

Summary Table of Peer Country Comments

	Labour market situation in the peer country	Assessment of the policy measure	Questions to the host country
Croatia	<ul style="list-style-type: none"> Low activity rate, above average unemployment rate, many discouraged workers. Much inactivity due to care responsibilities and personal reasons, in particular among women, indicating capability and incentive barriers. Number of fit-to-work social assistance (GMB) beneficiaries is declining much slower than general unemployment - by the end of 2017 they accounted for 1.5% of the working-age population, up to 22% of the unemployment stock. Unemployed GMB beneficiaries face multiple barriers: low educational attainment, lack of work experience, family obligations (disfavouring women) and lack of resources. Poor employability of GMB beneficiaries: annual flow to employment estimated at 8-25% 	<ul style="list-style-type: none"> Stringent benefit rules and sanctions introduced in Croatia since 2013 (and partially rolled back) does not seem to have led to an increased flow into employment, withdrawals due to sanctions or widespread participation in community/public work schemes. Inactivity trap partially alleviated by delayed reduction of GMB and exception of public works income from income testing. Individual plan for beneficiaries of social services was introduced in 2013 but ceased to apply for GMB recipients by the end of 2017. This instrument was unrelated to jobseekers' professional plans or job integration agreements that clients create with CES. Employment service is providing a single point of contact and job integration agreements for LTU, but no mechanism for involving other service providers has been established. Attempt at facilitating cooperation between employment and social services through the Ordinance in general failed to open up cooperation, likely due to lack of common objectives, common information system, and employee involvement. 	<ul style="list-style-type: none"> In general, what are the patterns of exit from the social allowance in Lithuania, in particular towards employment? What is the actual incidence of continuation of social allowance (is it not automatic?)? What is the current state and main challenges for the integrated municipalities and labour exchange informational system? What was the starting point with respect to data systems used and how will those merge into E-cards? What is the role of the existing service professionals in the CIA model, apart from forwarding clients to case managers? Do they play a role in the case teams, allocating resources for services? What is the current feedback on this model from the service professionals? Have you considered risks or moral hazards involved with using private contractors or NGOs as case managers, in particular as much information accessed via E-cards is among the most sensitive (as per GDPR). How do you plan to assert their competences and ensure service consistency and continuity?
Czech Republic	<ul style="list-style-type: none"> Low level of unemployment (2,5%), which tends to be spatially (post-industrial periphery), educationally (low-skilled), age (elderly) and 	<ul style="list-style-type: none"> Top-down approach in the development and evaluation of individual plans with limited involvement of the recipient of the support. 	<ul style="list-style-type: none"> Are there any mechanisms for evaluation of the efficiency of the CIA model? According to the host country paper,

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	<p>ethnically (Roma) concentrated.</p> <ul style="list-style-type: none"> Multiple barriers / centrality of over-indebtedness for those who remain outside the formal labour market. Direct job creation as a main tool of ALMP directed towards long-term unemployed with limited impact on long-term employment possibilities. Local/project-based testing of inclusion of social service provision into ALMP. 	<ul style="list-style-type: none"> Emphasis on activation measures (support before employment) with limited possibility of support after the entrance on the labor market. Predominance of punitive and controlling measures (decrease of benefits in case of insufficient activity, obligation to repay the measures in case of illegal employment) over supportive measures. In case of inability to meet the requirements, some of the measures can contribute to the processes of social inclusion/economic marginalisation of the unemployed person. Concerns related to data protection - proposed measures might breach privacy rights and be easily turned into a controlling system of the behaviour of unemployed instead of a system of support. 	<p>after the initial assessment, the participant "completes the activities listed in his/her integration plan, while the case manager evaluates the progress". Would it be possible to further elaborate which interventions are included between these "activities"?</p> <ul style="list-style-type: none"> How is data protection ensured? Concerns related to data protection are not clearly addressed in the project. Particularly, the use of the law enforcement database by other than law enforcement authorities raises the risk of data protection violation (GDPR, article 5). Does the CIA model include independent redress mechanisms that would allow for an appeal in cases when social benefits were reduced?
Estonia	<ul style="list-style-type: none"> In 2017, 78,7% of persons aged 20-64 were employed in Estonia, which is the third highest in the EU (EU-28 average was 72,2%). The overall unemployment rate was lower in Estonia compared to the EU-28 average (5,8% vs 7,6% respectively). One third of unemployed have not found a job in 12 months, which is a high share, but still considerably lower than the EU-28 average (44,7%). Passive and active labour market 	<ul style="list-style-type: none"> The cross-linking of so many registries in the CIA model seems very challenging. EUIF uses Employment Information System since 2009 and there have been several reforms not reaching yet the level planned in the CIA. The three-layer service model has been seen by EUIF as an efficient and effective way to support the labour market integration of unemployed. It is not so self-evident how much resources would the CIA model require and what is its cost effectiveness. 	<ul style="list-style-type: none"> Has the cross-linking of registries already taken place? Would be interesting to learn more details about it. What are the main challenges and lessons learnt from this process? Is there a plan to significantly increase the number employees at PES? How many unemployed each job consultants have in her/his portfolio in the CIA model?

