



EUROPEAN COMMISSION

Employment, Social Affairs and Equal Opportunities DG

ESF, Monitoring of Corresponding National Policies I, Coordination

European Social Fund (ESF) coordination

Brussels, June 2006

EUROPEAN SOCIAL FUND SUPPORT TO EDUCATION AND TRAINING – 2007-2013

1. PURPOSE OF THE NOTE

Supporting the development of *'human capital'* is a priority for the European Social Fund (ESF). Thus the ESF supports Member States and Regions in the development of a range of actions including the design, introduction and implementation of reforms in education and training systems, and the strengthening of innovation and research.

This responds to the Maastricht Communiqué¹ which underlined the importance of *“the use of the **European Social Fund** and the **European Regional Development Fund** to support the development of VET²”*. Ministers of 32 European countries, the European Social Partners and the European Commission agreed to strengthen their cooperation with a view to:

- Modernising their vocational education and training systems in order for Europe to become the most competitive economy, and
- Offering all Europeans, whether they are young people, older workers, unemployed or disadvantaged, the qualifications and competences they need to be fully integrated into the emerging knowledge based society, contributing to more and better jobs.

The present note has been prepared by the Directorate General for Employment, Social Affairs and Equal Opportunities, in co-operation with Directorate General for Education and Culture in order to illustrate the strengthened support of the ESF in the programming period 2007-2013 for the *'human capital'* priority.

2. POLICY BACKGROUND

The **Conclusions of the Spring European Council** (23/24 March 2006) state that *"**Education and training** are critical factors to develop the EU's long term potential for competitiveness as well as for social cohesion. The search for excellence and innovation at all levels of education and training, in particular through better links between higher education, research and enterprises is crucial. Reforms must also be stepped up to ensure high quality education systems which are both efficient and equitable. National lifelong learning strategies should provide all citizens with the competences and qualifications they need, increasingly assisted at Community level by educational and training programmes such as Erasmus and Leonardo. To support greater mobility and an efficient labour market, progress on a European Qualifications Framework (EQF) should also be achieved."*

¹ 14/12/2004 in Maastricht, http://europa.eu.int/comm/education/news/ip/docs/maastricht_com_fr.pdf

² The broad definition of VET – Vocational Education and Training – agreed by the European Training Foundation and CEDEFOP: *"Education and training that aims to equip people with skills and competences that can be used in the labour market"*

The integrated guidelines³ of the Lisbon Strategy call on Member States to expand and improve investment in human capital and adapt education and training systems in response to new competence requirements.

Lifelong learning⁴ has an important role in achieving the economic, employment and social goals for Europe. The Lisbon strategy both confirms the importance of well-developed lifelong learning strategies in Member States – this includes the effective implementation of the strategies for achieving the agreed goals – and places a clear emphasis on the role of Vocational Education and Training, alongside general and higher education in this strategy.

All Member States now consider that the Lisbon strategy is a factor in national education and training policy development.

The **Community Strategic Guidelines** stress the need for Europe to invest more in human capital and to develop and implement effective national lifelong learning strategies for the benefit of individuals, enterprises, the economy and society.

The European Council of 20 and 21 March 2003 highlighted “*using benchmarks to identify best practice and to ensure efficient and effective investment in human resources*”⁵.

Three of those benchmarks are:

- an EU average rate of no more than 10% early school leavers
- at least 85% of 22 year-olds in the EU should have completed upper secondary education by 2010
- the EU average level of participation in lifelong learning should be at least 12.5% of the adult working age population (25 to 64 age group)

These benchmarks are also used as indicators to monitor Guideline 23 for the employment policies of the Member States⁶ - *Expand and improve investment in human capital*⁷.

Education & Training 2010

The Education & Training 2010 work programme was agreed by the European Council in 2002 as a major contribution towards the Lisbon strategy. The work programme is aimed at modernising and adapting education and training systems in view of the challenges of the knowledge-based society, globalisation and demographic changes.

³ The integrated package brings together the Broad Economic Policy Guidelines (BEOG) and the Employment Guidelines

⁴ LLL is "All learning activity undertaken throughout life, with the aim of improving knowledge, skills and competences within a personal, civic, social and/or employment-related perspective", Communication on LLL COM (2001) 678

⁵ <http://ec.europa.eu/education/doc/official/keydoc/2003/benchmark.pdf>

Council Conclusions of 5 May 2003 on reference levels of European average performance in education and training (Benchmarks): early school leavers; graduates in maths, science and technology; population having completed upper secondary education; key competencies; lifelong learning

⁶ Council Decision 2005/600/EC of 12 July 2005 on Guidelines for employment policies for the MS

⁷ Annex 2 is the press release launched on the occasion of the publication of the 2006 progress report on education and training benchmarks. The report includes detailed figures and analysis on the education targets which are part of the employment guidelines.

