

SINGLE PROGRAMMING DOCUMENT 2021 - 2023

WORK PROGRAMME 2021

10 November 2020

CONTENTS

PREFACE	4
LIST OF ACRONYMS	5
ETF MISSION, VISION AND VALUES	8
SECTION I – GENERAL CONTEXT	9
SECTION II - MULTI-ANNUAL PROGRAMMING 2021-23	17
1. Multi-annual work programme	17
1.1 ETF response to Covid-19	18
1.2 ETF approach to Human capital development and Lifelong learning	19
1.3 Delivering in partnership	21
1.4 A differentiated approach	21
1.5 Networks	22
1.5 Advising European Union Services	22
1.6 ETF Core Services	23
1.7 Strategic Objectives	24
1.8 Geographic area of operation	25
1.9 ETF Intervention Logic	26
2. Human and financial resource outlook for the years 2021-23	27
2.1 Overview of the past and current situation	28
2.2 Resource programming for the years 2021-23	29
2.3 Strategy for achieving efficiency gains	31
SECTION III – ANNUAL WORK PROGRAMME 2021	33
1. Executive summary	33
2. Activity Areas	35
2.1 Skills demand analysis	35
2.2 Upskilling and reskilling through Active Labour Market Policies	36
2.3 Modernisation of qualifications and establishment of qualification systems	37
2.4 Vocational Excellence provision models	39
2.5 Innovative teaching and learning	40
2.6 Engaging enterprises in skills development	41
2.7 Lifelong learning policies and system change	42
2.8 Quality assurance and governance mechanisms	44
Horizontal activity areas	45
2.9 Responding to new EU policy and geographical priorities	45
2.10 Communication and stakeholder engagement	46
2.11 Digitalisation	47
2.12 Organisational development and support	48

ANNEXES	49
Annex I - Organisation chart 01.01.2021	50
Annex II – Resource allocation per activity 2021-23	52
Annex III - Financial resources 2021-23	53
Annex IV – Human resources (quantitative)	59
Annex V – Human resources (qualitative)	62
Annex VI - Environment management	66
Annex VII - Buildings	67
Annex VIII - Privileges and immunities	68
Annex IX – Evaluations	69
Annex X - Organisational management and internal control systems strategy	70
Annex XI - Plan for grant, contribution and service-level agreements	72
Annex XII - Strategy for cooperation with third countries and/or international organisations	73
Annex XIII - Collaboration with other EU Agencies	75
Annex XIV – Planned requests from EU services 2021	77

PREFACE

Our Strategy 2027 sets out the vision for the European Training Foundation (ETF) to become a reference for human capital development, providing policy advice to partner countries, supporting sustainable reforms of education and training systems in a Lifelong learning perspective, and promoting skills for the future. As an agency of the EU, the ETF's action is in direct support to the external action of the Union and it contributes to the achievement of the 2030 Sustainable Development Agenda.

Through the implementation of the strategy, the ETF in 2021-24 aims to become a global asset for the EU, a resource to be mobilised in support to EU investments in human capital in support to policy dialogues, financial programmes and promotion of knowledge sharing. It will work with the European Commission to enhance the strategic impact of EU funds for the benefit of partner countries with a focus on sustainability of reforms, promotion of green economies and digital transformation.

Whilst the ETF's geographic scope will continue to be focused on the EU neighbourhood and Central Asia, the priorities of the ETF will adapt to the changes in the world. The ETF will increase the impact of its actions and the reach of its expertise by forming strategic alliances and partnerships with other EU agencies, international organisations and development agencies to address these challenges also in other parts of the world and, in Africa.

Technological change, the greening of economies, globalisation and demographic factors, including migration and the impact of the ongoing COVID-19 crisis, have profoundly influenced labour markets and the workplace and require new skills sets for individuals to make best use of opportunities while mitigating emerging risks.

The work the ETF does, in areas such as labour market or skills intelligence, vocational education and training through its strong cooperation and long-term relationships with its partner countries labour, education and employment ministries as well as social partners also directly contributes to the external dimension of the EU Skills Agenda and the recently published EU Pact on Migration and Asylum.

The ETF will implement this work programme with a new and innovative circular organigramme, reinforcing collaboration and knowledge sharing, and enhancing the provision and reach of ETF expertise through the creation of a dedicated Knowledge Hub and the provision of meaningful policy advice.

