



# **European Employment Policy Observatory (EEPO)**

Annual Policy Update, October 2015

## **Catalogue of Measures**

Written by EEPO Core Team  
October 2015



**EUROPEAN COMMISSION**

Directorate DG Employment, Social Affairs and Inclusion

Unit C.1 – Europe 2020: Employment Policies: European Employment Strategy and Governance

Contact: Monika Kalocinska

E-mail: [Monika.Kalocinska@ec.europa.eu](mailto:Monika.Kalocinska@ec.europa.eu)

European Commission

B-1049

# **European Employment Policy Observatory (EEPO)**

Annual Policy Update, October 2015

## **Catalogue of Measures**

Directorate-General for Employment, Social Affairs and Inclusion  
European Employment Policy Observatory (EEPO), Annual Policy Update

**Europe Direct is a service to help you find answers  
to your questions about the European Union.**

**Freephone number (\*):**

**00 800 6 7 8 9 10 11**

(\* ) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

#### **LEGAL NOTICE**

This document has been prepared for the European Commission however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

Luxembourg: Publications Office of the European Union, 2015

ISBN

DOI

© European Union, 2015

Reproduction is authorised provided the source is acknowledged.

## **Table of Contents**

Catalogue of Measures: Summary .....	1
1 Introduction .....	2
2 PA 1: Employment protection legislation and other amendments to labour law ....	9
2.1 Dismissals legislation (0 new measures).....	9
2.2 Internal measures of flexibility (e.g. short time work schemes, redeployment etc.) (3 new measures) .....	10
2.3 Regulation of atypical contracts (including measures addressing labour market segmentation) (3 new measures).....	12
2.4 Other flexicurity measures (1 new measures) .....	16
2.5 Other amendments to labour law (e.g. working time regulation etc.) (13 new measures) .....	18
3 PA 2i: Active labour market policies – Job Creation .....	29
3.1 Hiring subsidies (5 new measures) .....	30
3.2 Start-Up Incentives (including measures encouraging entrepreneurship and female entrepreneurship, micro credit schemes etc.) (6 new measures) .....	38
3.3 Simplifying the business environment (1 new measures).....	44
3.4 Public investment programmes and regional investment incentive measures (2 new measures) .....	44
3.5 Public works (2 new measures).....	46
3.6 Other job creation measures (8 new measures) .....	48
4 PA 2ii: Active labour market policies – employment services (public and private) and skills forecasting systems .....	56
4.1 Measures related to PES governance (3 new measures) .....	56
4.2 Public-private cooperation (0 new measures).....	60
4.3 Skills forecasting systems (2 new measures) .....	60
4.4 Other measures relating to employment services and skills forecasting (8 new measures).....	62
5 PA 2iii: Active labour market policies - Targeted Activation Measures .....	68
5.1 Systemic reforms of ALMPs (0 new measures) .....	69
5.2 Youth policies (including measures to reduce unemployment, to combat early school leaving etc.) (7 new measures).....	69
5.3 Youth Guarantee (8 new measures).....	76
5.4 Measures supporting older workers (including job creation incentives, enhancing employability, improving employment service to etc.) (5 new measures) 85	85
5.5 Measures supporting women workers (including incentives to female employment, enhancing job flexibility etc.) (X new measures).....	89
5.6 Measures supporting other vulnerable workers (e.g. the long-term unemployed, those with an ethnic or immigrant background, those with a reduced ability to work) (5 new measures).....	90
5.7 Measures improving services for the unemployed and enhancing employability (8 new measures) .....	95
5.8 Other active labour market policies (11 new measures) .....	103
6 PA 3: Social security systems .....	110
6.1 Unemployment benefit reforms (4 new measure) .....	111
6.2 Social assistance measures (e.g. family benefits, housing, long-term care) (9 new measures).....	115
6.3 Pension reforms (8 new measures).....	122
6.4 Health insurance system reforms (0 new measures) .....	130

6.5	Other measures related to social security systems (0 new measures)	130
7	PA 4: Work-life balance and gender equality.....	131
7.1	Childcare (7 new measures) .....	132
7.2	Other family care provision (0 new measures) .....	137
7.3	Parental leave arrangements/benefits (5 new measure) .....	137
7.4	Gender pay gap and equal rights (1 new measures) .....	141
7.5	Other work-life balance and gender equality measures (6 new measure)	142
8	PA 5: Education and training systems.....	147
8.1	Improving primary and secondary education systems (9 new measures)	147
8.2	Improving education and labour relevant skills formation at tertiary level (3 new measures) .....	154
8.3	Lifelong learning measures (including continuing training, training vouchers, individual training accounts (1 new measures) .....	157
8.4	Apprenticeships and vocational education training systems (including traineeships and school-to-work transitions) (16 new measures) .....	160
8.5	Other education and training system measures (4 new measures)...	174
9	PA 6: Labour taxation (including undeclared work).....	178
9.1	Social security contributions (3 new measures).....	178
9.2	Personal income taxes (6 new measures) .....	181
9.3	Measures to reduce undeclared work (2 new measures) .....	186
9.4	Other labour taxation related measures (4 new measures) .....	188
10	PA 7: Wage setting institutions and dynamics .....	193
10.1	Minimum wages (5 new measures).....	193
10.2	Public sector pay (4 new measures).....	200
10.3	Wage setting regulation and social partnership arrangements (0 new measures)	202
10.4	Other measures related to wages (e.g. addressing wage and social dumping) (1 new measures) .....	202
Annex 1: Table of new measures .....		204

## Catalogue of Measures: Summary

This report identifies 202 labour market reforms taking place across 32 European countries introduced between January and September 2015. Most new measures (44) were introduced in Policy Area (PA) 2iii *Active labour market policies – targeted activation measures*, followed by PA 5 *Education and Training Systems* (34) and PA 2.i *Active Labour Market Policies – Job Creation* (24) and PA 1 *Employment protection legislation and other Amendments to Labour Law* (21). Together, these four policy areas accounted for 66 % of all new measures introduced during the reporting period. Over half (53 %) of all new measures have been enacted into law. Of the measures which specified a funding source, the largest proportion (38 %) are state-funded with a further 25 % being EU co-funded. Measures which did not require any funding accounted for 26 % of the measures that specified a funding source.

**PA 1 – Employment protection legislation and other amendments to labour law:** Fourteen countries introduced a total of 21 new policy measures. A majority (86 %) were enacted into law. Aside from the 'Other' category (HU, PL x 2, RO, SL x 2, RS, FR, IE x 2, BE, ES, UK, LV), the key areas of activity are *Internal measures of flexibility* (FR, HU x 2) and *Regulation of atypical contracts* (CZ, DK, FYROM).

**PA 2i: Active labour market policies – job creation:** Fourteen countries introduced a total of 24 new policy measures during the period. Aside from the 'Other' category (EE, MT x 3, PL, DK, FYROM, RS), the key area of activity was in *Start-up incentives* (CY, ES x 2, PT, SK, FYROM).

**PA 2ii: Active labour market policies – employment services (public and private) and skills forecasting systems:** Nine countries introduced a total of 13 measures. Aside from the 'Other' category (LT x 2, ES x 2, SE, FR, HU, UK), the key area of new activity was *PES governance* (BG, HU, PT).

**PA 2iii: Active labour market policies – targeted activation measures:** Fifteen countries introduced a total of 44 new policy measures, making this the most active policy area, accounting for 22 % of all new measures. Almost 40 % were enacted into law. Aside from the 'other' category, the key areas of activity were measures under the *Youth guarantee* (CY x 3, HU, LV x 2, SE, SL), and *Measures improving services and enhancing employability for the unemployed* (BL, DE, EE x 2, FR, HU, SE, SK).

**PA 3: Social security systems:** Fifteen countries introduced a total of 22 new policy measures in the period. Fifteen measures, or 68 %, were enacted into law. Key activity was in the area of *Social assistance measures e.g. family benefits, housing, long-term care etc.* (DE, DK x 3, FI, HR, LUX, PL, FYROM) and *Pension reforms* (AT, BE x 3, HR, MT, PT, SK, FYROM).

**PA 4: Work-life balance and gender equality:** Thirteen countries introduced 19 policy measures, 9 % of activity in the period. Eleven (58 %) were enacted into law. The key area of activity was *Childcare* (EL, HR, HU x 2, SK, UK, FYROM).

**PA 5: Education and training systems:** Seventeen countries introduced a total of 34 new policies during the period. Almost one half (47 %) were enacted into law. The area with the most new measures was *Apprenticeships and vocational education training systems including traineeships and school-to-work transitions* (AT, EE, FR, HU x 2, IE x 2, LV x 3, LT, MT, NL, PL x 2, UK x 2).

**PA 6: Labour taxation (including undeclared work):** Nine countries introduced 15 new policy measures, two thirds of which were enacted into law. The most active sub-policy area was *Personal income taxes* (BE, EE, HU x 3, LT).

**PA 7: Wage setting institutions and dynamics:** Seven countries introduced a total of 10 new policy measures, with six (60 %) being enacted into law. The key sub-policy areas of activity were under *Minimum wages* (LV, PL, SK, UK, RS) and *Public sector pay* (HU x 3, LT).

## 1 Introduction

The aim of this Catalogue of Measures is to provide factual information on Member States' policy developments within the Europe 2020 framework. This document catalogues two types of changes:

- New measures, introduced during the reporting period (January to September 2015) as identified by the EEPO network of experts; and
- Measure updates, which report on progress for existing measures in previous Catalogues.

The measures introduced during this period, as well as changes to existing measures, are discussed in detail in the sections that follow. Table 1.1 below offers an overview of the volume of measures (newly introduced and updated) covered during the reporting period January to September 2015. Table 1.2 then illustrates the proportion of the total number of new measures that were introduced under each policy area and sub category.

A total of **202 new measures** have been introduced. **Progress was most often reported in PA 2iii, PA 5, PA 2i and then in PA 1:**

- PA 2iii - Active labour market policies – targeted activation measures (44)
- PA 5 – Education and training systems (34)
- PA 2i – Active labour market policies – job creation (24)
- PA 1 – Employment protection legislation and other amendments to labour law (21)

The **least progress was noted under PA 7, Wage setting institutions and dynamics**. In this PA only seven countries reported new measures.

Table 1.3 describes the breakdown of funding sources for new measures per policy area. The funding source was specified for 176 of the 202 new measures. **38 % of the new measures are state-funded**, while no specific funding is required to implement a further 26 % of the new measures and another 25 % are EU co-funded.

Table 1.4 summarises the proportion of new measures enacted into law under each PA. In total, **53 % of the new measures were enacted into law**. The proportion of enactment in all PAs ranges from 33 % in PA 2i *Active labour market policies – job creation* to 86 % in PA 1 *Employment protection legislation and other amendments to labour law*.

In regard to target groups for the new measures, from 202 measures, **186 specified the target group**. Of these, 29 targeted all workers, 25 targeted youth; 14 targeted the unemployed and 12 targeted older workers; eight each targeted low income earners, the long term unemployed, immigrants and parents; six each targeted all disadvantaged job seekers, children and employers; three targeted women and another three targeted workers in the shadow economy while two each targeted people with disabilities, and the self-employed; and one was targeted at PES employees/civil servants. A total of 55 measures were categorised under 'other' target groups.



A table listing all new measures, by title and country and by policy area, is included in Annex 1.

Table 1. Summary of new measures (NM) and measures updates (MU) per Policy Area

Country	Policy Area 1		Policy Area 2i		Policy Area 2ii		Policy Area 2iii		Policy Area 3		Policy Area 4		Policy Area 5		Policy Area 6		Policy Area 7	
	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU
BE	1		1				2		3						2			
BG		1		2	1		4	6						5				
CZ	1									2		2	1	1		2		1
DK	1		1						3									
DE		1					3		1	1		3	1	1				1
EE		1	1				3	1					2	2	1			
IE	2							1		1			3					
EL			1	1							1							
ES	1		2	1	2	1		1										
FR	3	4	1		1	1	7	1			1		1	2	1	1		
HR		1							2		2			1				
IT		1											1					
CY			2	1			3	2										
LV	1						4		1	1	1		5		3		1	
LT		1			2		3						1		1		1	1
LU							1		1				2					2
HU	3				2		2	1			2	2	2		3		3	1
MT			3				1	1	1	1	1	1	5					
NL		3									1		1					
AT								2	1	2			2	3	2	2		
PL	2		1						1	1			2				1	
PT			1		2		3	1	1		4							
RO	1	1		1						1								1
SI	2						2	1										
SK		1	4	1		1	2		1	2	1	1	1	1			1	
FI		1						1	2	2	1							
SE					1		4		1		1		2			1		
UK	1				1			1	1	1	1		2				2	
IS																		

Country	Policy Area 1		Policy Area 2i		Policy Area 2ii		Policy Area 2iii		Policy Area 3		Policy Area 4		Policy Area 5		Policy Area 6		Policy Area 7	
	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU
HR	1		4	3	1				2	2	2				1	1		
TR			1												1			
RS	1		1	1						1							1	
Total (countries)	21 (14)	16 (11)	24 (14)	11 (8)	13 (9)	3 (3)	44 (15)	20 (13)	22 (15)	18 (13)	19 (13)	9 (5)	34 (17)	16 (8)	15 (9)	7 (5)	10 (7)	7 (6)

Table 2. Proportion of new measures falling under each policy area

Policy Areas and sub-categories	Number of new measures	New measures as a proportion of all new measures	Number of measure updates
<b>PA 1: Employment protection legislation and other amendments to labour law</b>	<b>21</b>	<b>10%</b>	<b>16</b>
Dismissals legislation	0	0%	1
Internal measures of flexibility (e.g. short time work schemes, redeployment etc.)	3	1%	0
Regulation of atypical contracts incl. measures addressing labour market segmentation	3	1%	6
Other flexicurity measures	1	0%	5
Other amendments to labour law (e.g. working time regulation etc.)	14	7%	4
<b>PA2 i: Active labour market policies - job creation</b>	<b>24</b>	<b>12%</b>	<b>11</b>
Hiring subsidies	5	2%	6
Start-up incentives (including measures encouraging entrepreneurship, female entrepreneurship and micro credit schemes etc.)	6	3%	0
Simplifying the business environment	1	0%	0
Public investment programmes and regional investment incentives measures	2	1%	0
Public works	2	1%	1
Other job creation measures	8	4%	2
<b>PA2 ii: Active labour market policies - employment services (public and private) and skills forecasting systems</b>	<b>13</b>	<b>6%</b>	<b>3</b>
PES governance	3	1%	3

<b>Policy Areas and sub-categories</b>	<b>Number of new measures</b>	<b>New measures as a proportion of all new measures</b>	<b>Number of measure updates</b>
Public-private cooperation	0	0%	0
Skills forecasting systems	2	1%	0
Other measures relating to employment services and skills forecasting	8	4%	0
<b>PA 2iii: Active labour market policies - targeted activation measures</b>	<b>44</b>	<b>22%</b>	<b>20</b>
Systemic reforms of ALMPs	0	0%	0
Youth policies (including measures to reduce unemployment, combat early school leaving etc.)	7	3%	5
Youth Guarantee	8	4%	5
Measures supporting older workers (including job creation incentives, enhancing employability, improving employment services etc.)	5	2%	1
Measures supporting women workers (including incentives to female employment, enhancing job flexibility etc.)	0	0%	0
Measures supporting other vulnerable workers (e.g. immigrants, Roma, those with a reduced ability to work)	5	2%	4
Measures improving services for the unemployed and enhancing employability	8	4%	3
Other active labour market policies	11	5%	2
<b>PA 3: Social security systems</b>	<b>22</b>	<b>11%</b>	<b>18</b>
Unemployment benefit reforms	4	2%	5
Social assistance measures (e.g. family benefits, housing, long-term care etc.)	9	4%	3
Pension reforms	9	4%	7
Health insurance system reforms	0	0%	0
Other measures related to social security systems	0	0%	3
<b>PA 4: Work-life balance and gender equality</b>	<b>19</b>	<b>9%</b>	<b>9</b>
Childcare	7	3%	5
Other family care provision	0	0%	0
Parental leave arrangements / benefits	5	2%	3

<b>Policy Areas and sub-categories</b>	<b>Number of new measures</b>	<b>New measures as a proportion of all new measures</b>	<b>Number of measure updates</b>
Gender pay gap and equal rights	1	0%	1
Other work-life balance and gender equality measures	6	3%	0
<b>PA 5: Education and training systems</b>	<b>34</b>	<b>17%</b>	<b>16</b>
Improvement of primary and secondary education systems	9	4%	2
Improving education and labour relevant skills formation at tertiary level	3	1%	2
Lifelong learning measures (including continuous training programmes, training vouchers and individual training accounts)	1	0%	5
Apprenticeships and vocational education training systems (including traineeships and school-to-work transitions)	17	8%	3
Other education and training system measures	4	2%	2
<b>PA6: Labour taxation (including undeclared work)</b>	<b>15</b>	<b>7%</b>	<b>7</b>
Social security contributions	3	1%	4
Personal income taxes	6	3%	0
Reducing undeclared work	2	1%	1
Other labour taxation related measures	4	2%	2
<b>PA 7: Wage setting institutions and dynamics</b>	<b>10</b>	<b>5%</b>	<b>7</b>
Minimum wages	5	2%	5
Public sector pay	4	2%	0
Wage setting regulation and social partnership arrangements	0	0%	0
Other measures related to wages (e.g. addressing wage and social dumping)	1	0%	0

Table 3. Breakdown of funding sources for new measures per policy area

	<b>New measures specifying a funding source</b>	<b>EU co funding</b>	<b>Government/state budget</b>	<b>No specific funding required</b>	<b>Social partner /private funding</b>	<b>other</b>
<b>PA 1: Employment protection legislation and other amendments to labour law</b>	19	0	5	14	0	0
<b>PA 2i: Active labour market policies – job creation</b>	23	11	5	3	0	4
<b>PA 2ii: Active labour market policies – employment services (public and private) and skills forecasting systems</b>	11	2	5	2	0	2
<b>PA 2iii: Active labour market policies – targeted activation measures</b>	41	23	11	5	0	2
<b>PA 3: Social security systems</b>	19	0	10	7	0	2
<b>PA 4: Work-life balance and gender equality</b>	14	4	5	2	1	2
<b>PA 5: Education and training systems</b>	30	3	18	3	0	6
<b>PA6: Labour taxation (including undeclared work)</b>	14	1	5	8	0	0
<b>PA 7: Wage setting institutions and dynamics</b>	5	0	2	2	0	1
<b>Totals</b>	176	44 (25 %)	66 (38 %)	46 (26 %)	1 (1%)	19 (11 %)

Table 4. Proportion of new measures enacted into law under each policy area

	<b>New measures</b>	<b>Enacted into law</b>	<b>Proportion of new measures enacted into law</b>
PA 1: Employment protection legislation and other amendments to labour law	21	18	86%
PA 2i: Active labour market policies - job creation	24	8	33%
PA 2ii: Active labour market policies - employment services (public and private) and skills forecasting systems	13	7	54%
PA 2iii: Active labour market policies - targeted activation measures	44	17	39%
PA 3: Social security systems	22	15	68%
PA 4: Work-life balance and gender equality	19	11	58%
PA 5: Education and training systems	34	16	47%
PA6: Labour taxation (including undeclared work)	15	10	67%
PA 7: Wage setting institutions and dynamics	10	6	60%
<b>Totals</b>	<b>202</b>	<b>108</b>	<b>53%</b>

## 2 PA 1: Employment protection legislation and other amendments to labour law

Under PA 1, 14 countries introduced a total of 21 new policy measures between January and September 2015. Aside from *Other Amendments to Labour Law* (e.g. *working time regulation* etc.), the key areas of activity are *Internal measures of flexibility* (FR, HU x 2) and *Regulation of atypical contracts*. The following gives a breakdown of the new measures introduced in this policy area:

- Dismissals legislation (no new measures reported);
- Internal measures of flexibility (e.g. short time work schemes, redeployment etc.) (Hungary x 2, France);
- Regulation of atypical contracts including measures addressing labour market segmentation (Denmark, Czech Republic, former Yugoslav Republic of Macedonia);
- Other flexicurity measures (France);
- Other amendments to labour law (e.g. working time regulation etc.) (Belgium, France, Hungary, Ireland x 2, Latvia, Poland x 2, Romania, Serbia, Slovenia x 2, Spain, UK).

There were 16 updates to previously identified measures. These were found in the following countries: Bulgaria; Germany; Estonia; France x 4; Croatia; Italy; Lithuania; the Netherlands x 3; Romania; Slovakia; Finland.

This policy area represents 10 % of the total new measures introduced in the period whilst 86 % (16 measures) of the new measures introduced in PA1 have been enacted into law. Out of 19 new measures under PA 1 specifying a funding source 14 required no specific funding for implementation and the remaining measures were state funded.

The measures and measure updates are discussed in turn below.

### 2.1 Dismissals legislation (0 new measures)

No new measures reported.

#### Measure Updates total: 1

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Italy</p> <p><b>Measure Title:</b> Law 183/2014 (the Jobs Act)</p> <p><b>Description:</b> The Jobs Act establishes the general framework and principles according to which the Government is enabled to directly enact implementing regulations through legislative decrees within six months since the date of its entry into force in the following five domains: social shock absorbers; employment services and active labour market policies; simplification of procedures to create and manage work contracts; reorganisation of contractual typologies and inspection activities; conciliation of activities related to care, life and work. The Government must send the legislative decrees to the Parliamentary Labour Committees to receive their opinions,</p>	<p><b>Title:</b> Legislative decrees 22, 23, 80, 81, and the other four decrees approved by Council of Ministry on 4 September 2015 and are to be publicised in the Official Gazette shortly.</p> <p><b>What has changed:</b> The first two legislative decrees of the Jobs Act, drafted on 24 December 2014, entered into force on 7 March 2015. They regulate the new system of unemployment benefits (Decree No. 22) and the new open-ended contract (Decree No. 23) with employment protection increasing with seniority. The other two legislative decrees, drafted on 20 February 2015, entered into force on 15 June 2015. They regulate the reconciliation of work and family life (Decree No. 80) and the reorganisation of the existing types of contractual labour typologies (Decree No. 81). The last four</p>

<p>which are not however compulsory, and can adopt integrating rules within 12 months from the date of entry into force of the legislative decrees. On 24 December 2014, the Government enacted the first two provisional implementing regulations (in the form of schemes of legislative decrees), one about the new system of unemployment benefits and another one about the introduction of a new open-ended contract with employment protection increasing with seniority.</p> <p><b>Measure Time Period:</b> Dec 2014</p>	<p>legislative decrees, drafted on 11 June 2015, were approved by the Council of Ministries on 4 September 2015. They regulate inspection activities on labour and social issues, employment services and active labour market policies, administrative procedures related to employment relationships and wage supplement schemes for firms facing financial difficulties.</p>
---	---

## 2.2 Internal measures of flexibility (e.g. short time work schemes, redeployment etc.) (3 new measures)

### Reform of 'accords de maintien de l'emploi' under the Macron Law (August 2015)

**Country:** France

**Description:** The maximal duration of the agreements goes from two to five years, which gives more time to companies to restore their competitiveness, although, the layoff process changes if an employee refuses to accept the conditions of the agreement. Until now, refusal leads to economic individual layoffs with specific accompanying measures defined in the agreement. From now on, refusal will lead to *sui generis* layoff, only giving the right to legal and conventional termination indemnities. The cost will be less for the company.

**Institution Responsible:** Ministry of Labour

**Country Specific Recommendation:** (2014) CSR 6: Take further action to combat labour-market rigidity, in particular take measures to reform the conditions of the 'accords de maintien de l'emploi' to increase their take up by companies facing difficulties.

**Main Objectives:** Evaluation of the 'accords de maintien de l'emploi' was carried out by the social partners in June 2015. They agree on the failure of the measure, hence only 10 agreements have been concluded since January 2013. Some explain it by the over-regulation of those types of agreements. Companies favour part-time work or competitiveness agreements. The Macron law tries to tackle the weaknesses of the 'accords de maintien de l'emploi' by introducing major changes.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law for Growth, activity and economic equal opportunities

**Date of adoption:** 7 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 7 August 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** The number of agreements will be given next year to confirm the effectiveness of the change

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No



**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 6 for 2014: Take further action to combat labour-market rigidity, in particular to reform the conditions of the 'accords de maintien de l'emploi' to increase their take up by companies facing difficulties.

---

**Change to part-time employment for employees rearing children**

**Country:** Hungary

**Description:** Due to the amendment of the Labour Code, since 1 January 2015 if the employee rearing three or more children requests amendment of the employment contract changing to part-time employment, the employer is obliged to reduce the working hours (full-time employment) to its half until the 5th year of the youngest child. Before this change in regulation, employers were obliged to offer part-time employment until the child reaches age of three without differentiation of the number of children. The same rules apply for public sector employees, but the employer's obligation is in force only if the request is submitted during a period when the civil

**Main Objectives:** The measure was introduced to enhance work-care reconciliation arrangements and support families in childbearing.

**Target Groups:** Parents

**Duration of measure:** Permanent

**Legal reference:** Act XCIX of 2014 amending the Labour Code

**Date of adoption:** 29 December 2014

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 01 January 2015

**Steps taken to monitor the implementation of the measure:** No

---

**Regulation of paid leaves during the period of incapacity for work**

**Country:** Hungary

**Description:** Due to amendment of Labour Code since 1 January 2015 long-term incapacity for work 'exceeding 1 year' does not imply reduction in the number of days of paid leave granted to the employee.

**Main Objectives:** The change in regulations aims to provide the same entitlements to employees regardless their health status.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act I. of 2012 Labour Code

**Date of adoption:** 06 January 2012

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 01 January 2015

**Steps taken to monitor the implementation of the measure:** No

---

**Measure Updates total: 0**

## 2.3 Regulation of atypical contracts (including measures addressing labour market segmentation) (3 new measures)

### Regulation of agency based employment

**Country:** Czech Republic

**Description:** The ministry is preparing legislation, to be effective as of 2016, to curb temp-agency employment, which grew to 255 000 in 2014, up from 172 000 in 2011. The demand for such arrangements is growing, especially from large employers who often employ about a fifth of their workforce this way. The ministry intends to extend the application of the three-year maximum of fixed-term employment (with two consecutive contracts at the most) to temporary employees arranged via these agencies. This is likely to primarily result in an increasing churn of temp workers, but it may also force some companies to hire the more valuable temp workers into stable contracts. More relevant is the second part of the proposal, which aims to limit temp agency employment to 15 % of the company workforce.

**Institution Responsible:** Ministry of labour and social affairs

**Main Objectives:** To close the gap in flexibility between regular and agency based employment

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Labour Code

**Date of adoption:** Expected in 2016

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** During 2016

**State of play: Enacted into law?** Not enacted yet. Still being elaborated.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** None

---

### Act on better work and pay conditions for au pairs

**Country:** Denmark

**Description:** As a result of a growing number of au pairs, many of whom are from third-world countries, an Act was passed in May 2015, which gave the au pairs better pay conditions and also regulated their work in more detail. The new scheme means that: Au pairs are entitled to take time off an additional half day a week, so they now have one and a half day off per week. In addition they are entitled to time off on all official Danish holidays. An au pair's monthly pocket money' is raised to EUR 537 (4 000 DKK) which is an increase by almost 25 %. In addition the au pairs receive free room and board. The host family will also have to pay for the au pair's ticket to Denmark. So far, they only had to pay for the return journey. The host family must pay a lump sum of EUR 670 (5 000 DKK), which will finance part of the government expenditure on Danish courses for au pairs. Finally it is stipulated that an au pair must not be pregnant or have founded a family at the time of applying for a becoming an au pair

**Institution Responsible:** Ministry of Employment

**Country Specific Recommendation:** (2014) CSR 2: Take further measures to

improve the employability of people at the margins of the labour market.

**Main Objectives:** The main objective is to improve the work and pay conditions for au pairs.

**Target Groups:** Workers in the shadow economy

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act no. 685

**Date of adoption:** 27 May 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 July 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Take further measures to improve the employability of people at the margins of the labour market.

---

### **Transformation of fixed term work contracts to a permanent ones in the public administration (including local authorities and public enterprises)**

**Country:** former Yugoslav Republic of Macedonia

**Description:** In February, 2015, the Parliament enacted a Law for Transformation of work contracts into permanent ones (Official Gazette, No. 20/2015, with consecutive amendments in No. 44/2015) aiming at transforming the fixed term contracts (including temporary contracts, civil law contracts etc.) within the public administration into a regular, permanent contracts. The measure involves public administration, local authorities, education, social and health administration, and public enterprises. Later on, a provision was made that the Law also extends to cases where women are not currently effectively engaged due to birth or child care (breastfeeding) but are expected to come back to work afterwards.

**Institution Responsible:** The responsible body for implementation of the Law is the deputy prime-minister for economic affairs office.

**Main Objectives:** The main objective is to provide social security of the persons working effectively in the public administration but under temporary and civil law contracts for at least three months up to 30 November 2014 (and still actively being engaged in the administration). The transformation is also expected to improve the attachment and productivity of those workers. It will be implemented in one year's time, gradually starting with workers who have been longest period of time engaged with the public administration.

**Target Groups:** workers with temporary and civil-law contracts, engaged in the public administration

**Duration of measure:** Temporary

**If temporary, how long will it run for?** One year

**Has the measure been enacted into law?** Yes

**Legal reference:** Law for Transformation of work contracts into permanent ones (Official Gazette, No. 20/2015, with consecutive amendments in No. 44/2015)

**Date of adoption:** 12 February 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** March 2015  
**Steps taken to monitor the implementation of the measure:** No  
**Funding Sources:** Government  
**Is there a specific budget allocated to the measure?** No

**Measure Updates total: 6**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> France  <b>Measure Title:</b> Securing Employment Act  <b>Description:</b> This measure intends to:</p> <p>(i) fight against labour market segmentation, particularly encountered by young people and women;</p> <p>(ii) make progress in anticipating change in activities, jobs and skills;</p> <p>(iii) improve maintaining employment provisions to avoid loss of employment and skills in companies facing difficulties; and,</p> <p>(iv) to improve proceedings in collective redundancies when it is not possible to avoid them by anticipating actions or short time working arrangements to allow better accompaniment of employees and better legal security for enterprises as well as for employees.</p> <p><b>Measure Time Period:</b> Oct 2012</p>	<p><b>Title:</b> June 2015: low impact of the unemployment tax increase on short term contracts</p> <p><b>What has changed:</b> According to the impact study by the Ministry of Labour the implementation of the measure would yield EUR 150 to 200 million. Only EUR 50 to 70 million has been collected each year since its introduction. According to the last evaluation, the measure will not generate more. This is not due to a decrease of short term contracts, which is what this measure is applicable to. To the contrary, the number of short term contracts is increasing. According to UNEDIC (<i>Union nationale interprofessionnelle pour l'emploi dans l'industrie et le commerce</i>), responsible for the implementation of the measure, the volume of enterprises impacted is small (43 125: that is 2.4 % of the total of enterprises paying for unemployment insurance.</p>
<p><b>Country:</b> France  <b>Measure Title:</b> Securing Employment Act  <b>Description:</b> This measure intends to:</p> <p>(i) fight against labour market segmentation, particularly encountered by young people and women;</p> <p>(ii) make progress in anticipating change in activities, jobs and skills;</p> <p>(iii) improve maintaining employment provisions to avoid loss of employment and skills in companies facing difficulties; and,</p> <p>(iv) to improve proceedings in collective redundancies when it is not possible to avoid them by anticipating actions or short time working arrangements to allow better accompaniment of employees and better legal security for enterprises as well as for employees.</p> <p><b>Measure Time Period:</b> Oct 2012</p>	<p><b>Title:</b> June 2015: Positive effects on collective layoffs</p> <p><b>What has changed:</b> Positive effects have been underlined in the assessment of the Act assessment made in June, two years after the vote on collective layoffs. Firstly a significant decrease in 'judicialisation' of Social Plans (in France this is called 'safeguarding employment plans'). The rate of justice recourse is now of 8 % against 25 %. The Social Plans was implemented after a majority agreement produced very few disputes. Other positive effects are:</p> <ul style="list-style-type: none"> <li>• a decrease of Social Plans,</li> <li>• more room for negotiation between social partners,</li> <li>• most of collective agreements signed by two or three different trade unions and more than 45 % by all of them.</li> </ul>

<p><b>Country:</b> Croatia</p> <p><b>Measure Title:</b> Regulation on the Provisional Application of the Labour Rules for EU Citizens and their Family Members</p> <p><b>Description:</b> This measure defines the provisional application of the rules of employment in Croatia for EU citizens and their family members coming from the member state which applies national measures limiting the right to work of the Croatian citizens. This regulation arises from bilateral agreements and is based on the rule of reciprocity.</p> <p><b>Measure Time Period:</b> Sept 2013</p>	<p><b>Title:</b> Prolongation of the Regulation on the Provisional Application of the Labour Rules for EU Citizens and their Family Members</p> <p><b>What has changed:</b> Regulation has been declared valid for all countries which continue to restrict access to labour market for Croatian citizens as of 1 July 2015.</p>
<p><b>Country:</b> Netherlands</p> <p><b>Measure Title:</b> Limiting bogus employment constructions</p> <p><b>Description:</b> In December 2014 the Government sent a proposal for the 'Act limiting bogus employment constructions' (<i>Wet Aanpak Schijnconstructies - WAS</i>) to the Second Chamber of Parliament. The Act assigns responsibility of payment of Collective Labour Agreement (CLA) wages not only to the (legal) employer, but also the organization giving the assignment. This provides underpaid employees with extra means to try and obtain wages that have been denied to them. Organisation that give assignments and that know or should have known that a worker is underpaid will become liable for this.</p> <p><b>Measure Time Period:</b> Dec 2014</p>	<p><b>Title:</b> Increased transparency and further cooperation</p> <p><b>What has changed:</b> In June 2015, the 'Act limiting bogus employment constructions' (<i>Wet Aanpak Schijnconstructies</i>) was passed, to be partly implemented from 1 July 2015 and the rest from the first of January 2016. From July 2015, the inspection of the Ministry of Social Affairs and Employment (SZW: <i>Sociale Zaken en Werkgelegenheid</i>) will publish the names of controlled companies. The inspection will collaborate better with employer and employee organisations when they suspect that the entitled wage levels in the CLA are not being paid.</p> <p>The prohibition on withholding on and settling with the minimum legal wage, the compulsory cashless payments of at least the minimum wage and the specifications of the reimbursement of expenses on the pay check will be implemented in January 2016.</p>
<p><b>Country:</b> Romania</p> <p><b>Measure Title:</b> Social Economy Law (draft)</p> <p><b>Description:</b> The draft law attempts to create the first modern and flexible legal framework for the undertaking of social economy type activities.</p> <p><b>Measure Time Period:</b> Oct 2012</p>	<p><b>Title:</b> Social Economy law finally adopted by Parliament as law No.219/2015</p> <p><b>What has changed:</b> The Social Economy law, long debated by Parliamentary, has been finally adopted by the Parliament as 23 July 2015. It enshrines the basic principles of social economy activities and makes provisions for responsibilities in this field: the Ministry of Labour and National Agency for Employment have to establish both distinct and specialised compartments. It also establishes rules for financing, types of social economy enterprises, role of local authorities etc.</p>
<p><b>Country:</b> Slovakia</p> <p><b>Measure Title:</b> Stricter rules on temporary agency work</p>	<p><b>Title:</b> President's veto rejected by the Parliament - changes enter into force</p> <p><b>What has changed:</b> On 28 January 2015 the Parliament rejected a veto imposed by</p>

<p><b>Description:</b> The measure introduces a number of changes to temporary assignments, which are typically used by temporary employment agencies. The most important changes include: the introduction of shared responsibility between agencies and user employers regarding the provision of equal pay conditions for agency workers in comparison to regular employees; restrictions on the assignments of agency workers by the user employer to another employer; the introduction of a 24 month limit on the duration of temporary work for one company, with a maximum number of five renewals/extensions during this period (non-compliance will mean that the temporary contract is replaced by a regular open-ended employment contract); specification of an exact date when a temporary worker's job (agreed for a fixed term) ends; and restriction on the use of pre-tax travel compensations, which are often paid to agency workers as a part of compensation to reduce labour costs.</p> <p><b>Measure Time Period:</b> Sep 2014</p>	<p>president Andrej Kiska on the amendment to the Labour Code and the Act on employment services. In effect since 1 March 2015, the revised legislation stipulates increased protection of agency workers by means of stricter rules for temporary work agencies and user employers.</p>
--	--

## 2.4 Other flexicurity measures (1 new measures)

### Reform of labour courts under the Macron Law

**Country:** France

**Description:** Renovation work on the functioning on the labour courts: the measure will accelerate the procedure, create new status, limit grants by fixing an indicative baseline.

**Institution Responsible:** Ministry of Labour and Labour Court

**Main Objectives:** The objective of the measure is to introduce more fluidity in the treatment of the cases and moreover to better secure financial impacts on employers in case of individual layoff where the decision is under the responsibility of the labour court.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law for Growth, activity and economic equal opportunities

**Date of adoption:** 7 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The constitutional council did not validate the article related to dismissal compensation. A new proposal will be formulated during the last quarter.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

### Measure Updates total: 5

Description of Measure	Description of September 2015 Update
------------------------	--------------------------------------

<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> 051PO001-2.2.03 'On the Road'</p> <p><b>Description:</b> The measures will provide subsidies for the geographical mobility of employees. The subsidies will be paid to employers who organize the transport of their workers. The workers' homes have to be situated no further than 100 kilometres from the enterprise. The employer will have to suggest the most appropriate transport scheme, which includes the routes, number of passengers to and from work, the frequency of the service that will be performed (if workers operate in shifts).</p> <p><b>Measure Time Period:</b> Jan 2013</p>	<p><b>Title:</b> Monitoring data released. The measure was finished at the end of 2014.</p> <p><b>What has changed:</b> The design of the programme did not change. In 2015 progression was realised in terms of the target group coverage and number of contracts concluded with employers.</p>
<p><b>Country:</b> France</p> <p><b>Measure Title:</b> Law for Growth and Economic Activity: opening on Sundays</p> <p><b>Description:</b> The possibility for shops to open 12 Sundays in a single year (against 5 today) and to work nights under certain conditions.</p> <p><b>Measure Time Period:</b> Dec 2014</p>	<p><b>Title:</b> Opening on Sundays and late evening</p> <p><b>What has changed:</b> The measure has been adapted.</p>
<p><b>Country:</b> France</p> <p><b>Measure Title:</b> Law for Growth and Economic Activity: deregulations for some professions of law (lawyers, notaries) and health (into the future Law on Health)</p> <p><b>Measure Time Period:</b> Dec 2014</p>	<p><b>Title:</b> Law adopted: deregulation of lawyers' professions</p> <p><b>What has changed:</b> The measure has been adopted. It only concerned lawyers' professions.</p>
<p><b>Country:</b> Netherlands</p> <p><b>Measure Title:</b> Act Work and Security</p> <p><b>Description:</b> Regarding employment protection legislation, the Act installs a transition allowance, it ends the current situation where employers may choose via which route to make workers redundant. It shortens the maximum duration of unemployment benefits from 38 to 24 months and stipulates a suitable job has to be accepted after six months on unemployment benefits. Regarding flex work: the Act introduces a smaller chain of temporary contracts, narrows options for pay rolling and reduces use of on-call/zero-hours contracts.</p> <p><b>Measure Time Period:</b> Dec 2013</p>	<p><b>Title:</b> Act Work and Security</p> <p><b>What has changed:</b> Act implemented as of 1 July 2015.</p>
<p><b>Country:</b> Netherlands</p> <p><b>Measure Title:</b> Act Work and Security</p>	<p><b>Title:</b> Further implementation of Act Work and Security</p>

<p><b>Description:</b> Employment protection legislation: The Act installs a transition allowance, it ends the current situation where employers may choose via which route to make workers redundant. It shortens the maximum duration of unemployment benefits from 38 to 24 months and stipulates a suitable job has to be accepted after six months on unemployment benefits. On flex work: it introduces a smaller chain of temporary contracts, narrows options for pay rolling and reduces use of on-call/zero-hours contracts.</p> <p><b>Measure Time Period:</b> Dec 2013</p>	<p><b>What has changed:</b> The second part of the Act has been implemented as of 1 July 2015. The new regulations focus on job security for temporary workers, more reasonable dismissal law and a higher net income for people who started working after having received unemployment benefits. The most discussed change is the new regulation on temporary contracts. Previously where a temporary contract of an employee lasted three years, or multiple temporary contracts from the same employer, together lasting for more than three years without gaps longer than three months, this would become a permanent contract. In the new regulations the three years is lowered to two years and the gap is increased to six months. Although the new Act lowers the costs of firing, experts worried that managers will fire employees after two years instead of contracting them permanently.</p>
--	---

## 2.5 Other amendments to labour law (e.g. working time regulation etc.) (13 new measures)

### Regionalisation of penalties for service vouchers and educational leave in the Flemish Region

**Country:** Belgium

**Description:** The Flemish Government has set new penalties for offenses relating to the regulation to paid educational leave and service vouchers.

**Institution Responsible:** Flemish Region

**Main Objectives:** Adapt the system to the sixth reform of Belgian state

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Decree of 24 April 2015

**Date of adoption:** 7 May 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 May 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

### National Minimum Wage (Low Pay Commission) Bill 2015

**Country:** Ireland

**Description:** Budget 2015 announced a statutory Low Pay Commission to be established this year. The Low Pay Commission (LPC) will be asked to make annual recommendations to Government on the national minimum wage rate and related matters. In making its determinations, the LPC undertakes to set a rate that (a) assists low paid workers (b) is fair and sustainable (c) is adjusted incrementally and (d) is progressively increased. The National Minimum Wage (NMW) has remained at EUR 8.65 since July 2011. Published in July 2015, the Commission's first Report to Government, Recommendations on the National Minimum Wage for 2015, advised



that the adult rate of the National Minimum wage be fixed at a rate of EUR 9.15 per hour (raised from EUR 8.65) with no change to the relative position of the sub-minimum rates for young people and certain trainees (Low Pay Commission, 2015).

**Institution Responsible:** Department of Jobs, Enterprise and Innovation

**Main Objectives:** The Low Pay Commission (LPC) will be asked to make annual recommendations to Government on the national minimum wage rate and related matters.

**Target Groups:** Low-income earners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Government Proposal

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

---

### **Workplace Relations Act 2015**

**Country:** Ireland

**Description:** This Act provides for a range of changes to the bodies and procedures which deal with the resolution, mediation and adjudication of industrial disputes and the resolution of complaints about breaches of employment legislation. A new Workplace Relations Commission (WRC) will take over the functions of the National Employment Rights Authority, the Labour Relations Commission (LRC), some of the functions of the Employment Appeals Tribunal (EAT) and the functions of the Director of the Equality Tribunal. The appeal functions of the EAT will be transferred to the Labour Court. The act will streamline existing arrangements and, in effect, there will exist two statutory bodies instead of four. The Labour Relations Commission and the Employment Appeals Tribunal are being abolished and all their functions transferred to the WRC. After the act is enacted, all industrial relations, employment law and equality disputes will be referred to the WRC with appeals made to the Labour Court in all cases. The WRC will consist of an eight member board comprising a chairperson, representatives from employer and employee bodies and industrial relations experts.

**Main Objectives:** The Act provides for a number of changes to a range of employment laws and for new compliance measures by amending 24 Acts and numerous Statutory Instruments. The Act will commence on 1 October 2015.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Workplace Relations Act 2015

**Date of adoption:** 20 May 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 October 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

---

### **Second chance mechanism**

**Country:** Spain

**Description:** The aim of the second chance mechanism is to avoid that an entrepreneurship failure remains an ever-lasting barrier for future entrepreneurship processes. It extends its application to physical persons and allows, among other things, for more flexibility in out-of-court payment agreements, debts restructuring and extends until 2017 the suspension period for evictions of vulnerable collectives and modifies the existing Code of Good Practices to restructure housing debts.

**Institution Responsible:** Ministry for Employment and Social Security

**Country Specific Recommendation:** (2015) CSR 4: Remove the barriers preventing businesses from growing, including size-contingent regulations; adopt the planned reform on professional services; accelerate the implementation of the law on market unity.

**Main Objectives:** The aim of the second chance mechanism is to avoid that an entrepreneurship failure remains an ever-lasting barrier for future entrepreneurship processes. It aims also to ease debt restructuring of persons and families affected by housing eviction processes.

**Target Groups:** Employers/entrepreneurs having experienced a failure. Vulnerable persons affected by eviction processes

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law 25/2015, of 28 July, sanctioning the RDL 1/2015 of 27 February, of a mechanism for a second chance

**Date of adoption:** 28 July and 27 February respectively

**Start date for implementation of the measure:** 30 July and 1 March

**What are the monitoring arrangements in place?** No specific monitoring mechanism has been put in place

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** AGS, CSR

**Recommendation details:** (2015) CSR4: Remove the barriers preventing businesses from growing AGS 1: Improving dynamics of the labour market

---

### **Law on social dialogue and employment**

**Country:** France

**Description:** The law modernises employees' representations and rationalises employers' obligations for informing and consulting the employees' representatives: the 17 annual informing and consulting committees are gathered into three main consultations. Annual collective bargaining will be re-organised around three main axes (one on wages, working time and how the value added is sharing, one on gender equality, working life quality and difficult work conditions, one on management of jobs and pathways). With a majority agreement signed, each enterprise of less than 300 employees can now merge the three previous employees' organisations (enterprises committee, employees' delegation and Committee of hygiene, security and working conditions). For companies of around 50 employees, it will be easier to remove employees' representation where the number of employees decreases. On the other hand, to have a better representation of Very Small Enterprises employees (very small companies: less than 11 employees), the law

created the regional interprofessional joint commission. Finally, the law brings more harmony into the different thresholds applicable for SME in fixing obligations at 300 employees and more.

**Institution Responsible:** The measure is applicable at company level where the labour inspection can control the right application

**Country Specific Recommendation:** (2015) CSR 4: By the end of 2015, reduce regulatory impediments to companies' growth, in particular by reviewing the size-related criteria in regulations to avoid threshold effects. Remove the restrictions on access to and the exercise of regulated professions, beyond the legal professions, in particular, the health professions, from 2015. (2015) CSR6: Reform the labour law to provide more incentives for employers to hire on open-ended contracts. Facilitate take up of derogations at company and branch level from general legal provisions, in particular as regards working time arrangements. Reform the law creating the 'accords de maintien de l'emploi' by the end of 2015 in order to increase their take-up by companies.

**Main Objectives:** Simplification of social dialogue at company level; better representation of very small companies in the national social dialogue; better equilibrium between the threshold

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law on social dialogue and employment called Rebsamen Law

**Date of adoption:** 17 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Pending the application decrees

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** There is an annual report on social dialogue which will certainly take into account the state of play

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 4 : by the end of 2015, reduce regulatory impediments to companies' growth, in particular by reviewing the size related criteria in regulations to avoid threshold effects

---

### **Volunteer work law**

**Country:** Latvia

**Description:** The Parliament has adopted a volunteer work law, which among other things, defines the following: 1) The aim of volunteer work should not be profit and 2) Volunteer work should not substitute regular employment; 3) A volunteer must be at least 13 years old, and up to the age of 16 needs a signed permission from his or her legal representative; 4) A volunteer work agreement can be concluded on an oral basis, except when one of the involved parties requires a written contract,

**Main Objectives:** The main objective is to introduce some legal regulation of volunteer work.

**Target Groups:** Volunteer workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Volunteer work law

**Date of adoption:** 18 June 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2016.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** None

---

### **Ban on Sunday working in the retail sector**

**Country:** Hungary

**Description:** On 15 March 2015 a ban on Sunday working entered into force in the retail sector, which means that the vast majority of shops are not allowed to open on Sundays. Primary exemption is granted for shops smaller than 200 square metres with the condition that only the owner(s) or their close family member can work on Sunday. Further exemptions are applicable for specific fields of retail sector for further details please see Act CII of 2014.

**Main Objectives:** Three main arguments are underlying the measure. The ban on Sunday working is intended to protect the employees and free them from Sunday working. The changes aim to favour small-size enterprises and family run businesses. Last but not least, taking into account socio-cultural considerations the government intended to reserve the Sundays for the families to spend quality time together.

**Target Groups:** Employees in retails sector, consumers, families

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act CII of 2014

**Date of adoption:** 16 December 2014

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 15 March 2015

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

---

### **Changes in Labour Law**

**Country:** Poland

**Description:** Main changes: 1. Probationary period up to three months only for checking the qualifications of the employee and the possibility of his/her employment in order to perform a particular job. 2. Fixed time contracts for up to 33 months; 3. The period of notice of termination of employment contract for an indefinite period and the contract of employment for a specified period depends on the period of employment with the current employer.

**Institution Responsible:** Ministry of Labour and Social Policy

**Country Specific Recommendation:** (2015) CSR 3: Take measures to reduce the excessive use of temporary and civil law contracts in the labour market.

**Main Objectives:** Main objectives: - reducing length of fixed term contracts - implementing the same rules of notification periods to fixed term contracts

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act of 25 June 2015 r. on the change of Act – Labour Code and other acts/*USTAWA z dnia 25 czerwca 2015 r. o zmianie ustawy – Kodeks pracy oraz niektórych innych ustaw*

**Date of adoption:** 21 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 22 February 2016

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

---

### **Social Dialogue Council Act**

**Country:** Poland

**Description:** The Social Dialogue Council is a new tripartite cooperation forum of representatives of workers, employers and the government. It is to provide conditions conducive to social dialogue. To this end, they changed the legal formula that is better suited to modern conditions and meets the expectations of all stakeholders. The Dialogue Council is to implement the principle of participation and social solidarity in employment, improve the quality and effectiveness of implementing the socio-economic strategy and building favourable conditions for cooperation between the three partners - organizations of workers, employers and the government. Employee and employer organizations will also have the opportunity to prepare draft laws, proposals to conduct a public hearing and questions to relevant ministers and the possibility of the Supreme Court with a request for resolution of a legal issue. Voting rules within the party council and the common opinions are also specified. Board members shall indicate participating in the work of trade unions, employers and the Prime Minister. They will be appointed by the President. Board meetings are to be open. The position of President will be occupied by rotation - alternately by a representative from each of the three sides. The Presidency will last one year, also in the provincial councils, which will be created in place of the provincial committee of social dialogue.

**Institution Responsible:** The Ministry of Labour and Social Policy

**Main Objectives:** The Social Dialogue Council has been created for: expressing opinions and positions, giving opinions on draft laws and initiating legislative processes.

**Target Groups:** Trade Unions and employers' representatives

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act of 24 July 2015 on Social Dialogue Council and other social dialogue institutions /*USTAWA z dnia 24 lipca 2015 r. o Radzie Dialogu Społecznego i innych instytucjach dialogu społecznego* (Dz.U. 2015 poz.1240)

**Date of adoption:** 2015-08-27

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 2015-09-11

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Budget:** EUR 20.67 million (PLN 87.61 million) in 10 years

---

**Changes of the labour code (Law no.53/2003) via Law no.12/2015**

**Country:** Romania

**Description:** The measure makes some facilities for both employers and employees with regard to the rules relating to the statutory annual leave. It considers periods of work incapacity (medical leave) as well as maternity related emergencies as part of the working periods to be counted in when calculating the statutory annual leave. It also gives more leeway to employers as they are now able to defer at least on part of the annual statutory leave for employees and if not able to grant the whole of the period within a calendar year, provide it within a period of 18 months afterwards. Previous it had to be provided within the calendar year.

**Institution Responsible:** Ministry of Labour via its Agency for Labour Inspection and Social Security ensures controls proper application of the act which makes changes to the labour Code

**Main Objectives:** Facilities for both employers and employees with regard to the statutory annual leave.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law no.12/2015 for the modification of Law no.53/2003, the Labour Code

**Date of adoption:** January 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** January 2015

**State of play: Enacted into law?** Law adopted and currently in implementation

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monitoring of application of all provisions regarding labour relations resides with the labour inspection, currently the National Agency for Labour Inspection and Social Security

**Update frequency of monitoring arrangements:** permanent.

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** None

---

**Employment, Self-employment and Work of Aliens Act**

**Country:** Slovenia

**Description:** According to the new act, the single permit for residence and work for foreigners will be issued using the principle of 'one stop shop' for all foreigners applying for a permit in administrative units. The permit could be obtained for employment or work, seasonal work, work as a self-employed person or posted worker. The exemption from the single permit is only a seasonal worker permit for a period of up to three months, since nationals of third countries now will no longer need a residence permit.

**Institution Responsible:** administrative units

**Main Objectives:** The main reason for the preparation of the new act was modification of the employment and work of foreigners in Slovenia to the provisions of the new Aliens Act on the basis of the transposition of Directive 2011/98 / EU.

