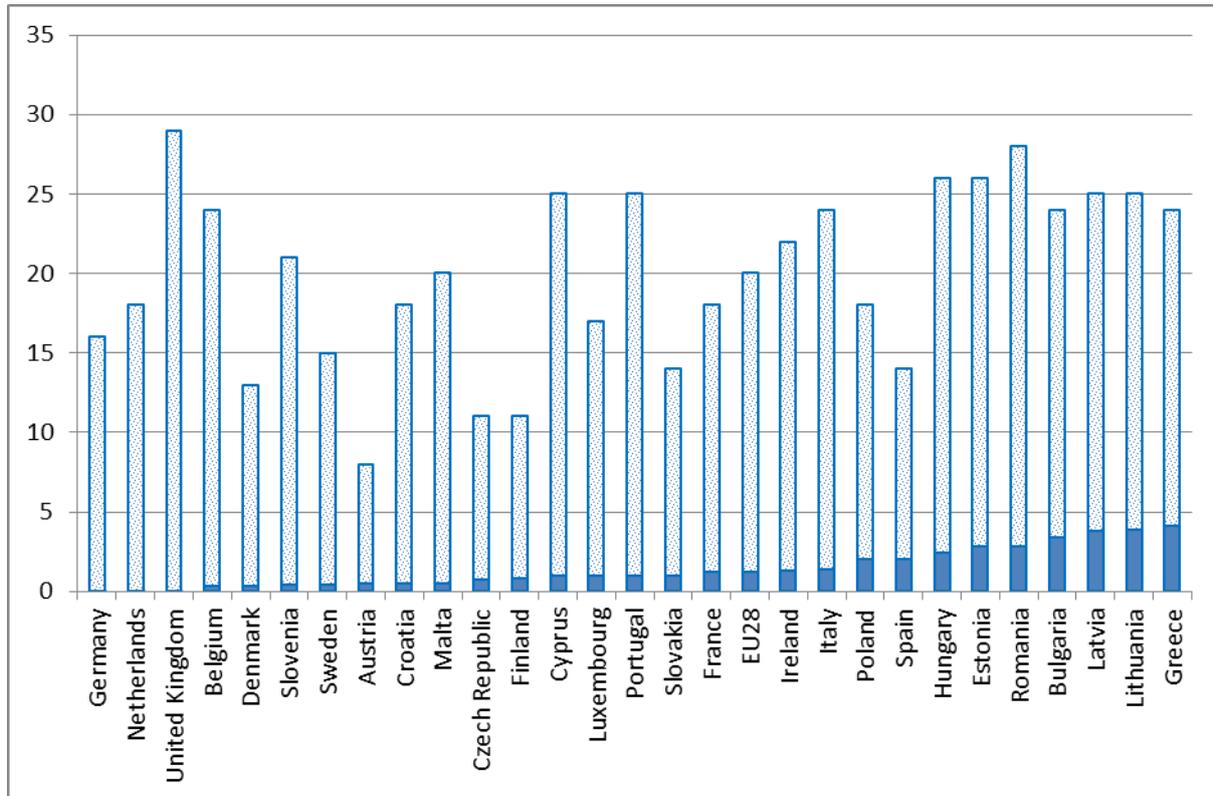
<sup>23</sup> This figure excludes workers residing in one Member State and living in another (frontier workers)

<sup>24</sup> [EU Employment and Social Situation Quarterly review June 2013, using the Gallup World poll data](#), page 38; for further information see point 7 in Annex 2.

<sup>25</sup> Applying the annual rate of 0.29% to the total labour force (241 million)

<sup>26</sup> Applying Gallup World poll data on the share of persons planning to move within the next 12 months, 1;2% in 2011 and 2012, to the total labour force (241 million)

**Chart 1: Share of those that envisage working abroad in the future (and among them, the share of those who would do it during the next year), 2011-2012**



Source: ESSQR June 2013

Registrations with EURES indicate that there is an increase in the number of people looking for a job across national borders. The number of job seekers registered on the EURES portal has increased from 175.000 to 1.1000.000 between 2007 and 2013 without a corresponding increase in job mobility.

From a regional point of view in particular people from the Southern Member States see mobility as a possibility to find employment. That indicates that the recent economic crisis has raised the mobility intentions. However, it may not only be the crisis that motivates people to go abroad. EU citizens have more and more mobility exposure than in the past (e.g. having studied in another Member State with Erasmus). Sharing the same currency is also contributing to regarding mobility as a more 'normal' decision than before.

Nevertheless, the increase in firm intentions to move and the active steps taken by jobseekers to improve their chances of realising their intentions, such as registering with EURES, has not translated into an increase of actual mobility numbers.

Reasons for not realising intentions to become mobile may vary between individuals. The most common *practical difficulties* expected or encountered are the lack of relevant language skills to take up employment and the difficulties of finding a job.

**Table 1: Top practical difficulties of working abroad (max three answers)**

	<b>Reason</b>	<b>Frequency</b>
1	Lack of language skills	52%
2	Finding a job	24%
3	Finding suitable housing	16%
4	Adapting to a different culture	16%

Source: Special Eurobarometer 337: Geographical and labour market mobility (2009)

According to the most recent survey, the 2013 Eurobarometer survey on the Single Market<sup>27</sup>, in which different questions on labour mobility were asked than in the above survey, among those who say that they would *not consider* working in another Member State, the *main reasons* are family or personal reasons (47%) and simply not wanting to work or live in another country (32%). One in five would not consider it because of language (20%). 11% say they have better opportunities in their own country and 6% say they would not be able to find a better job abroad<sup>28</sup>.

This particular survey also indicates that:

- Overall, at EU level, the main driver of mobility is to get a higher wage (50%) but for some countries (28% at EU level, but 36% in IE, 43% in EL, 57% in ES, 63% in CY) it is because people cannot find a job in their current country of residence<sup>29</sup>;
- People currently unemployed are the most likely to consider working in another Member State (39%)<sup>30</sup>.

In light of the above considerations on the intentions and considerations of EU citizens as regards opportunities to work in other Member States, it is clear that this initiative on workers' access to mobility support services should seek to target those who have indeed firm intentions to move, i.e. a relatively small share of the EU labour force.

### 3.1.2. Current functioning of the EURES network

#### 3.1.2.1. The PES and their role of recruitment markets in the EU

In all Member States, the EURES network at national level is part of the public employment services (PES) of the Member State concerned.

The end to the monopoly in the delivery of employment services has led to the emergence of a significant number and variety of service providers in the labour market. Besides the traditional role played by the PES, other actors such as private and third sector employment services, municipalities, universities as well as voluntary and community organisations are increasingly active in providing a broad range of client services. The relations between these employment services are characterised often by co-operation in various forms (e.g. exchange of vacancies through agreements such as in Germany or the Netherlands), by complementarities of services (e.g. the subcontracted services for long term unemployed in

<sup>27</sup> [Special Eurobarometer 398, Internal market, October 2013](#),

<sup>28</sup> [Special Eurobarometer 398, Internal market, October 2013](#), page 60

<sup>29</sup> Ibid, page 58

<sup>30</sup> Ibid, page 55

the UK and assessment and testing of skills in France), as well as by competition, for example in case of tendering procedures and contracting out.

Alternatives to the EURES network in international recruitment services are in particular commercial ones, e.g. private employment agencies and online services. They offer often tailor-made and immediate solutions to recruitment difficulties, but may have limitations, by choice or due to their location. Because of the fees they charge they may not be easily accessible for all, for instance, for young people and SME's. A more detailed description of the market segment of online recruitment services is included in [Annex 4](#) to this document. This description illustrates the specific position the EURES portal holds as the only truly multilingual free universal online service for job seekers within the EU.

PES, as a universal free service, do not necessarily have any more the capacity to effectively service jobseekers and employers with particularly specialised skills or requirements and as a result private recruitment agencies are servicing the high end of the job market and the use of PES is lowest with those with the most qualifications / experience.

While PES are structured differently in each country, all share the same basic task of contributing towards matching supply and demand on the labour market through the provision of information, placement and active support services. In accordance with OECD/ Eurostat classifications of labour market policies, EURES services fall in principle under the category 1, "labour market services", i.e. client services which facilitate the integration of the unemployed and other jobseekers in the labour market or which assist employers in recruiting and selecting staff as well as any other activities which include administrative costs and general overheads of PES.

The total outlay for category 1 in 2011 in the EU was 27.586 billion euro<sup>31</sup>.

The overall envelope spent on EURES services in the Union is estimated to be around 60 million, essentially covering the staff cost and related overheads for EURES Advisers, Assistants and the EURES managers<sup>32</sup>. The annual budget for the horizontal support to EURES by the European Commission (EU budget) stands at 20 million euro. This means today mobility support represents only a fraction of the overall active labour market measures.

#### 3.1.2.2. Results achieved by the EURES network so far

The EURES network consists of two pillars: the internet portal and the (human) network of EURES advisors. Similarly to most of the PES, EURES provides its services free of charge for job seekers as well as for employers.

Following the 2010 report on EURES activities, it was estimated that the EURES network provides around 150,000 recruitments/ placements per year. 50,000 of which were attributed to the work of the EURES Advisers, and 100,000 were – based on estimations and extrapolation – attributed to the functioning of its portal.

Since then the overall picture of EURES outputs has not evolved substantially. This is confirmed by the most recent analysis of data from the monthly reporting of EURES advisers

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<sup>31</sup> See for further information in section 6.3.4

<sup>32</sup> This figure takes into account only core EURES staff for the Union (not EEA), as identified in the current "EURES Charter" and is based on the following calculations: 830 EURES Advisers working at 70% for EURES at average salary cost of 60.000 euro + 860 EURES Assistants working at 50% at an average salary cost of 50.000 euro + 28 EURES managers working at 100% at an average salary cost of 80.000 euros and + some on line managers in the PES working at 5% for EURES, at an average salary cost of 100.000 euros. ,

and the portal on 2012 data, made in the framework of the publication of the EURES section of the Single Market Scoreboard in May this year<sup>33</sup>. It shows that on average a EURES Adviser in the Union makes about 70 placements (incoming /outgoing mobility) a year<sup>34</sup>.

### 3.1.2.3. Outputs of the EURES portal

The current portal, based on web services, was launched in 2006 for the purpose of exchanging vacancy information. Revisions to improve its usability are on-going and the current website will see a re-vamp in 2013/2014 including new features such as an improved CV online application and enhanced job search functions.

Today the EURES portal gathers vacancies directly processed at national level by 34 PES (i.e. 28 Member States, BE consisting of BE-Actiris, BE-VDAB and BE-Le Forem, the EEA countries and Switzerland). It allows access to more than 1.4 million vacancies and 1.1 million CV's at any time. Employers, once registered, have access to CV search, and an opportunity to publish vacancies, via the national database. The number of employers being registered with EURES has seen a steady increase since its launch. The number of unique visitors to the EURES portal has grown constantly from 8.1 million in 2006 to 24.3 million in 2012.

**Table 2 – Total number of registered employers**

2006	2007	2008	2009	2010	2011	2012	2013 <sup>35</sup>
7900	11500	18300	20600	22000	24300	27500	31600

*Source: EURES portal*

In a 2009 survey of EURES users<sup>36</sup>, around 20% of the jobseekers who replied stated that they had received a job via EURES; in almost 50% of these cases the resultant job corresponded to their skill level. The CV set-up function is considered a particularly useful functionality of the portal. However navigation and usability were sometimes found difficult and have subsequently been changed with the re-vamped website.

Out of the 31,600 employers that were registered in 2013, the highest number (4,340) came from Germany, followed by the United Kingdom (3,363), Norway (2,718) Spain (2,650) and the Netherlands (2,117).

A 2011 online survey among employers<sup>37</sup> found that:

<sup>33</sup> [http://ec.europa.eu/internal\\_market/scoreboard/performance\\_by\\_governance\\_tool/eures/index\\_en.htm](http://ec.europa.eu/internal_market/scoreboard/performance_by_governance_tool/eures/index_en.htm)

<sup>34</sup> About 53% of the 830 EURES Advisers in 2012 in the 27 EU Member States reported having helped 29.000 job seekers find a job. Taking into account this response rate, it is extrapolated that in total the 830 EURES Advisers made 58.000 placements.

<sup>35</sup> As per 1.9.2013

<sup>36</sup> Carried out in the context of the preparation of the [2010 report mentioned above](#)

<sup>37</sup> European Job Mobility Laboratory [thematic study: EURES employer survey](#). The survey had 3,828 complete responses and 2,787 partial responses. After filtering the dataset included 4,455 responses of which 3,672 were complete and 783 partial. The response rate to the survey was very low in a number of larger EU countries and disproportionately high in a number of smaller countries, perhaps as a result of differences in distribution methods. However, the general findings on international recruitment (just over 25% had, at some point, considered recruiting candidates from abroad and less than 10% had advertised a vacancy in another EU country) are identical with those found in the Manpower Survey referred to in point 3 of Annex 2 to this impact assessment. However, awareness of EURES might be higher among the respondents than among all enterprises. The sample was constructed differently in each Member State and did include both employers already registered on EURES and employers not registered and not necessarily familiar with EURES.

- Of the employers that have recruited from abroad, less than 10% reported having found candidates through EURES;
- Employers who struggle to find appropriate local candidates are three times more likely to have recruited from abroad (37%) than those that do not (13%);
- Around a third of the employers surveyed had heard of EURES before getting in touch with the network;
- And of those who had heard of EURES, only two thirds claimed to know what it does;
- Once employers have been in contact with EURES the level of satisfaction with the services is generally quite high.

#### 3.1.2.4. Outputs of the network of EURES Advisers

EURES Advisers are trained employment specialists, who provide information, guidance and assistance with placement/recruitment to jobseekers and employers. They follow up on job vacancies, promote EURES, including to stakeholders such as Chambers of commerce or career guidance services, and are responsible for the preparation of information on skills surpluses and shortages, living and work conditions. They organise and/or participate in mobility related recruitment events and projects, including the so called European Job Days<sup>38</sup>. Advisers also promote EURES internally and contribute to its integration within the PES through information, assistance and training for staff such as employment counsellors in local and regional PES offices. They may be assigned at local, regional or national level, depending on the organisation of the PES in the country and on average spend about 70% of their time on EURES activities<sup>39</sup>.

With about 900 EURES Advisers, supported by EURES Assistants and coordinated nationally by the EURES Manager, the figure has seen a moderate increase as compared to more than 5 years ago. On average these advisers have altogether more than 110,000 contacts per month with jobseekers and employers and the EU average monthly placement rate is estimated at 3.69%, which corresponds to the figure of 50,000 placements each year; for further data on their activities see [Annex 5](#).

**Table 3 – Total number of EURES advisers<sup>40</sup>**

2006	2007	2008	2009	2010	2011	2012	2013 <sup>41</sup>
630	724	855	877	893	1088	945	935

*Source: EURES portal and network data*

The number of EURES advisers varies significantly between the Member States (see figures 1 and 2 in Annex 5). Partly these variations can be explained by the size of the country or the organisation of the employment services. Where intra-EU labour mobility service delivery is very much mainstreamed into general service provision (such as in Austria and Portugal) the number of EURES advisers can remain relatively low without reducing the quality of these services.

Jobseekers' feedback indicates however, that in some Member States it can be difficult to contact a EURES Adviser.

<sup>38</sup> See [www.europeanjobdays.eu](http://www.europeanjobdays.eu)

<sup>39</sup> Based on monthly reporting, the average working time spent on EURES for the period 2006-2012 varied between 68,95 to 72,2% with the median over 7 years being 70,52%.

<sup>40</sup> Total number of individuals reported to have been EURES Advisers in a given calendar year

<sup>41</sup> As per 1.9.2013

### 3.1.2.5. The EURES network and the reforms affecting the PES

EURES being part of the PES, the national EURES activity is inadvertently affected by any organisational changes made to the PES at national level

Several Member States have undertaken PES reforms some of which resulted from the Country-Specific Recommendations agreed in the European semester (hereafter CSRs). The reforms include further outsourcing services to private providers, regionalisation and municipalisation of employment services, and enhancing service delivery through ICTs and self-service tools. The key areas for change address adjustments to trends on job search and mediation.

Due to its specific 'European' mandate, EURES has in general been left relatively unaffected by such domestic reforms. However, as an employment service, EURES is also affected by these changes and any best practice here provides inspiration for improvements for EURES.

### 3.2. What is the issue which needs to be addressed?

As shown in section 3.1.2, the EURES network has helped many jobseekers, workers and employers in realising mobility opportunities. Those who reach out to the EURES network and can use the services it offers, generally appreciate it.

Yet it is evident from these results that the instrument as it functions today is not sufficiently equipped to encourage further fair mobility patterns as part of the solutions for the imbalances on the European labour market, given the size of the EU labour force and the nature of the challenge in the current economic situation.

There is a potential for intra-EU labour mobility which the EURES network could address: while on average about 325.000 persons annually move to work in another Member State, 2.9 million have indicated firm intentions to move within 12 months (1.2% of EU population<sup>42</sup>).

The objectives of the EURES network to foster intra-EU labour mobility and further integrate labour markets are not deemed a political priority by most Member States and, as testified by some of the findings of the consultations, its operational activities are not guided by a clear and consistent strategy.

What are the shortcomings in the functioning of the EURES network that need to be addressed to change this situation and put the EURES network more centre stage as the key instrument effectively supporting workers seeking mobility for the years to come?

The analysis below identifies five principal shortcomings in the functioning of the EURES network:

1. an incomplete pool of vacancies and CVs accessible at EU level for all Member States (transparency of labour markets);
2. limited matching capability of the EURES portal that brings job vacancies and CV's together at EU level, due to the limited degree of semantic interoperability of data coming from national job vacancy systems (automated matching potential);
3. an uneven access to EURES services across the EU as job seekers and employers do not receive systematically all the necessary information on the EURES network nor receive an offer for further assistance at the first stage of recruitment (mainstreaming);

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<sup>42</sup> [EU Employment and Social Situation Quarterly Review June 2013](#), page 38

4. a limited availability to assist with matching, recruitment and placement for those jobseekers and employers who have indicated interest in intra-EU labour mobility, including in gaining access to both active labour market measures and information and advice on social security (support services);
5. an inefficient information exchange between Member States on labour shortages and surpluses, hampering a more targeted practical co-operation in the EURES network (information exchange and cooperation).

### *Opening up dimension*

With respect to all shortcomings, a critical factor is the ability to address the inherent limitations resulting from the current composition of the EURES network, i.e. only the PES and the Commission. The EURES network must be expanded to include employment services other than the PES as service providers (in the terminology of the 2012 Decision: the “EURES Partners”) in order to remain relevant on the market for recruitment services and to build lasting partnerships across countries, regions and sectors.

