



EMCO Multilateral surveillance reviews of 2020/2019 country-specific recommendations (CSR)

Country-specific conclusions

1. Active Labour Market Policies (ALMP) and Public Employment Services (PES) - 4-5 February 2021

Belgium

2020 CSR 2: Mitigate the employment and social impact of the COVID-19 crisis, notably by promoting effective active labour market measures [...].

Elements from 2019 CSR: vulnerable groups.

The employment rate remains below EU average and shortages in certain professions persist although initiatives have been undertaken to address this issue in some economic sectors. The substantial measures undertaken by the Belgian federal and regional governments including extending the temporary unemployment scheme, enhancing support for self-employed and taking various social measures are expected to mitigate the direct impact of the crisis. Also notable are the measures undertaken to reinforce the different PES at regional level, including by enhancing the capacity for outreach and counselling services to inactive persons, as well as the digitalization. Up-skilling and re-skilling initiatives and investments are likely to support the digital and green transitions. More efforts will be required to address structural challenges related notably to the integration of vulnerable groups, reducing financial disincentives to work, and increasing participation in adult learning. As the presented policy measures to strengthen labour market outcomes are relatively recent, their effectiveness and outcomes will require further monitoring.

France

2020 CSR 2: Mitigate the employment and social impact of the COVID -19 crisis, including by promoting [...] active support for all jobseekers.

Elements from 2019 CSR: vulnerable groups.

Short-time work schemes have played a significant role to retain employment and France has undertaken comprehensive measures to reinforce these schemes both in the short and long term, by implementing structural reforms and a forward-looking approach aimed to link short-time work support to up-skilling and re-skilling of workers. The renewed PES strategy, i.e. the tripartite agreement between the State, the UNEDIC and the PES (*Pôle Emploi*), was signed, introducing notably measures aiming at improving the adequacy of

support to job seekers, its implementation will need to be monitored. France's recovery plan, endowed with significant resources, envisages important investments in skills and to support youth employment and persons with disabilities. Some measures for vulnerable groups, including people with a migrant background, have also been undertaken or recently announced. Nevertheless, more attention should be paid to some vulnerable groups and categories of workers, which already faced risks before the COVID-19 pandemic, such as people with a migrant background, self-employed and workers with (very) short-time contracts. Overall, the response including the measures undertaken by France to address the existing challenges has been adequate, but more efforts are required to address structural challenges related notably to the situation of vulnerable groups.

Hungary

2020 CSR 2: Protect employment through enhanced short-time working arrangements and effective active labour market policies [...].

Elements from 2019 CSR: vulnerable groups.

In 2020, Hungary undertook substantial measures in response to the COVID-19 crisis. Nevertheless, it is noted that not all categories of workers have equally benefitted under these measures; notably non-standard workers including the self-employed did not receive any employment-related assistance. The unemployment benefit system has provided basic support, yet no changes were introduced to strengthen its response in light of the crisis. Sectoral wage subsidies have been a key mechanism to protect jobs in the COVID-19 context and to implement ALMP in Hungary. Public works schemes, while not playing as strong a role as in the past, remain sizeable, though plans have been announced to provide further mentoring, counselling and other support to those covered by these schemes and thus enhance their activation. Furthermore, upskilling and training measures should remain a priority.

Lithuania

2020 CSR 2: Mitigate the impact of the COVID-19 crisis on employment. Increase the funding and coverage of active labour market policy measures [...].

To address the negative impact of the COVID-19 pandemic on the labour market, among other measures applied in 2020, Lithuania mobilised short-time work and wage subsidies schemes, which also extended to cover the self-employed, which helped preserve jobs. Spending on other labour market policy measures related to supported employment and supported job creation increased, and so did participation in these measures. Despite these positive developments, spending on ALMP remains relatively low, so better and more ample use of EU and national resources should be made to ensure adequate and sustainable funding of ALMP. To address the decreasing participation in training, Lithuania intends to implement new actions in 2021. There is a need to continue to invest in digital skills and increase the coverage of such measures as well as of vocational education and training programmes.

Luxembourg

2020 CSR 2: Mitigate the employment impact of the crisis, with special consideration for people in a difficult labour market position.

Luxembourg has taken substantial measures to mitigate the employment impact of the COVID-19 crisis, in particular by extending the short-term working scheme and supporting self-employed, as well as financial assistance measures for the unemployed. However, more progress could be made to address some structural challenges in the labour market which are likely to worsen as a result of the crisis, in particular the low employment and activity rate of some vulnerable groups, notably older workers for whom some policies are in place but no specific measures have been announced in light of the impact of the crisis. In 2020 Luxembourg has put a significant and strategic emphasis on enhancing digital skills and anticipating skills shortages in economic sectors. More efforts should be made with regard to low-skilled people, including as regards their coverage in skills measures.

Croatia

2020 CSR 2: Strengthen labour market measures and institutions [...].

In 2020, Croatia focussed its efforts on preserving jobs, notably by introducing, in cooperation with Social Partners, a new subsidised job preservation scheme. Overall, labour market overall developments seem to indicate that the measures helped mitigate the negative impact of the COVID-19 pandemic on employment. Active labour market measures continued to rely on robust self-employment and employment subsidies, in particular for young people. However, given the circumstances created by the pandemic and the earthquake, the 2020 country-specific recommendation has not been addressed. Challenges remain in tackling regional disparities, improving outreach to the inactive population and vulnerable groups, strengthening learning and training policies, addressing labour shortages and skills mismatches and enhancing the capacity of Public Employment Services. If effectively implemented and coupled with a well-designed monitoring and evaluation system, the actions planned by Croatia to strengthen the link between active labour market policy measures and the provisions of digital and green skills (including those targeting a broad digitization of employment services) could represent positive steps.

Spain

2020 CSR 2: Support employment through arrangements to preserve jobs, effective hiring incentives [...].

As one of the countries worst hit by the pandemic, Spain spent considerable efforts in streamlining and extending existing short time work schemes, in effective cooperation with the social partners. The response was appropriate and adequate and allowed Spain to make progress in supporting jobs preservation. Less progress was made to amend the system of active labour market policies and improve the effectiveness of hiring incentives. Nonetheless, it is key for Spain to address outstanding challenges in the area of active labour market policies. These include reforming hiring incentives and increasing the capacity and effectiveness of the public employment services, with particular attention to regional disparities in the provision of services and individual support to jobseekers.

Czech Republic

2020 CSR 2: Support employment through active labour market policies [...].

In 2020, the Czech Republic made important steps in mitigating the impact of the COVID-19 pandemic on employment, including by introducing a wage subsidy scheme to support job preservation. Measures introduced to upskill and reskill workers at risk of unemployment represent a step forward in the field of activation policies. However, further efforts are needed in order to address barriers faced by disadvantaged groups in entering the labour market. In particular, improvements would be needed in developing comprehensive and tailored-made programmes with a view to providing integrated services to those furthest from the labour market and boost outreach, especially for the low-skilled, Roma and women with small children.

Poland

2020 CSR 2: Mitigate the employment impact of the crisis, in particular by enhancing flexible and short-time working arrangements.

