



14th PES Board meeting, 7-8 December 2020

Online Meeting under the German Presidency

Outcomes

Nature of the meeting: The Board is the governing body of the European Network of Public Employment Services (PES Network), established by Decision No 573/2014/EU. It is composed of one nominated member for each Member State, from the senior management of their respective PES, and for the European Commission. The meeting is not open to the public. The adopted outcomes are published on the EMPL Europa website.

Absent: none

Welcoming

The Chair of the Network, Johannes Kopf, opened the meeting.

The 2nd Vice Chair Daniel Terzenbach welcomed to the meeting, focusing on impacts of the COVID-19 crisis on the labour market, and on the efforts done by PES to handle the new challenges and the recovery. He stressed the importance of supporting youth into the labour market. Skills is also a key topic to ensure employability and to fill the needs of the labour market. Furthermore, he emphasized the challenge of fair mobility in the EU and fair migration under and in the wake of the crisis. Structural changes related to future of work and digitalisation has accelerated under the pandemic. These topics need a special focus in the future – a joint task for PES. To succeed requires even stronger exchange than before. Benchmarking (BL) can serve as a main catalyst of learning and sharing. It is therefore time to kick off with the site visits again.

Welcome by the Presidency followed by a panel debate on the role of PES for recovery

Federal Minister of Labour and Social Affairs Hubertus Heil welcomed to the meeting on behalf of the Presidency. Nicolas Schmit, European Commissioner for Jobs and Social Rights, the Minister, the Chair and the 2nd Vice Chair participated in an interactive discussion moderated by FI.

Minister Heil emphasized the need to support transition from school to work. Structural change was not put on hold due to COVID-19, but was partially even boosted. New challenges arise, and fighting poverty and social cohesion was a priority for the Presidency. The Commissioner agreed on the need to support youth. He referred to the recently adopted reinforced Youth Guarantee, targeting vulnerable youth and NEETs, and to the Skills agenda and apprenticeship programmes as important EU initiatives. PES have a key role in up- and reskilling. The objective of the minimum wage initiative is to reduce the enormous wage gaps across Europe. SURE supported short-time work (STW) schemes in all countries helps preserve jobs. The 2nd Vice Chair added that the prolongation of STW has been crucial to ensure reliable working conditions for companies. A crucial question

for PES was the meaning of “back to normality”. PES need to build on lessons learnt, and the Network has a role in sharing experiences and advising on how to build the future. The Chair emphasised that the Network responded quickly to new needs by organising digital exchange formats. The Benchlearning model is adapted to the crisis. In addition, bilateral cooperation helped PES to meet the needs created by the crisis. Greening of the economy, a better gender balance in the labour market, as well as digitalisation, including algorithms and AI (also inside the PES), will be high on the agenda.

In the discussion, a main topic was the reskilling of the active population in the wake of the pandemic, for all target groups. The identification of so-called "transferable" skills is now essential and crucial in view of the digital and green transitions. The need for support by EU initiatives such as the Recovery and Resilience Facility, and the upcoming Action Plan to implement the European Pillar of Social Rights was underlined. There was also an exchange on relevant experiences and factors of success for big reforms of PES, including how social partners and other key stakeholders can be involved.

ITEM 1: Adoption of outcomes of last meeting and agenda

The Board adopted the draft agenda of the 14th Board Meeting.

The draft outcomes of the 13th Board Meeting, hosted online by HR in June 2020, were adopted without comments and will be uploaded on the EMPL Europa website <https://ec.europa.eu/social/BlobServlet?docId=23255&langId=en>

The Chair welcomed new Board members from IE, NL and NO. CZ, RO and PL had also appointed new Board members that were represented by their alternate Board members. The Chair also welcomed the Board members from MT and SE, who participated for the first time.

ITEM 2: PES Support to recovery

AT presented the main recommendations of the Network paper on the PES role in preparing for post COVID-19 challenges, prepared by the Working Group on new forms of work. The Board adopted the paper, and the Chair announced that it will be shared with EMCO and the European Parliament.

Prof. Bernard Gazier from the University 1 of Paris summarized the main results of the publication “The roles of PES in supporting structural changes”. Taking stock and looking ahead, he stressed career management and transition management, increasing use of digital tools and resources. Multi-actors cooperation and trust needs to be ensured through a permanent network of intelligence and intervention. SMEs and less visible workers must have sufficient focus. The current challenge is how to move from emergency action to supporting a still to come recovery and dealing with an increasing number of jobseekers. He concluded that shift from ex post, curative interventions to ex ante, preventive actions is important, but also raised the question on the balance to achieve.