Within the existing framework of Regulation 492/2011, the 2012 Decision of the Commission aims at opening up the EURES network. It suggested that Member States should select private and other non-public employment services and give them access as service providers to the EURES network. However, discussions with national representatives on the implementation of the Decision show that this is not likely to be realised. Further information on the challenge of opening up is provided under section 3.5.3.

#### *3.2.1. Incomplete pool of vacancies and CVs accessible at EU level (transparency)*

The current mechanism for vacancy clearance is based on: a) an online platform (EURES Website) run by the Commission b) a common format for the exchange of job vacancies, and c) a search engine that allows for the retrieval of information about the job vacancies which are hosted and processed by the PES.

The EURES portal should enable jobseekers to find all available jobs in all the Member States. Moreover, the portal should help to identify the most suitable vacancies according to the profile of the user. This means that the common formats must allow the information exchanged to be sufficiently rich in content and comparable across national systems to permit matching between job vacancies and CVs. This is not yet the case as further explained in the following sections.

##### *3.2.1.1. An inadequate vacancy outreach of the current EURES portal*

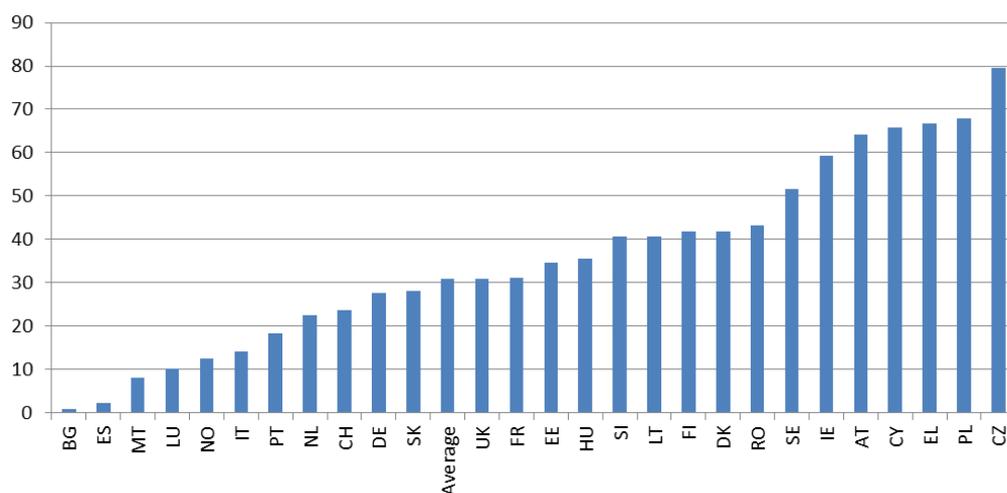
A full and complete transparency of the European labour market via the EURES portal and exchange platform would imply that all vacant positions wherever they have been published, be it via a PES, a private employment service, an employer's own website or even in a newspaper, are made available on the EURES portal. The current outreach of EURES portal is much lower.

On average, only around 30% of the national vacancies<sup>43</sup> are made available on the EURES portal. This ratio differs widely across countries, showing that there is considerable scope for progress (see Chart 2).

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<sup>43</sup> Without Belgium for which the number of vacancies published on the EURES Portal cannot be estimated in a reliable way. In mid- 2013, compared to a total number of vacancies around 2 425 000 (estimated on the basis of

**Chart 2: Proportion of the vacancies that are published on the EURES Portal, by country (in %) July 2013<sup>44</sup>**



Source: EURES IT database, Eurostat Job vacancy statistics

#### *Country-specific examples illustrating the reasons for the divergent ratio*

The Member States that have the lowest share of their national vacancies available on the EURES portal are Bulgaria and Spain. While the degree of transparency is virtually the same, the underlying reasons differ. For Bulgaria, the lack of transfer of vacancies from the national vacancy database to EURES stems from technical incompatibility, rendering the transfer of vacancies impossible. The PES is working on a technical solution, supported by the European Commission. In Spain, the lack of a national vacancy database is limiting not only the number of vacancies made available on the EURES portal, but also the transparency of vacancies in the national context. Without a single national job vacancy database, open vacancies are only available on separate job portals in each region. In the 2013 CSRs, the Council recommends Spain to improve the co-operation between national and regional public employment services: i.e. to (...) "fully operationalize the Single Job Portal" as well as to "speed up the implementation of public-private cooperation in placement services to ensure its effective application already in 2013"<sup>45</sup>.

The Czech Republic, having the highest share of vacancies available on the EURES portal, combines an absence of administrative limitations on which vacancies to transfer with a high share of open vacancies being reported to the PES. Although the legal requirement for employers to report vacancies to the PES has been abolished the practice continues and provides both Czech jobseekers and those from other Member States with excellent access to available employment opportunities in the Czech Republic.

#### *Two major categories of limitations*

There are currently two major limitations that make the number of job vacancies available on the EURES portal much lower compared to what exists at national level:

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Eurostat Job vacancy statistics) which gives a ratio around 31%. Sources: Eurostat job vacancy statistics, EURES Portal

<sup>44</sup> Except for DK and UK where average 2012 figures were used

<sup>45</sup> [Recommendation for a COUNCIL RECOMMENDATION on Spain's 2013 national reform programme and delivering a Council opinion on Spain's stability programme for 2012-2016](#)

- The limited role of the PES on the vacancy market: the vacancies made available on the EURES portal are those directly reported by employers to the central PES. As vacancies publically available otherwise, such as through regional PES or non-public employment services, are not made available to the EURES portal, the PES "vacancy share", i.e. their number of registered vacancies compared to the total number of vacancies at national level, greatly reduces the transparency of the labour market;
- The administrative limitations introduced by Member States at their own level when delivering their available vacancies to the EURES portal.

*The first category: limitations in the PES vacancy share*

The PES market largely depends on national regulations and on the capacity of each PES to meet the needs of jobseekers and employers. The share is known to vary considerably between countries<sup>46</sup>. While the market share of PES is mainly a national issue, there is a potential to address the general EURES market share at EU level.

*The second category: administrative limitations*

Regulation 492/2011 compels "the specialist service" of each Member State to send and exchange the vacancies "which could be filled by nationals of other Member States". This obligation gives a wide room for interpretation, providing leeway for some Member States to put administrative limitations on which vacancies are made available to the EURES portal e.g. only full-time positions or work with a minimum duration, as illustrated in table 4 below.<sup>47</sup>

**Table 4 - PES reported practice for transfer of vacancies to the EURES portal<sup>48</sup>**

<b>All vacancies registered by the PES</b>	BE-VDAB, CY, AT, DE (95% plus others registered on website directly by employers), EE, EL, LV, HU, PL, PT (90%), SE, UK
<b>All vacancies published on the PES site</b>	BE-ACTIRIS, FI, NL (plus those from PES internal system registered by EURES advisors or related to occupations with skill shortages), SI (1/3 of all PES vacancies)
<b>Only vacancies satisfying particular criteria</b>	FR (those related to open-ended or at least 3-month contract – around 40% of all vacancies received)
<b>Only on employer demand</b>	BE-FOREM (approximately 50/year), CH (18%), IT, LT, LU, MT (18%), SK

*Source: PES crisis response questionnaire*

The lack of uniform, binding rules also leads to differences in the way employers can control whether the PES transmit their vacancies to the EURES portal or not. Some PES use an opt-in process meaning that they only transmit a vacancy to the EURES portal when the employer has (explicitly or implicitly) asked for it, thus limiting the EURES pool of vacancies. In most PES it is possible for employers to opt-out, i.e. request explicitly that a vacancy should not be

<sup>46</sup> PES are estimating their market share using two main approaches: Filled vacancies, more related to the effectiveness of the placement services; Advertised vacancies, more related to the capacity of PES in intercepting and treating the labour demand.

European Job Mobility Laboratory [study on PES business models](#)

<sup>47</sup> It is generally accepted that the job vacancies requiring citizenship of the respective country (certain governmental posts) will not be transferred to the EURES portal.

<sup>48</sup> As indicated in responses to PES crisis Response questionnaire, the Member States missing in this table did not respond to questionnaire

transmitted to EURES, which in practice limits the principle of equal access to information among workers.<sup>49</sup>

Article 11 of Regulation 492/2011 refers to co-operation between the central employment services while Article 13 identifying the data subject to clearance does not define precisely the origin of the job vacancies to be shared.

Given the unclear nature of the obligations under the current legal framework, the Commission powers to ensure a consistent application cannot be fully harnessed. The Commission is working with those Member States<sup>50</sup> which for obvious technical reasons do not fulfil the requirements for participation in the exchange system for technical reasons.

#### 3.2.1.2. Insufficient visibility of EURES vacancies on national job portals

Transmitting to the EURES portal the vacancies available within the country is one aspect of the accessibility. The other aspect is to allow jobseekers to find those offers as part of the standard on line national PES service offer.

Only a few PES give access to all EURES vacancies on their respective job search portals, while most PES include only a limited number of job offers from other countries. The most common approach is to have European vacancies together with other international vacancies as a separate search option that does not allow for combining domestic and European vacancies in the same search. Moreover, the number of searchable European vacancies is much below the EURES offer. Only a few portals have more than a thousand international vacancies (compared to the 1.4 million on the EURES portal), as the job portals only show the vacancies registered in their own system. The limited direct access to vacancies from the EURES portal in some cases has been unconvincingly counterbalanced by a reference link to the EURES website. As a result, most PES don't deliver a basic online service to national jobseekers considering to work in another Member State.

The set-up and functioning of job search portals is fully in the hands of Member States' authorities. The current EURES legal basis lacks any reference to the ability of the EU to influence the Member States' decisions on the integration of the EURES offer in their PES job portals. This situation hampers jobseekers' access to EURES services, raising a de-facto administrative barrier to EU mobility.

From the point of view of visibility and user friendliness the European vacancies should not only be readily accessible to and searchable for the end users directly at European level but also indirectly at proximity level, i.e. in local, regional and national on line sites and data bases, and in particular the PES job portals.

The Commission has put in place an API (Application Programming Interface) that can be used by the Member States to give access to European vacancies from the EURES portal on their own job sites. So far only a few Member States have developed solutions based on the API and there are no obligations in place to do so today.

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<sup>49</sup> European Job Mobility Laboratory PES Crisis Response questionnaire 2013, section 4.2.1

<sup>50</sup> Bulgaria, due to a lack of technical interoperability between the national systems and EURES, does not yet have the capacity to make their vacancies available on EURES but has been working on a solution. The same applies for Croatia.

### 3.2.1.3. No systematic job applications clearance

Matching supply and demand requires both the clearance of job vacancies, as well as the clearance of job applications or CVs according to agreed standards (contents) and formats (lay-out). Currently no systematic automated electronic exchange of CVs or other job seeker profile information takes place at European level, despite the formulation in Article 13 of Regulation 492/2011 that enjoins Member States in general terms to share this kind of information.

Most PES have CV online applications on their web sites where jobseekers can post their CVs and make them visible and searchable by employers and/or intermediaries like EURES advisers. Some have also developed various types of matching facilities, making an automatic matching between a CV and available vacancies. However, the search and matching of CVs in the national online applications is limited to the national jurisdiction. The obligation currently put on the Member States by Regulation 492/2011 to exchange "details of applications for employment" is generally interpreted by Member States to be fulfilled by bilateral case-by-case exchange of CVs between EURES advisers. The number of CVs covered by this burdensome practice is, however, very low, putting a constraint on the EURES matching capability.

The lack of transparency of jobseeker data impacts negatively on the capability to provide meaningful mobility support services to employers. Not only does it limit self-service opportunities, it also restricts the efficiency of the support as employers have to depend on indirect access to CVs via EURES Advisers in other countries, rather than having direct access.

The API referred above can also be used to give access to job applications and CV's between the EURES portal and the own job sites.

### 3.2.2. *Limited matching capability of the EURES portal (automated matching potential)*

Effective matching processes at EU level require a suitable classification system and agreed common standards on both vacancy and CV information. Unfortunately, there is no such system to date that allows for automated matching across the Union, in the absence of a common language on occupations, qualifications and skills.

First, there is a huge variety in classification's systems across the EU. All Member States have national classifications of occupations, most of which are based on or mapped to ILO's International Standard Classification of Occupations (ISCO) classification. When it comes to classifications of skills and competences the picture is more diverse. Around a third of the Member States do not have any systematic approach towards the classification of skills and competences and in the Member States with classifications only a few have an international compatibility.<sup>51</sup>

Second, the common minimum denominator in existing classifications, ISCO, is not suitable for employment purposes. This system organises jobs into groups but is mainly intended for use in statistical applications, not for operational matching on the labour market<sup>52</sup>. Whilst nationally adjusted versions of ISCO or other classification systems are in place in many

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<sup>51</sup> DG EAC, Skills/Competences classifications in the EU 27 (2012)

<sup>52</sup> Given that ISCO currently has 620 groups, using its classification for job matching creates groups containing a wide range of occupations. Furthermore specialisations within an occupation are not included in the classification. For example, "nursing associate professionals" is the most detailed classification, not allowing for sub-specialisations to be classified. ISCO is therefore not detailed enough as an instrument to support matching.

Member States, ensuring transparency and adequate connections between the different classification systems is challenging and not yet achieved, given the differences in management and maintenance of the systems as well as the mono-lingualism. Currently, in the absence of a suitable alternative, the EURES portal, like many national systems, uses ISCO.

A European classification for such common language is being developed by the European Commission, in close collaboration with stakeholders and the European Centre for the Development of Vocational Training (CEDEFOP). For now it is called ESCO. The first version has gone live on 23 October 2013. For more information see [Annex 6](#).

For the purpose of the EURES portal the Commission aims to gradually introduce this European classification, while also other international standards should be used throughout the EURES portal for descriptions of occupations and skills, languages, countries, regions etc.

Where the national databases use different or nationally adapted classifications, like the ROME classification used in France and some other countries, mapping can 'translate' the data received. Such mapping between classifications allows for good search and matching results. Under Regulation 492/2011 no obligation exists to carry out mapping and there is no agreement with the Member States on facilitating automated matching at European level.

### *3.2.3. An uneven access to EURES services across the EU (mainstreaming)*

Surveys suggest that job seekers are not always fully aware of the possibilities of working abroad or consider this as difficult<sup>53</sup>.

To improve access to EURES services, the policy recommendations have been to mainstream such services into the general service offer provided by the participating PES since the reform of EURES in 2003<sup>54</sup>. In all PES this has led to the availability of some basic information on EURES as part of the overall information to clients and most PES seem at least routinely to provide (unemployed) jobseekers with an opportunity to indicate, on their own initiative, that they are interested in working in another country, typically at the (online) registration or at the first interview.

Some PES have deemed mere information provision sufficient, although many have also provided front line staff with training on labour mobility support services and empowered them to interact with EURES advisers to follow up on requests for assistance (for example in Portugal and Poland). Such efforts have been supported by the EU grants provided to the Member States over the last years.

To be effective, mainstreaming should ensure that every job seeker and every employer registered with an employment service in the EU will (a) receive all the necessary basic information on what the EURES network can do for them and (b) be made proactively a clear "EURES offer" for further assistance, if s/he is interested. Today this is still not happening consistently throughout the EU.

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<sup>53</sup> See [Special Eurobarometer survey 337](#), the source of table 1 in section 3.1.1

<sup>54</sup> Mainstreaming means the integration of EURES into the standard delivery of employment services. This is achieved by including EURES in policy delivery planning process, clearly allocating staff resources to EURES, both at central and local level, including EURES in in-house training given to all front-line staff and ensuring that intra-EU labour mobility is a standard item during contacts between employment services and clients.

In fact, when asked about whether a EURES offer is made<sup>55</sup>, most PES cannot even tell how many job seekers indicated an interest in EURES services and to what degree this was followed up within the organisation. Data is only available with PES in countries such as France, Germany, Netherlands, Belgium, Hungary, Estonia, Lithuania, Latvia, Portugal and Slovenia. PES in countries such as Sweden, Finland and Poland, while registering interest online, cannot generate the information. All other PES do not appear to have any data and information on the EURES network and access to EURES services is only provided *on explicit demand* by the users.

Moreover, there are many different approaches on how the EURES services are integrated into the service offer of PES following this first contact (see box 1)<sup>56</sup>.

Finally, there is a significant diversity in the quantity and quality of information provided at this initial stage of contact between users and employment services on the EURES network.

Consequently, depending on the country in which they access EURES services, jobseekers and employers have different levels of access to EURES in practice and different information on what the EURES network can do, when and how. Combined with a low visibility of European vacancies on national job search portals, the actual access to EURES services is in practice seriously hampered.

This diversity is at odds with the logic that this is a transnational network which should have a coherent and consistent communication strategy towards end users and offer at least equal treatment in the access to its services, regardless of location in the EU.

The lack of a consistent approach to the organisation of the information provided to potential users and the access to EURES services at the initial stage of placement and recruitment processes leads to a risk of missing out mobility and employment opportunities because clients of employment services are not fully aware which services they can expect, nor of the fact that EURES services end at national borders as there is no counterpart providing the necessary service in the other country.

**Box 1 – Examples of follow-up to those who are interested in working in another EU country**

Signposting – employment adviser gives jobseeker information about how to find out about EURES (e.g. website/brochures) and how to contact a EURES Adviser. After that it is up to the initiative of the individual to actually use the information and make contact. This is the case, for example, the Netherlands and the United Kingdom.

Informal proactive support – as above but employment advisers are proactive in supporting contact. Ultimately it is still down to the individual to sign up and commit. For example, in Malta there are plans to introduce a facility for advisors to directly book interested jobseekers for consultations with EURES advisors or EURES introductory information sessions.

Formal proactive support – as above but with possible EURES activities documented in the Individual Action Plan (IAP). For example, in Slovenia, jobseekers with an interest to work abroad will have one or more EURES activities built into their IAP.

EURES initiated – Working from the PES register, EURES advisors identify newly registered jobseekers interested in working abroad and routinely contact them. This appears to apply, for example, in Sweden.

Direct provision – employment advisor themselves informs jobseeker about EURES and it is up to them to offer jobs abroad to jobseekers when appropriate. This is the case, for example, in Finland.

<sup>55</sup> European Job Mobility Laboratory PES Crisis Response questionnaire 2013, see Annex 1. Please note the response rate.

<sup>56</sup> European Job Mobility Laboratory PES Crisis Response questionnaire 2013,

*Source: PES crisis response questionnaire*

### *3.2.4. The limited availability of assistance*

To date the mobility support services offered by staff in the EURES network basically consist of job search assistance and assistance with recruitment for employers addressing the needs of the European labour market. These services are part of all services and activities undertaken by the PES together with services provided by other public agencies or any other bodies contracted under public finance, which facilitate the integration of unemployed and other job seekers in the labour market or assist employers in recruiting and selecting staff.

