



Report on the 22nd meeting of the Contact Persons of the European Globalisation Adjustment Fund (EGF)

*Santiago de Compostela,
18th October 2017*

Table of Contents

Table of Contents	2
Overall introduction	3
1. Introduction and adoption of the agenda by Ms Fabienne Levy, Head of Unit, EGF and Shared Management, European Commission.....	3
2. Update on EGF since the last Contact Persons Meeting.....	3
Final reports and closures	3
Recoveries	3
EC Implementing Decision – deadline employment status	3
Applications received.....	4
Applications planned (tour de table)	4
4. Communication updates.....	5
New EGF website	5
EU protects Campaign	5
5. Forthcoming EGF related events.....	5
Next EGF Contact Persons meeting and Networking Seminar, March 2019.....	5
Update on EGF related events planned in the Member States	5
6. Keynote presentation: Automation, digitisation and platforms – implications for the future of work, by Mr John Hurley, Research Manager, European Foundation for the Improvement of Living and Working Conditions (Eurofound)	6
What is the digital revolution?	6
How is the digital revolution predicted to affect work and employment?.....	6
Digitalisation and employment – automation, digitisation, and platform work	7
A closer look at platform work	7
Working conditions in platform work.....	8
Key policy questions – platform work	9
Will the digital revolution reduce employment?	9
Q&A	10
7. EGF-post 2020 – Discussion on Art.12 and Art.19 of the draft legislative proposal on EGF-post 2020	10
EGF-post 2020 Article 12 - Technical assistance at the initiative of the Commission	11
Post-2020 Discussion on Article 19 (ANNEX)	13
(1) Common output indicators for beneficiaries.....	13
(2) Common result indicators for beneficiaries	13
Beneficiary survey.....	13
(3) Common longer-term result indicator for beneficiaries.....	14
Q&A	14

Overall introduction

The purpose of this document is to report on the presentations and discussions, which took place during the 22nd meeting of the Contact Persons of the European Globalisation Adjustment Fund (EGF). The meeting was held on the 18th of October 2018 in Santiago de Compostela, Spain.

This document provides a concise summary of the meeting. The reader is referred to the presentation used during the meeting for an overview of the Commission's key messages and the full agenda of the meeting is available on the EGF website¹.

1. Introduction and adoption of the agenda by Ms Fabienne Levy, Head of Unit, EGF and Shared Management, European Commission

Ms Fabienne Levy introduced herself as the Head of Unit for EMPL F.2 (Directorate-General for Employment, Social Affairs and Inclusion), responsible for the EGF and Shared Management, and welcomed the participants to the Contact Persons meeting.

2. Update on EGF since the last Contact Persons Meeting

Final reports and closures

A speaker from the EGF team explained that since the last Contact Persons meeting, the EGF had received six final reports from cases in the time period 2015-2016. Two of these were from Sweden, one from France, one from Belgium, one from Greece and one from Finland.

The team wound up ten cases from 2011, 2013, 2014 and 2015. Three cases were from Austria, two from Belgium, one from France, one from Finland, one from Germany, one from Greece and one from Italy.

Recoveries

The EGF had also sent out five debit notes (three to Belgium, one to Greece and one to France) since the last meeting. The recovery notes ranged from 25% to over 65% – a considerable range. The speaker from the Commission reminded Member States to carefully budget in order to limit recoveries.

EC Implementing Decision – deadline employment status

Next, a speaker from the EGF team at the Commission confirmed that Member States would have to send in the SFC2014 system the employment status data for EGF beneficiaries twelve months after the submission of the Final Report of a project (as explained in the EGF FAQ 11.4²).

¹ The agenda is available under:

<http://ec.europa.eu/social/BlobServlet?docId=20227&langId=en>

² EGF FAQ document available under:

<http://ec.europa.eu/social/BlobServlet?docId=17241&langId=en>

The speaker also said that feedback from the SFC2014 experience so far was that the new Employment Status module was working well. The EGF team were looking forward to receiving the Reports via the new module.

Applications received

A representative of the EGF team next presented on the applications the EGF had received since the last meeting in March. In 2018 three cases had been received, of which two cases were still in assessment with Parliament and Council.