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Permanent

---

**Has the measure been enacted into law?** Yes

**Legal reference:** Employment, Self-employment and Work of Aliens Act

**Date of adoption:** 16 June 2015

**Start date for implementation of the measure:** 1 September 2015

**State of play?** Implemented from 1 September 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** None

---

### **Social Agreement for the 2015-2016 period**

**Country:** Slovenia

**Description:** The social agreement is a key element of social dialogue, whose primary purpose is to achieve consensus between the social partners on the objectives and solutions to systemic changes covered by social agreement.

**Institution Responsible:** Social partners, Economic and Social Council

**Country Specific Recommendation:** (2014) CSR 3: (i) Following consultation with social partners and in accordance with national practices, develop a comprehensive Social Agreement by the end of 2014 ensuring that wage developments, including the minimum wage, support competitiveness, domestic demand and job creation. (ii) Redefine the composition of the minimum wage and review its indexation system.

**Main Objectives:** The new Social Agreement defines the basic commitments and policies of employers, trade unions and the Government of the Republic of Slovenia for the implementation of activities in the years 2015 - 2016 in various areas: finance, sustainable model of economic development, new investments, public sector, health, wages, the labour market, the pension system, the implementation of European cohesion policy, education and legal security/state.

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Until the end of 2016

**Has the measure been enacted into law?** No

**Legal reference:** Social Agreement for the 2015-2016 period

**Date of adoption:** 5 February 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 5 February 2015

**If not law what type of measure is it?** Social Agreement

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Social partners will monitor the implementation on the sessions of the Economic and Social Council

**Update frequency of monitoring arrangements:** On regular sessions of the Economic and Social Council

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 3: (i) Following consultation with social partners and in accordance with national practices, develop a comprehensive Social Agreement by the end of 2014 ensuring that wage developments, including the

minimum wage, support competitiveness, domestic demand and job creation. (ii) Redefine the composition of the minimum wage and review its indexation system.

---

### **Trade Union Reforms**

**Country:** United Kingdom

**Description:** The new Conservative government announced plans to change the legislation in relation to workers planning to take industrial action. Specifically the changes proposed are: 1) a 50 % threshold for ballots on strike action - only those ballots with 50 % of eligible members to vote will be lawful; 2) an additional requirement threshold of 40 % of those entitled to vote do so in favour of the action for workers eligible to vote in key sectors of health, education, fire & rescue, transport, border security and nuclear decommissioning; 3) setting a 4 month time limit for industrial action; 4) requiring a clear description of the dispute and the planned action; 5) greater scrutiny and controls over taxpayer-funded subsidies to trade unions; 6) creating a more transparent process for paying trade union subscriptions; 7) putting in place safeguards to ensure non-striking workers are able to work without intimidation.

**Institution Responsible:** Department of Business, Innovation and Skills (BIS)

**Main Objectives:** To strengthen strike laws so that the right to strike is fairly balanced with the right of people to be able to perform their daily work and lives. The aim is to overcome the current situation where a small number of trade union members can, through taking strike action that may not be widely supported by fellow members, disrupt large numbers of people going about their daily lives and work. Other safeguards are aimed at controlling the funding of trade unions and ensuring workers in a unionised workplace have a choice of membership.

**Target Groups:** Trade union members

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Trade Union Bill 2015

**Date of adoption:** Currently going through second reading in Parliament

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Autumn 2015 (subject to Parliamentary timing)

**State of play: Enacted into law?** The new Trade Union Bill is (September 2015) in the final stages of passing through Parliamentary processes and is certain to be enacted given the government overall majority.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** None

---

### **Law on Changes and Amendments to the Law on Employment and Insurance against Unemployment**

**Country:** Serbia

**Description:** Regarding the rules governing the amount of the unemployment benefit, they were clarified so that the minimum amount of the benefit cannot be



lower than 80% nor higher than 160 % of the net minimum wage. The previous regulation has allowed the interpretation (preferred by the NES) that these amounts are gross, which led to a number of court cases. Next, the new amendment was introduced, regulating the amount of financial assistance for the unemployed pursuing the programme of additional education, ranging from 30 % to 80 % of the minimum wage, net of taxes and contributions. Several new articles regulate the duties and responsibilities of agencies mediating the employment abroad. The Employment agency is responsible for the legality of employment of its clients and for their working conditions, which need to be within the legal boundaries of the host country. Agency is responsible for any damage to its client caused by the lack of information or by the host employer if the damage is not the responsibility of a client. The Law has introduced the restriction of the access to unemployment benefit for those who accept the severance payment in the process of restructuring. According to previous regulation, anyone who got the severance payment was eligible for the unemployment benefit immediately after their next re-employment (since the unemployment insurance contributions were not used). According to the amendment, the unemployed person who has received severance payment becomes eligible for the benefit only after a full year spent in new job.

**Institution Responsible:** Ministry of Labour, Employment, Veterans and Social Policy National Employment Service

**Main Objectives:** To clarify the rules regulating the payment of unemployment benefits; to define the amount of financial assistance to participants of training programmes; to regulate duties and responsibilities of agencies employing Serbian citizens abroad; to decouple severance payment from unemployment benefits for redundant workers

**Target Groups:** Unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law on Changes and Amendments of the Law on Employment and Insurance against Unemployment, Official Gazette 35/2015

**Date of adoption:** 27 April 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 5 May 2015

**State of play: Enacted into law?** Yes

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

#### Measure Updates total: 4

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Germany</p> <p><b>Measure Title:</b> Law proposal on 'unity principle of collective agreement' (<i>Tarifeinheitgesetz</i>)</p> <p><b>Description:</b> This law proposal states that the most representative trade union has to</p>	<p><b>Title:</b> Law Passed</p> <p><b>What has changed:</b> After the Federal Government presented the draft law on the 'unity principle of collective bargaining' (<i>Tarifeinheitgesetz</i>) in the <i>Bundestag</i> in February 2015, the <i>Bundestag</i> passed the</p>

<p>sign the collective agreement and that a company can only be covered by one collective agreement in order to avoid 'collective agreement collision'. The strike law has not been specifically addressed by the law proposal, but it is indirectly affected.</p> <p><b>Measure Time Period:</b> Dec 2014</p>	<p>law without changes in May. With this law, increasing conflicts between different groups of workers and occupations are intended to be reduced and a certain trend towards de-solidarisation is meant to be prevented. It foresees that the most representative trade union has to sign the collective agreement and that a company can only be covered by one collective agreement in order to avoid 'collective agreement collision' for the workers.</p>
<p><b>Country:</b> Estonia</p> <p><b>Measure Title:</b> Amendments of the Aliens Act entered into force</p> <p><b>Description:</b> Firstly, the list of groups exempt from the general immigration quota has been broadened. For example, international students who want to stay in Estonia for work after graduation as well as researchers from third-countries are no longer included in the quota requirement. Secondly, to support family reunification highly qualified third-country nationals can bring their immediate family with them, the requirement for prior residence of the spouse in Estonia for at least two years is not applied for them. Thirdly, a fast-tracking procedure for registering short-term temporary employment of highly qualified workers is launched. This means that the person can start working on the same calendar day as the Police and Boarder Guard Board receives the notification of registration instead of previous requirement to register their employment before starting he work. The assessment of the legality of the employment will be carried out after the person has started working in Estonia. Fourthly, to employ third-country nationals who have obtained their bachelor, master or PhD degree in Estonia as well as highly qualified workers under certain conditions the requirement to get the permit of the Unemployment Insurance Fund is abolished. Previously, the vacancies had to be registered in and advertised by the Unemployment Insurance Fund for three weeks before the position could be filled with a third-country national. In addition to the above mentioned amendments several other changes are implemented to simplify the procedures required to employ highly qualified workers.</p> <p><b>Measure Time Period:</b> Dec 2013</p>	<p><b>Title:</b> New set of amendments to Alien's Act</p> <p><b>What has changed:</b> On 18 February 2015 another set of amendments were approved by the Parliament. Most important changes were: Firstly, a 90-day transition period (183 days for graduates and research/university staff) was established for applying for a new residence permit on different grounds (for example a permit for employment instead of a permit for study). Currently, foreigners must leave Estonia immediately after their residence permit expires. Secondly, a new basis for issuing a permit was established: a temporary residence permit for becoming a permanent resident. Those, who have lived in Estonia for at least three years during a five year period, are eligible for applying. Other standard requirements must also be met: the person must have a place of residence, legal income and health insurance. Thirdly, the Government will have the right to create a list of sectors/domains, which suffer from lack of qualified employees in Estonia. In those sectors, foreigners can be hired without the permission of the Unemployment Insurance Fund. Also, employers must pay foreigners at least 1.24 times the national average wage, but in those sectors/domains, employers will be allowed to pay the sectoral average wage. Regarding other changes, foreigners will have the right to work for several employers instead of one at a time and they can be hired as temporary agency workers through agencies. These changes take effect on 1 January 2016.</p>
<p><b>Country:</b> Lithuania</p> <p><b>Measure Title:</b> Creation of a new social model in Lithuania</p>	<p><b>Title:</b> Social model will be discussed at the Parliament only after final consideration by social partners</p>

<p><b>Description:</b> At the beginning of 2014, a European Social Fund (ESF) funded project was launched in Lithuania by order of the Ministry of Social Security and Labour for developing the so-called new social model in Lithuania. The project encompasses the analysis of foreign experience and Lithuania's situation. The new social model for Lithuania is expected to cover many interrelated areas, such as labour relations, state social insurance system, creation of jobs and reduction of poverty. The project was expected to be completed by the end of 2014. The deliverables of the project will include proposals for the amendment/improvement of relevant legislation.</p> <p><b>Measure Time Period:</b> Sep 2014</p>	<p><b>What has changed:</b> In September 2015, social partners at the Tripartite Council still did not have a final decision on the social model. Trade unions held a mass protest meeting against social model. Taking into consideration this situation, the Prime Minister announced that the drafts of the law that were supposed to be considered at the Parliament in September will not be considered by the Parliament until social partners reach the final decision</p>
<p><b>Country:</b> Finland</p> <p><b>Measure Title:</b> Structural Change and Functionality of the Labour Market Strategic Programme (RTT-Programme)</p> <p><b>Description:</b> This measure is one of the Government's key initiatives. The strategy aims at improving the employment rate, quality of working life, well-being at work and productivity, and is a long-term initiative. It is the first of its kind in comprehensiveness, addressing all these areas, and providing a cross-ministerial co-operation framework to address the complex issue of extending working careers and responding to ageing.</p> <p><b>Measure Time Period:</b> Oct 2012</p>	<p><b>Title:</b> RTT finished</p> <p><b>What has changed:</b> The RTT programme was formally finished in 2015. The Prime Minister concluded that positive steps were taken in regard to social and health care reform and pension reform, but other problems remain. The decreasing municipality obligations appeared challenging, unemployment increased despite introducing protected portion of unemployment benefit which allowed hiring subsidies for long-term unemployed, the obligation to accept job offers was tightened and the Public Employment Service (PES) made more job proposals. Moderate wage settlement reached in previous years appeared totally inadequate and further pressures were faced in relation to the industrial relations.</p>

### 3 PA 2i: Active labour market policies – Job Creation

Under PA 2i, 14 countries introduced a total of 24 new policy measures between January and September 2015. Aside from *Other job creation measures*, the key area of activity was in *Start-up incentives (including measures encouraging entrepreneurship female entrepreneurship and micro credit schemes etc.)*. The following list gives a breakdown of the new measures introduced in this policy area:

- Hiring subsidies (France, Former Yugoslav Republic of Macedonia x 2, Cyprus, Turkey)
- Start-up incentives (including measures encouraging entrepreneurship, female entrepreneurship and micro credit schemes etc.) (Slovakia, Spain x 2, former Yugoslav Republic, Cyprus, Portugal )
- Simplifying the business environment (Slovakia)
- Public investment programmes and regional investment incentive measures (Belgium, Slovakia)

- Public works (Greece, Slovakia)
- Other job creation measures (Estonia, Malta x 3, former Yugoslav Republic of Macedonia, Poland, Denmark, Serbia)

There were 11 updates to previously identified measures in the following countries: Bulgaria x 2; Greece; Spain; Cyprus; Romania; Slovakia; FYROM x 3; Serbia.

The 24 new policy measures for this policy area represent 12 % of the total across all policy areas. Eight were introduced (33 %) have been enacted into law. Of the 23 measures stating a source of funding, the most popular source of funding was EU Co-funding for 11 of the new measures, five were funded by government/state budget, four stated 'other' sources of funding and two required no specific funding.

The measures and measure updates are discussed in turn below.

### 3.1 Hiring subsidies (5 new measures)

#### **Incentive scheme for the employment of the long-term unemployed (third offering)**

**Country:** Cyprus

**Description:** The scheme subsidises the employment of unemployed individuals who have been registered with the PES for more than six months. The subsidy is 60 % of the wage cost of the worker to a limit of EUR 6 000. The subsidy will be paid for up to 10 months, but the individual must remain employed for 12 months. After six months of employment, the minimum wage of EUR 924 per month must be paid.

**Institution Responsible:** Ministry of Labour and Social Insurance (MLSI), Department of Labour.

**Country Specific Recommendation:** (2014) 4.4. The Cypriot authorities will continue the implementation of measures to address the identified shortcomings of the system of activation policies, including: i. the development of a coherent methodology for the continuous monitoring and evaluation of activation measures, to be applied consistently across the different ALMP. A comprehensive report will be presented by Q3-2014 and as of then the new methodology will be applied, thereby enabling the assessment of the performance and effectiveness of all measures; ii. measures to enhance the administrative capacity of the public employment services via increased staff mobility and/or outsourcing of specific tasks by Q3-2014; and iii. measures to ensure the effective cooperation between the public employment services, the social welfare services and the benefit-paying institutions in the activation of the unemployed who are recipients of social assistance, including by establishing clear procedures for the automatic exchange of information and a transparent system linking benefit receiving with job-search efforts.

**Main Objectives:** To improve the employment prospects of the long-term unemployed.

**Target Groups:** Long-term unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The measure has been offered before, as the title suggests. Long term unemployment has emerged as a major issue in Cyprus and will remain so for a while. The scheme is eligible for ESF funding. All these considerations suggest that it will be opened again but the current offering received applications until 21 August 2015.

**Start date for implementation of the measure:** The application deadline was 21

August 2015, so the outcomes of these will be known soon.

**If not law, what type of measure is it?** Government proposal

**State of play: Enacted into law?** The outcome of applications is expected soon.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The Department of Labour in the MLSI has experience running these programs and will monitor its implementation. A number of restrictions are imposed on employer eligibility (see the URL above for details).

**Update frequency of monitoring arrangements:** MLSI procedures.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 7.3 million supporting 1200 individuals.

**Policy recommendations that the measure responds to:** MOU

**Recommendation details:** In sections 4.3-4.5, the seventh MoU notes the increase in unemployment and the need to support the unemployed.

---

### **Hiring subsidies for persons at social risk**

**Country:** former Yugoslav Republic of Macedonia

**Description:** Employers that will employ workers from the target groups would receive a monthly subsidy of app. EUR 220 (MKD 13 500) for payment of gross wage (slightly above the level of the minimum wage) for workers with lower levels of education/skills and EUR 276 (MKD 17 000) for those with higher education (secondary and above). In addition, employers will receive a monthly payment of EUR 81 (5 000 MKD) for the costs of the initial job training and some materials used. The payment is scheduled for six months, with an obligation of the employer to keep the workers on job for additional six months (12 months in total). Priority will be given to employment of young workers aged 16-29.

**Institution Responsible:** Ministry of Labour and Social Policy, Employment Service Agency and Social Work Centres

**Main Objectives:** This measure aims at supporting the employment (and skills acquisition) among persons at social risk. It targets the individuals-recipients of the SFA and/or their family members (especially those aged 16-29), children without parents and parental care, young people who were recipients of the conditional cash transfers , and some other poor categories of citizens

**Target Groups:** Persons at social risk (individuals-recipients of the SFA and/or their family members (especially those aged 16-29), children without parents and parental care, young people who were recipients of the conditional cash transfers , and some other poor categories of citizens)

**Duration of measure:** Temporary

**If temporary, how long will it run for?** One year, with the OP 2015

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The first call for applications was published on 24 June 2015

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Regular monitoring arrangements for ALMPs, such as number of applicants, approved loans, started

businesses, survival of businesses

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** Loan from World Bank

**Budget:** app. EUR 3 million

---

**Special program of hiring subsidies for most vulnerable groups 'Macedonia employs'**

**Country:** former Yugoslav Republic of Macedonia

**Description:** In April 2015 the Government started a new program called 'Macedonia employs'. which provides wage subsidies for employers who hire workers from most vulnerable groups (similar to the wage subsidies for young persons aged up to 29 years, but subsidies in this program are of much longer duration). The subsidies are in a form of exception from payments of personal income tax and social contributions, up to the level of the average gross wage. The program is not part of the OP, but is a one-off measure, with duration of one year. The program involves five categories of workers: - first and second group are unemployed up to 35 years of age without work experience or with previous work experience but with unemployment duration of above three months at the time of the implementation of the measures. The exemption for payment of the tax and contributions will last 36 months with an obligation that the employers keeps the worker on the job additional 12 months. - third and fourth groups are unemployed aged 35-50 who have been unemployed over 10 years; unemployed aged over 50, unemployed who are parents of 3 or more children, single parents, beneficiaries of SFA, children without parents and parental care, victims of home violence, disabled persons, professional soldiers whose service has ended and parents of children with mental disabilities. For these categories, the exemption from payment of contributions and tax lasts five years, and the employers have to keep the workers on the job for additional 12 months. Fifth group are unemployed aged over 58 years with duration of unemployment of above two years. The tax exemption in this case is until the worker becomes eligible for old-age pension.

**Institution Responsible:** Ministry of Labour and Social Policy, Employment Service Agency

**Main Objectives:** To promote employment and acquisition of skills of most vulnerable and hard-to-place workers

**Target Groups:** Very hard-to-place workers. See above in the description of the measure.

**Duration of measure:** Temporary

**If temporary, how long will it run for?** One year

**Has the measure been enacted into law?** Yes

**Legal reference:** The implementation of this project/measure required legislative changes in several laws, such as Law on Employment and Insurance in Case of Unemployment (Official Gazette No. 56/2015), Law on Pension and Disability Insurance (Official Gazette No. 61/2015) and Law on Health Insurance (Official Gazette No. 61/2015).

**Date of adoption:** Legislative changes were made in April 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** May 2015

**State of play: Enacted into law?** Government reported that until end August, 5 000 workers were employed through the program (20 000 expected in the one year of implementation)

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** No

### **Job creation subsidies: An Impact Analysis (ITEAP)**

**Country:** Turkey

**Description:** ITEAP was to evaluate existing subsidy programs and suggest measures to increase their effectiveness.

**Institution Responsible:** Ministry of Labour and Social Security

**Main Objectives:** MoLSS justified ITEAP as In order to prevent wasting of resources and for more effective use of resources, the results and data pertaining to current subsidy programs and their impact analysis will be delivered to policy makers in order to form a decision support mechanism.

**Target Groups:** Policy makers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Not applicable

**Has the measure been enacted into law?** No

**Legal reference:** In January 2015, Ministry of Development published an Action Plan for Enabling the Labour Market Program. The plan detailed measures and identified responsible bodies. The fifth part of this plan is totally dedicated to the impact analysis of employment subsidies. MoLSS was the responsible institution. Note that this plan is part of the Tenth Development Plan and it is one of the priority transformation programs. Tenth Plan was published before NES.

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** MoLSS funded the impact analysis (called ITEAP) that Deloitte conducted by hiring researchers. It was finished in eight months. ITEAP evaluated existing subsidy programs and suggested measures to increase their effectiveness. Prof. Yeldan conducted the macroeconomic analysis, Dr. Ercan conducted the microeconomic analysis, and Dr. Bölükbaşı conducted the qualitative analysis and interviews. Computable general equilibrium modelling of Prof. Yeldan has suggested that, employment subsidies that constituted 0.5 % of GDP on average after 2008 caused modest increases in employment at 0.4 % to 0.9 %. GDP was not affected, which meant that the subsidy (in terms of uncollected social security contributions) was expenditure neutral. Prof. Yeldan's second model revealed, however, a huge impact on GDP that would have been possible had Turkey had macroeconomic stability with more private savings and less current account deficits. The analysis team's conclusion was that the subsidies worked during the crisis and its aftermath, in the sense of preventing net large employment losses that would have been observed in their absence. Employment subsidies caused modest net gains. Positive employment impact during the crisis for 30+ women is consistent with the added worker explanation. As men lost their jobs, women entered into the labour market willing to work at low wages. Microeconomic analysis confirmed the macroeconomic analysis results. Crisis subdued the incentives' effect; there were

no net employment gains. However, they likely helped facilitate a faster return to employment.

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** Should be in the vicinity of EUR 298 000 (1 million TL at 3.36 TL/EUR)

**Policy recommendations that the measure responds to:** National Employment Strategy

**Recommendation details:** Across the board social security contribution subsidy of five points for all employers should be gradually reduced. This reduction, however, should be used to provide additional incentives for women's and youth employment subsidies. The latter take a definite backstage position since the first one is already in place.

### Hiring first employee

**Country:** France

**Description:** The measure is dedicated to independent, very small companies for the hiring of their first employee in a permanent contract or 12 month contract minimum. The total amount given is EUR 4 000 over 24 months, or EUR 500 every quarter.

**Institution Responsible:** the Ministry of Labour / pole employ

**Main Objectives:** to encourage the first hiring in Very Small Company

**Target Groups:** Unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 9 June 2015 to 8 June 2016.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 9 June

**If not law, what type of measure is it?** Government proposal

**State of play: Enacted into law?** A decree has been published to allow the implementation of the measure

**Steps taken to monitor the implementation of the measure:** No

**What are the monitoring arrangements in place?** The measure is implemented for only one year

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 240 to 320 million

### Measure Updates total: 6

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Spain</p> <p><b>Measure Title:</b> Incentives for recruiting open-ended workers</p> <p><b>Description:</b> The measure introduces a EUR 100 monthly flat rate for employers' Social Security contributions for common contingencies until 31 December 2013. Previously this was 23.6 % of the gross</p>	<p><b>Title:</b> Additional exemption on the first EUR 500 salary</p> <p><b>What has changed:</b> The temporary open-ended employment EUR 100 flat rate incentive approved in March 2014 was extended until March 2015, and modified in February (Royal Decree 1/2015, 27 February) to include an exemption of the employers'</p>



<p>monthly salary. Unemployment and other minor contributions still amount to 6.3 % of the gross monthly salary and are unaffected. The flat rate lasts two years and the worker cannot be dismissed for three years. Small companies (less than 10 workers) are entitled to 3 years of subsidies (encompassing 50 % of Social Security contributions). It also applies for part-time workers (with at least 50 % of working hours). Firms should not have made an unfair dismissal in the previous six months of the new recruitment without considering those dismissals from before 25 February. The incentive should be (gradually) reimbursed to the Social Security. The new recruitment should involve the creation of net employment. The employment level in the firm is measured as the average amount of workers within the previous month.</p> <p><b>Measure Time Period:</b> Mar 2014</p>	<p>social security contributions over the first EUR 500 salary in order to correct the regressive character of the flat rate, that favours higher salaries.</p>
<p><b>Country:</b> Cyprus</p> <p><b>Measure Title:</b> Incentive Scheme for the Employment of the Long-term Unemployed</p> <p><b>Description:</b> It provides employers with strong incentives to hire individuals who are registered unemployed and even stronger incentives to hire individuals who have exhausted unemployment insurance benefits (i.e. have exhausted their six month entitlement). Thus, stronger incentives are given to hire the long-term unemployed.</p> <p><b>Measure Time Period:</b> Sep 2014</p>	<p><b>Title:</b> Incentive Scheme for the Employment of the Long-term Unemployed (third offering)</p> <p><b>What has changed:</b> A new programme which continues efforts to support re-employment has been offered. Please see the entry by the same name in September 2015.</p>
<p><b>Country:</b> Romania</p> <p><b>Measure Title:</b> Changes to the Unemployment Insurance Act</p> <p><b>Description:</b> the Unemployment Insurance Act, law No.76/2002 has been amended so as to sever the link between the minimum guaranteed salary and the benefits provided under the act, notably the unemployment benefit but also subsidies, with the inclusion of hiring subsidies for enterprises creating jobs. As of 1 January 2011 all of the benefits under the law will be tied to the social reference indicator set in 2010 at a rate of RON 500, RON 100 lower, at the time, than the minimum guaranteed salary;</p> <p><b>Measure Time Period:</b> Oct 2010 – Sep 2012</p>	<p><b>Title:</b> Changes to the Unemployment Insurance Act via Parliamentary initiative, re-introduction of temporary employment via public works</p> <p><b>What has changed:</b> Unemployment Insurance Act (law No.76/2002) has been changed as of this summer via law No.195/2015. The change has re-introduced temporary employment via public works as an active measure (it had been removed as of mid-2010). It provides subsidies for enterprises as well as public authorities, for a period of maximum 12 months, for the employment of the unemployed. Activities eligible are infrastructure works, ecology and cleaning as well as social services for the community.</p>
<p><b>Country:</b> Former Yugoslav Republic of Macedonia</p>	<p><b>Title:</b> Update</p> <p><b>What has changed:</b> The measure has been implemented as part of the Operational</p>

<p><b>Measure Title:</b> Subsidised employment of young graduated workers' first chance</p> <p><b>Description:</b> The measure provides subsidised employment for young workers who have graduated from tertiary education institutions in the academic year 2012-2013, as first chance to employment. In addition, these workers have to be registered as unemployed. Employers that will hire these workers will receive a monthly gross subsidy of approximately EUR 210 for a period of three months and will then a responsibility to keep on job the workers for additional six months (nine total). The measure will provide only 30 subsidies and priority will be given to workers who have previously completed an internship program with a specific employer.</p> <p><b>Measure Time Period:</b> Mar 2014</p>	<p>Programme (OP) 2014. However, the interest for participation in the measure was very low, only 10 young people were employed based on the program. As it was a pilot program, it was not transferred into a regular program in the OP 2015.</p>
<p><b>Country:</b> former Yugoslav Republic of Macedonia</p> <p><b>Measure Title:</b> Stimulating employment of beneficiaries of Social Financial Assistance</p> <p><b>Description:</b> The measure provides private sector companies that hire workers who receive Social Financial Assistance (SFA) with a subsidy of 80 % of the SFA benefit that the worker had been previously receiving. The employer should not have fired any workers three months prior to the employment of new workers under this measure. The subsidy has a duration of 24 months. The company that would fire the worker in the meantime (during the 24 months) is obliged to pay back the total subsidy received. The employer can, however, replace the hired worker with another recipient of the SFA in case of underperformance.</p> <p><b>Measure Time Period:</b> Mar 2014</p>	<p><b>Title:</b> Update</p> <p><b>What has changed:</b> There are no official results on the effectiveness of the measure and number of employed persons through the measure. The implementation of the measure was thought very challenging. Hence, starting from 2015 (with the Operational Programme 2015) the design of the measure was somewhat changed and now the measure is part of the OP.</p>
<p><b>Country:</b> Serbia</p> <p><b>Measure Title:</b> National Employment Action Plan for 2015</p> <p><b>Description:</b> The National Employment Action Plan (NEAP) for 2015 anticipates a new institutional and policy framework, but with uncertainty and pessimism about the available funds for its implementation. The focus of this year's active labour market policies is on youth, unemployed with low qualifications, and workers made redundant from companies in restructuring. The NEAP announces the introduction of a new measure in 2015 'Integration of the Social Assistance Beneficiaries in the Labour Market'. The measure is categorized as a job subsidy. Target group are unemployed persons</p>	<p><b>Title:</b> Implementation of NEAP 2015 in the period January - June 2015</p> <p><b>What has changed:</b> This is the summary account of the implementation of the NEAP in the first half of 2015. Regarding measures of additional education and training changes are as below.</p> <ul style="list-style-type: none"> <li>• 1 582 persons engaged in the Professional Practice Programme for those with university education without significant work experience. This is 40 % of the annual target.</li> <li>• 28 persons engaged in the Practical Skills Programme, targeting persons without qualifications. This is 28 % of the annual target.</li> </ul>

<p>registered at the National Employment Service who also are social assistance beneficiaries. The monthly subsidy of RSD 10 000 (approximately EUR 85) will be provided over a 12 month period to private sector employers to cover part of the wage costs for the employment of social assistance beneficiaries. After the expiration of the subsidy, the employers will have to retain the beneficiary in employment for another year. If there are available funds, beneficiaries will also get a stimulus in the form of a monthly amount of RSD 2 000 (EUR 17) during the 18 month period, to help them get out from the unemployment assistance trap by reducing somewhat the high effective marginal tax rate following the loss of social assistance benefits</p>	<ul style="list-style-type: none"> <li>• 30 persons engaged in 'Training for the Known Employer'. This is only 3.75 % of the annual plan.</li> <li>• 36 persons engaged in the Training for the Labour Market programme, while according to the Work Programme of the National Employment Service (NES) it should engage 1 840 persons in 2015, out of which 540 persons with disabilities.</li> <li>• The catalogue of training for the labour market was created, with 147 training places designed for 1 300 persons. The procedure for the publication of the public tender for training providers was started, but no actual training has been conducted yet.</li> <li>• Nine persons were enrolled in the Programme of Functional Basic Adult Education (literacy programme). It is supposed to engage 1 500 persons. The bulk is expected to enrol in September.</li> <li>• The Learning Recognition Programme is supposed to engage 30 unemployed persons, but has not started yet, because of the lack of bylaws expected to be enacted by the Ministry of Education.</li> </ul> <p>Regarding subsidies for job creation programmes changes made are as follows.</p> <ul style="list-style-type: none"> <li>• 935 persons, 52 of which with disabilities (from the target of 2 300 of which 300 with disabilities) have been employed under the Subsidy Programme for New Job Creation includes. This programme targets vulnerable groups, such as youth below 30, older workers 50+, redundant workers, Roma, and persons with disability. The lump sum subsidy to employer is granted depending on the level of development of the municipality, with employers from least developed municipalities getting the highest subsidy.</li> <li>• Two persons, out of the 1 000 target, have been employed through the Subsidy for the Employment of Social Assistance Beneficiaries programme. The programme consists of a monthly subsidy of RSD 10 000 (approximately EUR 82) given to employers for 12 months, with the obligation to keep the beneficiaries in employment for the minimum of next 12 months.</li> <li>• 94 persons have been employed through the Wage Subsidy for the Employment of Persons with Disability without Work Experience. The plan for 2015 envisages</li> </ul>
--	--

**Measure Time Period: Dec 2014**

	<p>employment of 300 persons within this programme.</p> <ul style="list-style-type: none"> <li>• The Work Place Adjustment Costs Refund Programme for people with disabilities allowed for 40 refunds. No use had been made of this scheme.</li> <li>• Three persons out of 40 planned for engaged with the Wage Subsidy Programme for Personal Assistants for people with disabilities.</li> <li>• The Social Security Contribution Subsidy Programme for Persons with Disabilities supported 66 persons in the first half of 2015. This is significantly less than the same period in 2014.</li> </ul> <p>Regarding Public Works, the following changes apply.</p> <ul style="list-style-type: none"> <li>• The Public Call for Public Work Programmes was completed only in June, hence there was no engagement on this programme.</li> <li>• The Self-employment Subsidy Programme will help 3 130 persons, of whom 130 with a disability. The precondition for the application is to complete a two day training course called 'On the path to successful entrepreneur'. Priority is given to persons classified as difficult-to-employ. The lump sum subsidy in 2015 is RSD 160 000 (approximately EUR 1 250). For persons with disabilities this is RSD 200 000 (approximately EUR 1 600 EUR). Public call was opened in late March. By the end June there were 4 911 applications, of whom 142 were persons with a disability.</li> </ul>
--	---

### 3.2 Start-Up Incentives (including measures encouraging entrepreneurship and female entrepreneurship, micro credit schemes etc.) (6 new measures)

#### Modification of the regulation of self-employment

**Country:** Spain

**Description:** The new Law extends the possibility of capitalisation of 100 % of the unemployment benefit a person is entitled to, possibility available only to young people under 30 years old so far, to all unemployed (before, only up to 60 % for adult unemployed). It also extends the possibility of perceiving contributory unemployment benefits while being self-employed for a period of nine months, which was as well a measure formerly restricted to young people according to the Strategy for Youth Entrepreneurship and Employment 2013-2016. Finally, a self-employed who has to interrupt his/her activity for economic reasons, who is entitled to the cease of activity benefit (*prestación por cese de actividad*, introduced by the Law 14/2013 to support entrepreneurs and their internationalisation) and who was

entitled before the entrepreneurship project to contributory unemployment benefits can now choose to restart the remaining unemployment benefit or to perceive the cease of activity benefit. Interestingly, s/he can do so up to five years after the beginning of the self-employment initiative (before, only two years). The Law includes new employment incentives in the form of rebates in the social security contributions of the self-employees and modifies existing ones.

**Institution Responsible:** Ministry for Employment and Social Security

**Country Specific Recommendation:** (2014) (CSR 3) (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

**Main Objectives:** The new law aims to promote self-employment and entrepreneurship making better use of the possibilities of combining passive policies (the contribution unemployment benefit) with active policies (self-employment). It also aims to improve social protection of the self-employed and approaching it to the rest of workers (employees).

**Target Groups:** Self-employed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law 31/2105, of 9 September, that modifies and updates the regulation of self-employment and promotes the Social Economy

**Date of adoption:** 10 of September

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 10 October

**What are the monitoring arrangements in place?** No particular arrangement have been put in place

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR '15 4: Remove barriers preventing businesses from growing. CSR'14 3 (i): Enhance the effectiveness and targeting of ALMP, including hiring subsidies

---

## **Promotion of the Social Economy**

**Country:** Spain

**Description:** The measure includes three year employment incentives for cooperatives and workforce-owned companies that integrate unemployed persons younger than 30 years old or 35 if with disabilities as working members (EUR 1 650/year during the first year and EUR 800/year the two remaining years) or older than 30 years of age (EUR 800/year during the three years); employment incentive for the social enterprises that hire persons at risk of social exclusion equal to EUR 850/year (EUR 1 650/year for young people under 30). Workers entitled to contributory unemployment benefits or to the activity cease benefit and willing to

enter a cooperative or labour owned company can capitalize it to finance the initial contribution. Moreover, the Law recognizes social enterprises and special employment centres as entities of general interest so they have now access to larger grants (EUR 500 000 in three years) and market reserves in public contracts.

**Institution Responsible:** Ministry for employment and Social Security

**Country Specific Recommendation:** (2014) (CSR 3) (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

**Main Objectives:** Promote employment creation in the Social Economy

**Target Groups:** Workers in the Social Economy. In the cases of social enterprises, people at risk of social exclusion; in the case of Special Employment Centres, people with disabilities

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law 31/2105, of 9 September, that modifies and updates the regulation of self-employment and promotes the Social Economy

**Date of adoption:** 9 September 2015

**Start date for implementation of the measure:** 10 October 2105

**What are the monitoring arrangements in place?** Not specific monitoring arrangements have been put in place

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** AGS, CSR

**Recommendation details:** (2015) CSR 4 Remove barriers preventing business from growing CSR (2014) 3i Enhance the effectiveness and targeting of ALMP, including hiring subsidies, particularly for those facing more difficulties in accessing employment CSR (2014) 1 Consider lowering employers' social security contributions, in particular for low wage jobs AGS 1: Improving the dynamics in labour markets and tackling the high level of unemployment

---

### **Scheme to strengthen female entrepreneurship (First Call 2014-2020)**

**Country:** Cyprus

**Description:** Issued in February 2015, the programme repeats earlier similar schemes by the Ministry of Energy, Commerce, Industry and Tourism (MCIT) to encourage female entrepreneurship by subsidising up to 50 % eligible costs for setting up a business in manufacturing (subsidy up to EUR 70 000) or services, e-commerce and tourism (subsidy up to EUR 50 000). This programme is similar to the one offered for youth and described in this Annual Policy Update. See [http://www.mcit.gov.cy/mcit/mcit.nsf/All/9D974468E3A9FCD6C2257DEB00435DB2/\\$file/ODHGOS\\_GE\\_2015\\_1.pdf](http://www.mcit.gov.cy/mcit/mcit.nsf/All/9D974468E3A9FCD6C2257DEB00435DB2/$file/ODHGOS_GE_2015_1.pdf)

**Institution Responsible:** MCIT.

**Main Objectives:** To encourage female entrepreneurship. Eligible expenses are

defined broadly to include the physical setup of the premises, training for the proprietor, raw materials and stationery and other expenses. See URL above for details.

**Target Groups:** Women

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The measure will be repeated during the programme period 2014-2020, but the current call invited applications with a deadline of 11 May 2015.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Applications currently evaluated. <http://www.mcit.gov.cy/mcit/mcit.nsf/All/9D974468E3A9FCD6C2257DEB00435DB2?OpenDocument>

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** The scheme falls under the provisions of the 2014-2020 programme period and is approved and run by MCIT.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Administrative procedures of MCIT. Applications are scrutinised prior to approval. Monitoring continues and disbursements are in three stages and subject to conditions. See the URL under Programme description above for further details.

**Update frequency of monitoring arrangements:** Other please specify

**Update frequency of monitoring arrangements:** Periodic; disbursements are in stages.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 3 million.

**Policy recommendations that the measure responds to:** None

**Recommendation details:** A recommendation specifically targeted at female entrepreneurship is not included in the MoU (fifth or seventh) or the PAs. The Scheme to encourage youth entrepreneurship also applies to women aged 20-40. However, this scheme offers the possibility of entrepreneurship to older women (41-55 years of age), who may be out of the labour force, unemployed or in paid work, to set up a business. As such, it is consistent with gender policies at the EU and national levels as well as policies to encourage employment.

---

### **Technical Support to the Creation and Consolidation of Projects (*Apoio Técnico à Criação e Consolidação de Projetos / ATCP*)**

**Country:** Portugal

**Description:** Technical support to projects of self-employment or small-scale entrepreneurship: a) providing competences for the definition of the project and the application; b) support the consolidation of the project during the first two years by advice and consultancy.

**Institution Responsible:** National PES (*Instituto do Emprego e Formação Profissional / IEFP*)

**Country Specific Recommendation:** (2014) CSR 3: Pursue the ongoing reform of active labour market policies and Public Employment Services aimed at increasing

employment and labour participation rates, specifically by improving job counselling/job search assistance and activation/sanction systems with a view to reducing long-term unemployment and integrating those furthest away from the labour market. Address the high youth unemployment, in particular by effective skills anticipation and outreach to non-registered young people, in line with the objectives of a youth guarantee.

**Main Objectives:** Support entrepreneurship and self-employment (small investment with job creation)

**Target Groups:** Self-employed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Ordinance [Portaria] n.º 157/2015

**Date of adoption:** 25 May 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** May 2015

**State of play: Enacted into law?** Enacted. The data regarding the execution of the programs supporting small-scale entrepreneurship with job-creation and self-employment are aggregate figures. They do not allow an assessment of the execution of the technical support given under these programs.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The measure is going to be evaluated by the national body for tripartite coordination (CPCS). The first evaluation is set for 18 months after its start.

**Funding Sources:** EU co-funded

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR 3 (2014): Pursue the ongoing reform aimed at increasing employment by improving activation/sanction systems NRP Section III.3.2

---

### **Concept on support of start-ups**

**Country:** Slovakia

**Description:** The document pursues a coordinated policy approach on how to improve the regulatory framework for businesses, develop necessary infrastructure and provide support services and financing mechanisms for start-up businesses. Authors identify problems to be solved in particular policy areas and the agencies in charge of necessary reforms.

**Institution Responsible:** Ministry of Finance of the SR Ministry of Economy of the SR Ministry of Transport, Construction and Regional Development of the SR

**Main Objectives:** The main objective is to support the regulatory and institutional framework for start-ups

**Target Groups:** Start-ups, mainly small and medium sized enterprises

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** The Concept was approved by the government on 6 June 2015. The implementation of concrete policy measures identified in the Concept shall start already in 2015.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** A first review of progress is



planned in early 2016.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 1 589 000 in 2015, EUR 5 438 365 in 2016 (EU funds 76 %), EUR 7 160 628 in 2017 (EU funds 90 %), EUR 4 660 628 in 2018 (EU funds 90 %)

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** No specific recommendation, but reference in the NRP

### **Policies for promoting youth self-employment and employment**

**Country:** former Yugoslav Republic of Macedonia

**Description:** The Government designed new active labour market programs that specifically target unemployed young workers aged up to 29 years. The two new measures involve start-up loans for young workers (apart from the general start-up loans) and loans to the existing micro and small companies for employing young workers. The maximum amount of the start-up loans is EUR 7 000, plus additional EUR 4 000 for every new job they create, up to 4 persons. The repayment of the loan is deferred for one and a half years and can last up to 5 and half years. The interest rate is as low as 1 %. In case of new job opening for a young person, micro and small companies can receive a loan of EUR 4 000 for every new opening, for up to three employees, with a deferred payment of one year, repayment period of two years and 1 % interest. The credit lines are much more favourable than the general ones targeting all unemployed workers. Individual co-financing of 25 % is required (can be in form of materials, tools, equipment, etc.). Participants have an obligation to keep the business active for a certain period of time.

**Institution Responsible:** Ministry of Labour and Social Policy and Employment Service Agency (with support of the UNDP country office).

**Main Objectives:** To promote employment of young people, including self-employment

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** One year (since they are part of the Operational Plan) but with a possibility to be extended

**Has the measure been enacted into law?** No

**Enacted Into Law Enforced If not law what type of measure is it(Other):** Part of the Operational Plan for active policies for 2015

**State of play: Enacted into law?** The measure is already ongoing first selection of participants took place in July).

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Regular monitoring arrangements for ALMPs, such as number of applicants, approved loans, started businesses, survival of businesses

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** Government and UNDP

**Is there a specific budget allocated to the measure?** Unknown

---

**Measure Updates total: 0**

### 3.3 Simplifying the business environment (1 new measures)

#### Measures to improve the business environment and reduce administrative burdens

**Country:** Slovakia

**Description:** The draft document contains 66 measures, falling under the competence of seven ministries and three state administration bodies. Proposed measures deal with a variety of barriers, including duplicate reporting requirements, intricate communication with agencies, tax and contributions payments, etc. For every measure, potential savings in terms of time and finances are estimated.

**Institution Responsible:** Ministry of Economy of the SR

**Main Objectives:** To improve and simplify the business environment

**Target Groups:** Employers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** This is a draft list of measures, falling under the competence of several ministries. It is envisaged that the document will be submitted to the government for approval.

**Steps taken to monitor the implementation of the measure:** No

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** Simplifying the business environment is one of the priorities of the 2015 NRP.

---

**Measure Updates total: 0**

### 3.4 Public investment programmes and regional investment incentive measures (2 new measures)

#### Reform of service vouchers system in the Flemish Region

**Country:** Belgium

**Description:** The obligation for recognised service-voucher firms to hire at least 60 % of benefit-receiving unemployed and/or beneficiaries of an integration allowance is abolished.

**Institution Responsible:** VDAB

**Country Specific Recommendation:** (2015) CSR 3: Improve the functioning of the labour market by reducing financial disincentives to work, increasing labour market access for specific target groups and addressing skills shortages and mismatches.

**Main Objectives:** Make it easier to attract workers to this sector.

**Target Groups:** All disadvantaged jobseekers (LTU, older workers, workers with disabilities etc.)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Decision of the Flemish Government of 6 March 2015

**Date of adoption:** 2 April 2015

**Is the measure being enforced?** No

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 3: improve the functioning of the labour market by reducing mismatches.

---

### **Special law on support of high unemployment regions**

**Country:** Slovakia

**Description:** The law stipulates that districts reporting an unemployment rate exceeding 1.9 times of the economy-wide average rate for 12 consecutive quarters shall automatically qualify for support. This shall involve a range of measures in support of infrastructure development, social housing, employment incentives and investment aid. Action plans on support of the least developed regions will be elaborated by central ministries and the districts. The action plans shall determine the main regional challenges and necessary policy measures, and thus serve as guidelines for concrete forms of support. Municipalities in the respective districts shall be the main beneficiaries. The new law is followed by an amendment to the Act on investment aid, the main intention of which is to lower the threshold for minimum invested sum and the number of newly created jobs to become eligible for state aid. Furthermore, the government is considering a temporary reduction of social contributions that would be granted to employers who hire workers, who had been unemployed for at least 6 months.

**Institution Responsible:** The Ministry of Transport, Construction and Regional Development (coordinating body)

**Country Specific Recommendation:** (2015) CSR 2: Take additional measures to address long term unemployment by introducing activation measures, second chance education and high-quality training tailored to individual needs.

**Main Objectives:** The main objective is to support development in high-unemployment regions by way of different policy interventions.

**Target Groups:** Unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Draft act on support of least developed districts and on the amendment and supplement of other acts

**Date of adoption:** Draft law was approved by the government on 26 Aug

**Start date for implementation of the measure:** Tentatively on 15 December 2015.

**State of play: Enacted into law?** The draft law was approved by the government on 26 August and should be negotiated in the parliament in November. Provided it is endorsed by the parliament, the new law should enter into force on 15 December 2015.

**What are the monitoring arrangements in place?** Not yet

**Funding Sources:** EU co-funded

**Budget:** Co-financing from EU's structural and investment funds is expected, but not

detailed yet.

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** No specific recommendation

---

**Measure Updates total: 0**

### **3.5 Public works (2 new measures)**

#### **Short-term public work programme 2015**

**Country:** Greece

**Description:** A new round of short-term public work programmes was launched on the 25th of August targeting 19 101 jobless households, long-term unemployed and young people not in education, employment or training.

**Institution Responsible:** The beneficiary authorities of this intervention are non-profit organizations (unions, professional associations, trade unions, NGOs etc.), while supervising Authorities are Public Organisations and Entities (Municipalities, Regions, Ministries, other Public entities etc.). The selection of participants as well as the matching process is to be handled by OAED.

**Economic adjustment programme conditionality:** (2014) Support to the unemployed - The government will: 1. Implements a new round of short-term public work programmes in 2014 targeted at jobless households, the long-term unemployed, and young people not in education, employment or training, as a measure of emergency and temporary nature while labour demand remains sluggish. The new round scheme may target at least 50 000 persons. Municipalities and other public Authorities may participate directly in such public works programmes only under the full adequate and transparent control of such programmes (open calls, internet publication of projects with full details, and reporting helpline). Proposals for the new-round scheme to be made by May 2014. 2. Makes proposals for future youth schemes after undertaking an evaluation of the existing youth schemes, including the youth voucher. These must ensure the proper monitoring and establish sanctions against any fraudulent behaviour (May 2014). An extension of these initiatives to other categories of jobseekers can be envisaged. 3. Closely align the Youth Guarantee Implementation Plan with the roadmap for the modernisation and expansion of vocational education and training and providing immediate relief for the hardest-hit young people (December 2014). 4. Ensure that adequate administrative capacity to formulate employment policies and implement the Youth Guarantee at all levels is available, including by setting up effective coordination mechanisms between the Ministry of Labour, the Ministry of Education, other Ministries, OAED, regions and other partners (June 2014). 5. Fully implementing the Re-engineering Plan for OAED and establishing, where appropriate, partnerships with the private sector and external organisations (September 2014).

**Main Objectives:** The scheme involves hiring subsidies for the recruitment of workers for certain types of social work in various areas and levels of public administration (e.g., municipal services, infrastructure, environment, educational and health services, etc). The selection of participants is based on the number of years that a person has been registered as unemployed, their declared annual personal and family income, and the number of minors they support financially. In

order to ensure transparency, the selection of participants is to be supervised by the Supreme Council for Personnel Selection (ASEP).

**Target Groups:** Long-term unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Subsidies last for five months.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 25 August 2015

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** Not enacted into law.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Number of benefiting entities.  
Number of benefiting individuals.

**Update frequency of monitoring arrangements:** Quarterly

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 72 327 655

**Policy recommendations that the measure responds to:** MOU

**Recommendation details:** The government will Implement short-term public work programmes targeted at jobless households, the long-term unemployed, and young people not in education, employment or training, as a measure of emergency and temporary nature while labour demand remains sluggish.

---

### **Temporary public works**

**Country:** Slovakia

**Description:** Self-governments (municipalities, higher territorial units) and other public legal entities may apply for a monthly financial contribution (equal to 95 % of labour costs and/or labour costs calculated from the minimum wage per employee at most) to cover costs for hiring disadvantaged job seekers (who have to be registered with the labour office for at least three months) for three to six months to carry out work in the public sector domains, such as environmental protection, social services, or community works. Applicants are entitled also to a one-off benefit to cover necessary costs such as tools (up to the sum of 5 % of minimum labour costs). The public works are performed based on a standard fixed-term employment contract.

**Institution Responsible:** Central Office of Labour, Social Affairs and Family

**Country Specific Recommendation:** (2015) CSR 2: Improve the incentives for women to remain in or return to employment by improving the provision of childcare facilities.

**Main Objectives:** The main objective of the measure is to activate disadvantaged unemployed by way of short-term jobs in the public sector.

**Target Groups:** All disadvantaged jobseekers (LTU, older workers, workers with disabilities etc.)

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The project runs between February and November 2015.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** EU co-funded project  
**State of play: Enacted into law?** Measure is in its implementation phase, i.e. public works are carried out and the labour offices are paying out financial contributions to applicants who have signed agreements with the labour offices.  
**Steps taken to monitor the implementation of the measure:** Unknown  
**Funding Sources:** EU co-funded  
**Is there a specific budget allocated to the measure?** Yes  
**Budget:** EUR 15.4 million  
**Policy recommendations that the measure responds to:** CSR, NRP  
**Recommendation details:** 2015 CSR 2: Take additional measures to address long term unemployment by introducing activation measures, second chance education and high-quality training tailored to individual needs.

**Measure Updates total: 1**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> National programme 'Security'</p> <p><b>Description:</b> The national programme 'Security' provides jobs for unemployed people to work as guards. The beneficiaries are specific municipalities.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p><b>Title:</b> Monitoring data released.</p> <p><b>What has changed:</b> No changes were made to the programme design. The programme received funding from the State Budget for 2015.</p>

**3.6 Other job creation measures (8 new measures)**

**Action Plan for attracting foreign specialists to Estonia**

**Country:** Estonia

**Description:** On 10 April 2015 the Ministry of Economic Affairs and Communications approved the Action Plan for attracting foreign specialists to Estonia 2015-2016. The plan offers complete and systematic approach on how to engage highly qualified specialists from foreign countries, but also Estonians living abroad to contribute to Estonian economic development. The action plan is the first initiative for implementing Estonian talent policy and it is based on the Estonian Entrepreneurship Growth Strategy 2014-2020 and National Reform Programme Estonia 2020. Main activities of the plan are: Contributing to building the image of Estonia abroad, introducing Estonia as a target country with a flexible and entrepreneur-friendly economic environment, brilliant scientists and numerous career possibilities. Making it easier to find and hire foreign specialists, simplifying immigration and realizing the potential of entrepreneurs and workforce. (This includes amendments to Aliens Act and creation of web-page [www.workinestonia.com](http://www.workinestonia.com) which helps entrepreneurs to find specialist.) Assisting in making Estonia a target country for

foreign specialists where flexible services are offered to them and their family members that support their adaptation (for example the adjustment programme for new migrants, who are referred there since 1 August 2015). Supporting foreign specialists and the creation of networks of actors that come into contact with them, as well as cooperation between them.

**Institution Responsible:** Ministry of Economic Affairs and Communications

**Main Objectives:** The aim is to support competitiveness of Estonia through inclusion of highly skilled foreign specialists in Estonian labour market or inclusions of highly skilled Estonians living in other countries.

**Target Groups:** Estonian employers, organisations offering services to migrants, high skilled migrants (students and specialists either coming to Estonia or Estonians living abroad)

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The programme is scheduled for 2015-2016. However as several activities are planned for a longer period, the programme will probably be extended.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The programme is implemented since 2015 (different activities have different timing)

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** The strategy does not foresee any changes in migration policies or regulations. However, it foresees development of different services targeted to employers as well as migrants. Different activities have different timing; however the initial framework for the strategy is two-year period (2015-2016).

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** According to the strategy, Ministry of Economic Affairs and Communications is responsible for monitoring and assessment of the activities described in the action plan.

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** Funding sources are not specified. However since the strategy combines already available activities, funding is probably already available from respective organisations involved in these activities.

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** AGS, NRP

**Recommendation details:** AGS outlines that Member States must remove obstacles to job creation. The planned activities of the strategy in combination of changes in Alien's Act make it easier to employ high-skilled foreign labour force. This also supports higher investments and growing efficiency in companies through inclusion of highly skilled employees. The Estonian NRP specifically foresees attraction of higher education students and teachers/professors into Estonia to work towards international competitiveness of Estonian higher education system. The strategy is also in line with the aim to support competitiveness of Estonian companies in international markets and their internationalisation through inclusion of highly skilled professionals.

---

### **Draft National Tourism Policy 2015-2020**

**Country:** Malta

**Description:** A draft tourism policy was formulated in order to strengthen the tourism industry which is an important pillar in the Maltese economy. The document focuses on accessibility, marketing, the supply side of tourism (including human resources) and Gozo as a distinct tourism destination.

