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ROADMAP

Title of the initiative: Recommendation on Policies against Early School Leaving (ESL)

Lead DG/contact person: DG EAC

Expected date of adoption of the initiative (12/2010):

Initial IA screening & planning of further work

A. Context and problem definition

What is the political context of the initiative? How does this initiative relate to past and possible future initiatives, and to other EU policies?

Early School Leaving (ESL)¹ creates high individual, social and economic costs and has increasingly been recognised as one of the main challenges of European societies. As the EU emerges from the economic crisis, the motor for growth will be increasing skill levels. Drastically reducing the numbers of young people leaving school early will be key.

The Europe 2020 strategy highlights three mutually reinforcing priorities: 'smart growth' based on knowledge and innovation, 'sustainable growth' promoting a greener economy and 'inclusive growth' fostering high employment and social cohesion. High rates of ESL are a bottleneck for smart and inclusive growth, it effects negatively on youth employment and increases the individual risk of poverty and social exclusion. EU 2020 therefore takes the reduction of ESL to 10% by 2020 as a headline target.²

The Europe 2020 flagship initiative 'Youth on the Move' puts ESL in a wider perspective by emphasizing the need to improve quality and equity in education and training, to provide more young people with the necessary competences to become lifelong learners and to give more young people the chance to experience learning mobility.

Already in 2003 and in the framework of the 'Education and Training 2010' programme, the Education Council set itself the benchmark to reduce the EU average rate of early school leavers to not more than 10% by 2010. Although the situation in most Member States has improved, this target was not reached. In 2008, rates of early school leaving stood at 14.9% (compared with 17.6% in 2000).

Within E&T 2010 work on ESL was mainly supported by the Cluster 'Access and Social Inclusion', which conducted several peer-learning activities on the topic of social inclusion and collected information on current policy approaches in 11 Member States. Reducing school drop-out has been a major priority supported through the European Social Fund over a period of years.

The topic of ESL was also addressed in the public consultations on 'Schools for the 21st century' (2008) and 'Migration and Education' (2009). It is part of priority 3 in the new strategic framework for cooperation in education and training, Education and Training 2020, addressing the promotion of equity, social cohesion and active citizenship in education. In May 2010 the Council adopted conclusions on the 'Social Dimension of Education and Training', addressing also the problem of early school leaving and inviting

¹ The term 'Early School Leaving' includes all forms of leaving education and training before completing upper secondary education or equivalents in vocational training and education.

² ESL rates are defined as the percentage of 18-24 year olds with only lower secondary education or less and no longer in education or training.

Member States to intensify efforts to prevent ESL.

What are the main problems identified?

In 2008 14.9% of all 18 – 24 year olds left E&T prematurely; compared to 2000 the situation in nearly all Member States improved, but in general policies to reduce early school leaving have not been sufficient. A further reduction of ESL rates in Member States is realistic, but reaching the 2020 target affords stronger and better coordinated efforts. Efficient and effective policies against ESL need to be evidence-based, comprehensive and consistent. They need to address all levels of school education, work cross-sectoral and involve stakeholders in the area of e.g. youth policy, social and employment policies and the health sector.

- The reasons why young people leave education and training prematurely are highly individual. As a social phenomenon ESL is strongly linked to social disadvantage and low education backgrounds. Young people from socially disadvantaged backgrounds, from vulnerable groups (e.g. pupils with public care background, with special needs, teenage mothers) or pupils with migration or Roma background are more likely to leave education and training before completing upper secondary education levels than other young people.
- ESL is rather a process than a one-off event: ESL processes can start already in primary education with first experiences of educational failure and alienation from school. Transition between schools and between different education levels are particularly difficult for pupils at risk of dropping out.
- ESL rates are particularly high in some countries and regions; they are influenced by educational factors (e.g. the structure, access and quality of educational provision) and by socio-economic conditions (e.g. living conditions and family background, pull factors from local labour markets).