The recent developments on the labour market confirm that Poland made some progress in mitigating the employment impact of the crisis, notably by implementing wage subsidies schemes and providing support to business and the self-employed. However, especially in light of the second wave of the pandemic, it could be necessary to assess the impact on different groups and sectors. Further support measures could then be put in place, with particular attention to young people (15-24 years) who have been one of the vulnerable groups most affected by the crisis. In order to fully address the 2020 country-specific recommendation Poland needs to implement the planned improvement of flexible forms of work time organisation envisaged in the Labour Code amendment. As well as the measures currently foreseen under the Recovery and Resilience Plan to further develop and promote flexible working arrangements and remote work. In addition, Poland should take further action to address structural challenges such as the low labour market participation of women, the low-skilled, older people and persons with disabilities as well as the necessity to further reduce segmentation of the labour market.

Malta

2020 CSR 2: Consolidate short-time work arrangements and ensure the adequacy of unemployment protection for all workers.

Malta successfully protected employment during the crisis by implementing, in consultation with the social partners, a number of emergency measures aimed at supporting job retention and providing financial assistance. Nonetheless, progress to address the 2020 recommendation remained limited. Thus far, no plan has been presented to consolidate the short-time work scheme or to make the new wage supplement scheme permanent. In this context and with a view to consolidation, a better integration of short-time work schemes with training measures could be envisaged. In addition, while some gaps in social protection system have been filled as regards the self-employed, adapting the coverage of unemployment benefits in a view of a possible rise of unemployment still need to be

addressed. Along with ensuring access to social protection for foreign workers, addressing the rising skills shortages and enhancing the skills of disadvantaged groups.

Portugal

2020 CSR 2: Support employment and prioritise measures to preserve jobs.

Portugal has implemented a comprehensive set of measures to tackle the social and employment challenges linked to the COVID-19 crisis. This comprehensive set of measures supports companies, independent workers and employees and persons without previous access to social protection, in order to preserve jobs and secure incomes. The main policy response is the activation of a temporary STW scheme, associated to training measures. The main strengths of the approach are the strong focus on training, both for employees under STWs and for jobseekers, and secondly the implication of social partners and PES in the design and implementation of measures. The efforts to preserve workers' rights has also been welcomed. However, the increase in youth unemployment rate requires further actions. Overall, the swift response of Portuguese authorities to the crisis addresses the employment challenges related to CSR 2020, but vigilance is required to tackle youth unemployment.

Finland

2020 CSR 2: Strengthen measures to support employment and bolster active labour market policies.

Elements from 2019 CSR: incentives to accept work.

Finland has undertaken emergency measures to mitigate the impacts of the crisis on the labour market. Despite the pandemic context, Finland has continued to develop policies to tackle structural challenges related to ALMP and PES pointed out in the CSR. Finland is implementing a comprehensive reform addressing unemployment and inactivity traps, especially the long-term social security reform, and a more integrated support to jobseekers with a mild sanction element. Measures targeted to specific groups, such as older workers and workers partially unable to work are also part of the strategy. The comprehensive and well-designed ALMPs are still at an early stage, but if fully implemented, they will address CSR in a relevant way. Strengthening PES capacities is important to ensure the success of the reforms. To solve inactivity traps, further efforts are necessary to fully implement the social security reform.

Cyprus

2020 CSR 2: Strengthen public employment services, promote flexible working arrangements [...].

Elements from 2019 CSR: young people.

Cyprus has been strongly hit by the crisis and has implemented emergency measures to cope with it. The authorities have undertaken policy measures to strengthen PES capacities and improve the quality of the services to both jobseekers and employers. These measures

include digitalisation measures and youth activation schemes. Efforts to implement short-time work schemes to preserve jobs during the crisis and the support provided by PES have also been underlined as positive developments. However, the ALMP monitoring and evaluation tool and the outreach and support to NEETs have been interrupted as a result of the pandemic. Secondly, although flexible working arrangements have increased during the pandemic, progress remains insufficient and no significant action has been undertaken to provide a legal framework. It has also been noted that efforts must be continued to finalize modernization of PES, including digitalization aspects. Overall, Cyprus' response to address the part of the CSR linked to employment services has been strong, but more actions are necessary to tackle youth unemployment and in particular measures to improve outreach and support to young NEETs and to finalize the ALMP strategy. Further efforts shall also be made to promote and provide a legal framework for flexible work arrangements.

Latvia

2020 CSR 2: Mitigate the employment impact of the crisis, including through flexible working arrangements, active labour market measures [...].

Latvia has implemented measures which partially address the CSR challenges. Notably, a STW scheme was set up to preserve jobs and ALMP measures have been strengthened. Training support, including distance learning, has been provided to workers who have lost their jobs, in a reskilling-upskilling perspective. Subsidised employment and public works schemes have also been reinforced. Latvia also made use of flexible working arrangements. Despite these efforts, as regards short-time work schemes, eligibility is too restrictive and limits flexibility in use. In addition, support measures are temporary and do not sufficiently tackle structural challenges, notably the low registration of jobseekers by PES and their low participation in ALMP. More efforts are necessary in this respect. The low level of digital skills also represents an impediment to distance training measures. Overall, Latvia has implemented measures that address part of the CSR but more actions are expected to address structural ALMP and PES issues.

Greece

2020 CSR 2: Mitigate the employment and social impacts of the COVID-19 crisis, including by implementing measures such as short-time work schemes and ensuring effective activation support.

Greece entered the COVID-19 crisis with the highest unemployment rate in the EU and the policy response has been adequate, notably through the set-up and implementation of a short-time work scheme which helped prevent a further deterioration of the labour market. Greece has also undertaken measures to strengthen certain ALMPs: subsidised employment schemes have been reinforced. Other measures include the provision of online vocational training to jobseekers, especially for digital upskilling, based on a public-private partnership approach, which has been welcomed. Efforts have also been made to further digitalize the PES services, notably by providing online counselling for jobseekers and businesses. However, further efforts are needed to address structural issues related to the low PES counselling capacity, which hinders the implementation of active support to jobseekers. More comprehensive reforms are also needed to further address skills mismatch issues.

Ireland

2019 CSR 2: Provide personalised active integration support and facilitate upskilling, in particular for vulnerable groups and people living in households with low work intensity.

(light review)

Ireland took important steps to mitigate the negative impact of the crisis on the labour market. In particular, there was an increase in the budget for employment services and support, unemployment payments were enhanced and the national wage subsidy schemes was instrumental in protecting existing jobs and cushioning income losses. However, the labour market integration of those furthest away from employment (including low-income earners and people living in quasi-jobless households) remains a challenge. As regards public employment services, a blended model was implemented, combining face-to-face and online support. Ireland noted improvements in its youth employment schemes while pointed out that response measures will be aimed at all those affected by the pandemic involving the most vulnerable as well.

Bulgaria

2020 CSR 2: [...] strengthen active labour market policies. Improve access to distance working [...].

The government's focus was on mitigating the negative impact of the COVID-19 crisis. In particular, the short-time work scheme ("60/40") played a key role in preserving jobs. At the same time, there were positive efforts by the public employment services to deliver online services, including access to the '60/40' short-time work scheme. However, concerns remain as regards the steering of funding for ALMPs, given their high reliance on EU funding, as well as the sustainability of the emergency measures. Further efforts are needed in activating the workforce, especially as regards the upskilling and reskilling of the population (including digital skills). Additional efforts are needed to significantly increase participation in adult learning while there would also be a need for more emphasis on skills development, results orientation in ALMPs. Finally, the option for distance work was introduced in labour legislation in 2011. In 2020, a change in labour legislation was introduced that gives employers the possibility to assign it without the worker's consent (except when it is not possible). It is important to implement support actions to support distance work in a holistic perspective, taking into consideration for example the availability or not of childcare services.