Adopted by the Budgetary Authority:

EGF/2017/009 FR/Air France - adopted in July

EGF/2017/010 BE/Caterpillar - adopted in May

EGF/2018/001 NL/Friesland, Drenthe, Overijssel - adopted early October

In assessment by Budgetary Authority:

EGF/2018/002 PT/Norte Centro Lisboa Wearing Apparel

EGF/2018/03 EL/Attica Publishing Activities

Applications planned (tour de table)

Next, the representatives of the Member States were asked to present the applications they had planned for the near future. Only the representative of Finland said that there could be possible application(s), but only in the idea/planning stage.

3. Omnibus Regulation - update

The EGF team next presented on the Omnibus Regulation, which had previously been presented at several meetings. Finally, the Omnibus Regulation had been adopted by the European Parliament and Council on 18 July 2018. The document can be downloaded from EUR-Lex³. Article 274 as well as 279(4) are relevant for the EGF.

Article 274(3) of the Omnibus extends the derogation to support NEETs until end of the programming period, while having changed the requirements for NEETs inclusion. Instead of specific regions being eligible, now the Member States must show that the NUTS 2 level region has 20% or higher youth unemployment rate (age range 15-24 years). The EGF team explained that the extension of the NEETs derogation (and the transitional provision Art.279(4)) currently affects two cases, that could benefit directly: the Spanish Castilla y León mining case (NEETs extension until 15 February 2019), and the Belgian Caterpillar case (NEETs derogation until 18 December 2019). The team expressed hope that the extension in these two projects could still be implemented. Overall NEETs inclusion is possible until the end of 2020.

Article 274(2) also extends the possibility to mix different NACE Revision 2 division level sectors within one application when the project focuses on SMEs, in exceptional circumstances. The EGF team did not know how easy it would be to implement this new possibility yet. In terms of SMEs, the affected businesses must be small

³ The Omnibus Regulation is available under:
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018R1046&qid=1539331794051&from=EN>
Relevant articles for the EGF: Art. 274 and 279(4).

companies, not a couple of big enterprises put together – this would not qualify under the changes.

4. Communication updates

New EGF website

The EGF team explained that while there were no major communication news or issues, the EGF website had been completely redesigned, to visually align it to other Commission websites and to make it more mobile friendly. Under the new set-up, all the menu choices (including application, contact details, and documents) that were on the right-hand side would now be in the bottom of the page, when scrolling down.

Clicking on the “This topic in detail” button also allowed users to find the “How to apply” and “Applications” sections. The “Related documents” and “Related links” would be available under the “This topic in detail” button.

EU protects Campaign

The speaker furthermore explained that the EU is launching a corporate campaign called EU Protect (DG COMM - Directorate-General for Communication), which will target the 35+ age group. The campaign will try to convey the message that there are a “chain of heroes” that make it possible on a regional, national, and EU-level to protect citizens.

The EGF is included in this campaign, and several Member States and projects have already been suggested as partners for the campaign. DG COMM have contacted Member States directly to take part in the campaign, but the speaker asked that representatives also let the EGF team know if this happens (even if Member States were not interested in taking part).

5. Forthcoming EGF related events

Next EGF Contact Persons meeting and Networking Seminar, March 2019

The EGF team clarified that the next Contact Persons meeting as well as the Networking Seminar would take place in March 2019, either the 6th and 7th of March, or the 13th and 14th of March. Discussions were underway with two different Member States as to the location of the events.

Update on EGF related events planned in the Member States

The Member States were next asked to present any upcoming communication activities they had planned. The representative of Sweden said that there would be a final conference for the Ericsson 1 project⁴ the following week. The representative of Finland explained that there would be a few projects finishing and for each there would be a closing seminar (to which all the stakeholders are invited). These would take place before the next meeting, although exact dates were not available yet.

⁴ EGF/2016/002 SE Ericsson

6. Keynote presentation: Automation, digitisation and platforms – implications for the future of work, by Mr John Hurley, Research Manager, European Foundation for the Improvement of Living and Working Conditions (Eurofound)

What is the digital revolution?