**Institution Responsible:** Ministry for Tourism and Malta Tourism Authority

**Main Objectives:** Through this policy, the government aims to penetrate emerging markets and widen the country's appeal in established ones. Among others, the policy aims at upgrading the human resources working the sector.

**Target Groups:** Workers in the tourism industry

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015-2020

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** The government is currently consulting stakeholders in the field before finalising the policy.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The Malta Tourism Authority will be in charge of monitoring the implementation of the policy

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** AGS

**Recommendation details:** 2015 AGS: 2. Boosting investment

---

### **Family business white paper**

**Country:** Malta

**Description:** In June, the government announced that the preparatory work for the new Family Business Act is ready and a white paper will soon be issued for public consultation. The proposed Act aims to serve as a comprehensive legal framework for family business in Malta, tackling issues such as definitions of what is family business etc., governance, succession, fiscal incentives and dispute resolution. The legislation will also entitle family businesses to benefits from entities such as the Malta Enterprise.

**Institution Responsible:** Ministry for the Economy, Investment and Small Business

**Main Objectives:** To serve as a comprehensive legal framework for family business in Malta.

**Target Groups:** Family businesses

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**Start date for implementation of the measure:** Unknown

**State of play: Enacted into law?** A white paper is the process of being published.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

---



**Policy recommendations that the measure responds to:** AGS

**Recommendation details:** 2015 AGS: Structural reforms at member state level: 4. Improving the flexibility of product and services markets.

---

### **SME Initiatives**

**Country:** Malta

**Description:** The initiative will make available some EUR 60 million through an uncapped portfolio guarantee, under which the selected financial intermediaries will benefit from a 75 % risk cover on each eligible SME loan. The initiative will benefit around 850 enterprises over the next five years.

**Institution Responsible:** Unclear - Probably the Parliamentary Secretariat for EU Funds and 2017 Presidency

**Main Objectives:** Facilitate the growth of small and medium enterprises in Malta.

**Target Groups:** Employers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015-2020

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** The measure was announced on 15 July 2015.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The Parliamentary Secretariat for EU funds will be in charge of monitoring the system

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** About EUR 60 million

**Policy recommendations that the measure responds to:** AGS, NRP

**Recommendation details:** 2015 NRP 3.5.2 Policies in response to the recommendation: Encourage alternatives to debt-financing of companies through facilitating access to capital markets and developing venture capital funds 2015 AGS: Structural reforms at member state level: 4. Improving the flexibility of product and services markets.

---

### **National Action Plan for Employment (2015 - 2017)**

**Country:** Poland

**Description:** National plan for employment (KPZD 2015-2017) is a document used for implementation of the National Reform Programme for implementation of the strategy 'Europe 2020' (NRP) in the area of labour market policy, respects the objectives and policy guidelines envisaged under the NRP and Human Capital Development Strategy (Stage 4: Professional activity, adult learning and parenting) In KPZD it was decided to stay with the current realisation framework (three years). As a result, it contains measures that will be implemented on over the next three years (2015-2017). It is envisaged that the adopted perspective will not only to better take account of change in the labour market, often lagging behind compared to the economic processes that cause them, but also for the better including the activities co-financed from EU funds, which are taken the long run. Adopted prospect

of execution and operational nature of KPZD allow to update the plan during three years period.

**Institution Responsible:** The Ministry of Labour and Social Policy

**Main Objectives:** Increase the employment rate overall (68.1 % in 2017. - For people between age 20-64); reduce the total unemployment rate; increase the economic activity rate. Specific objectives: developing innovative labour market policies; supporting partnerships for employment at the local level; reaching for unused resources in the labour market (economically inactive, hidden unemployment in rural areas) and complement existing labour market shortages through labour immigration; supporting mobility and employability of workers in the labour market; supporting vocational education system and continuing and lifelong learning; supporting creation of new jobs, especially in economic sectors of high growth potential, employment and social economy sector.

**Target Groups:** All groups affected by labour market policy

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015-2017

**Has the measure been enacted into law?** Yes

**Legal reference:** Resolution of Council of Ministers of 10 March 2015/*Uchwała Rady Ministrów z dnia 10 marca 2015*

**Date of adoption:** March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** As from the date of adoption

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monitoring arrangements are envisaged to each of the measures described in the National Action Plan for Employment

**Update frequency of monitoring arrangements:** Annual

**Funding Sources(Other):** Government + ESF + ERDF

**Is there a specific budget allocated to the measure?** Yes

**Budget:** Total: EUR 7 billion (PLN 29.9 billion) including from national budget – PLN 26.6 billion; ESF: PLN 611 million; ERDF: PLN 2.6 billion

---

### **Reform of reimbursement scheme for the social benefits**

**Country:** Denmark

**Description:** The national government reimburses part of the costs of social benefits paid to citizens by the local government (municipalities). Hitherto the refund rates have varied somewhat across type of benefits. As part of the broad political agreement on the employment reform from June 2014 it was also agreed to introduce a new reimbursement scheme having the following main elements: The reimbursement rate from the central Government to the municipalities will after the reform be the same for all social benefits (cash benefits, sickness benefits, disability pension etc.). This will remove the existing economic incentives to move clients between various social schemes. The reimbursement rate will for each client depend on the duration of the benefit. The refund rate will be phased out over time from 80 % the first four weeks, 40 % from week 5-26, 30 % from week 27 to 52 and 20 % following week 52. The aim is to give the municipalities an incentive to early intervention in order to avoid that clients become long-term recipient of social

benefits. The reform is neutral to the public budgets.

**Institution Responsible:** Ministry of Employment

**Country Specific Recommendation:** (2014) CSR 2: Take further measures to improve the employability of people at the margins of the labour market.

**Main Objectives:** The objectives are to remove an incentive for the municipalities to move citizens to the social benefit with the highest refund rate and to give the municipalities an incentive to early intervention.

**Target Groups:** All disadvantaged jobseekers (LTU, older workers, workers with disabilities etc.)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act no. 994

**Date of adoption:** August 30, 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** January 1, 2016

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Take further measures to improve the employability of people at the margins of the labour market.

---

### **EU direct grant for employment promotion**

**Country:** former Yugoslav Republic of Macedonia

**Description:** In April 2015, a new project started with support from the EU, Promotion for employment of young people, long-term unemployed and women. This is a second direct grant of the EU towards the ESA. This financial support will be used for financing of few active labour market policies, in addition to the funds ensured through the national budget. The aim of the project and the grant is to assist the vulnerable groups to gain experience, to acquire new skills and potentially to find a job. Specifically, the direct grant will support: i) 1 000 young persons (aged up to 29 years) to participate in an internship program; ii) 1 000 to undertake practical training in real companies (workplace training), iii) 2 000 unemployed persons to receive training in some generic skills (IT and foreign languages); and iv) 720 long-term unemployed persons to participate in training in deficient skills in the labour market (of which 220 in advanced IT skills).

**Institution Responsible:** Employment Service Agency

**Main Objectives:** To promote employment and skills acquisition of young people, long-term unemployed and women

**Target Groups:** Unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** With the Operational Plan 2015

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** It is continuously enforced with the implementation of the active programs which are finessed through the grant

**If not law, what type of measure is it?** EU co-funded project

---

**Steps taken to monitor the implementation of the measure:** Yes  
**What are the monitoring arrangements in place?** Regular monitoring arrangements for the ALMPs, such as number of participants, immediate effects (employment at the program end), etc.  
**Update frequency of monitoring arrangements:** Annual  
**Funding Sources:** EU co-funded  
**Is there a specific budget allocated to the measure?** Yes  
**Budget:** EUR 2 million

**Measure Updates total: 4**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> 051PO0011.1.13. 'A New job'</p> <p><b>Description:</b> The measure includes:</p> <ul style="list-style-type: none"> <li>• professional qualification courses on first and second qualification level and professional training for that profession corresponding to first, second and third qualification level;</li> <li>• training on key competences;</li> <li>• subsidies totalling the amount of the minimum insurance income and the insurance contributions paid by employers for the newly created jobs for a period of 6 to 12 months;</li> <li>• purchase of equipment and furniture needed for creation of new jobs for young people.</li> </ul> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Monitoring data available; the Programme is completed in 2014.</p> <p><b>What has changed:</b> The interest of employers to hire young people under this scheme is low. In 2014, the financial resources for the scheme were reduced.</p>
<p><b>Country:</b> Slovakia</p> <p><b>Measure Title:</b> National Employment Strategy until 2020</p> <p><b>Description:</b> The document identifies eight policy areas in which reforms should be implemented. These include: support to job creation, innovation as a tool for employment support, social economy development, flexibility in employment relations, addressing long-term unemployment, capacity and networking of public employment services, support to labour supply through qualifications, and supra-ministerial coordination of policies. Under each priority, reform plans are outlined.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>Title:</b> Interim report on implementation approved</p> <p><b>What has changed:</b> In July 2015, the Ministry of Labour submitted an interim report on the implementation of the National Employment Strategy until 2020. The report covers no more than three months since the adoption of the strategy and thus does not deliver a thorough assessment.</p>
<p><b>Country:</b> Former Yugoslav Republic of Macedonia</p>	<p><b>Title:</b> Completed</p>

<p><b>Measure Title:</b> Jobs for children without parents or parental care up to 18 years of age</p> <p><b>Measure Time Period:</b> Dec 2014</p>	<p><b>What has changed:</b> The measure has been implemented.</p>
<p><b>Country:</b> Greece</p> <p><b>Measure Title:</b> Promotion of employment through the provision of services of public interest</p> <p><b>Description:</b> The programme envisages the recruitment of approximately 50 000 unemployed workers for certain types of social work in various areas and levels of public administration (e.g. municipal services, infrastructure, environment, educational and health services, etc.). Participants are to be selected on the base of social criteria (members of households with low work intensity, unemployed lone parents, etc.) and offered employment with basic pay for five months. Beneficiaries over the age of 25 will receive a monthly salary of EUR 748, of which EUR 258 will go toward their social security contributions. Workers under the age of 25 will receive EUR 652, of which EUR 225 will go to social security. The selection process will be handled by the Greek Manpower Employment Organisation 'OAED' which is responsible for managing active and passive Labour Market Policies and the Apprenticeship System, based on the number of years that a person has been registered as unemployed, their declared annual personal and family income, and the number of minors they support financially.</p> <p><b>Measure Time Period:</b> Sept 2013</p>	<p><b>Title:</b> Evaluation published</p> <p><b>What has changed:</b> This intervention, along with other similar interventions, all falling under public work employment programmes, was evaluated in 2015. The main conclusions of the evaluation are set out here. Firstly, the clarity of the interventions' general objectives was sufficient according to the stakeholders. However, the co-existence of four general objectives, with the same importance, does not contribute to their achievement. Their main objective could be the income support, in order to reduce poverty. Secondly, the general objective of the intervention (upgrading services for citizens), was found not to be related to the participants' needs, but to the Supervising Authorities' needs. The participants believe that the objectives did not improve their financial status or sufficiently covered their social needs. Subsequently, it was reported that it would be appropriate to increase the duration of employment. The majority of Authorities that participated in the intervention believe that programmes can be improved in terms of their planning. The most important improvement is to targeting those with the greatest needs. Programmes did not include the most vulnerable groups of people. Thirdly, the percentage of long-term unemployed who applied for participation in the intervention was lower than the percentage of long-term unemployed in the labour market as a whole. The share of people who were long-term unemployed and member of a single-parent family was very low. In addition, the percentage of unemployed who had also an unemployed husband or wife was very low. In contrast, the attractiveness of programmes for young unemployed people and university graduates was satisfactory. This is attributed to:</p> <ul style="list-style-type: none"> <li>• low demand in labour market during the completion of the intervention, the unemployment rate reaching its highest level;</li> <li>• the participants being employed in the Public Sector entities, where there was no possibility of working after the completion of the program;</li> <li>• lack of any sort of training or mentoring activities during the programmes.</li> </ul> <p>According to the evaluation, the improvement of the economic status of the participants in the intervention was not sufficient. In</p>

	<p>addition, the intervention contributed partially in enriching their working experience, in strengthening their skills and in covering their social needs. Finally, the assessment showed that the efficiency of the intervention was higher than that of earlier similar interventions. More specifically, the efficiency of the intervention was higher with respect to realised-planned cost relation and efficiency indicator.</p>
--	--

#### 4 PA 2ii: Active labour market policies – employment services (public and private) and skills forecasting systems

Under PA 2ii, nine countries introduced a total of 13 new policy measures between January and September 2015. Aside from *Other measures relating to employment services and skills forecasting*, the most popular area of new activity was PES governance. The following gives a breakdown of the new measures introduced in this policy area:

- PES governance (Bulgaria, Portugal, Hungary);
- Public private cooperation (0 new measures);
- Skills forecasting systems (Portugal, former Yugoslav Republic of Macedonia);
- Other measures relating to employment services and skills forecasting (Lithuania x 2, Spain x 2, Sweden, France, Hungary, UK).

There were three updates to previously identified measures: Spain; France; Slovakia.

The new measures in this policy area accounted for 6 % of the total number of new measures introduced across all European countries. Just over half (seven measures or 54 %) were enacted into law. Five measures were state financed, two were EU co-financed, and two required no specific funding and another two were funded via other sources.

The measures and measure updates are discussed in turn below.

##### 4.1 Measures related to PES governance (3 new measures)

###### **BG05M9OP001 – 3. 002. Employment and social assistance centres (ESAC) (Центрове за заетост и социално подпомагане)**

**Country:** Bulgaria

**Description:** Project activities include: 1. Research and analysis of the methods to be applied. 2. Development of a guidance on the ESAC in terms of administrative services to be delivered, working methods to be applied etc. for provision of individual services to vulnerable groups; 3. Establishment of facilities for complex services and for their technical support and of an accessible environment for people with disabilities; 4. Training of employees in ESACs including mutual learning and regular exchange of experience between employees in ESAC; 5. Provision of a new model of integrated service centres through cooperation between social assistance and employment promotion administrative structures; 6. Regular monitoring of the clients' satisfaction of the services provided by the Centres; 7. Interim assessment of the effectiveness of the applied pilot project; 8. Analysis of the effectiveness and efficiency of the new model and the drafting proposals for changes and reforms in the system of employment services and social assistance to vulnerable groups.

**Institution Responsible:** Beneficiary: The Ministry of labour and social policy

(MLSP) Partners: Employment Agency (EA) and Social Assistance Agency (SAA) (both are at the MLSPs)

**Country Specific Recommendation:** (2015) CSR 3: Develop an integrated approach for groups at the margin of the labour market, in particular older workers and young people not in employment, education or training.

**Main Objectives:** The main objectives of the procedure are to improve the coordination and the collaboration between the Social Assistance Agency (SAA) and the National Employment Agency (NEA) by implementation of pilot project for joint comprehensive service to the representatives of vulnerable groups and individualised services, as well.

**Target Groups:** servants at the MLSP, EA and SAA

**Duration of measure:** Temporary

**If temporary, how long will it run for?** No longer than 31 December 2016

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 28 August 2015

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** Call for proposals announced.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monthly quarterly and yearly performed monitoring of EA. Performance indicators: Number of projects targeting public administrations and public services in the labour market - 1; Number of projects targeting public administrations and public services at national, regional or local level -1. Result indicators: Number of new or updated processes and models of planning and implementation of policies and services on the labour market - 1; Number of new and / or updated processes and models for planning and implementation of policies and services -1; Number of established and working centres for employment

**Update frequency of monitoring arrangements:** Quarterly

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** No

**Budget:** EUR 7.5 million (BGN 15 million)

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** To improve the public employment service performance.

### **Reorganisation of the Public Employment Service**

**Country:** Hungary

**Description:** The Hungarian PES (the National Employment Office) has ceased to be an independent legal entity as of 1 January 2015. This means that the Head Office has been split up and the majority of its tasks (and staff), including the management of ALMPs, research and data collection have been delegated to the Ministry for National Economy (to the Deputy State Secretariat for the Labour Market). A minority of the Head Office tasks, namely those managing and monitoring public works programmes, are now performed by the Ministry of Interior. Similarly, the PES local offices have been integrated into the district-level government offices and are now responsible for calculating and disbursing all benefits for (able-bodied) unemployed persons as well as the provision of labour market services.

**Institution Responsible:** Ministry for National Economy; Ministry of Interior; district-level government offices

**Main Objectives:** The official preamble was 'in order to improve the effectivity and efficiency of labour market services', but no explicit arguments were given on the possible impact mechanism.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** 320/2014. (XII. 13.) Government decree

**Date of adoption:** 1 January 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

---

### **Decree-Law providing Guidelines for the ALMP and PES**

**Country:** Portugal

**Description:** Definition of the objectives, principles, conception and execution, financing, monitoring and evaluation of the employment policy

**Institution Responsible:** Ministry of Solidarity, Employment and Social Security (MSESS)

**Country Specific Recommendation:** (2014) CSR 3: Present, by March 2015, an independent evaluation of the recent reforms in the employment protection system, together with an action plan for possible further reforms to tackle labour market segmentation

**Main Objectives:** To systematise and rationalise all ALMP (this includes the abolition of obsolete programs), to define the mission of the PES and its cooperation with public and private partners, and to establish the principle of systematic evaluation by the national body for tripartite concertation (CPCS).

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Decree-Law 13/2015

**Date of adoption:** 4 December 2014

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** January 2015

**State of play: Enacted into law?** Enacted. Approved by the national government on 4 December 2014, published in the government's official journal on January 26 2015. Measures repealed by the Decree-Law expire immediately (some with transitional arrangements), measures created or reregulated by the Decree-Law are in the process of implementation.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Negotiation table on PES and ALMP at the national body for tripartite negotiations (CPCS)

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR, MOU, NRP

**Recommendation details:** MoU 2011, section 4.9 (ALMP) and MoU 5th Update

---



(October 2012), section 4.7 (ALMP) CSR 2015-16: 3. Improve the efficiency of public employment services, NRP 2015, section 3.2: Proceed with the ongoing reform of ALMP and PES. CSR specifies: 'Improve the efficiency of public employment services, in particular by increasing outreach to non-registered young people.' This specification is not part of the Decree-Law.

**Measure Updates total: 3**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Spain</p> <p><b>Measure Title:</b> Common catalogue of employment services</p> <p><b>Description:</b> This consists of several measures which all Spanish regions should have to implement in the context of the activation of unemployed people. The catalogue is aimed at equalling the access to a minimum repertoire of employment services in every region.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p><b>Title:</b> Approval of Common catalogue of employment services</p> <p><b>What has changed:</b> The Common catalogue of employment services was approved in January 2015.</p>
<p><b>Country:</b> France</p> <p><b>Measure Title:</b> Road map 2015-2018 for <i>Pole Emploi</i>: mid-December 2014 tripartite agreement</p> <p><b>Description:</b> The tripartite agreement reinforced the efforts of personalised service delivery with more digital service access for the unemployed and for employers. <i>Pole Emploi</i> wants to propose a more rapid access to accompaniment by a 'situation RV' before the first four weeks (a specific tool will be ready in 2016). Three modes of support have been already defined ('monitoring' support dedicated to autonomous unemployed, 'guiding' support for those who need regular support, 'reinforcing' support for those who need strong and personalised support). The convention introduced a fourth mode of accompaniment called 'global' support for unemployed who need not only professional support but also social support. The tripartite convention aims to double the number of people involved in reinforcing support from 230 000 in September 2014 to 460 000 at end of 2017.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>Title:</b> Small Business Act: new service for Small and Medium Enterprises (SME) at Pole Emploi</p> <p><b>What has changed:</b> <i>Pole Emploi</i> will hire 4 000 new counsellors 'enterprises relations' dedicated to very small enterprises and SME to help them in recruitment. The measure dedicated to training before taking a job will be strengthened (for instance, operational preparation for a job). New SME HR advice services will be implemented based on consultancy offers. A complete overview of these new services will be available at beginning of January 2016.</p>
<p><b>Country:</b> Slovakia</p> <p><b>Measure Title:</b> Reorganisation of the Public Employment Service (PES)</p> <p><b>Description:</b> The Central Labour Office (headquarters) and the territorial labour</p>	<p><b>Title:</b> Points of first contact reinforced</p> <p><b>What has changed:</b> The Ministry of Labour informed that the institutional reform of PES, implemented since 1 January 2015, has so far helped to optimise some processes and</p>

<p>offices shall transform from a budgetary organisation to a civil service organisation, operating in the area of local state administration. The post of a labour office director shall change from a political office to an office of a leading civil service employee.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p>HR capacities. During the first quarter of 2015, so-called points of first contact have been created at every territorial labour office. Until the end of 2015, an internal reallocation of staff should be completed and the points of first contact reinforced, as well as the numbers of professional counsellors and agents for contacts with employers. A new European Social Fund (ESF) funded project is envisaged in a later phase, which should result in an additional increase of PES capacity. The plans suggest that the Government is aware of the necessity to enhance the capacity of PES. For the time being, however, no concrete results can be reported on.</p>
--	--

## 4.2 Public-private cooperation (0 new measures)

No new measures reported.

**Measure Updates total: 0**

## 4.3 Skills forecasting systems (2 new measures)

### **Anticipation System of Skills Needs (*Sistema de Antecipação de Necessidades de Qualificações, SANQ*)**

**Country:** Portugal

**Description:** The Anticipation System of Skills Needs (SANQ) is the main forecasting instrument of the National Agency for Qualification and Vocational Education (*Agência Nacional para a Qualificação e o Ensino Profissional, ANQEP*). The SANQ consists of three 'modules' (Diagnostics, Planning and Regional Consolidation). Until now, the SANQ has produced (a) comprehensive lists of 'Outputs and priority areas of qualification by region' and (b) Criteria for planning the supply network of professional courses by Inter-Municipal Community.

**Main Objectives:** (a) Contribute to the elaboration of the final and binding map for the training supply network on mainland Portugal, determining the number of Professional courses classes in each profession and region. (b) Create the basis for negotiations about the implementation of the results produced by the SANQ with the local stake holders.

**Target Groups:** Directly the major institutions of the VET-system, indirectly all beneficiaries of the VET-system.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** The legal basis of the SANQ cited by ANQEPs president in his Circular 1/2015 that announces the implementation of the SANQ is the Ministerial Ordinance 74-A/2013 (DR 2013).

**State of play: Enacted into law?** Enacted. The SANQ has already produced relevant instruments for the VET-system. The regional component of the SANQ is

being implemented.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The SANQ is monitored by a Coordinating Council that validates the procedures of application of the system and analyses the results. This body is composed by representatives of three public institutions, the social partners and an international tripartite structure (ILO).

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR, MOU, NRP

**Recommendation details:** MoU: Section 4.10.iii: Present an action plan aimed at (i) ensuring the quality, attractiveness and labour market relevance of vocational education and training. CSR: 2014-3: Address the high youth unemployment, in particular by effective skills anticipation. CSR 2014-4: Improve the quality and labour-market relevance of the education system NRP III.4.1: Improve the quality and labour-market relevance of the education system.

---

### **Establishment of skills observatory and a skill-forecasting system**

**Country:** former Yugoslav Republic of Macedonia

**Description:** The Ministry of Education and Science (MES) has started a project for i) establishing a skills observatory and ii) development of a skills forecasting system, within a larger overall project for skills development in the country (termed SKILLS), financed by the World Bank (the project includes additional activities). The two components are run by separate experts and are scheduled to be completed by the end of 2016.

**Institution Responsible:** Ministry of Education and Science

**Main Objectives:** The aim of these two project activities is to provide a detailed analyses on the skills supply and demand, matching of the two, and forecasting future skills in demand, which will be an important input into the educational (and labour market) policy. These project activities will focus on secondary vocational education and tertiary education level. Otherwise, the objective of the whole project is to improve transparency of resource allocation and promote accountability in higher education, enhance the relevance of secondary technical vocational education, and support innovation capacity in the country.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Effectively from March 2014, but the two project activities explained here started in March 2015

**If not law, what type of measure is it?** Project supported by a World Bank loan worth USD 24 million

**State of play: Enacted into law?** Already started, activities are ongoing

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Regular reporting by the experts to the project office. Planned monitoring to the overall project is mid-term review (17 April 2017) and final review (after closing date which is on 31 May 2019).

**Update frequency of monitoring arrangements:** Twice a year

**Funding Sources:** World Bank loan of EUR 21.5 million (USD 24 million)

**Is there a specific budget allocated to the measure?** No

---

**Measure Updates total: 0**

#### **4.4 Other measures relating to employment services and skills forecasting (8 new measures)**

##### **Annual Plan for Employment Policy 2015 (EPAP)**

**Country:** Spain

**Description:** The Annual Plans are the yearly specification of the wider Strategy for Employment Activation 2014-2016. It is intended to guide the implementation of ALMP during 2015 by the state and regional PES.

**Institution Responsible:** Ministry for Employment and Social Security. National and regional PES

**Country Specific Recommendation:** (2014) (CSR 3) (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

**Main Objectives:** Ensure coordination, quality and equal access to ALMP in all territories.

**If temporary, how long will it run for?** The duration of the Plan is one year. However, the dynamic so far has been that the EPAPs are approved in July, so its application period would be of only 5 months.

**Has the measure been enacted into law?** Yes

**Legal reference:** Resolution of the Ministry for Employment on 29 July

**Date of adoption:** 29 July

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 12 August, the dissemination day in BOE nº 191

**What are the monitoring arrangements in place?** An evaluation system has been established for the annual EPAPs through the use of several commonly agreed indicators. A technical evaluation task force has been included in the design and assessment of the Plan. Unfortunately, this information is not public.

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 4.8 billion

**Policy recommendations that the measure responds to:** AGS, CSR

**Recommendation details:** AGS 1: Improving dynamics of the labour market  
CSR'14 3 (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to

ensure effective personalised counselling, adequate training and job matching, with special focus on the long term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility. CSR (2015) 3: Take steps to increase the quality and effectiveness of job search assistance and counselling, including as part of tackling youth unemployment.

### **Reform of the system of vocational training for employment**

**Country:** Spain

**Description:** In March 2015, a comprehensive reform of the organisation and governance of the training for employment subsystem (TES – *subsistema de formación para el empleo*) was approved (Royal Decree-Law 4/2015 of 23 March) and the final adoption with minor changes has recently been passed (Law 30/2015, of 9 September). The strong presence of the social agents (workers and employers' representatives) in the provision of training has been dramatically changed with the implementation of the new model. As a result, the role of social agents is limited to planning, configuring the contents of training, monitoring and control. In this context, the introduction of more competitive mechanisms is expected to increase competence among training providers, something which may contribute to increase the effectiveness of the training programmes, and thus affecting, in particular, the harder-to-help jobseekers. Multi-year planning may also help to determine more adequate training contents, better linked to labour market needs. The possibility to introduce a training voucher through which unemployed may be provided with training courses according to their needs and the provider they choose is another positive element.

**Institution Responsible:** Ministry for Employment and Social Security, Autonomous Communities

**Country Specific Recommendation:** (2014) (CSR 3) (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

**Main Objectives:** The reform responds to the need to increase the impact of the system as well as to improve its quality; promote a more strategic multi-annual planning; link training contents with labour market needs; increase the diversification of courses and training providers and implement a sound monitoring and evaluation system.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** RDL 4/2015, of 23 March and Law 30/2015, of 9 September

**Date of adoption:** March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 24 March for the RDL 4/2015 and

11 September for the Law 3172015

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** A sound integrated information system is being developed so as to measure impact and monitor VET among unemployed and occupied workers

**Update frequency of monitoring arrangements:** As announced, monitoring is continuous

**Funding Sources:** Government

**Policy recommendations that the measure responds to:** CSR

### **LTU action plan : Pole emploi services**

**Country:** France

**Description:** Different kinds of measure have been undertaken : - Acceleration of the unemployed care at the outset of unemployment, with a web inscription and a first meeting between two and 4 weeks; doubling places accessible in strengthened accompaniment and global accompaniment (230 000 to 460 000 for 2017); reform of economic activity insertion sector (included in social solidarity economy); mobilisation of the securing professional pathways joint fund (FPSPP) as a complement of Pole Emploi and Regions funds for training actions; a new PES offer called 'supervision in job' to encourage employers to recruit LTU with the intervention of experts on social or professional to accompany employers and the newly recruited. Pole Emploi will be responsible for its implementation. Information Campaigns will be launched to identify enterprises capable of accommodating the LT unemployed during a short period of real-life professional situations.

**Institution Responsible:** Pole emploi

**Country Specific Recommendation:** (2014) CSR 7: (Ensure that active labour market policies effectively support the most vulnerable groups. Improve the transition from school to work, in particular by stepping up measures to further develop apprenticeship with a specific emphasis on the low-skilled

**Main Objectives:** more effectiveness in the services given to unemployed and LTU

**Target Groups:** unemployed, LTU for which part of them are older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**If not law, what type of measure is it?** Government proposal

**State of play: Enacted into law?** The plan was announced in February 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** state, regions and pole employ

**Is there a specific budget allocated to the measure?** Yes

**Budget:** unknown

**Policy recommendations that the measure responds to:** CS

**Recommendation details:** CSR 7 ; ensure that active labour market policies effectively support the most vulnerable groups.

---

### **Amendments to the regulation of employment of third-country nationals (TCN)**

**Country:** Lithuania

**Description:** Amendments to the regulation of TCN employment were introduced in Lithuania in March, specifying in more detail the cases when foreigners have to obtain work permits, revising the provisions concerning the compliance with labour market needs for the purpose of issuance of work permits, revising the provisions on the time limits applicable to job vacancy registration, clarifying the provisions on placing foreigners in internship or traineeship, revising requirements for employers intending to employ foreigners, shortening the time limit for examining applications for work permits, and providing for a number of other changes in legal acts.

**Institution Responsible:** Lithuanian Labour Exchange

**Country Specific Recommendation:** (2015) CSR 2: Address the challenge of a shrinking working-age population by improving the labour-market relevance of education

**Main Objectives:** One of the main objectives is to simplify TCN employment procedures and reduce bureaucratic burdens for employers (concurrently ensuring the maximum protection of the interests of Lithuanian nationals).

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Order of the Minister of Social Security and Labour No A1- 139

**Date of adoption:** 19 March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 21 March 2015

**State of play: Enacted into law?** Under implementation

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** LLE collects information on the permits for work issued to TCN

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** AGS: Increase geographic mobility CSR2 2015: Address the challenge of a shrinking working-age population by improving the labour-market relevance of education NRP: Reduction in the mismatch between demand and supply of skills and competence.

---

### **Implementation of benchmarking and learning systems in the LLE**

**Country:** Lithuania

**Description:** Implementing Decision No 573/2014/EU on enhanced cooperation between PES, as adopted by the European Parliament and by the Council last year, the LLE accomplished its preparatory work in TLEs and units that perform customer service functions. In particular, the LLE approved methodological recommendations and on 22 April held the first seminar to introduce the new system to TLEs officers.

**Institution Responsible:** Lithuanian Labour Exchange

**Main Objectives:** The main objectives of the benchmarking and learning system include systematic data collection, self-assessment and external assessment of performance, comparison of performance among TLEs and units that perform customer service functions, and sharing of best practices.

**Target Groups:** PES employees / civil servants

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Decision No 573/2014/EU

**Date of adoption:** 2014

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 2015

**State of play: Enacted into law?** Started to implement **Recommendation**

**details:** AGS: [...] tackling the high level of unemployment NRP: [...] improvement of ALMP.

### **Plan to introduce profiling from 1 January 2016**

**Country:** Hungary

**Description:** A client profiling system is to be introduced nationwide in the jobcentres from 1 January 2016. The profiling system will contain guidance as to what type of services packages (including ALMPs) to offer to customers. The current version of the system (under testing) segments customers based on their background characteristics, vocational skills and job search motivation into six different categories. The planning, piloting and test phase during 2013-2015 were financed by the Social Renewal Operational Programme (TÁMOP) 1.3.1 project; nationwide implementation and related costs (e.g. staff training) are to be funded by the GINOP 5.1.1.

**Institution Responsible:** Ministry for National Economy

**Country Specific Recommendation:** (2014) CSR 4: Strengthen well targeted active labour market policy measures, inter alia by accelerating the introduction of the client profiling system of the Public Employment Service. Put in place the planned youth mentoring network and coordinate it with education institutions and local stakeholders to increase outreach. Review the public works scheme to evaluate its effectiveness in helping people find subsequent employment and further strengthen its activation elements.

**Target Groups:** Unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Start date for implementation of the measure:** 1 January 2016

**If not law, what type of measure is it?** Announcement

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Unknown

**Budget:** The GINOP 5.1.1 project assigns a total of EUR 326 627 for various tasks, including the provision of various measures for disadvantaged jobseekers and the introduction of the profiling system. It is not known how much is to be spent on profiling.

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** 2014 CSR 4: Strengthen well targeted active labour market policy measures, inter alia by accelerating the introduction of the client profiling system of the Public Employment Service. Put in place the planned youth mentoring network and coordinate it with education institutions and local stakeholders to increase outreach. Review the public works scheme to.



### **Specialist Employability Support Programme**

**Country:** United Kingdom

**Description:** A new Specialist Employability Support (SES) programme is being created for helping disabled people receive appropriate work-related support.

**Institution Responsible:** Department for Work and Pensions (DWP)

**Main Objectives:** The new SES programme aims to increase the number disabled people in work having access to the support they need. It will focus on those with most need and will consist of two elements: 1) intensive, end-to-end support for clients all the way into employment; 2) a SES 'Start-Back' element for people whose needs can be met by other provision but who first need a small amount of extra support to prepare them for work.

**Target Groups:** All disadvantaged jobseekers (LTU, older workers, workers with disabilities etc.)

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The programme will be for two years initially using providers mostly from the voluntary sector who specialise in support the disabled (e.g. Shaw Trust, Remploy, etc.) but also some college-based providers. Target numbers over the two years will be small at 1 700 clients helped.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The new SES programme will start on 1 September 2015 and run for two years.

**Steps taken to monitor the implementation of the measure:** Yes

**Monitoring arrangements in place:** Contracts have been placed with six providers and these will be monitored by DWP for quality and value for money.

**Update frequency of monitoring arrangements:** Monthly

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Policy recommendations that the measure responds to:** None

---

### **Increase appropriation to Public Employment Service**

**Country:** Sweden

**Description:** As stated in the Spring Fiscal Bill and the Spring Amending Budget for 2015, adopted by the parliament (*Riksdag*) in June 2015, the government decided to increase the administrative appropriation of the public employment service (PES, *Arbetsförmedlingen*) and increase the number of places in Active Labour Market Policy Programmes.

**Institution Responsible:** Public Employment Service (*Arbetsförmedlingen*)

**Main Objectives:** The main objective with the increase of PES funding is to enhance the efficiency of the matching process into the labour market and to implement the Government's priority reforms regarding the introduction of new labour market policy programmes, such as trainee jobs, education contracts and extra jobs.

**Target Groups:** Unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Spring Fiscal Bill and Spring Amending Budget for 2015

**Date of adoption:** 16 June 2015

---

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** August 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Budget:** EUR 22.5 million in 2015. For the subsequent year the estimated increase will be EUR 27.9 million in 2016, EUR 25.7 million in 2017 and EUR 15.0 million from 2018 onwards.

**Policy recommendations that the measure responds to:** None

---

**Measure Updates total: 0**

## 5 PA 2iii: Active labour market policies - Targeted Activation Measures

Under PA 2iii, 15 countries introduced a total of 44 new policy measures between January and September 2015. There were no reports of systematic reforms of ALMPs or measures supporting women workers. Aside from *Other active labour market policies*, the key areas of activity were measures under the *Youth guarantee* and *Measures improving services and enhancing employability for the unemployed*. The following gives a breakdown of the new measures introduced in this policy area:

- Systematic reforms of ALMPs (0 new measures);
- Youth policies including measures to reduce unemployment, combat early school leaving etc. (Germany, Bulgaria x 3, Sweden, Malta, France);
- Youth guarantee (Sweden, Slovenia, Hungary, Cyprus x 3, Latvia x 2)
- Measures supporting older workers (including job creation incentives, enhancing employability, improving employment services, etc.) (Lithuania x 2, France, Belgium x 2)
- Measures supporting women workers including incentives to female employment, enhancing job flexibility etc. (0 new measures)
- Measures supporting other vulnerable workers e.g. immigrants, Roma, those with a reduced ability to work (Sweden, Lithuania, Latvia x 2, Germany)
- Measures improving services for the unemployed and enhancing employability (Germany, Slovakia, Estonia x 2, Hungary, Sweden, Bulgaria, France)
- Other active labour market policies (France x 5, Portugal, 3, Luxembourg, Slovakia, Estonia).

There were 20 updates to previously identified measures, in the following countries: Bulgaria x 6; Estonia; Ireland; Spain; France; Cyprus x 2; Hungary; Malta; Austria x 2; Portugal; Slovenia; Finland; UK.

This was the policy area with the largest share of total new measures introduced in the reporting period – 44 new measures representing 22 % of the total across all policy areas. However, less than half (39 %) of the new measures introduced were enacted into law. A total of 41 of the new measures specified a funding source, of which 23 were EU co-funded, 11 were state funded and two had funding from 'other' sources. Five measures required no specific funding.

The measures and measure updates are discussed in turn below.

## 5.1 Systemic reforms of ALMPs (0 new measures)

No new measures reported.

**Measure Updates total: 0**

## 5.2 Youth policies (including measures to reduce unemployment, to combat early school leaving etc.) (7 new measures)

### **Assisted training (*Assistierte Ausbildung*)**

**Country:** Germany

**Description:** The aim is to allow for a better preparation and follow-up of disadvantaged young people as well as providing services to companies engaged in training of disadvantaged young people and young people with learning difficulties and persons in certain life situations. Pedagogical support is supposed to ensure that younger persons receive basic education and training (*Grundbildung*) and complete vocational training. In 2015, 5 241 places for the assisted vocational training programme are to be provided by the Federal Employment Agency. The law is in force since 15 April 2015.

**Institution Responsible:** Public Employment Service

**Country Specific Recommendation:** (2014) CSR 2: raise the educational achievement of disadvantaged people

**Main Objectives:** The aim is to allow for a better preparation and follow-up of disadvantaged young people as well as providing services to companies engaged in dual vocational training of disadvantaged young people.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** § 130 Social Code 3 (*Assistierten Ausbildung (AsA) § 130 SGB III*)

**Date of adoption:** 15 April 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** In 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** Monitoring will probably be made in the context of regular monitoring reports

**Funding Sources:** Government

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Raise the educational achievement of disadvantaged youth

---

### **BG05M9op 001-1.002 'Active' (Активни)**

**Country:** Bulgaria

**Description:** The operation will focus on identifying and activating young people. Follow-up activities for inclusion in stable employment, training or return to education will be applied. The transition from education to employment of young people will be alleviated in an individualized manner and according to the particular problems of the young people. There is a small grant scheme with upper and lower limit of the grants. Co-financing is not required.

**Institution Responsible:** Directorate European funds, international programmes and projects at the Ministry of Labour and Social Policy.

**Country Specific Recommendation:** (2015) CSR 3: Develop an integrated approach for groups at the margin of the labour market, in particular older workers and young people not in employment, education or training.

**Main Objectives:** The main objective: activation and integration into employment of young people under 29 years of age including those that are -neither in education or training nor in employment; - not registered as unemployed at labour offices.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 31 December 2017

**Has the measure been enacted into law?** No

**Legal reference:** small grant scheme

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 31 August 2015 deadline for the call

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** The Call was announced and the Application guidelines were published

**What are the monitoring arrangements in place?** Not yet.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 12.469 million for Initiative for Youth Employment; EUR 795.9 million from the ESF

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Develop integrated approach for .young people not in employment, education and training.

---

### **BG05M9OP001-1.003 'New Workplace 2015' (Ново работно място 2015)**

**Country:** Bulgaria

**Description:** The measure will include hiring of unemployed and / or inactive for a period of 12 months as an obligatory activity. Training will be provided only for newly hired persons and where the work requires initial training. Also the studying of key competences on 'Communication in foreign language' and key competences on 'Digital competence' will be offered again under the same preconditions as above. Purchase of equipment, furniture, materials and furniture related to the creation of new jobs will be financed, as well. The funds may be used for buying equipment and adaptation of new jobs for people with disabilities, including their repairs, if it is necessary. The on-job training will be organised by the beneficiary company and a mentor will work with people with disabilities. For one and the same period of time each mentor will be responsible for a minimum of one and a maximum of seven people and thus the quality of the on-job training will be encouraged. The measure allows inclusion of other activities stemming from the participation of people with disabilities, but related to the main kind of activities in it.

**Institution Responsible:** MLSP. Beneficiaries: Micro, mini, medium or big companies. For the purposes of this procedure 'Employer' shall mean any natural person or legal business entity, regardless of ownership, legal and organizational

form. An applicant may not be a state / central and / or territorial and / or municipal administration. Partnership is unacceptable / not applicable. The subcontracting is allowed.

**Country Specific Recommendation:** (2015) CSR 3: Develop an integrated approach for groups at the margin of the labour market, in particular older workers and young people not in employment, education or training.

**Main Objectives:** To ensure sustainable jobs for the unemployed and inactive persons after applying a combination of training (including on-job-training) and incentives for a new job openings. The procedure will focus on the integration of some of most vulnerable groups in the labour market.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 31 August 2017

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** A call for proposals was published with a deadline of 30 September 2015

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** A call for proposals was published.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monthly, quarterly and yearly performed monitoring of EA.

**Update frequency of monitoring arrangements:** Quarterly

**Funding Sources:** At least 20 % of the total sum has to be financed by beneficiaries - big companies; co-financing from micro, small and medium companies is not required.

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 20 million, in total

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR 3: Develop an integrated approach for groups at the margin of the labour market, in particular ...young people not in employment, education or training. NRP (2020) Priority 1.1. Improved access to and quality of education and training and the better quality of the workforce.

---

### **BG05M9OP001-1.005 Training and employment for young people (Обучение и заетост за младите хора)**

**Country:** Bulgaria

**Description:** The measure promotes the employment for young people up to 29 years old including those registered at the labour offices as unemployed, by providing subsidised training and longer period of employment.

**Institution Responsible:** Beneficiary: Employment Agency. The choice of contractors is subject to the rules of public procurement as stipulated in the Public Procurement Act.

**Main Objectives:** Informing employers about the operation; collection of employers' requests for hiring young people for specific jobs; selection of the appropriate young people to be included in vocational training or in studying key competences (foreign language and / or digital competence); provision of personal

vouchers for the training; provision of training against vouchers received; training for acquiring professional qualification may be up to the third degree of the particular profession; provision of mentors for the hired young people, if they do not need additional training; employment of representatives of target group for a period of up to six months on new, or on already existing vacancies.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 31 December 2018

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 30 September 2015

**If not law, what type of measure is it?** EU co-funded project

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monthly, quarterly and yearly performed monitoring at Employment Agency. Outputs: Key indicator: 23 000 unemployed participants from 15 to 29 years old. Specific indicators; unemployed participants with primary or lower education degree; long-term unemployed participants with primary or lower education degree; Unemployed Roma with primary or lower education degree; long-term unemployed Roma aged up to 29. including, with primary or lower education. Indicators for results: Key indicator: 17 250 unemployed from 15 to 29 years old to be in employment (including self-employment) after participation in the scheme.

**Update frequency of monitoring arrangements:** Quarterly

**Funding Sources:** 'Youth guarantee' Fund

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 58.7 million in total.

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR 3 (2014): .... Extend the coverage and effectiveness of active labour market policies to match the profiles of jobseekers, and reach out to non-registered young people who are not in employment, education or training, in line with the objectives of a youth guarantee. CSR 3 (2015) Develop an integrated approach for groups at the margin of the labour market, in particular older workers and young people not in employment, education or training. NRP. Priority 1.1: Improved access to and quality of education and training and the better quality of the workforce

---

## **Youth guarantee**

**Country:** France

**Description:** The measure is dedicated to young people aged between 18 to 25 years old, facing great precariousness in accessing the labour market. The measure includes a contract of one year between young people and the 'mission locale'. The measure proposes an accompaniment based on having a job and the possibility of multiple job periods. During the contract, the 'mission locale' intensively supports the young person by building up a dynamic pathway, combining work experiences and increasing basic skills, plus social follow up.

**Institution Responsible:** Missions locales

**Country Specific Recommendation:** (2014) CSR 7: Ensure that active labour market policies effectively support the most vulnerable groups. Improve the

transition from school to work, in particular by stepping up measures to further develop apprenticeship with a specific emphasis on the low-skilled

**Main Objectives:** Win-win principle for Young NEET: monthly allocation against a training and employment pathway paying the young person EUR 450 per month during the contract

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Experimental measure 26 new departments will experiment with the measure during the last quarter of 2015. At the end of 2015, 72 departments will be involved.

**Has the measure been enacted into law?** No

**Legal reference:** Multiannual plan against poverty and for social inclusion (January 2013)

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Beginning of 2014

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** The measure is co-funded by the YEI: 19 % in 2015 and more subsequently (50 %)

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** No information

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 164 million for 2015 (from which 19 % is coming from EU)

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Ensure that active labour market policies effectively support the most vulnerable groups, that is Young NEET

---

### **Support for Youth Voluntary Work Scheme**

**Country:** Malta

**Description:** The scheme offers voluntary work opportunities to young persons while helping them increase their work-related skills. By the time the scheme was announced on 8 May 2015, around 20 voluntary organisations applied to participate in the scheme. The government will be offering a monthly stipend to the young persons doing this voluntary work. The scheme will enable up to 100 young persons per year to work with a voluntary organisation for a maximum period of one year.

**Institution Responsible:** Malta Council for the Voluntary Sector

**Country Specific Recommendation:** (2015) CSR2: Take measures to improve basic skills and further reduce early school-leaving by promoting the continuous professional development of teachers.

**Main Objectives:** 'The first goal is to help young people improve their skills and employment prospects by giving them an opportunity to take up volunteering as part of their formal and informal learning process. It will also enable them to discover the value of voluntary service and helps to foster a sense of community and active citizenship. The second goal of the scheme is to support Voluntary Organisations in attracting young people to volunteering, enabling them to enhance their capacity with new volunteers and fresh ideas.'

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Unknown - At least one year.

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** The scheme is currently on offer. Host voluntary organisations can apply all year round to participate in this scheme.

**Funding Sources:** Government

**Budget:** EUR 200 000

**Policy recommendations that the measure responds to:** AGS,CSR,NRP

**Recommendation details:** 2015 CSR 2: Take measures to improve basic skills and further reduce early school-leaving 2015 NRP: 3.3 Employment, Education and Training: 3.3.2 Policies in response to the recommendation: Improving basic skills attainment and reducing ESL 2015 AGS: Structural reforms at member state level: 1. Improving the dynamics in labour markets and tackling high levels of unemployment.

### **Early identification of young NEET**

**Country:** Sweden

**Description:** Since January 2015 the municipalities are responsible for contacting all young people under the age of 20 who have completed compulsory school but are not studying in upper secondary school or working. The municipality are obliged to take appropriate individual measures, particularly measures encouraging the NEETS to return to education. The municipalities must also keep a register of young people to monitor the various interventions. The authorities responsible for upper secondary schools must without delay inform the home municipality if a pupil is absent to a considerable extent without a valid reason. In order to improve the efficiency of the interventions a close partnership between the PES and various services and actors at the local level is encouraged.

**Institution Responsible:** Public employment service and local authorities (Municipalities, school authorities)

**Country Specific Recommendation:** (2014) CSR 4: Increase early intervention and outreach to young people who are not registered with the public services.

**Main Objectives:** Reduce young people not in employment education or training.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Spring Fiscal Budget Bill

**Date of adoption:** 16 June 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** (2014) CSR: increase early intervention and outreach to young people not registered with the public services.



**Measure Updates total: 5**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> Provision of incentives to employers to hire unemployed young people aged up to 29 year into part-time jobs with continuous registration in labour office for no less than 12 months</p> <p><b>Measure Time Period: Sep 2013</b></p>	<p><b>Title:</b> The programme has finished.</p> <p><b>What has changed:</b> The programme has finished. There are no changes to report.</p>
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> Promotion of employment of unemployed young people with primary or lower education, and apprenticeship training under the guidance of a mentor</p> <p><b>Measure Time Period: Sep 2013</b></p>	<p><b>Title:</b> Programme has now finished.</p> <p><b>What has changed:</b> The programme has finished. There are no changes to report.</p>
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> First job for unemployed aged up to 29 years of age with secondary or university education without any work experience.</p> <p><b>Measure Time Period: Sep 2013</b></p>	<p><b>Title:</b> Monitoring data released.</p> <p><b>What has changed:</b> The design of the scheme and the organisation of its implementation was not changed. The scheme was successfully completed at the end of 2014.</p>
<p><b>Country:</b> Cyprus</p> <p><b>Measure Title:</b> Two programmes to support unemployed youth.</p> <p><b>Description:</b> The Minister of Labour and Social Insurance has announced that two measures to support unemployed youth are being developed and will be implemented as part of the commitment and Memorandum of Understanding obligation to introduce the Youth Guarantee. The implied timing is the end of 2013. Details are not known as yet but, since a number of other active labour market policies directed at youth and other unemployed have been running, it is probable that the new ones will build on the lessons from and best practices of the past.</p> <p><b>Measure Time Period: Dec 2013</b></p>	<p><b>Title:</b> Youth employment measures</p> <p><b>What has changed:</b> These earlier programmes, which are considered successful in the sense that they have attracted a lot of interest from both youth and hosting organisations and have led to attachments beyond the duration of the programmes themselves, are being offered again.</p>
<p><b>Country:</b> Malta</p> <p><b>Measure Title:</b> National Youth Policy Framework</p> <p><b>Description:</b> The Government launched a proposed National Youth Policy Framework for consultation. The framework aims to support young people in the 13 to 30 age group. It includes several action plans meant to be carried out over a six year period. These action plans focus among others on education and training, and on employment</p>	<p><b>Title:</b> National Youth Policy Towards 2020</p> <p><b>What has changed:</b> On 11 August 2015, the Minister for Education and Employment launched the new National Youth Policy Towards 2020, titled 'A shared vision for the future of young people'. The Minister stated that his Government is fully committed to implement the new policy. It aims to support and encourage young individuals in fulfilling their potential and aspirations while addressing their needs and concerns. It also</p>

and entrepreneurship.	aims to support young people as active and responsible citizens who fully participate in and contribute to the social, economic and cultural life of the nation and Europe.
<b>Measure Time Period: Sep 2014</b>	

### 5.3 Youth Guarantee (8 new measures)

#### **Scheme for the work-placement of secondary graduates (2015 offering)**

**Country:** Cyprus

**Description:** This is a repeat offering of a similar programme offered in 2014 to Gymnasium (compulsory education to age 15), Lyceum (16 to 18), Technical school (to age 18 or later), Apprenticeship and Post-lyceum graduates who are under 25 years of age. The programme offers practical experience in private or public sector organisations which, depending on size, may hire more than one person under this scheme. Eligible are graduates with work experience not exceeding 12 months and who have not participated in earlier offering of the programme for more than three months. Priority is given to the disabled, orphans, parents, lone parents, and the long-term unemployed.

**Institution Responsible:** The Human Resources Development Authority (HRDA) under the auspices of the Ministry of Labour and Social Insurance (MLSI).

**Country Specific Recommendation:** (2014) 4.5. With one of the steepest increases in the youth unemployment rate in the EU and with the rapid rise of young people not in employment, education or training (NEETs), Cyprus needs to take swift action to create employment opportunities for young people and improve their employability prospects. To this end, the Cypriot authorities will submit by end-May 2014 the National Action Plan for Youth Employment, which will include, inter alia, measures envisaged for support under the Youth Employment Initiative including also the implementation of the Youth Guarantee, in line with the conclusions of the European Council of June 2013. The design, management and implementation of these measures targeted to youth shall be well integrated within the broader system of activation policies and be coherent with the reform of the social welfare system (section 3.11) and the agreed budgetary targets. For this purpose, the authorities will submit by end-May 2014 a comprehensive note summarising the full list of all active labour market policies (existing and envisaged) with the relevant intended aims, recipients, and budgetary allocations.

**Main Objectives:** To offer eligible employers the opportunity to hire at no cost to themselves, one or more graduates and offer them work experience. Under the programme, the youth involved receive EUR 125 per week (minus 7.8 % contribution to the Social Insurance Fund) for up to six months; the scheme also covers the employer 7.8 % social insurance contribution, a 2 % Social Cohesion Fund contribution, and employer insurance.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The scheme is likely to be offered a number of times as it is eligible for co-funding from the ESF and the Youth Employment Initiative fund. The high unemployment rate for youth will continue for many more months.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Applications ended on 18 September 2015.

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** Applications will be evaluated soon and job placements will follow.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** HRDA procedures. See the URL for details.

**Update frequency of monitoring arrangements:** HRDA follows the training provided to place youth through visits to the workplace. A trainer must be provided by the receiving firm or organisation.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 4 million involving 1 000 young people.