Romania

2020 CSR 2: Mitigate the employment impact of the COVID-19 crisis by developing flexible working arrangements and activation measures.

Measures taken were oriented towards income replacement via the short-time work schemes (with support also going to the self-employed). The impact on preserving jobs and income was positive, nevertheless, vulnerable groups (e.g. NEETs, the low-skilled) were particularly affected by the crisis. Despite the initiation of some strategic public employment

services projects, more efforts would be needed to strengthen the PES capacity, including through the provision of targeted activation measures, and to increase the skills of the population through upskilling and reskilling. Similarly, addressing the needs of vulnerable people, including in rural areas, through targeted activation measures would be of great importance for the long-term sustainable growth. Romania referred to ongoing initiatives to enhance training activities (including targeting the young) and support telework. Nonetheless, the need to speed up support to the young via the implementation of the Youth Guarantee remains. Finally, making public employment services' procedures more flexible was a positive development while the online platform assisted in the implementation of work schemes.

Slovenia

2020 CSR 2: Mitigate the social and employment impact of the COVID-19 crisis, including by [...] enhancing short-time work schemes and through flexible working arrangements.

Slovenia took substantial measures to mitigate the employment impact of the COVID-19 crisis, in particular by putting in place the temporary lay-off scheme and the short-term working scheme. Further efforts need to be made in addressing structural challenges in the labour market, which are likely to worsen as a result of the crisis; in particular the low employment and activity rate of some vulnerable groups (older people, low skilled, younger workers). Slovenia extended existing ALMP programmes to the newly unemployed (who lost their jobs due to the crisis) and gave employees who were temporarily laid-off the opportunity to participate in various training programmes. Slovenia also referred to its planned project to examine the situation of the long-term unemployed with a view to improving policies.

Italy

2020 CSR 2: Mitigate the employment impact of the crisis, including through flexible working arrangements and active support to employment.

Italy implemented measures to preserve jobs and incomes and provide financial assistance. These helped contain the overall impact of the pandemic shock, aided also by the temporary dismissal ban for permanent employees. However, the ban will expire at the end of March 2021, which could lead to an increase in unemployment. It is therefore crucial to define a strategy to keep containing the impact of the crisis on the labour market in the medium and long term, targeting sectors and categories particularly hit by the crisis. The 2021 budget law seeks to reinforce employment incentives in particular in the regions with a more difficult labour market situation and support the young and women, as they were particularly hit by the crisis. However, it is important that these incentives are accompanied by wider structural reforms, or linked to upskilling and reskilling pathways, in order to achieve a more sustainable impact on the labour market. Moreover, measures envisaged under the Recovery and Resilience Plan aim to reform the adult training and education systems as part of a strategy on skills investment. However, further efforts should be made in targeting active labour market policies to support job transitions. In particular, it would be important to strengthen the public employment services through increasing staff and

ensuring specialised training to operators. A dedicated strategy for employers should also be a component of the modernisation of the PES. The financing of measures to implement ALMPs should take into account, in a complementary way, all available funds at national and European level. Teleworking amendments were legislated consenting its use in public and private sectors without the previously required agreement between employer and worker.

2. Labour Market Segmentation, Wages, Labour Taxation and Undeclared Work - 24 **February 2021**

Austria

2020 CSR 4: Make the tax mix more efficient and more supportive to inclusive and sustainable growth.

In order to cope with the Covid-19 crisis, Austria has adopted several measures reducing the tax burden on labour for low-wage earners, families and employers. These tax relief measures are growth and environment friendly and welcomed in the crisis context, since they support businesses recovery and help retain jobs. However, some of these measures have been designed to mitigate the impact of the crisis and might not sufficiently address the structural challenges pointed out by the CSR. There is still scope to shift the tax burden away from labour, towards tax bases that are more supportive of inclusive and sustainable growth, including wealth, harmful substances and polluting emissions.

Germany

2019 CSR 1: Shift taxes away from labour to sources less detrimental to inclusive and sustainable growth.

Elements from 2019 CSRs: Tax wedge for low-wage and second earners.

(light review)

Since 2019, Germany has been implementing tax relief measures and cuts in social contributions that benefit to families and low and middle wage earners. These measures, coupled with the reform of the solidarity surcharge, have reduced labour tax wedge and disincentives to work more hours. However, tax burden is still strongly focused on labour and further efforts are expected to shift this burden to tax bases that are more supportive of inclusive and sustainable growth. Furthermore, the challenges related to disincentives to work more for second earners remain important, even if this group benefit from the global reduction of tax wedge. These challenges are coupled with remaining gaps in access to early childhood education and care services, despite improvements.

Latvia

2019 CSR 1: Reduce taxation for low-income earners by shifting it to other sources, particularly capital and property.

Latvia continued in 2020 to undertake measures in order to further reduce the tax wedge for low-wage earners. In return, some indirect tax rates have been raised. These measures are a step forward to address the challenges pointed out by the CSR. On the other hand, concerns have been expressed about two main points: first, the neutrality of these tax changes has not been ensured; secondly, in 2021, a newly introduced minimum social security contribution may reverse the progress recorded in 2020 with reducing the tax wedge, even if it may help improve social protection coverage. Finally, it has been underlined that there is still scope for reforming the tax system in a way that tackles shadow economy, reduces inequalities and improves tax compliance.

Italy

2019 CSR 1: Shift taxation away from labour, including by reducing tax expenditure and reforming the outdated cadastral values.

2019 CSR 2: Step up efforts to tackle undeclared work.

Tax wedge

Italy has taken measures reducing the labour tax wedge by raising the amount and expanding the eligibility of an already existing tax credit and by introducing targeted exemptions of social contributions, despite the crisis context. These measures, targeted to low and medium incomes, partially address the CSR and are welcomed. Another positive element is that financial resources have been earmarked for a future fiscal reform planned in 2022-2023. However, at this stage, the policy response only focuses on taxes on labour and does not address other issues related to the tax system. Notably, no action has been implemented to reduce tax expenditure nor to reform the cadastral values. A more comprehensive tax reform is therefore still necessary.

Undeclared work

Italy has set up a three-year action plan to tackle labour exploitation in agriculture. This plan follows a multi-dimensional approach including prevention, enforcement via the strengthening of labour inspectorate (which has been continued despite the Covid-19 crisis), protection and assistance to the victims including labour and social reintegration. The national action plan is welcomed and Italy is encouraged to ensure its full implementation. Nevertheless, further action is needed to fully address the CSR. The policy response should be carried out within a coordinated multi-dimensional strategy, also covering other relevant sectors. Reforms should also address the issue of undeclared workers and - to some extent - "underdeclared" workers, as regards their full access to social protection. Cooperation between authorities tackling undeclared work must also be further developed. To support such reforms, the opportunities provided by available European funding should be fully used.