The ETF as an organisation will also become more digitalised and greener and implement green skills and digital skills in all its activities in line with the Green Deal and the European Commission's priorities for 2021-24.

Cesare Onestini
Director

LIST OF ACRONYMS

ABAC	Activity-based accounting system
ABB	Activity-based budgeting
ADB	Asian Development Bank
AFD	Agence Française de Développement
ALMPs	Active Labour Market Policies
BC	British Council
ENABEL	Belgian Development Agency
Cedefop	European Centre for the Development of Vocational Training
CORLEAP	Conference of Regional and Local Authorities for the Eastern Partnership
CPD	Continuous Professional Development
CVT/CVET	Continuing vocational training/ Continuous vocational education and training
DCI	Development Cooperation Instrument
DG DEVCO	Directorate General International Cooperation and Development EuropeAid
DG	Directorate General
DG EAC	Directorate General Education and Culture
DG EMPL	Directorate General Employment, Social Affairs & Inclusion
DG GROW	Directorate General Internal Market, Industry, Entrepreneurship and SMEs
DG HOME	Directorate General Home Affairs
DG NEAR	Directorate General Neighbourhood and Enlargement Negotiations
DG REGIO	Directorate General Regional and urban Policy
DG SG	Directorate General Secretariat-General
DG TRADE	Directorate General Trade
DigComp	European Digital Competence Framework
DOL	Distance and open learning
EaFA	European Alliance for Apprenticeships
EaP	Eastern Partnership
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EEAS	European External Action Service
EEHub	Entrepreneurship Education Hub
EESC	European Economic and Social Committee
ELA	European Labour Authority
ENI	European Neighbourhood Instrument
ENP	European Neighbourhood Policy
EntreComp	Entrepreneurship Competence Framework
EPSO	European Personnel Selection Office
EQARF	European Quality Assurance Reference Framework
EQAVET	European Quality Assurance in Vocational Education and Training
EQF	European Qualifications Framework
ERI SEE	European Reform Initiative of South East Europe
ERPs	Economic Reform Programmes
ESAP	Employment and Social Affairs Platform

ET 2020	Strategic framework for European cooperation in education and training
ETF	European Training Foundation
EU	European Union
Euromed	Euro-Mediterranean Partnership
FTE	Full-time equivalent
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
HCD	Human capital development
ICT	Information and communications technology
IFI	International Finance Institution
ILO	International Labour Organisation
IPA	Instrument for Pre-accession Assistance
LuxDev	Luxembourg Development Cooperation
MISMES	Migrant Support Measures from an Employment and Skills Perspective
MTD	Medium-term deliverables
NEET	Not in education, employment, or training
NQF	National qualifications framework
OECD	Organisation for Economic Co-operation and Development
OIB	Office for Infrastructure and Logistics in Brussels
OSHA	European Union information agency for occupational safety and health
PET	Western Balkans Platform on Education and Training
PMO	Paymaster Office
PSD	Private Sector Development
QA	Quality assurance
RCC	Regional Cooperation Council
RCI	Regional Competitive Initiative
SBA	Small Business Act for Europe
SEE	South Eastern Europe
SEE2020	South East Europe 2020 Strategy
SEECCL	South East European Centre for Entrepreneurial Learning
SME	Small and medium-sized enterprise
SPD	Single Programming Document
SRC	Sector Reform Contract
UfM	Union for the Mediterranean
UNESCO	United Nations Educational, Scientific and Cultural Organization
VET/TVET	(Technical and) vocational education and training
VNFIL	Validation of non-formal and informal learning
WBL	Work based learning

ETF partner regions and country acronyms¹

South Eastern Europe and Turkey	SEET
Albania	AL
Bosnia and Herzegovina	BA
Kosovo* ²	XK ³
North Macedonia	MK
Montenegro	ME
Serbia	RS
Turkey	TR
Southern and Eastern Mediterranean	SEMED
Algeria	DZ
Egypt	EG
Israel ⁴	IL
Jordan	JO
Lebanon	LB
Libya ⁵	LY
Morocco	MA
Palestine ⁶	PS
Syria ⁷	SY
Tunisia	TN
Eastern Partnership	EaP
Armenia	AM
Azerbaijan	AZ
Belarus	BY
Georgia	GE
Moldova	MD
Ukraine	UA
Central Asia	CA
Kazakhstan	KZ
Kyrgyzstan	KG
Tajikistan	TJ
Turkmenistan	TM
Uzbekistan	UZ
Other partner countries	
Russia ⁸	RU
Cooperation with other countries	
African Union	AU

¹ These acronyms are taken from International Standardisation Organisation (ISO) <https://www.iso.org/obp/ui/#search>

² This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence

³ 'XK' is a code used for practical reasons and not an official ISO country code.