**Policy recommendations that the measure responds to:** MOU

**Recommendation details:** MoU section 4.5 refers to the rise in youth unemployment in Cyprus as the steepest in the EU and refers to commitments and funding opportunities in the National Action Plan for Youth Employment and the Youth Employment Initiative respectively (pp.22-23, seventh MoU).

---

### **Scheme to encourage youth entrepreneurship (First Call 2014-2020)**

**Country:** Cyprus

**Description:** This scheme, introduced in February 2015, repeats very similar measures offered by MCIT over a number of years (see September 2014 entry). It subsidises projects up to EUR 140 000 in manufacturing and EUR 100 000 in e-commerce, services and tourism to the tune of 50 % with maximum disbursements equal to EUR 70 000 and EUR 50 000 respectively. See [http://www.mcit.gov.cy/mcit/mcit.nsf/All/55800C9432D0D9C6C2257C15002F899F/\\$file/ODHGOS\\_SXEDIU\\_NE\\_2015-1.pdf](http://www.mcit.gov.cy/mcit/mcit.nsf/All/55800C9432D0D9C6C2257C15002F899F/$file/ODHGOS_SXEDIU_NE_2015-1.pdf)

**Institution Responsible:** The Ministry of Energy, Commerce, Industry and Tourism (known by its previous acronym of MCIT).

**Country Specific Recommendation:** (2014) 4.5. With one of the steepest increases in the youth unemployment rate in the EU and with the rapid rise of young people not in employment, education or training (NEETs), Cyprus needs to take swift action to create employment opportunities for young people and improve their employability prospects. To this end, the Cypriot authorities will submit by end-May 2014 the National Action Plan for Youth Employment, which will include, inter alia, measures envisaged for support under the Youth Employment Initiative including also the implementation of the Youth Guarantee, in line with the conclusions of the European Council of June 2013. The design, management and implementation of these measures targeted to youth shall be well integrated within the broader system of activation policies and be coherent with the reform of the social welfare system (section 3.11) and the agreed budgetary targets. For this purpose, the authorities will submit by end-May 2014 a comprehensive note summarising the full list of all active labour market policies (existing and envisaged) with the relevant intended

aims, recipients, and budgetary allocations.

**Main Objectives:** It aims to encourage youth entrepreneurship by subsidising costs for youth, male and female, (20-40 years of age) who are unemployed, paid workers or employed on contract. Eligible expenses are defined broadly to include the physical setup of the premises, training for the proprietor, raw materials and stationery and other expenses.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The deadline for applications was 11 May 2015. The scheme exists under the programme Productivity and Sustainable Development (2014-2020).

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** As soon as applications are processed. The application deadline has passed.

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** According to the web page of MCIT at the URL below, applications are being processed.

<http://www.mcit.gov.cy/mcit/mcit.nsf/All/55800C9432D0D9C6C2257C15002F899F?OpenDocument>

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Administrative procedures of MCIT. Applications are scrutinised prior to approval. Monitoring continues and disbursements are in three stages and subject to conditions. See the URL under Programme description above for further details.

**Update frequency of monitoring arrangements:** Occasional; disbursements are in stages.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 8 million.

**Policy recommendations that the measure responds to:** MOU, NRP

**Recommendation details:** Strengthening entrepreneurship is an intention in several NRPs and dealing with youth unemployment is covered in section 4.5 of the fifth MoU and the seventh MoU just released (September 2015)

---

### **Scheme to place and provide work experience to unemployed degree holders (2015 offering)**

**Country:** Cyprus

**Description:** This is a repeat offering of a similar programme offered in 2013 and 2014 to tertiary education graduates who are under 35 years of age. The programme offers practical experience in private or public sector organisations which, depending on size, may hire more than one person under this scheme. Eligible are graduates with work experience in their area not exceeding three months and who have not participated in earlier offering of the programme for more than three months. Priority is given to the disabled, orphans, parents, lone parents, and the long-term unemployed.

**Institution Responsible:** Human Resources Development Authority (HRDA) under

the auspices of the Ministry of Labour and Social Insurance (MLSI).

**Country Specific Recommendation:** (2014) 4.5. With one of the steepest increases in the youth unemployment rate in the EU and with the rapid rise of young people not in employment, education or training (NEETs), Cyprus needs to take swift action to create employment opportunities for young people and improve their employability prospects. To this end, the Cypriot authorities will submit by end-May 2014 the National Action Plan for Youth Employment, which will include, inter alia, measures envisaged for support under the Youth Employment Initiative including also the implementation of the Youth Guarantee, in line with the conclusions of the European Council of June 2013. The design, management and implementation of these measures targeted to youth shall be well integrated within the broader system of activation policies and be coherent with the reform of the social welfare system (section 3.11) and the agreed budgetary targets. For this purpose, the authorities will submit by end-May 2014 a comprehensive note summarising the full list of all active labour market policies (existing and envisaged) with the relevant intended aims, recipients, and budgetary allocations.

**Main Objectives:** To offer eligible employers (see URL above for details) the opportunity to hire, at no cost to themselves, one or more graduates and offer them work experience. Under the programme, the tertiary education graduates receive EUR 125 per week (minus 7.8 % contribution to the Social Insurance Fund) for up to six months; the scheme also covers the employer 7.8 % social insurance contribution, a 2 % Social Cohesion Fund contribution, and employer insurance.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The measure is eligible for co-funding under the ESF. It answers a real need, it has been successful in producing good labour market matches and will likely be offered again during the programme period 2014-2020.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Applications for the current year have closed (18 September 2015) and HRDA will now assess them prior to placement.

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** HRDA is running the programme under the auspices of the MLSI. Programmes such as this one and the one for secondary school graduates (see Database for September 2015) are given high government priority in light of the youth LFS unemployment rate (37.1 % in 2015-Q1 for 15-24 year olds). HRDA reports that many of the matched individuals are able to continue with the employer for periods exceeding that of the programme.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** HRDA follows the training provided to place degree holders through visits to the workplace. A trainer must be provided by the receiving firm or organisation.

**Update frequency of monitoring arrangements:** Visits to the receiving firm or organisation by HRDA are conducted to establish whether the terms of the agreement between the degree holder and the employer are being adhered to. A work plan with at least 25 hours of work per week is agreed upon and must be observed.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 8 million to support approximately 2 000 individuals.

**Policy recommendations that the measure responds to:** MOU

**Recommendation details:** MoU section 4.5 refers to the rise in youth unemployment in Cyprus as the steepest in the EU and refers to commitments and funding opportunities in the National Action Plan for Youth Employment and the Youth Employment Initiative respectively (pp.22-23, seventh MoU). The youth unemployment rate in 2015-Q1 was 37.1 % so a real need remains.

---

### **The NEETs project 'Know and Do'**

**Country:** Latvia

**Description:** A project for young people not in employment, education and training called 'Know and Do' is being implemented within the Youth Guarantee. Different initiatives within the project address a variety of NEET issues in cooperation with strategic partners such as municipalities, NGOs, associations and social partners. Municipalities will identify the NEETs in their locality and in co-operation with partners offer profiling, counselling, mentoring and the creation of individual activity plans.

**Institution Responsible:** Agency for International Programs for Youth.

**Country Specific Recommendation:** (2014) CSR 2: make progress as regards the employability of young people including by putting in place outreach measures for non-registered youth not in employment, education or training.

**Main Objectives:** The main objective is to motivate and activate young people who are NEETs. The aim is to encourage them to obtain education, including vocational education, participate in Youth Guarantee initiatives as well as take part in the work of NGOs and other youth organisations

**Target Groups:** Non-registered young people aged 15-29 not in employment, education and training.

**Duration of measure:** Temporary

**If temporary, how long will it run for?** September 2014 to December, 2018.

**Has the measure been enacted into law?** Yes

**Legal reference:** Regulations of the Cabinet of the Ministers 8.3.3.

**Date of adoption:** 7 July 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** September, 2014 (but this has been delayed because of the delay in developing the regulations).

**If not law, what type of measure is it?** EU co-funded project

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monitoring and supervision can include, but is not limited, to the following: 1) Consultations with mentors; 2) Assessment of municipalities' initiatives plan; 3) Assessment of the content of the mentoring initiatives.

**Update frequency of monitoring arrangements:** Variable intensity of monitoring

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** European Social fund - EUR 7.65 million, state budget - 1.35 millions.

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 2: make progress as regards the employability of young people including by putting in place outreach measures for non-registered youth not in employment, education or training.

---

### **Vocational education in construction**

**Country:** Latvia

**Description:** Within the Youth Guarantee initiative and in cooperation with a construction company GRF (previously known as Skonto Group), 240 young people will be offered the opportunity to obtain a qualification as concrete technician, reinforced concrete construction welder, electrician, reinforced concrete, metal, wood or glass construction assembler in a year or year-and-a-half long programmes. During the studies, students will have an opportunity to be interns in GRF daughter companies (*Latvijas Energoceļnieks, Skonto Prefab, Cross Timber Systems, Skonto Plan and Forta Medical*).

**Institution Responsible:** State Education Development Agency

**Country Specific Recommendation:** (2015) CSR2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

**Main Objectives:** The main objective is to provide a qualified workforce in the construction industry and promote vocational education, especially in construction-related fields.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Study year 2015/2016

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 September 2015

**If not law, what type of measure is it?** State Education Development Agency and construction company's 'GRF' project

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

---

### **Launch of the Youth Guarantee programme**

**Country:** Hungary

**Description:** In March 2015, the government launched the Youth Guarantee programme in Hungary. In the first stage of the programme, only young people who have been registered as unemployed for at least six months can participate in the programme; eligibility is to be gradually extended to all young jobseekers below 25 by 2018. The programme offers job placement and other labour market services

(including mentoring and counselling), wage subsidies, start-up incentives, apprenticeship or traineeship opportunities, and trainings for target group members.

**Institution Responsible:** Ministry for National Economy

**Country Specific Recommendation:** (2014) CSR 6: Implement a national strategy on early school leaving prevention with a focus on drop outs from vocational education and training. Put in place a systematic approach to reducing educational segregation and to promote inclusive mainstream education for disadvantaged groups, in particular Roma. Support the transition between different stages of education and towards the labour market, and closely monitor the implementation of the vocational training reform. Implement a higher education reform that enables greater tertiary attainment, particularly by disadvantaged students.

**Main Objectives:** To provide work opportunities for at least 36 000 youth under 25.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Until 2020.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** March 2015

**If not law, what type of measure is it?** EU co-funded project

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monitoring arrangements and result indicators are described by the Regulation (EU) No. 1304/2013 of the European Parliament and of the Council.

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 114 917 373.33 in the six convergence regions; EUR 13 406 262.17 in the Central Hungary region.

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** 2014 CSR (4): Strengthen well targeted active labour market policy measures, inter alia by accelerating the introduction of the client profiling system of the Public Employment Service. Put in place the planned youth mentoring network and coordinate it with education institutions and local stakeholders to increase outreach.

---

### **From the faculty immediately to practice (*Iz faksa takoj praksa*)**

**Country:** Slovenia

**Description:** The target group of the programme are young people up to and including 29 years of age with tertiary education (first Bologna cycle onwards), which are first time job seekers. The programme aims to employ 820 young people with employers from the private sector for 12-month full-time employment. In the first seven months there were 737 persons included in the programme thus making this programme quite successful.

**Institution Responsible:** Employment Service of Slovenia

**Country Specific Recommendation:** (2014) CSR 3: (i) Take measures for further decreasing segmentation, in particular addressing the efficiency of incentives for hiring young and older workers (ii) Prioritise outreach to non-registered young



people ensuring adequate public employment services capacities. (iii) To increase employment of low-skilled and older workers, adapt the working environment to longer working life and focus resources on tailor-made active labour market policy measures, while improving their effectiveness.

**Main Objectives:** The programme offers direct link between education and labour market needs, by promoting the acquisition of the first work experience with training for a specific job.

**Target Groups:** Youth

**If temporary, how long will it run for?** Selected unemployed person must be employed no later than 31 August 2015 - for 12 months.

**Has the measure been enacted into law?** No

**Legal reference:** From the faculty immediately to practice (*Iz faksa takoj praksa*)

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 30 January 2015

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** Public invitation was open until 30 June 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** EU co-funded

**Budget:** EUR 5 million

### **Changes in the Swedish Youth Guarantee**

**Country:** Sweden

**Description:** In March 2015 the government amended the regulatory framework of the youth guarantee implying that the PES is now committed to offer young people active labour market policy measures (ALMP) right from the registration period. At the same time, it was also decided that vocational rehabilitation will be introduced as part of the Youth Job. In order to further combat youth unemployment and limit youth long-term unemployment the Government has also decided to gradually introduce a 90-day guarantee for young people, meaning an upper limit on how long a young person can be unemployed without being offered a job or to be enrolled in ALMP measures leading to a job or training/education. In addition to already existing youth targeted ALMP programmes the 90-day guarantee will include new measures, such as education contracts and trainee jobs.

**Institution Responsible:** Public Employment Services

**Country Specific Recommendation:** (2014) CSR 4 Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships. (ii) Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a migrant background.

**Main Objectives:** Reduce youth unemployment, limit the development of long term unemployment among young people and ease the transition from school to work.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** The Spring Fiscal Bill (Prop. 2014/15:100) and The Spring Amended Budget (Prop. 2014/15:99)

**Date of adoption:** 16 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** August 2015

**What are the monitoring arrangements in place?** (As usual) the new measure will be monitored by the PES and the evaluation will be (as usual) probably performed by the Institute for Evaluation of Labour Market and Education Policy (IFAU)

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** Government

**Budget:** The additional resources for education contacts amounts to EUR 40.8 million in 2015. In the coming years, the cost is estimated to amount to EUR 84.8 million in 2016, EUR 83.7 million in 2017 and 2018, and EUR 85.9 million in 2019. The estimated cost the trainee jobs is EUR 6.5 million in 2015, EUR 73 million in 2016, EUR 125.6 million in 2017, EUR 127.7 million in 2018 and EUR 128.8 million in 2019.

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** 2014 Council's recommendations (CRS 2014), Sweden should take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships. Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a migrant background.

**Measure Updates total: 5**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> A grant scheme 'Youth Employment'</p> <p><b>Description:</b> Within the scheme, apprenticeship opportunities will be given to young people aged up to 29 years.</p> <p><b>Measure Time Period:</b> Sep 2014</p>	<p><b>Title:</b> Monitoring data released for the first half of 2015.</p> <p><b>What has changed:</b> There are no changes. The scheme was planned for the period 2014 to 2015. The activities in 2015 will be of importance for the implementation of the planned indicators. The results however are not good.</p>
<p><b>Country:</b> Spain</p> <p><b>Measure Title:</b> Youth Guarantee National Implementation Plan</p> <p><b>Description:</b> This Plan was introduced in December 2013 and aims to implement the Council recommendations on the Youth Guarantee.</p> <p><b>Measure Time Period:</b> Mar 2014</p>	<p><b>Title:</b> Extension of the Youth Guarantee to those aged 25-29</p> <p><b>What has changed:</b> The collective beneficiary of the Youth Guarantee System is extended to those aged 25-29.</p>
<p><b>Country:</b> Cyprus</p> <p><b>Measure Title:</b> Scheme to encourage youth entrepreneurship</p> <p><b>Description:</b> The scheme aims to subsidise setting up a small (up to nine employees) business, particularly in areas consistent with the applicant's skills and qualifications. It</p>	<p><b>Title:</b> Scheme to encourage youth entrepreneurship (first call 2014-2020)</p> <p><b>What has changed:</b> A new scheme, offered in September 2015, continues the efforts to stimulate youth entrepreneurship.</p>

<p>covers 50 % of eligible expenses to a limit of EUR 70 000 in manufacturing and EUR 50 000 in e-commerce, services and tourism. Applicants (men and women) must be between 20 and 39 years of age.</p> <p><b>Measure Time Period: Sep 2014</b></p>	
<p><b>Country:</b> Slovenia</p> <p><b>Measure Title:</b> Job testing for young people</p> <p><b>Description:</b> Job testing is intended as a test on a specific workplace, allowing unemployed persons to test their knowledge, skills and habits. Based on this testing, the outcome could be additions to the employment plan, additional education or employment. On the other hand, employers can have the opportunity to test possible future employee before signing an actual employment contract. The participants are tested by assigned mentors at the specific workplace from 100 hours up to one month (in the form of full time employment). Each mentor can simultaneously monitor up to five participants.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>Title:</b> Work trials for young people</p> <p><b>What has changed:</b> 646 persons participated on the programme in the first seven months of 2015.</p>
<p><b>Country:</b> Finland</p> <p><b>Measure Title:</b> Youth Guarantee</p> <p><b>Description:</b> The Youth Guarantee is for young persons under 25 years of age, and those under 30 years of age who are newly graduated from education. In practice it means an enhancement of services for these target groups in jobcentres, schools and social service, so it includes measures run by the Public Employment Service, municipalities and educational institutes. Also the obligations for the young person to be active him/herself are emphasised. EUR 60 million a year is allocated for this measure. From this, EUR 5 million is allocated to finding and activating NEETs and 'searching youth work', a hands-on coaching programme.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Final evaluation report on the Youth Guarantee</p> <p><b>What has changed:</b> Evaluation report (MEE 2015, available from: <a href="https://www.tem.fi/files/42493/TEMjul_19_2015_web_19032015.pdf">https://www.tem.fi/files/42493/TEMjul_19_2015_web_19032015.pdf</a> has been published.</p>

#### 5.4 Measures supporting older workers (including job creation incentives, enhancing employability, improving employment service to etc.) (5 new measures)

##### Partial removal of the employment bonus for workers aged 50 years or more in the Flemish Region

**Country:** Belgium

**Description:** The existing employment subsidy for elderly workers is no longer

allocated to employers hiring unemployed aged 50-54 with less than one year of unemployment. The possibility to receive concurrently the employment bonus and another premium or subsidy is also adapted. The combination of this bonus with the service voucher system is for instance forbidden.

**Country Specific Recommendation:** (2014) CSR 4: Increase labour market participation, in particular by reducing financial disincentives to work, increasing labour market access for disadvantaged groups such as the young and people with a migrant background, improving professional mobility and addressing skills shortages and mismatches as well as early school leaving. Across the country, strengthen partnerships of public authorities, public employment services and education institutions to provide early and tailor-made support to the young.

**Main Objectives:** To focus public resources on long-term elderly unemployed

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Decision of the Flemish Government of 19 December 2014

**Date of adoption:** 22 January 2015

**Start date for implementation of the measure:** 1 January 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 4 (2014): improve the labour market participation, in particular by reducing financial disincentives to work, increasing labour market access for disadvantaged groups.

### **Transition period for the regime of unemployment with company supplement (RCC)**

**Country:** Belgium

**Description:** Creation of a transition period (applicable to 1 January 2015) for the strengthening of access conditions to the regime of unemployment with company supplement (formerly early retirement - see EEPO Regular Report of Jan 2015) for workers laid off before 1 January 2015 and introduction of the status of 'adapted availability' for the others. The status means that workers must be registered as job seeker and collaborate on appropriate support, according to an individual action plan.

**Institution Responsible:** ONEM

**Country Specific Recommendation:** (2014) CSR 4: Increase labour market participation, in particular by reducing financial disincentives to work, increasing labour market access for disadvantaged groups such as the young and people with a migrant background, improving professional mobility and addressing skills shortages and mismatches as well as early school leaving. Across the country, strengthen partnerships of public authorities, public employment services and education institutions to provide early and tailor-made support to the young.

**Main Objectives:** Increase the employment rate of older workers.

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Royal Decrees of 1 June 2015 and Royal Decrees of 19 June 2015

**Date of adoption:** 1 June 2015 and 19 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 3 (2014) : stepping up efforts to reduce the gap between the effective and statutory retirement age

---

### **Measures for older workers**

**Country:** France

**Description:** Professionalisation contract: two new options are now offered – i) Professionalisation contract new career: for unemployed of 50 years old, with a short training period (150 hours) ii) Professionalisation contract new chance: for unemployed with low or no qualifications with a possible extension of the contract period (to 24 month). It is possible for employers to conclude a Unique Insertion Contract (CUI) for less than 20 hours weekly working time when recruiting unemployed of 60 years old and more.

**Institution Responsible:** Pole Emploi

**Country Specific Recommendation:** (2014) CSR 6: Ensure that older workers benefit from adequate counselling and training

**Main Objectives:** To better adapt active measures to the context of older workers/unemployed. This CUI measure is a first step for encouraging unemployed mainly LTU to recover jobs where they are close to retirement.

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Regarding the CUI change only: Law on social dialogue and employment called Rebsamen Law

**Date of adoption:** 17 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** For the Professionalisation contract, the implementation was immediate. For the CUI, we don't know if we have to wait for an application decree

**If not law, what type of measure is it?** Action plan for LTU (professionalisation contract)

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** No

**Budget:** In case of CUI. For the Professionalisation contract, the funding is insured by the social partners under the collective training funds

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Ensure that older workers benefit from adequate counselling and training.

---

### **Changes to the Law on Social Enterprises (SE)**

**Country:** Lithuania

**Description:** In June, the Government approved the motion to amend the Law on SE taking into account the provisions of Commission Regulation (EU) No 651/2014 of

17 June 2014. The amendments provide for including 50+ unemployed persons registered at a TLE as a target group of persons employed in SEs (currently, support for employment is provided to persons for whom not more than five years are left until the pensionable age, where they have been unemployed for more than one year). It is also proposed to refuse differentiation of the type of training and establish a uniform subsidy of up to 60 % of employees' training costs (currently, this subsidy ranges from 35 % to 60 %). Also, restrictions to the amounts of state aid are to be revised. Although the draft law had been prepared, the amendments were not adopted by the middle of September.

**Institution Responsible:** Lithuanian Labour Exchange

**Country Specific Recommendation:** (2014) CSR 2 - Underpin pension reform with measures that promote the employability of older workers.

**Main Objectives:** To create better opportunities for older people to integrate into the labour market and to increase employer responsibility in respect of their employees.

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** Draft amendments to the Law on Social Enterprises prepared

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR2 2014: measures that promote the employability of older workers NRP: improvement of ALMP

---

### **Support for Older Unemployed People**

**Country:** Lithuania

**Description:** On 1 January 2015, the LLE launched an ESF-funded project, Support for Older Unemployed People, to provide 54+ unemployed people with opportunities to participate in such activities as vocational training, subsidised employment and support for territorial mobility. It is expected to help 14 000 older unemployed people to get integrated in the labour market during the project (January 2015 - June 2017). 6 200 unemployed people will be provided with the opportunity to acquire new qualifications or upgrade their competences, almost 7 400 of them will be created conditions to re-enter the labour market through paying wage subsidies to employers, and 450 of the project participants employed further from their place of residence will be compensated travelling or accommodation costs through participating in support for territorial mobility of the unemployed.

**Institution Responsible:** Lithuanian Labour Exchange

**Country Specific Recommendation:** (2014) CSR 2 - Underpin pension reform with measures that promote the employability of older workers.

**Main Objectives:** Integration of older unemployed people in the labour market.

**Target Groups:** Older workers

**If temporary, how long will it run for?** January 2015 - June 2017

**Has the measure been enacted into law?** No  
**Is the measure being enforced?** Yes  
**Start date for implementation of the measure:** Activities started in January 2015  
**If not law, what type of measure is it?** EU co-funded project  
**State of play: Enacted into law?** Under implementation  
**Steps taken to monitor the implementation of the measure:** Yes  
**What are the monitoring arrangements in place?** 'Usual' monitoring and evaluation of ESF funded projects and ALMPMs  
**Funding Sources:** EU co-funded  
**Is there a specific budget allocated to the measure?** Yes  
**Budget:** EUR 20 273 401  
**Policy recommendations that the measure responds to:** AGS, CSR, NRP  
**Recommendation details:** AGS: actions to reduce long-term unemployment CSR (2014): [...] measures that promote the employability of older workers. NRP: Promotion of employment of low-skilled and long-term unemployed

**Measure Updates total: 1**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Labour market package for older workers</p> <p><b>Description:</b> An additional active labour market policy budget for the labour market integration of older unemployed people has been decided. For the period from mid-2014 until 2016, a total of EUR 350 million was allocated for hiring subsidies, for the <i>Kombilohn</i> scheme and for socio-economic enterprises offering fixed-term employment for older workers.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p><b>Title:</b> Extension of the Employment Initiative</p> <p><b>What has changed:</b> In the Federal Budgetary Framework Law 2016-2019 the budget for Labour market measures for older workers for the coming years 2016 and 2017 was decided to amount to EUR 250 million per year.</p>

**5.5 Measures supporting women workers (including incentives to female employment, enhancing job flexibility etc.) (X new measures)**

No new measures reported.

**Measure Updates total: 0**

## **5.6 Measures supporting other vulnerable workers (e.g. the long-term unemployed, those with an ethnic or immigrant background, those with a reduced ability to work) (5 new measures)**

### **Second phase of the programme social participation at the labour market (*soziale Teilhabe am Arbeitsmarkt*)**

**Country:** Germany

**Description:** The programme social participation on the labour market for those furthest from the labour market aims at improving employability and promoting social participation for persons that are unemployed for more than four years that have health problems or families that are receiving unemployment benefits (*Familienbe-darfsgemeinschaft*). During the first phase job centres for implementation were selected. They should implement the measure in the second programme phase. Wages for competitively neutral employment opportunities subject to social security contributions will be subsidised by up to 100 %.

**Institution Responsible:** Federal Ministry, implemented by Jobcentres

**Main Objectives:** Combat long-term unemployment, the objective is to reach out 10 000 long-term unemployed.

**Target Groups:** Long-term unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Until 2018

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** In July 2015 a tender for the evaluation of the first phase of the programme was launched.

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** funding will be EUR 450 million for 10 000 long-term unemployed persons until the end of 2018. In August, after assessing the concepts submitted by the job centres, 105 out of 265 job centres were selected for funding.

---

### **Professional rehabilitation measures for people at risk of discrimination**

**Country:** Latvia

**Description:** Professional rehabilitation is a set of measures that will provide opportunities to acquire a new profession or to improve or develop the existing knowledge and skills for people with disabilities or expected disability. The following will be developed and implemented: 1) Professional rehabilitation programmes, e.g., improvement in the system of how professional suitability is determined for people in I and II disability groups. This will be based on: assessment of health conditions, motivation, ability to work, and assessment of the needed knowledge and skills for an individual to participate in the labour market; 2) A skills certification system, e.g., development of skills description and skills training programme

**Institution Responsible:** Ministry of Welfare

**Country Specific Recommendation:** (2014) CSR 3: Increase coverage of active labour market policies.

**Main Objectives:** The main objective is to increase the inclusion of the people at



risk of discrimination in the labour market.

**Target Groups:** People with disabilities

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Quarter 3, 2015 to 2019.

**Has the measure been enacted into law?** Yes

**Legal reference:** Regulation of the Cabinet of the Ministers 9.1.4.

**Date of adoption:** 30 June 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 4 July 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** European Social Fund - EUR 1.06 million, state budget - EUR 0.187 million.

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** NRP: Encouraging population at risk of poverty and social exclusion to participate in the labour market.

---

### **Support measures to the long-term unemployed**

**Country:** Latvia

**Description:** The Ministry of Welfare has developed a set of activities aimed at the long-term unemployed. The long-term unemployed will be able to receive: 1) Individual and group consultations, including career counselling, psychologist consultations, assessment of ability to participate in the labour market; 2) Health checks; 3) Suitability to specific career directions; 4) Motivational programmes for job search; 5) Support to addicts.

**Institution Responsible:** Ministry of Welfare; State Employment Agency

**Main Objectives:** The main objective is to promote inclusion of the long-term unemployed in the society, especially in the labour market and education. To reduce the risk of social exclusion for the long-term unemployed.

**Target Groups:** Long-term unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Quarter 3, 2015 to 2021.

**Has the measure been enacted into law?** Yes

**Legal reference:** Regulations of the Cabinet of the Ministers 9.1.1.

**Date of adoption:** 11 August 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Quarter 3, 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** However, since this will be an ESF co-funded project the regular monitoring activities for structural funds projects will be applied.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** European Social Fund - EUR 34.03 million, state budget - EUR 6 million.

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** Reducing structural unemployment, including fostering

economic activation of the workforce.

---

### **New ESF funded project for labour market integration of disabled**

**Country:** Lithuania

**Description:** In March, the LLE launched a new project funded from the ESF. The project Support for the Disabled is designated to facilitate vocational rehabilitation of the disabled. During the 36 months of duration, the project is expected to cover a total of 2 000 disabled persons registered with TLEs for whom the level of capacity for work is rated to be from 0 % to 45 % and persons applying for the first time to the Disability and Capability for Work Establishment Office (the Office) for the establishment of their level of capacity for work. The target group of the project is people with sensory, physical, mental or intellectual disabilities. The project is implemented together with 11 partners - 10 TLEs and the Office.

**Institution Responsible:** Lithuanian Labour Exchange

**Country Specific Recommendation:** (2015) CSR3: Improve the coverage and adequacy of unemployment benefits and cash social assistance and improve the employability of those looking for work.

**Main Objectives:** Increase employability of disabled people

**Target Groups:** People with disabilities

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 36 months

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** March 2015

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** Project started to implement

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Standard evaluation of ESF funded projects and efficiency evaluation of ALMP

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 7 588 166

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR3: [...] improve the employability of those looking for work NRP: Promotion of employment of low-skilled and long-term unemployed.

---

### **Fast Track into the Labour Market for Newly Arrived Migrants**

**Country:** Sweden

**Description:** In order to cope with the increased number of refugees the PES's administration appropriation for the introduction assignment in 2015–2018 has been augmented. To identify skills of new arrivals at an early stage the Government has set aside funds within existing frameworks for a pilot project for skills mapping of recently arrived migrants living in the Swedish Migration Board's accommodation centres. Correspondingly, the Government intends to allocate funds for validation measures within the framework of PES's introduction assignment. In addition to these measures the government has decided to increase the compensation to

municipalities regarding Swedish for Immigrant (SFI, *Svenska för Invandrare*). The government is also committing additional funding to activities in the civil society and local government sectors aimed at creating better conditions for new arrivals to establish themselves in the Swedish society. The initiative comprises activities such as social activities, study circles, activities to support language learning, mentorship and activities of sports associations.

**Institution Responsible:** Public Employment Service, Local authorities. SFI institutions. Non-profit civil association

**Country Specific Recommendation:** (2014) CSR 4 Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships. (ii) Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a migrant background.

**Main Objectives:** Create better conditions for the Swedish Public Employment service to implement the introduction Assignment. Faster establishment of new immigrants in the Swedish Labour market and integration in the Swedish Society.

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015

**Has the measure been enacted into law?** Yes

**Legal reference:** Spring Fiscal Bill and Spring Amending Budget for 2015

**Date of adoption:** 1 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** August 2016

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Budget:** For Swedish for Immigrants (SFI) EUR 5.4 million has been allocated in 2015. The government has also allocated an additional EUR 3.2 million to activities in the civil society and local government sector for 2015.

#### Measure Updates total: 4

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Estonia</p> <p><b>Measure Title:</b> Work capacity reform</p> <p><b>Description:</b> The reform of the current disability pensions systems has been underway for a couple of years. In June 2013, the Government finally set out its proposals for reform. The first proposal is to move away from the evaluation of incapacity by the Estonian Social Insurance Board, and instead assess an individual's capacity to work on the basis of not only health, but also taking into account suitable conditions of employment and a reasonable job, which would be done by the Estonian Unemployment Insurance Fund. The second proposal addresses the monthly allowance. According to the plan, people with a partial</p>	<p><b>Title:</b> Reform postponed</p> <p><b>What has changed:</b> In May 2015, the Government made the decision to postpone the implementation of the work capacity reform by half a year. The reform will be enforced as of 1 July 2016 instead of 1 January 2016 as agreed previously. The main reason for this is the delay in preparation of necessary activities for the implementation of the reform. Extra time is needed to develop information systems, services and complement the occupational disability evaluation methodology.</p>

<p>capacity for work will be eligible for benefit only: if they are employed; unemployed and actively seeking a suitable job or participating in active employment services; or take part in formal education.</p> <p><b>Measure Time Period: Sep 2014</b></p>	
<p><b>Country:</b> Ireland</p> <p><b>Measure Title:</b> Social Inclusion and Community Activation Programme (SICAP)</p> <p><b>Description:</b> SICAP will replace the Local Community Development Programme in 2015. It was allocated a budget of EUR 46 million and will be administered by the Department of the Environment, Community and Local Government. The programme aims to cater for individuals that are further from the labour market and will provide support for approximately 30 000 people to improve work prospects. The target groups are: children and families from disadvantaged areas, lone parents, new communities (including refugees and asylum seekers) and Roma, people with disabilities, unemployed people (including those not on the Live Register) and members of the travelling community.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>Title:</b> Social Inclusion and Community Activation Programme (SICAP)</p> <p><b>What has changed:</b> SICAP has three objectives, one of which allows for the provision of activation services and supports to individuals who might otherwise fall through the net of existing supports. The SICAP programme will be administered by providers appointed, following a tendering process, with appropriate supports and direction provided by Local Community Development Companies (LDCs). LDCs are established within each local authority with the objective of developing, coordinating and implementing a coherent and integrated approach to local and community development.</p>
<p><b>Country:</b> Portugal</p> <p><b>Measure Title:</b> Incentive for the acceptance of job offers</p> <p><b>Description:</b> Recipients of unemployment benefits are offered a financial incentive if they accept a fulltime job with at least three months duration and a payment of at least EUR 485 per month (national minimum wage) offered by the Public Employment Services, or if they find a job with these characteristics by themselves. The workers receive a bonus pay from the Government during the first six months corresponding to 50 % of the amount of the unemployment benefit (up to a limit of EUR 500). During the following six months the bonus is reduced to 25 % of the unemployment benefit (maximum EUR 250). The total maximum duration of the payment of the incentive is 12 months. The measure is being implemented, but there are no data regarding its execution and effects available.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Easier access to the measure 'Incentive for the acceptance of Job offers'</p> <p><b>What has changed:</b> Changes include:</p> <ul style="list-style-type: none"> <li>• reduction of the minimum period of registration as unemployed from six to three months;</li> <li>• exemption of unemployed people aged 45 or over from the minimum period of registration;</li> <li>• reduction of the minimum remaining period of unemployment benefits from six to three months;</li> <li>• inclusion of types of contracts that were excluded before (renovation of a work contract or conversion of a fixed-term into permanent);</li> <li>• possibility of merging the incentive for acceptance (benefitting the unemployed) with the measure 'Stimulus Employment' (benefitting the employer).</li> </ul>
<p><b>Country:</b> United Kingdom</p> <p><b>Measure Title:</b> Work Programme</p>	<p><b>Title:</b> Work Programme - Four Years On</p> <p><b>What has changed:</b> Following the change of Government in May 2015 to a Conservative</p>

<p><b>Description:</b> The Work Programme brings a composite approach to helping the long-term unemployed back into work and effectively replaces around 20 individual support programmes. It offers a package of support to the eligible unemployed delivered through a group of 18 private sector contractors who successfully bid for the work, supported by around 40 sub-contractors, mainly from the voluntary and community sectors.</p> <p><b>Measure Time Period: Oct 2010 – Sep 2012</b></p>	<p>majority, a continuing commitment was made to implementation of the Work Programme on the basis that it had played a significant part in driving down long-term unemployment.</p>
--	--

## 5.7 Measures improving services for the unemployed and enhancing employability (8 new measures)

### ESF Federal Programme to combat long-term unemployment

**Country:** Germany

**Description:** The ESF-programme to combat long-term unemployment focusses on promoting qualifications for long-term unemployed persons (at least two years without occupation) older than 35 without (relevant) professional training. For persons who are unemployed for longer than five years, more intensive measures are provided. Wages are subsidised by a maximum of 75 %. The programme started in the first quarter of 2015.

**Institution Responsible:** Federal Ministry of Labour Measured delivered by the Jobcenters

**Country Specific Recommendation:** (2014) CSR 2: Improve the employability of workers [ ] by implementing more ambitious activation and integration measures in the labour market, especially for the long term unemployed.

**Main Objectives:** The goal is to integrate those long-term unemployed persons into the labour market in a sustainable way.

**Target Groups:** Long-term unemployed

**Duration of measure:** Temporary

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The programme started in the first quarter of 2015 and started to be implemented in the jobcenters by August 2015. In August, after assessing the concepts submitted by the job centres, 105 out of 265 job centres were selected for funding

**If not law, what type of measure is it?** EU co-funded project

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** It can be expected that an evaluation will be carried out

**Funding Sources:** EU co-funded

**Budget:** EUR 885 million

### To learn and succeed in Bulgaria (*Уча и успявам в България*)

**Country:** Bulgaria

**Description:** An innovative project for Bulgaria that for first time includes an

integrated approach towards activities that could alleviate transition of unemployed to employment. It includes a chain of actions starting with counselling and guidance, that motivation and vocational training, subsidised employment and self-employment and traineeships. All these activities and the vocational training are oriented towards the employers' demand on particular local labour markets.

**Institution Responsible:** Association of Industrial Capital in Bulgaria

**Country Specific Recommendation:** (2015) CSR 3: Develop an integrated approach for groups at the margin of the labour market, in particular older workers and young people not in employment, education or training.

**Main Objectives:** To develop a well-skilled workforce in accordance with particular business demand on regional (and thus on national) labour markets. The objectives are counselling and vocational guidance of 1 920 unemployed; appropriate training to be recommended; comprehensive training of 1 920 unemployed that includes: motivational training, training on key competence 'Social and civic competences' or 'entrepreneurship', training on particular professions as computer operator, tailor, worker in construction, landscaping worker, steward, or on a part of professions polygraphist, office secretary, shop assistant, electrician, operator in textile production, operator in woodworks, administrator hospitality, administrator of restaurants, animator in tourism, waiter-bartender; subsidised employment for three months for the 20 % of successfully graduated trainees; inclusion in employment (self-employment or apprenticeship) of 20 % of graduates for not less than one month.

**Target Groups:** Long-term unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 12 months in 2015

**Has the measure been enacted into law?** Yes

**Legal reference:** Order of the Minister of MLSPs, National plan for Employment 2015

**Date of adoption:** 24 January 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 24 January 2015

**State of play: Enacted into law?** In progress.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Regular monthly monitoring hold by Employment Agency; annual reporting about the results. Initially formulated indicators and targets of the activities. Plan: 1920 unemployed to be included in the Project in 2015.

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 1 605 600. (BGN 3 211)

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR: Develop integrated approach to people at the margins of labour market. First Priority in the National plan for employment 2015: to improve the access to the labour market, especially for representatives of the disadvantaged groups.

---

### **Mobility support for unemployed introduced**

**Country:** Estonia

**Description:** As of 1 January 2016 Unemployment Insurance Fund will set up mobility support for unemployed people. The aim is to motivate people to accept job offers further away from their living area. The size of the mobility support will depend on the number of days worked and distance between job and home with a maximum rate of EUR 200 per month (will be considered as taxable income). The mobility support will be paid over four months to those who have not found suitable job during six months and who accepts job which is located at least 30 km away from their home. This is considered as the period when a person can test the suitability of the job and find necessary arrangements if they wish to continue on the job. The measure will be tested as a pilot project over three years after which it will be evaluated whether this kind of support is efficient and sustainable. The mobility support will be financed from ESF sources.

**Institution Responsible:** Unemployment Insurance Fund

**Main Objectives:** The main aim is to motivate mobility of people for work and support accepting jobs in areas further away from home.

**Target Groups:** Unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2016-2019

**If not law, what type of measure is it?** EU co-funded project

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** As the measure is financed through ESF budget, general monitoring arrangements for ESF projects will apply. Unemployment Insurance Fund also conducts regular monitoring of their services.

**Update frequency of monitoring arrangements:** Monthly

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

**Recommendation details:** None of the recommendations address specifically the mobility of workers within the country (across-country mobility is outlined in AGS) although the Estonian NRP refers to the need to raise ALMP effectiveness.

### **Widening access to career counselling among adults**

**Country:** Estonia

**Description:** As of 1 February 2015, the career counselling by Estonian Unemployment Insurance Fund is available for everyone, not just those registered as unemployed or as a job-seeker with a notice of dismissal. Counselling is offered in the offices of Unemployment Insurance Fund across Estonia. To meet the expected increasing demand for the service, 20 additional counsellors were added. The target group for the service was widened with financial support of European Social Fund. This change is expected to increase access to career counselling and thus mobility in the labour market

**Institution Responsible:** Unemployment Insurance Fund

**Main Objectives:** The aim is to provide access to career counselling among employed adults.

**Target Groups:** All workers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** As the service is provided through ESF financing, the expected duration is 2014-2020 (period of EU financing) unless permanent financing decisions from state budget will be made.

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** EU co-funded project

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Unemployment Insurance Fund regularly monitors the use of active labour market measures. There is no information on assessment schedule for this measure although necessity to assess effectiveness is outlined.

**Update frequency of monitoring arrangements:** Monthly

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** The measure is in accordance with the aim outlined in NRP to provide career counselling to employed as well as inactive adults to prevent unemployment and raise employment stability.

---

### **New programme targeting disadvantaged jobseekers (GINOP 5.1.1)**

**Country:** Hungary

**Description:** Under the framework of the GINOP 5.1.1 programme, which will replace former SROP (TAMOP) funds, trainings, wage subsidies, start-up incentives and labour market services for disadvantaged workers continue to be available. The main target group includes long-term unemployed, unskilled workers, new entrants, older jobseekers, young mothers and those who exit public works programmes. Besides providing funding for the direct costs of the measures, the GINOP 5.1.1 programme also covers costs of institutional development of the employment service, for example the introduction of a profiling system.

**Institution Responsible:** Ministry for National Economy and government offices.

**Main Objectives:** The rationale behind the programme is to enhance the employability of disadvantaged jobseekers and former public works participants to accelerate their transition into the open labour market by improving their access to other active labour market measures. Another objective is the institutional development of the PES by creating the infrastructure for a nationwide implementation of the profiling system and developing the EURES network.

**Target Groups:** All disadvantaged jobseekers (LTU, older workers, workers with disabilities etc.)

**If temporary, how long will it run for?** Until 2018.

**If not law, what type of measure is it?** EU co-funded project

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 326 627 870

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** 2014 CSR 4: Strengthen well targeted active labour market policy measures, inter alia by accelerating the introduction of the client profiling system of the Public Employment Service. Put in place the planned youth mentoring network and coordinate it with education institutions and local



stakeholders to increase outreach. Review the public works scheme. 2015 CSR 4: Reorient the budget resources allocated to the public work scheme to active labour market measures to foster integration into the primary labour market

---

### **On the Job Training 2015 programme**

**Country:** Slovenia

**Description:** The programme is carried out without the signing of an employment contract and under the guidance of a mentor provided by the employer. The duration of the On the Job Training programme varies according to the job complexity: 1 month for the simple jobs, two months for demanding jobs and three months in the case of training a person younger than 30 years of age.

**Institution Responsible:** Employment Service of Slovenia

**Country Specific Recommendation:** (2015) CSR 2: Increase the employability of low skilled and older workers. Take measures to address long-term unemployment and provide adequate incentives to extend working lives.

**Main Objectives:** The target group are unemployed persons who are registered as unemployed for at least three months. It is intended to include 4 250 unemployed persons in the programme.

**Target Groups:** Short-time unemployed (registered up to three months at the ESS)

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The invitation has been closed 10 June 2015 due to the use of available resources.

**Has the measure been enacted into law?** No

**Legal reference:** On the Job Training 2015 programme

**Date of adoption:** 17 February 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 17 February 2015

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** Closed 10 June 2015 due to the use of available resources.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 8 million

---

### **Minor ALMP reform**

**Country:** Slovakia

**Description:** The reform proposal includes the following main changes: Reduction of administrative burden imposed on applicants for benefits (employers) so that the existing proving of fulfilment of obligations (taxes, social contributions, non-breach of undeclared employment prohibition) by the applicant shall be replaced by examination of the fulfilment of obligations by the respective labour office at the institutions in charge; Modification of the existing and poorly used contribution for moving to work (§ 53a) to a new tool called 'contribution to support labour mobility'. The new mobility allowance shall provide financial support to cover costs associated with the change of residence and take-up of a job by a job seeker prior registered

with the labour office for a minimum of three months, who starts to work at a place distant from the current residence more than 70 km. Unlike the existing moving allowance, the new regulation does not require a change in the applicant's permanent residence (registration of temporary residence shall suffice) and the financial contribution shall be provided on a monthly basis (6-12 months at most, now a one-off benefit). The benefit equals to 80 % of provable expenses (rent, other housing costs such as energy bills), capped by a maximum of EUR 250 during the first 6 months and/or EUR 125 during the remaining six months. The application for the allowance must be submitted not later than three months after deregistration from the job seekers register and must be accompanied by copies of documents proving the change of permanent/temporary residence and the employment contract. The Ministry of Labour expects that almost 800 job seekers will benefit from the mobility allowance on average in the following three years (80 persons received the moving allowance in 2014, 66 in 2013); Broadening of the definition of employers who may take up young job seekers to carry out practical training in their workplace. It is proposed that the so-called graduate practice may be performed also in workplaces run by self-employed persons who do not employ workers. The Ministry of Labour claims that many professions demanded in the labour market are performed by self-employed tradesmen without employees; Access to non-accredited training programmes shall be improved. The proposal reacts to the current setup where most training programmes are accredited. At the same time, non-accredited programmes, which do not lead to the acquisition of full or partial qualification but to the gaining of specialised skills and knowledge and provided based on licences or certifications, are in short supply; Reasons that can be considered as non-cooperation and lead to deregistration of a job seeker (and also benefit withdrawal if applicable) shall be defined more broadly. It is proposed that non-cooperation will be regarded also 'failure to comply, without serious reason, with conditions agreed in written between the labour office and the job seeker regarding the participation in activation labour market measures'. The new definition should motivate job seekers to an active participation in activation measures and abundance of rules; Additional changes are foreseen in the regulation of temporary stays of foreigners for employment purposes.

**Institution Responsible:** Ministry of Labour, Social Affairs and Family of SR  
Central Office of Labour, Social Affairs and Family

**Country Specific Recommendation:** (2015) CSR 2: Take additional measures to address long term unemployment by introducing activation measures, second chance education and high-quality training tailored to individual needs.

**Main Objectives:** The main objectives are to simplify the application process, streamline mobility support, and improve access to training activities.

**Target Groups:** Unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act No. 5/2004 Coll. on employment services

**Date of adoption:** Not adopted yet.

**Is the measure being enforced?** No

**Start date for implementation of the measure:** Tentatively on 1 January 2016.

**State of play: Enacted into law?** The amendment was approved by the government on 8 July and shall be negotiated in the parliament in October/November.

**Steps taken to monitor the implementation of the measure:** No

**What are the monitoring arrangements in place?** Monitoring will be carried out by territorial labour offices and the Central Labour Office.

**Update frequency of monitoring arrangements:** Monthly and annual.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** The impact on public finances is estimated at EUR 10 million in 2016, EUR 10.2 million in 2017 and EUR 10.7 million in 2018.,

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** 2014 CSR 3: (i) More effectively address long term unemployment through activation measures, [ ] ii) Enhance the capacity of public employment services for case management, personalised counselling and activation of jobseekers, iii) Effectively tackle youth unemployment by improving early intervention, in line with the objectives of a youth guarantee. 2015 CSR 2: Take additional measures to address long term unemployment by introducing activation measures, second chance education and high-quality training tailored to individual needs.

---

### **Reform of Job and Development Guarantee (Phase 3)**

**Country:** Sweden

**Description:** Introduced in 2007, the job and development guarantee is targeted towards job seekers who have been outside the labour market for a long time. The scheme contains individually designed measures and is composed of three phases, the last phase (Phase 3), being the employment phase. To increase the outflow from the job and development guarantee programme the Government has decided to increase the number of subsidized extra jobs within the welfare system (health care or educational system). During 2015, the government will also give participants in phase 3 of the job and development guaranty the opportunity to start studying up to one year with retained activity support either within the framework of the municipal adult education (*Komvux*), university or higher vocational education institutions.

**Institution Responsible:** Public Employment Service

**Main Objectives:** Increase the outflow of the participants in phase 3 of the Job and Development Guarantee Programme, either to the labour market or educational system. Reduce long-term unemployment

**Target Groups:** Long-term unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015-2019

**Has the measure been enacted into law?** Yes

**Legal reference:** Spring Fiscal Bill and Spring Amending Budget for 2015

**Date of adoption:** 16 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** August 2016

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** As usual monitoring will be carried out by the PES and as usual there are reasons to believe that the modification of the measure will give rise to some evaluation

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** The estimated cost of the extra jobs is EUR 1.1 million in 2015, EUR 60.1 million in 2016, EUR 178.2 million in 2017, EUR 260.9 million in 2018 and EUR 282.3 million in 2019.

**Policy recommendations that the measure responds to:** None

**Measure Updates total: 3**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> 051PO001-1.1.11. 'Support for Employment'</p> <p><b>Description:</b> The measure provides subsidies to compensate employers who hire unemployed people and ensure on-the-job training on key competences according to the European Qualification Framework.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Monitoring data released for the period January - June 2015</p> <p><b>What has changed:</b> The scheme has received additional funding of EUR 21 800 at the end of 2014.</p>
<p><b>Country:</b> Hungary</p> <p><b>Measure Title:</b> Continue public works programme</p> <p><b>Description:</b> The programme strives to improve public work programs by investing more in the best programs.</p> <p><b>Measure Time Period: Jan 2013</b></p>	<p><b>Title:</b> Increasing reliance on public works programmes in 2015</p> <p><b>What has changed:</b> The budget for this programme has increased from EUR 750 million in 2014 to EUR 900 million in 2015. In the second quarter of 2015, the number of participants increased by 13 % to 199 600 people, compared to the same period in 2014. Government plans are to involve 213 000 people on average (in full-time equivalent). The maximum duration of the programmes is now extended to 12 months instead of 11. A new call on the organisation of training related to public works has been announced under the framework of the new Economic Development and Innovation Operational Programme. The plan is to involve about 50 000 participants by providing HUF 27 billion for the training. Since 1 August 2015, the target group has been extended to asylum seekers (until his or her claim for refugee status is evaluated).</p>
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Professionals/skilled workers scholarships</p> <p><b>Measure Time Period: Jan 2013</b></p>	<p><b>Title:</b> In 2016 and 2017, no new scholarships will be approved</p> <p><b>What has changed:</b> Due to budgetary reason no new scholarships will be approved.</p>

## 5.8 Other active labour market policies (11 new measures)

### **Incentive for the Acceptance of a Job Offer (Incentivo à Aceitação de Ofertas de Emprego)**

**Country:** Portugal

(no further information provided by the expert)

---

### **Unemployment Insurance Fund introduced a system of employer consultants**

**Country:** Estonia

**Description:** In June 2015, Estonian Unemployment Insurance Fund introduced a new system of employers' consultants in every county across Estonia. The consultants will be a contact point for employers to inform them of services available to employers in Unemployment Insurance Fund. Their aim is to actively communicate with local employers, assist them in finding suitable employees and assist in selection of candidates. The consultants will also have a crucial role in consulting employers on how to accommodate work for people with occupational disability.

**Institution Responsible:** Unemployment Insurance Fund

**Main Objectives:** The main aim is to improve services targeted towards employers

**Target Groups:** Employers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Active labour market measure

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** Estonian NRP outlines a general aim to increase effectiveness of active labour market policies. However, system of employers' consultants or improvement of services targeted towards employers has not been mentioned in specific.

---

### **Encouraging entrepreneurship for unemployed**

**Country:** France

**Description:** Increase in the number of existing measure NACRE beneficiaries: doubling of unemployed supported before business creation (35 000 to 70 000). Digital services on entrepreneurship will be developed at the beginning of January 2016. New training pathway for unemployed will be developed for taking over an enterprise.

**Institution Responsible:** POLE EMPLOI and the Regions Council (the founding of NACRE has been transferred to regions councils)

**Main Objectives:** Better access to NACRE and to the all services of Pole Emploi for unemployed in the field of entrepreneurship

**Target Groups:** Unemployed

**Duration of measure:** Permanent

---

**Has the measure been enacted into law?** No

**Legal reference:** Small Business Act

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** June 2009

**If not law, what type of measure is it?** Announcement

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** The regional councils are the bodies in charge of the monitoring with Pole Emploi

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Budget:** The measure can be co-funded by EU

---

### **Launch of the personal activity account**

**Country:** France

**Description:** Create a personal account that put together the different individual accounts already existing for active people: personal training account, arduousness account (or account for employees facing bad working conditions), time saving account (for those who have), unemployment rechargeable rights, complementary health insurance.

**Institution Responsible:** Not yet identified

**Main Objectives:** It is a further step to offer rights linked to the person and not the job

**Target Groups:** Workers and unemployed: all active population

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law on social dialogue and employment called Rebsamen Law

**Date of adoption:** 17 August 2015

**Is the measure being enforced?** No

**State of play: Enacted into law?** The measure will be implemented in January 2017 according to the will of the government

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** It is too early.