Mr Hurley started his presentation by talking about the digital revolution. The core inventions of the general acceleration of the pace of technological change has been based on the relatively old invention of the microchip (1950s), and computer networking and internet (late 1970s and 1980s), it is however the widespread implementation of these technologies, only taking part in this century, which has led to changes on a big scale.

The Eurofound's focus in digitalisation builds on previous work on new forms of employment, while three areas of innovation likely to have the biggest impact on work are the main focus of research in the current 2017-2020 work programme: digitisation, automation and platforms.

How is the digital revolution predicted to affect work and employment?

The speaker explained that there have been various expert assessments of the impacts of digitisation and automation, varying from the rosy (Brynjolfsson/McAfee, 2014), to the extremely positive, viewing the digital age as trigger for an evolutionary leap (Kurzweil, 2005; Harari, 2016), to the neutral, viewing the impacts of digitalisation as a mostly peripheral set of innovations relevant for the leisure industries (Gordon, 2016).

In terms of the impact on employment, there have similarly been many assessments and predictions. There have been negative predictions of mass technological unemployment and the "rise of the robots" (Ford, 2015), forecasts of technological displacement and of 47% US employment being automatable via computerisation within the next two decades (Frey/Osborne, 2013). However, there have also been more modest appraisals – that only around 9-14% of jobs in OECD countries are automatable (OECD, 2018; Arntz et al, 2016). Mr Hurley explained that these estimates are based on a technical analysis of the division of labour and its separation into tasks. Since all jobs are socially embedded, and human beings are not just biological performers of tasks, jobs that could be automated will not necessarily be automated because of the social aspect.

There are four key attributes to digital technologies with transformative potential for economic activity: the flexibilisation of production, fast and pervasive information availability, the emergence of digital goods with low or zero marginal costs, as well as strong network effects. Facebook and Google are obvious examples of this first-starter advantage. The potential for monopoly in digital industries is large, since marginal costs are low. This is an important point for regulation and policymaking, as the speaker explained.

The transformative attributes of digital technology originally resided in the IT sector, as well as most recently in the broader communication and leisure industries. Increasingly these elements are being applied in new sectors and to other forms of goods – for example manufacturing, retail and social services.

Digitalisation and employment – automation, digitisation, and platform work

Mr Hurley next explained what automation, digitisation and platforms are in more detail. Automation refers to Human Resources tasks being replaced by machines, with robotics, artificial intelligence and drones being specific applied examples of automation. Job polarisation, work organisation, and skills demand are all policy and regulation challenges that stem from automation.

Digitisation (under the broad heading of digitalisation), as the speaker explained, refers to digital production processes, for example the Internet of Things, VR, 3D printing. Digitisation challenges for work and employment include the fragmentation of jobs, contractual arrangements and privacy issues.

Platforms refer to the coordination of supply and demand for paid work through an online platform, with examples in the delivery, transport and online services sectors. The challenges of platform work to employment are employment status issues, work organisation, and fragmentation.

A closer look at platform work

The speaker next focused on the third category of digitalisation affecting employment – platform work. Platform work, as previously explained, refers to contracting paid work through a platform, with three parties being involved: the client, the worker, and the platform. Normally platform work involves the breakdown of jobs into tasks and on-demand services. Amazon Mechanical Turk, Deliveroo, and Uber are just some of the examples of online platforms mediating work relations.

The speaker explained that currently an estimated 2% of workers use platform work as their main source of income, 6% have it as a significant source of income (20% of income), while 8% do platform work at least once a month (in comparison, in the 2015 US labour survey, in which 1 in 200 workers were found to be working as “independent workers”, which includes platform work). Research shows that these forms of work are growing. Temporary agency work also employs 2% of workers, which is a significant form of employment.

The recent Eurofound report on platform work (2018)⁵ identifies the ten most important types of platform work, since it is useful to try to categorise this new form of employment. The taxonomy is based on whether the job is delivered online or on location, the form of matching (whether it is an offer or contest between workers), the scale of tasks involved (from “microtasks” to big projects), the level of skill required for the job, and the selection process (whether the platform or the client decides who gets the job). The different types of platform work catalogued by Eurofound account for 98% of current platform employment.