Netherlands

2020 CSR 2: Mitigate the employment and social impact of the COVID-19 crisis [...].

The Netherlands implemented a broad package of economic measures to tackle the consequences of the COVID-19 pandemic. However, as in other Member States, temporary employment has borne much of the brunt of the crisis. Short time work schemes and support to the self-employed, as well as additional funding for social assistance were made available. A social package with flanking measures including investments in training and up- and reskilling, support to youth, measures to combat poverty and tackle indebtedness was adopted, with regional mobility teams playing an important role in its implementation. However, the crisis highlighted persisting structural challenges as regards labour market segmentation. In particular, the employment and social impact of the crisis on vulnerable groups hit the hardest by the pandemic (such as youth, low skilled, people with a migrant background, persons with disabilities, the self-employed without employees) should be closely monitored. Policy studies have been issued with a view to enhancing labour market inclusiveness and elaborating further changes to tackle segmentation. Concrete results need to be further monitored.

Poland

2019 CSR 2: [...] remove remaining obstacles to more permanent types of employment.

Despite significant progress made in recent years, the high incidence of temporary employment in the Polish labour market remains a challenge. The positive trend of reducing the share of temporary employment in total employment continued even during the pandemic, even if at a slower pace compared to the period before the COVID-19 pandemic. Although the impact of the pandemic on the Polish labour market was limited, temporary workers face the highest risk of losing their jobs. Poland presently faces the difficult challenge of reforming its labour law and labour market by introducing more flexible but stable and economically viable working arrangements to support the transition from a segmented labour market to a flexible but stable one. Poland's "Anti-crisis shield" measures to counter the effects of the pandemic include actions specifically targeted to tackling labour market segmentation, for instance the requirement to register specific tasks contracts. Changes were also made to the Labour Code in 2020 and there are plans to continue with further adjustments. It will be nonetheless important to monitor the measures already implemented.

Portugal

2019 CSR 2: Adopt measures to address labour market segmentation.

Portugal is making progress in addressing the challenges related to labour market segmentation. The Portuguese authorities have undertaken considerable efforts in adopting policy reforms aimed at promoting permanent employment and limiting the abusive use of temporary contracts. In recent years, several measures and programmes supported the creation of (mostly permanent) jobs. These programmes were designed and implemented together with the social partners and take into account gender equality and regional

development aspects; their uptake in 2020 has also been significant. Nonetheless, the pandemic has somehow limited the scope of the comprehensive reforms introduced just before its onset aiming to address labour market segmentation. It is noted that the recent drop in the share of temporary employment in Portugal is to an extent the result of job destruction. The most affected are the low-skilled, workers with low wages and youth. Portugal will need to continue to address segmentation through dedicated policy measures and reforms. The high share of temporary contracts in the country demands a continuous effort, notably taking into account the situation of the most precarious workers and young people.

Spain

2019 CSR 2: Foster transitions towards open-ended contracts, including by simplifying the system of hiring incentives.

A series of regulatory reforms in temporary hiring have been proposed: simplification of the causes justifying the use of this type of contract, description of clear criteria and objective limits so that its role is not distorted, establishing limitations to prevent temporary hiring from being merely an external labour flexibility formula for companies, setting an exhaustive list of causes for temporary hiring. There are plans to promote the use of seasonal permanent contracts in cyclical seasonal activities (e.g. notably in tourism). Social partners are involved in the preparation of those reforms.

The anti-crisis measures also tackle some structural challenges, for instance through actions aimed at promoting remote work, gender equality, and short time work schemes. Although the latter have been effective in preserving jobs among permanent workers, they have had a limited effect among temporary workers. It will be important to continue efforts to tackle labour market segmentation beyond the immediate effects of the pandemic, including by implementing the announced measures while also extending them to the public sector as it accounts for over 25% of temporary workers in Spain. Reinforcing labour inspectorates and enhancing the sanctioning system are also important. To limit the effects that introducing stricter regulation on temporary hiring could have on job creation, the attractiveness of open-ended contracts should be enhanced, including by taking further steps to improve internal flexibility.

Estonia

2019 CSR 2: Take measures to reduce the gender pay gap, including by improving wage transparency.

The gender pay gap has been decreasing but nonetheless remains among the highest in the EU. Occupational gender segregation and economic activity based gender segregation are among the reasons contributing to the gender pay gap. Estonia is implementing reforms regarding parental leave and the benefit system. However, the lack of obligatory childcare provision for children under 1.5 years of age remains a challenge. As regards pay transparency, until now, Estonia has opted for soft measures, such as a web application (reported in the previous review). Overall, the Estonian government has taken some measures to reduce the gender pay gap. The coalition agreement of the new government

includes a confirmation of the importance to decrease the gender pay gap and the new government's action plan for 2021-2023 foresees legislative action for this purpose.

3. EMCO-EDUC Review of country-specific recommendations on education and skills - 16-17 March 2021

Belgium

2020 CSR 2: Mitigate the employment and social impact of the COVID-19 crisis, notably by [...] fostering skills development.

Elements from 2019 CSRs: performance and inclusiveness of education and training.

(light review)

Belgium has taken measures to cushion the social and employment impact of the crisis, including new investments in skills and education. All federated entities have shown political willingness to include in the recovery plans significant investments in education and up- and reskilling measures, with a focus on digital skills. Additional resources have also been deployed to ensure education continuity by shifting rapidly to distance learning.

These efforts are appreciated. However, important structural challenges remain and more action is needed to strengthen participation in adult learning, especially for vulnerable groups, to reduce learning gaps and learning deficits in education. Remaining issues related to skills mismatches also require further attention. A more comprehensive strategy is necessary to address challenges in education and training systems pointed out by both the 2019 and 2020 CSRs.

Croatia

2020 CSR 2: Promote the acquisition of skills.

Elements from 2019 CSRs: quality, labour market relevance and access to education and training.

Croatia has continued to implement measures to address challenges related to education and training systems. Reforms in education, VET and adult education are expected to develop competences and skills and improve their relevance and alignment with labour market needs.

Concerns have however been expressed, as the reforms seem to be at an early/preliminary stage and the pace of implementation is very slow. Firstly, with regard to the pace of implementation of the VET reform and secondly regarding the remaining challenges related to education and training. Further measures are necessary to address low quality of education and training, for instance by increasing the instruction time in school (through, among other things, improving currently insufficient school infrastructure) and coordination between different education levels, and by developing further skills and competences through upskilling and reskilling programmes. When it comes to tertiary education, relevant

measures are being undertaken but results are not visible yet. Finally, more effort is needed to address the challenges in the adult education system.

Estonia

2019 CSR 2: Address skills shortages and foster innovation by improving the capacity and labour market relevance of the education and training system.

Estonia is going to adopt a new long-term Education Development Plan for 2021-2035 in spring 2021. An amendment of the Adult Education Act is planned in order to improve the quality and transparency of training. An instrument to monitor and forecast skills needs has been implemented. A reform of professional qualifications has also been announced.

Overall, some progress has been made to address skills shortages and improve the labour market relevance of the education and training system. However, there are remaining challenges. Early school leaving and teacher shortages are still major concerns. Despite measures that are going in the right direction, issues related to skills shortages and mismatches are not fully addressed and could worsen in the context of the COVID-19 crisis, since the need for digital skills and for reskilling and upskilling programmes is increasing.

Ireland

2020 CSR 2: Support employment through developing skills. Address the risk of digital divide, including in the education sector.