---

### **Renewal of short term contracts**

**Country:** France

**Description:** two renewals against one before for short term contracts (CDD) are now allowed, even though the total time period is still the same (max. 18 months).

**Main Objectives:** This measure aims at encouraging employment, introducing more flexibility and keeping people in jobs longer.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** the Law on social dialogue and employment, called Rebsamen Law

**Date of adoption:** 17 August 2015

**Is the measure being enforced?** Yes

---

**Start date for implementation of the measure:** Immediately

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required.

---

### **Reorientation of active measures for deprived areas**

**Country:** France

**Description:** Securing supported contracts for young people living in deprived areas (April 2015, ministerial circular): The measure is called 'Starter,' dedicated to young people facing difficulties in the labour market. The existing Unique Insertion Contract gives a financial support to employers in the competitive sector which recruit young people under 30 years old. Here, the financial aid can represent 45 % of the minimum wage. Encouraging apprentices with two measures: one is about to strengthen support for apprentices during their study and the second is an experimental one called 'apprenticeship – Cost 0' with a total exemption of social contributions for employers that recruit earlier school leavers less than 18 years old. More supported contracts (CUI, jobs of the future contracts) accessible for people living in deprived areas: 13 % of unique insertion contracts (CUI) and 65 % of *job of the future contract* must benefit the unemployed living in deprived areas. Moreover 21 % of the guarantee for young measure entrants and 20 % of CIVIS measure entrants will be secured for young people living in deprived areas.

**Institution Responsible:** Pole Emploi and Missions locales

**Country Specific Recommendation:** (2014) CSR 7: Ensure that active labour market policies effectively support the most vulnerable groups. Improve the transition from school to work, in particular by stepping up measures to further develop apprenticeship with a specific emphasis on the low-skilled

**Main Objectives:** To strengthen place of vulnerable groups in active measures

**Target Groups:** Unemployed living in deprived areas

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Government proposal

**State of play: Enacted into law?** The measures have been designed by a ministerial circular of April 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 7 2014: ensure that active labour market policies effectively support the most vulnerable groups. improve the transition from school to work.

---

### **Training plan for unemployed**

**Country:** France

**Description:** In May, the government announced the introduction of 60 000 training places for the unemployed, free and recognised on the labour market. The measure will be co-funded by the FPSPP. The Small Business Act announced 40 000 more training places dedicated to the unemployed to integrate SME or VSE with training

courses and will be focused on skills shortages. During 2015, a total of 100 000 places must be offered to the unemployed.

**Institution Responsible:** Pole emploi

**Main Objectives:** To involve more unemployed in training courses linked to the needs of the labour markets

**Target Groups:** Unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** No information

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The measure is repeated for the last two years since 2014

**If not law, what type of measure is it?** Government proposal

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** No information

**Is there a specific budget allocated to the measure?** Yes

**Budget:** The amount is unknown but the measure is co-funded (State, Regions, Pole emploi, and certainly ESF)

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Ensure that active labour market policies effectively support the most vulnerable groups

---

### **Reform of parental leave**

**Country:** Luxembourg

**Description:** The reform of parental leave provides a more flexible and financially attractive legal framework.

**Institution Responsible:** Ministry of Family

**Main Objectives:** The main objective is to make parental leave more financially attractive and flexible (from a fixed amount of EUR 1 778 per month to EUR 1 922.96 up to EUR 3 200 based on the income). Full-time parental leave can now have a duration of four to six month (currently six month) and part-time parental leave a duration of 8 to 12 months (currently 12 months). It is now also possible to split up the parental leave (maximum four times with a minimal period of one month) and both parents could have the possibility to take a parental leave at the same time. The maximum age of the child amounts up to six years instead of 5 years at it is at the moment the case.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** A draft legislation has been introduced in Parliament.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

---



### **Reactivate (*Reativar*)**

**Country:** Portugal

**Description:** Traineeships for LTU of six months duration at a private institution (profit or non-profit). The promoting institution appoints a supervisor for each trainee and provides at the end of the traineeship a certification to the trainee. The trainee receives a monthly grant that varies between 1 and 1.65 social support index (1.0 = EUR 419.22), according to the qualification level (between 2 and 6-7-8). The IEFP pays between 65 % and 80 % of the grant, according to the type of promoting institution and LTU. Under certain circumstances these shares may be increased by 15 %.

**Institution Responsible:** National PES (IEFP)

**Country Specific Recommendation:** (2014) CSR 3: Pursue the ongoing reform of active labour market policies and Public Employment Services aimed at increasing employment and labour participation rates, specifically by improving job counselling/job search assistance and activation/sanction systems with a view to reducing long-term unemployment and integrating those furthest away from the labour market. Address the high youth unemployment, in particular by effective skills anticipation and outreach to non-registered young people, in line with the objectives of a youth guarantee.

**Main Objectives:** Promote the professional reintegration of LTU aged at least 31 years by traineeships that allow the trainees to be in contact with the labour market and to be trained on the job, thus acquiring competences (if possible certified) that help them to be reintegrated into the labour market.

**Target Groups:** Long-term unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Ministerial Ordinance (*Portaria*) 86/2015

**Date of adoption:** 18 March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 30 days after publication (publication on 20 March 2015)

**State of play: Enacted into law?** Enacted. Implementation began effectively in July 2015 (most recent publication of the national PES statistics on implementation of measures) with a total of 103 participants (96 of them starting in July). According to the national PES report July the target is the participation of 12 000 unemployed.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The measure is going to be evaluated by the national body for tripartite concertation (CPCS). The first evaluation will take place 18 months after the respective ministerial ordinance came into force.

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 35 819 102.00 in 2015 (according to IEFP's monthly report July 2015)

**Policy recommendations that the measure responds to:** CSR,NRP

**Recommendation details:** CSR 2014-3: Pursue the ongoing reform, specifically by activation/sanction systems with a view to reducing long-term unemployment and integrating those furthest away from the labour market. CSR 2015-3: Ensure effective activation of benefit recipients. NRP Section III.3.2: 3.2. Proceed with reform in order to increase employment rate namely by improving activation

systems

---

**Support to Geographical Mobility on the Labour Market (*Apoio à Mobilidade Geográfica no Mercado de Trabalho*)**

**Country:** Portugal

**Description:** Support to mobility of unemployed workers: (a) Temporary mobility work contract of at least one month at a distance of at least 50km from the workers residence (support to commuting, 50 % of social support index per month = 50 % of EUR 419.22). (b) Permanent mobility work contract of at least 12 months at a distance of at least 100km (support to move of residence) one time allowance move plus 50 % of social support index per month (= 50 % of EUR 419.22) during a maximum period of six months

**Institution Responsible:** National PES (IEFP)

**Country Specific Recommendation:** (2014) CSR 3: Pursue the ongoing reform of active labour market policies and Public Employment Services aimed at increasing employment and labour participation rates, specifically by improving job counselling/job search assistance and activation/sanction systems with a view to reducing long-term unemployment and integrating those furthest away from the labour market. Address the high youth unemployment, in particular by effective skills anticipation and outreach to non-registered young people, in line with the objectives of a youth guarantee.

**Main Objectives:** a) Support geographical mobility of human resources in order to improve the use of job offers; (b) improve conditions for the unemployed to accept job offers or to arrange solutions of self-employment; (c) improve the geographical distribution of the workforce; (d) reduce the risk of LTU.

**Target Groups:** Unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Ministerial Ordinance (*Portaria*) 85/2015

**Date of adoption:** 18 March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 30 days after publication (publication on 20 March 2015)

**State of play: Enacted into law?** Enacted. Implementation has already begun, but until July 2015 (most recent publication of the national PES statistics on implementation of measures) the measure had only 12 participants (all in July). On the other hand media reported that there were more than 200 applications for the measure (until August).

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The measure is going to be evaluated by the national body for tripartite concertation (CPCS). The first evaluation will take place 18 months after the respective ministerial ordinance came into force

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR 2015-3: Ensure effective activation of benefit

recipients NRP Section III.3.2: 3.2. Proceed with reform in order to increase the employment rate, namely by improving activation systems.

**RE-PAS training programme**

**Country:** Slovakia

**Description:** The RE-PAS project offers financial support to job seekers who find and complete requalification courses that meet their specific needs and employment plans. For the purpose of the project, requalification is understood as training of job seekers with the aim to acquire theoretical and practical knowledge and skills needed for their labour market entry. Job seekers may choose the training course and provider of their preference and apply for the selected requalification at the labour office. The labour office reviews the relevance and effectiveness of the desired qualification with respect to the labour market needs and cost adequacy. If approved, the labour office signs an agreement with the job seeker on the reimbursement of the training fee (travel and other expenses are not refunded) and issues a voucher (RE-PAS), which the job seeker uses for the chosen programme. The cost is reimbursed to the job seeker upon submitting a certificate of completion of programme and an invoice issued by the training provider.

**Institution Responsible:** Central Office of Labour, Social Affairs and Family

**Country Specific Recommendation:** (2015) CSR 2: Take additional measures to address long term unemployment by introducing activation measures, second chance education and high-quality training tailored to individual needs.

**Main Objectives:** The main aim is to improve the employability of job seekers by way of providing financial support to individually organised training.

**Target Groups:** Unemployed

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The project runs between October 2014 and November 2015.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** The measure is in its implementation phase. Applications for reimbursement of training costs can be submitted until November 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 5 million

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** 2015 CSR 2: Take additional measures to address long term unemployment by introducing activation measures, second chance education and high-quality training tailored to individual needs.

**Measure Updates total: 2**

Description of Measure	Description of September 2015 Update
------------------------	--------------------------------------

<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> BG051PO001-2.2.01 'Closer to Work'</p> <p><b>Description:</b> The measure assists employers who hire workers from other settlements by covering workers travel expenses for a distance of up to 100 kilometres.</p> <p><b>Measure Time Period:</b> Oct 2010 – Sep 2012</p>	<p><b>Title:</b> Monitoring data available</p> <p><b>What has changed:</b> This is a well-developed programme that complemented the scheme 'On the Road'. The programme provides for the geographical flexibility of the work force.</p>
<p><b>Country:</b> France</p> <p><b>Measure Title:</b> Merger of the 'in work welfare benefit' RSA (<i>Revenu de solidarité active</i>) and the 'activity bonus' (prime pour l'emploi)</p> <p><b>Description:</b> From 1 January 2016 the 'activity bonus' (<i>prime d'activité</i>) will replace the 'employment bonus' PPE (prime pour l'emploi) and the RSA benefit.</p> <p><b>Measure Time Period:</b> Dec 2014</p>	<p><b>Title:</b> Creation of the bonus activity (Rebsamen law)</p> <p><b>What has changed:</b> Included into the Rebsamen Law, the 'activity bonus' will replace the previous RSA activity and the 'employment bonus' (prime pour l'emploi). It will enter into force in January 2016 and is directed towards poor workers. The measure is now opened to young people 18 years of age and over (previously this was 26 years of age and over). This measure is not accessible to students, apprentices or interns/trainees except in certain conditions (dependants).</p>

## 6 PA 3: Social security systems

Under PA 3, 15 countries introduced a total of 22 new policy measures between January and September 2015. The most popular type of reform of any of the sub-policy areas has been in the area of *Social assistance measures e.g. family benefits, housing, long-term care etc.* and *Pension reforms*. The following gives a breakdown of the new measures introduced in this policy area:

- Unemployment benefit reforms (Finland, Sweden, Latvia, UK)
- Social assistance measures e.g. family benefits, housing, long-term care etc. (Croatia, Poland, Germany, Denmark x 3, former Yugoslav Republic of Macedonia, Luxembourg, Finland)
- Pension reforms (Croatia, Slovakia, former Yugoslav Republic of Macedonia, Belgium x 3, Austria, Malta, Portugal)
- Health insurance system reforms (0 new measures)
- Other measures related to social security systems (0 new measures)

There were 17 updates to previously identified measures, in the following countries: the Czech Republic x 2; Germany; Ireland; Latvia; Malta; Austria x 2; Poland; Romania; Slovakia x 2; Finland x 2; UK; FYROM; Serbia.

The new measures introduced in this policy area accounted for 11 % of the total number. Fifteen out of the total 22 new measures (68 %) were enacted into law. Of the 19 new measures specifying a funding source, ten were state funded, and two had 'other' funding sources. Seven of the measures required no specific funding.

The measures and measure updates are discussed in turn below.

## 6.1 Unemployment benefit reforms (4 new measure)

### Rationalisation of benefits for the unemployed

**Country:** Latvia

**Description:** The Parliament has adopted the following amendments to the unemployment insurance: law 1) Previously, a person could receive the unemployment benefit only if he or she had worked in the past 32 months. Now parents who have had several children in a row and thus have not been able to work for more than 32 months will be eligible for the unemployment benefit. The 32-month period does not apply to them anymore; 2) A person will be unable to receive the unemployment benefit if he or she already receives maternity benefit; 3) A person will not be able to receive the unemployment benefit if the State Social Insurance Agency detect that the person is employed in a different country; 4) Previously, after the death of an unemployed person, his or her relatives were eligible for funeral, social security and pension allowance for 12 months. Now, the period has been reduced to six months

**Institution Responsible:** Ministry of Welfare.

**Country Specific Recommendation:** (2015) CSR 3: Take concrete steps to reform social assistance, ensuring adequacy of benefits Take action to improve accessibility, cost-effectiveness and quality of the healthcare system and link hospital financing to performance mechanisms.

**Main Objectives:** The main objective is to simplify and clarify the rules for granting the unemployment benefit and avoid payment of double benefit and cheating.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Amendments to the law on unemployment insurance.

**Date of adoption:** 18 June 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 19 June 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR 3: Take concrete steps to reform social assistance, ensuring adequacy of benefits. Take action to improve accessibility, cost-effectiveness and quality of the healthcare system and link hospital financing to performance mechanisms. NRP: Social protection measures directed towards families with children.

---

### Change of the Law on unemployment benefit of older people

**Country:** Finland

**Description:** The basis for earning-related unemployment benefit for those over 57 years old will be considered to be the highest possible income. If a new job has a lower income, the unemployment benefit will be counted on the basis of the previous, higher income.

**Institution Responsible:** Unemployment funds

**Country Specific Recommendation:** (2014) CSR3: Improve the use of the full

labour force potential in the labour market, including by improving the employment rate and the employability of older workers, [ ] Improve the labour-market prospects of young people and the long-term unemployed, with a particular focus on vocational education and targeted activation measures.

**Main Objectives:** To motivate older people to work even with a lower salary than they have had previously.

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act on Unemployment Security (1290/2002)

**Date of adoption:** 24 June 2015

**Is the measure being enforced?** Yes

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR concerning employability of older workers and extending careers by removing incentive traps.

---

### **Increase of Unemployment Insurance Income Replacement Rate**

**Country:** Sweden

**Description:** In order to give a person with an income of approximately EUR 2 700 (SEK 25 000) per month 80 % of their income for the first 100 days of benefit, the Government has decided to increase the maximum daily allowance within unemployment insurance. The maximum daily allowance is thus increased from today's EUR 72.9 (SEK 680) to EUR 97.5 (SEK 910) for days 1-100 of benefit. Thereafter there is a reduction to EUR 82 (SEK 760) per day. The minimum level in unemployment insurance has been increased from the current EUR 34.3 (SEK 320) to EUR 39 (SEK 365) per day.

**Institution Responsible:** Unemployment Insurance Boards

**Main Objectives:** Reduce income inequality and increase social cohesion

**Target Groups:** Unemployed

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Spring Amending Budget (Prop. 2014/15:99)

**Date of adoption:** 16 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 7 September 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Budget:** The increase of the benefit level is estimated to cost EUR 94.3 million (SEK 880 million) in 2015. For 2016 to 2019, the estimated cost of the reform is approximately EUR 0.3 billion per year (SEK 2.8 billion).

**Policy recommendations that the measure responds to:** None

### **Restrictions on EU migrants claiming Universal Credit**

**Country:** United Kingdom

**Description:** New restrictions implemented to prevent new EU migrants claiming benefits before they have started work. It means that no EU household will be able to access means-tested benefits under Universal Credit without have worked in the UK

first.

**Institution Responsible:** Department for Work and Pensions (DWP)

**Main Objectives:** This is related to the government's aim (and this was under the Coalition government) of protecting the benefits system and ensure that EU migrants are coming to the UK for work and not to access welfare support.

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The new restrictions were introduced from March 2015.

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The new conditions were introduced in March 2015 and apply to new EU migrants.

**Steps taken to monitor the implementation of the measure:** Yes

**f monitoring arrangements are in place, what are they?** The system will come under the DWP and will be incorporated into the conditions under Universal Credit which will generate data on a regular basis (e.g. on rejected claims).

**Update frequency of monitoring arrangements:** The Universal Credit system will collect information on an on-going basis.

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** None

**Measure Updates total: 5**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> Employment code modifications</p> <p><b>Description:</b> Since January 2012 there have been major modifications of the Employment Code. Job search counselling services have been outsourced to private employment agencies who are rewarded per unemployed person with a bonus for his/her placement to a permanent-contract job and for employment exceeding six months.</p> <p><b>Measure Time Period:</b> Oct 2010 – Sep 2012</p>	<p><b>Title:</b> Streamlining unemployment insurance</p> <p><b>What has changed:</b> The Employment Act update was signed by the President in August 2015. It streamlines unemployment insurance eligibility rules for specific employment categories and also shortens the period during which unfilled vacancies are not posted on the list of vacancies available to foreigners for employers who were recently penalised for violations of employment regulations. It also includes new <i>kurzarbeit</i> provisions: employers facing temporary demand drops will, on the fifth day of the week, pay their employees half of their wages and the Government will contribute another 20 % for a maximum of six months with up to two consecutive support periods.</p>
<p><b>Country:</b> Malta</p> <p><b>Measure Title:</b> Helping the long-term unemployed to join the labour market</p> <p><b>Description:</b> As part of the 2014 Budget, the Government announced that it will introduce a system in which persons who have been</p>	<p><b>Title:</b> First results</p> <p><b>What has changed:</b> The Minister for Finance announced that since the measure was introduced, around 2 000 beneficiaries are now receiving less in social and unemployment benefits and more through</p>

<p>registering as unemployed for more than two years will not have all their unemployment benefit terminated immediately after finding employment. These benefits will be decreased gradually over a period of three years. In the first year of employment, the beneficiary will retain 65 % of the unemployment benefit. In the second year the individual will retain 45 %, while in the third year he or she will retain 25 %.</p> <p><b>Measure Time Period: Dec 2013</b></p>	<p>employment. In particular, the number of beneficiaries of social benefits was reduced from 9 600 to 8 700 while the number of registering unemployed who receive assistance was reduced from 3 800 to 2 700.</p>
<p><b>Country:</b> Slovakia</p> <p><b>Measure Title:</b> Reform of social assistance</p> <p><b>Description:</b> The reform shall be implemented through an amendment to the Act on assistance in material need. Social assistance is provided in the form of a material need benefit and additional allowances to the basic benefit in order to guarantee a minimum income needed to cover basic necessities of life. The main reform proposal is that the basic material need benefit of EUR 60.50 monthly would be provided only to those socially dependent adults who participate at least 32 hours per month in activation work in the form of small municipal services, voluntary activities or works associated with the prevention or elimination of natural disasters and other emergency situations, provided such work is offered to the recipient. Registered unemployed may gain entitlement to the allowance also by taking part in other activation policies such as education and training. Additional changes concern the provision of supplements to the basic benefit; this however is not conditioned by activity. It is also proposed that certain minor misdemeanours could be penalised with deductions from social benefits. The draft amendment envisages that labour offices will gain more power in the supervision of municipal activation work.</p> <p><b>Measure Time Period: Sep 2013</b></p>	<p><b>Title:</b> Constitutional Court finds new welfare rules not in conflict with Constitution</p> <p><b>What has changed:</b> The Constitutional Court rules the new welfare rules are not in conflict with the Constitution.</p>
<p><b>Country:</b> Slovakia</p> <p><b>Measure Title:</b> Temporary in-work benefits for long-term unemployed and inactive</p> <p><b>Description:</b> The measure increases the eligibility for the so-called special benefit and enables simultaneous drawing of the special benefit and assistance in material need for persons who start to work at a low wage. Long-term unemployed and long-term inactive, who enter into employment at a wage of up to two times of the minimum wage and who work at least 20 hours per</p>	<p><b>Title:</b> Ministry satisfied with preliminary results</p> <p><b>What has changed:</b> The Ministry of Labour informed that the concurrent drawing of material need benefits and in-work benefits by job seekers who start to work at a low wage (up to two times of the minimum wage) has proved to be the most successful tool in activating long-term unemployed and inactive. The measure was used by more</p>



<p>week, shall be entitled to receive the special benefit for 12 months (EUR 126.14 during the first six months and EUR 63.07 during the remaining six months) and not lose entitlements to assistance in material need.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p>than 10 000 people who are long-term unemployed during the first half of 2015.</p>
<p><b>Country:</b> United Kingdom</p> <p><b>Measure Title:</b> Universal Credit</p> <p><b>Description:</b> Universal Credit is a key part of the Government's efforts to simplify the payment of benefits and target them more effectively under the 'make work pay' objective. It will replace an array of existing benefits bringing them under a single assessment for eligibility process alongside stricter tests. These will include caps on the total benefit a household can receive and removal of a spare room subsidy for working age tenants.</p> <p><b>Measure Time Period: Oct 2010 – Sep 2012</b></p>	<p><b>Title:</b> Universal Credit Continues to be rolled out</p> <p><b>What has changed:</b> Universal Credit is aiming to be available in all jobcentres by April 2016 but progress has been slow and well behind schedule. The situation at the start of the new period of Government (Summer 2015) is that 260 jobcentres (out of 700) are accessing the new system and a total of 64 000 people have used it to make a claim.</p>

## 6.2 Social assistance measures (e.g. family benefits, housing, long-term care) (9 new measures)

### Draft law on second long-term care reform (*Zweites Pflegereformgesetz*)

**Country:** Germany

**Description:** Subject to the second care reform draft law that was discussed in the Bundestag in September, unemployment insurance benefits for people who leave work to care for relatives will be financed with care insurance funds. According to the draft law, people who care for relatives with care level two to five for at least two days a week and a minimum of ten hours a day will receive a pension contribution bonus of 25 %. This shall be financed by increasing the care insurance contributions by 0.2 % to 2.55 % (or 2.8 % for persons without children) in 2017.

**Institution Responsible:** Long-term insurance funds

**Main Objectives:** Improve pension receipts for care givers. The measure should set incentives for providing care at home.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Legal reference:** Draft law submitted on 7 September 2015 (*Drucksache* 18/5926).

### Amendments on the Social Welfare Act

**Country:** Croatia

**Description:** It has been concluded that individuals unable to work and children of single parents are the most socially vulnerable population groups with regards to their right to the minimal social compensation. Hence, they have the greatest risk of poverty and therefore the Ministry of Social Policy and Youth decided to adopt new social measures in order to improve their quality of life. The main amendment refers

to the minimal compensation increase for the two groups of beneficiaries: for individuals unable to work it will increase from EUR 107 (HRK 800) to EUR 123 (HRK 920) and for single parent children it will increase from EUR 43 (HRK 320) to EUR 59 (HRK 440). This measure will also enable individuals capable to work to receive their minimal compensation even after two years of receiving one (which was a time restriction until now) if they fulfil the necessary conditions. Also, psychosocial support for children with disabilities will increase from 6 to 12 hours per week or even 18 hours per week for children with disabilities who come from single-parent families.

**Institution Responsible:** Ministry of Social Policy and Youth

**Main Objectives:** This measure aims to improve life quality for people with the greatest poverty risk: single parent children and individuals unable to work, long term unemployed on social assistance

**Target Groups:** single parent children and individuals unable to work, long term unemployed on social assistance

**Date of adoption:** September 2015

**Start date for implementation of the measure:** Acting immediately

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Acting immediately  
MONITORING ARRANGEMENTS Social care centres and civil service at local and regional levels will be responsible for the implementation of the measure. Accordingly, monitoring arrangements will be ensured via their mutual checks and balances system. Also, the Ministry of Social Policy and Youth will develop regulation as a framework for the measure implementation. Reporting will be done according to the regulation.

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 3.5 million per year

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 4, 2014

---

### **Harmonization of eligibility rules for old age pension**

**Country:** Denmark

**Description:** The measure implies that refugees are no longer exempt from the normal accrual principle, which implies that you must have lived in Denmark for at least 40 years to be eligible for the full amount of the public old age pension. If you have lived in Denmark for a shorter period, but at least for three years between the age of 15 and retirement age, a proportional old age pension is paid. During the first years the saving on the public budget are modest, but when fully phased in, the yearly savings are estimated at around EUR 53.7 million (400 million DKK).

**Institution Responsible:** Ministry of Employment

**Country Specific Recommendation:** (2014) CSR 2: Take further measures to improve the employability of people at the margins of the labour market.

**Main Objectives:** The main objective is to make it less attractive for refugees to choose Denmark as their country of destination.

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Permanent

**Legal reference:** Act no. 995

**Date of adoption:** 30 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The Act comes into force for refugees entering Denmark after 1 September 2015. For other refugees a transitional regulation is introduced.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Statistics Denmark published statistics on the number of asylum seekers and permits to stay.

**Update frequency of monitoring arrangements:** Quarterly

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Take further measures to improve the employability of people at the margins of the labour market.

---

### **Introduction of a special integration allowance**

**Country:** Denmark

**Description:** The measure implies that only persons, who have legally stayed in Denmark for a total of at least seven years out the past eight years, has the right to normal social assistance (cash benefits). Those who do not meet the residency requirement, but still are eligible for social assistance, will receive an integration allowance at the level of a student's grant. For a single person aged 30 years and above, the new integration allowance amounts to EUR 798 (5945 DKK) per month compared to the normal cash benefit of 1456 Euros (10.849 DKK) per month. This applies to both foreigners and Danes, whether they are in the integration program or subject to the ordinary social security system. If a recipient of the integration allowance passes a special language test in Danish, he/she will get an extra monthly allowance of EUR 201 (1500 DKK). When the integration allowance is fully phased in, the direct savings on the public budgets are estimated at EUR 94 million (701 million DKK) per year.

**Institution Responsible:** The Ministry of Immigration, Integration and Housing

**Country Specific Recommendation:** (2014) CSR 2: Take further measures to improve the employability of people at the margins of the labour market.

**Main Objectives:** The two main objectives are to reduce the economic incentive for refugees and immigrants to come to Denmark and to make it more attractive to work for those refugees and immigrants who are living in Denmark.

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act no. 1000

**Date of adoption:** 30 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 September 2015 for persons arriving in Denmark after that date. For others the previous benefit will still be paid.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Statistics Denmark publishes quarterly statistics on the number of asylum seekers and individuals granted a

permit

**Update frequency of monitoring arrangements:** Quarterly

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Take further measures to improve the employability of people at the margins of the labour market.

---

### **Restoration of the accrual principle for family benefits and child benefit for refugees**

**Country:** Denmark

**Description:** The measure implies that the according to the new Act will gain the right to the full benefits, when at least one of the persons who are obliged to maintain to the child has resided or worked in Denmark for at least two years during the past ten years. The right to full benefits is earned gradually, so that a person after six months of residence or employment is entitled to 25 % of the benefit. After one year he/she is entitled to 50 %, after one and a half years of 75 %, and after two years to 100 %. The direct savings on the public budgets, when the Act is fully phased in, are estimated to be EUR 4.3 million (32 million DKK) per year.

**Institution Responsible:** Ministry of Taxation

**Country Specific Recommendation:** (2014) CSR 2: Take further measures to improve the employability of people at the margins of the labour market.

**Main Objectives:** The main objective is to make it less attractive for refugees and immigrants to come to Denmark.

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act no. 999

**Date of adoption:** 30 August 2015

**Start date for implementation of the measure:** 1 September 2015, but only for refugees getting asylum after this date

**What are the monitoring arrangements in place?** Statistics Denmark monitor the number of asylum seekers and permits to stay.

**Update frequency of monitoring arrangements:** Quarterly

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Take further measures to improve the employability of people at the margins of the labour market.

---

### **Reform of family allowances in the context of social security**

**Country:** Luxembourg

**Description:** The reform revises family allowances in the context of current budget consolidation efforts.

**Institution Responsible:** Ministry of Family

**Main Objectives:** Each family will be granted EUR 285 per child, which constitutes more than is currently paid for the first child, but less for two children and more, EUR 530 instead of currently EUR 594.48. The reform also pools legislation in the Code of Social Security.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** The draft legislation has been introduced in Parliament in June 2016.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

---

### Changes in Family benefits Act

**Country:** Poland

**Description:** The solution allows the family to still receive family benefits where the amounts are in excess of the income threshold (per family member) for entitlement. This means that benefits are guaranteed. The previous system did not allow this. The amount of benefit will be proportionally reduced with the scale of threshold extension. The value of benefits paid will take into account total family income, received benefits and the number of family members. Where specified amounts for benefit allowance are exceeded, benefits will be reduced in proportion to the size of the overrun.

Portal Emp@atia is the central information system, combining social security systems and the family of the other systems of public administration. The amendment will primarily allow for the online submission of applications to establish the right to family benefits, alimony fund, or the Large Families Card, without the need to report to the office.

The measure could reduce illegal employment, which is partly due to beneficiaries attempting to maintain their benefits rather than be in excess of the income criterion. At the same time, it may increase labour force participation of family members who are beneficiaries of family benefits.

**Institution Responsible:** Ministry of Labour and Social Policy

**Main Objectives:** Main objectives: - equalization of rights to social benefits - implementation of the EU law (council, parliament directive)

**Target Groups:** Low-income earners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act of 10 July 2015 on the change of Act of 28 November 2003 on family benefits/ *Ustawa z dnia 10 lipca 2015 o zmianie USTAWY z dnia 28 listopada 2003 r. o świadczeniach rodzinnych* (Dz.U. 2015 poz. 1359)

**Date of adoption:** 9 October 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2016

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 977 million (PLN 4 144 million) in ten years (till 2026)

---

**The new Social Welfare Act**

**Country:** Finland

**Description:** New law reform consists of many Acts and aims at lowering barriers to public social services and strengthening proactive approaches. Municipalities are obliged to fulfil the targets and they will be allocated state grants to do it. Main changes relate to household services and child protection.

**Institution Responsible:** Local government, Government

**Main Objectives:** Lowering barriers to public social services and strengthening the proactive approaches.

**Target Groups:** Families with children, disadvantaged

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** The new Social Welfare Act (1301/2014)

**Date of adoption:** 1 April 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 April 2015

**Funding Sources:** Government

**Budget:** EUR 32 000 000

**Policy recommendations that the measure responds to:** None

**Recommendation details:** Relates to the major social welfare reform with long-term developments.

**Legislative increase of the social financial assistance-SFA benefit level**

**Country:** former Yugoslav Republic of Macedonia

**Description:** In June 2015 the level of the SFA benefit was increased by about 10 % (although the announced increase was 5 %).

**Institution Responsible:** Ministry of Labour and Social Policy

**Main Objectives:** The aim of this increase is to improve the living standard of the poor citizens. However, the opposition parties view these one-off increases in the SFA level as politically inspired measures, prior to election period. According to the Government, the level of the SFA was increased by 62 % in the previous few years.

**Target Groups:** Recipients of the social financial assistance program.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law on Social Protection (Official Gazette No. 33/2015)

**Date of adoption:** 5 March 2015

**Start date for implementation of the measure:** SFA benefit paid for April 2015

**State of play: Enacted into law?** The benefit level has already been increased

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Budget:** EUR 1.7 million per year

**Measure Updates total: 3**

Description of Measure	Description of September 2015 Update
<b>Country:</b> Ireland	<b>Title:</b> Back to Work Family Dividend

<p><b>Measure Title:</b> Back to Work Family Dividend</p> <p><b>Description:</b> The Back to Work Family Dividend allows families to retain the full Qualified Child increase of EUR 29.80 per week per child for 12 months after they return to work and 50 % of the payments in the second year amounting to EUR 1 550 in the first year and EUR 755 in the second year. It aims to provide an incentive for families to move from welfare to work. The Back to Work Family Dividend will be paid in addition to any entitlement the family may have under the Family Income Supplement (FIS) scheme and will not affect the level of the FIS payment.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>What has changed:</b> The Continued Child Payment that allows newly employed workers who have been receiving a jobseekers payment for a year or more, to continue to receive the Increase for a Qualified Child (IQC) for 13 weeks, will be superseded by the Back to Work Family Dividend.</p>
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Means-tested Minimum Income (MMI)</p> <p><b>Description:</b> The reform is aimed at a harmonisation of the territorially fragmented systems of extramural social assistance offered by the federal provinces. Legislation, however, remains at the regional level, but follows common principles agreed in a state treaty between the national state and the federal provinces. In terms of substance, the reform entailed common minimum benefit levels, it abolished the duty to pay back benefits in case of subsequent income from gainful employment, means testing concerning assets was softened to some degree, all benefit recipients got incorporated into regular health insurance, and the access to active labour market policy was enhanced.</p> <p><b>Measure Time Period: Oct 2010 – Sep 2012</b></p>	<p><b>Title:</b> Enforcing sanctions to bring more recipients into employment</p> <p><b>What has changed:</b> The city of Vienna, by enforcing sanctions if a training or employment offer is not accepted, plans to bring more means-tested minimum income scheme (BMS) recipients of the age group 15-24 years into employment. About 10 % of young recipients are not registered at the Austrian Public Employment Service AMS (<i>Arbeitsmarktservice Österreich</i>) and are therefore not included into placement activities. To support young BMS recipients, the training and employment offers are planned to be extended.</p>
<p><b>Country:</b> Poland</p> <p><b>Measure Title:</b> Large Family Card</p> <p><b>Description:</b> The Large Family Card is granted to families with at least three children, regardless of income. The card is issued free of charge, to each member of the family. Parents can use the card forever, their children can use up to the age of 18 or in case of those in education up to 25 years. People with disabilities receive a card for the duration of a certificate of disability. The card offers a system of discounts and additional privileges. Its holders will be able to use the offers of cultural, recreational and transportation character throughout the country. The mayor or president of the city grants the Large Family Card at the request</p>	<p><b>Title:</b> New measures and partners in Large Family Card</p> <p><b>What has changed:</b> Resolution of Council of Ministers from 27 May 2014 No. 85 item 430 introduced new activities in the programme without major changes in the law. The benefits catalogue is extended automatically. New partners have joined the programme. Large family will be able to buy cheaper fuel, phone calls, discounts for audio and video equipment; preferences in mortgage and credits.</p>

<p>of a member of the family with many children.</p> <p><b>Measure Time Period: Sep 2014</b></p>	
--	--

### 6.3 Pension reforms (8 new measures)

#### **Amendments to the Pension Insurance Law and amendments to the Mandatory Pension Funds Law**

**Country:** Croatia

**Description:** For persons whose pension schemes are subject to specific regulations (military employees, police officers, etc.) funds will be transferred from the second to the first pension insurance pillar. Persons from the same job category who have acquired right to invalidity pension due to their professional inability to work will be no longer obliged to participate in the mandatory pension fund, while funds will be reallocated from their personal accounts to the state budget. Amendments will allow only invalidity pension beneficiaries who acquired their right to invalidity pension due to occupational incapacity caused by their participation in the defence of the Croatia's sovereignty to keep resources on their personal account until their retirement - for others resources will be transferred to the state budget.

**Institution Responsible:** Ministry for Work and Pension

**Target Groups:** military employees, police officers, etc.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** *Narodne novine*, 93. 2015

**Date of adoption:** 26 August

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 September 2015

**Policy recommendations that the measure responds to:** None

#### **Partial retirement**

**Country:** Austria

**Description:** Introduction of a partial retirement scheme, accessible for persons meeting the conditions for the so called corridor pension. People who already have a right to access a corridor pension may reduce their working hours with a partial wage compensation, based on the model of part-time work for older workers. The working time can be reduced for a period of maximum five years and by 40 % to 60 %. The wage compensation from the employer amounts to 50 % of the salary cuts. The social security contributions are continued to be paid for 100 % of the previous salary. Employer's additional costs are replaced completely by the PES.

**Institution Responsible:** Public employment service (PES)

**Country Specific Recommendation:** (2015) CSR 2: Strengthen measures to increase the labour market participation of older workers and women.

**Main Objectives:** Keeping people longer in employment; creating an incentive for employers to employ older workers; lower take up of the corridor pension

**Target Groups:** Older workers

**Duration of measure:** Permanent



**Has the measure been enacted into law?** Yes

**Legal reference:** *Bundesgesetz, mit dem das Arbeitslosenversicherungsgesetz 1977 geändert wird* [Federal Law Gazette I Nr. 106/2015]

**Date of adoption:** July 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** January 2016

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Continuous Monitoring data

**Funding Sources:** Government

**Budget:** According to calculations of the Ministry the new model should be cost neutral. The costs for wage compensations are offset by savings from a lower utilization of the corridor pension.

**Policy recommendations that the measure responds to:** AGS, CSR

**Recommendation details:** CSR 2: Strengthen measures to increase the labour market participation of older workers AGS 2015 Improving the dynamics in labour markets and tackling the high level of unemployment.

---

### **Reform of the public sector pensions (1)**

**Country:** Belgium

**Description:** Progressive disappearance of the advantage for a diploma for determining entitlement to the pension in the scheme of civil servants.

**Institution Responsible:** SdPSP

**Country Specific Recommendation:** (2015) CSR 1: Complement the pension reform by linking the statutory retirement age to life expectancy.

**Main Objectives:** The law is aimed to harmonize career length conditions to have access to an early pension between the various pension schemes (public, private and self-employed)

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Legal reference:** Act of 28 April 2015 concerning the provisions on public sector pensions

**Date of adoption:** 13 May 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2016 to 1 January 2030

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 3: bring forward the reduction of early-exit possibilities.

---

### **Reform of the public sector pensions (2)**

**Country:** Belgium

**Description:** People who receive a retirement pension, regardless of the number of years they have worked, can draw simultaneously and in an unlimited way their

retirement pension and any other retirement and survivors' pensions with earned income.

**Institution Responsible:** SdPSP

**Country Specific Recommendation:** (2015) CSR 1: Complement the pension reform by linking the statutory retirement age to life expectancy.

**Main Objectives:** Link the retirement age to life expectancy.

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act of 28 April 2015 concerning the provisions on public sector pensions

**Date of adoption:** 13 May 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 4 (2015): increase the labour market participation.

---

### **Reform of the public sector pensions (3)**

**Country:** Belgium

**Description:** The pension bonus (see EEPO Regular Report of September 2014) for civil servants is abolished. Only civil servants who meet before 1 December 2014 the conditions to have access to early retirement or reaching the age of 65 and can prove a career of at least 40 years of eligible service can still have the pension bonus.

**Institution Responsible:** SdPSP

**Country Specific Recommendation:** (2015) CSR 1: Complement the pension reform by linking the statutory retirement age to life expectancy.

**Main Objectives:** Reduce the cost of the system.

**Target Groups:** Older workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act of 28 April 2015 concerning the provisions on public sector pensions

**Date of adoption:** 13 May 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 3 (2014): bring forward the reduction of early-exit possibilities.

---

### **Pension reform proposals**

**Country:** Malta

**Description:** The government-appointed Pensions Strategy group announced a draft pension strategy. The strategy puts forward 27 recommendations. Among others, the strategy proposes incentives to encourage workers to postpone exiting the labour market. It proposes a study on how to regulate the equity release market through which old people barter their property in exchange for accommodation in an old people's home. It also proposes more fiscal incentives for private pensions. However, the strategy does not propose to legally increase the retirement age above 65 years, to increase the social security contributions, or to enact the second pillar pension scheme.

**Institution Responsible:** Ministry for Finance

**Country Specific Recommendation:** (2015) CSR 3: Accelerate the increase in the statutory retirement age and link it to life expectancy.

**Main Objectives:** To increase the sustainability of Malta's pension system.

**Target Groups:** Older workers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Unknown

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** Social partners and other stakeholders are being consulted about the draft strategy.

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Depends on the measures that the government will choose to adopt.

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** 2015 CSR 3: Accelerate the increase in the statutory retirement age and link it to life expectancy 2015 NRP: 3.2 Long-Term Sustainability of Public Finances: 3.2.2 Policies in response to the recommendation 2015 AGS: Structural reforms at member state level: 2. Pension reforms

---

### **Transition to pre-crisis early retirement scheme**

**Country:** Portugal

**Description:** Partial reinstatement of the flexible pension regime that was suspended in 2012, with a specific transition regulation for 2015 (less favourable calculation of the early retirement pension and higher requirements for access (age of 60 instead of 55 and contributions during 40 years instead of 30).

**Institution Responsible:** Ministry of Solidarity, Employment and Social Security (MSESS)

**Main Objectives:** Gradual reintroduction of the early retirement scheme as it existed until 2012, with a transitional regulation in 2015 and the complete return to the rules in place before the suspension in 2016.

**Target Groups:** Older workers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Transition during 2015, complete reinstatement of pre-crisis regulation in 2016

**Has the measure been enacted into law?** Yes

**Legal reference:** Decree-Law 8/2015

**Date of adoption:** 4 December 2014

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2015

**State of play: Enacted into law?** Enacted. Media reported that until June 2015 the MSESS had received approximately 4 000 requests for early retirement and that the Ministry states that more than 90 % of these requests had already been decided (more than 50 % positively). On the other hand, complaints of potential beneficiaries have been published, accusing the MSESS of not complying with the new legislation. In the course of this study it is not possible to check the correctness of these allegations.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Social Security Fund

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** NRP Section III.1.5.v) Change the rules of access to early retirement

---

### **Minimum retirement pensions introduced**

**Country:** Slovakia

**Description:** The entitlement to a minimum pension is conditioned by a minimum contribution period of 30 years. The sum of the minimum benefit equals 136 % of the respective subsistence minimum (EUR 198.09 in 2015). For every additional year of paid insurance contributions the minimum pension increases by two percentage points; if the contribution period exceeded 40 years, the sum of the minimum pension shall be increased by 3 % for every year worked. Persons, who worked less than 30 years and are entitled to a low pension, may further apply for social assistance (material need benefit plus supplements to the benefit). The sum of the minimum pension for participants in the second pension pillar (private funded scheme) will be proportionally reduced for the period of membership in both pillars (public pay-as-you-go scheme and private old-age saving). The minimum pension applies also to disability pensions. Approximately 75 000 pensioners will become entitled to receive a minimum pension in 2015.

**Institution Responsible:** Ministry of Labour, Social Affairs and Family of the SR

**Main Objectives:** The main objective is to ensure that pensioners who have worked most of their productive life receive an old-age pension and must not be dependent on social assistance benefits.

**Target Groups:** Old-age pensioners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Amendment to the Act No. 461/2003 Coll. on social insurance

**Date of adoption:** 16 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 July 2015

**State of play: Enacted into law?** The revised law entered into force on 1 July 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** No

**Budget:** EUR16 501 926 in 2016; EUR 32 061 157 in 2017; EUR 30 586 344 in 2018

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** Commitment to introduce a minimum retirement pension.

**New old-age pension eligibility criteria for individual farmers**

**Country:** former Yugoslav Republic of Macedonia

**Description:** Changes were made in the Law for Pension and Disability Insurance (Official Gazette No. 147/2015) which improve the eligibility criteria for individual farmers to qualify for old-age pension. The amendments to the Law envisage that the pension insurance which farmers had according to an old law (from ex-Yugoslavia) that was enforced between 1978 and 1988 is counted in the total insurance period.

**Main Objectives:** Increase social protection for farmers. The measure will ease the access to the old-age pension for older individual farmers, with minimum qualifying insurance period being 15 years.

**Target Groups:** Individual farmers (older ones who were already active farmers in the period 1978-1988)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law for Pension and Disability Insurance (Official Gazette No. 147/2015)

**Start date for implementation of the measure:** 27 August, 2015

**State of play: Enacted into law?** Will be implemented from January 2016

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Budget:** EUR 5.5 million per year, starting from 2016

**Measure Updates total: 7**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> Implementing pension reform</p> <p><b>Description:</b> Introduction of second (saving, capital based) pension pillar</p> <p><b>Measure Time Period:</b> October 2012</p>	<p><b>Title:</b> Increase of statutory retirement age</p> <p><b>What has changed:</b> The Ministry of Labour significantly altered the proposal made by the advisory Pension Committee, see the previous report for details on the proposal). In short, the Committee proposed that new demographic projections are formed every five years to provide the basis for potential changes in the currently legislated automatic increases in the statutory retirement age (to be applied to younger workers). The policy plan is now to set a ceiling for the statutory retirement age (at age 65 for cohorts born until 1971) and to enact changes in the statutory retirement age 'when needed', i.e. when fiscal pressure mounts.</p>
<p><b>Country:</b> Germany</p> <p><b>Measure Title:</b> Pension reform package</p>	<p><b>Title:</b> Implementation of pension reform</p> <p><b>What has changed:</b> In January the German Confederation of German Employers'</p>

<p><b>Description:</b> The main elements of the 'draft law for the pension reform package' (<i>Entwurf eines Gesetzes über Leistungsverbesserungen in der gesetzlichen Rentenversicherung, RV-Leistungsverbesserungsgesetz</i>) are the so-called 'mothers' pension', retirement age at 63 for long-term insured without pension reduction taking unemployment periods into account, and the enhancement of the disability pension (<i>Erwerbsminderungsrente</i>):</p> <p>'Mothers' pension' (<i>Mütterrente</i>): mothers of children born before 1992 receive one extra credit point in the pension system. Mothers of children who were born later still receive three credit points in the pension system</p> <p>Pension at the age of 63: provision to allow individuals who have already paid social insurance contributions for a period of 45 years to retire at 63 without seeing their pension reduced. The current reform intends to account for short-term unemployment as part of the insured period.</p> <p>For those who retire earlier due to health problems, the calculation period increases from 60 to 62 years. Their reduced earning capacity pension (<i>Erwerbsminderungsrente</i>) is calculated as if they had paid contributions until the age of 62, increasing their monthly pension by net EUR 40 (the monthly pension is currently EUR 600 on average).</p> <p>A 'solidarity pension' for low-income earners (<i>solidarische Lebensleistungsrente</i>) as fixed in the Grand Coalition agreement should be specified and enacted into law by 2017.</p> <p><b>Measure Time Period: Mar 2014</b></p>	<p>Associations (BDA) stated that the number of persons entering early retirement at 63 years of age was higher than expected. In the same month the chairman of the Federal Employment Agency Weise spoke out for the implementation of incentives to work voluntarily until the age of 70. According to an answer of the Federal Government to a minor interpellation in July 2015, 206 000 applications for the retirement with 63 were registered until the end of 2014. According to the Federal Employment Agency this represents the expected number of additional pension entrants caused by the implementation of the pension reform. Persons who applied for the pension at 63 of age earned EUR 1 147 a month on average, with men earning EUR 1 239 a month and women earning EUR 947 a month. According to the Federal Government, no statements concerning the total number of (additional) pension entries in 2015 can be made as this data will be available only in mid-2016. According to the above mentioned minor interpellation, 9.52 million persons (December 2014) were affected by the implementation of the 'mothers' pension' (<i>Mütterrente</i>). According to the Federal Government, expenses with respect to the mothers' pension will decrease to EUR 6.1 billion in 2030.</p>
<p><b>Country:</b> Latvia</p> <p><b>Measure Title:</b> Indexation of pensions and other social payments</p> <p><b>Description:</b> Pensions up to EUR 285 will be indexed to a combination of consumer price and 'contribution wage' index. Certain other benefits linked to loss or ability to work through industrial accidents or illness will also be indexed.</p> <p><b>Measure Time Period: Mar 2014</b></p>	<p><b>Title:</b> Changes in pension indexation</p> <p><b>What has changed:</b> From 2016, while indexing pensions, 50 % of real growth of the contribution wage percentages will be taken into account (instead of 25 % previously).</p>
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Employment and pension monitoring</p> <p><b>Description:</b> The employment and pension monitoring should provide information on the development in the pension system. A monitoring report has to be produced twice a</p>	<p><b>Title:</b> Pension monitoring for the public sector</p> <p><b>What has changed:</b> The dispute between the two governing parties on the whole package for older workers (including bonus-malus scheme) has not been solved so far. The Ministry of Labour, Social Affairs and</p>

<p>year, providing information on the labour market situation of older workers (employment and unemployment rate, number of people with former rehabilitation and retraining benefits reemployed) and development of the de facto retirement age and the number of people with rehabilitation and retraining benefits. The report is the basis for measures to be taken in the case of undesirable effects in the pension system.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p>Consumer Protection is publishing preliminary pension monitoring reports every six months. In addition, the state secretary responsible for the public service published a separate monitoring report on the pensions of federal civil servants. The first report was published in March 2015 and will be provided annually. A draft law is in preparation.</p>
<p><b>Country:</b> Romania</p> <p><b>Measure Title:</b> Indexation of the pension point by 4 % (first application of the new indexation system provided by the new pension law adopted at the end of 2010)</p> <p><b>Description:</b> The measure is intended to increase the income of more than 4.7 million pensioners and is the first of its kind in the last three years. Since the end of 2009 the value of the pension point has been frozen at a value of EUR 162.8 (RON 732.8). The measure only adds to the pension point the increase in prices of last year (2012 and as reflected by the CPI conventional measure). However, it almost leaves aside, if applied as such, the real increase of the national average wage. This was supposed to be taken into account at a rate of 50 % (inflation is taken into account fully at 100 %). It has been much awaited and acclaimed as it was also part of the commitments made during the last year as well as during the hard-fought election campaign of last November.</p> <p><b>Measure Time Period: Jan 2013</b></p>	<p><b>Title:</b> Indexation of the pension point according to law No. 263/2010 as of January 2015.</p> <p><b>What has changed:</b> According to legal provision, once per year the pension point (the basic unit for the calculation of pension value in Romania) has been indexed with 100 % of the price increase (CPI) and 50 % of the increase of the real wage for the previous year. It reached the value of RON 830.2 (approximately EUR 188.3). The move has been performed every year since the current Government came in power at the end of 2012. It followed a period of almost three years where the value of the pension point has been frozen due to extreme austerity measures taken between 2009 and 2012.</p>
<p><b>Country:</b> Finland</p> <p><b>Measure Title:</b> Pension Reform</p> <p><b>Description:</b> The social partners reached an agreement on the changes in pension age and pension system September 2014. The Government is preparing the new pension laws on the basis of the agreement, to take effect beginning of 2017. The pension age will be raised gradually for those born 1955, or younger, until the lowest pension age is 65 (now 63). The pension age will be tied to life expectancy from 2027 so that the relation of time in work and on pension remains on the level of 2025.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>Title:</b> Pension reform to Parliament</p> <p><b>What has changed:</b> The many details that were left open in 2014 were also agreed on with the lead of Ministry of Social Affairs and Health concerning Private sector. A public sector agreement was also achieved. The Government proposal was taken to Parliament on 3 September and it will be valid from 2017.</p>
<p><b>Country:</b> Serbia</p> <p><b>Measure Title:</b> Amendments to the Law on Pension and Disability Insurance - Extension</p>	<p><b>Title:</b> Policy debate within the Government to relax the actuarial penalties for older workers</p>

<p>of Statutory Retirement Age for Women and Actuarial Penalties for Early Retirement</p> <p><b>Description:</b> Amendments to the Law on Pension and Disability Insurance were adopted in July. They introduce changes in pension calculation and retirement rules. The main changes include extending women's statutory retirement age to 65 and fully equalizing it to men's by 2032; introducing actuarial penalties for early retirement, and reducing the list of privileged occupations for early retirement. The statutory retirement age for women will be gradually raised from 2015-2020 by six months, and from 2021-2032 by two months a year. The pension payments of early retirees will be reduced by 0.34 % for every month shy of the statutory retirement age, which totals 4.08 % per year. The list of occupations eligible for early retirement with no actuarial reduction to the pension benefits includes the occupations that encompass duties that could be difficult, dangerous or entail health risks, as well as jobs for which there is the prescribed age limit.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>What has changed:</b> According to the legislation introduced last year, persons who go into retirement before the full retirement age, are subject to lifetime 4 % deduction of pension for each year below the retirement age, even if they have 40 and more years of pensionable service. This could be considered unfair because in many cases this rule is being applied retroactively, to persons who agreed to go into early retirement after a period spent on unemployment benefits, but according to former rules which did not include actuarial penalties. More generally, this rule might be unfair toward workers who started their work careers early, after completed primary or secondary education, and who typically have somewhat shorter life expectancy than workers with a university education. Thus far, the Ministry of Labour, Employment, Veteran and Social Affairs (MoLEVSA) and Ministry of Public Administration, which are both eager to ease the process of restructuring and downsizing, are cautiously lobbying for the relaxation of actuarial penalties, either to allow exemptions for those going into retirement as part of the privatization of state owned enterprises and public administration reform, or more generally. On the other hand, the Ministry of Finance is reluctant to put forward this issue within the forthcoming revision of Stand-by Arrangement in November, facing very negative initial reaction from the IMF.</p>
--	---

#### 6.4 Health insurance system reforms (0 new measures)

No new measures reported.