It is based on the strategic goals and concrete objectives of education and training systems in Europe, agreed by the Education Council in 2001, and also integrates the follow-up to the 2002 Council resolution on lifelong learning, which stressed the need for all Member States to develop coherent and comprehensive strategies for lifelong learning. Education and Training 2010 also integrates specific actions for vocational education and training (the “Copenhagen process”⁸) and higher education (including the results of the “Bologna process”⁹), as well as the follow-up of the 2001 recommendation of the European Parliament and of the Council on mobility.

The Council (Education) and the European Commission undertook to review progress every two years on implementing the Education & Training 2010 (E&T 2010) work programme.

Their 2006 Joint Interim Report¹⁰ declares Education and Training 2010 as a key contribution to the implementation of the new integrated guidelines for jobs and growth. According to this report, reforms at national level are moving forward, and E&T 2010 has become a clearer part of the national policy landscape.

The European Youth Pact

As a component of the streamlined, re-launched Lisbon Strategy, the European Council adopted a **European Youth Pact** which **aims to improve employment, education, training**, mobility, and social inclusion of young Europeans. In addition, the **Community Strategic Guidelines** call upon MS to pay especial attention to *"implementing the European Youth Pact, by facilitating access to **employment for young people**, by easing **the transition from education to work**, including through career guidance, assistance in completing education, **access to appropriate training and apprenticeships**".*

High rates of unemployment¹¹ and low responsiveness of education and training systems are the main obstacles to overcome. Efficient education and training systems produce a well-educated, well-equipped and adaptable labour force that, in turn, helps achieve stable and sustainable economic growth.

⁸ Declaration of the European Ministers of Vocational Education and Training, and the European Commission, on enhanced European cooperation in vocational education and training
http://ec.europa.eu/education/copenhagen/copenahagen_declaration_en.pdf

⁹ The Bologna Declaration on the European space for higher education
<http://ec.europa.eu/education/policies/educ/bologna/bologna.pdf>

¹⁰ Modernising Education and Training: a vital contribution to prosperity and social cohesion in Europe. 2006 Joint Interim Report of the Council and of the Commission on progress under the 'Education & Training 2010' work programme (2006/C79/01)

¹¹ Youth unemployment is 18.2% in the EU, more than twice the rate for all workers. In absolute figures 4.6 million young people aged 15-24 are looking for a job. In reality a considerable number of young people continue to be excluded from the labour market, especially if they have few skills or recognised qualifications, which is a huge waste of potential in itself and a risk for social cohesion.

3. EUROPEAN SOCIAL FUND AND EDUCATION AND TRAINING

The main task of the ESF is to *"contribute to the priorities of the Community as regards strengthening economic and social cohesion by improving employment and job opportunities, encouraging a high level of employment and more and better jobs"* (Article 2(1)¹².

The ESF provides financial support for the implementation of the European Employment Strategy by Member States in line with the integrated guidelines and recommendations, with a view to achieving the Lisbon objectives.

The Structural Funds have always invested substantially in education and training systems. In 2000-2006 the ESF has supported Member States actions in the area of education and vocational training mainly under the policy field '*Promoting lifelong learning*'.

While the bulk of ESF funding in the 2000-06 period takes the form of assistance to persons (through training, re-training, counselling, guidance etc), the ESF also funds assistance for the development and modernisation of educational structures and systems. ESF support is also used to promote innovation in the field of education and training.

By way of example, in **Portugal** the key pillar for ESF was employability. Building on the good start during the previous programmes, ESF provided support for improving the transition from school to the labour market through developing more and better "sandwich courses" and by providing alternative education and training routes for those who failed at school.

The project "Junior fast track to IT" carried out in **Ireland** developed a comprehensive training programme offering participating young people the opportunity to gain industry skills which would complement academic qualifications. The project also addressed soft skills such as motivation, interest, commitment, work ethic as well as technical obstacles in the areas of literacy and numeracy.

In **Greece**, efforts were directed towards improving education and training through improving the link to the labour market and the extent of certification of continuing training. There were also substantial efforts to develop the information society in education, business and other areas of economic importance.

More examples of ESF interventions in the field of education and training in the programming period 2000-2006 can be found in Annex 1.