In the following discussion, the Commission suggested that the paper gives useful inspiration how PES can use the many instruments and measures available at the national and EU level to reach main targets. Several participants highlighted the difficult balance between firefighting and prevention, and that preventive approaches needs higher

attention – without forgetting the important curative tasks. The importance of youth support was illustrated by reference to the FR plan 'Un jeune - Une solution'. The discussion on offering support before people lose their jobs included experience from tripartite co-operation and using the labour market as a main arena for integration (NO). Reference was made to the large number of people losing their jobs in SME's, and the question was raised if PES should change their approach and services to better cater their needs.

ITEM 3: State of Play Benchlearning activities

The PES Secretariat presented a proposal for the BL 3rd cycle assessments:

- The mandate for the BL Working Group/Steering Group is prolonged for the period 2021-2027
- 3rd cycle online assessments start from early 2021
- The assessments are based on the piloted Excellence model

The Board endorsed the proposal.

The Commission advised on the funding impact due to the site visits put on hold in 2020 and asked PES to adhere to the dates of site visits that are agreed; and the Chair called on PES with a scheduled assessment in 2022 to consider advancing it to an earlier date in 2021.

ITEM 4: The German labour market during the pandemic and the digitalisation of work

The 2nd Vice Chair introduced the topic, and stressed that scientific work is important as a base for PES management and development of the labour market policy.

Prof. Fitzenberger, Director of the BA's Institute for Employment Research (IAB), presented the main features of the German labour market during the pandemic and how digitalisation is changing work. After the German economy recovered significantly in the third quarter of 2020, this process has slowed down. Worsened economic prospects and in particular the lockdown measures can lead to a (small) contraction of GDP in Germany in the fourth quarter. Quick recovery can be expected after lifting the containment measures.

The effects on employment / unemployment have been small relative to the size of the shock, cushioned by increase in STW. The smaller the establishments, the higher the number of dismissals. Number of dismissals are highest in the service sector, followed by the agricultural sector, and lowest in the public sector. Hiring of apprentices was more robust than expected, but there is reduction in youth applying for apprenticeships. The IAB also conducted surveys on the use of digital work and aspirations for home office.

In the following discussion, it was assumed that some jobs will probably disappear after the crisis, probably mostly in hospitality and the part of manufacturing that was already facing a transition. But "overuse" of STW in the sense that the measure supports firms that had not had any viable future in any case, was not assumed to be a big concern. The discussion also reflected the move from passive to active measures – how can additional,

available financial measures best be invested? The importance of keeping the borders open, not to cut supply chains, was assessed as being a key priority. Another key point was the need of support to youth and help them into work. Even if there has been a long run decline in applicants for apprenticeships, this trend has accelerated because of the pandemic.

ITEM 5: Marketplace

The 1st Vice Chair Spiros Protopsaltis introduced the topic by referring to the discussions under Items 2 and 4, demonstrating that the pandemic was a huge catalyst for the digitalisation of the world of work. Besides digitalisation structural changes such as greening of the economy and new forms of work are driving changes. It is likely that cross-sector and occupational mobility will increasingly be a challenge for PES.

The introduction was followed by practices from three PES on measures they use to meet the future labour market trends.

DK presented how its PES is making massive investments in education and upskilling as a COVID-19 response to the situation at the Danish labour market now and in the future.

LU presented the "Future Skills Initiative"; How ADEM supports the anticipation and development of future skills, with the aim of employment preservation.

NO presented the Horizon scans, a tool to get an overview of important societal trends that will affect the labour and welfare field and the need to adapt PES services and organisation in a future perspective.

The discussion focused on training providers' capacity to scale up and adapt to the new needs, and for which sectors people should be reskilled. New opportunities in implementation of distance education and training, exemplified by an innovative partnership with Google was mentioned (EL). Several participants stressed the boost forward in digitalisation caused by the pandemic. However, data protection topics are important and deserve further attention by the Network.

ITEM 6: PES Network mutual learning activities

The PES Network Secretariat presented the Network's draft Annual Report 2020. FI, DE and NL commented on the new format of the Jour Fixe, which received a lot appreciation by board members and will continue in 2021. AT announced a Jour Fixe on Artificial Intelligence, while NO would like to host one on GDPR issues.