Education, family and community related factors are interlinked in their impact on ESL. There are also considerable differences between Member States and within Member States. A starting point for evidence based policies is to analyze the various factors triggering ESL. Many Member States seem to lack sufficient and comparable data on ESL on national and regional level.

Research and existing experiences in Member States indicates that successful policies should focus on pre-emptive, preventive and compensatory measures. Comprehensive policies which address all levels of education and involve systematically all stakeholders are not yet common standard. Many initiatives to reduce ESL are pilot projects and have a limited geographical scope.

There is also strong evidence that prevention of ESL shows better results than compensating the negative effects of ESL. Compensatory measures like second chance schools need to be available, but seem to be less efficient in reducing the social and economic costs linked to ESL. In some Member States the prevention of ESL seems to be underdeveloped.

There is also a lack of comparative analysis and evaluation of the effectiveness and efficiency of different approaches in combating ESL.

Is EU action justified on grounds of subsidiarity?

Education and Training Policy is an area where the subsidiarity principle applies and the EU has only supporting competence as defined by the Treaty on the Functioning of the European Union (Lisbon Treaty). The Treaty (articles 165 and 166) provides that "the Community shall contribute to the development of quality education by encouraging cooperation between Member States and, if necessary, by supporting and supplementing their action".

In addition Art 9 requires EU to "take into account requirements linked to the promotion of

a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health."

An initiative on ESL addresses the quality improvement of education and training and its outcomes, helps to reduce skill mismatches, and supports employability and social cohesion.

B. Objectives of EU initiative

What are the main policy objectives?

The general objective of the initiative is to reduce ESL in Europe. A reduction of ESL rates to less than 10% reduces the overall number of early school leavers by approximately 2 million. It helps to provide more young people with a good start in their future careers, increases their employability and reduces their risk of social exclusion.

The specific objective is to help Member States in developing effective and efficient policies against ESL. It supports them in defining the main elements of a policy framework, calls for an evidence-based approach in addressing ESL and recommends comprehensive and consistent measures against ESL in all policies targeting children and young people.

The operational objective is to broaden the cooperation and exchange of experiences between Member States. This extended cooperation should include also representatives and stakeholders from other relevant policies areas such as social and employment policies and youth policy.

Does the objective imply developing EU policy in new areas or of strategic importance?

The reduction of ESL is of new strategic importance in future economic and societal development. Within the new strategy EU 2020 it has received new emphasis as being one of the headline education targets. It forms an important part within the initiative 'Youth on the Move' and the ambition to foster excellence and equity in Europe's education and training systems.

C. Options

What are the policy options? What legislative or 'soft law' instruments could be considered? Would any legislative initiatives go beyond routine up-date of existing legislation?

The options outlined below are reflecting the possible legislative or soft-law instruments available in education and training policies. A Recommendation as proposed in option B marks the strongest possible instrument, recommending Member States to apply a certain policy framework. All options have in common that there is a need to convince Member States of the effectiveness and efficiency of the proposed approach.

Option A (baseline option): Within the New Strategic Framework for Cooperation in Education and Training (ET 2020) and in EU2020 strategy, Member States agreed on the target to reduce ESL rates to not more than 10% by 2020. ET2020 defines "promoting equity, social cohesion and active citizenship" as one of its four strategic objectives. It foresees for the period 2009 to 2011 to "pursue work on early leavers from education and training". This allows for continuing cooperation with Member States within the existing OMC and for future policy development by e.g. launching studies, setting up expert groups or organising seminars and conferences. This option affords no further legal action. It uses

the existing OMC framework as well as already existing possibilities to support initiatives within the Lifelong Learning Programme or other EU funding programmes.