The European Regional Development Fund has contributed to education and training establishments as well as to learning centres like libraries in terms of infrastructure – buildings, equipment, ICT.

4. PROGRAMMING PERIOD 2007-2013

For the period 2007-2013, ESF will continue to support education and training systems, particularly under the *"human capital"* priority. Whilst retaining a focus on the labour market and the need for adaptation of education and training systems, the

¹² Version Council 28th April 2006 (Political Agreement)

new regulatory framework reflects the comprehensive policy approach to education and training. Thus,

- The scope of ESF has been broadened to reflect a life-cycle approach to education.
- There is an increased emphasis on strengthening research and innovation, particularly through enhanced collaboration between education, technology and companies.
- An important flexibility is offered in the next programming period by the "cross-financing clause" introduced by the General Regulation (Art.33.2) which provides the possibility to finance infrastructure investments within ESF programmes (up to 10% of each priority axis)¹³. This flexibility ensures that education/training actions can be fully implemented in order to successfully achieve their objectives.

a) Human Capital in all Member States and Regions

For the period 2007-2013, the ESF can support actions in all Member States and regions (Article 3.1 (d)), towards:

"- (...) the design and introductions of reforms in education and training systems in order to develop employability, improving the labour market relevance of initial and vocational education and training and continually updating skills of training personnel with a view to innovation and a knowledge based economy".

"- the promotion of networking activities between higher education institutions, research and technological centres and enterprises."

Thus the ESF will continue to focus on the adaptation of the educational and training systems to the labour market requirements and to the needs of knowledge based economy. These require well designed reforms which ensure that those leaving the education system are equipped with the necessary competences and occupational skills. Education and training systems should be flexible and allow for adaptation of skills throughout the professional life.

Acknowledging the importance of initial education and secondary education in contributing to a well-skilled and adaptable labour force, the adaptation of education and training system could cover all educational levels. Actions should pay special attention to the requirements of the labour market, the knowledge-based economy and promote innovation. An indispensable element of such an approach is constant training and up-grading of the skills of teachers and of training personnel.

In order to become the most dynamic and competitive knowledge-based society in the world the Union needs also to invest in research and innovation. The ESF will therefore support the promotion of networking activities between higher education institutions, research and technological centres and enterprises. This is in line with the

¹³ Art. 34.2 of the General Regulation reads as follows: "Without prejudice to the derogations laid down in the specific regulations of the Funds, the ERDF and the ESF may finance, in a complementary manner and subject to a limit of 10% of each priority axis of an operational programme, actions falling within the scope of assistance from the other Fund, provided that they are necessary for the satisfactory implementation of the operation and are directly linked to it."

conclusions of the Barcelona European Council (2002) which set the target of increasing the overall spending on R&D and innovation in the Union to 3% of GDP by 2010.

The Community Strategic Guidelines highlight the following priorities for all Member States;

- *"expanding and improving investment in human capital including the development of appropriate incentives and cost-sharing mechanisms for enterprises, public authorities and individuals;*
- *supporting coherent and comprehensive lifelong learning strategies, with particular attention given to addressing the skill needs of the knowledge economy, including support to co-operation and the establishment of partnerships between Member States, regions and cities in terms of education and training to facilitate the exchange of experience and good practice, including innovative projects. Particular attention should be given to addressing the needs of disadvantaged groups;*
- *supporting the design and introduction of reforms in education and training systems using where relevant common European references and principles, in particular to raise the labour-market relevance of education and training;*
- *strengthening the links between universities, research and technological centres and enterprises, in particular through networking activities and joint actions".*

b) Human Capital under the Convergence Objective

To take account of the greater needs of the convergence regions and Cohesion countries, under the Convergence objective, the ESF can also support (article 3.2 (a)):

- ***the implementation of reforms in education and training systems especially with a view to raising people's responsiveness to the needs of a knowledge-based society and lifelong learning;***
- ***increased participation in education and training throughout the life-cycle, including through action to achieve a reduction in early school leaving, gender-based segregation of subjects and increased access to and quality of initial, vocational and tertiary education and training.***
- ***the development of human potential in research and innovation, notably through post-graduate studies and training of researchers.***

The educational and training needs in the regions covered by the Convergence objective are more substantial. These regions often face severe problems in the structure of education, gender-based segregation of subjects, insufficient accessibility, low quality of education and training, lack of training offered after formal education etc. In these regions comprehensive reforms will often be necessary. To this end, current focus on comprehensive and overall reform of the education and training systems should be continued and could include support for the implementation of such reforms.