Such services include the provision of information on how to gain access to ALMPs, but not the delivery of ALMPs themselves. Under the OECD/Eurostat definition active measures include activities such as training, job rotation and job sharing, employment incentives. The design and organisation of these measures is within the remit of the Member States' competences.

Research<sup>57</sup> shows that job search assistance has a significantly (positive) impact on the transition of beneficiaries from welfare to work. This kind of activity has been shown to be the most cost-effective short-term measure<sup>58</sup>, compared to other measures. A well-balanced design of basic services such as personalised job search assistance and counselling, based on mutual obligations of beneficiaries and service providers, enhances long term career opportunities. Even in a depressed labour market with a minimum turnover of vacancies, such services can help the unemployed to remain actively searching for work, curbing the rise in long term unemployment and avoiding exits into inactivity.

Job search assistance is even more important for intra-EU labour mobility, as job seekers and employers will have to overcome more information gaps and administrative barriers; they often require more specific information on qualifications and skills, guidance and assistance with the preparation of job interviews, analysis of CV's, and how to gain access to ALMPs, such as training.

Three types of limitations in the services and measures of the EURES network are identified which seriously impede on the potential of the EURES network to facilitate an effective exercise of the freedom of movement for workers. The first concerns the focus of the EURES services, the second the possibility for job seekers to be eligible for national ALMPs to help them find a job in another Member State (financial support to out-bound mobility) and the third how information and advice on social security is provided, as part of EURES services.

It should be underscored that to date there are no specific obligations in place under Regulation 492/2011 which outline how to achieve intra-EU recruitments. Obligations to send and process information on job vacancies and job applications (the clearance) as well as on living and working conditions and the state of the labour market have been interpreted as an obligation to deliver services to job seekers and employers, but it is left to the Member States' individual discretion to contribute to these activities.

#### 3.2.4.1. Limited availability to assist with matching, recruitment and placement

The 2010 ex-post evaluation and a recent update considering the period 2006-12 found in Annex 5 indicate that EURES Advisers spend about 45% of their time on giving information

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<sup>57</sup> [ESDE 2006](#), chapter 3, p.136-137

<sup>58</sup> In the first year after programme completion

and guidance on general and specific topics exclusively, with the remaining 55% being a mixture of information and guidance to end users, either jobseekers or employers (see table 5 below). Within the latter only part of the time is dedicated to concrete (individualised) assistance to bring about actual recruitment and placement.

**Table 5 – Breakdown per activity according to EURES advisers reporting over the period 2006-2012**

Evaluation 2006-2008	2006-2012 Average	Topics and qualification of the nature of the activity
17.1%	17.09%	General information on EURES
41.2%	43.05%	Information, guidance and assistance on job search (contacts with jobseekers, preparation on CV's and application letters )
15.1%	14.45%	Information, guidance and assistance on recruitment (contacts with employers, general information, matching and pre-selection of job vacancies)
10.1%	9.84%	Information and guidance on social security and taxation
1.9%	2.22%	Information and guidance on education and training
8.3%	7.83%	Information and guidance on living and working conditions
6%	5.48%	Other

*Source: EURES 2006-2008 ex-post evaluation and monthly reports EURES managers*

Therefore, the above evaluation noted that EURES needed to be repositioned as a key tool to improve matching between job seekers and vacancies throughout Europe and that this requires offering more personalised mobility assistance<sup>59</sup>. Job seekers and employers would appreciate obtaining more and faster support when looking for quick and cost-efficient practical solutions on living and work conditions, such as (temporary) housing arrangements, and integration, such as intercultural training or basic language training.

While Member States recognise in principle that Regulation 492/2011 implies that mobility support services should be provided at national level (Article 11 of the Regulation refers to "acting jointly as regards the clearing of vacancies and applications for employment within the Union and the *resultant placing* of workers in employment"), there is no agreement on which mobility support services should be provided and how this should be done. The Regulation does not provide adequate guidance on this point.

The 2012 Decision introduces incentives to focus more on this kind of support services. However, informal consultations with the PES on the revision of the EURES service catalogue implementing this principle from the Decision have proven difficult. No common ground could be found at operational level on which services to include as EURES services to be made available in all Member States beyond the provision of general information and guidance on intra-EU labour mobility. For instance, many Member States could not commit to organising or participating at (international) recruitment events, such as (targeted) (online) European job fairs, as a means to bolster intra-EU labour matching, nor to providing information on work and living conditions in other countries other than the general

<sup>59</sup> [COM \(2010\)731 final](#), page 10 – section challenges ahead and outlook

information on-line, with the possibility to be an intermediary to refer questions to a EURES adviser from another Member State.

As a result, despite efforts made by the Commission under its 2012 Decision, mobility support services to end users will continue to strongly vary from one country to another, essentially depending on the availability of individual EURES advisers and the national PES model. This demonstrates the limitations of the system of voluntary collaboration on the definition of EURES services under Regulation 492/2011.

The same consultations also reveal a limited interest or willingness to open up the EURES network at national level to employment services and organisations other than the PES that might be able to complement the services provided by the PES, given a different focus on client groups, sectors or occupations etc. (see sections 3.5.3 and 3.5.4).

That there is a potential to do more to assist jobseekers and employer with making the best of employment opportunities in other countries could be illustrated by an example of a country facing a particular difficult situation at the moment. Spain, with a 53% youth unemployment rate, has about 50 EURES advisers and roughly 290.000 Spanish jobseekers registered on the EURES portal. In 2012 the EURES advisers registered about 110.000 contacts with job seekers but recorded only 2.000 recorded placement results thanks to matching within the framework of the EURES network (See Annex 5). As indicated in Chart 3 in section 3.2.1 Spain only delivers 3% of its vacancies to the EURES portal, its regional databases not being connected. For many of its matching and placement activities, it depends foremost on bilateral projects, essentially with Germany. When Spain launched its project under the Your first EURES job preparatory action there was very high interest and the PES was not able to satisfy the demand. The Spanish government also needed some more time to put in place a decree to allow the PES to finance lump sum contributions to Spanish job seekers for travel cost for job interviews in other Member States. Since autumn this year, the contributions are available and matching activities can be reinforced, albeit with modest EU resources. To date Spain has no agreement with PrES to complete strategically its service offer. Spain received in 2013 a CSR to enact swiftly a result-oriented reform of active labour market policies, including by strengthening the targeting and efficiency of guidance. It has been called upon to reinforce and modernise public employment services to ensure effective individualised assistance to the unemployed according to their profiles and training needs.

#### 3.2.4.2 Limited access to ALMPs such as language training and relocation assistance

As regards *inbound* mobility, article 5 of Regulation 492/2011 provides for access by jobseekers “in the territory of another Member States to the same assistance there as afforded to the own nationals”. Generally, as result of this provision, all labour market programmes in place in the Member States are open to nationals of other Member States. These range from activities by jobseekers and workers through to measures such as language training, contributions to travel expenses for job interviews and/or relocation assistance.

No such provision exists for *outbound* mobility in Regulation 492/2011. To date job seekers in one Member State who are interested in working in another Member State and who need assistance for the purpose of placement cannot necessarily avail themselves of such measures in their own country.

This has led to an uneven support to intra-EU labour mobility across the EU. For instance, in Finland, on the one hand, a Finnish national who seeks to find a job just across the border in

Sweden, is not eligible for a contribution from the own government to job interview travel costs, while a Finnish national moving nearly the same distance from one part of Finland to say a border town near Sweden will be able to receive such an allocation.

In Germany, on the other hand, there is no problem with the access to public funding for language courses in other languages for German nationals who wish to work in other Member States. Also in Slovenia, support can be provided for such measures if there is a realistic job prospect, for instance through German language courses in relation to recruitment in Austria or Germany.

Based on the replies to the consultations with the EURES managers in which this point was raised, it would seem that financial support is only allowed for action on own territory in quite a number of countries (in particular BE-Actiris, BE-Le Forem, France, the Netherlands, Portugal, Sweden, Switzerland and the UK).

All job seekers should be provided equal opportunities when it comes to requesting access to and/or public funding for this kind of incentive measures, since such ALMPs aim to support their employability and activation on the labour market and the purpose is served equally, whether a job is found in the own country or in another Member State. Any access restrictions to mobility within the territory of the Member State concerned should be lifted to increase across the Union the employment potential of intra-EU labour mobility.

The EURES network could then play a role to provide more systematically information on how to obtain access to this kind of ALMPs and accordingly reinforce the impact.

#### 3.2.4.3 Limited coordination in the provision of information on other issues, such as social security

Cooperation in the area of social security rights such as healthcare, pension, unemployment, family and other social security benefits are covered by EU rules on coordination of social security systems. Some of these social security rights have a particular importance for workers moving to another Member State: they need full information about rights related to unemployment benefits, sickness benefits, invalidity, pensions, insurance against accidents at work and occupational diseases, family benefits etc. as well as about work-related rights such as access to educational institutions. Amounts and conditions differ widely between countries. These workers have the right to equal treatment under the legislation of any Member State as the nationals thereof. While the EURES network has the potential to give early information on social security rights and equal treatment in a coordinated way, this potential has not yet been realised.

#### 3.2.5. *An inefficient labour market information exchange between Member States on labour shortages and surpluses and a more targeted practical co-operation in the EURES network (information exchange and cooperation)*

Article 46 TFEU refers to the cooperation between national employment services and the setting up of an appropriate machinery to bring offers of employment in touch with applications for employment. Despite operational advancements due to the current vacancy clearance mechanism and the EURES network, a genuine European cooperation when it comes to strategy development of intra-EU labour mobility flows is not yet in place:

- At political level Member States may adjust their mobility policies in light of economic developments affecting their national labour markets but this is not done systematically

and certainly not in consultation with other Member States, so as to take into account trends and the potential needs from a European labour market perspective.

- At operational level, effective cross-border co-operation pre-supposes an agreement on common objectives (a shared vision) and a framework for the coordination between Member States at operational level, implying systematic and intensive information sharing, common tools and a clear distribution of responsibilities across borders (a shared methodology).

Regulation 492/2011 does not provide for an appropriate framework within which Member States strategically coordinate the management of mobility flows. No common system is yet developed for sharing openly the necessary labour market intelligence on hard to fill vacancies or activation policies, allowing for an overall European overview of the supply and demand of skills and a coordination of activities in accordance with the needs identified as result of this overview.

The 2012 Decision sets up a programming and reporting cycle to improve information exchange on EURES activities and results, partially addressing this shortcoming. Still missing is an agreement on the strategic use of such a cycle. In the interest of developing functioning European labour markets, there is a need to further develop a systematic exchange of information on national labour market needs, i.e. the labour shortages and surpluses. There should be tools and procedures to jointly examine the intelligence to support the development of a concerted reply avoiding duplications of efforts.

#### 3.2.6. Summary

The inefficiencies in the EURES network described above can be summarised as lack of transparency on the labour market, weak tools for automated matching and insufficient interoperability between national systems and the EURES network, inadequate access to and organisation of the transmission of key information on the EURES network at national level, the predominance of general information provision at the expense of matching and placement services, and absence of a systematic cooperation on labour market intelligence between employment services.

### 3.3. What are the underlying drivers

The main causes of the shortcomings are related to the current framework for the functioning of the EURES network under the 2012 Decision and the clearance mechanisms under the 492/2011 Regulation:

1. *Unclear obligations for Member States*, leading to a wide scope for interpretation and allowing Member States to avoid transmitting all job vacancies and pertinent labour market information, to maintain administrative barriers in the access of both jobseekers and employers to EU labour market information;
2. Insufficient willingness of Member States to voluntarily provide services to jobseekers and employers relating to intra-EU labour mobility, particularly in terms of delivery of job vacancies to the EURES portal, of visibility of European vacancies on national job search portals, of access to mobility support services;
3. *Over-reliance on voluntary Member State collaboration for the functioning of the EURES network as a whole*, leading to insufficient progress towards building up collaborative systems, notably on the automatic sharing of CVs, on co-opting private

employment services in the EURES system at national level, on rolling out across Member States a common service catalogue;

4. Absence of a coherent approach on how and where the EURES network, as a decentralised network for transnational co-operation, comes into action, leaving Member States to operate in a grey zone as to European and national interests, in the absence of mobility policies commonly shared and used to steering the coordination of actions between Member States within the EURES network;
5. *Limited coordination powers of the Commission*, severely constraining the policy levers to address the gaps in the functioning of the EURES network, notably on developing the tools and means for the clearance on vacancies and CVs and the analysis of labour market intelligence.

An overview table on how the inefficiencies relate to the current regulatory framework can be found in [Annex 7](#).

### **3.4. Who is affected and how**

The groups most directly affected in the EU are workers/jobseekers and employers.

Workers will benefit from easier access to jobs in other countries, which might also mean that a worker – even when not being mobile – might be somewhat more likely to have a colleague from another country than in the past. With intra-EU labour mobility becoming more a natural choice it is expected that also new groups of professionals (beyond those traditionally mobile such as employees in the tourism sector or in research etc.) will increasingly decide for mobility. Young people, with their higher than average inclination to work in another Member State, are more likely to benefit from the additional support.

Also on the employer's side it is expected that intra-EU recruitments will be less difficult to realise. Small employers (SME) might benefit more from recruitment from abroad, as they, unlike big employers, may not have the capacity to do intra-EU recruitment in house.

For the implementation it will also directly affect PES (in the double role 'PES as such' and 'PES as being responsible for the organisation of EURES in a country'). They will have to adapt to potential new obligations. Finally the non-PES actors who can choose to become EURES service providers (EURES Partners) will also be directly affected.

### **3.5. Baseline scenario and the need for intervention**

#### *3.5.1. Regulatory framework*

From the organisational perspective the EURES network is characterised by three layers of legislation, Regulation 492/2011, the 2012 Decision and the Charter, as outlined in table 6:

**Table 6 – overview of the components in the EURES regulatory framework**

<b>Instrument</b>	<b>Purpose and scope</b>
Regulation	Identifies the objectives and obligations incumbent upon the Member States: to share vacancies and applications for employment, to exchange information in relation to the labour markets and to cooperate with other Member States, including on the resultant placing of workers
Decision	Establishes the network to organise this work, defines the composition of the network and the responsibilities of the different actors in the network
Charter	Lays down guidance in the form of operational and technical standards on the organisation of the EURES network so that staff from different Member States can work together and with the European Commission

### *3.5.2. The 2012 Decision*

The 2012 Decision introduced four key ideas:

- To focus more on matching, placement and recruitment activities, with changes in the service catalogue and national practices;
- To set up a programming cycle between the Member States with a view to improving information exchange across the network and its capacity to report on results (indicators);
- To introduce in each Member State a mechanism to select and authorise at national level the participation of other organisations than the PES with a view to increasing the data on job vacancies, job applications and CV's available at the EURES portal and improving the access for job seekers and employers to high quality mobility support services.
- To make better use of the regulatory possibilities under the Regulation as regards the exchange of information on employment offers and applications by also including information on employment-related, i.e. paid traineeships and apprenticeships.

The 2012 Decision can only encourage Member States to reform the organisational structure and realign their services of the national EURES to realise this change in priorities. Without the strong support from Member States and their operational decisions to take up the incentives, individually and collectively, the 2012 Decision itself cannot lead to a comprehensive modernisation of the EURES network. It is not within the powers of the Commission alone to provide jobseekers and employers with demand-driven, sufficient and performing European employment services.

Another element that introduces uncertainty into this construction is that the 2012 Decision is – for formal reasons – under investigation with the Court of Justice. The uncertainty stalls the implementation of the reform.

Irrespective of this pending procedure, the Commission has entered into discussions with the EURES network to develop a new EURES Charter for the implementation of this Decision.

### *3.5.3. The situation as regards traineeships and apprenticeships*

Legally, Member States can include in the exchange of offers of employment also offers for traineeships and apprenticeships provided that they are considered as employment, i.e. are paid. In practice, this has not happened yet. There is no framework for the exchange of

information in place within the EURES network and there are no appropriate mechanisms to share neither general information on traineeships and apprenticeships nor to make available individual offers and applications for this kind of work across borders.

Therefore, in line with the European Council Conclusions of June 2012, Article 2(e) of the 2012 Decision has introduced as a new operational objective for the EURES network "the exchange of information on traineeships and apprenticeships in the sense of Regulation 492/2011 and as, appropriate, the placement of trainees and apprentices".

The Commission sent out a questionnaire in November 2012 and made available a compilation of replies in March 2013 and a summary of the compilation. The conclusion of the summary is that while many countries supported the idea to explore the extension to traineeships and apprenticeships, they also underlined the challenges in developing a meaningful exchange of information on apprenticeships and traineeships through the EURES portal given the different definitions, approaches and regulatory framework in place across Europe. While several Member States questioned the added value of developing further this task within the EURES network (CY, NL, LU, LV), others explicitly underscored the importance of limiting the scope in line with Article 46 TFEU. Germany referred to apprenticeships which are fully recognized within the framework of its national educational/vocational training systems, Greece made reference to apprenticeships within dual systems, France suggested that information sharing be limited to apprenticeships and Poland to those traineeships and apprenticeships which are based on an employment contract.

The summary also identifies concerns by Member States on managing adequately the expectations of the end users (young people), with replies underlining the importance of

- making available on the EURES portal on the basis of a common template clear information on the country-specific definitions (status of the trainee/ apprentice), the overall regulatory framework governing traineeships and apprenticeships, procedures and key actors providing traineeships and apprenticeships);
- providing also important other information on mobility perspectives, such as information on social security and on the recognition of the learning outcomes and other experiences;
- separating clearly on the EURES portal the mechanisms for placement in employment from placement in other forms of occupation to avoid confusion for end users (possibly flagging; need to differentiate for traineeships and apprenticeships by country);
- Ensuring appropriate validation / verification mechanisms in relation to offers, to avoid that the portal inadvertently promotes illegal employment or inappropriate forms of occupations.

Following an exchange of views with Member States on the outcome of the questionnaire, a working group has been established with representatives from DG EAC and DG EMPL, the National Agencies for Life Long learning from BE, FI and HU and EURES representatives from CY, DE, ES, FI, FR, IT, IE, HU, HR, LT, UK. The mandate of the working group is:

- to develop a general framework on information sharing on apprentices and trainees in the framework of EURES which can be common to all Member States
- to elaborate common templates for sharing information on and preparing transnational placement as a trainee or apprentice, such as a template for basic country-specific information on traineeships and apprenticeships and forms for offering traineeships/ apprenticeships (both for supply and demand).