Ireland's policy response to support employment through skills development is welcomed. The challenges pointed out in the CSR in relation in particular to digital skills and the digital divide have worsened with the COVID-19 crisis and Ireland has undertaken some measures to address these issues and to promote the embedding of digital technologies and digital skills in the areas of teaching, learning and assessment in primary and post-primary schools. However, in view of the scale of the challenges, significant further efforts are needed. Dedicated funding resources are insufficient and the programmes implemented need to be scaled up, including higher budgetary allocations.

There have been ongoing efforts to tackle the digital divide in education. However, a comprehensive approach is still needed to reduce inequalities among schools, teachers and students, regarding digital skills and digital equipment, including by providing universal access to broadband internet and further integrating new technologies in all schools. Ireland is strongly encouraged to also draw on the available EU funds to implement the necessary reforms. Ireland is aware of the remaining challenges and it is working towards addressing the digital divide.

Latvia

2020 CSR 2: Mitigate the employment impact of the crisis, including through [...] skills.

Elements from 2019 CSRs: quality and efficiency of education and training; low-skilled workers and jobseekers.

Latvia has implemented measures related to education and skills to cope with the COVID-19 crisis, including additional investments in distance learning for employed persons and for jobseekers. At the same time, Latvia has undertaken to develop its strategic frameworks for skills. These steps are going in the right direction and are welcomed.

However, the low registration rate of jobseekers, the low participation rate in adult learning and ALMP and the lack of basic digital skills limit the overall impact of the measures. Further weaknesses have been identified that call for more efforts: the share of VET students remains under the EU average, the skills strategy has been announced but not yet adopted; further upskilling and reskilling actions are needed particularly with a focus on the low-skilled. The future skills strategy, when adopted, is expected to be an opportunity to further address the challenges.

Slovenia

2020 CSR 3: [...] strengthen digital skills [...].

Elements from 2019 CSRs: labour market relevance of education and training; lifelong learning and activation measures.

Slovenia has undertaken several measures related to digitalisation in order to cope with the COVID-19 crisis, including online teaching in schools and IT solutions in businesses. Challenges related to digital skills are reflected in the draft Slovenian Recovery and Resilience Plan.

These measures are welcomed. However, challenges related to digital skills remain relevant: a large part of the population lacks digital skills and there is a digital divide when it comes to vulnerable groups. Further efforts are needed to address these issues, for instance by increasing digital learning in schools, improving infrastructure and equipment and providing mandatory ICT training for teachers.

Spain

2020 CSR 2: Support employment through [...] skills development. Improve [...] access to digital learning.

Elements from 2019 CSRs: early school leaving; educational outcomes; regional disparities.

Spain has taken promising actions to address challenges related to education, vocational training and skills. In particular, the new law on education is expected to reduce early school leaving, and the 2020-2023 Plan for modernising VET has the potential to increase participation in both initial VET and adult learning. Spain has also announced a recent and wide set of measures aimed to develop digital skills and infrastructure and to reduce the digital divide.

However, it is too early to assess the implementation of the education law and it is important to keep on making further efforts to upskill the workforce. The high number of low-skilled workers remains a major concern and requires a more effective adult learning system. This overall, despite actions undertaken that go in the right direction, Spain has to

make significant further efforts to continue supporting employment through skills development and reducing early school leaving and has made progress in improving access to digital learning.

Bulgaria

2020 CSR 2: [...] promote digital skills and equal access to education.

Bulgaria has taken measures to promote digital education and made efforts to facilitate the educational process in distance learning mode. The main measures implemented focus on improving the quality of VET (with dual education elements), digital competencies and digitalisation of the educational environment and mechanisms to support disadvantaged learners. Efforts were made to ensure the educational process despite the forced shift to distance learning. Further measures are planned to improve the low level of digital infrastructure in schools, enable the use of technology in teaching and learning and facilitate the acquisition of digital skills through the curriculum. The lack of confidence teachers have in their digital skills is a challenge.

Bulgaria has lowered the compulsory starting age of pre-school education and is implementing several programmes co-financed by the ESF with a view to ensuring an equal start in education. Nevertheless, participation in early childhood education and care remains low, compared to the EU average. The continued provision of individualised support and the extension of these services to students who had difficulties engaging in remote learning are also welcome. Nevertheless, educational outcomes need to be improved, while early school leaving remains high. Roma inclusion in education remains a challenge. Therefore, setting ambitious objectives through the Strategic Framework up to 2030 and ensuring effective implementation will be crucial. Furthermore, there is a need to better align education and training systems with labour market needs. Some initiatives, though promising, are still at an early stage of implementation. Monitoring and evaluation of the measures taken is thus of great importance.

Cyprus

2020 CSR 2: [...] improve the labour market relevance of education and training.

Elements from 2019 CSRs: reform of the education and training system, including teacher evaluation; affordable childhood education and care.

National efforts to reform the education and training system are ongoing, aiming to modernize pedagogical policies, upgrade structures and improve infrastructure. In particular, the evaluation of teachers and schools remains a major challenge, experiencing delays in the agreement between stakeholders. Low basic skills and insufficient digital skills' levels remain a challenge.

Cyprus introduced a number of new VET curricular and training opportunities for the Green and Digital transitions and is working on its Life-Long Learning Strategy in an effort to increase the low levels of participation for VET and adult learning and improve the labour

market relevance of education and training. There are ongoing efforts to upgrade the quality of education and to promote inclusion and equity at all levels.

Participation in early childhood education and care remains low particularly for children under 3 years of age. Efforts are being made towards an affordable and quality early childhood education and care, promoted by the extension of compulsory pre-primary education and the establishment of new kindergarten classes. Skills mismatches exist and coordination among relevant stakeholders needs to be strengthened to include cross-sectoral cooperation and high-quality student guidance. Cyprus would need to further implement its Life-Long Learning strategy in order to meet labour market demand, boost economic transition and improve productivity. Some of the measures are at an early stage of implementation. Cyprus carries out monitoring and evaluation of the implemented measures.

Italy

2020 CSR 2: Strengthen distance learning and skills, including digital ones.

Elements from 2019 CSRs: educational outcomes; skills of public employees.

Italy swiftly reacted to the COVID-19 crisis through distance learning measures and by providing access to digital devices to disadvantaged students. The New Skills Fund and the National system for certification of competences have been implemented to offer a policy response to the challenges identified in the CSR, to enhance the learning ability of adults and to tackle the low participation rate of low-skilled adults in training. Concerns remain regarding poor educational outcomes and the situation of vulnerable pupils.

Ongoing and planned interventions to make up for learning losses are welcome. However, significant challenges remain in terms of ensuring equal access to digital education to all pupils, particularly those at risk of exclusion, as well as training teachers in the use of new technologies for teaching. A full and effective implementation of the National Plan for Digital Schools could help bring about the desired improvements.

While government action has been geared towards mitigating the impact of school closures and distance learning, progress towards improving educational outcomes will require addressing long-standing challenges in the quality of education through in-depth reforms and targeted investment. The National strategy for digital skills is comprehensive and has already started to deliver first results. The "National strategic plan for adult competences" has been approved at ministerial level. Overall, there is a clear commitment to tackle the challenges and measures have been taken. Their successful and long-term implementation will be of significant importance.