Early school leaving (ESL) is a serious problem which is likely to lead¹⁴ to unemployment and social exclusion of the people concerned. Reducing the percentage of early school leavers is essential to ensure full employment and greater social cohesion. Targeting early school leaving – which may require substantial reforms of the education system – should be an ESF priority in the Convergence regions.

The causal factors of ESL (such as absenteeism, learning difficulties and behavioural problems) are established in earlier years, calling, therefore, for earlier interventions. While the ESF has not generally supported **primary education in the past**, within the scope of the future ESF regulation actions could also be eligible in this area, including actions linked to the prevention of school failure and/or early school leaving.

To enable the Convergence regions to reach their full potential the ESF will also support the development of human capital in research and innovation, such as through post-graduate studies and training of researchers.

The Community Strategic Guidelines highlight the following specific priorities in addition to those that apply to both objectives:

- *"ensuring an adequate supply of attractive, accessible and high quality education and training provision at all levels, including the improvement of staff competences and qualification, promoting flexible learning pathways from an early stage, actions to achieve a significant decline in early school-leaving and higher completion rates of upper secondary education and improved access to pre-school and school education;*
- *supporting the modernisation of higher education and the development of human potential in research and innovation, through post-graduate studies, further training of researchers, and attracting more young people into scientific and technical studies;*
- *promoting the quality and attractiveness of vocational education and training, including apprenticeships and entrepreneurship education;*
- *ensuring, where appropriate, greater mobility at regional, national or transnational level, and promoting frameworks and systems to support the transparency and recognition of qualifications and the validation of non-formal and informal learning;*
- *investment in education and training infrastructure including ICTs, where such investments are necessary for the implementation of reform and/or where they can significantly contribute to increasing the quality and effectiveness of the education and training system."*

¹⁴ Study on Access to Education and Training, Basic Skills and Early School Leavers (Ref. DG EAC 38/04) <http://ec.europa.eu/education/doc/reports/doc/earlyleave.pdf>

5. METHODS TO ADDRESS THE ISSUE IN THE OPERATIONAL PROGRAMMES

Programming structure

Member States may choose to have an Operational Programme, or a separate priority axis dedicated to human capital (as defined in Article 3.1.d or 3.2.a of the ESF regulation) which would fully concentrate on education and training.

Complementarity with other priorities

The other ESF priorities should complement and reinforce actions implemented under the "human capital priority", creating a comprehensive strategy for human capital development.

While the prevention of early school-leaving could be supported under the human capital priority, the reintegration of early school-leavers in the labour market could be supported under the priority "*reinforcing of social inclusion of people at a disadvantage*" (Article 3.1 (c)) or "*enhancing access to employment and the sustainable inclusion in the labour market*" (Article 3.1(b))

Similarly, the need to address **youth unemployment** is emphasised in the priority "*enhancing access to employment and the sustainable inclusion in the labour market*" (Article 3.1 (b)). Within this priority Member States are called upon to implement active and preventive measures ensuring early identification of needs with individual action plans and personalised support, such as tailored training.

Moreover, in the Convergence regions and Cohesion Countries the educational and training systems can also benefit from overall reforms of the public administration and public services implemented under the institutional capacity priority (Article 3.2. (b)). This priority recognises the need to support the strengthening of institutional and administrative capacity as a key element for promoting structural adjustments, growth and jobs, as well as economic development.

6. KEY EDUCATION AND TRAINING ISSUES FOR THE EUROPEAN SOCIAL FUND

The education and training priorities of the ESF support the "*Education & Training 2010*" work programme. Based on the 2006 Joint Interim Report¹⁵ of the Council and the Commission, three policy areas for education and training were identified:

- Investing in the future: improving the level of basic competences
- Transformation of systems to make Lifelong Learning (LLL) a reality for all
- Increasing the quality and attractiveness of vocational education and training

The list set out below identifies how these priorities can be supported by the actions provided for in the ESF Regulation.