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	<p>policies are implemented by the Estonian Unemployment Insurance Fund (EUIF).</p> <ul style="list-style-type: none"> The local authority is required to organise the provision of social services, social benefits, emergency social assistance and other assistance.... 	<ul style="list-style-type: none"> In Estonia, the labour market activation has been hampered by the lack of social services at municipality level and also by high variation of social services at local level. 	
Finland	<ul style="list-style-type: none"> In Finland the amount of unemployed and long-term unemployed has been above the European average since 2008, but the employment situation has improved since 2017. At higher risk of unemployment are young and elderly people, persons being partially workable and immigrants. Men are unemployed more often than women, but single parents and people getting child home care assistance tend to be unemployed more than on average. 	<ul style="list-style-type: none"> In Finland regulations for using information of various registers is statutory legislated and the exchange of information strictly regulated. Information exchange between organisations depends on the consent of the unemployed person and the enabling legislation of the organisations. Following up and coordinating employment and social services is thus a bit laborious. A renewal of legislation is under construction to ease up the information exchange between social, health and other information registers. Information provided to the TE-offices and the multi-sectoral Joint Service Enhancing Employability comprises only information provided by the customer. This can complicate the assessment of service needs. Incentive traps exist for instance regarding housing allowance and child care allowance. A working group has been established for clearing up the incentive traps. Ways to diminish incentive traps and enhancing employment have been found with the partial employment benefits and the self-motivated studies supported 	<ul style="list-style-type: none"> Are there plans in place that combine information and services to support educational institutions or rehabilitative services to the CIA? Who and how can authorities get access to the information in the CIA? Is there any incentive for providing social services to the unemployed customers? Are there regulations for the consent of the unemployed to the usage of information in the CIA? Are there regulations for the content of information (i.e. in Finland information has to directly affect employability)?

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		<p>by unemployment benefits. Piloting of inclusive social security and launching an income register are ways to a better alignment of ALMP measures and social support services.</p> <ul style="list-style-type: none"> • In Finland a system of case managers located in the TE-offices is established for customers of the Supported employment services line. Furthermore, case teams are available for customers of the multi-sectoral Joint Service Enhancing Employability. Having an own specific guiding professional is not systematically implemented in the TE-office. • The services required are defined in the employment, integration and activation plans, but there is no guarantee that the unemployed will be able to make use of them. This can slow down the employment process, if e.g. the health inspections and rehabilitative services are not available on time. 	
Hungary	<ul style="list-style-type: none"> • Unemployment rate and the LTU rate is significantly lower in Hungary than in the EU, with 4,2% and 1,7%, respectively • The number of quasi-unemployed is significantly higher, due to a large number of persons participating in public works • Close to 50% of registered unemployed do not receive any (employment-related) benefits • Long-term unemployment more 	<ul style="list-style-type: none"> • Current proposals for integrated service delivery foresee a relatively restricted target group: those (long-term) registered unemployed, who due to social or health reasons are considered 'not ready to take on a public works' job. However, there is no systematic knowledge (or body of research) about their barriers to employment. • Employment related benefits, active measures and services are delivered by one-stop shops at the district level. However, social services are organised at 	<ul style="list-style-type: none"> • What are the main advantages and disadvantages of having the 'case manager' role outsourced to an NGO? How will this case manager ensure that the client has access to labour market and social services? • How will data protection issues related to the linking of a large number of databases be solved? In particular, how will a case manager, once this functions is outsourced to an NGO be given access to data files?