Lithuania

2020 CSR 2: [...] promote skills.

Elements from 2019 CSRs: quality and efficiency at all education and training levels.

The main elements of the policy response of Lithuania are a teacher motivation programme, a framework for lifelong learning, provision of open data and improvements in the quality of education.

The ongoing work on the update of the education curriculum and on quality assurance is a step towards higher quality in the school system. These efforts would need to continue especially as regards the equity and efficiency of the education system in rural areas. The ongoing effort and the announced measures for the education system could help Lithuania improve education outcomes. They could equally contribute to social and economic recovery and foster growth in higher value-added sectors if they are comprehensive and consistent.

With OECD support, Lithuania is preparing a Skills strategy. The plan is to reform the adult learning system and to base it on a one-stop-shop principle. Although the announced measures on skills and lifelong learning are steps in the right direction, attention needs to be paid to their effective implementation and consequently to evaluation.

Poland

2020 CSR 2: Improve digital skills.

2019 CSR 2: Foster quality education and skills relevant to the labour market, especially through adult learning.

Low participation of adults in education and training, as well as a formalized approach to adult learning and digital skills of adults and in particular elderly people, are challenges that need further attention. The budget of the National Training Fund was increased during the Covid-19 pandemic, with digital skills becoming one of the priorities. Relevant measures have been taken to support online learning and to address the digital divide in education. Digital skills are also prioritized in the Youth Guarantee. A multi-stakeholder approach is needed when addressing digital skills and digitalisation in education. The relevant policy measures included in the Integrated Skills Strategy 2030 will need to be translated into an implementation plan, efficiently coordinated and evaluated. Poland is planning a reform of ALMPs in the frame of the RRP.

The programme to support students' well-being, and to provide compensatory activities may help minimise the educational inequalities and raise the quality of education if it is efficiently and urgently implemented, and if the sufficient budget is allocated.

Since the attractiveness of the teaching profession remains limited and shortages continue to emerge, further support measures and incentives are needed to attract and retain talent. The impact of the new measures on initial teacher education and skills will need to be monitored. There are plans to support advanced digital skills training for teachers. In implementing the higher education reform, attention should be paid to developing the quality assurance measures concerning the quality of teaching in academic higher education institutions. The VET reform progresses in the right direction, and the challenges are well addressed. Monitoring and evaluation of reforms and measures in education is very important and needed.

Portugal

2020 CSR 2: Support the use of digital technologies to ensure equal access to quality education and training [...].

Elements from 2019 CSRs: number of higher education graduates, particular in science and information technology.

Portugal has taken action to ensure better equity in access to quality education and training by digital means. The ongoing and planned measures are a positive step forward to overcome the significant challenges posed by the pandemic and mainly affecting socio-economic disadvantaged students. The broader policy response includes a Digitalisation action plan (*Plano de Ação para a Transição Digital*), a digital guarantee (programmes to promote digital training) and significant investment in digital skills, such as the digital training plan for teachers already underway and the creation of digital resources and content.

Portugal has also implemented measures to increase the numbers of higher education graduates, to a lesser extent those on ICT and science studies. Thus, the previously adopted measures to widen higher education enrolment are showing results. Portugal's recovery and resilience plan envisages new measures to foster STEAM careers, at school and university levels.

In order to maximize the efficiency and effectiveness of the planned investments, it would be important that Portugal defines their scope and examines the potential complementarity with Structural Funds (notably the forthcoming ESF+). While the RRF can ensure a swift recovery and enable important structural reforms, the structural funds could ensure financial support in the medium and long term.

Romania

2020 CSR 2: Strengthen skills and digital learning and ensure equal access to education.

Elements from 2019 CSRs: quality education; access to education for Roma pupils; labour market relevance of vocational education and training and higher education.

Romania took measures to respond to the some of challenges highlighted by the CSR. In particular, efforts were made to ensure that teaching and learning continued during the periods of schools closure, including guidance to teachers. In order to ensure equal access to education, funds were allocated to purchase devices for students from disadvantaged backgrounds. Remedial classes are planned, to reduce learning gaps accumulated due to distance learning. Nevertheless, early school leaving remains a challenge.

Romania implemented webinars for teachers, information campaigns and a platform to improve remote learning, and provided educational resources and methodological guides. Work is underway to develop a strategy for digitalisation in education. Some measures are being prepared to improve quality and labour market relevance. A new strategic framework for educational policies (2021-2027) is under preparation. Romania is also piloting a master

programme in pedagogy and efforts are made to introduce a mechanism to anticipate labour market needs and skills, as well as a graduate tracking mechanism.

However, many of these measures are in early phases of implementation, while others have faced some delays. Further efforts are needed to address the magnitude of the challenges linked to digital education, quality and labour market relevance. Skills shortages persist and participation in adult learning is low. A stronger partnership between education and the economic sector might be beneficial. Finally, Roma inclusion in education remains a challenge and the rural-urban gap is significant. The new strategic framework for educational policies, underpinned by a budget increase, could improve educational outcomes and accessibility and enhance the quality of the education system but progress remains to be seen.

Austria

2020 CSR 2: Ensure equal opportunities in education and increased digital learning.

Elements from 2019 CSRs: basic skills of disadvantaged groups, in particular those with a migrant background; labour market outcomes for low-skilled.

Austria reported on a series of measures undertaken in the area of education and skills. Nevertheless, not all of them seem to adequately address the CSR challenges. Progress has been made on digital education. The so-called “8-point plan”, adopted in June 2020, focused on some immediate and targeted actions. It should be noted that some initiatives have already been launched.

A Corona support package was introduced, providing various forms of learning support. However, the risk of a sizable backlog in learning outcomes, in particular of those from a disadvantaged and migrant background, poses some concern. This may require further efforts to address learning shortcomings due to the pandemic.

As regards basic skills, progress has been less notable over time, except for mathematics. Students from a disadvantaged background continue to show significant weaker education outcomes particularly in reading and science. Despite many positive efforts, some elements of recent reforms bear the risk of increasing inequalities, which may be exacerbated by factors such as grade repetition, streaming and segregation.

Austria undertook several promising pilot activities. Other initiatives are ongoing, for instance on adult learning, although they may need to be further adapted in view of the Covid-19 impact on education and training, and the green and digital transitions.

Czech Republic

2020 CSR 2: Support employment through [...] the provision of skills, including digital skills, and access to digital learning.

Elements from 2019 CSRs: quality and inclusiveness of education and training.

The Czech Republic adopted several measures and programmes that address the CSR, although the efficiency of their implementation will need to be further monitored. More detail on the precise milestones, monitoring aspects and policy feedback would be necessary with regard to these measures. There is also a need to better outline the synergies between different programmes and reform measures. In particular, while actions related to curricula reform to mainstream digital education are presented in detail, other elements in support of upskilling and reskilling have not been elaborated.

In view of the policy response, the Czech Republic has progressed towards the implementation of the CSRs, but further efforts are necessary to support upskilling, reskilling and the digital transition, as well as to promote the inclusiveness of the education and training system, to advance the reform of VET and to strengthen the teaching profession. The timely and effective implementation of measures and namely the Strategy 2030+ remains a key success factor.

Hungary

2020 CSR 2: [...] ensure access to [...] quality education for all.

Elements from 2019 CSRs: access to mainstream education and improvement of outcomes of Roma.