Option B (recommendation): In order to support the development of evidence-based, coherent and comprehensive policies against ESL in Member States and help them in achieving their national targets, the Council adopts a Recommendation which outlines main elements of a policy framework. The target as defined in ET2020 and EU2020 will be maintained. In addition to the scenario in option A, the Recommendation extends the scope of cooperation between Member States to all policy areas affected by the policy framework recommended in the Recommendation (including youth, employment and social policy). The Recommendation provides a basis for further discussions and guides also policy development in Member States. A "cross-sectoral" OMC can complement that with providing concrete examples and allowing for peer learning. Comparative research and the use of already existing possibilities to support initiatives within the Lifelong Learning Programme or other EU funding programmes complement the approach.

Option C (Commission Communication): In addition to the measures outlined in the baseline scenario, the Commission adopts a Communication which describes a policy framework for effective and efficient policies against ESL. The Communication gives additional good practice examples and can support Member States in developing their policy against ESL. It can be accompanied by an information campaign in Member States to draw attention to the need of comprehensive and evidence-based approaches in combating ESL.

Option D (funding programme): In order to launch targeted initiatives EU funding could be made available for specific measures against ESL at EU level, for comparative research and for pilot projects which involve several Member States and provide European added value. A targeted funding programme would need a very specific definition in order to avoid overlaps with existing funding programmes; it could raise awareness in Member States and trigger the development of new initiatives.

Does the action proposed in the options cut across several policy areas or impact on action taken/planned by other Commission departments?

There is strong evidence that successful approaches to reduce ESL have to integrate different policy areas. Comprehensive approaches against ESL focus not only on education, but include measures in e.g. social, employment, health and youth policy.

Do the options respect the proportionality principle?

The proportionality is respected as ESL is a) a general problem for the European societies and economies, but also b) related to the specific conditions within Member States.

In the area of education and training the EU has supporting competence as defined by the Treaty on the Functioning of the European Union (Lisbon Treaty). All options proposed within this impact assessment aim to support MS in their policy against ESL. They are built on results achieved in the previous OMC and on comparative research. They take into account the specific situation within Member States, encourage policy development on regional and national level and argue for exchange of good practices.

Option B encourages MS to implement measures based on a coherent policy framework. The recommended policy framework would establish a reference tool for MS and for future EU actions in this area.

D. Initial assessment of impacts

What are the significant impacts likely to result from each policy option (cf. list of impacts in the impact assessment guidelines), even if these impacts would materialise only after subsequent Commission initiatives?

To reduce ESL rates will have significant economic and social impacts. Early school leavers are more often unemployed, depend more often on social welfare throughout their lives and face a higher risk of social exclusion. Lack of education and training contributes to the problem of social cohesion and democracy in European societies. Skill mismatches and the lack of skilled employees risk at the same time competitiveness of European economy. To increase the skills and the employability of a considerable number of young people saves social welfare costs, increases tax revenues and helps enterprises to recruit a sufficient number of skilled employees.³

The different options outlined above create different impacts with regard to speed and the success in reducing ESL in Europe.

A specific and targeted funding programme as proposed in Option D could increase the number of initiatives against ESL. But it does not respond to the need of developing coherent and comprehensive policy approaches and would rather continue the current situation by providing additional funding. In addition it risks overlapping with existing funding schemes such as ESF and the Lifelong Learning Programme. It is doubtful that additional funding to the existing schemes and especially in addition to ESF can be justified. Due to this option D can be discarded already at an early stage. The impact assessment will therefore solely focus on comparing the baseline scenario with the added value of a Recommendation.

A. Within the baseline scenario, it can be assumed that slow progress towards the 10% target will continue in most Member States. The OMC will allow for continuous analysis of success factors and peer-learning among Member States. The OMC remains limited to education policy, but allows for further exchange of good practice. The results achieved in Member States are based on national policy development, the national capacities to develop comprehensive approaches taking experiences in other Member States into consideration.

B. The Recommendation provides a policy framework which is based on existing experiences in Member States and comparative research. It supports Member States in their policy development and can help to speed up the implementation of concrete measures against ESL. The proposed approach ensures the development of targeted measures based on evidence. It involves all relevant actors on all levels of education and training. It provides a complete set of measures in analysing, preventing and compensating ESL. A new, broadened and cross-sectoral OMC fosters policy development on EU level and gives feedback to Member States. The development in Member States and on EU level will be closely monitored. The option increases the likelihood to reach 10% target in 2020.