The PES Network Secretariat presented the draft Work Programme 2021. It builds on continuing the four strands in the 2019-2020 Work Programmes, with a particular focus on recovery from the COVID-19 pandemic. The Chair proposed to trial a monthly podcast. It would be about learning more on the innovations of peers, inspire new cooperation, and could become a tool for promoting PES BL principles and ideas. The EMCO Chair mentioned the Network's role in the Multilateral Surveillance in 2021, and the PES Network Chair stressed that the Network would like to have interactions with EMCO in 2021, especially on recovery and youth.

The Board adopted the Annual Report 2020 (to be shared with EMCO and the European Parliament) and the Work Programme 2021.

ITEM 7: Future PES Board meetings – opportunities of online meetings

The Commission explained that there is an aim to make the programmes of and funding for the Presidency more political, instead of having the grants pre-defined by regular EU Network meetings. This means that in the future, the Commission will at least co-finance one PES Board meeting per year, but not necessarily two. Several options for Board meetings in post-pandemic times have been explored: physical-presence versus digital; formal versus informal; funding. These options could be combined in different ways. The Chair concluded that solutions will be found in cooperation with the future Presidencies.

AOB

The German Presidency handed over a symbolic baton to the upcoming Portuguese. PT informed about the next PES Board Meeting is planned to take place in Lisbon, on 24-25 June 2021. The main priorities of the upcoming Presidency will be recovering Europe's economy while enhancing solidarity and values; strengthening the labour market and social dimension as a response to the crisis; pursuing the Green Deal; developing data economy, connectivity and values for equitable, human-centric and competitive digital societies; and strengthening multilateralism and global partnerships. There will be a focus on Social Europe under the headlines Future of Work and Decent Work, Social Cohesion and Social Rights and Equality and Non-discrimination.

FR updated on WAPES activities. In 2021, three activities will be organised in cooperation with European PES; i) together with DE - The role of PES and forms of bilateral collaboration in the management of transnational migration; ii) together with VDAB and OECD - Strengthening Local Labour market Opportunities for Migrants; and iii) together with EE - WAPES World Congress..

The Commission referred to the ambitious reform EURES about to be completed, following the adoption of its new regulation in 2016. More than 30 million jobs were advertised in 2019. There are many new initiatives in the pipeline, for example transfer of the European Coordination Office to the newly established European Labour Authority (ELA), scheduled for 2021. However, EURES staff, especially in PES-based NCOs, have still not regained their pre-crisis level. COM recalled the possibility to include EURES in funding requests to the ESF+ managing authority. It can provide even more value in the future, in this critical time where labour mobility is expected to be part of the solution to the multiple problems our economy, our workers and companies are facing.

The Chair explained that the Rules of Procedure of the PES Network need some adaptations to have the right legal references in line with the new Decision. On this occasion, the Chair proposes some other updates. A written procedure on these changes will be launched after the Board meeting.

End of minutes



Annex:

Visual recording of the 14th PES Board meeting by Visual Facilitators/Kaa Faensen, copyright: Bundesagentur für Arbeit (BA)

14th PES Board Meeting - 7th and 8th of December 2020

The visual recording is a complex hand-drawn diagram with several main sections:

- Top Left:** 'The Impact of Widespread Unemployment on the Role of PES' - Discusses the challenges of unemployment and the role of PES in providing support and training.
- Top Middle:** 'The Role of PES in Recovery' - Focuses on how PES can help individuals recover from unemployment through various programs and services.
- Top Right:** 'The Future of PES Board Meetings' - Discusses the evolution of PES board meetings and the importance of digitalization and data-driven decision-making.
- Middle Left:** 'The Role of PES in Recovery' - Further details on recovery programs, including job creation and skills training.
- Middle Right:** 'The Role of PES in Recovery' - Discusses the role of PES in supporting vulnerable groups and promoting social inclusion.
- Bottom Left:** 'The Role of PES in Recovery' - Focuses on the role of PES in providing career guidance and job search assistance.
- Bottom Middle:** 'The Role of PES in Recovery' - Discusses the role of PES in providing financial support and counseling.
- Bottom Right:** 'The Role of PES in Recovery' - Focuses on the role of PES in providing language training and integration services.

The drawing is decorated with stars and colorful lines, and includes logos for the European Commission and the Bundesagentur für Arbeit (BA).

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Adopted on 24 June 2021