Hungary introduced a VET reform in 2019 which replaced the 2016 reform, before the latter could have been fully rolled out and evaluated. Significant further efforts will be required in order to improve the outcomes and inclusiveness of education and training. Lowering the qualification requirements for ECEC staff is likely to lead to lowering the quality of service provided, which could otherwise play an important role in improving children's preparedness to schooling and thereby improve school outcomes.

At the same time, systemic measures to ensure the participation of disadvantaged learners, especially Roma pupils, in inclusive mainstream education are still limited. Non-state schools, in particular Church schools, are exempt from the obligation of taking on disadvantaged pupils if they are not the only school in a settlement, allowing the separation of pupils on the basis of their socio-economic background. More information on the desegregation measures in "school districts" is necessary to be able to assess their impact. Further efforts will be needed to improve the attractiveness of the teacher's profession, and address shortages.

The 2019 VET reform features several positive elements, but the fact that the lower track no longer leads to the "matura" exam is likely to permanently reduce the career and study prospects of VET students.

Malta

2020 CSR 2: Strengthen the quality and inclusiveness of education and skills development.

The COVID-19 pandemic slowed down implementation of education measures in Malta. The current crisis may exacerbate existing challenges, particularly the high early leaving from

education and training and as well as underachievement rates, unless adequate and evidence-based compensation measures are taken.

Malta has been implementing several initiatives in the area of VET and adult learning. The labour market relevance of both initial and continuous VET has improved, as well as the participation in adult learning. However, current efforts would need to be sustained to significantly improve the skills levels of the Maltese population that remain low.

Despite some positive measures taken, the overall progress in addressing the CSR remains limited. Further action is necessary to strengthen the evaluation and monitoring system, including skills mapping and forecasting. This will ensure a full implementation of the ongoing education and training measures and an assessment of the investment made so far.

Overall, Malta still has important structural education and labour market challenges, including high underachievement rates, rising skills shortages and the need for enhancing the skills of disadvantaged groups. Therefore, addressing these structural challenges will become even more important in the context of the changing labour market, and of the green and digital transitions.

Slovakia

2020 CSR 2: Strengthen digital skills. Ensure equal access to quality education.

Elements from 2019 CSRs: access to education for Roma pupils.

Despite some relevant measures and reforms undertaken, Slovakia's efforts to address the CSR are insufficient. Slovakia continues its focus on digital skills, and a new digital strategy in education and training is under preparation. However, regular policy evaluation could facilitate a more successful implementation. Relevant measures were implemented to support digital learning during the COVID-19 pandemic. However, expanded access to ICT for learning purposes for disadvantaged students and schools would be necessary to prevent a digital divide and ensure digital learning for all. The level of basic digital skills remains under the EU average. While Slovakia has continued to implement relevant projects and took remedial measures to address the educational loss during the pandemic, further measures are necessary to ensure equal access to quality education and training.

The planned reforms in education and training seem to be relevant and comprehensive, and overall, if launched, they will mark a step in the right direction. The curricular reform and a fully-fledged early warning system for schools will be key to address the long-pending problems related to the high impact of the socio-economic background on students' results. The absence of visible progress with regard to the desegregation of Roma children in education and training is a cause of concern. Challenges persist in areas with a high concentration of marginalised Roma communities with limited equality of opportunity to mainstream inclusive quality education.

The draft VET law amendment is expected to facilitate SMEs access to the dual education system and should facilitate introduction of new labour market-relevant study fields. Nevertheless, Slovakia's efforts to render secondary-VET of more quality, more inclusive and

more labour market relevant were noted. Increasing participation in adult learning in line with EU targets would require that Slovakia adopts a valid lifelong learning strategy.

Sweden

2020 CSR 2: [...] support education and skills development.

Elements from 2019 CSRs: regional disparities.

While Sweden is continuing funding several actions to support education and training, including measures to reduce teachers' shortages, this support has so far not generated measurable improvements, thus highlighting persistent, long-term structural challenges in education and training in Sweden.

Despite several policy proposals for improvement on equity in education and training, the discussions on those proposals are still ongoing and no new measures have been taken yet. While the education and training systems have been additionally negatively affected by the pandemic, measures undertaken consisted mostly of reinforcement of existing measures.

Denmark

2019 CSR 1: Focus investment-related economic policy on education and skills [...].

Denmark has taken several policy measures to address the challenges, clearly demonstrating a commitment to education and towards ensuring a skilled workforce for the future. The main areas of policy action are investments in re- and upskilling in light of the covid-19 pandemic, a tripartite agreement on extraordinary assistance to students, apprentices and companies and the Government's Budget Act for 2021 for early childhood education and care (ECEC), upper secondary education and preparatory basic education and training. In light of current and future labour shortages, the focus on education and skills and in particular on ICT skills and on an overall inclusive labour market, is welcome. An additional challenge refers to the shortage of specialists in the ICT sector.

The policy responses related to upskilling, as well as the marked increase in public expenditure in general education are positive. There is a need to attract more persons to VET programmes and to increase the skills level of people on the margins of the labour market. Denmark is planning to increase the offer of labour market re- and upskilling participation of people with a migrant background. While participation in early childhood education is high, there is a need to support children from disadvantaged groups or with a migrant background. In this respect, Denmark is planning to increase investment in ECEC.

France

2020 CSR 2: Mitigate the employment and social impact of the COVID-19 crisis, including by promoting skills [...].

Young people have been particularly affected by the impact of the pandemic, and skills mismatches can be observed in the labour market. To respond to those challenges, France is taking measures with a longer-term perspective and to support labour market transitions.

France has implemented measures to mitigate the employment and social impact of the crisis and promote skills. France announced a comprehensive recovery plan, which includes support to training in several domains and sectors hit by the COVID-19 crisis and in need to prepare for the digital and green transition. The newly introduced long-term partial employment scheme is implemented in connection with active training measures (FNE-Formation and Pro-A) linked to pre-identified needs on the labour market. They contribute to the twin transition also in the framework of the reinforced skills investment plan (PIC), specifically dedicated to low-skilled people. The measures aiming at up-and re-skilling employees (FNE-Formation, Transco) adequately address the issue of skills mismatches and skills shortages. The actual uptake by companies and the long-term impact of the measures remain to be assessed.

The overall level of digital skills remains a concern. Therefore, continued efforts to improve access to and the uptake of digital training are of importance. It is also important to ensure that vulnerable and disadvantaged groups, as well as atypical workers can equally benefit from training to enhance their access to the labour market. The temporary creation of additional places in the tertiary and vocational education system is a positive development; however, in the long-term, in the context of a steadily increasing number of students, the relatively low level of public funding of universities remains a concern.

Germany

2020 CSR 2: Focus investment on the green and digital transition, in particular on [...] digital infrastructure and skills, [...] education [...].

Elements from 2019 CSRs: disadvantaged groups.

(light review)

Already before the COVID-19 pandemic Germany started promising reforms to improve upskilling and reskilling, and stepped up research on educational disadvantage. A number of initiatives were launched that may improve the digital aspects of education and may help reduce the impact of socio-economic background.