¹⁵ Modernising Education and Training: a vital contribution to prosperity and social cohesion in Europe. 2006 Joint Interim Report of the Council and of the Commission on progress under the 'Education & Training 2010' work programme (2006/C79/01)

Investing in the future: improving the level of basic competences

- Increasing **access and participation of at-risk-of-exclusion groups** (immigrants, ethnic minorities), both in formal education (including higher education) and in adult education. Actions eligible under:
 - **1. (b)** enhancing access to employment and participation in the labour market
 - **1. (c)** reinforcing social inclusion by combating discrimination and facilitating access to the for disadvantage people
 - **2. (a)** expand and improve investment in human capital
- The acquisition by all, by the end of compulsory education, of the **basic competences** needed to live and work in the knowledge-based society. Actions eligible under:
 - **1. (d)** enhancing human capital
 - **2. (a)** expand and improve investment in human capital
- Improving **standards and quality** in compulsory and post-compulsory schooling (This is an especially important issue for “low-performing” countries and for countries with significant regional disparities in outcome and attainment).
 - **2. (a)** expand and improve investment in human capital
- Ensuring **access to ICT** for all (both in terms of ICT infrastructure, and in terms of digital skills especially for teachers and older workers). ICT opens up possibilities for varied and flexible learning, ranging from assessing ICT skills and outcomes for learners with special needs to up-skilling people in the workplace and improving access to work for low-skilled women, as well as the professional development of teachers. Actions eligible under:
 - **1. (a)** increasing adaptability of workers
 - **1. (b)** enhancing access to employment and participation in the labour market
 - **1. (d)** enhancing human capital
 - **2. (a)** expand and improve investment in human capital
- **Universities’ restructuring, redeployment and modernisation:** implementing Bologna/internationalising higher education. Support initiatives to establish centres or poles of excellence¹⁶. Implementation of quality assurance systems linked to ENQA¹⁷. Facilitate access to non-traditional students (e.g. workers)
Action eligible under:
 - **1. (d)** enhancing human capital
 - **2. (a)** expand and improve investment in human capital

¹⁶ EE, HU, T, PL, SI and SK are already using ESF/ERDF funds to establish centres of excellence or to attract post-doctoral students)

¹⁷ European Association for Quality Assurance in Higher Education

- **Strengthening university/industry collaboration and knowledge transfer**, also through the support of start-ups, spin-offs, incubators, science parks etc. The regional dimension is crucial to improve university-industry cooperation. Actions to increase the number of students of maths, science and technology (for instance through grants or information campaigns) are also very relevant (see EU benchmark/indicators¹⁸). The objective is to increase by at least 15% the total number of graduates in the mentioned areas (by 2010). Specific attention should be paid in this context to gender imbalance. Actions eligible under:
 - **1. (a)** increasing adaptability of workers and enterprises
 - **1. (d)** enhancing human capital
 - **2. (a)** expand and improve investment in human capital

- Significant adaptation/modernisation of **teachers' training**. In most EU countries extensive reforms to teacher training have taken place or are under way. There is a consensus on the need to raise the standards of teacher training and to introduce or improve provision for continuing training. The same is true for the initial and continuing training of VET teachers and trainers. ICT, languages and pedagogies targeted on at-risk young people are particularly relevant. Action eligible under:
 - **1. (d)** enhancing human capital

Transformation of systems to make Lifelong Learning (LLL) a reality for all

- Better governance of systems through **partnerships** at all levels – that is, effective working arrangements between different government departments, not least between education and labour ministries, and the active involvement in partnership of social partners and other key stakeholders such as parents and teachers/trainers, the voluntary sector and local actors. Actions eligible under:
 - **1. (e)** promoting partnerships in the fields of employment and inclusion

- **Increasing participation in adult education** and continuous training (reference to EU benchmarks/indicators) - especially important for those groups of workers for whom current levels of training are low (women, older workers, those with lower levels of initial qualification, and workers in industries that have low training participation rates). The objective is to ensure that at least 12% of the adult working age population (25-64 age group) have taken part in LLL by 2010. Actions eligible under:
 - **1. (a)** increasing adaptability of workers
 - **1. (b)** enhancing access to employment and participation in the labour market
 - **1. (c)** reinforcing social inclusion by combating discrimination and facilitating access to the for disadvantage people

¹⁸ Council Conclusions of 5 May 2003 on reference levels of European average performance in education and training (Benchmarks): early school leavers; graduates in maths, science and technology; population having completed upper secondary education; key competencies; lifelong learning. <http://ec.europa.eu/education/doc/official/keydoc/2003/benchmark.pdf>