**Measure Updates total: 0**

#### 6.5 Other measures related to social security systems (0 new measures)

No new measures reported.

**Measure Updates total: 2**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Finland</p> <p><b>Measure Title:</b> Social and Welfare Health Care reform (SOTE)</p> <p><b>Description:</b> The whole social and health care system of Finland is being reformed. A solution for the arrangement of social welfare and health care services and the next steps</p>	<p><b>Title:</b> SOTE reform part of the new Government Programme</p> <p><b>What has changed:</b> The Social and Welfare Health Care reform is a central part of the new Government Programme (2015) and</p>



<p>in the process was reached on 25 June 2014, between the Government and opposition, and the proposal for a new law was given by the Government to the Parliament on 4 December 2014. The Parliament will decide on the new law in March 2015</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p>there is preparation going on concerning the details of the new system.</p>
<p><b>Country:</b> former Yugoslav Republic of Macedonia</p> <p><b>Measure Title:</b> Debt amnesty for socially vulnerable citizens</p> <p><b>Description:</b> In July 2014, the Parliament adopted the Law on One-time Forgiveness of Debts of Citizens (Official Gazette No. 112/2014). This was the first law that the newly elected Government has proposed and adopted, and the first time that a debt amnesty is implemented in the country. It is a one-off measure aimed at mitigating the negative effects of the global and national economic recession from previous years, for the most vulnerable citizens. The target groups are: beneficiaries of social financial assistance and permanent financial assistance, persons who have been unemployed for more than a year, persons at social risk due to death of spouse or due to disability.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>Title:</b> Implemented measure</p> <p><b>What has changed:</b> The measure has been implemented. Last reports from the Government officials showed that until January 2015, the debt release was in an amount of EUR 7 million, mainly for the beneficiaries of the social assistance, and for the electricity dept. There are no new updates on the more recent figures for the release. Until that date, about 4 3000 applications were processed. It was expected that the number of applications for the debt amnesty would be approximately 50 000 to 100 000. According to Government information, 42 000 applications were received (the application period was from August 2014 to October 2014).</p>

## 7 PA 4: Work-life balance and gender equality

Under PA 4, 13 countries introduced a total of 19 new policy measures between January and September 2015. Most reforms under this policy area were under *Childcare*. The following gives a breakdown of the new measures introduced in this policy area:

- Childcare (UK, Croatia, Slovakia, Hungary x 2, former Yugoslav Republic of Macedonia, Greece)
- Other family care provision (0 new measures)
- Parental leave arrangements/benefits (Sweden, Portugal, Netherlands, Malta, former Yugoslav Republic of Macedonia)
- Gender pay gap and equal rights (Finland)
- Other work-life balance and gender equality measures (Croatia, France, Portugal x 3, Latvia)

There were nine updates to previously identified measures, in the following countries: the Czech Republic x 2; Germany x 3; Hungary x 2; Malta; Slovakia.

This policy area represented just 9 % of the total number of new measures introduced across all the countries featured. Eleven out of the 19 new measures (58 %) were enacted into law with four being EU co-funded, five having state funding, one with

social partner/private funding, two with 'other' funding and finally two requiring no specific funding.

The measures and measure updates are discussed in turn below.

## 7.1 Childcare (7 new measures)

### Subsidies for child care facilities

**Country:** Greece

**Description:** The intervention provides subsidies for childcare systems (crèches, kindergartens, nursery-schools, play-schools) in public or private reception facilities with skilled staff providing care for young children during the day.

**Institution Responsible:** The execution of the programme has been entrusted to the Hellenic Agency for Local Development and Local Government (E.E.T.A.A.) S.A, operating as an Intermediate Body of the Operational Programmes Human resources development, education and LLL and regional OPs (2014-2020).

**Main Objectives:** The intervention targets approximately 100 000 women with children, in order to increase female labour market participation rate,

**Target Groups:** Parents

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Twelve months.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** July 2015

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** Not enacted.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Number of child care facilities  
Number of children

**Update frequency of monitoring arrangements:** Monthly

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** The budget amounts to EUR 184 million for the school year 2015-2016

**Policy recommendations that the measure responds to:** MOU

**Recommendation details:** Support to the unemployed

---

### Foundation 'Croatia for Children'

**Country:** Croatia

**Description:** The purpose of this measure is to promote welfare of children personal and property rights, and to encourage families with social, health or educational difficulties.

**Institution Responsible:** Foundation Croatia for children, Ministry of Social Policy and Youth.

**Main Objectives:** The main objective is to protect children from risk and consequences of poverty, to improve position of children who live in unfavourable conditions, to provide support for pupils and students standard via stipend schemes, and in general to help families in need.

**Target Groups:** Children

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** *Narodne novine* 82/2015.

**Date of adoption:** August 2015

**Is the measure being enforced?** Yes

**State of play: Enacted into law?** Enacted into law in August 2015.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Government of the Republic of Croatia will be responsible for supervising the work of the foundation, based on the regular reports of its directing board.

**Funding Sources:** Games of chance, donations.

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** NRP

---

### **Kindergarten attendance compulsory from the age of three**

**Country:** Hungary

**Description:** From September 2015 all children reaching the age of three by 31 August 2015 are obliged to attend kindergarten at least four hours per day. Due to the introduction of the measure the support for attending kindergarten was abolished (for more details see measure Reform of the system of social benefits).

**Main Objectives:** The change was primarily promoted to hinder social exclusion and reduce disadvantages based on social background thus improving the educational attainments of children.

**Target Groups:** Children

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act CXC. of 2011 on Public Education

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 September 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** In 2015 8.25 million EUR is allocated to support extension of capacities in kindergarten.

---

### **New type of childcare facility – Kindergarten – nursery**

**Country:** Hungary

**Description:** In 2015 a new type of childcare facility was introduced. Kindergarten nursery (*óvoda-bölcsőde*) is an independent childcare facility serving the tasks of kindergarten and nurseries in one institution, in contrast to the existing Unified kindergarten-nurseries (*egységes óvoda-bölcsőde*). The education and care is organised in separate groups for children under three years (upper age limit for attending nurseries) and for children reaching the age of three years and eligible for kindergarten attendance.

**Main Objectives:** The measure provides a further option for service providers to

increase their capacities and thus supporting families to access institutional childcare services.

**Target Groups:** Children

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act CX. of 2011 on Public Education

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 12 June 2015

**Steps taken to monitor the implementation of the measure:** No

---

### **Increase of childcare benefits and maternity leave benefits**

**Country:** Slovakia

**Description:** The sum of the childcare benefit shall increase from EUR 230 to EUR 280 monthly. In addition to the increase, the proposal pursues to reduce the administrative intricacy associated mainly with the reimbursement of expenses. The maternal leave benefit shall be raised from 65 % to 70 % of the daily assessment base (gross wage).

**Institution Responsible:** Ministry of Labour, Social Affairs and Family of the SR

**Country Specific Recommendation:** (2015) CSR 2: Improve the incentives for women to remain in or return to employment by improving the provision of childcare facilities.

**Main Objectives:** The goals of the childcare benefit revision are to step up childcare support in general, promote its flexible forms, to enhance work incentives and to reduce administrative duties for recipients. The intention to raise maternity benefits is to raise support to parents who have worked and had sickness insurance before commencing maternity leave.

**Target Groups:** Parents

**Duration of measure:** Permanent

**Date of adoption:** The draft amendments have been approved by the government.

**Start date for implementation of the measure:** 1 January 2016

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** Childcare benefit: EUR 9 375 630 in 2016; EUR 10 731 960 in 2017; EUR 11 262 840 in 2018 EU funding 98.6 %. Maternity benefit: EUR 8 715 904 in 2016; EUR 9 831 298 in 2017; EUR 10 126 172 in 2018 all State budget

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** 2015 CSR 2: Improve the incentives for women to remain in or return to employment by improving the provision of childcare facilities.

---

### **Childcare for working families**

**Country:** United Kingdom

**Description:** Childcare subsidies are to be increased and introduced earlier than planned. The new policy will effectively double the amount previously announced to 30 hours per week for children aged three and four, with the subsidy worth around EUR 6 800 (GBP 5 000) per annum.

**Institution Responsible:** Department for Education (who will have a duty to ensure adequate childcare places are available).

**Country Specific Recommendation:** (2015) CSR3: Further improve the availability of affordable, high-quality, full-time childcare.

**Main Objectives:** The main aim of the extended support for childcare is to support working families with the costs of childcare and so give more parents a real choice between working or not.

**Target Groups:** Parents

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** The Childcare Bill

**Date of adoption:** The Bill was introduced to parliament in June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** April 2016 (partially)

**State of play: Enacted into law?** The extension of the childcare support package was an early announcement of the new Conservative majority government in June 2015 and a Bill was introduced into parliament then. The first recipients of the EUR 6 800 approx. (GBP £5 000) subsidy are expected in 2016.

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** The childcare measures directly address 2014 CSR 4 and 2015 CSR 3.

---

### **Promotion of private providers of childcare facilities**

**Country:** former Yugoslav Republic of Macedonia

**Description:** From February 2015 the legislation has been amended to allow companies and private schools to open childcare facilities within their premises. In addition to this, the government will allow private investors to rent at very low prices (starting bidding price of EUR 1 for 1 m<sup>2</sup>) land within the yards of the public school for opening of private childcare facilities.

**Institution Responsible:** Ministry of Labour and Social Policy

**Main Objectives:** In recent years, the government makes efforts to increase the provision and improve the access to childcare facilities. In doing so, it has expanded the provision of public childcare facilities, has opened up daily childcare centres in rural areas (along with UNICEF and local authorities) and has promoted the opening of private ones (through easing the administrative procedures).

**Target Groups:** Children

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law for Child Protection, Official Gazette No. 25/2015

**Date of adoption:** 19 February 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** From the day of publishing the law

**State of play: Enacted into law?** These government efforts are bringing some

results: out of total 25 private childcare facilities operating in the country, 23 were open in the last three years. Moreover, few companies have already established kindergartens in their premises.

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Measure Updates total: 5**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> Inclusion of youth in education and availability of affordable and quality pre-school childcare</p> <p><b>Description:</b> Originally there were legal grounds for pre-school facilities of different types, but the corresponding law has been cancelled due to the resignation of the Government (<i>Necas</i>) and the dissolution of the Lower House.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Alternative forms of child care</p> <p><b>What has changed:</b> Legislation introduced in late 2014 in (partial) response to the 2014 Country Specific Recommendation 4 and the 2015 Country Specific Recommendation 3 allowed for alternative forms of child care to be established (as a complement to the municipality-operated public kindergarten system) and for parents to deduct annual costs of paid-for child care up to the level of one monthly minimum wage.</p>
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> Inclusion of youth in education and availability of affordable and quality pre-school childcare</p> <p><b>Description:</b> Originally there were legal grounds for pre-school facilities of different types, but the corresponding law has been cancelled due to the resignation of the Government (<i>Necas</i>) and the dissolution of the Lower House.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Improving the conditions for disadvantages pupils</p> <p><b>What has changed:</b> The Parliament has approved an updated Education Act, which focuses on improving the conditions for inclusion of disadvantages pupils and introduces entitlements such as the help of assistants. The costs tied to these provisions are estimated at about CZK 1 billion (EUR 36 million) in 2017 according to the 'Action plan for inclusive education for 2016 to 2018'. The detailed implementation manual has been sent to the European Commission for approval. The Government has also cancelled a curriculum option for children with a mild mental disability, a move which is aimed at limiting the possibility of discrimination if Roma children within the education system.</p>
<p><b>Country:</b> Germany</p> <p><b>Measure Title:</b> Provision of further EUR 580 million for the expansion of supply of day care centres</p> <p><b>Description:</b> Financial provision</p> <p><b>Measure Time Period: Jan 2013</b></p>	<p><b>Title:</b> Data released</p> <p><b>What has changed:</b> In March, the Federal Government published a document concerning the present situation in child care. According to this, the 'child care rate' (Betreuungsquote) was 32.3 % in 2014. 27.4 % of children aged 0-3 were looked after in 'nurseries' (<i>Kindertageseinrichtungen</i>) and 4.9 % in 'day care' (<i>Kindertagespflege</i>). In 2013, the child care rate was 29.3 %, and in 2008 only 17.6 %. The Federal Government refused suggestions by the opposition parties to implement legally binding federal</p>

	standards in quality of child care (e.g. statutory care rates) and stated that the funding for the expansion of child care (see Regular Report January 2015) as sufficient.
<p><b>Country:</b> Malta</p> <p><b>Measure Title:</b> Free childcare centres</p> <p><b>Description:</b> In the 2014 Government Budget, it was announced that free Government childcare centres will be set up. The scheme will cover the hours the parents are at work as well as an extra hour a day for commuting. Besides this, the Government also pledged that it will extend the limit from EUR 1 300 to EUR 2 000 in tax credit for parents sending their children to private childcare centres.</p> <p><b>Measure Time Period:</b> Dec 2013</p>	<p><b>Title:</b> Evaluation of free childcare scheme</p> <p><b>What has changed:</b> In March 2015 it was announced that the system involved 78 childcare centres, catered for 3 857 children in 2014 and cost the Government EUR 5.2 million. Meanwhile Dr Anna Borg, an expert in gender issues offered an interesting evaluation of the system.</p>
<p><b>Country:</b> Slovakia</p> <p><b>Measure Title:</b> Increased funding for childcare facilities</p> <p><b>Description:</b> Announcement of the Government that the capacity of pre-school facilities (day-care centres and kindergartens) will be strengthened by 20 000 children as from September 2014.</p> <p><b>Measure Time Period:</b> Sep 2014</p>	<p><b>Title:</b> Additional funds approved to increase capacity in pre-school facilities</p> <p><b>What has changed:</b> The Government approved additional EUR 5 million from the State budget to increase the capacity in kindergartens, as part of a second social package. EUR 10 million has been spent on the enlargement of capacities in pre-school education in the framework of the first social package. Subsidies have been granted to 113 facilities out of more than 420 subjects applying (applications totalled EUR 35.8 million).</p>

## 7.2 Other family care provision (0 new measures)

No new measures reported.

**Measure Updates total: 0**

## 7.3 Parental leave arrangements/benefits (5 new measure)

### Maternity leave trust fund

**Country:** Malta

**Description:** On the 21 July, the government announced the setting up of the Maternity Leave Trust Fund. All employers are obliged to contribute 0.3 % of the basic salary of all their employees towards the Fund through which the first 14 weeks of maternity leave of women working in the private sector will be paid. The Fund is administered by a Board set up for this purpose.

**Institution Responsible:** A Board composed of four members on the Malta Council for Economic and Social Development (three members representing employers and a member representing trade unions), and the permanent secretaries in the Ministries for Finance, and Social Dialogue, Consumer Affairs and Civil Liberties.

**Country Specific Recommendation:** (2014) CSR 3. Further improve the labour-market participation of women, in particular those wishing to re-enter the labour market by promoting flexible working arrangements.

**Main Objectives:** The main objective of the Fund is to reduce gender discrimination in the recruitment of employees. This measure will ensure that employers who recruit women employees do not have to incur extra expenses to pay for maternity leave.

**Target Groups:** Women

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Legal notice 257 of 2015 - Trusts and Trustees (Maternity Leave Trust) Regulations; and Legal notice 258 of 2015 - Social Security Act (Amendment of Tenth Schedule) Order

**Date of adoption:** 1 July 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 6 July 2015

**State of play: Enacted into law?** The system has been enacted into law and is operational.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The above-mentioned Board is in charge of monitoring the implementation of the system.

**Update frequency of monitoring arrangements:** unknown

**Funding Sources:** Social Partner/Private sector

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** 2014 CSR 3: Further improve the labour-market participation of women in particular those wishing to re-enter the labour market 2015 NRP: 2.2.2 Increasing the Employment Rate

---

### **Increasing the length of parental leave**

**Country:** Netherlands

**Description:** Parental leave will be enlarged from two to five days.

**Institution Responsible:** Ministry SZW

**Main Objectives:** Allowing fathers to take care for new born children.

**Target Groups:** Parents

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** unknown yet, next Cabinet

**If not law, what type of measure is it?** Announcement

---

### **Extending maternity and paternity rights**

**Country:** Portugal

**Description:** In relation to paid parental leave, it is now allowed that parents make use of it simultaneously (120-150 days). Furthermore, the number of days the father is obliged to take paid leave is raised from 10 to 15 (during the first 30 days after the birth of the child). In relation to a parent's right (child aged less than 12 years) to opt



for part-time work or for flexible working time, the measure prohibits explicitly any type of disadvantage for the respective worker in terms of his/her evaluation and his/her career. The measure introduces the parents' right (child aged 3 years or less) to opt for telework if this is feasible in relation to the job and if the company has the necessary resources. In relation to the so-called group adaptability (daily and weekly working time as an average and adapted to the work flow) and to working time accounts, the measure introduces the parents' right (child aged less than three) not to join.

**Institution Responsible:** National government

**Main Objectives:** Extend parents' rights in relation to parental leave, working time and telework

**Target Groups:** Parents

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law 120/2015

**Date of adoption:** 22 July 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** September 2015, except stipulations related to payment of subsidies (January 2016)

**State of play: Enacted into law?** Enacted. Parents' rights in relation to working time and telework are binding, payment of subsidies for parental leave will only change in 2016.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

---

### **A more Gender Equal Parental Leave (*En mer jämställd föräldrapenning*)**

**Country:** Sweden

**Description:** Introduction of a third non-transferable months ('daddy months') in the parental leave system.

**Institution Responsible:** The Swedish Social Insurance Agency

**Main Objectives:** To improve gender equal opportunities and reduce the gender gap in labour force supply and wage.

**Target Groups:** Parents

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Legal reference:** Government Bill (*Regeringens* proposition 2014/15:124)

**Is the measure being enforced?** No

**State of play: Enacted into law?** The bill was submitted to the Swedish Parliament (*Risdag*) at the end of May 2015. If adopted by the Parliament during the autumn session the new regulation will be enforced in December 2015 and will take effect in January 2016

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Policy recommendations that the measure responds to:** None

**Protecting mothers' jobs while on maternity leave**

**Country:** former Yugoslav Republic of Macedonia

**Description:** A possibility was introduced for engagement of replacement workers for female workers while being on maternity leave, where the employers are exempted from paying social contributions for the replacement worker. Employers have obligation to keep the returning mother on the job for at least the same time period for which the replacement worker was hired. This measure was accompanied by some additional measures protecting women rights while on maternity leave such as allowing mothers who give birth to twins or more children to take a paid maternity leave of 15 months (the regular duration being nine months), and introducing a possibility for an additional unpaid maternity leave of three months in total until a child reaches the age of three.

**Institution Responsible:** Ministry of Labour and Social Policy, social security funds

**Main Objectives:** The objective of the measure is to protect the mothers while on maternity leave from losing their jobs. This measure follows the still present practice in which women in the private sector are fired when they take maternity leave (employers find ways how to overcome the legislation which otherwise prohibits such practices).

**Target Groups:** Women

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law on Employment and Insurance in Case of Unemployment (Official Gazette No. 154/2015), Law on Pension Insurance and Law on Health Insurance (both published in Official Gazette No. 154/2015)

**Date of adoption:** 4 September, 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** From the date the Law was published in the Official Gazette

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Monitoring mechanisms to avoid misuse of the legislation

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Measure Updates total: 3**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Germany</p> <p><b>Measure Title:</b> Child rearing benefit for inactive women not using child care facilities for young children</p> <p><b>Description:</b> The Ministry of Family had proposed to introduce a 'child-rearing benefit' (<i>Betreuungsgeld</i>) amounting to EUR 100 for those families with children up to the age of</p>	<p><b>Title:</b> Decision of the Federal Court</p> <p><b>What has changed:</b> On 21 July 2015, the Federal Constitutional Court decided that the Federal State does not have the legislative authority for the implementation of the 'child-rearing benefits' Law (<i>Betreuungsgeld</i>). This decision means de facto an abolishment of</p>

<p>three who decide to not use childcare facilities but to raise their child by a non-working parent.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p>the child-rearing benefits regulations. In the first quarter of 2015, child-rearing benefits were paid for 455 321 children</p>
<p><b>Country:</b> Hungary</p> <p><b>Measure Title:</b> Support of additional days off for fathers</p> <p><b>Description:</b> Government refund to employers for the cost of fathers' additional days off related to the birth of a child.</p> <p><b>Measure Time Period: Jan 2013</b></p>	<p><b>Title:</b> Support of additional days off for fathers</p> <p><b>What has changed:</b> As of 1 January 2015 the Government refund to employers covers not only the cost of fathers' additional days off (five days or seven days in case of multiple birth) related to the birth of a child, but the related social contributions as well.</p>
<p><b>Country:</b> Hungary</p> <p><b>Measure Title:</b> Employment and fertility-friendly reforms to child care allowance and - fee</p> <p><b>Description:</b> As of 1 January 2014, various extensions to the child care fee, which is for insured parents only (GYED), and partly to the child care allowance which is available to all parents (GYES) are being introduced. Firstly, employment is possible while receiving both transfers after the child has reached age one. This was not possible before. Secondly, if children are born in rapid succession, the mother can claim GYED for both of them. This was only available for one child before. Thirdly, GYED is available for those in higher education but without employment. Previously this group was only eligible for GYES, as others without employment.</p> <p><b>Measure Time Period: Mar 2014</b></p>	<p><b>Title:</b> Changes in regulation of insurance-based parental benefit (childcare fee)</p> <p><b>What has changed:</b> In 2015 the calculation of the amount of the insurance-based parental benefit changed slightly, but kept the 70 % wage replacement with ceiling (a maximum benefit amount of EUR 468 a month). As of 1 January 2016, employment is possible while receiving insurance-based parental benefit (childcare fee) after the child has reached six months. This was allowed from age one before. If children are born in quick succession, the mother can claim insurance-based parental benefit for both of them. In case the amount determined for the first child is higher, that same amount is applicable for the second child as well (in effect from 1 July 2015). Thirdly, so far if insurance-based parental benefit was requested after the child reached age one, a 60 days long interruption was in place in the distribution of insurance-based parental benefit (childcare fee). This rule no longer applies from 1 January 2016. The former practice had discouraging effect on fathers willing to take parental leave.</p>

## 7.4 Gender pay gap and equal rights (1 new measures)

### Tripartite equal pay programme finished

**Country:** Finland

**Description:** The target of the programme was to narrow the gender pay gap to 15 % in 2006-2015. The main target was not achieved (17 % in 2013) and since 2011 the pay gap did not diminish any more. The most promising results relate to desegregation, agreement policies, payroll systems and reconciliation of work and family life.

**Institution Responsible:** Ministry of social affairs and health together with other ministries and labour parties.

**Main Objectives:** Gender pay gap to 15 %.

**Target Groups:** All workers  
**Duration of measure:** Temporary  
**If temporary, how long will it run for?** 2006-2015, ten years.  
**Has the measure been enacted into law?** No  
**Is the measure being enforced?** No  
**If not law, what type of measure is it?** EU co-funded project  
**Steps taken to monitor the implementation of the measure:** Yes  
**What are the monitoring arrangements in place?** Separate studies: Lonka (2015) – internet: [http://www.julkari.fi/bitstream/handle/10024/126253/URN\\_ISBN\\_978-952-00-3585-3.pdf?sequence=1](http://www.julkari.fi/bitstream/handle/10024/126253/URN_ISBN_978-952-00-3585-3.pdf?sequence=1) and Salenius (2011) – internet: <http://www.julkari.fi/bitstream/handle/10024/112117/URN%3aNBN%3afi-fe201504226788.pdf?sequence=1>  
**Update frequency of monitoring arrangements:** Separate studies  
**Funding Sources:** EU co-funded  
**Is there a specific budget allocated to the measure?** Unknown  
**Budget:** EUR 1 500 000 - a rough estimate  
**Policy recommendations that the measure responds to:** None

**Measure Updates total: 1**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Germany</p> <p><b>Measure Title:</b> Gender quota in company boards</p> <p><b>Description:</b> Law proposal of the Federal Council (<i>Bundesrat</i>)</p> <p><b>Measure Time Period:</b> Jan 2013</p>	<p><b>Title:</b> Law on gender quota on company boards in force</p> <p><b>What has changed:</b> The gender quota, or the 'law on equal participation of men and women in leading positions' (<i>Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen</i>), is in force since 1 May 2015.</p>

**7.5 Other work-life balance and gender equality measures (6 new measure)**

**Equilibrium in Women/Men representation for employees representatives**

**Country:** France  
**Description:** Obligation for employees' representatives to have an equilibrium of men and women.  
**Main Objectives:** The measure aims at introducing a better balance at the employees representatives levels between men and women  
**Target Groups:** Trade unions and their representatives at company level  
**Duration of measure:** Permanent  
**Legal reference:** Law on social dialogue and employment, called Rebsamen Law  
**Date of adoption:** 17 August 2015  
**Is the measure being enforced?** Yes  
**Start date for implementation of the measure:** Immediately  
**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

---

### **Agreement on cooperation on measures to combat energy poverty**

**Country:** Croatia

**Description:** The Government of the Republic of Croatia and legal representatives of the main electricity providers in Croatia signed the Agreement in September 2015. The measure should result in preventing electricity price increase due to market liberalization and consequent cost decrease for electricity providers.

**Institution Responsible:** Ministry of Social Policy and Youth, Ministry of Economy

**Main Objectives:** This measure aims to prevent imbalances in the electricity market, support market liberalization, keep the prices stable, and protect the most socially vulnerable population.

**Target Groups:** poor and social assistance benefits users

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Agreement between Croatian Government and main energy providers company in Croatia

**What are the monitoring arrangements in place?** The government of the Republic of Croatia, the Ministry of Economy and the Ministry of Social Policy and Youth are responsible for the regulation of the measure implementation, as signatories of the agreement. Since the agreement has been signed only recently, no steps have been taken to monitor the implementation so far. Monitoring arrangements are not familiar yet.

**Is there a specific budget allocated to the measure?** No

**Budget:** Specific budget allocated to the measure is not known.

---

### **Support to families**

**Country:** Latvia

**Description:** Various measures to support families have been proposed: 1) If child (up to age of 19 and a student in general, vocational, higher or special education institution) works during summer holidays, one of parents will be eligible for tax relief of EUR 165; 2) A family with three or more underage children has to pay only 50 % of the road tax; 3) Large family status will apply also to families with children over 18 who are studying; 4) Extracurricular activities of schoolchildren will qualify as eligible expenses.

**Institution Responsible:** 1) State Revenue Service; 2) Ministry of Transportation; 3) Ministry of Welfare.

**Main Objectives:** To support families.

**Target Groups:** Families with children

**Duration of measure:** Permanent

**If not law, what type of measure is it?** Different measures

**State of play: Enacted into law?** 1) Tax law; 2) The legal reference: Vehicle tax law; date of adoption: 21 May 2015; implementation date: 1 January 2016; 3) The legal reference: Amendments to child protection law; has to be adopted by the Parliament; 4) The legal reference: Personal income tax law; date of adoption: 30 April 2015; implementation date: 1 January 2016.

---

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

---

### **Increased hiring subsidies favouring gender balance**

**Country:** Portugal

**Description:** Hiring subsidies under the measure 'Stimulus Employment' and under future similar measures are raised for each person hired that belongs to a professional group where his/her gender represents less than 33.3 % of all employees. The increase of the hiring subsidy is 20 % in the case of fixed-term contracts and 30 % in the case of open ended contracts.

**Institution Responsible:** National PES (IEFP)

**Main Objectives:** Improve the gender-balance in employment of different professional groups.

**Target Groups:** Companies benefitting from hiring subsidies

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Ministerial Ordinance (*Portaria*) 84/2015

**Date of adoption:** 18 March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 21 March 2015 (day after publication of ordinance)

**State of play: Enacted into law?** Enacted and being implemented.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The measure is going to be evaluated by the national body for tripartite concertation (CPCS). The first evaluation is set for 18 months after its start.

**Funding Sources:** National PES (IEFP)

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** None

---

### **Mechanism for the exclusion of companies that have illegally dismissed pregnant, puerperal and breastfeeding women from public subsidies**

**Country:** Portugal

**Description:** Companies that have been convicted in court for illegal dismissal of pregnant, puerperal and breastfeeding women during the two years preceding an application for public subsidies are not allowed to benefit from such subsidies. Courts are obliged to inform the tripartite Commission for Equality in Work and Employment (CITE) about such convictions. The CITE registers these convictions. The entities that decide upon the attribution of public subsidies are obliged to consult the CITE about the existence of the referred type of convictions in the case of the candidates for subsidies, and the CITE responds to the request for information within 48 hours.

**Institution Responsible:** Courts that decide upon cases of illegal dismissal of pregnant, puerperal and breastfeeding women and the tripartite Commission for Equality in Work and Employment (CITE)

---

**Main Objectives:** Strengthen the protection of pregnant, puerperal and breastfeeding women against illegal dismissal.

**Target Groups:** Other

**If temporary, how long will it run for?** Directly: Companies that may apply for public subsidies Indirectly: Pregnant, puerperal and breastfeeding women employed at these companies

**Has the measure been enacted into law?** Yes

**Legal reference:** Law 133/2015

**Date of adoption:** 22 July 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 90 days after the law's publication (publication on 7 September 2015)

**State of play: Enacted into law?** Enacted. To be implemented from 6 December 2015 onwards.

**Steps taken to monitor the implementation of the measure:** Unknown

**Policy recommendations that the measure responds to:** None

---

### **Voluntary increase of gender equality at stock corporations**

**Country:** Portugal

**Description:** The Government mandates the State Secretaries of Equality, Treasury, Regional Development, Economy and Employment (a) to negotiate within 90 days with the companies at the stock exchange (Euronext *Lisboa*) a voluntary compromise to achieve until 2018 a share of 30 % of the underrepresented gender at their boards and (b) to promote a support mechanism for the identification and analysis of wage gaps between men and women (without costs for the companies) and to reach a compromise with the companies to implement a strategy for the elimination of the identified wage gaps.

**Institution Responsible:** State Secretaries of Equality, Treasury, Regional Development, Economy and Employment

**Main Objectives:** Increase gender equality in terms of pay and decision making at large stock corporations

**Target Groups:** Women at large stock corporations

**Duration of measure:** Permanent

**If temporary, how long will it run for?** The negotiations with stock corporations to raise the share of women at their boards were concluded within 90 days. The implementation of measures for reducing the wage gap is open ended.

**Has the measure been enacted into law?** Yes

**Legal reference:** Resolution of Council of Ministers 11A/2015

**Date of adoption:** 5 March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 6 March 2015

**State of play: Enacted into law?** Enacted. Compromise with 13 (in a total of approximately 20) stock corporations signed on 6 June 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

---

**Measure Updates total: 0**



## 8 PA 5: Education and training systems

Under PA 5, 17 countries introduced a total of 34 new policy measures between January and December 2015. The most popular type of reform in this policy area has been in *Apprenticeships and vocational education training systems including traineeships and school-to-work transitions*. The following gives a breakdown of the new measures introduced in PA5:

- Improvement of primary and secondary education systems (Latvia x 2, Luxembourg x 2, Sweden x2, Malta, Italy, Slovakia)
- Improving Education and labour relevant skills formation at tertiary level (Malta x 3)
- Lifelong learning measures (including continuous training programmes, training vouchers, and individual training accounts) (Estonia)
- Apprenticeships and vocational education training stems including traineeships and school-to-work transitions (Latvia x 3, Hungary x 2, Malta, UK x 2, Netherland, Ireland x 2, Poland x 2, Estonia, France, Austria, Lithuania )
- Other education and training system measures (Austria, Ireland, Czech Republic, Germany)

There were 16 updates to previously identified measures, in the following countries: Bulgaria x 5; the Czech Republic; Germany; Estonia x 2; France x 2; Croatia; Austria x 3; Slovakia.

This policy area's 34 new measures accounted for 17 % of all new measures introduced in the relevant period. Just under half (47%), however, or 16 out of the 34 new measures were enacted into law. Of the 30 that specified a funding source 18 specified state funding, 3 were EU co-funded and six were funded from 'other' source. Three required no specific funding.

The measures and measure updates are discussed in turn below.

### 8.1 Improving primary and secondary education systems (9 new measures)

#### **Law 107/2015 (*La buona scuola*)**

**Country:** Italy

**Description:** This law's most important measure is the stabilization with public permanent contracts of about 107 000 teachers working in the educational system with atypical temporary contracts. It also introduces tools to promote school autonomy by reinforcing the role of headmasters in the management of human, technological and financial resources. It reforms the procedures for the evaluation of teachers by increasing the number and impartiality of components of the evaluating Committee. It envisages a reduction of the pupils per class ratio. It establishes that vocational schools will provide students with at least 400 hours in activities to be performed in firms also in periods of interruption of classes.

**Institution Responsible:** Government

**Country Specific Recommendation:** (2015) CSR 5: As part of efforts to tackle youth unemployment, adopt and implement the planned school reform and expand vocationally-oriented tertiary education.

**Main Objectives:** Gradually abolish the use of atypical contracts for teachers; improve the efficiency of the educational school system; strengthen the link of vocational education with the labour market

**Target Groups:** Students and teachers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law 107/2015

**Date of adoption:** 13 July 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 13 July 2015

**State of play: Enacted into law?** All provisions should be fully implemented within school year 2015/16.

**Steps taken to monitor the implementation of the measure:** Unknown

**What are the monitoring arrangements in place?** The Ministry of Education, University and Research is in charge of the implementation of the measure

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 1 billion in 2015 and 3 billion in 2016

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** 2014 CSR 6: Implement the National System for Evaluation of Schools to improve school outcomes in turn and reduce rates of early school leaving. Increase the use of work-based learning in upper secondary vocational education and training and strengthen vocationally-oriented tertiary education. Create a national register of qualifications to ensure wide recognition of skills. Ensure that public funding better rewards the quality of higher education and research. 2015 CSR 5: As part of efforts to tackle youth unemployment, adopt and implement the planned school reform and expand vocationally-oriented tertiary education.

---

### **A pilot project for developing digital competence in school children**

**Country:** Latvia

**Description:** 155 general education schools have applied to implement a pilot project for developing computer skills in school children from 1 September 2015. Within the project, schools carry out a separate subject for an integrated approach to master computer skills for students from grade 1-3, 4-6 and 7-9. In addition, grade 7-9 students who have shown a strong interest in programming and algorithms have the opportunity to follow a more in-depth programme. Also, within the project, teachers have the opportunity to improve their qualification or develop professional competence in digital literacy.

**Institution Responsible:** Ministry of Education and Science.

**Main Objectives:** To develop digital literacy and competence in school children.

**Target Groups:** Children

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Currently, the pilot project is planned for this study year but with an intention to prolong, if successful.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 September 2015.

**If not law, what type of measure is it?** Ministry of Education and Science, National Centre for Education and the Latvian Information and Communications

Technology Association project.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Budget:** For teacher training - EUR 220 000.

**Policy recommendations that the measure responds to:** None

---

### **Amendments to education law**

**Country:** Latvia

**Description:** The Latvian Parliament has adopted the following new amendments to the education law: 1) The Qualifications Framework has been redefined. Expertise and knowledge is now divided into eight levels; 2) State higher education institutions can now establish general education institutions i.e. secondary schools; 3) From 1 January 2017, salary for teachers in private general and higher vocational education institutions will be paid from the state budget.

**Institution Responsible:** Ministry of Education and Science.

**Country Specific Recommendation:** (2015) CSR2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

**Main Objectives:** The main objectives of the above-mentioned amendments are as follows: 1) To ensure that the Latvian Qualifications Framework corresponds to the European Qualifications Framework; 2) To promote students to study science-related subjects; 3) To support private vocational education institutions.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Amendments to Education Law

**Date of adoption:** 18 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 2 July 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

---

### **National Education Training Institute**

**Country:** Luxembourg

**Description:** The new institute organises teacher training by pooling existing training schemes and by reinforcing quality.

**Institution Responsible:** Ministry of Education

**Country Specific Recommendation:** (2014) iii) CSR 4: accelerate the implementation of the reform of general and vocational education and training to better match young people's skills with labour demand.

**Main Objectives:** The institute will organise teaching in the education sector.

**Target Groups:** All workers

---

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** *Loi du 30 juillet 2015 portant création d'un Institut de formation de l'éducation nationale, Mémorial A, Numéro 166.*

**Date of adoption:** 28 August 2015

**Is the measure being enforced?** Yes

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Policy recommendations that the measure responds to:** NRP

---

### **Orientation House**

**Country:** Luxembourg

**Description:** The measure pools all existing support and guidance instruments and provides a definition of school guidance; at the same time, the legal framework introduced an Orientation Forum, whose mission it will be to define a national strategy.

**Institution Responsible:** Ministry of Education

**Country Specific Recommendation:** (2014) iii) CSR 4: accelerate the implementation of the reform of general and vocational education and training to better match young people's skills with labour demand.

**Main Objectives:** The objective is to deliver guidance and support in education.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**State of play: Enacted into law?** Draft legislation has been introduced in Parliament.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

---

### **Education Plus**

**Country:** Malta

**Description:** Education Plus, launched by the Prime Minister at the end of January 2015, is a measure meant to strengthen the relationship between schools and the rest of society. Education Plus 'brings together the Ministry for Education and Employment, social partners, businesses, industry and education institutions to form partnerships so that both the education and employment sectors understand each other's needs, build bridges between industry and education and equip students with the necessary competences mirroring industry demands'.

**Institution Responsible:** Ministry for Education and Employment

**Country Specific Recommendation:** (2014) CSR 3: Continue policy efforts to address the labour-market relevance of education and training and by stepping up efforts on the reform of the apprenticeship system. Further improve basic skills attainment and reduce early school leaving, in particular by finalising and implementing the announced national literacy strategy.

---

**Main Objectives:** 'To develop and cultivate skills, attitudes and values for the real world in the 21st century and empower young people to become active citizens and be employable in a dynamic democratic society and economy.'

**Target Groups:** All students, especially those in compulsory education

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Unknown

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The measure was announced in January 2015

**If not law, what type of measure is it?** Strategy

**State of play: Enacted into law?** No information is available on the current state of play.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Ministry for Education and Employment

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** 2014 CSR 3: Continue policy efforts to address the labour market-relevance of education and training 2015 NRP: 2.2.1 Addressing skills gaps

---

### **Reform package in primary and secondary education**

**Country:** Slovakia

**Description:** The reform introduces partial changes in a number of domains. The revised School Law defines which curricula and educational standards can be used by different types of schools. Minor modifications concern the minimum and maximum numbers of children in secondary school classes, regulation of school-to-school transfers, and the timing of enrolment to primary schools. The revised legislation adjusts requirements regarding teachers' involvement in supplementary pedagogical studies. The scope of activities for which teachers can earn credits has been reduced to exclude activities, which increase their qualification prerequisites to teach other academic subjects and hence move up the wage scale, or creative activities that are considered routine components of the teaching process. Several measures should result in a reduction of administrative burdens placed on teaching staff.

**Institution Responsible:** Ministry of Education, Science, Research and Sport of the SR

**Country Specific Recommendation:** (2015) CSR 3: Improve teacher training and the attractiveness of teaching as a profession to stem the decline in educational outcomes. Increase the participation of Roma children in mainstream education and in high-quality early childhood education

**Main Objectives:** There is not a common objective. The revision pursues adjustments in certain areas of primary and secondary education.

**Target Groups:** Students, teachers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Amendment to the Act No. 245/2008 on upbringing and education

and on the amendment and supplement of other laws

**Date of adoption:** 30 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 September 2015

**State of play: Enacted into law?** Most of the changes became effective on 1 September 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR, NRP

**Recommendation details:** CSR 3: Improve teacher training and the attractiveness of teaching as a profession to stem the decline in educational outcomes. Increase the participation of Roma children in mainstream education and in high-quality early childhood education.

---

### **Knowledge boost for adult**

**Country:** Sweden

**Description:** The Government has decided to launch a knowledge boost in adult education by increasing the number of places in municipal vocational and adult education (*Komvux*), folk high schools and higher education. Around 50 000 new educational opportunities will be introduced in 2016. In 2017, all adults will have the right to municipal adult education to complete upper secondary school and qualify for tertiary education.

**Institution Responsible:** Various adult learning Institutions both private and public

**Main Objectives:** Enhance the skill and educational attainment of the adult population

**Target Groups:** Low educated adults

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Spring Budget Bill

**Date of adoption:** 16 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 2016

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

---

### **Other Educational Measures for 2015 and 2016**

**Country:** Sweden

**Description:** The government in spring 2015 took several measures to improve the Swedish educational system at the primary and secondary level: 1. Reduce the number of pupils per teacher in the classroom 2. Increase of the number teachers and special need teachers (*speciallärare*) in pre-school classes and compulsory schools. 3. After-school care will be further developed. 4. More resources to apprenticeships and vocational education. 5. Introduction of knowledge requirement

in reading comprehension and compulsory assessment support in reading and writing development and mathematics in school year 1 6. Extra support for schools with poor study outcome 7. Further teachers' possibility of skill developments and training in compulsory and upper secondary schools has been extended. 8. Measure to improve teaching and study outcomes for newly arrived pupils. 9. To strengthen the attractiveness and enhance the status of the teaching profession the government intend to increase teachers' wage.

**Institution Responsible:** School authorities

**Country Specific Recommendation:** (2014) CSR 4 Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships. (ii) Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a migrant background.

**Main Objectives:** Improve basic skills and the quality of education. Ease the transition from school to work and better adapt the school system to labour market needs.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Spring Budget Bill

**Date of adoption:** 1 June 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Budget:** Around EUR 0.54 billion

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR (2014) ..... Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships....

**Measure Updates total: 2**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> Design of Teachers' Career Code</p> <p><b>Description:</b> Teachers' salaries and career code.</p> <p><b>Measure Time Period:</b> Oct 2012</p>	<p><b>Title:</b> Another postponement</p> <p><b>What has changed:</b> The Ministry of schooling has again postponed the launch of the new career plan for teachers, this time until summer 2018. The career regulation should allow for a more differentiated remuneration of teachers based on performance and would represent a step towards increasing the attractiveness of the profession. The new Education Act also bans the practice of employing teachers for only 10 months (as of 2016) but it fails to introduce a register of teachers, which would allow for an effective administration of this important policy area.</p>
<p><b>Country:</b> Austria</p>	<p><b>Title:</b> Negotiations about a second compulsory kindergarten year failed</p>

<p><b>Measure Title:</b> Compulsory kindergarten year</p> <p><b>Description:</b> An agreement between the nine provinces and state Government allows a cost-free and compulsory half-day early promotion in institutional childcare facilities to the extent of 20 hours per week for the last year before school entry. This first came into force in September 2009. The agreement decided in June 2013 is an extension of the agreement 2009 for further two years, which provides a partial compensation of costs by the Federal Government in the context of compulsory kindergarten year.</p> <p><b>Measure Time Period:</b> Sep 2013</p>	<p><b>What has changed:</b> Negotiations about a second compulsory kindergarten year between the Federal Government and provinces failed in August.</p>
---	---

## 8.2 Improving education and labour relevant skills formation at tertiary level (3 new measures)

### Changes in university regulations

**Country:** Malta

**Description:** The government amended the Further and Higher Education (Licensing, Accreditation and Quality Assurance) Regulations through Legal Notice 150 of 2015. The amendment lowers the requirements for an organisation to be accepted as a university in Malta.

**Institution Responsible:** Ministry for Education and Employment

**Main Objectives:** To facilitate the setting up of new universities in Malta and tap the growing international student market.

**Target Groups:** Employers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Legal Notice 150 of 2015

**Date of adoption:** Published in the Government Gazette on 8 March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 8 March 2015

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The National Commission for Further and Higher Education is in charge of granting new university licenses.

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** AGS

**Recommendation details:** 2015 AGS : 2. Boosting investment

### Post-Doctoral Grant Scheme

**Country:** Malta

**Description:** The government set up a fund of EUR 2 million to assist persons interested in specialising at a post-doctoral level. Grants, to a maximum of EUR 200 000 per person will be awarded to individuals doing research on a full-time basis.



The research should be completed over a three-year period, with the possibility of having an extension of a year.

**Institution Responsible:** Ministry for Education and Employment

**Country Specific Recommendation:** (2014) CSR 3: Continue policy efforts to address the labour-market relevance of education and training and by stepping up efforts on the reform of the apprenticeship system. Further improve basic skills attainment and reduce early school leaving, in particular by finalising and implementing the announced national literacy strategy.

**Main Objectives:** The main objectives of the grants are to: 1. Produce well-rounded, professional researchers who contribute to the advancement of their fields of knowledge internationally; 2. Promote researcher development that engages in knowledge transfer with external stakeholders; 3. Strengthen the research competence by building expertise in areas of strategic economic importance for Malta; 4. Increase the number of Post-Doctoral graduates so as to create a stronger knowledge base to better compete internationally; and 5. Contribute towards research in identified areas of national priority and contribute towards the achievement of the EU 2020 strategy. The areas of priority are: science and engineering, ICT, education, medicine and pharmaceuticals, social science, anthropology, culture and behavioural sciences, energy and the environment.

**Target Groups:** Graduates

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The funds are available until 2020

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 17 April 2015

**State of play: Enacted into law?** Applications for the funds closed on Friday 19 June 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 2 million

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** 2014 CSR 3: Continue policy efforts to address the labour-market relevance of education and training 2015 NRP: 2.2.1.2 Incentivising Post-graduate studies 2015 AGS: Structural reforms at member state level: 6. Improving the quality of research and innovation (R&I) investment

---

### **Vocational education reform**

**Country:** Malta

**Description:** The Malta College of Arts, Science and Technology (MCAST) will be transformed into three colleges, each catering for different qualification levels, namely the Foundation college, the Technical college and the Professional college. Through this restructuring exercise, MCAST which already started offering Bachelor courses (level 6) a few years ago, will start offering courses at Masters' level (level 7).

**Institution Responsible:** The Malta College of Arts, Science and Technology (MCAST)

**Country Specific Recommendation:** (2014) CSR 3: Continue policy efforts to address the labour-market relevance of education and training and by stepping up efforts on the reform of the apprenticeship system. Further improve basic skills attainment and reduce early school leaving, in particular by finalising and implementing the announced national literacy strategy.

**Main Objectives:** The president of the MCAST board of governors stated that the aim of this reorganisation is to make students' learning more relevant.

**Target Groups:** All persons interested in VET that leads to Masters' level.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Start date for implementation of the measure:** The restructuring should be completed in three years' time, but the colleges will be established at the start of the 2015-2016 academic year.

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The restructuring was announced in June 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** 2014 CSR 3: Continue policy efforts to address the labour-market relevance of education and training 2015 AGS: Structural reforms at member state level: 1. Improving the dynamics in labour markets and tackling the high level of unemployment. 2015 NRP: 3.3 Employment, Education and Training: 3.3.2 Policies in response to the recommendation (Loosely related)

**Measure Updates total: 2**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Estonia</p> <p><b>Measure Title:</b> Scholarships for students introduced</p> <p><b>Description:</b> The measure entails scholarships for students with special needs, high achieving students, students studying in priority areas and students who have been raised in substitute homes. The sizes of the scholarships vary from EUR 100 to EUR 510 per month and are paid in higher education.</p> <p><b>Measure Time Period:</b> Mar 2014</p>	<p><b>Title:</b> Target group for smart specialisation scholarship in higher education widened</p> <p><b>What has changed:</b> Since autumn 2014 higher education students studying in priority areas (technology, engineering) could apply for smart specialisation scholarships. Since autumn 2015, the list of educational institutions and study programmes which give the right to apply for the scholarship is widened. Instead of five higher education institutions and 51 programmes, the students of seven institutions and 86 programmes can apply for the scholarships. The list of programmes was chosen together with Estonian Development Fund based on Entrepreneurship Growth Strategy. The scholarship covers programmes in information and communication technology, health technology and services and efficient use of resources. The same scholarship is also available in teacher training. The size of the scholarship for bachelors and masters students is EUR 160 per month. It is expected that around 1 000 students per</p>

	<p>year will receive it. Smart specialisation scholarship is also separately introduced for PhD students who may apply for EUR 422 per month. This is in addition to national PhD scholarships and it is possible to receive both scholarships simultaneously. The scholarships will be financed from EU funds. Development and further discussion of the smart specialisation programme will be coordinated by a committee consisting of several Government, State Chancellery, Council of Chancellors (heads of higher education institutions), and employer representatives.</p>
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Reform of the University Act 2002</p> <p><b>Description:</b> Main focus of the reform is the transition of the University funding according the principle of a capacity-based, student-oriented University funding. After a pilot phase in the performance agreement period 2013-2015, the capacity-based, student-oriented University funding will be partly implemented in the next period (2016-2018) and fully implemented by 2019. Further measures include amongst others a limitation of student places in selected subjects (architecture and urban Design, computer science, biology and bio-chemistry, pharmacy, economics; temporary until 2015) and the implementation of new professorships in study subjects with high demand</p> <p><b>Measure Time Period:</b> Apr 2013</p>	<p><b>Title:</b> Government proposal Reform of the University Act</p> <p><b>What has changed:</b> The planned reform includes staff related provisions as well as more general higher education policy measures, such as the extension of the existing access rules (including limits on university places) and new requirements for the University Councils. The planned reform on the existing access rules is based on an evaluation. Results of this evaluation show an increase in universities degrees and a decline in the average duration of studies since limits on numbers of university places got introduced for selected subjects. The evaluation recommends an improvement of the quality criteria for the selection process and a continuation for a limited period (cf. Unger, Martin et. al., <i>Evaluierung der Aufnahmeverfahren nach §14h UG 2002</i>, Wien, 2015).</p>

### 8.3 Lifelong learning measures (including continuing training, training vouchers, individual training accounts (1 new measures)

#### New Adult Education Act to update regulatory framework for training providers

**Country:** Estonia

**Description:** On the 18 February 2015, the Parliament approved the new Adult Education Act which introduces new regulatory framework for adult education. Changes took effect as of the 1 July 2015. The act aims to increase quality and transparency in adult education provision and support learning among adults through widening the system of study loans and health insurance for students. Some of the highlights from the new act are: Previously, an education licence was needed in case continuing education was provided for longer than 120 hours or six months in a year. Now, the continuing education provider has to submit only a notice of economic activities (excluding some specific courses, like driving courses for example), which is easier and less time-consuming for the education providers as well as the Ministry of

Education and Research. The Ministry starts to collect statistics about continuing education providers and trainings/courses offered, and the providers are now obliged to provide the data to make the training market more transparent. Currently, only the Ministry of Education and Research may submit a request for the provision of state commissioned continuing education (student places financed through state budget), but the new Act allows other Ministries to request it as well. Moreover, previously only vocational education institutions had the right to provide state commissioned education, now it can be requested from other providers as well. Study leave regulations have not changed (up to 30 days a year of which 20 days can be remunerated based on average wage of the employee). However, study leave for additional training does not have to be related to specific job of the employee but the aim can be to acquire skills necessary in the labour market more generally.

**Institution Responsible:** Ministry of Education and Research

**Main Objectives:** The main aim is to organise the system of additional training in Estonia, increase transparency and quality in adult training system.

**Target Groups:** Organisations providing adult training, adult learners, employers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Adult Education Act,  
<https://www.riigiteataja.ee/akt/110062015010>

**Date of adoption:** 18 February 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 July 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Some activities funded from EU resources (ESF), part of activities from state budget

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** In order to improve qualifications of Estonian labour force and the match between education and training and the labour market, the Estonian NRP outlines the need to coordinate the planning of adult learning. The NRP also refers to quality of adult learning which are addressed with the new act.