The speaker concentrated on the following three forms of platform work from the overall ten categories, considered especially important: 1) on-location platform-determined routine work, 2) on-location worker-initiated moderately skilled work and 3) online contestant specialist work.

The first form, “on-location platform-determined routine work” (for example Foodora, Deliveroo, Uber) is a form of platform work where workers have a limited ability to refuse work. The main characteristics of this type of employment are low-skilled routine tasks, personal delivery, and task assignment based on an offer and decided by the platform. The workers are typically young and male, and highly educated,

⁵ “Digital age: Employment and working conditions of selected types of platform work” (Eurofound, 2018), available under:
<https://www.eurofound.europa.eu/publications/report/2018/employment-and-working-conditions-of-selected-types-of-platform-work>

despite the job being low skilled. Barriers to entry are low, and thus the employment is suitable for mobile workers. Young workers from all over Europe for example use this form of employment as their first port of call when moving to a new place. This type of employment facilitates the mobility of labour, although it is often also not a primary source of income.

The second form, “on-location worker-initiated moderately skilled work” (for example Helpling and Listminut) is a form of coordinated platform work. This type of employment is worker-initiated. Workers post a profile of the type of work they are willing to undertake, or clients the type of work they need completed, and workers or clients can get in touch with each other based on the and their needs or offer. This form of platform work is less coercive than the first form. The online platform is used to skills-match self-employed people with those in need of such skills. The main characteristics of the work are low to medium skilled tasks, personal delivery of tasks, and task assignment based on an offer and decided by the worker. The typical worker is slightly older, highly educated, male, with children and another job. The worker might be building a client base and has a choice of tasks.

The third type of platform work, “online contestant specialist work” is an emerging form of specialist work, including graphic design projects, business and data analysis (99designs and Co-Hive are examples of mediating platforms). The pool of workers in this case are self-employed people and small companies. Clients specify their needs in terms of specialist work they need done, thereafter, registered workers or small businesses can apply with a quote. This third form is more of a traditional working relationship between a small firm and individual freelancers, being intermediated by a platform. The main characteristics of this type of employment are highly skilled and online-delivered tasks, and job assignment based on contest and decided by client. The typical worker is again a slightly older, highly educated male, with children and another job. The worker might be building a client base and using the job as an opportunity to use their creativity.

Working conditions in platform work

There is very limited flexibility, autonomy and control when it comes to on-location platform-determined work, because of strict schedules, sanctions for declining a job, and very strict control and close monitoring by the platform. There is more autonomy in the second form, but clients still monitor and rate workers. There is a high level of autonomy and flexibility when it comes to the third, contest form of platform work. For on-location platform work, the earnings are low but predictable and based on market prices. There is a high level of unpredictability and potential for unpaid work in contests (“race to the bottom” for payments and time schedule).

On-location platform-determined work potentially means long, unsocial working hours with limited breaks. Career progression is also non-existent in low-skilled platform work. In worker-initiated platform work there is a dependence on the client when it comes to work intensity and working time quality. In contest work, there are potentially tight deadlines and stressful working conditions, as well as a lot of unpaid work.

Overall, there is limited interest in organising and unionisation amongst more skilled independent workers, while low-skilled platform workers are unionising in many European countries (Germany, Austria, and UK) for better working conditions and fair pay.

Key policy questions – platform work

As Mr Hurley explained, the key policy question concerning platform work is how to benefit from the coordinating efficiency of the new platforms, while avoiding their potentially negative social outcomes. There is a legitimate concern that some platform workers could face the worst of both worlds – the more limited social and contractual protection of self-employed workers and the dependence and lack of autonomy of employees.

As explained, there are many types of platform work. Most of the regulatory issues relate to on-location platform determined work, as many other platforms are effectively just mediators of traditional employment relationships. One issue is that since the economic activity of on-location platform determined workers does not fit existing regulatory frameworks, currently platforms decide what the employment status of their employees is (no EU legislation, different legislation in Member States, but no legal definition yet in any country). This means that most of the workers are given a self-employed status. This has huge impacts in terms of social coverage, taxation and worker representation.