⁴ ETF support to Israel takes place in the context of EU-Israel cooperation and related Guidelines on eligibility of Israeli entities and their activities in the territories occupied by Israel since 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards

⁵ ETF resumed cooperation with Libya in 2018. If conditions allow, this cooperation will continue in 2020-22

⁶ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue

⁷ No activities are currently envisioned in Syria

⁸ ETF support to Russia takes place in the context of EU-Russia cooperation and with respect to Council Decision 833/2014 and subsequent acts

ETF MISSION, VISION AND VALUES

Mandate

The ETF's mandate is to contribute, in the context of EU external relations policies, to improving human capital development in partner countries by delivering high quality and timely support to the EU's external policies and actions, providing relevant policy advice and targeted direct technical support to partner countries to facilitate their development towards the adoption and implementation of policies supporting improvement of education and training systems and life- long learning oriented policies.

Mission

The ETF's mission is to be a global catalyst for change and innovation in lifelong learning systems.

Vision

The ETF's vision is to achieve stability and prosperity in our partner countries through sustainable and adaptable lifelong learning systems.

Values

At the ETF our core values define who we are and how we work, they guide everything we do from interaction with each other to interaction with our partners.

Act with integrity, honesty and respect: we aim to keep your word and our commitments, pay attention to the environment we work in, be honest with and respect each other and our partners.

Innovate and co-create: we inspire with successes and solutions based on data and diagnostics. Together with our partners we explore new methodologies and learning mechanisms and spot potential opportunities for improvement. We are curious and want to learn, we co-create.

Embrace diversity of perspective: we embrace our differences and use them to inspire our thought and problem-solving processes, we discuss and innovate building on our and our partners' experiences.

Focus on people: we work with people for the people and place the individual in the centre of their learning.

Pursue evidence-based excellence: at the ETF evidence-based excellence entails advice informed by the best available evidence, whether acquired through published research evidence or based on experience and contextual evidence. We analyse whether and why a particular system or practice works in accordance with the preferences and values of our partners.

Drive change: we welcome new ideas, find supporters for our ideas, and adapt our ideas to different contexts in order to innovate and change.

Section I – GENERAL CONTEXT

Policy context

As the only EU agency working solely in the context of EU external action, and in line with the new [European Commission's priorities for 2019 – 2024](#) the ETF contributes to building a stronger Europe in the world and to achieving social fairness and prosperity in the EU neighbourhood (enlargement countries, Neighbourhood East and South) and partner countries. It responds to the EU's political commitment to support human capital development (HCD) as a key priority in the EU's external assistance to third countries and to the neighbourhood.

The basis for EU external action is the [EU Global Strategy](#), which prioritises strengthening the resilience of states and societies in particular the EU's surrounding regions in the East and the South.

The ETF will support the Geopolitical Commission, notably at the crossroads of the ambition for a stronger EU in the world (Western Balkans' European Perspective, Eastern and Southern Partnership, and Comprehensive strategy for Africa), Empowering people with education and skills (through the skills and human capital dimensions of Green Deal, Migration Partnerships, Investment & Jobs, and Europe fitting for the Digital Age). The ETF increases the performance and quality of education and training systems in line with the [VET Recommendation](#), the European Skills Agenda, Bridge to Jobs, Recommendations for Youth Guarantee update and identifies changing skills demands in the EU neighbourhood, working closely with EU Delegations, international donors, and other EU bodies to improve the effectiveness of assistance and development projects. Its work contributes directly to economic growth and social cohesion, fostering resilience and tackling the root causes of migration.

The ETF's operations in developing countries are further guided by [the European Consensus on Development](#), which aligns the Union's development policy with the 2030 Agenda for Sustainable Development. Through the Consensus the EU and its Member States commit to supporting inclusive lifelong learning and equitable quality education in developing countries, including promoting education at secondary and tertiary level, technical and vocational training, and work-based and adult learning. Special attention is to be paid to education and training opportunities for girls and women. Digital literacy and skills are an important tool to empower people, especially women and persons in vulnerable and marginalised situations, to promote social inclusion and to facilitate their participation in democratic governance and the digital economy.