The general framework should explain the scope of the exchange of information and its limitations, in light of the different laws and set-up in Member States and the purpose of EURES. It should also define the overall parameters on the basis of which information on offers could be shared on the EURES portal, in light of the replies to the questionnaire on, legal and operational aspects.

The working group is currently developing the elements for a document outlining (a) the scope of a future information exchange methodology on traineeships and apprenticeships among the EURES network and (b) the scope of a possible pilot for intra-EU matching in this area between voluntary Member States, to be launched in the course of 2014, once the 2012 Decision is in force. After the testing of the pilot project, conclusions can be drawn on the possible next steps.

Key issues that have been raised in the questionnaire and the discussions in the working group are the resource-implications of this additional task for the EURES network as well as the organizational implications, given that public employment services are not necessarily responsible for the data on traineeships and apprenticeships. In the replies, several Member States (BE, BU, EL, FR, IE, PL, PT, RO and SE) referred to the need for additional national regulations to support data exchange on traineeships and apprenticeships.

Moreover, it will depend on the domestic legal framework in each Member State whether traineeships and apprenticeships would be considered work within the meaning of Regulation 492/2011 and whether offers could therefore be made available to the EURES portal. While Member States may change their legislation, on the basis of studies finalized last year the following preliminary conclusions can be drawn:

- In the overwhelming majority of Member States, in contrast to apprenticeships, the traineeship contract (under all types of **traineeships**) is explicitly not an employment contract. In most MS the legal position of trainees is not equal to that of a regular employee, or apprentice. Examples where trainees are typically contractually protected include (i) the signing of a temporary employment contract for paid traineeships (e.g. BE, CZ, etc.) and the (usually) tripartite traineeship agreement signed for traineeships linked to education and training, notably VET (e.g. DE, EE, EL, FR, IT, LT, LU, LV, MT, NL, PL, PT, SE, etc.). In the UK if a trainee is classified as worker as opposed to volunteer, then he/she is covered by national minimum wage legislation.
- According to traditional understandings, such as used by the ILO, **apprenticeships** are based on an employment contract. An apprentice has a contractual status which is similar to that of an employee. The contractual basis of the apprenticeship regulates entitlements to both remuneration and social protection. Crucially, it also defines the working conditions between the apprentice and the employer with a specific view to the learning content of the placement. In contrast, considering the inexistence of a single and clear-cut definition of apprenticeship and given the diversity of vocational training systems in the European countries, the EU uses the following working definition: "Apprenticeship-type schemes are those forms of Initial Vocational Education and Training (IVET) that formally combine and alternate company based training (periods of practical work experience at a workplace) with school based education (periods of theoretical/practical education followed in a school or training centre), and whose successful completion leads to well and nationally recognised initial VET certification degrees." This definition makes no explicit reference to the existence of a contractual direct relationship between the employer and the apprentice, but it allows to include a range of existing or developing

types of apprenticeships across the EU, including combined workplace and school based training that some Member States are implementing and that do not strictly fit in the traditional definition of apprenticeship. Apprenticeships are always a component of a formal education and training programme and lead to an accredited qualification or certificate which, in turn, qualifies a person to work in a specific occupation. An essential distinction can be made between company-based and school-based apprenticeships. Company based apprenticeship schemes exist in all Member States (except for the Czech Republic, Poland, Spain). School-based schemes exist in all Member States, except for Denmark, Estonia, Greece, Romania, the Slovak Republic and Slovenia.

Regardless of the outcome of this process, the Commission envisages to create in 2014 a dedicated web page with information on the legal frameworks in place in the different Member States and thus start to use the EURES portal for general exchange of information on traineeships and apprenticeships.

#### *3.5.4. The challenge of opening up the EURES network to non-public employment services*

Efforts need to be undertaken to ensure that the EURES network can continue to function as a relevant actor on the recruitment market. Considering public finance constraints and high unemployment levels, PES might not be in a position either to satisfy a significant part of the demand for mobility support services or to deliver the full range of such services themselves.

In terms of the effectiveness of "intermediaries", the market in the EU is basically equal between PES, temporary work agencies (TWA)<sup>60</sup> and on line recruitment services. PES and TWA both have a similar and quite a small overall share of the total job vacancies that are filled. The numbers have been calculated by taking the rate at which employers use the channel for recruitment (usage rate) and the rate at which the use of the channel leads to the filling of a vacancy (success rate)<sup>61</sup>. As an employer can use several channels for the same vacancy, the figures are most valuable when looking at the differences between different types of employment services, rather than comparing them to all filled vacancies:

- During the period 2007-2010 the average PES share of filled vacancies was about 8%. They have a higher share in parts of the public sector and in certain skilled trades.
- During the period 2007-2010 the share of the TWA was 10% on average, with the highest shares of filled vacancies in the manufacturing sectors and various operator occupations sensitive to economic cycles. The TWA share declined in 2009 as reaction of the crisis, but showed recovery since then. As employers use TWA's in response to change in demand, they tend to be highly sensitive to peaks and troughs in economic activity.<sup>62</sup>

Table 7 illustrates that activity areas are fairly complementary and that there is scope for synergies; the PES deal with jobs in agriculture, manufacture of transport, public administration and social services, whereas the TWA concentrate resources on the bulk of manufacture sectors.

**Table 7: Top economic sectors for PES and TWA**

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<sup>60</sup> According to Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work, a [temporary-work agency' is any natural or legal person who, in compliance with national law, concludes contracts of employment or employment relationships with temporary agency workers in order to assign them to user undertakings to work there temporarily under their supervision and direction; \(OJ L327, 5.12.2008, p.9\)](#) (

<sup>61</sup> [European Commission: European Vacancy and Recruitment Report 2012, page 97](#)

<sup>62</sup> [European Commission: European Vacancy and Recruitment Report 2012, page 99](#)

PES Top Ten economic sectors with the highest share of filled vacancies, 2008-2010			TWA Top Ten economic sectors by share of filled vacancies, 2008-2010	
1	Forestry and logging	43%	Other human resources provision	60%
2	Manufacture of transport equipment	38%	Manufacture of soap and detergents and similar products	47%
3	Administration of state, economic and social policy of the community	26%	Manufacture of dairy products	46%
4	Waste collection	25%	Manufacture of railway locomotives and rolling stock	42%
5	Compulsory social security activities	22%	Manufacture of rubber products	40%
6	Activities of other membership organisations	21%	Programming and broadcasting activities	40%
7	Materials recovery	21%	Warehousing and storage	39%
8	Manufacture of paints, varnishes, similar coatings, printing ink, mastic	20%	Manufacture of general-purpose machinery	35%
9	Waste collection including treatment and disposal; materials recovery	19%	Manufacture of abrasive products and non-metallic mineral products	35%
10	Other reservation service and related activities	19%	Manufacture of plastic products	34%

Source: *European vacancy and recruitment report 2012*

Consequently, it would be economically beneficial if Member States develop systems in which the PES cooperate with private employment services to provide mobility support services, leaving each service provider to bring their respective strengths to the EURES network.

As part of the EURES network any service provider, including PrES, would have to deliver services in conformity with the EURES service catalogue. For services they cannot provide, PrES must be able to redirect clients towards other EURES service providers that do provide the given service. The participation of these service providers in the EURES network will remain voluntary. In any case, this means that for the opening up to have chance, a clear EU definition of EURES services should be developed.

### 3.5.5. *Expected results of the 2012 Decision and the preparation in Member States*

The 2012 Decision aimed at addressing inefficiencies by encouraging and incentivising the Member States. The consultations on the draft Charter with experts from the Member States have shown the limitations of this approach. While the ideas to focus more on matching, placement and recruitment activities and to set up a programming cycle have generally been welcomed, the idea to introduce in each Member State a mechanism to open up the EURES network will not be realised.

The Commission argued that the advantages for other employment services to become EURES service providers (EURES Partners) would be (a) a wider spread of vacancies, (b) access to jobseekers in other Member States and (c) increased opportunities to trans-national cooperation in matching, placement and recruitment.

Informal consultations with Eurociett indicated that there are two important pre-requisites for a well-functioning EURES network open to other employment services: (a) the network is

opened at national level and (b) that it must include as its basis the exchange of vacancies between all partners in the network<sup>63</sup>.

Positions ranged from Member States expressing doubts on the feasibility of including non-public employment services per se, such as Austria, to those expressly welcoming it as an opportunity, like the United Kingdom. Some Member States, such as France and Sweden, were concerned with jurisdictional and organisational issues (which Member State is responsible for which employment service, what kind of authority would be responsible for the authorisation, and how would quality be ensured and results monitored). Others, such as Belgium, Italy, Malta and Ireland, believed that the expected outcome would not be proportionate to the administrative burden of setting a specific mechanism and preferred rather the extension of existing mechanisms of co-operation with non-public employment services. As for the arguments why the EURES network should in principle stay a network with a limited composition, there is the view of PES in countries where private employment services are free to deliver employment services that there is no need to regulate the market (such as Sweden), that it decelerates efforts to mainstream EURES in the PES (Lithuania), that it will create unclear responsibilities and administrative burdens disproportionate to the benefits of having other actors (such as Belgium, Estonia) or that it may be more appropriate for PES to work through national service level agreements (such as the Netherlands).

These views have their merits. Yet, by keeping the status quo also the role of private actors in the delivery of intra-EU recruitment services will remain fragmented across the EU. Provisions could be formulated in a way that they don't interfere with already functioning public-private cooperation. There is no evidence that the PES efficiency in service delivery, e.g. in mainstreaming, would be diminished and there are surely various ways and means in which to continue such mainstreaming processes for EURES within the PES, irrespective of the choices made on the opening up of the EURES network with actors beyond the PES.

As a result of this feedback, the idea that every Member State should set up authorisation systems was not considered feasible for a document such as the Charter, an interpretative guide built on the basis of consensus among Member States on the way forward, and instead, as common minimum approach, the current draft outlines that Member States will be invited to do a reflection in 2014 on how to open up and then develop a national framework for doing so accordingly.

This means that each Member State, in the course of 2014, will examine how, in accordance with national practices and procedures, it can improve the service delivery towards the client groups. The reflection process, in consultation with organisations not yet in the EURES network, should help the Member State to come up with ways and means to proactively and progressively steer the overall quantity and quality of inputs (i.e. services) at national level to enhance the employment potential for the national labour force (i.e. by using recruitment opportunities in other Member States) and/or the national labour demand (i.e. by placing nationals from other Member States in jobs). As a consequence of the reflection process, Member States will then elaborate their own national framework for gradually expanding the scope of the network at national level. This could be done for instance by extending existing national processes applying to the registration or licensing of employment services or by negotiating agreements between such organisations and the Ministry of Labour and/or the PES.

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<sup>63</sup> See point 2 in Annex 1 – summary of the informal consultations with Eurociett

Informal feedback on the introduction of this fall back option indicates that at technical level in several Member States, such as Spain, Germany, Greece, Denmark, Cyprus, the PES is expected to be the only EURES service provider in the coming period. Belgium and the Netherlands may consider the option of developing agreements with other actors, in accordance with their current national practices on sharing job vacancy data with private actors. Only a few Member States have indicated that they aim to pursue the original idea and have in mind some sort of mechanism to open up the EURES network, in most cases building on existing licencing or registration mechanisms. This is notably the case in Bulgaria, Hungary, Italy, Portugal and the United Kingdom.

These positions must not be seen in isolation but in the broader context of the difficulties public employment services (PES) face in co-operating with other partners on national labour markets. While there is a general awareness that a fundamental shift in approach is necessary, as evidenced in the paper of the informal network PES on their "2020 vision".<sup>64</sup>, concrete progress on such an approach in Member States is less evident.

A more consistent approach is not likely either when it comes to rolling out the EURES service catalogue across the Member States. The consultations on the draft Charter show that after the discussions on the new service catalogue, very few Member States openly acknowledge a need to make any changes at national level. Some improvements are deemed necessary in countries such as Finland, Slovenia and Germany, while notably in France, Sweden and Portugal a review of the situation will still be undertaken with the EURES advisers, in the work processes of the PES and/or through more training. All other countries believe that no changes are needed or have in any case not yet planned any such changes.

In light of the above, the inefficiencies summarised in section 3.2.6 are not to be remedied soon in many Member States as a result of the incentives proposed by the Commission under the Decision. Consequently, the base line situation (post 2012 Decision) remains essentially one of many different starting positions in individual Member States on the development of mobility support services and on opening up the EURES network, risking an incomplete reform of the EURES network and an incoherent delivery across the Union over the years to come.

As regards traineeships and apprenticeships, the pilot project in 2014 should provide a first indication as to the conditions under which exchange of information on offers and applications for traineeships and apprenticeships considered as work could function properly and be integrated in a viable manner in the mid to long term in the activities of the EURES network.

### **3.6. The legal basis, subsidiarity, proportionality and fundamental rights**

This initiative respects the principles of subsidiarity and proportionality.

The legal basis of EURES is to be found in Articles 45 and 46 TFEU and in particular in Article 46 TFEU that refers to a close cooperation between national employment services

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<sup>64</sup> "Changes in the role of PES systems have to be translated to a European context as well (...). Building bridges entails a shift from functioning (only) as service providers towards functioning (also) as service seekers, that compose scenario's for the most qualitative, effective and efficient constellation of services to meet a specific need on the labour market" (...). This leads to the first conclusion: PES take up conducting functions and have to acquire a mandate to do so legitimately. Conducting is considered to be a catalyst to achieve maximal organisational responsiveness".

(sub a) and provides for the setting up of an appropriate machinery to bring offers of employment in touch with applications for employment (sub d).

The shortcomings identified with respect to the EURES network, the clearance and the information exchange and co-operation on intra-EU labour mobility are closely connected to the objectives set out in respectively Article 3(3) TEU, under which the European Union established an internal market based on a highly competitive social market economy, aimed at full employment and social progress, Article 9 TFEU, stipulating the promotion of a high level of employment, the guarantee of adequate social protection and Article 45 TFEU (“the right to accept offers of employment actually made (...) within the territory of Member States for this purpose”).

The individual specific measures in this proposal are closely interconnected. They reinforce each other and will together make the EURES network an effective instrument for any job seeker or employer interested in intra-EU labour mobility. Insofar as they entail expanding current transparency obligations, enabling automated matching, ensuring equal access throughout the Union to the EURES network, defining more clearly practical support services and extending current information exchange arrangements, they are deemed a comprehensive but balanced response to the different shortcomings in the current framework for cooperation. The set of measures is deemed appropriate in light of the situation of unemployed people on the labour markets, the needs addressed by job seekers (“firm intentions”) and the (technological) evolutions on the vacancy and recruitment markets.

Each individual measure is justified per se as a measure bringing about freedom of movement for workers identified under Article 46 of the Treaty. Each measure either aims at improving “the close cooperation between national employment services” (Article 46(a) TFEU) and/or to redesigning “the appropriate machinery” to bring job vacancies in touch with job applications (Article 46(d) TFEU).

As clearance of job vacancies, job applications and CV’s across borders and the resultant placement of workers both presuppose a common framework for co-operation between organisations in different Member States, the objectives of the proposal cannot be sufficiently achieved by Member States alone and action at EU level is therefore required.

In line with the principle of proportionality, this Regulation does not go beyond what is necessary in order to achieve the objectives.

- For transparency, the Member States will only make available to the EURES portal those vacancies and CV’s already available nationally. They will not be called upon to expand transparency on national labour markets.
- Automated matching will be achieved using simple interoperability tools and not by imposing a common classification system to be used by all Member States at national level. Member States will have the choice to continue with their own classification systems or receive support to introduce a European classification system developed by the European Commission.
- Mainstreaming, i.e. the integration of EURES services into the activity of front desks of employment services, can be achieved through standard information (online and/or paper) and only comes into play in those situations where direct contact with the target group is made (i.e. when there is a request for client services with employment services). This will leave untouched existing efforts in Member States to develop communication and information activities on the EURES network and to

act through organisations they consider appropriate in light of the national institutional set-up.

- Support services can be delivered at national level through a range of options and channels and its intensity and scope can be conditioned depending on the individual situation of job seekers and employers. No *detailed* common service catalogue, as developed within the framework of the Charter as an interpretive guidance document under the current situation, will be introduced.
- Member States will share more systematically national information on labour shortages and surpluses and the national mobility policies, but the decision on these policies is a choice of the Member State itself and falls therefore outside the scope of the Regulation.

In this regard, it is also important to underline the fact that the freedom of movement of workers constitutes a fundamental right and the aim of the EURES network is to strengthen it by facilitating the exercise of the right. To be able to effectively do so, it should evolve with the needs on the ground and the beliefs by the EU legislator on how to secure that right for the benefit of the citizens, in light of the overall mobility patterns and economic situation in the EU. The EURES network has been in place for decades but has since its inception been organised in a way that to the largest extent possible left it to the Member States to decide on how to set up and organise the activities in their respective country in line with the divergence of their labour market institutions. As indicated above, the EURES network is not sufficiently equipped to unleash the potential of intra-EU labour mobility and it is therefore time to revise this approach and be more specific on its organisation in the Member States.

The rules and obligations put forward will serve the purpose of reinforcing the understanding and interpretation of the existing principles for clearance of job vacancies, job applications and CV's, of introducing a clearly defined minimum level playing field on the provision of support services across the Union and establishing legal clarity for the adoption of the technical standards, formats for the clearance as well as the procedures underlying the exchange of information under the clearance. These rules are specific and prescriptive but are deemed necessary for improving the functioning of the "appropriate machinery to bring offers of employment into touch with application for employment". They do not in any way go beyond the purpose referred to in Article 46 TFEU and are thus proportionate to the expected benefits.

## **4. POLICY OBJECTIVES**

### **4.1. General, specific and operational objectives of the initiative**

The general objective of this initiative is to further move towards an integrated European labour market. This implies making EURES an effective instrument for any worker or employer interested in intra-EU labour mobility.

To achieve this general objective, the following **specific objectives** have been identified:

1. To achieve on the EURES portal a nearly complete supply of job vacancies, with job seekers all over Europe having instant access to the same vacancies, in combination with an extensive pool of CV's available from which registered employers can recruit;

2. To enable the EURES portal to carry out a good automated matching between job vacancies, job applications and CV's, translating in all EU languages and understanding skills, competences, occupations and qualifications acquired at national level;
3. To make available basic information on the EURES network throughout the Union to any job seeker or employer seeking client services for recruitment and to consistently offer any person interested access to the EURES network;
4. To assist any such person interested with matching, placement and recruitment through the EURES network;
5. To support the functioning of the EURES network through information exchange on national labour shortages and surpluses and the co-ordination of actions across Member States.