- **Reducing levels of early school leavers (see EU benchmarks/indicators):** The majority of MS must increase their efforts in the coming years to help reach the EU target: to reduce to no more than 10% the average proportion of young people leaving school early (by 2010). Actions eligible under:
 - **1. (c)** reinforcing social inclusion by combating discrimination and facilitating access to the for disadvantage people;
 - **2. (a)** expand and improve investment in human capital
- Effective **analysis/anticipation of skills/competences needs** through co-operation with social partners: surveys, implementation of observatories/research networks, development or revision of occupational and/or competence standards. Actions eligible under:
 - **1. (a)** increasing adaptability of workers
 - **1. (e)** promoting partnerships in the fields of employment and inclusion
- Development of **national qualifications frameworks** and quality assurance systems. The principal aims of a qualifications framework are to clarify for all users and stakeholders the main routes to a particular qualification, how progress can be made, to what extent transfer is allowed (including the use of credit), on what basis decisions for recognition are taken (including through validation of non-formal learning). Qualification frameworks are also used for quality assurance and development purposes¹⁹. Actions eligible under:
 - **1. (d)** enhancing human capital
- Development of systems for the **validation** of non formal and informal learning. Validation is an important topic in the context of national debates and reforms, despite the wide range of levels of development and implementation. Actions eligible under:
 - **1. (d)** enhancing human capital
- Improving **access to Higher Education of non-traditional students** i.e. workers, people from low socio-economic backgrounds or with other disadvantages – through systems for the recognition and validation of prior learning and experience, through grants, through provisions for continuing education and training (whether for degree programmes or diplomas) and through the creation of open universities and ICT-based learning. Actions eligible under:
 - **1. (d)** enhancing human capital
 - **2. (a)** expand and improve investment in human capital
- Development of coordinated and consistent lifelong **guidance and counselling** services also through the networking of different services tailored to specific needs, in order to provide a service covering all stages of lifelong learning and work. Actions eligible under:

¹⁹ ‘Towards a European Qualifications Framework for Lifelong Learning’, Consultation Document, 2 June 2005.

- **1. (b)** enhancing access to employment and participation in the labour market

Increasing the quality and attractiveness of vocational education and training

- Increase the quality and transparency of VET provision through quality assurance and development systems. Actions eligible under:
 - **1. (d)** enhancing human capital
- Improve VET infrastructure through better links with enterprises. Action eligible under:
 - **1. (d)** enhancing human capital
- Improve curricula and create flexibility in delivery - establish flexible and open frameworks for VET in order to reduce barriers between VET and general education and increase progression between initial and continuing training and higher education. In addition, action should be taken to integrate mobility into initial and continuing training. Actions eligible under:
 - **1. (d)** enhancing human capital
- Increase participation in continuing vocational training of employees at all levels. With the expected impact of demographic change, special attention has to be given to the skills upgrading and competence development of older workers. The target for the employment rate for 55-64 year olds is 50%. Older workers are currently under-represented in the uptake of training, though it could certainly contribute to increasing their employment rate. Actions eligible under:
 - **1. (a)** increasing adaptability of workers
 - **1. (b)** enhancing access to employment and participation in the labour market
- Targeted investment, assessment of prior learning and tailored training and learning provision for low skilled people and disadvantaged groups such as migrants, refugees, Roma, people in prison, older workers, and people with special educational needs. Actions eligible under:
 - **1. (b)** enhancing access to employment and participation in the labour market
 - **1. (c)** reinforcing social inclusion by combating discrimination and facilitating access to the for disadvantage people
- Continuing competences development of teachers and trainers in VET, reflecting their specific learning needs and changing role as a consequence of the development of VET. Actions eligible under:
 - **1. (d)** enhancing human capital
- Measures in favour of work placements - increasing the number of students undertaking apprenticeships or training by alternance, in order to establish better

links with the labour market as the purpose in all cases is to take better account of enterprise needs. Actions eligible under:

- **1. (b)** enhancing access to employment and participation in the labour market
- Improve the information on VET provision through databases on learning opportunities available on the Internet to be connected at the European level. Actions eligible under:
 - **1. (d)** enhancing human capital