Changes might also be happening in this regard. According to UK legislation, for example, Uber drivers have an intermediary status as workers, including 4 weeks of holiday pay (there is distinction between the “self-employed”, “employees” and “workers” in the UK). It remains important to distinguish between the different forms of platform work.

Mr Hurley explained that there is also a new publication database on the platform economy on the Eurofound website⁶, where more information is available on these topics.

Will the digital revolution reduce employment?

Mr Hurley explained that it is unclear what the overall effect of the digital revolution would be. While on the one hand reducing jobs in some sectors it could bring about higher employment in other areas, for example with the corresponding expansion of service jobs. Even if some jobs may become automatable, it does not necessarily mean that they will be replaced. Workers may simply be reassigned new duties – high street banks employ similar levels of staff now as before the introduction of ATMs, for example.

The speaker also explained that many jobs are restricted by licensing to those with qualifications, including many high paid jobs. Although computers may be better than radiologists with 12+ years of professional training at detecting cancer in a diagnostic scan, new technologies in this field may simply be used to make more efficient and accurate radiologists. There are also three hard boundaries to automation and digitisation: 1) tasks requiring perception or manipulation, especially in unstructured environments, 2) tasks requiring creative thinking or new ideas, and 3) tasks requiring sociability and interactive communication.

The speaker finished their presentation by explaining that despite the warning of some authors, we are now 5 years into the time-period foreseen as the start of the digital revolution, and employment and the volume of hours worked so far has not decreased. Unemployment is the lowest in some Western countries for a generation – the disemployment potential of the digital age might have been slightly overblown.

⁶ Database on the platform economy available under:
<http://eurofound.link/platformeconomy>

Q&A

During the extensive Q&A discussion session with Mr John Hurley, the conversation first centred on whether there was an expected hollowing out of the middle-income sector and sharp rise in inequality. The speaker explained that the risk of employment polarisation was there as blue-collar and mid-paid jobs were the most likely to disappear. The winner-take-all nature of developments on the meso-level would further mean that there would be an enormous concentration of wealth and monopoly power at the top. This is why regulation and social policy were important.

The next question centred on the pay scale of platform work and whether the availability of cheap on-demand labour would reduce automation. Since platform work emerged in higher GDP per capita countries, it is more that the income effect is driving the incidence of platform work. Mr Hurley also explained that in terms of the difference between digitisation and digitalisation – digitisation simply refers to the conversion of analogue information into digital information and is a subset of digitalisation.

Platform work could also potentially increase globalisation, although Deliveroo or Uber do not enter the framework of globalisation. Lower paid radiologist in emerging economies could do the work of Western radiologists, but occupational licencing regimes as well as privacy and security concerns could keep this at bay. There could, however, be a significant automation element when it comes to machine learning for radiologist. Big data and automation would be more important in job loss in these cases than globalisation.

It was furthermore discussed that despite enormous productivity increases, working times have not been reduced, as people prefer to consume more instead of staying at the same level of consumption and decreasing their working time, even though there would also be possible health and environmental benefits to consuming and working less.

The speaker's general recommendations about setting a new legal framework was to remember the variety of platform work, and to come up with clear definitions (which the Eurofound has attempted to do). The European Commission should try to transmit key words and understanding, since this will be a big issue for the future of work going forward. Some types of platform work could principally be carried out anywhere in the world, which makes new regulatory frameworks important.

7. EGF-post 2020 – Discussion on Art.12 and Art.19 of the draft legislative proposal on EGF-post 2020

Ms Bistra Valchanova, the EGF Team Leader, started by talking about the Social Questions Working Party (SQWP) meetings in Council, hoping that many of the Member State representatives were involved in the drafting of the speaking points for their Member States, when it came to discussions about the EGF and the proposal for the post-2020 Regulation. Ms Valchanova explained that there had been a number of meetings in the European Parliament already about the future of the EGF, which were publicly available (the respective rapporteur's opinions from the different political families and committees were also available). The speaker clarified that the discussions in the European Parliament were still ongoing.