The specific objectives address the five principal shortcomings identified in section 3.2.

The following **operational objectives** have been identified:

- 75% of the job vacancies published by employment services in the EU are accessible through the EURES network (i.e. a target for the increase in number of vacancies shared on the EURES Portal);
- The exchange of job applications and CV's on the EURES portal is done on the basis of sharing of job applications and CV's available at national level (i.e. a target for the increase in the number of job applications and CV's shared on the EURES portal);
- There is a uniform standard for job vacancies and CV's that is applied by all organisations participating in the EURES network (i.e. a target for consistent application of standards for transparency of labour markets and automated matching);
- All job seekers and employers soliciting the assistance of an organisation participating in the EURES network are informed about mobility support services available at national level, and, when requested, provided with an offer for further assistance (i.e. a target for a consistent application of mainstreaming).

For the purpose of these objectives, job vacancies are understood to be related to any offer for employment, including for apprenticeships and traineeships considered as work.

#### **4.2. Are these objectives consistent with other EU policies?**

The objectives pursued are consistent with the Europe2020 strategy.

In line with the EU employment target for inclusive growth (75% employment rate for women and men aged 20-64), Member States are expected a) to exploit all the job opportunities which can be created by intra EU labour mobility to secure the employment prospects of European citizens and b) to make labour markets more efficient while reducing the risks of increased mismatches signalled by the Beveridge curve which shows the simultaneous rise in unemployment and vacancy rates and c) to address future labour and skills shortages.

The European Council has called for an enhanced role for EURES notably in light of the high youth unemployment rates across the EU. The conclusions of the 28 and 29 June 2012<sup>65</sup> European Council on the Compact for Growth and Jobs recognize the political urgency to enhance intra EU labour mobility against the background of high unemployment rates: "*the EURES portal should be developed into a true European placement and recruitment tool (...)*". The conclusions of the European Council of 12 and 13 December 2012 on the 2013 Annual Growth Survey and youth employment invited the Commission to propose a new instrument on the EURES network.

In line with the request in the above conclusions of the 28 and 29 June 2012 European Council, the EURES network will also be gradually extended to cover apprenticeships and traineeships.

In its 2013 EU Citizenship Report<sup>66</sup> the Commission committed to put forward an initiative in 2013 to modernise EURES to enhance the role and impact of employment services at national level and improve the coordination of labour mobility in the EU (action 2). Modernising EURES is also included in the Commission Communication "Free movement of EU citizens and their families: Five actions to make a difference"<sup>67</sup> of 25 November 2013 as part of the action aiming at helping local authorities apply EU free movement rules on the ground (action 5).

The objectives aim at supporting voluntary intra-EU labour mobility on a fair basis and boost employment opportunities by developing high-quality and inclusive European Union labour markets that are open and accessible to all while respecting and guaranteeing freedom of movement and workers' rights throughout the Union.

## **5. DESCRIPTION OF POLICY OPTIONS**

### **5.1. Option 1: no further action at EU level ("No new action")**

The adaptations already initiated (i.e. 2012 Decision) in the functioning of the EURES network on the organisation of work between the different organisations participating in the EURES network, its operational objectives and the definition of the support services offered will continue within the scope of Regulation 492/2011 as it stands today.

This means that a new EURES Charter should be adopted as a basis for the operation of the EURES network when implementing the provisions of Chapter II of Regulation 492/2011 in line with the 2012 Decision.

As described in section 3.5 on the base line situation, the consultations on such a draft EURES Charter with the Member States have been on-going in order not to lose the momentum created with the 2012 Decision.

The EURES Charter will be a guidance document with five key elements: the framework for encouraging the introduction of new organisations within the network and common criteria for their authorisation; a programming and reporting cycle; a EURES service catalogue identifying the services to be provided by these organisations in accordance with an agreed interpretation on the provisions of Regulation 492/2011; a common understanding on the role of EURES staff and the training requirements and procedures to set up a uniform system and

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<sup>65</sup> [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/131388.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/131388.pdf)

<sup>66</sup> [COM \(2013\) 269 final](#)

<sup>67</sup> [COM \(2013\) 837 final](#)

common model for the exchange of labour market and mobility-related information within the EURES network, in accordance with an agreed interpretation of the provisions of Regulation 492/2011.

Moreover, the work on revamping the EURES portal and on further technical improvements, such as the gradual development of a European classification on skills, competences, qualifications and occupations and its integration on the EURES portal will continue as much as possible. The pilot project on traineeships and apprenticeships will also continue as planned.

No new initiatives will be undertaken.

### **5.2. Option 2: Amending Regulation 492/2011 to introduce a legal basis for conferring powers to the Commission on EURES in conformity with the Lisbon Treaty and subsequently launching a new Decision in accordance with the amended basic act ("Lisbonisation")**

This option aims at a quick resolution of the request lodged by the European Parliament without introducing any further changes to the status quo. It would entail two successive actions:

1. replacing Article 38 of Regulation 492/2011 and approving the subsequent amendment of this Regulation when it comes to the powers to be conferred to the Commission for implementation of Regulation 492/2011 in line with the new provisions of the Lisbon Treaty and
2. launching the procedure for a new EURES Decision in accordance with the revised Regulation.

This means that after the adoption of a new Decision, implementing measures could be envisaged, including a EURES Charter along the lines described in option 1.

### **5.3. Option 3: A new Regulation encompassing Chapter II of Regulation 492/2011 and Decision 2012/733/EU and further strengthening EURES ("Modernising and Strengthening EURES")**

This option aims at achieving a resolution of the request lodged by the European Parliament while reinforcing the EURES regulatory framework. It integrates five concerted and mutually reinforcing specific measures to address the shortcomings identified in section 3.2 (respectively related to transparency, automated matching, mainstreaming, support services, and governance and cooperation):

1. A single access point for workers to available European vacancies and a possibility to post a job application (CV) on a genuine European labour market reaching a maximum number of registered employers (*transparency of labour markets*)
2. A critical mass of European vacancies, job applications and CV's which can be automatically matched as a result of interoperability, using European technical standards and formats (*automated matching*)
3. A guarantee that job seekers and employers requesting client services with employment services receive information on labour mobility support services at national level and receive an offer for further assistance, if they are interested in intra-EU labour mobility (*mainstreaming*)
4. Improved workers' access to mobility support services, the scope of which is to be defined with due reference to the current guidance on practices of the EURES

network, thus covering the whole range of services starting with information, guidance and job search assistance in the Member States of origin to placement in the Member State of destination, and, where appropriate, up to post-placement integration (*support services*)

5. Improved exchange of information for the EURES network, by developing tools enabling Member States to develop mobility policies as an integral part of their employment policies, the cooperation between the organisations participating in the EURES network in accordance with these policies through programming (*information exchange and cooperation*)

The specific measures are mutually supportive. Increasing transparency requires opening up EURES to private partners. Automated matching should build on a critical mass of standardised vacancies through increased transparency and opening up to new private partners. With mobility support services, job seekers cannot overcome any problems they may have in connecting to employers in other Member States after an initial automated matching: placements require enhanced mobility support services, which in turn rely on the use of better automated matching as a step in the pre-selection and recruitment process. An extended outreach of such support services necessitates mainstreaming and an opening up to new partners. Improved exchange of information will induce a more targeted use of the support services in accordance with the needs of the labour market and the opportunities sought by the individual citizens.

To achieve these improvements all provisions for EURES will be integrated in a single Regulation, existing obligations will be strengthened and new ones will be added. As part of this single Regulation, powers would be conferred on the Commission for implementing acts on establishing technical standards, formats and procedural rules for the exchange of information between Member States. Those acts are necessary to ensure uniform conditions for implementation. No impact assessments are necessary for establishing those rules.

To systematically tackle the shortcomings identified, each of the specific measures should address the inherent limitations resulting from the current composition of the EURES network, i.e. only the PES and the Commission ("*opening up dimension*"). This will essentially be achieved by making obligations equally applicable to all EURES service providers, i.e. to all the organisations that have voluntarily joined the EURES network and, having complied with the criteria for membership, choose to contribute to all or part of the activities that make the EURES network an effective instrument fostering intra-EU labour mobility.

Member States will be required to introduce systems to open up the EURES network at national level. The system would aim at authorising EURES Partners, monitoring their activities and their compliance with national and Union law. The system would be transparent, proportionate and respect the principles of equal treatment for applicant organisations and due process of law. Member States would share the national descriptions of these systems among each other. Thus, the initiative would build upon the reflection process on the opening up of the network at national level as from 2014, initiated within the framework of the 2012 Decision. With the adoption of the initiative a more coherent approach across Member States would emerge. It would overcome the limitations due to voluntary adherence to the principle of opening up. As indicated in section 3.5.4 the reflection process is only an initial step and a more prescriptive common framework would have the benefit of forging a political consensus on the necessity for all Member States to make more efforts in

increasing the scope and impact of the support services and the matching potential within the network, beyond the (marginal or slight) adjustments to the scope of the support services provided by the PES.

To promote the active application of particular employment services, the initiative would envisage that any employment service operating lawfully on a Member State's territory will have a right to request participation to that Member State concerned. The initiative would identify common criteria on the basis of which applicant organisations would be assessed: Common criteria should relate to both the capacity to deliver certain services and the capacity to participate in the EURES network. This should include the capacity to deliver services through multi channelling facilities with at least an internet/website of the organisation accessible, internal (control) mechanisms to ensure respect for applicable labour standards, legal requirements, data protection and quality standards for job vacancies; the ability to provide information and work together with other organisations in the network and a commitment to ensuring quality standards on staff and to register the staff for the common training programme for EURES.

Member States will have to examine the applications in accordance with their national system for authorization, applying these minimum common criteria relating to the capacity to participate in the clearance and to provide mobility support services. They may choose to apply additional criteria, such as those which are necessary for the purpose of a correct application of the rules applicable to the activities of employment services and the effective management of labour market policies on its national territory.

The organisations will be able to choose which activity of the network they participate into (vacancies, job applications and CV's, services or a combination), provided they comply with the rules applicable to the chosen activity. The national systems would include the necessary monitoring arrangements, based on agreements between the authorised EURES Partners and the Member State concerned.

More in detail:

**a) Transparency**

Article 13(2) of Regulation 492/2011 requires Member States to use a uniform system for the exchange of job vacancies and applications. This obligation will be reinforced and clarified by the introduction of obligations for the Member States (a) to make available to the EURES portal all vacancies published nationally; (b) to make available to the EURES portal the CVs available nationally, if jobseekers wish it, and (c) to have European vacancies on national job search portals visible on and searchable through national portals, thereby facilitating the access at local level (proximity to the user).

The obligation to make available all vacancies published nationally is not limited to vacancies available in the PES data base but also others in the public domain, such as on regional PES databases, and with private employment services (PrES), in particular temporary work agencies, provided that they are authorised to be EURES service providers.

For jobseekers wishing to present their CVs to the EURES network, making it possible to match it with available vacancies in the EURES network, the Member States shall make the CVs available on a more systematic basis to the EURES portal.

For this purpose, Member States will have to put in place a national hub (IT tool) that allows for the transfer of job vacancies, job applications and CVs from all the service providers in the national arena, who wish to make available their data also at EU level.

### *Opening up dimension*

Under this specific measure the opening up would be achieved on a voluntary basis in two ways.

To increase the vacancy pool and the CV data bases and extend the principle of transparency beyond the public employment services:

1. The principle to share vacancy, job applications and CV data on the EURES portal would be applicable to all EURES service providers (EURES Partners) who have chosen to join the EURES network and to contribute to the exchange of job vacancies, job applications and CV's;
2. The PES will be encouraged to develop supplementary partnerships with any other relevant organisation on the principle of data transfer to, and sharing with, other Member States, using the national hub.

#### **b) Automated matching**

Member States will be obliged to ensure interoperability according to the technical standards and formats necessary for the operation between national systems and the EURES portal.

The obligation to ensure interoperability defines the 'uniform system' referred to in Regulation 492/2011 on vacancy and CV data. It would also require Member States to use technical standards and formats in relation to the European classification. For this purpose, Member States will need to carry out mapping between national systems and the European classification.

### *Opening up dimension*

Under this specific measure the opening up would mean making the principle of interoperability and the use of the technical standards and formats to enable automated matching applicable for all EURES service providers (EURES Partners) who have chosen on a voluntary basis to join the EURES network.

#### **c) Mainstreaming**

To increase awareness among workers and employers of the services the EURES network can offer them, and to then be able to deliver those services to all interested, Member States will be obliged to introduce EURES into their core service offers.

Member States will have to ensure that all job seekers and employers who are requesting client services with an employment service, at their first contact, are informed on the different aspects of EURES (the existence of the EURES portal and the network, the contact details of EURES service providers; information on how to reach these organisations, i.e. their recruitment channels and relevant web links.) In practice, all job seekers will be asked whether they are interested in working in another Member State.

### *Opening up dimension*

Under this specific measure, the opening up would be achieved by imposition. The initiative will require Member States to make arrangements with all employment services where job seekers and employers can request client services on recruitment so as to ensure that beyond the PES also those employment services will also distribute the basic information on labour mobility support services and, where appropriate, refer to the EURES service providers (EURES Partners) for further assistance.

#### **d) Support services**

First, Member States will ensure access to job search assistance and recruitment, to all jobseekers and employers that have indicated formally that they would like to make use of the EURES network for support in matching activities.

This means that, if they so wish, jobseekers will be given assistance to a) draw up job applications and CV's, ensuring conformity with European technical standards and formats; b) upload their CV not only on the (European section of the) national job search databases but also on the EURES portal and, b) automatically transfer their CV's from the national CV databases, where they exist, to the EURES CV data base. In cases where data transmission is concerned, explicit consent must have been given. Similar provisions would apply for employers.

Second, access to other active labour market measures will be made independent of the targeted location of employment. Member States will have, as a minimum, the obligation to ensure the same level of support to jobseekers who (intend to) move to another Member State as they provide to those workers who move between different regions at national level.

Third, Member States will have to ensure coordination between mobility support services and services provided on social security by the competent authorities. If they so wish, job seekers and employers will be able to receive general information on the rights and procedures related to social security and, in case they have a need for more specific information, mobility support services should make referrals to the competent authorities and support them further in obtaining the information.

#### *Opening up dimension*

Under this specific measure the opening up would be achieved on a voluntary basis. The EURES service providers (EURES Partners) who have chosen to join the EURES network will be able to choose whether they contribute to the provision of mobility support services (instead of only to the sharing of job vacancy data or CV data). Only the public employment services will be under an obligation to provide the whole range of the mobility support services, as they more or less do today.

#### **e) Information exchange and cooperation**

Under this specific measure the information exchange within the EURES network would be improved as follows:

- The EURES activity will be preceded by an analysis of national labour shortages and surpluses and the existing mobility patterns and flows, with a view to establishing where there is the potential for using intra-EU labour mobility as an employment instrument. This requires close collaboration and the sharing of appropriate national data, forecasts and statistics.
- Member States will be expected to develop national mobility policies, taking into account their own specific situation on the labour market and the above joint analysis. Information on the contents of the mobility policies would be shared among the EURES network. The aim would be to initiate a process towards better coordination among Member States of the measures to achieve a balance between demand and supply.
- The actual EURES activity will be developed by means of annual activity plans of the individual Member States, after consultation of the other Member States, each of

them taking due account of the above labour market intelligence and the national capabilities, including besides those of the PES the potential by other service providers operating at national level.

- The co-operation at more operational level will include a constant and systematic sharing information on such matters as social security, living and working conditions etc. to enhance the overall knowledge base on the EURES portal.
- There would be regular reporting on all the actions having taken place, with appropriate feedback to ensure learning. Data collection and indicators for outputs and results would be established, on the basis of which an adequate reporting could take place to the political level (European Parliament and the Council).

#### *Opening up dimension*

Under this specific measure, the opening up would mean making the principles and rules on information exchange and analysis applicable for all EURES service providers (EURES Partners) who have chosen on a voluntary basis to join the EURES network.

#### **5.4. Option 4: A new Regulation with a Commission mandate to increase cooperation between employment services ("Option 3 plus EU partnership agreements")**

Option 4 includes the modernisation of the EURES network as described in option 3. It includes the opening up of the EURES network as described above: on a voluntary basis, following the applications for organisations to join the EURES network in accordance with common criteria and allowing these organisations to choose in activities they will participate (sharing of job vacancy data, sharing of job application and CV's data, provision of support services or a combination of these options).

Besides the opening up at national level, however, option 4 adds a mandate for the Commission to enter EU-wide partnerships with non-public employment services on behalf of the entire EURES network.

Under option 3 the Member States act as gatekeepers for the access of non-public employment services to the EURES network, albeit based on joint minimal quality assurance and conformity criteria. A territoriality principle applies: each Member State will be responsible for facilitating the process of opening up in the own territory and for examining only those applications made by organisations that are lawfully operating on the own territory. Consultations for the implementation of the 2012 Decision revealed that several Member States are reluctant to give non-public service providers access to the network. Provisions under option 3 will therefore have to tolerate divergence in Member States' willingness to foster partnerships with non-PES actors in the EURES network. The opening up will therefore be a gradual and slow process in many Member States, and/or even risk to remain incomplete in some Member States.

Under Option 4 the Commission will be empowered to provide partnership agreements on an equal footing with the Member States. Such agreements will primarily concern private employment services operating across borders, which will thus gain the advantage of avoiding multiple applications for participation and having to comply with different national systems. For this specific category of service providers, the Commission would also take over the authorisation process and the accompanying Member States duties regarding monitoring and quality assurance.

## **5.5. Further remarks**

Splitting up the elements of option 3 and 4 and only focusing on e.g. more transparency or better access for non-PES service providers to the EURES network was considered in the preparation but was discarded as a possible way forward, because the different components of these options are strongly interlinked.

Amending the Regulation without carrying out a systematic and integrated overhaul was not considered an efficient approach. The five principal shortcomings share underlying drivers and the failure to address one shortcoming might adversely affect the realisation of objectives of other improvements envisaged to address other shortcomings (as explained above under option 3).

## **6. ANALYSIS OF IMPACTS**

This chapter summarises the economic and social impacts, including the impact on workers' fundamental rights, of each policy option. No significant environmental impacts have been identified in any of the options.

### **6.1. Policy option 1: No new action (baseline)**

Overall the reform process (upgraded portal, more focus on matching, placement and recruitment activities in national service catalogues, introduction of a programming cycle and launch of a reflection process on opening up to non-public employment services at individual national level) initiated with the 2012 Decision will be maintained. However, the speed of its implementation will be reduced as the pending Court Case has introduced legal uncertainty in the process.