ANNEX I

Examples of ESF interventions

1. One of the main goals of the **Spanish** project "Tackling employment problems in the informal economy" was to help SMEs, workers and self-employed people overcome the barriers in the informal economy and help them adapt to change. The target group included low-qualified people who find a job in the informal economy but who are then cut off from receiving training and education. For such people use of ICT is particularly low and they have no opportunity to engage in ICT courses.
2. In **Scotland**, the ESF supported Community Self-Build Scotland (CSBS), with a view to develop "Ayr Homeless Self-Build Skills Project". The project enabled young homeless in the town of Ayr gain training in carpentry and joinery, while getting practical experience on a building project. During the training programme, the trainees attended classes at Ayr College and gained Scottish Vocational Qualification 1, 2 in Carpentry and Joinery.
3. Another project on promoting basic skills aimed at tackling poor literacy and numeracy skills in deprived areas of Newcastle, **England**. In certain wards of Newcastle there are very high levels of basic skills needs, with poor numeracy skills in particular running at over 40%. Learning was provided in various venues, including sports and leisure centres, family centres and women's centres, and all activity was based on the national standards for literacy and numeracy. The project intended to take learning to the learner, as opposed to making them go to school or college where they may have had a negative experience in the past.
4. A particular problem addressed by the **Dutch** project "Supporting entrepreneurs within the agriculture sector" was that people employed in the agriculture sector need to adapt to changing environments. The current economic situation requires transferable social and inter-personal competences like communication, organisational skills, crisis management, teamwork and flexibility. The project focused on strengthening the position of farmers by developing knowledge and skills which will contribute to entrepreneurship. This was underpinned by activities that challenge inequality in the labour market and within labour organisations, addressing conventional gender relations and also acknowledging the competencies gained at the workplace.
5. The project "Open Learning in **Sweden**" aimed at counteracting social and ethnic segregation by providing accredited education adapted to the needs and interests of disadvantaged groups. Implementation of the project was founded on flexible education systems, collaboration with universities, public and private education and information technology. The key focus of the project was to empower individuals to make choices about their learning. The project worked hard on equal opportunities, especially through identifying and addressing barriers to learning.
6. An **Austrian** project, proposed by the Austrian Federation of Industry, aimed at introducing in companies the internationally recognised standard 'Investors in People', the most developed tool for supporting companies in their Human Resource Development efforts. The project covers the period October 2003 – March 2006 and benefited from an ESF funding amounting to €155,399.

Lifelong learning not only enhances quality of life but is a key factor in company success. The quality standard 'Investors in People' is a certified framework which aims to improve performance, better exploit a company's human capital and further develop human resources. Furthermore, it supports efforts to show that investment in people is effective.

7. The project "Excellent Learning" developed by Deceuninck NV, in **Belgium**, aimed at achieving a complete overhaul of the company's human resources management strategy. From this project the company aimed to instil a culture of life long learning so that every employee takes responsibility for his or her own professional and personal development. Whereas training traditionally focussed on management staff, the emphasis has now shifted to involving all staff, particularly floor workers and administrative staff. The type of training on offer has also changed from being more classroom-based and theoretical, to being focussed on practice and learning-by-doing.

With financial support from the ESF and Flemish regional government, Deceuninck organised 2,510 training days between 2001 and 2002, and 2,188 days in 2003. Approximately 550 staff were involved in the first phase, and 450 in the second. Of these, around 75% were shop-floor workers, 18% administrative or sales staff, and 7% management. Training was offered in five key areas: information technology, technical skills, production processes, communication and management, and induction training.

8. Under the "Global ICT Competence" project, some 150 employees in Andreas Andresen A/S, in Justland, **Denmark** - a company active in the road transport industry, have been trained, thus improving global competitiveness and job satisfaction.

The project invested in a set of modules tailored to the needs of the employees and the company. Its expected return on this investment aimed at maintaining and increasing its market share in the transport of perishable goods, and to increase staff competences in ICTs leading to greater job satisfaction, flexibility and understanding of the full range of company tasks.

9. Between August 2001 and December 2004, ARTO, a company working with the main film, TV and radio production and broadcasting companies in **Finland**, offered a range of specialist training and further opportunities to help employees update their knowledge and skills in audiovisual communications.

The project aimed to tailor the courses and qualifications to the professional needs of the sector, but also to ensure that individuals have the confidence and necessary qualifications to remain active in the employment market. There were 104 students, of which 24 were studying for a higher academic degree in cooperation with one or other of the Helsinki Universities. The students had a personal tutor from the Palmenia Centre for Research and Continuing Education. The remaining students aimed for a specialist qualification in audiovisual communication and were tutored by the project coordinator. Students had access to advice, study facilities, lectures, study programmes as well as the opportunity to sit various exams. Tutoring was offered via an online learning platform

In the **New Member States**, on the basis of the experience acquired during implementation of pre-accession instruments, for the period 2004-2006 there's been a specific focus on:

- **initial and continuous training of staff** and the development of human resources as a key element in supporting structural changes and promoting economic and social cohesion;
- **improving the professional skills of the public administration** in information and communication technologies (ICT).

Under Objective 2, the general purpose of the interventions targeted people working in industry, traditional sectors undergoing restructuring, agriculture and other individuals threatened by unemployment due to restructuring to enable them to adapt to the changing socio-economic circumstances and to take full advantage of new employment opportunities.