The EGF team identified Article 12 and 19 of the new draft legislative proposal for the EGF Regulation post-2020 as important discussion points at the SQWP. Article 12 refers to technical assistance at the initiative of the Commission. This topic was discussed in January 2018 at the Contact Persons meeting in Brussels. Unfortunately, the initial ideas that were discussed then were not supported by DG BUDG, because of

specific rules about technical assistance funding. The Commission could support Member States with extra services – a so-called catalogue of in-kind services – for the preparation and implementation of EGF projects, but no extra funding could be allocated. Ms Valchanova encouraged the representatives to think about what types of services would be useful for their Member States to receive from the Commission to make the EGF implementation and application process more streamlined.

The speaker explained that Article 19 was about monitoring and data collection rules, which another EGF colleague would present on later. Since there had been disagreements between Member States as to the appropriate level of data collection and monitoring, Ms Valchanova asked all the representatives to take part in the discussions, so that the EGF team may understand what the issues are before the dialogues next year.

Ms Valchanova then introduced the EGF team member who would be talking about changes to the current technical assistance at the initiative of the Commission.

EGF-post 2020 Article 12 - Technical assistance at the initiative of the Commission

	2014 – 2020	Proposal EGF post 2020
Article	11	12
Amount	0,5% at the initiative of the COMM	0,5% at the initiative of the COMM
Scope of TA:	Activities for the implementation of the EGF: <ul style="list-style-type: none"> - preparation, monitoring, data gathering and creation of a knowledge base - control and evaluation activities - administrative and technical support, - information and communication activities 	Technical and administrative assistance for EGF implementation, such as: <ul style="list-style-type: none"> - preparatory, monitoring, - control, audit and evaluation activities including corporate IT systems, - communication activities and those enhancing the EGF's visibility and - other administrative and TA measures
Implementation	Direct management	Direct or indirect management
Provisions	Commission shall provide: <ol style="list-style-type: none"> 1. information and guidance to the Member States for using, monitoring and evaluating the EGF; 2. clear guidance on using the EGF to the European and national social partners 	Commission shall provide: <ol style="list-style-type: none"> 1. information and guidance to the Member States for using, monitoring and evaluating the EGF 2. clear guidance on using the EGF to the European and national social partners. Guidance measures may also include the creation of taskforces in cases of severe economic disruptions in a Member State.

The comparison table above shows extracts taken from the current EGF Regulation on the left-hand side, and the Commission post-2020 proposal on the right-hand side. The novelties are highlighted in bold. The percentage for TA post 2020 remains 0.5% from the annual ceiling. The only change is that it is applied to a different amount – 200 million in 2018 prices, or 225 million on average in current prices.

In terms of what can be financed via this technical assistance – the speaker explained that the Commission proposes to use it for preparatory, monitoring, control, audit and evaluation measures, as well as communication activities, activities to enhance the

EGF's visibility, and other administrative and TA assistance measures – the regular activities funded for managing the EGF.

Although the EGF team is still working on the operationalisation of the new in-kind technical assistance option, the framework has been proposed as a way to help Member States through engaging external contractors. The contractors would provide a list of services to Member States, on which the EGF team wished to consult the Member States at present.

The speaker asked what kind of services would be of support to the Member States to prepare an application, for example guidance, exchanges with Member States with more experience, support from an expert before applying. There might also be a possibility (at the request of the Member State) to create a taskforce, in the case of severe economic disruption. The speaker explained that this possibility was included in the proposal.

There were questions from the Member States on this point – specifically whether assistance would only be available in the preparation phase, or for the whole process. The answer from the Commission was that since there is already technical assistance provided within an EGF project, this new form of assistance was specifically meant for the preparation of an application and for setting up systems for EGF implementation. This was meant to help lesser-experienced Member States in particular. Nevertheless, the Commission would be open to also discussing the option of including evaluation services, if needed. A Contact Person also reminded those in the room to send in their comments and discussions to their attachés in the SQWP. The EGF team furthermore said that under the new Regulation, the application process should become more streamlined and less cumbersome (lessening the need for support in applying for the EGF).