If the Commission does not act on this, but waits until the Court takes a decision, it – implicitly – signals to the parties involved, that reform efforts may eventually be delayed. In particular the opening up towards actors outside PES – the main feature of the 2012 Decision – would be slowed down. PES will not see a motivation to actually invest into EURES beyond their very limited direct interests.

Cooperation between Member States as regards intra-EU labour mobility would mainly continue on a bilateral basis, such as the recently agreed cooperation between the Spanish and the German PES<sup>68</sup>. A Union framework encompassing bilateral initiatives is more resource-efficient than a plethora of bilateral agreements.

This means that this option would destabilise and delay the modest reform of the 2012 Decision and obviously none of the shortcomings identified above would be addressed.

### **6.2. Policy option 2: Lisbonisation**

By quickly resolving the request lodged by the European Parliament the Commission gives the signal to stakeholders that it is serious about the reforms already started, i.e. the 2012 Decision and its proper implementation.

While the signal from the Commission of the continued support to the reforms started may incentivise Member States to proceed towards realisation of the objectives of the reform, the voluntary commitment of each Member State limits the efficiency of the network as a whole. Mainstreaming of EURES into the general service offer will remain an intention and, considerable differences between Member States will persist in the operational capacity and

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<sup>68</sup> Bundesministerium für Arbeit und Soziales

level of intra-EU mobility support. Depending on shifting political interest in mobility, Member States may still maintain the administrative barriers currently hindering the access of workers and employers to basic information on mobility support services. The extension and personalisation of mobility support services will equally continue to depend on voluntary *à la carte* adherence to the guidance on services in the future EURES Charter.

While the launch of a European classification such as ESCO will provide incentives to map the national systems to this new standard, the speed of adjustment will depend on national priorities. Furthermore, the absence of clearer and stronger obligations may allow Member States to continue their practice of not fully sharing their available vacancies with the EURES portal. They will be able to continue to interpret restrictively the obligation to send details of vacancies that could be filled by nationals of other Member States. The automated electronic exchange of CVs or other job seeker profile information at EU level will not be optimised fully. Strong employers' service orientation is becoming a must for the survival of employment services in general but it would not necessarily be developed also for intra-EU labour mobility. The limits to the exchange of job applications due to the feeble current legal basis will limit the appeal of EURES towards employers, capping its development potential.

Revising Article 38 of Regulation 492/2011 will provide a foundation for further amendments of the EURES network. It will enable the Commission in the future to adopt implementing and/or delegated acts based on chapter II of the Regulation. As such, it provides a basis for further reforms. Such reforms, however, will be limited to non-essential elements or implementation measures, as they cannot go beyond the current scope of the Regulation.

The option could therefore provide an adequate basis for continuing with the transparency on labour markets and to a degree with the mainstreaming efforts already under way. However, the option would not fully resolve shortcomings on automated matching, in the absence of an obligation on mapping between national and the European classification, on mainstreaming, in the absence of an obligation to provide basic information and referral in all situations where employers and job seekers request client services for recruitment, on support services, in the absence of a formal agreed package of services, and information exchange and co-operation, in the absence of a clear definition of the scope of the exchange of information on labour market intelligence. This option will therefore not resolve fully four of the identified shortcomings.

### **6.3. Policy option 3: Modernising and Strengthening EURES**

Option 3 will address all shortcomings identified. As it introduces new obligations and reinforces existing ones the following chapters will describe more in detail their impact, what would be the required efforts and estimate expected costs.

#### *6.3.1. Transparency*

##### *Required efforts*

Currently 32 of the 34 PES are connected to the EURES portal and transfer vacancies<sup>69</sup>, even though there may be some quality issues with the data. However, as explained in section 3.2.1.1 above, the share of the total number of vacancies directly available via the PES varies widely. Therefore Member States will have to take action to increase the number of vacancies made available to the EURES portal beyond those processed today. In addition, any specific national limitations in the transfer of data to the EURES portal must be abolished, such as the

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<sup>69</sup> Action to connect systems to EURES are on-going in Bulgaria and Croatia

limitation related to offers with contracts beyond a certain duration (the case of France, table 5 in 3.2.1.1).

Opening the EURES network to other employment services will support the Member States in meeting the objective of having a nearly complete supply of job vacancies available on the EURES portal.

**Box 2 – Examples on increasing number of available vacancies**

One way is to increase the number of vacancies reported to PES by employers. By developing and cultivating good relations with employers, PES should see the number of vacancies reported to them increase, as employers will ask for help to fill those vacancies more often. Most of the employers in the Czech Republic report their vacancies to the PES, even after the national requirement to report all vacancies was removed. That, combined with no restrictions on what vacancies are made available on EURES, makes 80% of all vacancies accessible through the portal.

Another way is to set up information exchange agreements between PES and PrES. In some Member States (e.g. Malta, Sweden, the UK) the PES have entered into agreements with temporary work agencies and private employers to import and display their vacancies on the PES website and to exchange them with EURES.

Another way to increase transparency is to remove the operational rules set in place on national level. PES, such as VDAB (Belgium) and the Netherlands receive vacancies from private employment services, through information exchange agreements or *web crawling*. However, these vacancies are not made available on EURES, due to clauses in the agreements and since they are not the property of the PES. While they make all vacancies they own available on EURES (see Table 5), those vacancies only make up slightly more than half the vacancies that are available to jobseekers on their own job portals.<sup>70</sup>

In order to make available systematically CVs to the EURES portal the PES need to introduce some process and IT adjustments. This entails complying with the technical standards and formats so as to enable effective access and use of the data. Processing of CVs must be carried out in compliance with rules and regulations on data protection.

The obligation to make job vacancies from other Member States indirectly searchable from national job search portals can be achieved using the API.

So far only two Member States have fully integrated solutions based on the API, namely the UK and Malta. They are using the API to show EURES vacancies on their national job portals. A survey was conducted with IT correspondents of these and some other countries considering or in the process of integrating similar solutions. A short summary of the results of the survey is available under point 1 in [Annex 1](#).

As part of this measure, the Commission will have to adopt by means of implementing acts the technical standards and formats necessary for making available to the EURES portal job vacancies, job applications and CV's.

*Impacts*

a) Job vacancies

- Increasing the number of job vacancies exchanged and circulated on European level will enhance the chances for jobseekers to find open positions. The number of additional vacancies that will be made available is difficult to assess in the absence of a comprehensive overview of the different agreements with non-PES actors in Member States and missing data on the size of the vacancies with PES at decentralised levels. When the UK introduced the 'Universal Job Match' in November 2012 the number of vacancies made available on the EURES portal doubled. The situations in BE-VDAB and the Netherlands in box 2 indicate that a similar increase for the

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<sup>70</sup> Consultation EURES IT correspondents

vacancy pool from these countries is possible. Increases are expected from Spain and Italy, where more regional vacancy data would become available on European level. However, as the expected up-take of private service providers as EURES Partners (PrES) in EURES across the Union following the introduction of the authorisations systems is not known at this stage, it is not possible to provide a reasonable estimate of the increase in job vacancies resulting from the opening up of the EURES network to other actors than the PES.

b) CV's of job seekers

- The most significant difference compared to the current situation is that also jobseekers' CV's from other sources than the EURES CV on line database, may be subject to interoperability. This means that there will be two categories of CV data on the EURES portal: 1) those posted directly by the jobseekers on the EURES portal (as is the case today) and 2) those made available by jobseekers through organisations such as the PES and EURES partners. A more systematic approach to the collection and sharing of job applications and CVs on the EURES portal will improve the chances for employers that suitable candidates are available for their vacancies.
- Under the current system, job seekers register on an individual basis and create an account. The advantage is that with the publicity on the existence of the EURES portal, there has been an increase over the years in the number of registered job seekers (up till 1.1 million today). However, there is no system for taking out the non-active accounts. With the migration to the new CV online application in 2014, the number of registered job seekers may decrease as all non-active users will be deleted. Introducing a more systematic approach to the collection and sharing of job applications and CVs, by requiring Member States to make available to the EURES portal the data available at national level - provided that consent has been given by the individual jobseeker for this use - will secure the existence of an adequate pool of job applications and CV's, and more regularly updated than today.
- The number of CVs that will be made available for matching at European level is difficult to assess as all PES do not currently have CV databases and as the transfer will always depend of the willingness of jobseekers to make their CVs accessible. Given that the number of workers with "firm intentions" to work abroad has been estimated at around 1,2 % of the workforce, the potential number of CVs from jobseekers (workers) "planning to move in the following 12 months to work in another Member State " could be some 3 million (1,2 % of the 241 million EU labour force). If all who currently are registered (1.1 million CV's) are to be considered to belong to this group of persons with "firm intentions", the number of CV's would be increased with about 1,9 million to 3 million.
- As the expected up-take of private service providers as EURES Partners (PrES) in EURES across the Union following the introduction of the authorisations systems is not known at this stage, it is not possible to provide a reasonable estimate of the increase in CV's resulting from the opening up of the EURES network to other actors than the PES.

c) Better access to the EURES portal from the national level

- Having EURES vacancies made visible on national job search portals will provide jobseekers with easier access to European employment opportunities. As the national job search portals are the natural first place to search for work, presenting clearly

visible the option to search for European vacancies provides jobseekers with a more complete picture of the opportunities for employment.

For the measures on transparency, alternative options such as requiring Member States to interconnect national databases and have specific online services have been discarded.

The methodology to follow is and remains the sharing of the underlying information, on the basis of technical standards and formats to be defined in close cooperation between the Member States and the Commission. For this reason, it is important to have such tools put in place in accordance with appropriate procedures (essentially HR XML formats).

This is also important in terms of data protection. The interoperability developed under this methodology will not mean any direct transfer of personal data between the participating systems. Job seeker's CV's will always stay in the source systems where users will be able to modify and delete the data according to the procedures applicable for each individual system. The interoperability platform will only contain an index with the data necessary to make the automated matching between available job vacancies and CV's, such as anonymised information on educational background, work experience, skills etc.

Annex 9 provides a clear picture of the functionalities of the EURES portal for job seekers and employers, comparing current situation with the situation under a fully revamped portal.

#### *Costs*

All Member States have already set up (or prepared for) the mechanism to exchange vacancies with the EURES portal. The extension of these mechanisms to include CV information, to adapt to the new enhanced standard formats and to allow new (private) partners to connect will incur different costs depending on a number of factors. If the existing systems can be extended to accommodate the new functionalities the cost can be relatively low, whereas if in case an entirely new system needs to be put in place the costs will be much higher. Once the system is in operation it will also need to be monitored and maintained. Most of the software needed for the implementation will be delivered by the Commission free of charge. As a rough estimate the cost to develop a new system could be around 100,000 euros with annual maintenance costs of around 12,000 euros.

With API every EURES service provider is able to bring EURES data back into its own online service for low costs. The integration is estimated to represent some days of work for 3 or 4 people. The API is based on web services, which does not put any constraint on the technologies used at both sides (i.e. the EURES side and the partner's side). This provides flexibility for both parties and enables a low cost solution.

#### *6.3.2. Automated matching*

##### *Required efforts*

Against the backdrop of a wide variety of classifications for occupations, skills and qualifications, the ideal scenario to achieve full interoperability in the EU could have been that all Member States as well as all organisations connected to the EURES portal would use a European classification, like the one the Commission is currently developing under the name of ESCO. This alternative option has been discarded. It is not a realistic option, at least not in the short to medium term, and good results can be obtained by simply mapping existing classifications to and from such a European classification.

This exercise will entail that each Member State which uses a national classification system not related to ESCO will make an inventory on how the codes in its own system relate to the codes under ESCO so that the related vacancy and CV data on the EURES portal will correspond to the ESCO taxonomy and can therefore support on line skills-based matching. These inventories, to be carried out by each Member State individually, will be at the basis for an application, to be developed by the Commission, allowing for the automatic translation into ESCO codes, when data from the national database is made available to the EURES portal.

Obliging all Member States to use the European classification system would entail significant costs, both IT and staff related. Such cost would not be proportionate for the aim to be achieved, namely to support on line matching at European level for those interested in intra-EU mobility solutions.

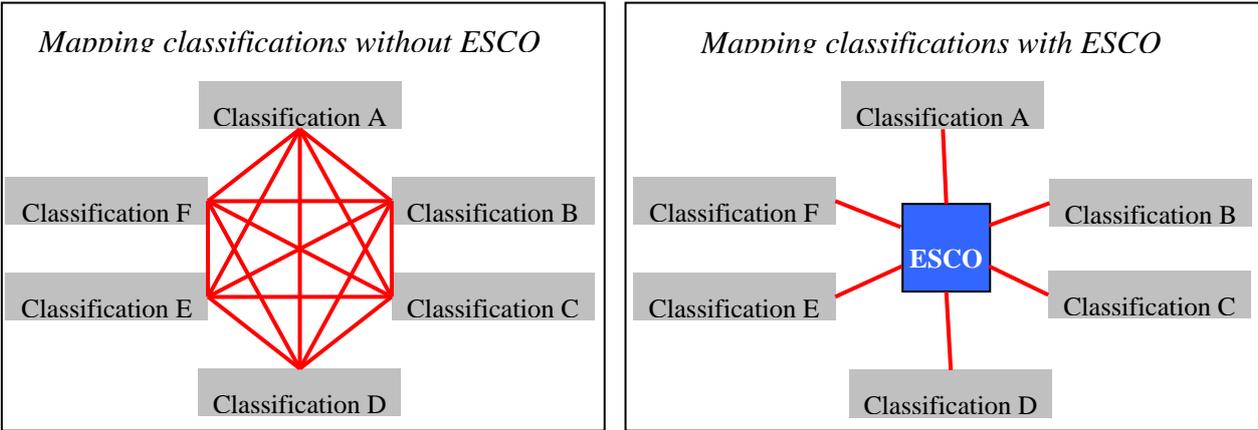
As part of this measure, the Commission will have to adopt by means of implementing acts the technical standards and formats necessary for the operation of the European classification on the EURES portal.

*Impact*

The benefits of common European standards are obvious: it allows job seekers and employers in a much better way to actually understand the profile of the market counterpart. Such a European level standard of job-descriptions and profiles of seekers would be a huge step towards a more integrated European labour market and at the same time make it more attractive for workers and employers from different countries to use the EURES portal.

Improved tools for identifying suitable matches between vacancies and skills and interest of individual jobseekers should provide employers with a quicker access to suitable applications for their vacancies. It will be easier for employers themselves to search and find jobseekers with skills and competences relevant for the position advertised. These improvements will lower opportunity costs for recruitment.

As regards the impact on the overall semantic interoperability between national classifications systems per se, the following chart illustrates how the mapping exercise will reduce the national number of mappings required for exchanging data between classification systems:



**Chart 3 – Practices in classifications systems in Member State**

### *Costs*

Adaptation of existing IT systems to full European semantic interoperability will incur initial costs. For those PES (such as France and the Czech Republic) which have their own classification systems which include both occupations, and skills and competences the required mapping inventory to and from ESCO can be done as part of the regular updates which are necessary for such systems. For the other PES (approximately 80% of all), who use classifications of occupations based on ISCO, a separate inventory exercise will need to be undertaken.

The exact costs of mapping are difficult to calculate and will differ much between Member States, depending on the system in place. In fact, having a well performing matching system is an elementary and crucial feature of up-to-date-labour market institutions and the cost for setting up and maintaining such a system should therefore not be directly attributed to the EURES reform alone. Consequently, the EURES reform must be seen as an opportunity but not the reason for implementing such a system.

Additional cost in this respect would in most cases coincide with Member States who have in the recent past received CSRs as part of the European Semester to improve the functioning of their PES. For the 2013 European semester eight countries received recommendations to increase the performance of PES (Bulgaria, Czech Republic, Spain, France, Hungary, Italy, Romania and Slovak Republic).

For all Member States the option of transfer out of their current classifications and fully adopt ESCO remains open. This would remove any future maintenance and update costs for national classifications as the cost for the European classification will be incurred in the future under the EU budget.

For the period 2014 to 2020 ESCO will be paid for by the Progress axis under the EU Programme for Employment and Social Innovation (EaSI). Moreover, it is proposed under this initiative that as part of such cost, EaSI could also contribute to technical support to individual Member States who intend to make use of the option to adopt the European classification.

#### *6.3.3. Mainstreaming*

##### *Required efforts*

The efforts entail that basic information on the existence of the EURES network and its mobility support services at national level is readily available to every employer or job seeker seeking client services with employment services on the territory of that Member State. Such information could be created and updated centrally in the Member State (probably by the public employment services) and then distributed for use to the different employment services, be they public, private, regional, local etc. accessible in paper and/or on line, in the appropriate languages.

Mainstreaming for the purpose of this initiative will thus only require a specific and targeted communication activity in order to ensure that the principle of equal and easy access for potential users of the EURES network is carried out consistently across the EU. The implementation will be done under the coordination of the Member State, probably delegated to the public employment services (PES). Each Member State will have to ensure that the communication activity is implemented throughout the country in other organisations than the public employment services. This may require a governmental decree and/or the conclusion of partnership agreements with such services.

The other service providers in the EURES network (EURES Partners) may of course choose to contribute to the creation of the basic information but would only need to ensure distribution insofar as they provide client services.

Alternative options, such as to ensure a wider distribution of this kind of information to other organisations than employment services and/ or to require all front desks in employment services to be trained on the existence of the EURES network, were discarded as not proportionate to the aims to be achieved. First, the communication should be targeted to the groups mostly likely to be interested in such information and assumed to benefit directly from it, as well as at the most appropriate time of the process. It is therefore not necessary to inform persons who register as unemployed or with programmes for ALMPs. Second, an option as training to front desks in employment services would be excessive and not sufficiently targeted. There are about 300.000 front desks/ employment officers working in the public employment services alone, and they have many tasks, including the management of passive labour market measures (unemployment benefits). Third, such measures risk interfering unnecessarily with existing organisational models and related communication and information activities.

Besides the provision of basic information, mainstreaming will involve also developing the modalities of the "European offer". This means adapting businesses processes to ensure adequate follow up is organised of request of those who have indicated that they are interested in assistance on intra-EU labour mobility. The adaptations would be necessary in those organisations already operating in the EURES network (PES) and other organisations choosing to participate in the EURES network as service providers (EURES Partners).

### *Impacts*

Building upon the registration function common in all employment services in Member States, a common and more systematic approach to integrating EURES in the service offer would ensure that all interested jobseekers and employers across the EU have basically the same level of access to the EURES network and receive clear and complete information on what EURES can do, when and how. In this context, e-services can play a role to avoid over-promotion, as interest may be invoked without a real plan or intention, thus risking wasting resources that would be better directed to those with a genuine interest.