---

**Measure Updates total: 5**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> Vocational training and motivation to achieve employability (Pro-Mo-Pri)</p> <p><b>Description:</b> The Project includes: Motivation; vocational training, training for the acquisition of key competences "Social and civic competences" and "Enterprise and Entrepreneurship"; training of trainers of adults, including mentors.</p> <p><b>Measure Time Period:</b> Mar 2014</p>	<p><b>Title:</b> Programme finished in 2014.</p> <p><b>What has changed:</b> This programme finished in 2014. Dual training of the unemployed were included in the project activities.</p>

<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> From Training to Employment</p> <p><b>Description:</b> A Project that includes vocational training, key competence training, motivation and subsidised employment. It should result in favour a better quality of the workforce and will contribute to reduce unemployment in some regions in Bulgaria.</p> <p><b>Measure Time Period: Mar 2014</b></p>	<p><b>Title:</b> Programme has finished and the monitoring data for its results were published in February 2015</p> <p><b>What has changed:</b> No changes in the design of the programme and in organisation of its implementation.</p>
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> BG051PO001-2.1.14 'I Can More'</p> <p><b>Description:</b> Due to the high interest in the already completed initiative "I Can" in 2010 the measure "I Can More" was implemented in 2011. The deadline for applying was 21 May 2011 and the end date of the procedure was 31 October 2012. The interest was high and the measure will continue in 2013. Although the duration of the measure has been extended, it is still considered as temporary and there are no announcements for changing this status. Between 50 000 and 60 000 employed are planned to be enrolled in professional qualification, digital competence and foreign languages training courses in 2013. Preliminary data of the Employment Agency show that the number of submitted requests for the next year (the deadline was 2 November 2012) may exceed the planned number.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Monitoring data released.</p> <p><b>What has changed:</b> The interest towards the voucher scheme is high and the scheme will be completed at the end of 2015.</p>
<p><b>Country:</b> Estonia</p> <p><b>Measure Title:</b> New Lifelong Learning (LLL) Strategy 2020 approved</p> <p><b>Description:</b> This is a new overarching education strategy encompassing all education fields. In contrast, all education fields (school education, Vocational Education and Training (VET), adult education, higher education) were earlier regulated by separate strategies. The new LLL strategy aims to provide learning opportunities for all Estonians according to their needs and capabilities throughout their life. The strategy set five major objectives:</p> <ul style="list-style-type: none"> <li>• a changed approach to learning: all education levels should provide learning according to individual needs of learners, facilitating social development, critical thinking, creativity and entrepreneurship at the same time;</li> </ul>	<p><b>Title:</b> Lifelong Learning Strategy complemented with more detailed action plan and thematic programmes</p> <p><b>What has changed:</b> In March 2015, the Government approved a more detailed action plan of Estonian Lifelong Learning Strategy with specific monitoring benchmarks and budget during 2015-2018. In total, more than EUR 2.5 billion will be allocated to LLL during the following four years. The action plan was complemented by thematic programmes outlining more specific aims, priorities and activities in eight areas. These include: adult learning, school infrastructure, digital turn, teachers and school leaders, stronger connections between learning and labour market, educational and career counselling, vocational education and higher education. While the Lifelong Learning Strategy takes a longer perspective towards 2020, the thematic programmes take a more</p>

<ul style="list-style-type: none"> <li>• competent and motivated teachers and school leaders: the work of teachers and leaders should be evaluated based on the actual outcomes and compensated accordingly (fairly);</li> <li>• achieving compatibility of learning opportunities and the needs of the labour market: the available learning opportunities should be flexible, diverse, high quality and correspond to the needs of the labour market as well as contribute to the increased share of individuals with a professional qualification;</li> <li>• development of digital learning: learners and teachers are using digital learning opportunities reasonably and effectively, this facilitates the implementation of a new learning approach and development of learning skills;</li> <li>• increasing participation in learning and effective financing.</li> </ul> <p>The Ministry of Education and Research will implement five thematic programmes (corresponding to the five objectives) to outline the specific implementation of the objectives. Also, the Ministry of Education and Research will develop a separate programme for each education field: general education, vocational education, higher education, adult education.</p> <p><b>Measure Time Period: Mar 2014</b></p>	<p>specific form and outline activities and priorities in a shorter perspective, during 2015-2018.</p>
<p><b>Country:</b> France</p> <p><b>Measure Title:</b> Creation of an individual training account</p> <p><b>Description:</b> The last initiative opened to debate is about lifelong training and could be revolutionary in a mid-term perspective: the creation of an individual training account offering rights to the person and not to their status (employee, jobseeker, student etc.).</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> September 2015: new update</p> <p><b>What has changed:</b> The list of training actions accessible through the personal training account are progressively enriched with the contributions of each Joint National Committee for Employment (CPNE) at the branch level. In February, they covered 40 % of employees. Since 1 January 2015, the personal training account financed 2 000 training actions, which is few compared to the huge expectations and communication on the subject. 1.5 million of 23 million workers have activated their online account.</p>

#### 8.4 Apprenticeships and vocational education training systems (including traineeships and school-to-work transitions) (16 new measures)

##### Transfer of responsibility over VET schools to the Ministry of National Economy

**Country:** Hungary

**Description:** The most notable change in 2015 is the transfer of responsibility of VET schools from the Ministry of Human Capacities (traditionally responsible for public education) to the Ministry of National Economy (MNE). This means that according to the Government Decree 120/2015, effective 1 July 2015, both the professional and the administrative governance of around 300 VET schools fall under the authority of the MNE. The Minister announced that by August, 2015 the 300 VET schools have been organised into 44 vocational centres and that the transfer process has successfully been completed.

**Institution Responsible:** Ministry of National Economy, Klebelsberg Institution Maintenance Centre

**Main Objectives:** A general objective of the government's VET policy is to more closely align the educational objectives with the labour market demand. The transfer of responsibilities represents a further move in this direction.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Government decree 120/2015 (V.21.) and Government decree 146/2015 (VI.22)

**Date of adoption:** 21 May 2015 and 22 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 July 2015

---

### **Increase of apprenticeship training in vocational and higher education**

**Country:** Estonia

**Description:** In August 2015, a support package for vocational education was approved with the aim to increase apprenticeship training in vocational education. This is in line with the programme for increasing labour market relevance of education in the framework of Lifelong Learning Strategy 2020. According to the programme, the aim is to raise the number of students in apprenticeship training gradually from 700 in 2015 to 5 200 by 2018. The aim is to provide students with working experience and bring learning and work in vocational education closer together. A person participating in the apprenticeship program will spend two thirds of time directly at the workplace under a supervisor. In previous year there were 617 apprenticeship students in vocational education and thus the new programme would considerably widen this type of learning arrangement. Apprenticeship training mostly functions in cooperation with large companies. The new programme aims to develop a cooperation framework for small enterprises as well. Apprenticeship training will also be piloted in higher education.

**Institution Responsible:** Ministry of Education and Research

**Country Specific Recommendation:** (2015) CSR 3: Increase participation in vocational education and training, and its labour market relevance, in particular by improving the availability of apprenticeships.

**Main Objectives:** The aim is to raise the share of apprenticeship training in Estonian education, improve labour market relevance of vocational and higher education.

**Target Groups:** Students in vocational and higher education, employers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015-2020

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** EU co-funded project

---

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The activities are implemented under the framework of the programme for increasing labour market relevance of education system. The programme monitors implementation of the activities during 2015-2018 with annual reporting.

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** No

**Budget:** EUR 13 261 300 during 2015-2018 (annual revision of budget foreseen)

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** AGS suggests that vocational training and dual education systems should be upgraded to provide young people with the necessary skills sets. The activities are a step towards increasing the share of dual learning (learning combined with work experience). The activities are also directly in line with CSRs in both 2014 and 2015. These have suggested to Increase participation in vocational education and training, and its labour market relevance, in particular by improving the availability of apprenticeships. The need to develop apprenticeship training in vocational and higher education has been directly referred in Estonian NRP.

---

### **Expansion of Apprenticeship**

**Country:** Ireland

**Description:** On the 30 July 2015, Jan O'Sullivan, the Minister for Education and Skills, and Damien English, Minister for Skills, Research, and Innovation announced the proposals for 25 new categories of apprenticeships. The expansion follows an evaluation process undertaken by the Apprenticeship council.

**Institution Responsible:** SOLAS

**Country Specific Recommendation:** (2014) CSR 3: Advance the ongoing reform of the further education and training (FET) system, employment support schemes and apprenticeship programmes. Offer more workplace training; improve and ensure the relevance of FET courses and apprenticeships with respect to labour market needs.

**Main Objectives:** Expansion of Apprenticeships to include 25 new categories.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The proposed apprenticeships are currently at a development stage.

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Advance the ongoing reform of the FET system employment support schemes and apprenticeships programmes, Offer more workplace training; improve and ensure the relevance of FET courses and



apprenticeships with respect to labour market needs.

---

### **FET Service Plan 2015**

**Country:** Ireland

**Description:** The Further Education and Training (FET) Services Plan for 2015 sets out the range and volume of provision that will be provided by the FET sector in 2015, funded by SOLAS with a grant from the Department of Education and Skills (DES). The Plan provides for a total budget allocation of EUR 643.5 million and it is estimated that 369 523 places will be made available for learners.

**Institution Responsible:** SOLAS

**Country Specific Recommendation:** (2014) CSR 3: Advance the ongoing reform of the further education and training (FET) system, employment support schemes and apprenticeship programmes. Offer more workplace training; improve and ensure the relevance of FET courses and apprenticeships with respect to labour market needs.

**Main Objectives:** With respect to the FET reform process, the plan contains a number of interesting aspects as an initiative, currently piloted in three Education and Training Boards, aimed at increasing the strategic planning capabilities within SOLAS and ETB sector. It is envisaged that programmes will be rolled out across the entire sector in 2016 which should, in principal, enhance the ability of SOLAS to implement the reforms outlined in its 2014-2019 strategy (SOLAS, 2014) across the entire ETB sector.

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Strategy

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Budget:** 643 million

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Advance the ongoing reform of the FET system employment support schemes and apprenticeships programmes, Offer more workplace training; improve and ensure the relevance of FET courses and apprenticeships with respect to labour market needs.

---

### **New plan for apprenticeship system**

**Country:** France

**Description:** Change in the probationary period of 45 days of working at the company (to better enable employers to evaluate the candidate). Before the law, the probationary period was two months which took account of both the time in the company and the time at school). Change in the financial support with more simplification: it is now easier for employers of less than 250 employees to have financial aid - financial aid for Very Small companies (less than 11 employees) for hiring of young under 18 years old. The aid must compensate the apprentices cost (EUR 368 per month). The aid can be used with other measures

**Institution Responsible:** Apprenticeship training centres

**Country Specific Recommendation:** (2014) CSR 7: Ensure that active labour market policies effectively support the most vulnerable groups. Improve the transition from school to work, in particular by stepping up measures to further develop apprenticeship with a specific emphasis on the low-skilled

**Main Objectives:** To encourage the development of apprenticeship contracts

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law on social dialogue and employment, called the Rebsamen law (for partly)

**Date of adoption:** 17 August

**Is the measure being enforced?** Yes

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The plan has been announced in May and some measures have been introduced into law

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Regions, state

**Is there a specific budget allocated to the measure?** Yes

**Budget:** The global cost has been estimated at EUR 350 million.

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** In theory, the link with CSR 7 can be made but the measure does not particularly emphasize the low qualified; the measure just emphasises incentives to involve more apprentices

---

### **Amendments to vocational education law**

**Country:** Latvia

**Description:** The amendments include the following: 1) Sectoral expert councils to be established to advise on the needed number of students, the planning and development of educational programmes and licensing and accreditation of vocational education institutions; 2) Establishment of a council at each institution, consisting of the director of the vocational education institution, municipality and ministry representatives as well as employer representatives. The council will advise on strategic development of the institution as well as to serve as a hub between employers and students.

**Institution Responsible:** Ministry of Education and Science.

**Country Specific Recommendation:** (2015) CSR2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

**Main Objectives:** The main objectives are to improve the quality of vocational education and to ensure a more efficient link between vocational education and the labour market.

**Target Groups:** Vocational education students

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Vocational education law

**Date of adoption:** 23 April 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 15 May 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

---

### **Changes in the curricula of vocational general education**

**Country:** Latvia

**Description:** The changes in the content of vocational general education are as follows: 1) Physics, Chemistry, Natural Science will be compulsory subjects as opposed to elective courses at present. Also, the number of science-related subject classes will be increased (105 classes for now); 2) Compulsory health education; 3) Compulsory centralised examinations and 1 optional centralized examination.

**Institution Responsible:** Ministry of Education and Science.

**Country Specific Recommendation:** (2015) CSR2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

**Main Objectives:** The main objectives are to enhance further education and career opportunities for vocational education institution students and to ensure a unified approach to general secondary and general vocational education students.

**Target Groups:** General vocational education students.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Legal reference:** The draft regulation of the Cabinet of the Ministers discussed in the State Secretaries' meeting on 28 May 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

---

### **Funding for state stipends to vocational education institution students**

**Country:** Latvia

**Description:** The Ministry of Education and Science has allocated funding to provide larger scholarship for vocational education institution students for the fourth quarter of 2015 and all year 2016. Until September, the average scholarship was EUR 15.23 per month; now, it will be higher. These stipends effectively replace stipends previously funded by the ESF.

**Institution Responsible:** Ministry of Education and Science.

**Country Specific Recommendation:** (2015) CSR2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships.

---

Ensure that the new financing model of the higher education system rewards quality.

**Main Objectives:** The main objective is to increase the appeal and accessibility of vocational education.

**Target Groups:** Students of vocational education institutions.

**Duration of measure:** Temporary

**If temporary, how long will it run for?** From September, 2015 to 2016.

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** In force from September, 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** EUR 2.5 million in 2015, EUR 7.5 million in 2016.

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 2: Improve vocational education and training, speed up the curricula reform and increase the offer of apprenticeships. Ensure that the new financing model of the higher education system rewards quality.

---

### **Strengthening the links between VET and labour market needs**

**Country:** Lithuania

**Description:** In July, the Minister for Education and Science approved general vocational education and training plans for the next two years. The plans provide for more opportunities for students to undergo on-the-job training, a broader range of apprenticeship programmes, and a possibility of modular vocational education and training.

**Institution Responsible:** Ministry of Education and Science

**Country Specific Recommendation:** (2014) CSR 3. Address persistent skills mismatches by improving the labour market relevance of education inter alia based on skills forecast systems and promote lifelong learning. In order to increase the employability of young people, prioritise offering quality apprenticeships, other forms of work based learning, and strengthen partnership with the private sector.

**Main Objectives:** To have VET system that meets student needs and matches employer requirements.

**Target Groups:** Youth

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015-2017

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** July 2015

**If not law, what type of measure is it?** General vocational education plans for the years 2015-2016 and 2016-2017, set by the Ministry of Education and Science

**State of play: Enacted into law?** Started to apply since 1 September 2015

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** General monitoring of the education policy

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** AGS: to ensure the responsiveness of skills to labour market signals; improvement of vocational training and dual education systems CSR3

2014: address persistent skills mismatches by improving the labour market relevance of education; [...] prioritise offering quality apprenticeships, other forms of work based learning, and strengthen partnership with the private sector. NRP: Reduction in the mismatch between demand and supply of skills and competence

---

### **Adoption of the VET concept**

**Country:** Hungary

**Description:** The Government decree calls upon the respective Institutions to \*start\* planning the implementation details of the measures outlined in the VET Concept accepted in December, 2014. The Concept's starting point is that there is a shortage of skilled workers and that the number of VET students has dropped dramatically in the past two decades. The number of those skilled workers that are expected to retire in the near future is also sizeable. To address these problems, the document defines the main objectives in the field of VET for the next few years.

**Institution Responsible:** Ministry of National Economy

**Country Specific Recommendation:** (2014) CSR 6: Implement a national strategy on early school leaving prevention with a focus on drop outs from vocational education and training. Put in place a systematic approach to reducing educational segregation and to promote inclusive mainstream education for disadvantaged groups, in particular Roma. Support the transition between different stages of education and towards the labour market, and closely monitor the implementation of the vocational training reform. Implement a higher education reform that enables greater tertiary attainment, particularly by disadvantaged students.

**Main Objectives:** 1. To serve the demand of the economy through increasing the number of skilled workers; 2. To strengthen the dual vocational education through focusing on practice-oriented skills and as a by-product decreasing early-school leaving, 3. To contribute to the attractiveness of vocational education to increase the number of students entering VET schools and 4. To improve the quality of the VET system.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** [Government decree 1040/2015 (II.10) on the implementation of the concept of 'Vocational Education Serving the Economy']

**Date of adoption:** 10 February 2015

**Start date for implementation of the measure:** 31 March 2015

**Steps taken to monitor the implementation of the measure:** Unknown

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Though the link is not entirely clear, the measure responds to parts of the CSR6 and CSR5: CSR6: '[...]Support the transition between different stages of education and towards the labour market, and closely monitor the implementation of the vocational training reform[...]' CSR 5: '[..] strengthen measures to facilitate the transition between different stages of education and to the labour market, and improve the teaching of essential competences.'

---

### **Apprenticeship - Additional grant**

**Country:** Malta

**Description:** As part of the reform of the apprenticeship system (which started in August 2014), in July 2015 MCAST together with the Ministry for Education and Employment announced the increase of the maintenance grant by a monthly EUR 232.94 for MCAST apprentices placed with a sponsor during the summer months.

**Institution Responsible:** MCAST together with the Ministry for Education and Employment

**Country Specific Recommendation:** (2014) CSR 3: Continue policy efforts to address the labour-market relevance of education and training and by stepping up efforts on the reform of the apprenticeship system. Further improve basic skills attainment and reduce early school leaving, in particular by finalising and implementing the announced national literacy strategy.

**Main Objectives:** Aims to retain more people into the apprenticeship system and improve the quality of apprenticeship training by encouraging their exposure to industry.

**Target Groups:** Apprentices

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Summer 2015

**If not law, what type of measure is it?** Increase in stipend

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** 2014 CSR 3: Stepping up efforts on the reform of the apprenticeship system 2015 NRP 3.3.2 Policies in response to the recommendation: Addressing the labour-market relevance of education and training (indirectly related) 2015 AGS: Structural reforms at member state level: 1. Improving the dynamics in labour markets and tackling the high level of unemployment.

---

### **Centralisation of knowledge institutions in VET**

**Country:** Netherlands

**Description:** The 17 knowledge centres for VET are being replaced by a new national organization (SBB, the organisation for cooperation of VET and business associations, founded in 2012). From 1 August. 2015, SBB is responsible for the revision of the qualification files; the data provision of data on macro-efficiency of training and education; and the quality of the infrastructure of work based learning.

**Institution Responsible:** SBB

**Target Groups:** Students (500 000) and workers (the board of the organisation is representing both public and non-public education)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** *Wet Educatie beroepsonderwijs*, VET-Act, was revised.

**Date of adoption:** 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 August 2015  
**Steps taken to monitor the implementation of the measure:** Yes  
**What are the monitoring arrangements in place?** Evaluation of SBB in 2017.  
**Funding Sources:** Government  
**Is there a specific budget allocated to the measure?** Yes  
**Budget:** EUR 50 million  
**Policy recommendations that the measure responds to:** None

---

### **Governmental program of student internships in public administration**

**Country:** Poland

**Description:** Chancellery of the Prime Minister launched the programme aimed at creating internships for students. Internships are an opportunity for young people to acquire a first work experience and competencies and skills sought by employers. Participants will learn skills such as planning, effective communication, teamwork and service of office equipment. These experiences will help them in start in the labour market.

**Institution Responsible:** The Chancellery of the Prime Minister

**Country Specific Recommendation:** (2014) CSR 2: Strengthen efforts to reduce youth unemployment, in particular by further improving the relevance of education to labour market needs, increasing the availability of apprenticeships and work based learning places and by strengthening outreach to unregistered youth and the cooperation between schools and employers, in line with the objectives of a youth guarantee

**Main objectives:** According to the programme, the government administration and its subordinate units and supervised for every 20 employees should be submitted at least one seat for student internship in a calendar year. Small offices, which employ fewer than 20 employees, will themselves decide on the organization practices. Most of the student internship lasts for three months.

**Target Groups:** Students

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Decision of the Council of Ministers of 3 March 2015/ *Decyzja rady Ministrów z dnia 3 marca 2015*

**Date of adoption:** April 2015

**Is the measure being enforced?** Yes

**If not law, what type of measure is it?** Governmental programme

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** None

---

### **Internship program 'Building the value of the Polish economy. Work for us!**

**Country:** Poland

**Description:** The programme was initiated by the Ministry of the Treasury in collaboration with key state-owned companies and academia. Internships have been implemented in the largest companies with the Treasury, including the leaders in the

following industries: energy, petrochemical, mining, armaments and financing activities. In this year's edition of the contest, winners will start internships in the Industrial Development Agency, Bank Gospodarstwa Krajowego, Group ENEA, Energa SA Capital Group Azoty, Grupa Lotos SA, KGHM Polish Copper SA National Sugar Company SA PERN 'Friendship' SA, PGE Polish Energy Group, PGNiG, PKN ORLEN SA, PKO BP SA, PKP Cargo SA, Poland Armaments Group SA, PZU SA, TAURON Poland Energia SA

**Institution Responsible:** The Ministry of Treasury

**Country Specific Recommendation:** (2014) CSR 2: Strengthen efforts to reduce youth unemployment, in particular by further improving the relevance of education to labour market needs, increasing the availability of apprenticeships and work based learning places and by strengthening outreach to unregistered youth and the cooperation between schools and employers, in line with the objectives of a youth guarantee

**Main Objectives:** The main objective of the programme is to provide substantive internships and enable graduates to work with experts from the industry. Internships are designed by young people gaining practical work experience, develop their interests in the field of study and help them start their careers.

**Target Groups:** Students

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2015

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Internship programme in state-owned/controlled companies

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Internships paid by the companies

**Policy recommendations that the measure responds to:** None

---

### **Apprenticeships Funding**

**Country:** United Kingdom

**Description:** The incoming Conservative government announced plans to increase the number of high quality apprenticeships aiming to create 3 million apprenticeship places (at all levels) by 2020. This will be partly funded by the introduction of an apprenticeship levy on business, set to be introduced in 2017 but subject to a consultation exercise that opened in late August.

**Institution Responsible:** Department for Business, Innovation and Skills (BIS).

**Country Specific Recommendation:** (2014) CSR 3 (i) Ensure employer engagement by placing emphasis on addressing skills mismatches through more advanced and higher level skills provision and furthering apprenticeship offers. (ii) Reduce the number of young people with low basic skills.

**Main Objectives:** To meet the future skills needs of industry by boosting the numbers and raising the quality of apprenticeships, with industry playing a more direct role in their funding through a levy system.

**Target Groups:** Young people will be the main beneficiaries of the expanded provision but places will be open to older applicants.

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The government has set targets for 2020 or the current life of the parliament, though if the plan is successful (particularly the



levy) it is likely to be continued beyond this date.

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** The levy will be enshrined in a Bill but the content and timing has yet to be announced and is unlikely before then end of 2015.

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** The funding will be from the Apprenticeship Fund and from the proposed levy but the latter value has not been set and subject to a consultation exercise.

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** The proposed increase in number and quality of apprenticeships directly addresses 2014 CSR 3(I) and 2015 CSR 3.

---

### **Degree Apprenticeships**

**Country:** United Kingdom

**Description:** A new higher level of apprenticeship training, the Degree Apprenticeship, is to be rolled-out nationally from September 2015. These qualifications will be focused initially on five sectors: chartered surveying; electronic systems engineering; aerospace engineering, aerospace software development; defence systems engineering; laboratory science; nuclear; power systems; and public relations. These are in addition to pilot degree apprenticeships in digital; automotive engineering; banking relationship manager; and construction which will be retained as options. Apprentices will split their time between university and the employer with costs shared between the state and the employer.

**Institution Responsible:** Department for Business, Innovation and Skills (BIS).

**Country Specific Recommendation:** (2014) CSR 3 (i) Ensure employer engagement by placing emphasis on addressing skills mismatches through more advanced and higher level skills provision and furthering apprenticeship offers. (ii) Reduce the number of young people with low basic skills.

**Main Objectives:** To raise the level of vocational training with these higher level apprenticeships that can be for first and masters levels, in potentially shortage occupations.

**Target Groups:** Youth

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The announcement of the new degree apprenticeships was made in March 2015 under the Coalition government with intakes starting from September 2015.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** The degree apprenticeships will be part funded from the apprenticeships budget and so will come under the scrutiny of BIS and the Apprenticeship service.

**Update frequency of monitoring arrangements:** Annual

**Funding Sources:** The funding will be jointly from the state (apprenticeships fund) and employer (including a wage). The apprentice will not pay any student fees.

**Is there a specific budget allocated to the measure?** Yes

**Budget:** Not clear - within the overall apprenticeships budget.

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Directly addresses 2014 CSR 3(I) on raising the quality of apprenticeship and better meeting the needs of industry and also the employer involvement addresses 2015 CSR 3 on skills mismatches and employer engagement.

**Measure Updates total: 3**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> BG051PO001-3.1.10 'Improving the quality of vocational training'</p> <p><b>Description:</b> The activities planned for achieving the overall and specific objectives: a) analysis of the current situation and identification of the learning needs of the personnel in the Vocational Training Centres (VTC); b) development of specialised manuals for the managerial and training personnel of VTC for improving the methodology and methods for planning organisation and delivery of vocational training for different target groups; c) holding workshops and work with focus groups of representatives of the managerial and training personnel in the VTC to discuss the manuals; d) publication and dissemination of manuals; e) training of the personnel of the VTC on approaches, methods, instruments and techniques included in the manuals.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Monitoring data released.</p> <p><b>What has changed:</b> In 2014 the activities were accelerated and two manuals were published. The first is to be used by training managers and the members of the Specialised Council at the Centre for Professional Education. The second will be in favour of the teacher and/or tutors with this Centre for Professional Education.</p>
<p><b>Country:</b> France</p> <p><b>Measure Title:</b> Law on training system</p> <p><b>Description:</b> The Law encompasses the following:</p> <ul style="list-style-type: none"> <li>• Simplification of the contribution rate for the training system by maintaining only two rates: one for enterprises with less than 10 employees (0.55 %) and one for others (1 %) dedicated to financing collective measures e.g. CIF, the new personal Training Account or professionalisation contracts.</li> <li>• An end to the training tax on wages for companies with over 300 employees. The training tax is however maintained for smaller companies at a lower level: 0.4 % for enterprises with less than 10 employees, 0.2 % for those with 10 to 49 employees and 0.1 % for firms with 50 to 299 employees.</li> </ul>	<p><b>Title:</b> Sept 2015: implementation update</p> <p><b>What has changed:</b> 'Quality of training actions', the publication of one implementing decree of the training reform of 2014 (30 June 2015) regarding quality of training actions was very much expected. Organisations financing training actions (OPCA, OPACIF, the State, the Regions and the AGEFIPH) will have to select training companies which respect six quality criteria. This measure will enter into force 1 January 2017. Training funders will have to design a training actions catalogue referencing training companies that respect the quality criteria (assessment made by the training funders) or training companies that have been certified or labelled by the CNEFOP; encouraging and promoting quality certification processes is part of the CNEFOP mission, which is defined by the decree). OPCA and OPACIF will control the respect of the quality criteria. Unjustified irregularities results in no payment of training costs. By 2017, training funders will also</p>

<ul style="list-style-type: none"> <li>• Contribution is now collected by only one OPCA<sup>1</sup> while before, delivery could be to many of them;</li> <li>• Professional interview every two years and a balance every six years;</li> <li>• Access to advice and assistance in career guidance, carried out by five operators specialising in the Law.</li> <li>• Creation of the 'personal training account' CPF (in place of the DIF: <i>droit individuel à la formation</i>) funded by part of the contribution rate: 24 hours per year until 120 hours and then 12 hours per year until 150 hours, meaning that in seven and a half years, the quota of 150 hours is reached; 100 hours more delivered by employers (for enterprises with 50 employees and more) if they do not implement training actions and / or implement actions for recognised employees skills.</li> <li>• Creation of a new fund to finance social partner relations, for which a special contribution will be asked from enterprises (a tax on wages), from the state and OPCA.</li> <li>• Change in FPSSP<sup>2</sup> main sources of financing: the FPSPP will receive a contribution from enterprises to finance the personal training account, professionalisation contracts and the training contribution from enterprises with less than 10 employees and will be the main financing institution of unemployed CPF and collective actions dedicated to enterprises.</li> <li>• Decentralisation to the regions of the training system competency: new categories of people and/or actions like training for disabled people, the fight against illiteracy, people dealing with justice, health and social education and training system or early school leavers; new training centre certifications, coordination of collective training actions to unemployed people.</li> <li>• Simplification of governance bodies: at national level, merger of CNPFTLV and CNE into CNEFOP and at regional level, merger of CCREFP and CRE into CREFOP</li> <li>• Easier access to the certified training system for people facing the most difficulties: employees in CUI (<i>contrat unique d'insertion</i>) and employees hired</li> </ul>	<p>have to professionalise training companies, companies and individuals regarding quality of trainings by giving information on methods, tools and indicators regarding quality of training actions. The definition of the 'basic skills' basement, a decree published in February 2015, defines the content of this basement, which was introduced by the 2014 reform. It aims to identify the basic skills every individual needs to have in order to enter the labour market and to access further vocational training actions and, more broadly, to enable social, civic and cultural life. The 'basic skills' basement is made of seven modules, defined by the CNEFOP: communication in French, use of basic calculation rules and basic mathematical logic, use of common information technics and digital communication, ability to respect teamwork rules, ability to work independently and to achieve individual objectives, ability to learn to learn all life long, mastering movements and postures and respecting safety, hygiene and environmental basic rules. At the regional level, complementary modules can be added. The basement should give access to a certification, but the process is not yet defined.</p>
--	---

<sup>1</sup> Branch organizations responsible for collecting training funds

<sup>2</sup> Special fund created in 2009 to finance training courses for unemployed people.

<p>in SIAE (<i>structure d'insertion par l'activité économique</i>) will have a better access to the POE (<i>preparation opérationnelle à l'emploi</i>) allowing them to continue with an apprenticeship contract or professionalisation contract;</p> <ul style="list-style-type: none"> <li>• Negotiating a permanent contract between an employer and a young person in an apprenticeship is possible.</li> </ul> <p><b>Measure Time Period: Mar 2014</b></p>	
<p><b>Country:</b> Slovakia</p> <p><b>Measure Title:</b> VET reform to launch dual education scheme</p> <p><b>Description:</b> A reform of the law on vocational education and training (VET) is under preparation. The new law is expected to set legal conditions for a dual system of VET, where theoretical education will be provided in vocational schools and practical training will take place in enterprises. The dual system is currently tested in a pilot project.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p><b>Title:</b> Dual scheme launched on 1 September</p> <p><b>What has changed:</b> The new dual education scheme in secondary VET was officially launched on 1 September. Preliminary data by the Ministry of Education from August show that 97 employers have joined the scheme, mostly from the engineering sector. Precise numbers of employers and students shall become available in September.</p>

## 8.5 Other education and training system measures (4 new measures)

### Early language support in institutional childcare facilities

**Country:** Austria

**Description:** In 2012, an agreement on early language support in institutional childcare facilities was made between provinces and federal government. With the start of the kindergarten year 2015/16, the agreement is extended for three further years. The federal government increases the budget (2012 - 2014: EUR 15 million) and will invest a maximum of EUR 60 million in these three years. The co-financing agreed between the federal government and the provinces follows a formula of two to one, meaning that the provinces are expected to invest another EUR 20 million over the next three years.

**Institution Responsible:** Federal government and provinces

**Country Specific Recommendation:** (2015) CSR 2: Take steps to improve the educational achievement of disadvantaged young people.

**Main Objectives:** When entering school, the language skills of children should meet the educational standards for speech and language skills

**Target Groups:** Children

**Duration of measure:** Temporary

**If temporary, how long will it run for?** Until 2017/2018

**Has the measure been enacted into law?** Yes

**Legal reference:** *Vereinbarung gemäß Art. 15a B-VG über eine Änderung der Vereinbarung Gemäß Art. 15a B-VG über die frühe sprachliche Förderung in institutionellen Kinderbetreuungseinrichtungen*

**Date of adoption:** March 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** kindergarten year 2015/16

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Internal evaluation, based on annual reports of the provinces, in 2019.

**Update frequency of monitoring arrangements:** 2019

**Funding Sources:** Budget of the federal government and of the provinces.

**Is there a specific budget allocated to the measure?** Yes

**Budget:** Federal government: EUR 20 million per year

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 2: Take steps to improve the educational achievement of disadvantaged young people.

**Support for education of training for tolerated foreigners to begin earlier**

**Country:** Germany

**Description:** In August, the Federal Government presented a draft law that aims at amending Social Code III (SGB III) regulations and the Federal Student's Assistance Act (BAFöG) to help tolerated foreigners to complete educational training. According to this, training support measures according to Social Code III shall be made accessible for refugees. Refugees shall be allowed to require benefits according to Social Code III and BAFöG after 15 months of residence instead of four years. Initially, this regulation was planned to come into force in August 2016. With the draft law, it will be adopted earlier.

**Institution Responsible:** PES and Student Services

**Country Specific Recommendation:** (2014) CSR 2: Raise the educational achievement of disadvantaged people.

**Main Objectives:** Prevent that tolerated foreigners (*Geduldete*) stop their education and training.

**Target Groups:** Immigrants (High-skilled/Low skilled)

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Legal reference:** Draft Law Source: Bundesrat Bundesdrucksache 344/15

**Date of adoption:** Draft Law of 14 August 2015

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Draft Law

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

---

### **Regulation of professions**

**Country:** Czech Republic

**Description:** The ministry of schooling was recently charged with addressing the issue of regulated professions: The Czech Republic has the highest number of professions (occupations) that require some sort of certificate or specific licence, limiting access to such professions. The Ministry has conducted several public consultations in which the representatives of the regulated professions and industries, whose interest it is to keep regulation in place, have suggested that there is no need for deregulation.

**Institution Responsible:** Various ministries

**Main Objectives:** To make the labour market more flexible

---

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**If not law, what type of measure is it?** It is still to be considered. There are various types of regulations in this area.

**What are the monitoring arrangements in place?** Poor monitoring. Only ad-hoc survey run several years ago

**Policy recommendations that the measure responds to:** Decrease regulation of professions

**Recommendation details:** We have requested reports on this process from the ministry, but did not receive any information thus far.

**Measure Updates total: 4**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Bulgaria</p> <p><b>Measure Title:</b> BG1PO001-1.1.10 'Qualification and motivation for competitive position in the labour market'</p> <p><b>Description:</b> The measure is directed towards persons far from the labour market who need also motivation and assistance in drafting their individual plans for transition to employment and for professional carriers.</p> <p><b>Measure Time Period:</b> Oct 2012</p>	<p><b>Title:</b> Monitoring data released. The Programme is finished.</p> <p><b>What has changed:</b> In September 2014 the financial resource for the Programme was reduced together with the target and output indicators.</p>
<p><b>Country:</b> Germany</p> <p><b>Measure Title:</b> Law on the recognition of qualification of immigrants</p> <p><b>Description:</b> Since April 2012 a new law on the recognition of qualifications is in force, which focuses mainly on the right of immigrants for getting the possible approval of their qualifications verified, in particular in relation to vocational qualifications, although university degrees in some occupations (e.g. doctors, lawyers, pharmacists) fall under this law, too.</p> <p><b>Measure Time Period:</b> Oct 2012 – Sep 2012</p>	<p><b>Title:</b> Draft law to ease implementation</p> <p><b>What has changed:</b> In June, following EU Guideline 2005/36/EG, the Federal Government presented a draft law to change the law on the recognition of qualifications. With this law the recognition of qualifications shall be modernised and simplified by means of electronic transmission. In 2013, around 16 700 qualification recognition cases were registered. Most qualifications had been obtained in Poland (1 700), Romania (1 500) and Russia (1 000). For the most part, applicants were of German (2 600), Polish (1 300), Romanian (1 300), Spanish (800), and Russian (700) nationality. From the 80 % of cases that had been decided on, 75 % were assessed as being fully equivalent to the corresponding German qualification. 4 % of applications were refused, the remaining cases were assessed as being partially equivalent. 78 % of these cases referred to the recognition of health qualifications.</p>
<p><b>Country:</b> Croatia</p>	<p><b>Title:</b> Implementation of the Strategy of Education, Science and Technology</p> <p><b>What has changed:</b> Implementing activities</p>

<p><b>Measure Title:</b> Strategy of Education, Science and Technology</p> <p><b>Description:</b> The Strategy regulates further development in five main areas: lifelong learning, early and preschool, primary and secondary education, higher education, adult education, science and technology. The Strategy brings significant changes to the overall education system, primarily when it comes to duration of the primary education, which should be prolonged to nine years, with no changes in the duration of the secondary.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p>started. In November 2014 intense activities concerning the Strategy's implementation started.</p> <ul style="list-style-type: none"> <li>• An expert committee for the Strategy's implementation and specific working groups for the implementation of the Strategy's specific areas were formed.</li> <li>• An implementation time frame has been developed.</li> <li>• Discussions on the reform of school and university programs started, as well as other preparatory activities.</li> </ul> <p>Of altogether 336 measures, 9 have been implemented until today, while 97 are currently in the process of implementation. Some of the important projects currently in the initial phase include: external evaluation of schools, occupational standard development and the development of teachers and school principals' qualification standards, development of ethical standard for schools, revision of study programs, improvement of higher education system social dimension, higher education internationalization, improvement of adult education, etc.</p>
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Basic education and catch up compulsory education</p> <p><b>Description:</b> In 2011, an agreement on the promotion of measures in the field of basic education and catch up compulsory education was completed between provinces and Federal Government for the years 2012 to 2014. In December 2014 a further agreement on the extension of the existing agreement until 2017 was decided. With this program low qualified young people and adults can take part in qualification measures with uniform nationwide quality standards free of charge.</p> <p><b>Measure Time Period: Dec 2014</b></p>	<p><b>Title:</b> Call for projects for the extension of basic education offers within the 'initiative adult education'</p> <p><b>What has changed:</b> In April 2015, the Federal Ministry of Education and Women's Affairs published a call for projects for the extension of basic education offers within the 'initiative adult education'. The call comes under the European Social Fund Operational Programme Employment.</p>

## 9 PA 6: Labour taxation (including undeclared work)

Under PA 6, nine countries introduced a total of 15 new policy measures between January and September 2015. The most popular type of reform was in the area of *Personal income taxes*. The following gives a breakdown of the new measures introduced in this policy area:

- Social security contributions (Latvia x 2, Belgium)
- Personal income taxes (Belgium, Hungary x 3, Lithuania, Estonia)
- Reducing undeclared work (France, Turkey)
- Other labour taxation related measures (Latvia, Austria x 2, former Yugoslav Republic of Macedonia)

There were seven updates to previously identified measures, in the following countries: the Czech Republic x 2; France; Austria x 2; Sweden; FYROM.

The new measures introduced represented 7 % of the total number of new measures. Ten out of 15 (67 %) were enacted into law. Of the 14 that specified a funding source eight required no funding, five mentioned state funding, and one specified EU co-funding.

The measures and measure updates are discussed in turn below.

### 9.1 Social security contributions (3 new measures)

#### **Postponement of new contribution on supplementary pensions**

**Country:** Belgium

**Description:** Since 1 January 2012, this contribution is paid by employers on contributions and premiums for the creation of supplementary pensions of both employees and self-employed. The implementation of this contribution is planned in two stages: an initial transitional regime until 31 December 2015, followed by a definitive system. In the transitional system, a social security special contribution (1.5 %) was introduced. The employer will have to pay this special contribution when, for at least one worker, the sum of the amounts paid to the creation of a supplementary pension and to death premiums exceed the annual threshold of EUR 31 212 for 2015. In the definitive system, the annual threshold will be replaced by a targeted pension which has not yet been defined. The entry into force of this definitive system, initially scheduled for 1 January 2016, was postponed to 1 January 2017.

**Institution Responsible:** ONSS and INASTI

**Country Specific Recommendation:** (2015) CSR 2: Adopt and implement a comprehensive tax reform broadening the tax base, shifting the tax burden away from labour and removing inefficient tax expenditures.

**Main Objectives:** Increase fiscal revenues by aiming at high income workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act containing various social legislation of 20 July 2015

**Date of adoption:** 21 August 2015

**Is the measure being enforced?** No

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required



**Policy recommendations that the measure responds to:** CSR 2 (2015)

**Minimum compulsory social insurance contribution requirement**

**Country:** Latvia

**Description:** As of 2018, there will be a minimum compulsory social insurance contribution requirement for all employees. The new model anticipates that: 1) Employers who pay taxes in a regular order will have to pay any gap between the actual contribution and minimum requirement, if there is such a gap; 2) Micro company tax payers will have to pay the minimum requirement for all employees from micro-company funds.

**Institution Responsible:** Ministry of Finance.

**Country Specific Recommendation:** (2015) CSR 3: Take concrete steps to reform social assistance, ensuring adequacy of benefits. Take action to improve accessibility, cost-effectiveness and quality of the healthcare system and link hospital financing to performance mechanisms.

**Main Objectives:** The main objective is to ensure that economically active persons have at least minimum level of social security, namely the level of social insurance payable on the minimum wage. The main target is the use of micro-enterprise status to optimise tax obligations

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** The minimum requirement is expected to come into force in 2018. Through 2015-2016, amendments to necessary laws will be developed and adopted.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 3: Take concrete steps to reform social assistance, ensuring adequacy of benefits. Take action to improve accessibility, cost-effectiveness and quality of the healthcare system and link hospital financing to performance mechanisms.

---

**Solidarity tax**

**Country:** Latvia

**Description:** The current range of income in which the state compulsory social security contribution must be paid is from EUR 4 320 to EUR 48 600 per year. People who earn more than EUR 48 600 a year are not obliged to pay social security contribution from income above the EUR 48 600 ceiling. The Solidarity Tax would affect the earnings above the social security contribution ceiling and the revenues would accrue to the general budget. The tax rate would be around the same as for the social security contributions (in 2015, 23.59 % for an employer, 10.50 % for an employee).

**Institution Responsible:** Ministry of Finance.

**Country Specific Recommendation:** (2015) CSR 3: Reduce the high tax wedge for low-income earners by shifting tax burden to other sources less detrimental to growth.

**Main Objectives:** The main objective is to increase the progressivity of labour taxation.

**Target Groups:** High-income earners.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Government Proposal

**State of play: Enacted into law?** The proposal has been supported by the Cabinet of the Ministers in 25 August 2015. The Ministry of Finance is working on a draft law. It is expected that it will come into force in 2016.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** None

**Measure Updates total: 4**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> Changes in taxation</p> <p><b>Description:</b> The income tax and contribution changes include: (i) a temporary increase for 2013-2015 in the PIT by 7 % for both salaried employees and self-employed from income exceeding the social security contribution ceiling of 48 times the average wage (counted from gross, not the 'super-gross' wage); (ii) abolishing the ceiling on health insurance contributions for the same period; (iii) the introduction of ceilings for deductions for self-employed; (iv) the abolishment of deductions for working pensioners for 2013-2015; (v) the increase from 15 % to 35 % of the tax rate on income of (third-country) non-residents; (vi) an increase in the VAT from 20 % to 21 % and from 14 % to 15 % for 2013 – 2015 and the harmonization of both VAR rates at 17.5 % as of January 2016; (vii) an increase from 3 % to 4 % in the real-estate transfer tax.</p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Growing child tax deductions</p> <p><b>What has changed:</b> 2015 saw the first step in the planned increase in child tax deductions, which will continue into 2016 and 2017.</p>
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> Changes in taxation</p> <p><b>Description:</b></p> <p><b>Measure Time Period: Oct 2012</b></p>	<p><b>Title:</b> Self-employment deductibles</p> <p><b>What has changed:</b> The Minister of Finance promised to self-employed in July 2015 that his ministry will not push for further changes in deductibles (i.e. will not increase taxation of self-employed). Most self-employed deduct 60 % (and some even 80 %) of their costs.</p>

	<p>The Government plans to conduct an analysis of the issue next year.</p>
<p><b>Country:</b> France</p> <p><b>Measure Title:</b> Pact of responsibility</p> <p><b>Description:</b> Decrease of social contributions based on work contracts for EUR 30 per year before 2017 (included EUR 20 billion already introduced across the Tax Credit for Competitiveness and Employment measure (CICE)).</p> <p><b>Measure Time Period:</b> Mar 2014</p>	<p><b>Title:</b> Responsibility pact and CICE: state of play</p> <p><b>What has changed:</b> Since the beginning of the year, the reduction of social contributions in the context of the responsibility pact is being implemented but the social counterparts are low developed. The negotiations at the branch level are complicated with only 16 agreements that have been reached, representing only 5.5 million employees, and only few of them agreed on net job creations (catering industry or agriculture). The other agreements set objectives more in terms of number of recruitments, or formulated qualitative objectives (favouring apprenticeships, contributing to senior employment, etc.) but no engagement on job creations. An annual report of the implementation of the CICE is close to be published. Regarding the context of deficit and the low engagement of enterprises, the Ministry of Economy has recently decided to defer the coming contributions exemptions of three months.</p>
<p><b>Country:</b> Sweden</p> <p><b>Measure Title:</b> Modification of the current youth targeted reduction of social security contributions</p> <p><b>Description:</b> The Government has announced in the 2014 Budget Bill that social security contributions for young people younger than 23 years old at the start of the year will be reduced to 10.21 %, while the current reduction will no longer be provided for those who have reached the age of 25. The prevailing reduction (15.49 %) will remain in effect for individuals who have reached the age of 23 but not 25 at the start of the year. The Government estimates that this change may increase permanent employment by approximately 5 000 persons.</p> <p><b>Measure Time Period:</b> Sep 2013</p>	<p><b>Title:</b> Stepwise abolition of the youth targeted reduction of employer-payroll tax</p> <p><b>What has changed:</b> In the Spring Budget the Government has decided to stepwise phase out the youth targeted reduction of payroll taxes. The youth targeted reduction of social contribution is planned to be completely abolished in the second half of 2016.</p>

## 9.2 Personal income taxes (6 new measures)

### Decreased taxation on low-income

**Country:** Belgium

**Description:** Increase of the 'fiscal employment bonus' with reduction of withholding tax on professional income of 14.4 % that has to be strengthened to reach 17.81 % from August 2015, 28.03 % from January 2016 and 33.14 % from

January 2019. In addition, strengthening of the 'social employment bonus' that corresponds to a reduction of personal social security contributions for 'low-wage' workers. This measure is an increase in the amount of the monthly reference remuneration taken into account for the entire contributions reduction that increases to EUR 1 546.88. The social employment bonus then gradually decreases to become zero with a remuneration of EUR 2 413 per month. Then, a new exemption from payment of the withholding tax on professional income for companies just starting out. This provides an advantage for 'small start-ups' of 10 % or 20 % depending on the case of the payment deducted from workers' wage. Finally, a Royal Decree has still to legally define the maximum amount of the social employment bonus from 1 August 2015 to EUR 189.98 for white-collar workers (against EUR 183.97 currently) and EUR 205.18 for blue-collar workers (currently EUR 198.69).

**Institution Responsible:** SPF Finances

**Country Specific Recommendation:** (2015) CSR 2: Adopt and implement a comprehensive tax reform broadening the tax base, shifting the tax burden away from labour and removing inefficient tax expenditures.

**Main Objectives:** Improve the purchasing power of low-income workers and self-employed people.

**Target Groups:** Low-income earners **Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Program Act of 10 August 2015

**Date of adoption:** 18 August 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** August 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 4 (2014).: increase labour market participation, in particular by reducing financial disincentives to work [ ; ]'

---

### **Tax refund for low-wage earners**

**Country:** Estonia

**Description:** On the 15 June 2015, the Parliament approved the amendments to the Labour Market Services and Benefits Act and Other Acts that will establish the annual income tax refund to low-wage earners. The amendment aims to address in-work poverty by encourage people to accept jobs or stay in the labour market even when the remuneration received for work is small. The size of the payment depends on annual taxable income, paid income tax and months in employment in the previous calendar year. The maximum benefit cannot be larger than the actual income tax paid in the previous year. The benefit is a lump-sum and paid once a year. The formula for calculating the benefit uses a special benefit rate that is established for every year in the State Budget Act and must not be lower than the last absolute poverty rate established by Statistics Estonia (EUR 203.44 per month in 2014). The rate used in the formula influences both the maximum sum of the repayment and the range of eligible earnings. For joint declarations (for married couples), a modified formula is used. The benefit itself is not taxable, but it is considered an income source when means-tested benefits subsistence benefits and

needs-based family benefits are calculated. To be eligible for the benefit, a person (at least 18 years old) has to have worked in a full time job for at least six months in the previous year (there are exceptions for disability pensioners). Alternatively, the applicant may have multiple simultaneous part-time contracts (but still must fulfil the requirement of full-time working). For those who have not worked for a full year, the benefit size is proportional to the number of months worked. People can submit their applications with their income tax declaration. The amendments take effect as of 1 January 2016, first refunds will be made in 2017.

**Institution Responsible:** Ministry of Finance

**Country Specific Recommendation:** (2015) CSR 2: Improve labour market participation, including by implementing the Work Ability Reform. Improve incentives to work through measures targeting low-income earners.

**Main Objectives:** The outlining aim is to fight in-work poverty in Estonia. According to the Ministry of Finance, there are three main aims: 1) to raise the income of low-wage earners and improve their subsistence and thereby to reduce poverty 2) to ensure that salaried workers can manage without needing additional social support thereby raising self-confidence and sense of value among low-income earners and reducing the burden on social security system 3) raise motivation of people to work and reduce unemployment.

**Target Groups:** Low-income earners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Labour Market Services and Benefits Act, <https://www.riigiteataja.ee/akt/130062015026>

**Date of adoption:** 15 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 01 January 2016

**State of play: Enacted into law?** The changes for introducing the system of tax refund were adopted in Parliament on 15 June 2015, the changes will take effect from 1 January 2016. First refunds will be paid out in 2017 (based on taxes paid in 2016).

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Impact of the refund system on labour market behaviour of employees as well as employers will be assessed three years after the adoption of the system.

**Update frequency of monitoring arrangements:** Initial plans include a one-time assessment of the effects of the measure

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** Initial assessment of EUR 37.8 million in 2017.

**Policy recommendations that the measure responds to:** AGS, CSR

**Recommendation details:** The measure directly addresses recommendations in AGS as well as CSR to intensify reforms for labour tax reductions to help restore employment; to eliminate employment barriers and address low income earners.

---

## **Reduction of tax burdens for lowest-paid workers**

**Country:** Lithuania

**Description:** In September, the Prime Minister of the Republic of Lithuania announced that the Ministry of Finance, basing on its detailed calculations, proposed to increase the tax exempt amount of income (TEAI) applicable in Lithuania even by 20 % (from EUR 166 to EUR 200) with effect from January 2016. It is also planned to raise additional TEAI from EUR 60 to EUR 120 for each child. The increased TEAI is estimated to result in a EUR 65 million loss to the budget. However, according to the representatives of the Government, this loss is expected to be compensated through better collection of taxes. According to the Prime Minister, the decision was made on the basis of budget fulfilment indicators and taking into account financial and economic forecasts for the next year.

**Institution Responsible:** Ministry of Finances

**Country Specific Recommendation:** (2015) CSR 2: reduce the high tax wedge for low income earners by shifting the tax burden to other sources less detrimental to growth.

**Main Objectives:** To reduce labour taxation, increase income of lowest-paid workers and promote employment.

**Target Groups:** Low-income earners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** It is expected that the draft amendments to the Law on personal income tax will be prepared in the short run

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Recommendation details:** NRP: reduction of tax burden on labour

---

### **Lowering personal income tax**

**Country:** Hungary

**Description:** As of 1 January 2016 the flat personal income tax rate will be lowered by 1 percentage point, to 15 %. (Act LXXXI. of 2015 on the amendment of certain laws related to taxation). In the coming years, a one-digit personal tax rate is the headline target of the Government. (NRP 2015)

**Institution Responsible:** Ministry for National Economy

**Country Specific Recommendation:** (2015) CSR 3: Reduce the tax wedge for low-income earners, including by shifting taxation to areas less distortive to growth.

**Main Objectives:** Reduce the tax burden on workers

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act CXVII of 1995 on Personal Income Tax (PIT Act)

**Date of adoption:** 16 June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2016

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Budget:** The reduction is projected to leave EUR 384 million (HUF 120 billion) in the hands of taxpayers (4 million people).

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** 2014 - CSR 3: Reduce the tax wedge for low-income earners, inter alia by improving the efficiency of environmental taxes. 2015 - CSR 3: Reduce the tax wedge for low-income earners, including by shifting taxation to areas less distortive to growth.

---

### **Raising family tax allowance**

**Country:** Hungary

**Description:** The family tax allowance will be progressively increased up to 2019, especially for families with two children. They can get a net corresponding reduction of around EUR 40 (12 500 HUF/month/child) less in paid taxes (instead of EUR 32/HUF 10 000) in 2016. By 2019 it will be around EUR 64 (HUF 20 000). Since January 2015 the coverage of family tax allowance has expanded, the spouse of the foster parent/guardian living in the same household is eligible to the family tax allowance. The spouse of the foster parent/guardian is not entitled to family allowance (*családi pótlék*). This expansion may be an alternative support for such families. Act LXXIV of 2014 on the Amendment of Tax Laws and Other Relating Laws (9. § (2).)

**Institution Responsible:** Ministry for National Economy

**Country Specific Recommendation:** (2015) CSR 5: Increase the participation of disadvantaged groups in particular Roma in inclusive mainstream education, and improve the support offered to these groups through targeted teacher training; strengthen measures to facilitate the transition between different stages of education and to the labour market, and improve the teaching of essential competences

**Main Objectives:** To reduce the tax burden on families with children.

**Target Groups:** Parents

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act LXXXI of 2015 on the Amendment of Tax Laws and Other Relating Laws; Act CXVII of 1995 on Personal Income Tax (PIT Act)

**Date of adoption:** June 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2016

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Yes

**Budget:** Additional EUR192 million (HUF 60 billion) will be allocated annually to this measure. (NRP 2015)

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** CSR 3: (2014) Reduce the tax wedge for low-income earners, inter alia by improving the efficiency of environmental taxes. CSR 3 (2015): Reduce the tax wedge for low-income earners, including by shifting taxation to areas less distortive to growth.