Some Member States said that it would be important for them to have help in the preparation phase, but also assistance for the monitoring, control and evaluation phase, which is not covered through the budget, for when the case is being finalised. Another representative explained that it would be useful to have knowledge and skills exchange from Member States with more experience. Some Contact Persons believed more flexibility would be good to let Member States themselves decide how the technical assistance could be spent. Since the threshold would be lowered from 500 to 250, this would mean a much smaller technical budget for projects, while the administrative burdens would remain relatively high. With a smaller number of beneficiaries, administrative costs could rise up to 8% of the total budget.

Another representative declared that the collection of data and reporting on the beneficiaries should also be included in the new in-kind assistance. The Commission explained that the in-kind technical assistance should be thought of as assistance to build up skills and systems within Member States, not as technical assistance for the case as such. Some speakers also thought that there was not enough technical financing for technical assistance in terms of paying for the staff and human capital of EGF project implementation within the Member States, as all had to be paid for by the Member States themselves. For a more active national managing authority that would work proactively (not just reactively) more financing would be needed.

Ms Bistra Valchanova summed up discussions regarding Article 12, while adding that it was not in the power of the Commission to add any changes at the current stage of the negotiations. Changes would have to come from European Parliament or the Council. For this reason, Contact Persons were once again urged to speak to their representatives on the SQWP and to provide them with the relevant discussion points of the EGF country Contact Persons. The speaker also urged the attendees to discuss the topic with other Member States while still at the meeting.

The Austrian Contact Person explained (on behalf of the Austrian Presidency) that the next SQWP meeting would take place on the 14th of November, and that the aim would be to finalise discussions and to get a partial general agreement from Council by the end of the year. For this reason, Contact Persons were advised to send their changes and suggestions as soon as possible.

Post-2020 Discussion on Article 19 (ANNEX)

Next, an EGF team member presented on the changes to Article 19 (indicators) in the new Regulation. There would be a non-binary new gender aspect as a choice in addition to male and female, when reporting on beneficiaries. Reporting requirement indicators had been talked about as too extensive by Member States but were nevertheless necessary. The EGF team explained that they would like to learn from the Member States, where they thought the biggest obstacles were, and why reporting requirements were thought of as burdensome.

(1) Common output indicators for beneficiaries

The speaker explained that the output indicators would be almost the same as for the ESF, to make it easier for Member States (the only exception being that there were no long-term unemployed possible for EGF cases by definition). The indicators include: the unemployed, inactive, employed, self-employed, below 30 years of age, above 54 years of age, with lower secondary education or less (ISCED 0-2), with upper secondary (ISCED 3) or post-secondary education (ISCED 4), with tertiary education (ISCED 5-8).

The new requirements would be lower than what is required under the 2014–2020 regulatory period, since the ESF categories are very broad, with far less detail in the age group and educational attainment, for example. While this will make it easier and simpler in the future, it will also be less informative. The speaker explained that it is left up to the Member States to decide when to record the details, but it is suggested that this is done when the beneficiaries are initially registered.

(2) Common result indicators for beneficiaries

The speaker next went on to discuss the new (regular, not long-term) result indicators, which will need to be collected 6 months after the end of the implementation period (the longer-term result indicators will have to be collected later). The EGF, unlike the ESF, has an implementation period of 24 months, and 6 months after the end of the implementation period, the achievements of the package of measures must be evaluated.

The most important result indicator for the EGF is the employment rate indicator, which must be broken down by the type of employment contract (full time/part time, fixed term/open-ended and self-employment). The other two indicators are the number of beneficiaries gaining a qualification 6 months after the end of the implementation period, and the beneficiaries who are in education or training 6 months after the end of the implementation period. The difference between the two refers not only to whether a training measure came with an official qualification, but specifically to the change that the EGF project brought about. These indicators match the ones of the ESF.