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	<p>pronounced among low skilled (ISCED 0-2), with close to 50% of all unemployed being LTU</p> <ul style="list-style-type: none"> The Hungarian labour market is facing labour shortages, particularly in skilled manual occupations 	<p>the municipal level, and there is little systematic co-ordination between the two types of services.</p> <ul style="list-style-type: none"> The availability of employment services and complex programmes for LTU are currently limited and uneven. Similarly, the availability of and access to social (health) services in more restricted in villages. Recent changes in the institutional structure of social services might make it possible to have common diagnosis of employment and social problems through co-operation between employment counsellors and social case managers. Current pilots in the sphere of social services will make it possible to map needs and availability of services. Pilots to be proposed by the Hungarian PES, which are to start in 2019, will test alternative modalities of co-operation between employment and social services. 	<ul style="list-style-type: none"> Do you have any cost estimates for the 'variable costs' of integrated services delivery? How much will having a case manager, having regular case team meetings etc. cost (per client) relative to the costs of ALMPs? It is not clear how far (geographically) are the PES offices and offices of the co-ordinators of social services? Would it make sense to have these offices (without institutional integration) 'under one roof' to ease communication between counsellors in the two systems?
Portugal	<ul style="list-style-type: none"> Steady growth of unemployment since 2000, reaching Peak of the crisis in 2013, steady recovery since then but still higher than in 2000. Implementation of ALMP and social support services by two national bodies under the roof of the same Ministry, namely the Public Employment Service IEF and the Institute of Social Security ISS. Low pay is a major problem in 	<ul style="list-style-type: none"> The creation of a one-stop-shop is a necessary step for the increase of the employment service's efficiency and effectiveness. The individualised integration plan might be more mobilising if the beneficiary would be involved in its definition. The expected advantages of the creation of the figure of an Independent Case Manager and of the use of Case Teams with external experts is not clear and seems to bear the risk of high costs in 	<ul style="list-style-type: none"> Who will have the leading role in the reform? It does not seem to be the national PES. Why is this so? Is the PES not much better equipped for this role than the municipalities? Which are the expected advantages of the creation of the figure of an Independent Case Manager and of the use of Case Teams with external experts? Do these advantages outweigh the possible advantages of keeping the central functions within

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	Portugal.	<p>terms of money and organisational efficiency.</p> <ul style="list-style-type: none"> The creation of interfaces between relevant information systems is a necessary step for the increase of the employment service's efficiency and effectiveness. However, the broadness of the Lithuanian reform project raises the question of the protection of informational self-determination of the beneficiaries. The "compelling" one-month Pilot Job Programme after the completion of a series of actions is an attempt to combat the perpetuation of unemployment. In, Portugal, there is no such a measure and no debate in this direction. It would be interesting to know whether other countries have made some experience in this area. 	<p>the national PES?</p> <ul style="list-style-type: none"> How will the exchange between relevant information systems limited to the absolute necessary elements without breaching the informational self-determination of the beneficiaries? Have there been experiences in other countries with measures like the one-month Pilot Job Programme after the completion of a series of actions is an attempt to combat the perpetuation of unemployment?
Romania	<ul style="list-style-type: none"> Romania's economy has continued to grow strongly during the last few years, driven by domestic demand as well as by the growing integration into the value-added chains at the EU level. Unemployment levels remain below the average for the EU-28 although youth unemployment remains stubbornly high. Low unemployment is both a consequence of high rates of growth but also of large and persistent migration, mainly to other states of the EU. 	<ul style="list-style-type: none"> The Romanian and Lithuanian labour markets share a host of similarities as they are both emergent economies, they suffer from the effects of labour migration and thus from relative labour shortages. Low incentives for employment as well as a depletion of population and labour are other similarities. The scale of the Romanian economy and population however makes for a major and important difference with Lithuania, as does the adoption by Lithuania of the EURO while Romania still makes use of its own national currency (the RON). The approach described is similar with the Romanian one in terms of the involvement 	<ul style="list-style-type: none"> Given the "pre-implementation stage of the system" what are the economies of scale and scope expected from its full implementation? It would be interesting to know if any ex-ante assessments have been performed or whether it is planned to be performed before the system is entirely up and running? Is there any explanation behind the apparent strong drive against undeclared work which seems to be a major preoccupation in the paper? Is undeclared work a major issue in the