---

**Tax benefit of first marriage**

**Country:** Hungary

**Description:** As of 1 January 2015, each couple marry for the first time (or at least one of them) are eligible to reduce their personal income tax by EUR 16 (HUF 5 000 ) for a period of 2 years or until becoming eligible for family allowance at the latest. The amount of the tax base of which calculating the tax reduction will be slightly increase in 2016 from around EUR 100 (HUF 31 250) to EUR 107 (HUF 33 335).

**Target Groups:** couples marry for the first time

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Act LXXIV of 2014 on the Amendment of Tax Laws and Other Relating Laws 11. §

**Date of adoption:** 18 November 2014

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2015

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

---

**Measure Updates total: 0**

### **9.3 Measures to reduce undeclared work (2 new measures)**

**Fight against posting workers and undeclared workers**

**Country:** France

**Description:** Fighting against the fraud of posting workers (Macron Law, august 2015 - Small Business Act, June 2015). Increased sanctions for employers based outside of France. Increased effectiveness of controls: new capacities of the French labour administration to stop activity immediately. Increased responsibility of ordering parties and contracting authorities are more engaged. Specific measures have been decided for the transport and building industries (for instance, compulsory professional identity card). New rights of labour inspectors. New action plans to fight against undeclared work: in 2015, the priority of the Ministry of Labour was to strengthen the controls. The fraud of posting workers is the main priority and, to answer this, a national action plan for the control of the 500 biggest building projects has been implemented since the beginning of 2015 by labour inspection. In this context, the plan forecasts to better inform employers and employees, develop in line declaration for posting workers, allowing the set up of a national database, signature of transnational agreement with Poland and Romania. These different axes will be integrated in the new plan for 2016 - 2018.

**Institution Responsible:** Labour inspections

**Main Objectives:** To fight against posted workers and undeclared workers

**Target Groups:** Workers in the shadow economy

**Duration of measure:** Permanent

**Legal reference:** Law for growth, activity and economic equal opportunities

**Date of adoption:** 7 August 2015



**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** August 2015 (except of application decrees are necessary)

**State of play: Enacted into law?** Endorsement of the constitutional Council

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

---

**KITUP II: Technical Assistance for Promoting Registered Employment by Guidance and Inspection (PRE-II) - (EuropeAid/133681/D/SER/TR)**

**Country:** Turkey

**Description:** Special focus on 'undeclared work' is a sustained theme for Turkey. There was a recent action plan that was written within the context of an important EU-SSI project, Kit-Up (Promoting Registered Employment through Innovative Measures Operation – I, 2010-2011, [www.kit-up.net/web/yeniyaklasim\\_eng.html](http://www.kit-up.net/web/yeniyaklasim_eng.html)). KITUP II is now in play (2015-2016). These projects were the result of the Social Security Institution's adopting of a new approach in dealing with undeclared employment that continues to date. In the current approach, preventive measures and incentives take precedence over a stern punishing approach. However, penalties are to be enforced for those who insist on engaging in undeclared work despite the incentives.

**Institution Responsible:** Social Security Institution

**Main Objectives:** SSI targets to increase the costs of firms to remain on the informal (or semi-formal, such as underreporting wages) side of the sector through better and more efficient monitoring. Much of this effort should consist of data mining and analysis to catch conspicuous firms that deviate from the sectoral 'norms' in terms of employment and revenues. It is exactly this component of KITUP II that this expert is recruited and participates in the training of inspectors to use basic and advanced data analysis techniques as a senior short term expert (Risk Assessment Expert) in the project.

**Target Groups:** Workers in the shadow economy

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Legal reference:** Technical Assistance for Promoting Registered Employment by Guidance and Inspection (PRE-II) - (EuropeAid/133681/D/SER/TR)

**Is the measure being enforced?** No

**If not law, what type of measure is it?** EU co-funded project

**State of play: Enacted into law?** Academic analysis components regarding undeclared work in agriculture, construction, selected sectors, and this author's risk assessment with micro data appear to be progressing nicely. In addition, 32 sectoral guides have been prepared, and many awareness raising activities successfully completed.

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** EU co-funded

**Is there a specific budget allocated to the measure?** Yes

**Policy recommendations that the measure responds to:** National Employment Strategy

**Recommendation details:** The current situation (2014 progress report, p. 40 Ch.19) is quoted: Alignment of Turkish labour law with the acquis and implementation of the relevant legislation needs to be improved. The rate of unregistered employment, not covered by the labour law, further fell to 33.6 %, albeit with strong differences based on sector, employment status and gender. Subcontracted workers are particularly at risk of informal employment, poor working conditions, unjustified dismissals and difficulties in joining trade unions. Turkey needs to regulate sub-contracted and other forms of employment, such as temporary work, in line with the EU acquis.

**Measure Updates total: 1**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Funding of craftsmen service provision</p> <p><b>Description:</b> The costs for refurbishment and modernisation of flats and houses of private persons can be subsidised, if work is carried out by licensed craftsmen. Eligible are only labour costs but not costs for materials. The subsidy amounts to 20 % of the labour costs up to EUR 600 maximum.</p> <p><b>Measure Time Period:</b> Sep 2014</p>	<p><b>Title:</b> Initiative terminated</p> <p><b>What has changed:</b> The available budget for the funding period 2015 (EUR 20 million) has been exhausted by 10 August 2015. Thus the initiative has been terminated.</p>

**9.4 Other labour taxation related measures (4 new measures)**

**Combating social security fraud**

**Country:** Austria

**Description:** The law aims to reduce social fraud by several measures, like new and intensified cooperation structures between relevant institutions, easier mechanisms to identify bogus companies and by reducing misuse of e-cards, mainly through increased monitoring.

**Institution Responsible:** various concerned institutions (e.g. social security agencies and tax authorities)

**Main Objectives:** Reducing the loss of tax and social security contributions by social fraud; reduction of social fraud by bogus companies; reducing the misuse of the e-card and improper use of sick leave

**Target Groups:** Employers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** *Sozialbetrugsbekämpfungsgesetz – SBBG* [Federal Law Gazette I Nr. 113/2015]

**Date of adoption:** July 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** January 2016

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Analysis of the variation of uncollectable tax and social security contributions

**Update frequency of monitoring arrangements:** 2020

**Funding Sources:** Government

**Budget:** Estimated costs EUR 400 000 annually. The reduction in revenue shortfalls is estimated by around EUR 250 million annually.

**Policy recommendations that the measure responds to:** AGS, NRP

**Recommendation details:** Combating tax and social security fraud is an offsetting measure in the context of the tax reform 2015/2016. It corresponds to the AGS 2015 main pillar on Pursuing fiscal responsibility.

---

## **Tax Reform**

**Country:** Austria

**Description:** After lengthy negotiations the Austrian parliament adopted the Tax Reform Act 2015/2016 in July 2015. The reform comprises around 40 different measures, of which major changes regarding income tax is the core of the reform. The entry tax rate will be reduced from 36.5 % to 25 %, and instead of three tax brackets in the future six tariff levels will exist. The new tax brackets and tax rates, to get implemented as from 2016, are: as previously no income tax has to be paid in case of a personal gross yearly earning up to EUR 11 000, the tax rate for income between EUR 11 000 and EUR 18 000 will be 25 %, between EUR 18 000 and EUR 31 000 35 %, between EUR 31 000 and EUR 60 000 42 %, between EUR 60 000 and EUR 90 000 48 %, between EUR 90 000 and EUR 1 million 50 %; for incomes over EUR 1 million a higher tax rate of 55 % will apply for the period 2016-2020; negative tax, for people with an income below the lower earnings limit of income tax (EUR 11 000), will be extended for employees and newly introduced for old-age pensioners. Employees with income below the lower earnings limit of the income tax will in future get a refund of maximum EUR 400 per year instead former EUR 110. In the case of pensioners, those with an income below EUR 11 000 gross per year will get a refund of 50 % of the social insurance contributions (max. EUR 110 per year).

**Institution Responsible:** Ministry for Finance

**Country Specific Recommendation:** (2014) CSR 3 Reduce the high tax wedge on labour for low-income earners by shifting taxation to sources less detrimental to growth, such as recurrent taxes on immovable property, including by updating the tax base.

**Main Objectives:** Easing the income tax burden

**Target Groups:** All workers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** *Steuerreformgesetz* 2015/2016 – StRefG 2015/2016, [Federal Law Gazette I Nr. 118/2015]

**Date of adoption:** July 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Most of the measures come into effect in 2016.

**What are the monitoring arrangements in place?** Tax revenue data, studies

**Update frequency of monitoring arrangements:** Date of internal evaluation 2020

**Budget:** Revenue loss: EUR 5.4 billion, of which income and wage tax revenue account to EUR 4.35 billion. The tax reform is financed through several other measures, like measures against tax and social security fraud and structural measures under the tax code (e.g. phasing out of special allowances).

**Policy recommendations that the measure responds to:** AGS, CSR, NRP

**Recommendation details:** 2014: CSR 3: Reduce the high tax wedge on labour for low-income earners by shifting taxation to sources less detrimental to growth, such as recurrent taxes on immovable property, including by updating the tax base.

(2015) CSR 1: Ensure the budget neutrality of the tax reform aimed at reducing the tax burden on labour. AGS 2015 main pillar Pursuing fiscal responsibility

---

### **Reduction of penalties for non-compliance with the legislation**

**Country:** former Yugoslav Republic of Macedonia

**Description:** Legislative changes were made into the penalty policy, with reduction of most of the penalties related to the operation of the companies. This measure (as a promise) has been part of the pre-election Government program and has been long-awaited by the business community as the level of fines was very high. In case of micro and small enterprises a single fine could lead to closing up of the business (a single fine could be above EUR 15 000). Moreover, there was a culture of punishments by different inspections rather than inspections having an advisory and supportive role. With the legislative amendments, the level of fines is set based on the size on the company and its previous record of conformation with the legislation. The measure was highly welcomed by businesses. The implementation of the measure required changes in about 20 national laws. In the area of labour code and relations, changes were made to few laws. For a comparison, if previously, an employer would pay wage that is lower than the minimum wage, s/he would pay app. EUR 15 000. With the changes to the legislation, the employer will pay EUR 300 per workers for which a lower wage was paid than the minimum wage, and the responsible persons pays in addition EUR 150 (the share of workers who are paid less than the minimum wage found in the inspections is about 2.5 % of all inspected cases/workers).

**Institution Responsible:** Several government institutions (for employment area, Ministry of Labour and Social Policy, State Labour Inspectorate and few other inspection bodies)

**Main Objectives:** To reduce the financial burden to companies in case on non-compliance with the law as previously penalties are punitive. In addition, the role of the inspection bodies have been shifted more towards advisory and supportive role, rather than focusing only on penalties

**Target Groups:** Employers

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Law on Employment and Insurance in Case of Unemployment (Official Gazette No. 147/2015) and the Labour Code (Official Gazette No. 129/2015)

**Date of adoption:** 27 August for the Law on Employment and Insurance

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** From the date the Law was published in the Official Gazette

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

**Amendments to micro company tax law**

**Country:** Latvia

**Description:** The main amendments to the law are as follows: 1) From January 1, 2016, micro companies will be eligible to pay a 9 % tax rate, regardless of the revenues, for the first three years of operations. From the fourth year of operations the tax rate will be 12 %. This tax rate regime for micro companies will apply ONLY IF by September, 2015 the Cabinet of the Ministers submits amendments to the social insurance law, which define a compulsory minimum social insurance contribution for micro company employees. If not, the tax rate stays as previously defined by law; 2) There is a proposal to create a list of sectors for which micro enterprise tax status will not be available. The list was meant to have been published by 1 August 2015 but this has not yet happened

**Institution Responsible:** Ministry of Finance.

**Main Objectives:** The main objectives are to combat abuse of micro company status and to ensure social protection for micro company employees.

**Target Groups:** Micro company employees.

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Micro company tax law

**Date of adoption:** 23 April 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 13 May 2015.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Policy recommendations that the measure responds to:** NRP

**Recommendation details:** NRP: Improving normative regulation of labour legal relations and labour protection and its application.

**Measure Updates total: 2**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Austria</p> <p><b>Measure Title:</b> Reform of the commuter tax allowance</p> <p><b>Description:</b> The commuter tax allowance was extended. Amongst others, for commuters with low incomes who are not subject to income tax, the negative tax was raised and commuter tax allowance applies aliquot for part-time employees. Newly introduced were the 'Commuter euro' (EUR 1 per kilometre to work, designed as tax deduction) and the 'job ticket', which allows employers to provide tax-free use of public transportation for non- commuters. In return, the commuter tax allowance for workers who can use an employer's company car privately was deleted.</p>	<p><b>Title:</b> Reform in the context of the tax reform 2015/2016</p> <p><b>What has changed:</b> For low-income commuters (income up to EUR 12 200 per annum) the deductible amount for travel expenses <i>Verkehrsabsetzbetrag</i> will be raised from EUR 400 up to EUR 690. Commuters who do not pay personal income taxes get a refund of up to 50 % of social security contributions (max. EUR 500).</p>

<p><b>Measure Time Period: Apr 2013</b></p>	
<p><b>Country:</b> former Yugoslav Republic of Macedonia</p> <p><b>Measure Title:</b> Introduction of obligation for payment of social contributions on civil law contracts</p> <p><b>Description:</b> In July 2014 (Official Gazette No. 113) changes were made in the laws related to mandatory social insurance (pension, health and insurance in case of unemployment) which introduced an obligation for persons who perform some physical or intellectual activity under civil law contract or any other written contract to pay social contributions on the amount received, if the amount exceeds the level of the minimum wage. Implementation begins 1 January 2015. So far, contributions were paid only on income from wages, income from self-employment, farming, etc. On the other hand, this type of contract was 'charged' only with personal income tax. The obligation holds both for 'workers' in regular employment and those without one (those hired to perform time-limited activity (either physical or intellectual).</p>	<p><b>Title:</b> Revoking of the program</p> <p><b>What has changed:</b> The Law has been revoked at end of July 2015 (changes in several law published in the Official gazette No. 129, from 31 July 2015).</p>
<p><b>Measure Time Period: Dec 2014</b></p>	

## 10 PA 7: Wage setting institutions and dynamics

Under PA 7, seven countries introduced a total of ten new policy measures between January and September 2015. The most popular type of reforms under this policy area have been in *Minimum wages*. The following gives a breakdown of the new measures introduced in this policy area:

- Minimum wages (Slovakia, Latvia, Poland, Serbia, UK);
- Public sector pay (Hungary x 3, Lithuania);
- Wage setting regulation and social partnership arrangements (0 new measures)
- Other measures related to wages (e.g. addressing wage and social dumping) (UK).

There were six updates to previously identified measures, in the following countries: the Czech Republic; Germany; Lithuania; Luxembourg; Hungary; Romania.

The introduction of ten new measures represented 5 % of the total number of new measures introduced across all European countries. Six out of the ten new measures introduced (60 %) were enacted into law. Of those that specified a funding source two mentioned state funding, and one mentioned 'other' sources of funding. Two measures did not require any funding.

The measures and measure updates are discussed in turn below.

### 10.1 Minimum wages (5 new measures)

#### **Increase in the minimum wage/differentiated tax allowance**

**Country:** Latvia

**Description:** The minimum wage in 2016 will be EUR 370, a EUR 10 increase compared to 2015. In addition to that the tax free income threshold will be increased from EUR 75 in 2015 to EUR 85 in 2016. Moreover, the government has in principle agreed to implement a differentiated tax free income threshold, but the details are yet to be clarified. For now, low income earners will be able to receive a tax rebate in 2017.

**Institution Responsible:** Ministry of Finance.

**Country Specific Recommendation:** (2015) CSR 3: Reduce the high tax wedge for low-income earners by shifting tax burden to other sources less detrimental to growth.

**Main Objectives:** The main stated objective is to address income inequality.

**Target Groups:** Low-income earners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** The regulation of the Cabinet of the Ministers on minimum wage announced in the State Secretaries' meeting.

**Date of adoption:** 10 September 2015.

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** Minimum wage goes up on 1 Jan 2016. Differentiated personal allowance to be gradually introduced.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** No specific funding required

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** Partially addresses CSR 3: Reduce the high tax wedge for low-income earners by shifting tax burden to other sources less detrimental to growth.

---

### **Minimum wage in 2016**

**Country:** Poland

**Description:** As reported by the Ministry of Labour and Social Policy on 15 July 2015, the Tripartite Commission has not made a joint resolution on the amount of the minimum wage in 2016. According to binding regulations, in this case the minimum wage is set by the Governmental resolution. The Governmental proposal for the social partners assumed the increase of the minimum wage up to EUR 437.17 (PLN 1 850) in 2016. This amount has been confirmed by the Resolution of the Council of Ministers of 11 September 2015 on the Minimum wage.

**Institution Responsible:** Ministry of Labour and Social Policy

**Main Objectives:** Setting of minimum wage for 2016

**Target Groups:** All workers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** 2016

**Has the measure been enacted into law?** Yes

**Legal reference:** Resolution of the Council of Ministers of 11 September 2015 on the Minimum Wage (Dz.U. 2015 poz. 1385)

**Date of adoption:** 14 September 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 January 2016

**Steps taken to monitor the implementation of the measure:** No

**Funding Sources:** No specific funding required

---

### **Government to decide about 2016 minimum wage level**

**Country:** Slovakia

**Description:** The sum of the statutory minimum wage will have to be determined by the Ministry of Labour, as social partners have not come to an agreement. Trade Unions demand a 7.9 % increase (from EUR 380 to EUR 410 monthly), whereas employers call for a maintaining of the current minimum wage level. It is generally expected that the ministry's proposal will equal to EUR 400. The health insurance deduction, applied since 1 January 2015 to lower contributions for low-paid workers and their employers and thus to offset the minimum wage increase, is expected to remain unchanged in 2016 (from EUR 380 when receiving a minimum wage to zero deduction when monthly salary exceeds EUR 570). This would mean that workers receiving the new minimum wage (EUR 400), as well as their employers, would have to pay some contributions.

**Institution Responsible:** Ministry of Labour, Social Affairs and Family

**Main Objectives:** The official goal is to adjust the minimum wage to consumer price growth and the average nominal wage growth, and to ensure employees' right to fair and satisfying working conditions.

**Target Groups:** All workers

**Duration of measure:** Temporary

---



**If temporary, how long will it run for?** Year 2016  
**Has the measure been enacted into law?** No  
**Is the measure being enforced?** Yes  
**Start date for implementation of the measure:** 1 January 2016  
**If not law, what type of measure is it?** Government decree  
**State of play: Enacted into law?** The sum of the minimum wage shall be approved by the government in October (tentatively) and enacted in a decree.  
**Steps taken to monitor the implementation of the measure:** No  
**Policy recommendations that the measure responds to:** None

---

### **National Living Wage**

**Country:** United Kingdom

**Description:** A new National Living Wage will be introduced starting from April 2016 that will aim to reach 60 % of median earnings by 2020. It will apply to employees aged 25 and above and will be, in effect, a top-up to the National Minimum Wage which will remain and apply to those aged under 25.

**Institution Responsible:** Department for Business, Innovation and Skills (BIS).

**Country Specific Recommendation:** (2014) CSR 4. Continue efforts to reduce child poverty in low income households, by ensuring that the Universal Credit and other welfare reforms deliver adequate benefits with clear work incentives and support services.

**Main Objectives:** The government's stated aim is to move from a 'low wage, high tax, high welfare society to a higher wage, lower tax, lower welfare society' and this shifting of costs from in-work benefits to employers is part of this aim.

**Target Groups:** Low-income earners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** No

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** The National Living Wage will start from April 2016

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The new wage regulations will be added to the remit of the independent Low Pay Commission which currently advises on uprating of the National Minimum Wage - which will be retained.

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Alongside the introduction of the National Living Wage a range of enforcement measures have been announced to tighten fair pay conditions.

**Update frequency of monitoring arrangements:** Payment of the National Minimum Wage will be policed on an on-going basis.

**Funding Sources:** Employers will pay the new wage rate

**Is there a specific budget allocated to the measure?** No

**Policy recommendations that the measure responds to:** CSR

**Recommendation details:** To a certain extent the measure indirectly addresses 2014 CSR 4 by increasing work incentives through higher wages.

---

**Minimum wage regulation for 2015-2016**

**Country:** Serbia

**Description:** After the unsuccessful efforts to reach an agreement in the Socio-economic Council, in mid-September the Serbian government brought the unilateral decision to leave the level of minimum wage in 2016 unchanged, at 1 EUR (121 dinars) net per hour.

**Institution Responsible:** Government of Serbia, MOLEVSP, Labour Inspectorate

**Main Objectives:** To set the minimum wage for the period September 2015 - September 2016

**Target Groups:** All workers

**Duration of measure:** Temporary

**If temporary, how long will it run for?** One year

**Has the measure been enacted into law?** No

**Legal reference:** Decision by the Government on the minimum wage in the period January - December 2016 (Official Gazette 79/2015)

**Date of adoption:** 15 September 2015

**Is the measure being enforced?** No

**Start date for implementation of the measure:** 1 January 2016

**If not law, what type of measure is it?** Government decision

**State of play: Enacted into law?** Decision by the Government on the minimum wage in the period January - December 2016 (Official Gazette 79/2015)

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** Standard monitoring by the Labour Inspectorate and MLEVSP

**Update frequency of monitoring arrangements:** Continuous

**Budget:** n.a.

**Measure Updates total: 5**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Czech Republic</p> <p><b>Measure Title:</b> One Minimum Wage</p> <p><b>Description:</b> Objectives are mixed and not clear. The official objective is to secure equal treatment.</p> <p><b>Measure Time Period:</b> Jan 2013</p>	<p><b>Title:</b> Increase in minimum wage</p> <p><b>What has changed:</b> The Government decided in August that as of January 2016, the monthly statutory minimum wage will grow from the current CZK 9200 a month to CZK 9900, corresponding to over EUR 350 a month. After six years of nominal stagnation (at CZK 8000 a month since 2007), the minimum wage has been increased three times since 2013 and it will be almost a quarter higher in nominal terms in 2016 than it was in 2013, corresponding to an annual growth rate of 2.4 %. The share of employees earning the minimum wage declined during 2010-2012. During 2013 and 2014, the share increased somewhat but stayed well under 3 %. The share of both genders among those earning the minimum wage is similar. The highest share of employees earning the minimum wage can be found in administrative and support</p>

	<p>service activities (security agencies, cleaning services, etc.) and hotels and restaurants; the share is high in small firms in general. The novelty about the latest raise of the minimum wage is that it will (gradually) apply also to employees with disabilities (who faced a lower minimum wage of CZK 8000 a month until now).</p>
<p><b>Country:</b> Germany</p> <p><b>Measure Title:</b> Law on general nationwide Minimum Wage</p> <p><b>Description:</b> A general hourly minimum wage at a level of EUR 8.50 is introduced from 1 January 2015. Exceptions that have been decided until 2017 are set out below.</p> <ul style="list-style-type: none"> <li>• Until 2017 it is possible to agree on a lower wage, if the collective agreement has been extended to all employers of the regional and sectoral entity of the collective agreement.</li> <li>• Exceptions are made for the adaption of wages of paper boys until December 2017.</li> </ul> <p>A permanent minimum wage commission is established, in order to decide future amendments of the level of the minimum wage. The members of the minimum wage commission will be appointed by the Government for a period of five years. There are six members (representatives of employers' organisations and trade unions) as well as the president of the commission. In addition two independent experts are appointed on the proposition of the social partners as consultants to the commission (but without a right to vote). The president is appointed by the Government on joint proposal of the social partners. If the social partners have no joint proposition, the president will be rotating. The Commission can decide in 2016 for the first time on an adjustment of the minimum wage coming into effect in 2017.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p><b>Title:</b> New data</p> <p><b>What has changed:</b> The impact of the general minimum wage on employment was subject of an answer of the Federal Government to a minor interpellation in August 2015. According to the Federal Government, the increase in employment subject to social security contributions in sectors with a high share of minor employed persons (employed persons with a low absolute level of earnings exempt of social security contributions) in connection with the decrease of minor employment in early 2015 cannot (yet) be traced back to the introduction of the minimum wage (see also PA 1). Nominal wages rose by 2.5 % in the first quarter of 2015 compared to the first quarter of 2014: +2.4 % for men, +2.8 % for women, +2.4 % for full-time employed persons, +2.8 % for part-time employed persons, and most notably by +5.0 % for minor employed persons. Supervision of compliance with minimum wage regulations were also subject of the interpellation. From January until the end of June, 24 970 inspections were carried out by the 'financial control of illicit employment' (<i>Finanzkontrolle Schwarzarbeit</i>). In the aftermath of these inspections, 297 investigation proceedings due to violations of the minimum wage were initiated. These numbers should however be seen in relation to the number of companies in Germany (around 3.9 million in 2012). The Federal Government states that it was reported that some employers tried to circumvent minimum wage regulations by establishing unpaid overtime or relying on 'contracts for work labour'/false self-employment (<i>Werkverträge</i>). According to the Federal Government, documentation obligations for companies were eased after many companies complained about the bureaucratic burden associated with the introduction of the minimum wage. At the moment of the interpellation, the Federal Government planned no modifications concerning the financial level of the minimum wage. In its answer to the above mentioned minor interpellation, the Federal Government points out that an evaluation of the minimum wage law will be carried out in 2020. Furthermore, the Federal Government indicated that the minimum wage</p>

	<p>commission, consisting of one neutral chairman, three employee representatives, three employer representatives, and two scientific experts, evaluates the effects of the minimum wage regularly and informs the Federal Government of its findings via a report every two years. This is in line with the 2014 Country Specific Recommendation 2 (when implementing the general minimum wage, monitor its impact on employment). In the recent months, several publications addressed the introduction of the minimum wage and its impact on employment. An illegal employment forecast published in March 2015 by the Institute for Applied Economic Research at the University of Tübingen (IAW) and the University of Linz came to the conclusion that the minimum wage will lead to a growth of the shadow economy by EUR 1.5 billion in 2015. According to the study, this is due to the fact that an increase of hourly wages to EUR 8.50 will lead to additional expenses of EUR 7 billion in 2015, occurring particularly in the personal service, agriculture, the hotel and restaurant as well as the building sector where around 40 % of employees earned less than EUR 8.50 per hour. To prevent those additional expenses, illegal employment might become more attractive for employees. A study based on the company panel 2014 published by the Institute of Employment Research (IAB) gives some information about the extent of companies affected by the introduction of the minimum wage. In 2014, around 12 % of companies employed at least one person earning less than EUR 8.50 per hour. Among these companies, 45 % of all employees earned less than EUR 8.50 per hour. In 2014, companies employing employees earning less than EUR 8.50 per hour could be found in especially in the Eastern German <i>Länder</i> of the former German Democratic Republic (GDR) (24 % of companies compared to 9 % in the Western German <i>Länder</i>) and in companies in the hotel and restaurant sector (31.9 %), in the retailing sector (25.7 %), and the luxury food sector (24.8 %). Another study indicates that companies anticipated the introduction of the minimum wage by adjusting wages of new hires to minimum wage level already in 2014. The share of companies affected by the introduction of the minimum wage might therefore be greater than identified in the company panel 2014. According to the latest monthly report of the Federal Employment Agency, negative effects on employment subject to social insurance contributions caused by the introduction of the minimum wage cannot be observed. The decrease of minor employment (4.89 million in June 2015; -3.9 % compared to June 2014) might</p>
--	---

	<p>be caused by the introduction of the minimum wage. One main benefit the Federal Employment Agency saw in the introduction of the minimum wage were prospected savings of EUR 600-900 million per year as less people might be dependent on unemployment benefits II while having a job. The number of persons who were employed while receiving unemployment benefits II, (<i>Aufstocker</i>) was 1.26 million in December 2014 (-31 000 compared to December 2013), 1.24 million in January 2015 (-43 000 compared to January 2014), to 1.22 million in February 2015 (-55 000 compared to February 2014), and to 1.23 million in March 2015 (-54 000 compared to March 2014). Recent data indicates that in April 2015 1.24 million persons were employed while receiving unemployment benefits II (<i>Aufstocker</i>), a decrease of 61 000 compared to April 2014. Though these numbers indicate a positive development, it is too early to assess if this decrease can be associated with the introduction of the minimum wage.</p>
<p><b>Country:</b> Lithuania  <b>Measure Title:</b> Minimum wage increase  <b>Description:</b> Since the 1 January 2013 minimum monthly wage (MMW), by the decision of the Government of the Republic of Lithuania, was increased in Lithuania by almost 18 %.  <b>Measure Time Period:</b> Jan 2013</p>	<p><b>Title:</b> Minimum wage increase up to EUR 325 from 1 July 2015  <b>What has changed:</b> At the sitting of the Tripartite Council of the republic of Lithuania (LRTT) on 21 April the social partners agreed about a MMW increase by EUR 25 (up to EUR 325) with effect from 1 July 2015 (MMW was last increased by EUR 10.1 (up to EUR 300) on 1 October 2014). The members of the sitting also supported the proposal to link MMW with economic indicators from now onwards. The social partners agreed that changes in MMW should be linked to five main variables: average wage variations, changes in productivity, average annual rate of change of the harmonised index of consumer prices, GDP growth, and average unemployment rate per year. Other aspects will be also taken into consideration, for example, international commitments, poverty level, comparisons with the neighbouring countries. It is planned to set up an ad hoc commission of experts to assess the situation according to appropriate methodology. Upon receipt of recommendations from the LRTT, the experts commission would submit their proposal to the Lithuanian Government LRV (annually, by 15 September).</p>
<p><b>Country:</b> Hungary  <b>Measure Title:</b> Raising the minimum wage of public works participants, introducing minimum wage of foremen in public works  <b>Description:</b> The minimum wage was increased by 5.2 %, well above the projected 3.5 % inflation in 2013. Foremen's wages</p>	<p><b>Title:</b> New raise in 2015  <b>What has changed:</b> As of 1 January 2015, the minimum wage of public works participants is raised by 2.4 %.</p>

<p>were set with a 10 % premium above regular public employment wages.</p> <p><b>Measure Time Period: Jan 2013</b></p>	
<p><b>Country:</b> Romania</p> <p><b>Measure Title:</b> Increasing the minimum national statutory salary to RON 900 as of 1 July 2014</p> <p><b>Description:</b> In accordance with Government Decision (<i>Hotarare de Guvern</i>) No. 871/2013 the minimum national statutory guaranteed salary has been increased for the second and last time for this year to the sum of RON 900 (approximately EUR 203). The measure was announced and it is part of the Government's commitment to increase gradually the minimum salary to the value of RON 1 000 by 2016.</p> <p><b>Measure Time Period: Sep 2014</b></p>	<p><b>Title:</b> Twice a year increases of the statutory minimum salary, January and July 2015</p> <p><b>What has changed:</b> The minimum salary has been increased via Government decision as of 1 January 2015 to the amount of RON 975 (approximately EUR 221) and as of 1 July 2015, also via Government decision, to RON 1 050 (approximately EUR 238).</p>

## 10.2 Public sector pay (4 new measures)

### Rise of the salaries for low paid public employees

**Country:** Lithuania

**Description:** In February, government supported the proposal to increase lowest salaries for budgetary employees with effect from 1 March. The rates of the lowest salaries were raised by 5 % on average among different-level posts. In August government agreed to rise salaries of social workers and other employees working in the area of social services from 2016 as well. It is expected that salaries in for those workers will increase by 15 % (or approximately EUR 70) per month.

**Institution Responsible:** Ministry of Finance and other appropriate ministries

**Main Objectives:** increase living standards of lowest paid public employees; increase difference between minimum wage and salary of qualified labour.

**Target Groups:** Low-income earners

**Duration of measure:** Permanent

**Has the measure been enacted into law?** Yes

**Legal reference:** Several Government decisions, regulating salaries in the public sector

**Date of adoption:** 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** March 2015, January 2016

**State of play: Enacted into law?** One increase already implemented and another one should be implemented since the 1 January 2016

**Steps taken to monitor the implementation of the measure:** Yes

**What are the monitoring arrangements in place?** 'usual' monitoring of the implementation of the valid legislation

**Funding Sources:** Government

**Policy recommendations that the measure responds to:** AGS, NRP

**Recommendation details:** AGS: offering modern levels of protection to those who are already in employment NRP: improvement of living standards

---

### **Increase in Teachers' wages**

**Country:** Hungary

**Description:** As part of Career path model for teachers on average 3.4 % increase in wages was introduced effective from September 2015.

**Main Objectives:** The measure was taken in line with the gradual implementation of Career path model for teachers which is intended to increase the respect for and the value of teachers' work. It aims to reform the structure of career path and promotion opportunities in order to increase the quality of pedagogical work.

**Target Groups:** Teachers

**Has the measure been enacted into law?** Yes

**Legal reference:** Government decree No. 326/2013. (VIII. 30.)

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 September 2015

---

### **Increase in wages of Health care employees**

**Country:** Hungary

**Description:** The monthly wage of healthcare employees is constituted of two wage component a fixed wage component and variable wage component which is based on the number of hours worked. The increase in wage applicable from 1 July 2015 is the result of the incorporation of the variable wage component into the fixed wage. The change concerns 43 000 healthcare professionals and 18 000 doctors. EUR 16.97 million (HUF 5.33 billion) is allocated from the state budget for this purpose.

**Main Objectives:** The increase in wages was introduced to compensate for the efforts of health care professional and improve their living and labour conditions.

**Target Groups:** Health care professionals

**Duration of measure:** Temporary

**If temporary, how long will it run for?** The amendment is in effect from 1 July to 31 December 2015.

**Has the measure been enacted into law?** Yes

**Legal reference:** Government Decree 256/2013. (VII. 5.)

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 July 2015

---

### **Increase in wages of Police employees**

**Country:** Hungary

**Description:** As part of developing a broader career path model for police a new remuneration system was adopted, which will be gradually implemented. As of 1 July 2015 30 % increase was set. The government's intension is to reach 50 % increase in wages in five years.

**Main Objectives:** As in case of other professions the purpose of career path model is to improve the living and labour conditions of police employees and to increase the respect for the police work.

**Target Groups:** Police employees

**Has the measure been enacted into law?** Yes

**Legal reference:** Act XLII. of 2015

**Is the measure being enforced?** Yes

**Start date for implementation of the measure:** 1 July 2015

**Measure Updates total: 0**

### 10.3 Wage setting regulation and social partnership arrangements (0 new measures)

No new measures reported.

**Measure Updates total: 1**

Description of Measure	Description of September 2015 Update
<p><b>Country:</b> Luxembourg</p> <p><b>Measure Title:</b> The reform of social dialogue instruments at the company level</p> <p><b>Description:</b> No details of the draft legislation are disclosed. The Ministry of Work and Employment is responsible for the implementation of this reform.</p> <p><b>Measure Time Period:</b> Jan 2013</p>	<p><b>Title:</b> Law on social dialogue at the company level</p> <p><b>What has changed:</b> The law was enforced by the Parliament in July 2015.</p>

### 10.4 Other measures related to wages (e.g. addressing wage and social dumping) (1 new measures)

#### Tightening of Fair Pay Conditions

**Country:** United Kingdom

**Description:** The incoming Conservative government announced a series of measures aimed at tightening the conditions that ensure workers receive the pay they are entitled to. The measures include: 1) Doubling the penalties for non-payment of the National Minimum Wage (and the new National Living Wage when it is introduced); 2) Increasing the budget for enforcement of the rules; 3) Setting up a new team within Her Majesty's Revenue and Customs (HMRC) to move forward any legal action for non-compliant employers; 4) Disqualifying anyone found guilty of contravening the rules from being a company director for up to 15 years.

**Institution Responsible:** Department for Business, Industry and Skills (BIS) and Her Majesty's Revenue & Customs (HMRC).

**Main Objectives:** To ensure that workers receive the pay they are entitled to.

**Target Groups:** All workers

**Duration of measure:** Permanent



**Has the measure been enacted into law?** No

**Is the measure being enforced?** No

**If not law, what type of measure is it?** Announcement

**State of play: Enacted into law?** The announcement of the new measures was made in September 2015 and while some the measures (such as the enforcement of the minimum wage will start immediately as it already is going on) some of the changes such as the increased penalties will require legislative change which is unlikely to happen until 2016 at the earliest. A consultation is to be launched in the Autumn 2015 on the proposed new offence of aggravated breach of labour market legislation.

**Steps taken to monitor the implementation of the measure:** Unknown

**Funding Sources:** Government

**Is there a specific budget allocated to the measure?** Unknown

**Policy recommendations that the measure responds to:** None

---

**Measure Updates total: 0**

## Annex 1: Table of new measures

Policy area	Sub-policy area	Title of new measure	Country of measure
<b>PA 1: Employment protection legislation &amp; Other Amendments to Labour Law</b>	Dismissals legislation	None	None
	Internal measures of flexibility (e.g. short time work schemes, redeployment etc)	Change to part-time employment for employees rearing children	Hungary
		Reform of 'accords de maintien de l'emploi' under the Macron Law (August 2015)	France
		Regulation of paid leaves during the period of incapacity for work	Hungary
	Regulation of Atypical Contracts incl measures addressing labour market segmentation	Act on better work and pay conditions for au pairs	Denmark
		Regulation of agency based employment	Czech Republic
		Transformation of fixed term work contracts to a permanent ones in the public administration (including local authorities and public enterprises)	fYROM
		Other Flexicurity Measures	Reform of labour courts under the Macron Law
	Other Amendments to Labour Law (e.g. working time regulation etc.)	Ban on Sunday working in the retail sector	Hungary
		Changes in Labour Law	Poland

Policy area	Sub-policy area	Title of new measure	Country of measure
		Changes of the labour code (Law no.53/2003) via Law no.12/2015	Romania
		Employment, Self-employment and Work of Aliens Act	Slovenia
		Law on Changes and Amendments to the Law on Employment and Insurance against Unemployment	Serbia
		Law on social dialogue and employment	France
		National Minimum Wage (Low Pay Commission) Bill 2015	Ireland
		Regionalization of penalties for service vouchers and educational leave in the Flemish Region	Belgium
		Second chance mechanism	Spain
		Social Agreement for the 2015-2016 period	Slovenia
		Social Dialogue Council Act	Poland
		Trade Union Reforms	United Kingdom
		Volunteer work law	Latvia
		Workplace Relations Act 2015	Ireland
<b>PA2.i Active Labour Market Policies - job creation</b>	Hiring subsidies	Hiring first employee	France

Policy area	Sub-policy area	Title of new measure	Country of measure
		Hiring subsidies for persons at social risk	fYROM
		Incentive scheme for the employment of the long-term unemployed (3rd offering)	Cyprus
		Job creation subsidies: An Impact Analysis (ITEAP)	Turkey
		Special program of hiring subsidies for most vulnerable groups (Macedonia employs)	fYROM
	Start-Up Incentives (incl. measures encouraging entrepreneurship, female entrepreneurship & micro credit schemes etc.)	Concept on support of start-ups	Slovakia
		Modification of the regulation of self-employment	Spain
		Policies for promoting youth self-employment and employment	fYROM
		Promotion of the Social Economy	Spain
		Scheme to strengthen female entrepreneurship (1st Call 2014-2020)	Cyprus
		Technical Support to the Creation and Consolidation of Projects (Apoio Técnico à Criação e Consolidação de Projetos / ATCP)	Portugal
	Simplifying the Business Environment	Measures to improve the business environment and reduce administrative burdens	Slovakia

Policy area	Sub-policy area	Title of new measure	Country of measure
	Public Investment Programmes and Regional Investment Incentives measures	Reform of service vouchers system in the Flemish Region	Belgium
		Special law on support of high unemployment regions	Slovakia
	Public works	Short-term public work programme 2015	Greece
		Temporary public works	Slovakia
	Other job creation measures	Action Plan for attracting foreign specialists to Estonia	Estonia
		Draft National Tourism Policy 2015-2020	Malta
		EU direct grant for employment promotion	fYROM
		Family business white paper	Malta
		National Action Plan for Employment (2015 ? 2017)	Poland
		Reform of reimbursement scheme for the social benefits	Denmark
		SME Initiative	Malta
		Technical Assistance to Support Direct Grant Management in the Field of Employment Policy	Serbia
<b>PA2.ii Active Labour Market Policies - Employment Services (public &amp; private) &amp; Skills Forecasting Systems</b>	PES Governance	BG05M9OP001 ? 3. 002. Employment and social assistance centers (ESAC)	Bulgaria

Policy area	Sub-policy area	Title of new measure	Country of measure
		Decree-Law providing Guidelines for the ALMP and PES	Portugal
		Reorganisation of the Public Employment Service	Hungary
	Public-private cooperation	None	None
	Skills forecasting systems	Anticipation System of Skills Needs (Sistema de Antecipação de Necessidades de Qualificações, SANQ)	Portugal
		Establishment of skills observatory and a skill-forecasting system	fYROM
	Other measures relating to Employment services & skills forecasting	Amendments to the regulation of employment of third-country nationals (TCN)	Lithuania
		Annual Plan for Employment Policy 2015 (EPAP)	Spain
		Implementation of benchmarking and benchlearning systems in the LLE	Lithuania
		Increase appropriation to Public Employment Service	Sweden
		LTU action plan : Pole emploi services	France
		Plan to introduce profiling from 1 January 2016	Hungary
		Reform of the system of vocational training for employment	Spain
		Specialist Employability Support Programme	United Kingdom

Policy area	Sub-policy area	Title of new measure	Country of measure		
<b>PA2.iii, Active Labour Market Policies - Targeted Activation Measures</b>	Systemic Reforms of ALMPs	None	None		
	Youth Policies incl measures to reduce unemployment, combat early school leaving etc.	Assisted training (Assistierte Ausbildung)		Germany	
		BG05M9op 001-1.002: Active		Bulgaria	
		BG05M9OP001-1.003: New Workplace 2015		Bulgaria	
		BG05M9OP001-1.005: Training and employment for young people		Bulgaria	
		Early identification of young NEET		Sweden	
		Support for Youth Voluntary Work Scheme		Malta	
		Youth guarantee		France	
		Youth Guarantee	Changes in the Swedish Youth Guarantee		Sweden
			From the faculty immediately to practice (Iz faksa takoj praksa)		Slovenia
	Launch of the Youth Guarantee programme		Hungary		
	Scheme for the work-placement of secondary graduates (2015 offering)		Cyprus		

Policy area	Sub-policy area	Title of new measure	Country of measure
		Scheme to encourage youth entrepreneurship (1st Call 2014-2020)	Cyprus
		Scheme to place and provide work experience to unemployed degree holders (2015 offering)	Cyprus
		The NEETs project "Know and Do"	Latvia
		Vocational education in construction	Latvia
	Measures supporting older workers (incl job creation incentives, enhancing employability, improving employment services etc.)	Changes to the Law on Social Enterprises (SE)	Lithuania
		Measures for older workers	France
		Support for Older Unemployed People?	Lithuania
		Partial removal of the employment bonus for workers aged 50 years or more in the Flemish Region	Belgium
		Transition period for the regime of unemployment with company supplement (RCC)	Belgium
	Measures supporting women workers incl incentives to female employment, enhancing job flexibility etc	None	None
	Measures supporting other vulnerable workers e.g. immigrants, Roma, those with a reduced ability to work	Fast Track into the Labour Market for Newly Arrived Migrants	Sweden



Policy area	Sub-policy area	Title of new measure	Country of measure
		New ESF funded project for labour market integration of disabled	Lithuania
		Professional rehabilitation measures for people at risk of discrimination	Latvia
		Second phase of the programme social participation at the labour market (soziale Teilhabe am Arbeitsmarkt)	Germany
		Support measures to the long-term unemployed	Latvia
	Measures improving services for the unemployed + enhancing employability	ESF Federal Programme to combat long-term unemployment	Germany
		Minor ALMP reform	Slovakia
		Mobility support for unemployed introduced	Estonia
		New programme targeting disadvantaged jobseekers (GINOP 5.1.1)	Hungary
		On the Job Training 2015 programme	Slovenia
		Reform of Job and Development Guarantee (Phase 3)	Sweden
		Widening access to career counselling among adults	Estonia
		Learn and succeed in Bulgaria	Bulgaria
	Other Active Labour Market Policies	Encouraging entrepreneurship for unemployed	France

Policy area	Sub-policy area	Title of new measure	Country of measure
		Incentive for the Acceptance of a Job Offer (Incentivo à Aceitação de Ofertas de Emprego)	Portugal
		Launch of the personal activity account	France
		Reactivate (Reativar)	Portugal
		Reform of parental leave	Luxembourg
		renewal of short term contracts	France
		reorientation of active measures for deprived areas	France
		RE-PAS training programme	Slovakia
		Support to Geographical Mobility on the Labour Market (Apoio à Mobilidade Geográfica no Mercado de Trabalho)	Portugal
		training plan for unemployed	France
		Unemployment Insurance Fund introduced a system of employer consultants	Estonia
<b>PA 3: Social security systems</b>	Unemployment Benefit Reforms	Change of the Law on unemployment benefit of older people	Finland
		Increase of Unemployment Insurance Income Replacement Rate	Sweden
		Rationalisation of benefits for the unemployed	Latvia

Policy area	Sub-policy area	Title of new measure	Country of measure
		Restrictions on EU migrants claiming Universal Credit	United Kingdom
	Social assistance measures e.g. family benefits, housing, long-term care etc.)	Amendments on the Social Welfare Act	Croatia
		Changes in Family benefits Act	Poland
		Draft law on second long-term care reform (Zweites Pflegereformgesetz)	Germany
		Harmonization of eligibility rules for old age pension	Denmark
		Introduction of a special integration allowance	Denmark
		Legislative increase of the social financial assistance-SFA benefit level	YROM
		Reform of family allowances in the context of social security	Luxembourg
		Restoration of the accrual principle for family benefits and child benefit for refugees	Denmark
		The new Social Welfare Act	Finland
	Pension Reforms	Amendments to the Pension Insurance Law and amendments to the Mandatory Pension Funds Law	Croatia
		Minimum retirement pensions introduced	Slovakia

Policy area	Sub-policy area	Title of new measure	Country of measure
		New old-age pension eligibility criteria for individual farmers	fYROM
		Partial retirement	Austria
		Pension reform proposals	Malta
		Reform of the public sector pensions (1)	Belgium
		Reform of the public sector pensions (2)	Belgium
		Reform of the public sector pensions (3)	Belgium
		Transition to pre-crisis early retirement scheme	Portugal
	Health insurance system reforms	None	None
	Other measures related to social security systems	None	None
<b>PA 4: Work-life balance and gender equality</b>	Child Care	Childcare for working families	United Kingdom
		Foundation 'Croatia for Children'	Croatia
		Increase of childcare benefits and maternity leave benefits	Slovakia
		Kindergarten attendance compulsory from the age of three	Hungary
		New type of childcare facility: Kindergarten - nursery	Hungary

Policy area	Sub-policy area	Title of new measure	Country of measure
		Promotion of private providers of childcare facilities	fYROM
		Subsidies for child care facilities	Greece
	Other Family Care Provision	None	None
	Parental Leave Arrangements / Benefits	A more Gender Equal Parental Leave	Sweden
		Extending maternity and paternity rights	Portugal
		Increasing the length of parental leave	Netherlands
		Maternity leave trust fund	Malta
		Protecting mothers' jobs while on maternity leave	fYROM
	Gender pay gap and equal rights	Tripartite equal pay programme finished	Finland
	Other work-life balance & gender equality measures	Agreement on cooperation on measures to combat energy poverty	Croatia
		Equilibrium in Women/Men representation for employees representatives	France
		Increased hiring subsidies favouring gender balance	Portugal
		Mechanism for the exclusion of companies that have illegally dismissed pregnant, puerperal and breastfeeding women from public subsidies	Portugal
		Support to families	Latvia

Policy area	Sub-policy area	Title of new measure	Country of measure
		Voluntary increase of gender equality at stock corporations	Portugal
<b>PA 5: Education and training systems</b>	Improvement of Primary and Secondary Education Systems	A pilot project for developing digital competence in school children	Latvia
		Amendments to education law	Latvia
		Education Plus	Malta
		Knowledge boost for adult	Sweden
		Law 107/2015 (La buona scuola)	Italy
		National Education Training Institute	Luxembourg
		Orientation House	Luxembourg
		Other Educational Measures for 2015 and 2016	Sweden
		Reform package in primary and secondary education	Slovakia
		Improving Education & Labour Relevant Skills Formation at Tertiary Level	Changes in university regulations
	Post-Doctoral Grant Scheme		Malta
	Vocational education reform		Malta

Policy area	Sub-policy area	Title of new measure	Country of measure
	Lifelong Learning Measures (incl continuous training programmes, training vouchers and individual training accounts)	New Adult Education Act to update regulatory framework for training providers	Estonia
	Apprenticeships and vocational education training systems incl traineeships & school-to-work transitions	Adoption of the VET concept	Hungary
		Amendments to vocational education law	Latvia
		Apprenticeship - Additional grant	Malta
		Apprenticeships Funding	United Kingdom
		Centralisation of knowledge institutions in VET	Netherlands
		Changes in the curricula of vocational general education	Latvia
		Degree Apprenticeships	United Kingdom
		Expansion of Apprenticeships	Ireland
		FET Service Plan 2015	Ireland
		Funding for state stipends to vocational education institution students	Latvia
	Governmental program of student internships in public administration	Poland	

Policy area	Sub-policy area	Title of new measure	Country of measure
		Increase of apprenticeship training in vocational and higher education	Estonia
		Internship program "Building the value of the Polish economy. Work for us!?"	Poland
		new plan for apprenticeship system	France
		Reform of the Vocational Training Act	Austria
		Strengthening the links between VET and labour market needs	Lithuania
		Transfer of responsibility over VET schools to the Ministry of National Economy	Hungary
	Other education & training system measures	Early language support in institutional childcare facilities	Austria
		Evaluation of the Post Leaving Cert (PLC) qualification	Ireland
		Regulation of professions	Czech Republic
		Support for education of training for tolerated foreigners to begin earlier	Germany
<b>PA6: Labour Taxation (incl Undeclared Work)</b>	Social Security Contributions	Minimum compulsory social insurance contribution requirement	Latvia



Policy area	Sub-policy area	Title of new measure	Country of measure
		Postponement of new contribution on supplementary pensions	Belgium
		Solidarity tax	Latvia
	Personal income taxes	Decreased taxation on low-income	Belgium
		Lowering personal income tax	Hungary
		Raising family tax allowance	Hungary
		Reduction of tax burdens for lowest-paid workers	Lithuania
		Tax benefit of first marriage	Hungary
		Tax refund for low-wage earners	Estonia
	Reducing Undeclared Work	Fight against posting workers and undeclared workers	France
		KITUP II: Technical Assistance for Promoting Registered Employment by Guidance and Inspection (PRE-II) - (EuropeAid/133681/D/SER/TR)	Turkey
	Other labour taxation related measures	Amendments to micro company tax law	Latvia
		Combating social security fraud	Austria
		Reduction of penalties for non-compliance with the legislation	fYROM
		Tax Reform	Austria

Policy area	Sub-policy area	Title of new measure	Country of measure
<b>PA 7: Wage setting institutions and dynamics</b>	Minimum Wages	Government to decide about 2016 minimum wage level	Slovakia
		Increase in the minimum wage/differentiated tax allowance	Latvia
		Minimum wage in 2016	Poland
		Minimum wage regulation for 2015-2016	Serbia
	Public sector pay	National Living Wage	United Kingdom
		Increase in Teachers' wages	Hungary
		Increase in wages of Health care employees	Hungary
		Increase in wages of Police employees	Hungary
	Wage setting regulation and social partnership arrangements	Rise of the salaries for low paid public employees	Lithuania
		None	None
		Other measures related to wages (e.g. addressing wage and social dumping)	Tightening of Fair Pay Conditions

## HOW TO OBTAIN EU PUBLICATIONS

### ***Free publications:***

- one copy:

via EU Bookshop (<http://bookshop.europa.eu>);

- more than one copy or posters/maps:
  - from the European Union's representations ([http://ec.europa.eu/represent\\_en.htm](http://ec.europa.eu/represent_en.htm));
  - from the delegations in non-EU countries ([http://eeas.europa.eu/delegations/index\\_en.htm](http://eeas.europa.eu/delegations/index_en.htm));
  - by contacting the Europe Direct service ([http://europa.eu/europedirect/index\\_en.htm](http://europa.eu/europedirect/index_en.htm)) or calling 00 800 6 7 8 9 10 11 (freephone number from anywhere in the EU) (\*).

(\* The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

### ***Priced publications:***

- via EU Bookshop (<http://bookshop.europa.eu>).

### ***Priced subscriptions:***

- via one of the sales agents of the Publications Office of the European Union ([http://publications.europa.eu/others/agents/index\\_en.htm](http://publications.europa.eu/others/agents/index_en.htm)).