Extending it to cover all employment services offering client services will multiply the effect of the information provision on the EURES network to jobseekers and employers and increase matching opportunities beyond the current share of PES. As this concerns the main tool to secure access to the key target groups at the moment when the issue of "firm intentions" will come into play, it should be made applicable not only to PES and this regardless of whether those other employment services choose to request participation and are accepted as EURES service providers (EURES Partners) or not. Without efforts to raise awareness on EURES across all these employment services, the opportunities on offer to match job seekers with jobs in other Member States will not be fully untapped.

Moreover, access must be ensured to the target groups on an equal basis across the Union, knowing that the starting-positions of the PES on the recruitment market are very different. For an overview comparing the situation in individual Member States see below in section 6.3.4 on the research data share of PES as one of the recruitment channels. Given the complementary roles of PES and PrES as indicated in section 3.1.2.1, as well as the specialisation on certain client groups that PrES have, a much wider coverage of jobseekers is obtained by ensuring joint coverage of the information delivery.

## *Costs*

Expanding the initial registration/ client function, adjusting existing information and communication material for respectively the organisation of the "European offer" and the delivery of basic information on EURES should have low administrative costs, as it is part of the standard processes for managing clients, both for the PES and possible other service providers (EURES Partners). Many PES have already developed communication material on the EURES network in the framework of grants from the EU in the period 2010-2013 and could adapt it.

### *6.3.4. Support services*

#### *Required efforts*

The mobility support services proposed under the initiative correspond to the principles for guidance in the 2010 EURES Charter mentioned in section 1.4. Depending on the degree to which this guidance was implemented, the PES in Member States may have to extend their service offer. However, as indicated in section 3.5.4, it seems that few Member States believe that the introduction of additional services is necessary to bring about the focus on matching, placement and recruitment, as the initiative would aim to do.

Efforts are more likely to include rethinking the distribution and organisation of access points for the EURES network at national level. In France for instance, access to EURES services is limited to regional PES offices. Ensuring workers' access to these services effectively throughout the territory would mean in such circumstances to establish specific and adequate referral mechanisms from local PES offices or develop another business model for interacting with the target groups (e.g. on line services). In other countries, efforts may have to be undertaken to ensure a better distribution of information between the different layers. For instance, in Italy there are no guidelines in regional and provincial PES on referral to EURES advisers at all. Models should be developed such as those found in countries like the UK, where referrals to EURES staff are made when the jobseeker has expressed himself an interest or in Germany, where, as part of the profiling the job seeker will be asked if he is interested in the first interview and if so, have the file transferred to the central service responsible for EURES activities.

The other service providers in the EURES network (EURES Partners) who choose to join the EURES network to offer mobility support services will have to develop their service offer in accordance with the framework proposed under the initiative. This may require enhancing the competences of existing staff, recruiting and/ or training new staff. This is equally applicable for support services on general information on social security and the necessary referral mechanisms to competent authorities.

Ensuring the access to the ALMPs in accordance with this initiative will require amending the regulations governing such measures for those Member States which have not yet provided access and, where appropriate, rethinking modalities (e.g. for instance ceilings on the contributions), insofar as budgetary constraints require it.

#### *Impact*

Concretely, the measure would mean that every job seeker interested in finding a job in another Member State would be able to receive the following minimum job search assistance with the public employment services or EURES service providers:

- analyze their profile and identify options in other countries,

- assist with drawing up an application and CV according to European formats,
- help with registering and uploading the application and the CV on the EURES portal;
- be referred to another EURES service provider for further help if need be.

Among the PES, the current trend of expanding their service offer to employers<sup>71</sup> will gain complementary benefits from and be further strengthened by this push for a common approach to services to employers in the area of intra-EU labour mobility. .

Expanding the EURES service offer with targeted mobility support services will help workers overcome obstacles to mobility, as they lack the necessary economic resources to fully realise their potential on or present their attractiveness to the labour market.

Removing the geographical limitations on national labour market programmes for job seekers interested in working in another Member State provide EURES staff with the same tools as available on the national labour markets to ease transition into work and help with filling of vacancies. It will therefore provide workers with more opportunities. Whereas high-level specialists and other sought after workers often can benefit from commercial relocation services this is less often the case for medium-skilled workers, who in particular if they have a family need more support to be mobile. This group of workers also has a higher need of individualised financial support which so far has not been adequately dealt with. They will therefore benefit highly from this initiative. This is also the case for jobseekers with limited financial means.

The envisaged provisions will help employers to fill their vacancies faster, as the EURES network will complement more effectively the domestic employment services. Through the EURES network, a wider pool of candidates will be available, increasing the potential of finding candidates with suitable skills. SMEs will benefit in particular from strengthening the services for employers as it will reduce the time for recruitment and lower in general transactions costs.

The improvements, including in particular the support subsequent to recruitment, will be more important for SMEs than for big enterprises, which have often set up their own systems to recruit and integrate workers from abroad. For them also paying for this kind of support is less of an issue, while SMEs might be less willing or able to do so.

The impacts of the measures on support services as to the uptake and consequences for resources will differ from one Member State to another. Two factors come into play:

- The different starting positions of the PES on the recruitment market
- The differences in the size, composition and organisation of the EURES staff, i.e. human network in the Member States

The market share of PES is affected by the use made of alternative recruitment channels. The 2011 Mobility Report provides an analysis on the situation in the EU<sup>72</sup>. Job seekers<sup>73</sup> use multiple recruitment channels. The most widely used job search methods used are informal, self-initiative methods such as a) to study advertisements in newspapers/ journals on line (70%), b) personal contacts (friends, relatives and work contacts) (62%) and c) applying

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<sup>71</sup> [PES to PES dialogue – Effective services for employers: forging partnership for the future](#)

<sup>72</sup> [European Job Mobility Laboratory, Mobility in Europe 2011](#)

<sup>73</sup> The report refers to three categories of job seekers. The starting point is that roughly one in ten of the working-age population of the EU is actively seeking work. Two thirds of these jobseekers are unemployed, more than a quarter is employed and the remainder are inactive.

directly to employers (53%)<sup>74</sup>. The extent to which intermediaries are involved in job search varies across Member States. Distinguishing between contacting the public employment services (PES), contacting private employment services (PrES), personal contacts (friends, relatives and work contacts) and (other) informal, self-initiative methods, the use of the PES ranges from very high in some of the central/eastern European countries (CS, LT, SK and HU between 75-80%) to very low in NL, IT, DK (below 30%) and CY (14%). The EU average is that the PES are contacted by half of all job seekers (50%). Since the EURES network operates within the PES, this figure indicates the potential outreach of the EURES network on the Union recruitment market.

Taking the current composition and size of the EURES staff network as a starting point, and assuming that the more general availability of mobility support services as a result of this initiative would lead to the need to increase human resources, impacts for individual Member States could be identified *ceteris paribus* (i.e. regardless of the opening up of the EURES network to other employment services) as follows according to the following three scenarios:

- If each Member State were to simply double their number of PES staff for EURES activity, this would mean most significant increases in the number of EURES Advisers in Germany (170), France (75), Italy (60), Poland (55), Sweden (55) and Spain (50);
- Reinforcing the network in Member States where there is a low ratio of EURES advisers would mean increasing the number of PES staff for EURES activity first of all in countries such as the United Kingdom (1 per 3.7 million inhabitants), Greece (1 per 1.9 million inhabitants), Italy (1 per 1.6 million inhabitants), France (1 per 1.4 million inhabitants) and Spain (1 per 1.3 million inhabitants)<sup>75</sup>
- Reinforcing the network in Member States with a low placement ratio, based on the reporting of the EURES Advisers and the calculations made with the Single Market Scoreboard referred to in section 3.1.2.2, it would mean adding PES staff for EURES activity in particular in countries such as Belgium (1%), Cyprus (1%), Malta (less than 1%), Portugal (1%) and Greece (1%)<sup>76</sup>.

By way of indication, doubling the overall resources for the EURES network would mean moving from an annual budget outlay for the entire EU from 60 to 120 million. This must still be considered a marginal increase, in light of the overall annual budget of labour market services by all Member States of more than 27 billion.

This being said, the impacts will be more difficult for the smallest Member States, especially if they are sending countries, knowing that the overall annual budget of labour market services in these countries are in the order of 6 to 7 million (Cyprus, Malta and Latvia), 10 – 15 million (Hungary, Estonia, Bulgaria)<sup>77</sup>.

Lastly, the cost-benefit analysis on the introduction of these support services must also be seen in the bigger picture of the modernisation efforts of the PES. Enhancing the access of workers to mobility support services cannot be seen in isolation. While it is recognised that not all PES use mobility support services proactively and strategically as a tool to address national (sectoral and occupational) labour shortages and/or surpluses, it is also generally

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<sup>74</sup> [European Job Mobility Laboratory, Mobility in Europe 2011](#), page 33

<sup>75</sup> Dividing the total number of the population of the country by the total number of full time equivalent EURES Advisers in that country, Single Market Scoreboard *ibid*

<sup>76</sup> High placements, on the other hand, are recorded in Bulgaria, Czech Republic, Denmark, Germany, Netherlands, Romania and Sweden

<sup>77</sup> See Annex 10 for the overview of the 2011 expenditure on labour market interventions per Member State

acknowledged that the PES need to step up the use of available job search and recruitment services in general, in particular for young people at risk of becoming a lost generation.

This is testified by the recent self-assessments done by PES in the framework of the high level summits in Berlin (July 2013) and Paris (November 2013) on the fight against youth unemployment<sup>78</sup>. The summary of these self-assessment demonstrate the degree to which the PES believe there is room for improvement in their capacities in general. In most of the areas four out of ten PES appear as strong performers. However, in each area identified, one in five PES needs more investment as they assess their capacities as weak. The areas are transparency of supply and demand (data bases), counselling services (e-services and face to face services), placement of job seekers, the effective and efficient allocation of ALMP, and services for employers. Since PES recognize that mobility is part of their portfolio and is delivered with their existing tools, the self-assessments are also equally valid for the degree to which efforts will need to be made to make in the area of mobility.

In the catalogue of measures for implementation of the Youth Guarantee<sup>79</sup>, the European network of heads of PES confirms its intentions to:

1. Restructure the PES wherever necessary with a focus on young people, to ensure i) transparency of supply and demand in the labour market, ii) a comprehensive range of counselling services to jobseekers and employers, iii) efficient labour market integration and placement, iv) an effective allocation of resources for ALMP measures.
2. Enhance career guidance services in PES, coordinating these with other service providers to ensure that young people make informed decisions at all key stages of their career path.
3. Further deploy and develop employers' services to create employment and training opportunities directed at young people and to promote youth entrepreneurship.
4. Contribute to and initiate alliances for training and apprenticeship to facilitate the transition from school to the labour market.

PES can make use of ESF, in line with its strategic priorities 2014-2020, to achieve improvement in areas where considerable need for further investment has been identified, including the use of EURES to support the mobility of young jobseekers in Europe.

There may be possibilities for Member States to shift the existing EURES staff from more general information and communication activities on the EURES network to matching, placement and recruitment. The more than 900 EURES advisers in the network should in principle all become intra-EU matching experts and focus on recruitment outcomes. Their general information activities can be expected to become less relevant as the mainstreaming will in the future bring more "clients" for mobility and, where general promotion activities still remain necessary, notably towards employers, they can be either reduced or altogether left to the front line /less specialized staff and/or to e-services. A likely model for organisation would then be that front line staff in employment services would deliver the basic information, information on access to labour market measures and social security and EURES advisers would provide more personalized assistance related to matching (preparation of vacancies, CV's targeted to European audience, pre-selection and interview preparation).

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<sup>78</sup> [HoPES Assessment Report on PES capacities to implement the Youth Guarantee](#)

<sup>79</sup> [HoPES Catalogue of Measures for implementation of the Youth Guarantee](#)

As the expected up-take of private service providers as EURES Partners (PrES) in EURES across the Union following the introduction of the authorisations systems is not known at this stage, it is not possible to provide a reasonable estimate of the increase in support services resulting from the opening up of the EURES network to other actors than the PES.

### *Costs*

The bulk of the costs under this initiative will arise through individual mobility support services, i.e. assistance to job seekers and employers. Those costs depend on the nature of the delivery and the individual needs. As such they are variable and in direct relation to bringing people into employment.

To give an indication on what costs these services can amount to, the experience made with projects as part of the 'Your first EURES job' preparatory action can be used.

The first progress report<sup>80</sup> on 'Your first EURES job' provides cost indications for three types of mobility support services; interview support, training and moving allowance. The report covers the three first quarters of the preparatory action and the four projects (in Denmark, Germany, Italy and Spain). A total of 215 jobseekers were granted interview support. An average of EUR 278 has been provided to each financially supported jobseeker for an interview abroad. A relatively low number (46) of trainings were provided and therefore make up a smaller portion of the budget (less than 10%). The share of the training budget may well increase if administrative bottlenecks can be removed in the future. After all language skills are the most common practical difficulty when going to another country. Combining both preparatory and integration training, the average training cost was EUR 765.

These direct costs could be compared to the public expenditures for unemployment benefits. In the case of 'Your first EURES job', one of the eligibility criteria for financial support was that the job with a duration of at least six months. Benefits levels show great variation between Member States, from 131 Euros per month in Bulgaria to 2,266 Euros per month in Luxembourg.

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<sup>80</sup> 2013 Q1 Your first EURES job Progress Measurement Report

**Table 8: Monthly public expenditure (€) on labour market policy supports per beneficiary 2011 (a = 2010)**

Country	€months	Country	€months	Country	€months
Austria	1,177	France	883	Poland	197
Belgium <sup>(a)</sup>	768	Croatia	-	Portugal	587
Bulgaria	131	Italy	1,203	Romania	139
Czech Republic	275	Cyprus	638	Slovenia	734
Denmark	1,848	Latvia	159	Slovakia	384
Germany	751	Lithuania	212	Finland	939
Estonia	368	Luxembourg	2,266	Sweden	755
Ireland <sup>(a)</sup>	887	Hungary	162	UK <sup>(a)</sup>	297
Greece <sup>(a)</sup>	496	Malta	183	Norway	2,006
Spain	883	Netherlands	1,219		

Sources: Eurostat<sup>8182</sup>

If this expanded service offer is implemented and utilised efficiently, it should result in a reduction in the costs associated with unemployment, in particular payment of unemployment benefits for the sending country. A recent estimation found that the Spanish government would have spent nearly 1.3 billion euros on additional unemployed benefits in 2011 just for workers who moved to another EU country<sup>83</sup>. The potential loss of government revenue<sup>84</sup> related to unemployment is often higher than the direct costs of public intervention, representing around 60% of total costs in France and Germany, for example<sup>85</sup>. When the services are offered by the receiving country short term costs will be offset by an increase in the tax base as additional workers will be in employment. In other words, when unemployed jobseekers find work in another Member State the public benefits of that recruitment are shared between both countries.

The EURES training programme funded by the Commission under EaSI can cover training of staff to refocus activities on matching, placement and recruitment.

As far as access to active labour market measures (ALMPs) and in particular language courses are concerned, internal estimates come to 50-250 euro per participant, depending on the place of registration in the EU. This would cover in principle online courses taking

<sup>81</sup> <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tps00078&plugin=1>

<sup>82</sup> <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&plugin=1&language=en&pcode=tps00080>

<sup>83</sup> [European Policy Centre: Making progress towards the completion of the Single European labour market, May 2013](#), p.3. The calculations neither take into account extra savings related to the reduction in public service expenditure, nor taxation over remittances

<sup>84</sup> Loss of social contribution of employers, loss in social contribution of workers, loss in direct taxation, and loss of indirect taxation

<sup>85</sup> [European Federation for Services to Individuals: Why invest in employment?](#)

approximately 6 months and involving some online tutoring (irrespective of level). However, expenses are currently going down for all languages on the market and economies of scale may play a part.

As for the overall annual additional cost on information and job search assistance, a ball park estimate comes to about 33,3 million for information and 16 million for job search assistance on the basis of the following assumptions:

- PES mostly work with unemployed jobseekers, not with those that want to change work
- There are approximately 25 million unemployed in the EU (2012 labour force 241.1 million, 216.1 of those employed)
- 39% consider mobility if unemployed, approximately 10 million persons.
- If all of those were interested in receiving information on working in another Member State and that information is done in group sessions lasting two hours<sup>86</sup> with 20 persons in each group, it would require 1 million work hours.
- Based on the information referred to in section 3.1.1, 3.2, and point 7 of Annex 2, firm intentions to move to work abroad exist with 1.2% of total population. Assuming that it's twice as common for unemployed that consider mobility as way to employment, 240 000 unemployed persons would have firm intentions. If all of those persons were to receive two hours of individual job search assistance, it would require 480 000 work hours;
- Taking the salary cost estimates of 60 000 Euros per year for a EURES Adviser that works 8 hours a day, 225 days per year, the hourly cost is 33.33 Euros;
- Resulting estimate of cost for information would then be 33.33 million Euros and the cost for job search assistance 16 million Euros.

Costs relating to EURES should be considered in relation to the total costs of labour market policies in the Member States. Member States' expenditure on labour market services, which includes client services and administrative costs, reached 27.586 billion Euros in 2011<sup>87</sup>. The estimated costs for EURES staff of 60 million are included in this envelope. Even with a large increase in staff directly involved in EURES, the costs for mobility will be insignificant to the total expenditure for labour market services.

The national activities, in particular the functioning of the EURES network at the national level (National Coordination Office) and the development of schemes for customised mobility support services at local, regional, national and cross-border level, will be eligible for funding under the European Social Fund (ESF) in the period 2014-2020, in accordance with the appropriate investment priorities. In addition, the ESF may support intra-EU labour mobility of (young) jobseekers from 2014 onwards through financing for example language and orientation trainings, the costs of the transnational mobility itself (travel costs), their integration in the host country etc (Youth Employment Initiative). Such activities can be programmed under an Investment Priority best suited for each specific activity. Within the new Simplified Cost Option system for the ESF over the period 2014 – 2020 the use of lump

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<sup>86</sup> Efficient work session size and duration, based on current experiences, notably at European job fairs

<sup>87</sup> See Annex 10

sums, flat rates and stand scale of unit costs by Member States can facilitate the management of such actions.

Several Member States (BU, CS, DK, EE, ES, FR HR, IT, LT, PL, RO and the UK) are indeed programming intra-EU labour mobility activities under the ESF for the period 2014-2020 and may therefore be able to integrate modifications and improvements for the EURES network in the actions. Certain other Member States such as Austria, BE-VDAB, the Netherlands and Germany, however, do not consider programming of intra-EU labour mobility under the ESF necessary as they prefer to cover the activities under the national budget. For other countries, for instance Sweden and Portugal, it is still under consideration.