The Digital Pact for Schools is implemented at Government and regional levels. It encompasses significant support to students (including for mobile devices), teachers and infrastructure improvements in schools. There are plans to set up a new digital learning platform. Investment in STEM education and boosting its attractiveness are an important focus of action. Training and employment opportunities of young people have been enhanced, including career guidance, with a focus on disadvantaged and those with disabilities. Measures have been taken to increase the quality of higher education including innovation in higher education teaching.

Germany adopted a Law on the promotion of continuing vocational training during times of structural changes, as well as the further development of funding of vocational training assistance. This law also specifically gives financial incentives to persons without a qualification or access to occupation-related continuing training. Participation in adult learning remains limited and thus continued efforts are needed in this area. There are

measures implemented to boost basic skills. The National skills strategy for adult education plays an important role in supporting adult learning.

Greece

2020 CSR 3: Focus investment on the green and digital transition, in particular on [...] skills.

Elements from 2019 CSRs: regional disparities and inclusion.

Greece has implemented extensive measures in VET, higher education, adult learning and ALMPs to respond to the challenges identified. Skills development is emerging as a top priority area in the national policy agenda. There has been strong legislative activity to upgrade the different education subsystems, aiming at increasing quality, autonomy and accountability, and strengthening the links with the labour market. Swift implementation will be key.

Initiatives to re-orientate the education towards the acquisition of skills, including soft skills, and to mainstream digital and green transition into education are welcome. Significant efforts are made to upgrade digital infrastructure, tools and education services. It is vital to ensure that the digital transition in education is managed in an inclusive manner and that it closes the gaps in the context of distance learning due to COVID-19. Further efforts are necessary to overcome regional disparities and reduce the high inequalities in education, especially those related to students' socio-economic background.

New institutions and procedures have been set up to increase links between education and training and the labour market. In order to effectively reduce skills mismatches, it is important to enhance identification of labour market skills needs and their mainstreaming into education and training. The legislative reforms and planned investments in vocational education and training aim to modernise the system. More action to promote VET as an attractive option for students and a viable pathway to the labour market may be needed to reverse the declining participation in VET. Efforts need to continue to increase the low participation in adult learning as well as to step up monitoring and evaluation activities.

Luxembourg

2019 CSR 3: Focus economic policy related to investment on [...] stimulating skills development [...].

Luxembourg has taken meaningful measures in 2020 to promote vocational training, to re-skill or up-skill job seekers and to reinforce skill needs anticipation, notably digital skills and further efforts are required to increase the participation of low- skilled and people aged over 50 in lifelong learning who face low activity and lifelong learning participation rates.

The "Future Skills" initiative targets jobseekers and combines intensive training and practical work experience in the public sector. Several measures taken target young people such as the digital strategy for education or the new post-secondary training "Diplom+" for those who, after completing secondary school, are neither enrolled on higher-education studies nor employed. Employees covered by the short-time work scheme will be entitled to "Digital Skills" vouchers.

To support apprenticeships, the Government extended the deadline for concluding apprenticeship contracts for the 2020/21 school year and introduced a single premium to encourage employers to maintain or increase the number of apprenticeships during the crisis period. The creation of an integrated, national e-learning platform for public and private education and training institutions has been announced. However, other measures have been delayed or are still in an early stage, for instance the introduction of a personal training account.

Netherlands

2020 CSR 3: Focus investment on the green and digital transition, in particular on digital skills development, [...].

Elements from 2019 CSRs: people at the margins of the labour market and the inactive.

The measures taken by the Netherlands include the National Digitalisation strategy, sectoral digitalisation strategies, steps towards a curriculum reform in initial education and a programme for tackling digital illiteracy among adults. Measures related to implementing individual learning budgets are also part of the policy response. Particular attention needs to be paid to the situation of vulnerable groups, given the differences in digital skills acquisition, with some groups having low digital skills despite the fact that the Netherlands has overall a highly developed digital economy. Support measures were implemented for employers facing shortages of technical and ICT professionals.

The broad packages of measures taken to foster and improve the development of basic skills and digital skills are promising, including the scheme for employers to reduce shortages of ICT professionals and encourage businesses to train their employees.

The effectiveness and concrete impact of the measures especially for the most vulnerable groups will need to be continuously monitored and evaluated.

4. EMCO review on social dialogue with the involvement of national and European social partners - 8 December 2020

Hungary

2020 CSR 4: Ensure effective involvement of social partners and stakeholders in the policy-making process.

Some encouraging signs were reported of increased intensity of social partners' consultation on some topics. Furthermore, the government intends to continue and step up the involvement of social partners in the elaboration of the next round of cohesion policy programmes.

It was noted that while structures for social dialogue are in place, important challenges remain to be overcome. The institutional and legal framework for tripartite social dialogue (VKF) would need to be further developed for a better and more meaningful involvement of social partners in policy design and implementation.

The time provided for consultation is insufficient, which limits the quality and transparency of the decision-making process. Timely and genuine involvement of social partners should be fostered, including by adapting the relevant consultation processes. The range of areas where social partners are involved could be expanded, including with regard to reforms and investment measures designed to support the recovery.

The role of the European Social Fund to support the capacity building of the social partners was highlighted, although more sustainable and permanent solutions to capacity building could be sought. Overall, the tripartite social dialogue remains insufficiently developed in Hungary.

Poland

2020 CSR 4: (...) Ensure effective public consultations and involvement of social partners in the policy-making process.

Poland has implemented some good practice arrangements, for instance by adopting the approach of “green book” consultations with the social partners and other relevant stakeholders on legislative proposals from an early stage. It was also noted that consultation with the social partners on the Recovery and Resilience Plan has taken place, which is a positive development. Formal public consultation on the draft are scheduled for early 2021.

While tripartite social dialogue is adequately institutionalised in Poland, its functioning in operational terms continues to face challenges. As in previous years, concerns remain regarding the involvement of social partners in the design and implementation of policy reforms. Social partner consultations are often organised late in the process and with insufficient amount of time for genuine involvement.

Recently, the Social Dialogue Council was unable to take formal decisions due to the absence of one large trade union confederation as a result of a controversial legislative proposal that could pose a risk of curbing social dialogue. The legislative act was adopted and was in force for a few months before being repealed. There is scope for more regular and meaningful involvement of social partners in the different stages of developing the anti-crisis policy responses and recovery measures. This could also be accompanied by more systematic support to social partners’ capacity to effectively take part in social dialogue.

Romania

2020 CSR 4: Improve the quality and effectiveness of public administration and the predictability of decision-making, including through an adequate involvement of social partners.

Romania has undertaken steps to foster social partner involvement, including by carrying out consultations within the Tripartite National Council for Social Dialogue and by setting up an inter-ministerial working group on economic and social measures to mitigate the effects of the COVID-19 outbreak. Social partners were also consulted on proposals related to the minimum wage. However, social partners stated that they were not involved in discussions on the draft Recovery and Resilience Plan prior to the public consultations.

Social partners generally perceive that the social dialogue in Romania is not sufficiently meaningful and has limited influence on reforms at national level. The adequate and timely involvement of the social partners in policy development remains a challenge. Insufficient time for response might negatively affect the quality of social partners' contribution to the policy and legislative process.

A more timely and genuine consultation of social partners could be pursued, including by improving the feedback provided by the government on social partners' comments and proposals for policies and reforms. The capacity of social partners could also be strengthened. The adoption of the proposed amendments to the social dialogue law should be pursued, while considering the ILO's recommendations.