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	<ul style="list-style-type: none"> The current landscape of the labour market is still characterised by a large share of employment in agriculture (around 26% of total employment) although the share of services has become dominant with 45% of total employment. It has to be noted nevertheless that a large share of the latter are "non-market" ones. Low salaries (in spite of several increases in the minimum guaranteed salaries during the last years), as well as working conditions which are still unattractive compared to the ones in other countries of the EU, are leading to high migration and to a relative shortage of labour. Budgets for labour market interventions remain meagre. In recent years several measures have been introduced, with an emphasis on the incorporation of social support measures (such as labour mobility support measures as described in Annex 2 of this paper) so as to both support labour mobility as well as address labour shortages. 	<p>of the employment services. The profiling of the individuals in need of both activation measures as well as social support makes for another similarity.</p> <ul style="list-style-type: none"> The difference comes whereby Romania tended to "incorporate" social support measures into employment measures, whereas the Lithuanian approach seems to be geared towards the "integration of service provision". Both methods are useful experiences and the similarities between the two countries makes cross-insemination worthwhile. The "incorporated" Lithuanian drive towards the combating of undeclared work and associated practices is worth assimilating and developing. It is however less clear from the paper what kind of economies of scope and scale are achieved and if any ex-ante assessment has been carried out. 	<p>Lithuanian labour market?</p> <ul style="list-style-type: none"> The role of the employment services – presumably both public and private – as well as of the local authorities seems to be well defined. However, it is less clear if other stakeholders, such as the business community, the trade unions and relevant NGOs, also have (or are expected to have) a role to play? The "non-working" seem to be a rather large target group especially for an approach that is geared towards non-monetary services. Are there plans for a narrower target group?
Spain	<ul style="list-style-type: none"> The economic and financial crisis hit the Spanish labour market severely, unemployment rate hit a peak in 2013 at 26%. The unemployment rate of the less 	<ul style="list-style-type: none"> The complex institutional setting and competences' distribution among the national, regional and local levels and the little policy coordination culture and experience in Spain is a challenge. 	<ul style="list-style-type: none"> What is the estimated work-load and cost of case managers? That is, what will be the financial investment of the government to municipalities and labour territories?

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	<p>skilled is more than 2,5 times the one of the highest skilled; over half the unemployed have attained utmost lower secondary educational level.</p> <ul style="list-style-type: none"> • After some improvement along with the economic recovery since 2014, according to the most recent data, 52% of unemployed have been in this situation for over one year and 40% for over two years. • Inactivity has increased among men between 2008 and 2014 (+9.6%), particularly among those with upper secondary and post-secondary non-tertiary education (+37.5%), but has decreased among women (-16%), particularly among those with less than lower secondary education (-30%). • The barriers to employment faced by the unemployed are multiple and combine in varied ways. The report Faces of joblessness in Spain (Browne and Fernández, 2016) identifies 13 profiles of unemployed who would need different combinations of services. • The share of unemployed and inactive persons with more than three employment barriers is estimated at 45% of unemployed and inactive persons. 	<p>However, some experiences exist that are paving the way for more and better coordination of employment and social services. These experiences share the general approach and some specific elements with the Lithuanian model but differ from each other.</p> <ul style="list-style-type: none"> • The national Network for Social Inclusion is participated by national and regional ministries of employment and social services, municipalities, social partners and NGOs. It aims to promote coordination between employment and social services, through debates, working groups and joint capacity building for staff of both policies. • Through a reform in the Basque Country, the regional PES assumed the management of the regional minimum income, approaching thereby recipients of the benefit, usual "clients" of the social services, to the ALMP provided by the PES. An "employment incentives" has been implemented that are compatible with the minimum income, ensuring the working pays always off. • In Murcia, a protocol has been recently signed between the regional department responsible for social services and the regional PES, after two years joint work. Based on a common understanding of social exclusion and employability, the regional PES counts with reliable estimation of the number of persons in situation or at risk of social exclusion so as to plan the attention it can provide them. Thus, each employment office counts with 	<ul style="list-style-type: none"> • How will the integrated information system (IS) be designed and implemented (e.g. integrating current labour and social services databases?)? Can you please explain more how the profiling of individuals will be elaborated and used? Will it also lead the case manager / beneficiary to a determined package of services? • Will the monitoring and evaluation system be based also on the IS and profiling? • In Spain, social perception of employment and social services by citizenship is different, which has to do with stigma (i.e. being unemployed -thus in an employment office- is not so grave as being (at risk of) socially excluded). Is this the case also in Lithuania? Is there a difference foreseen as if a person enters the CIA through a municipality or through a labour exchange? • Are there capacity building and wide communication efforts foreseen? If then, which contents, target groups, intensity...?

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		<p>an employment counsellor specifically trained. Efforts have been devoted to communicating and training employment and social services professionals about the protocol.</p> <ul style="list-style-type: none"> • In Castilla y León, social services and employment exchange information and this allows social services to improve its capacity to adapt to the individual's needs. When the person is in a pre-labour stage, then social services work basic social and labour intervention with him/her; if the person has a higher employability level, then a more complex itinerary is designed, including vocational training, and the person is derived to an NGO. The region has also established a system of "employment incentives" that ensures that working always pays off. Moreover, it is at present working, with ESF EASI support, in a profiling tool allowing anticipation of needs and planning of resources. 	