Beneficiary survey

The common result indicators for beneficiaries are aligned with the ESF and are not too dissimilar from the previous programming period. The real difference lies in the new qualitative beneficiary survey, which will give more qualitative information on the

change that the project brought about, for example on whether people gained self-confidence and a qualification, or just took any job; whether they benefited from qualitative changes in their lives.

The speaker explained that all personal data would be broken down by gender, age group and education level, and the survey would focus on the perceived change in employability, as well as the qualitative information on employment (also change in working hours, level of responsibility or change of salary level compared to previous employment, sector).

The EGF will develop a template for the survey, which will be translated into all languages, but the Member States will be able to add to the template. The costs of getting the data should be low after the online survey is running. It is up to the Member States whether they will want to use the beneficiary survey data to get the information for other indicators (for example common result indicators).

(3) Common longer-term result indicator for beneficiaries

This indicator measures the percentage of EGF beneficiaries in employment, including self-employment, 18 months after the end of the implementation period specified in the financing decision, 12 months after the final report.

In conclusion, the speaker explained that the EGF team hoped that the on-line beneficiary surveys would help gather data on the qualitative changes of EGF measures, without overburdening the Member States. In the SQWP many Member States voiced concerns that the administrative burden of the new indicators would be too high. The EGF team urged representatives to discuss this during the Q&A session which followed next.

Q&A

Before the discussions on the indicators, the EGF team reminded that while the Commission could not make changes to the draft of the new Regulation, the Contact Persons could still speak to the Member State representatives in the SQWP, who would be still able to suggest changes to the Regulation ahead of the dialogues.

Member State views and opinions varied widely on the topic of indicators. While some hoped that useful indicators and measurements of EGF project successes would help popularise projects, others were worried about not being able to gather the necessary data for the indicators. One Member State supported the abandonment of all indicators altogether. The indicators for the type of employment contract (full-time, part-time, self-employed) were especially a topic of contention, as some Member States explained that gathering this data would currently not be possible.

Regarding the output indicator, one Member State set-out that if data were not collected at the start of the package of measures, but at the entry into a measure of a certain individual, there might actually be a chance this person could be considered long-term unemployed, if the person only enters into a measure after having been unemployed for more than a year. The Commission specified that Member States would not be asked to collect data retroactively for cases started before the new programming period. Member States would be given ample time to prepare systems for collecting the new required data. An EGF team member also explained that educational level requirements were already in the SFC system. The Implementing Decision already required this information, in the future the data requirements would be specified in the Regulation (and not in the Commission Implementing Decision) which would be the main difference.

While some Member States were happy about a closer alignment between EGF and ESF, one representative was of the view that a close orientation towards the ESF did not make sense, since the EGF system was different, and also largely depending on national divisions (within the Ministry of Labour, for example).

There was a suggestion from a Member State to give more technical assistance to gather more in-depth data on projects and to show the added value of the EGF. The speaker explained that EGF Contact Persons in Member States were already stretched too thin and the new data requirements might create difficulties, while not bringing in-depth knowledge about the projects. There were also concerns about the type and quality of data from beneficiary surveys, the feedback rate, whether all beneficiaries even had email access to be able to complete the survey, and about the negative-reporting-bias of online surveys in general. GDPR and security and privacy measures were also mentioned as possible sources of problems when gathering data.

Furthermore, since the EGF team had explained that Member States could choose whether they use public employment service or beneficiary survey data for results reporting, there were concerns that this would make the data between different Member States and projects incomparable. Another Member State suggested using both types of data (PES and beneficiary) to triangulate the results via cross-validation.

It was suggested from the Commission side that since ICT education and skills will be promoted as a big component of EGF projects in the future, this should also aid Member States in gathering data from beneficiaries on-line via the survey. The survey could be done paper-based, computer-based, smartphone-based, or whatever medium would allow to easily reach former beneficiaries.

The Head of Unit of EGF and Shared Management, Ms Fabienne Levy, closed the session by once again reminding the Contact Persons that it was not possible for the EGF to make changes to the Regulation, but that Member States could still suggest changes via the Council and their representatives in the SQWP. She thanked the participants for a lively and informative discussion and wished everyone a safe journey home.

The Contact Persons meeting ended at 13:00.