Although some Member States may reach the EU2020 target without additional support, it is clearly desirable to reduce school drop-out to the maximum extent (even beyond the target) and the policy framework should lead to the development of more efficient policies. This is particularly important in the time of budgetary austerity, when return on investment should be maximised and indirect costs, such as those that arise from the social consequences of ESL, should be reduced to the minimum.

Implementing the policy framework could create administrative and other costs for Member States, but the amounts in question are difficult to estimate. Many Member

³ Reference to different studies to be inserted.

States might not need to invest additional financial resources but rather to revise their current spending on policies against ESL.

C. A Commission Communication would underline the need to develop evidence-based and comprehensive policies and would provide guidance to Member States. The messages would be comparable to those of a Recommendation. In comparison to a Recommendation, however, it lacks the involvement of Member States in the development of the policy framework and has therefore is likely to have less positive influence on policy development in Member States. Given the importance of the ESL target within EU2020, a Communication could be a relatively weak instrument to support policy development in Member States.

Could the options have impacts on the EU-Budget (above 5 Mio €) and/or should the IA also serve as the ex-ante evaluation, required by the Financial Regulation?

Option D would impact on the EU budget, but could be disregarded as it provides less favourable results and overlaps with existing funding schemes.

Could the options have significant impacts on simplification/administrative burden or on relations with third countries?

None of the options leads automatically to simplification or additional administrative burdens.

Who is affected?

The main target group of policies against early school leaving are young people at risk of leaving education and training before completing upper secondary education or equivalents in vocational education and training.

Further target groups addressed by this Recommendation are their parents and families, teachers and school education staff, education authorities, social and health services, youth workers etc. It addresses practically everybody working with children and young people independently.

E. Planning of further impact assessment work

What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The Recommendation is based on the work of the cluster "Access and Social inclusion in education and training" which worked between 2006 and 2010 in the framework of the E&T2010 programme. It conducted 3 peer-learning activities in the thematic area of ESL. It also assembled information on policies against ESL from 11 countries.

The work of the cluster was accompanied by the launch of two studies:

- Study on access to education and training, basic skills and early school leaving (2005), lot 3 on early school leaving submitted by GHK (UK).
- Early School Leaving. Lessons from research for policy makers (2009), report submitted by the Network of Experts in Social Sciences of Education (NESSE).

Both reports offered an overview of current research on ESL. Other studies either launched by the EC or other national institutions were also integrated in the preparatory work. An overview of relevant literature will be annexed to the IA.

Two public consultations were launched in 2008 and 2009 which both addressed among other things the question of equity in school education and the problem of ESL ("Schools for the 21st century" in 2008 and "Migration and education" in 2009).

The policy framework which forms the content of the planned Recommendation has been presented to a meeting of Directorate-Generals in school education, organised under the Swedish Presidency in Stockholm in December 2009.

The Impact Assessment will be based on these previous consultations.

In addition it will be presented to the following groups:

- Meeting of Cluster "Access and Social inclusion" on the 17 May 2010
- Stakeholder Meeting on the 14 June 2010
- Feedback from stakeholders in social policy and youth work – to be checked if there are meetings foreseen which could be used for that

The Impact Assessment will be done internally, based on the above mentioned information and consultations. Meetings of the IA Steering Group shall take place between May and mid July.

The analysis will be based on existing research, stakeholder contributions and previous experience from OMC. A public consultation is less likely to provide additional input as the topic is very specific and requires expert knowledge on the causes and effects of ESL. The stakeholder consultation shall therefore cover the different perspectives on the topic.

Which stakeholders & experts have been/will be consulted, how and at what stage?
Stakeholders from the field of general education, Vocational education and training as well as migrant, Roma and youth organisations.