### *6.3.5. Information exchange and cooperation*

#### *Required efforts*

Member States would need to set up information systems and structured reporting and monitoring mechanisms and co-operate together in sharing and analysing the labour market information. As a consequence, it will be necessary to revise the data collection mechanisms with the PES, establish consultation processes at national and Union level and agree with the other organisations participating the EURES network at national level on the ways and means of collecting and analysing together the information (data protocols as part of the agreements with EURES service providers (EURES Partners)).

As part of this measure, the Commission will have to adopt by means of implementing acts

- the models and procedures for the exchange of information accompanying support services, such as the general information on living and working conditions, administrative procedures and rules applicable to workers from other Member States;
- the necessary templates and procedures for the annual programming exercise by the Member States (i.e. the templates for draft activity plans and activity reports and the setting up of a time table and work methods for sharing this information on planned activities, resources and monitoring among National Coordination Offices, in order to strengthen the effectiveness of the whole EURES network and reinforce synergies and the development of specific joint recruitment projects).

#### *Impact*

With structured reporting and monitoring, feeding in appropriate labour market intelligence on surpluses and shortages on the labour market, the PES and the other EURES service providers (EURES Partners) will have the necessary information to jointly plan coordinated activities within the EURES network, for instance ensuring that activities are targeted at the sectors where their contributions will be most efficient. Joint planning will also ensure that there is a counterpart support in another Member State, e.g. increased targeted mobility support to a specific group of EU workers in a sending country is met by required support those EU workers in the receiving country.

The reformed EURES network can position itself more effectively on the market by addressing directly national, regional and sectoral skills shortages. Directing strategically mobility flows to meet skills bottlenecks in countries which experience labour shortages in given occupations can increase the added value of the EURES network and make it complementary to other actors on the market. Such strategic steering of mobility flows needs to rely on good labour market intelligence, particularly national systems for anticipation of labour demand and the identification of structural or seasonal skills bottlenecks, at an occupational level specific enough to be used directly by EURES counsellors.

Currently, a third of Member States have well developed skills intelligence systems, able to identify and to anticipate occupational demand (Austria, Belgium, Denmark, Finland, France, Ireland, Norway, Sweden and the UK). For example in several of the Nordic countries, employer surveys are carried out on a regular basis, providing up-to-date and reliable information on vacancies that are hard to fill. Another third of the Member States have systems that are of medium strength – with incomplete occupational coverage or with a level of specificity not granular enough for matching on the labour market (Bulgaria, Cyprus, Germany, Spain, Latvia, Netherlands, Poland, Portugal and Romania). A remaining third of the Member States do not have systems for gathering evidence on skills bottlenecks.

While more countries have systems for gathering evidence on skills bottlenecks, information on skills surpluses is not systematically developed. This is in spite of the fact that PES are at the forefront of intervention for jobseekers facing skills obsolescence and in the cases of industrial restructuring. The development of a joint analytical capacity at the level of the EURES network can partially compensate this deficiency, providing intelligence on the stocks and skills of workers who are willing to envisage mobility during their career.

If the opening up dimension is added into the picture, the overall common impact on the labour market is best described as creating synergies between the respective strengths of the actors.

The increased labour market intelligence will be beneficial for everybody, including employers and job seekers. Coordinated and targeted mobility actions are already possible today. Germany has been developing on a bilateral basis, cooperation arrangements with other EU Member States, on the basis of an analysis of mutual benefits. A good example of this approach is the agreement made between Spain and Germany, which due, to its success has been followed up by another agreement<sup>88</sup>. Once the new information exchange arrangements in accordance with this Regulation are in place such targeted action could become more frequent and not stay an exception as today.

The initial benefit of opening up the network to others consists of an increase in the exchange of information, in particular information on vacancies. Further positive gains will ensue in the course of the development of the partnerships, as has been in the case in countries such as the Netherlands and the United Kingdom, with a longer tradition of co-operation<sup>89</sup>. This is in line with experiences from partnerships at national level, where the information sharing often is the starting point for more in-depth cooperation<sup>90</sup>. It can also be expected that more innovation in support services for mobility will emerge.

#### *Costs*

There would be an initial cost for Member States to set up the information system including service costs (revision of underlying data collection mechanisms in PES and review of business processes). There would be possibly IT and training costs related to adjusted business processes, review or introduction of data protocols with non-PES actors and appropriate consultation processes at national level.

To make the exchange system effective Member States would need to employ/train some staff (a data analyst, policy officer).

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<sup>88</sup> <http://www.bmas.de/EN/Our-Topics/Social-Europe-and-international-Affairs/Europe/Germany-Spain-agree-on-close-cooperation.html>

<sup>89</sup> European Job Mobility Laboratory, *Partnership among employment services*, 2011

<sup>90</sup> PARES Strategic Dialogue “Fields and forms of co-operation”

The Commission would support this process by organising meetings and workshops, to be covered within the framework of the EaSI Programme.

Member States having no skills intelligence systems will be encouraged to learn from those who have and adapt smart solutions, using also the PES network activities. It should be underlined that 14 Member States in 2013 received CSRs on better targeting (BE, DE, DK, EE, ES, FR, IT, LT, LU, LV, NL, SE, SI and SK), implying the existence of a need to develop this analytical capacity regardless of the EURES initiative. The intra-EU labour mobility dimension could be integrated into improvements made.

The initiative will entail costs for private service providers as EURES Partners (PrES), depending on the degree of their participation in the EURES network (making available job vacancies only, making available CV's only, providing support services only or a combination of any of the above).

On the one hand, it is estimated that under a complete scenario (job vacancies, CV's and full support service package) the administrative costs should be less than half an FTE per service provider.

Those costs would cover the organisation of (a) the participation in the exchange of information on labour market intelligence and living and work conditions, (b) the contributions to programming and indicators and (c) the reporting obligations resulting from the authorisation system. This figure is based on an extrapolation from the current administrative burden for the EURES department in PES on their participation in the governance of the EURES network today. The current administrative burden entails many more activities (such as the organisation of training, communication, participation in meetings, national budgetary activities, activity planning and reporting). Staff costs amount to maximum 1 FTE for small to medium-sized countries, such as Slovenia, 1-2 FTE for medium countries such as the Netherlands, Sweden, Ireland and 2-4 FTE for Germany and France.

Operating cost, on the other hand, will depend on the level of ambition and the size of the service provider. .

#### *6.3.6. Summary of the options*

Option 3 would introduce improvements in the overall functioning of the EURES network but require some investments that will generate operating costs. These predominantly accrue to the Member States.

As indicated with some specific examples above, the overall picture will differ from country to country. For an overall picture of the types, nature and timing of the costs resulting from the five specific measures under this initiative, see the table in Annex 11. A distinction is made between

- who incurs the cost: the Member States or the Commission;
- whether it is recurrent or not: initial cost (one off investments) versus operating / maintenance cost (recurrent expenditure);
- the nature of the cost: staff cost & overhead versus service costs or other.

Most of the costs for Member States will arise from the adaptation to the new system, since they come on top of fixed and variable expenditure that the PES already bear for the operation of their core services. For instance, PES can be expected to incur cost when collecting job vacancies, job applications and CV's data and transferring them to the EURES portal. PES

may need to develop new means to share the existing job vacancies and/or other data, such as through the creation of a national hub (exchange platform). This will entail some initial additional cost. Once the hub is ready, the actual operations to transfer the data will not entail any further additional cost as they are integrated in the regular IT processes.

There are no costs to be expected for employers and job seekers. Non-PES actors on the labour market will have the choice to participate in EURES as service providers (EURES Partners) or not and consequently determine their own level of commitment.

There will be some costs for the Commission to be covered by the EU EaSI Programme (2014-2020). This programme can also cover some cost of Member States, for instance in relation to the mapping exercises to be undertaken for European classification and the adoption by individual Member States of this classification in the national system.

As was outlined section 6.3.4, several Member States already envisage covering cost relating to support services and intra-EU labour mobility in general under the ESF for the period 2014-2020. Support for the functioning of the EURES network as such can be programmed under thematic priority 1 "promoting sustainable and quality employment and supporting labour mobility", and its investment priority vii, "modernisation of labour market institutions, such as public and private employment services, improving matching to the needs of the labour market, including actions enhancing transnational labour mobility through mobility schemes and better cooperation between institutions and relevant stakeholders".

Moreover, most of the PES have embarked on optimisation processes. The EURES reform will be an integral part of these, making the PES service delivery more efficient and effective. Therefore, the EURES modernisation costs at national level have to be seen as an integral part of the PES modernisation investments. The ratio of the costs directly linked to the EURES network in comparison to the overall PES investments will be marginal.

This report has presented an overview of the types, nature and timing of the cost resulting from the five specific measures under this initiative, presented several examples of possible costs and impacts in individual Member States and made some reliable estimates to quantify the costs. There are however inherent limitations in the exercise, including the fact that there is not sufficient knowledge on the cost structures in the PES and that cost-benefit analysis is in an early stage in most PES, with the additional complication that many PES focus on the articulation of internal cost versus payments of unemployment benefits and leave out any external effects of the benefits of placement (wider economic benefits, wages, companies). Nonetheless, it follows from the analysis made that the cost and additional efforts to be made are proportionate, in particular in light of the benefits to be reaped from this option.

The overall impact of this option is positive and there will be considerable benefits if employers can recruit international staff faster and simpler. Barriers will be reduced that prevent many people from getting even near to mobility and the price of such missed opportunities for many companies, particularly SMEs, is prohibitive. In the mid to long term, the increased efficiency in labour market allocation will also offset the initial cost and public investments and investments made on in transparency, automated online matching and labour market intelligence benefit the Member States and employment policies in general, as follows also from the many different CSRs generally agreed by the Council in this area. Lastly, the macro-economic benefits are substantial and will rise in the future, notably in the Euro-area.

#### **6.4. Policy option 4: Option 3 plus EU wide partnerships with Private Employment Services**

##### *Required efforts*

The creation of a separate EU-level mechanism to authorise the participation of non-public and private actors into the EURES network would require the Commission to build up and maintain expertise to assess and approve employment services, as well as to monitor and evaluate their conduct and performance. Moreover, this will require developing such a monitoring and quality assurance mechanisms suitable for private partners.

##### *Impacts*

With such an EU-level authorisation mechanism, better access to the provision of labour mobility services can be assured regardless of national considerations. This would presumably increase the number of EURES service providers (EURES Partners) compared to the option where new service providers are only agreed at Member States' level within the framework of national authorisation systems. EU wide partnerships may also prove particularly suited for employment service providers active in several Member States.

Beyond the scope of the impact on the EURES network, this option could have two broader repercussions on the market for employment services:

Firstly, it would create an experimental platform for dialogue and cooperation between public and private employment services, where concrete collaboration would develop on the placement of mobile workers, which could then be transferred to national employment services.

Secondly, it would induce competition in national employment service markets, at least on the niche of placing and delivering employment services for European mobility, with potential ripple effects in the organisation of national employment services.

There are a series of concerns related to the role of the Commission and the relationship between the Commission and individual Member States:

Firstly, there is a risk that the expanded role of the Commission will interfere with the role of individual Member States. The capacity to authorise service providers, if only for the EURES network, could be seen as an intervention into the rules on the activities of employment services and the effective management of labour market policies under the national competences of the Member States. There could also be distributional conflicts within the EURES network that impact negatively on the functioning and efficiency of the EURES network.

Secondly, the Commission would take direct responsibility for quality assurance for the activities carried out by the service providers authorised, for instance in relation to clearance, inter-operability standards and mobility support services offered by the employment services joining in the basis of these EU-wide partnerships. No such functions exist today within the Commission services. It would require a robust and probably costly monitoring system within the Commission services.

Thirdly, the outcome will depend much on the willingness of the concerned actors, in particular the PrES, to engage in a new form of co-operation, to recognise the benefits in participating in the EURES network as well as on the need for the Commission to find as much as possible common ground with all possibly concerned PrES players.

## Costs

Setting up this system at EU level would be relatively costly in terms of staff implications for the Commission. While managing the relations with only the major PrES active on the European labour market is probably feasible without much additional staff cost, having the EU system becoming the preferred option for a more substantial number of PrES will require an increase in staff dedicated to the EURES network.

The larger multinational staffing companies usually have already in place international recruitment departments operating in branches in different EU countries and accordingly tap in their own network to provide customer tailored services, at the request of employers. Their expenses to participate in the EURES network will depend on the degree and form of co-operation stipulated in the agreement and the degree of access granted to the applications and/or CV's. They will consequently determine their own level of commitment.

## 7. COMPARISON OF OPTIONS

**Table 9: Comparison of options**

<b>Objectives</b>	<b>Option 1 No action</b>	<b>Option 2 Lisbonisation</b>	<b>Option 3 New Regulation</b>	<b>Option 4 New Regulation plus EU partnership agreements</b>
To achieve on the EURES portal a virtually complete supply of job vacancies, with job seekers all over Europe having readily access to the same vacancies (...)	Stagnating -  No increase in the quantity of the vacancy pool expected, except in case of voluntary efforts	Positive +  Potential for an increase in the quantity of the vacancy pool, where implementing acts on sharing more data are introduced	Very positive ++  Reinforced obligation for MS to make all vacancies available  Possibility for additional vacancies due to cooperation with PrES at national level	Highly positive +++  Reinforced obligation for MS to make all vacancies available  Beyond possibility, assurance of additional vacancies following EU agreements with key PrES across EU
(...) in combination with an extensive pool of CV's available from which registered employers can recruit	Stagnating -  No increase in the CV pool expected, except in case of voluntary efforts	Positive +  Potential for an increase in the quantity of the CV pool, where implementing acts on sharing more data are introduced	Very positive ++  Obligation on MS to make CV's available  Possibility for additional efforts due to cooperation with PrES at national level	Highly positive +++  Obligation on MS to make CV's available.  Beyond possibility, assurance of additional efforts following EU agreements with key PrES players at EU level

To enable the EURES portal to carry out a good automated matching between job vacancies, job applications and CV's, translating in all EU languages and understanding skills, competences, occupations and qualifications required at national level	Positive +	Positive +	Very positive ++	Very positive ++
	Possibility of good matching, assuming voluntary adherence of most if not all MS to ESCO standards	Possibility of good matching, assuming voluntary adherence of most if not all MS to ESCO standards	New obligation for mapping ESCO will ensure good automated matching both EU wide and to the benefit of all MS nationally	New obligation for mapping ESCO will ensure good automated matching both EU wide and to the benefit of all MS nationally
To make available basic information on the EURES network throughout the Union to any job seeker or employer seeking client services for recruitment and to consistently offer any person interested access to the EURES network	Neutral 0	Neutral 0	Positive +	Positive +
	Individual efforts to mainstream are expected to be continued according to national needs and organisational set-up	Individual efforts to mainstream are expected to be continued according to national needs and organisational set-up	Equal treatment of workers and employers and common approach on basic information and who should be given access to the EURES network across the EU	Equal treatment of workers and employers and common approach on basic information and who should be given access to the EURES network across the EU
To assist any such person interested with matching, placement and recruitment through the EURES network	Neutral 0	Neutral 0	Positive +	Positive +
	Individual efforts to provide mobility support services according to national interpretation are	Individual efforts to provide mobility support services according to national interpretation are	Equal treatment of interested workers and employers and common definition of scope of mobility support services they	Equal treatment of interested workers and employers and common definition of scope of mobility support services they

	expected to continue	expected to continue	can receive	can receive
To support the functioning of the EURES network through information exchange on national surpluses and shortages and the co-ordination of actions across Member States	Neutral 0	Neutral 0	Positive +	Very positive ++
	Possibility to build on the common approach on programming under the 2012 Decision	Possibility to build on the common approach on programming under the 2012 Decision	Comprehensive framework on information exchange and co-ordination of EURES activity	Comprehensive framework on information exchange and co-ordination of EURES activity  Assurance of additional data following EU partnership agreements with key PrES players at EU level
Effectiveness	0	+	++	-  Concerns related to the role of the Commission and the relationship between the Commission and individual Member States
Costs	No additional costs	No additional costs	Additional costs for Member States and the Commission	Additional costs for Member States and the Commission

Only option 3 and 4 will produce additional positive effects. Under option 4 the likelihood of such effects is much higher, given the situation on how the EURES network would be opened up. However, at this stage of the development of the EURES network as a tool for the functioning of European labour markets implementing option 4 entails a series of concerns related to the role of the Commission and the relationship between the Commission and individual Member States. Whilst this option cannot be excluded for the future, in this or a slightly alternative form, it is deemed to be prudent to first implement a comprehensive EURES reform and after a review assess the need for a more integrated solution. Consequently, option 3 is considered as the most effective and therefore best option.

## 8. MONITORING AND EVALUATION

The existing arrangements for data collection and sharing information within the EURES network on inputs, outputs and outcomes will be reinforced.

Inputs will be gathered in the framework of the programming cycle the aim of which is to share information between Member States and make an overview of planned activities and

available resources from EURES organisations active at national level. This will build on the experiences to be gathered with the implementation of a programming cycle under the 2012 Decision, expected to start as of the 2015 calendar, with 2014 being a transition year.

Outputs will continue to be gathered essentially on the basis of regular monthly reports from EURES Advisers. They consist of a set of standardised questions, such as number of contacts with clients, time spent on different activities and number of placements. As the topics reported on and the questions remain the same, it provides a tool to monitor developments over time. Additional topics could be added to reflect the new focus on matching, placement and recruitment. EURES Managers can monitor the replies of their EURES Advisers, providing a tool for both national and European level follow-up<sup>91</sup>.

To reinforce the data collection on outputs and outcomes, there will be a set of common indicators, adding to the existing data sources such as the above monthly reports new sources, in particular from customer satisfaction surveys developed at national level.

Developments within the PES, including modernisation and efficiency operations, will be monitored through the activities of the PES network and the mutual learning programme PES to PES dialogue. This includes the gradual integration of EURES activity within PES operations, including through the "European offer" and the roll out of the common approach to mobility support services (respectively under the measures of mainstreaming and support services).

Using the information gathered accordingly, the Commission will submit every two years an implementation report.

An ex-post evaluation, discussing the effectiveness of the new Regulation will be carried out 5 years after its adoption. This evaluation will be based among other things on the regular reporting of EURES advisers and customer satisfaction surveys. It will respond to the question whether the objectives of the reform have been reached. The transparency rate of vacancies will be assessed by a comparison between EURES and Eurostat job vacancy statistics. Partner adherence to standards are monitored and supported by the Commission and information and support to clients will be measured by surveys to jobseekers and employers in combination with the standard reporting mechanisms of the EURES Partners.

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<sup>91</sup> [Internal market scoreboard](#)