These target groups have specific needs, as their professional qualifications are mainly out-dated and not only need to be adapted to the new conditions, but in most cases need to be completely changed. The services provided aimed at enabling the people to be re-employed in new professions. This was mainly done by tailor-made activities, including training and re-training, career advice services concerning the choice of a new profession and achievement of new qualifications and skills, including individual action plans and job placement services. In many cases those activities were accompanied by employment subsidies.

IP/06/618

Brussels, 16 May 2006

Europe's education and training: additional efforts are needed to meet Lisbon targets

While noting positive trends in certain areas, the overall progress of Europe's education and training systems towards the goals set in the Lisbon strategy is insufficient. This is the main finding of the 2006 edition of the European Commission's annual report on progress towards the Lisbon objectives in the field of education and training, which is published today. The staff working paper analyses progress achieved since 2000 and focuses on five education benchmarks. On the positive side, Member States have successfully increased the number of tertiary-level maths, science and technology graduates. However, progress was only moderate in increasing participation in lifelong learning and in reducing the number of early school leavers. And little or no progress has so far been achieved in expanding the share of young people who finish upper-secondary school, and reducing the number of 15-year-olds with poor reading skills.

Ján Figel', European Commissioner for Education & Training, said that "education and training are vital for achieving the goals set in 2000 by the European Council at Lisbon. Consequently, the Member States agreed to work towards common objectives for their education and training systems and that their progress would be monitored against a set of five benchmarks that are key pillars for improving education and training in Europe. It is clear that additional efforts are urgently needed to achieve the five benchmarks by 2010." The Commissioner concluded that "without better education and training systems, and wider participation in them, Europe's competitiveness cannot be improved. Investment in human capital is therefore clearly a vital investment in Europe's future."

Among the main findings of the report:

1. In the EU, **about 6 million young people** (18-24 years olds) **have left education prematurely** (2005 data). If we are to reach the European benchmark of no more than 10% early school leavers, then 2 million of these young people would need to continue in education. The majority of Member States must increase their efforts in the coming years to help reach the EU target. The **best performing EU countries** as regards the share of early school leavers are: Poland (5.5%), Slovakia (5.8%) and the Czech Republic (6.4%).
2. If present trends continue, **some 1 million students will graduate in maths, science and technology (MST) every year** in the EU in 2010, compared to the present level of 755 000 graduates. The **best-performing countries** in terms of **MST graduates per 1 000 of the population aged 20-29** are: Ireland (24.2), France (22.2), and the UK (21.0), while in terms of female graduates Estonia (42.5%), Cyprus (42.0%) and Portugal (41.5%) have the highest proportion.

3. In order to achieve **the EU benchmark of an 85% upper-secondary school completion rate** by 2010, **an additional 2 million young people (aged 20-24 years) would need to complete upper-secondary education.**

The **best-performing EU countries** are: Slovakia (91.5%), Slovenia (90.6%) and the Czech Republic (90.3%).

4. **An additional 4 million adults would need to participate in lifelong learning** within any four week period in 2010 if the EU benchmark of 12.5% participation rate is to be achieved.

The **best-performing EU countries** in this regard are: Sweden (34.7%), United Kingdom (29.1%) and Denmark (27.6%)

5. **About one in every five 15-year-old pupils in the EU is presently a poor reader.** Reaching the European benchmark for 2010 would imply that 200 000 pupils would have to improve their standard of reading.

The EU has still a long way to go to reach the objective set by the Council of reducing this percentage by 20% (to reach 15.5%) by 2010. The **best performing EU countries** are: Finland (5.7%), Ireland (11%) and the Netherlands (11.5%).

6. The EU would need to **more than double the amount it invests per tertiary-level student** (i.e. an increase of around **10 000 euros per year**) to match the spending level in the USA.

Public investment in education and training as a percentage of GDP has grown slightly since the adoption of the Lisbon strategy, and is comparable with levels in the USA (and higher than in Japan). However, rates of *private* investment in educational institutions are modest in most Member States compared with the leading countries in the world (incl. the USA), especially in higher education.

7. **During the coming 10 years, the EU needs to attract at least 1 million newly qualified teachers** in order to replace those who will leave the

8. **Most EU students are not taught at least two foreign languages** from an early age, as requested by the Barcelona 2002 European Council. At present (2003 data), an average of only 1.3 and 1.6 foreign languages per pupil are taught in the Member States in general lower- and upper-secondary education respectively.

Full report available at:

http://ec.europa.eu/education/policies/2010/objectives_en.html#measuring