In the regions of its operations, the ETF contributes to the EU regional policies. In the Western Balkans and Turkey, the ETF operates under the EU Enlargement Policy and in particular the [Instrument for Pre-Accession Assistance](#). The EC recently adopted the Economic and Investment Plan for the Western Balkans which includes a flagship on human capital development and the youth guarantee. The ETF will be paramount in the implementation of this flagship in the Western Balkans.

In the EU neighbourhood region, the ETF operates within the framework of the [European Neighbourhood Policy](#), which aims to build more effective partnerships between the EU and its neighbours towards a more stable EU Neighbourhood, in political, socio-economic and security terms. As regards the EU's Eastern neighbourhood, the ETF contributes to the [Eastern Partnership \(EaP\)](#) policy initiative⁹ under which the EU, its Member States and the six EaP partner countries have

⁹ 4.1.4 "Investing in People" of 18 March 2020 Joint Communication on future EaP

committed to developing a stronger economy, stronger governance, stronger connectivity and a stronger society, including increased possibilities for mobility.

The [Africa-EU partnership](#) and the new [Africa Communication](#) as well as the [Communication on the Africa-Europe Alliance for Sustainable Investment and Jobs](#) are reference points for the ETF's work with the African Union. They stress the importance of technical and vocational education and training and skills development both through Pan-African and national initiatives to support growth and job creation in strategic development areas.

The [new EU Strategy for Central Asia](#) is the basis for the ETF's operations, including a commitment to provide substantial support to vocational education and training in the region.

The ETF contributes also to the European Dialogue on Skills and Migration, the [New Pact on Migration and Asylum](#), and to the [Global Approach to Migration and Mobility](#).

Thematically, ETF operations are inspired by the overall importance of human capital development in policies applying to the EU Member States, such as the [European Skills Agenda](#), which is based on 5 building blocks calling for collective action to mobilise stakeholders and investments for lifelong skills development that lead to jobs and the [Youth Employment support](#) specifically targeting young people as part of the recovery from the COVID-19 pandemic. [The European Pillar of Social Rights](#) sets out 20 key principles and rights (among which the right to education and the Youth Guarantee) to support fair and well-functioning labour markets and welfare systems in the EU as an element of the social cohesion policy domain.

The [European Green Deal](#), and the accompanying Just Transition Mechanism, foresees proactive reskilling and upskilling for the workforce to adapt to new processes in the green economy, an update of the European Skills Agenda and the Youth Guarantee, as well as the establishment of a Green Agenda for the Western Balkans and an environment, energy and climate partnership with the Eastern Partnership and the Southern Neighbourhood. Up to 25% of the new Neighbourhood, Development and International Cooperation Instrument will go to supporting climate objectives.

Multiannual Financial Framework (MFF) 2021-27

The proposed multiannual financial framework 2021-27 foresees a stronger coordination between external and internal policies to ensure a more coherent implementation of the 2030 Agenda for Sustainable Development, the EU Global Strategy, the European Consensus on Development, the European Neighbourhood Policy, as well as the external dimension of migration, including the Partnership Framework with third countries on migration. According to current estimates¹⁰, the annual allocations to 'Neighbourhood and the World' will increase incrementally to a total amount of € 98.4 billion. Most existing financial instruments will be merged into a Neighbourhood, Development and International Cooperation Instrument with a total financial envelope of €70.8 billion, of which €53.8 billion are planned for geographic programmes, including €17.2 billion for the Neighbourhood, while maintaining an adequate geographical balance, and €26 billion for Sub-Saharan Africa. A cushion of €8.5 billion is foreseen for new needs or emerging challenges and priorities to address unforeseen circumstances, such as crisis and post-crisis situations or migratory pressure, or to promote new Union-led or international initiatives or priorities. The allocation for the Instrument for Pre-Accession,

¹⁰ Based on the European Council Conclusions of 21 July 2020.

supporting beneficiaries on their path to fulfilling the accession criteria, is currently estimated at €12.6 billion.

The new architecture for the EU's external action instruments reflects the need to focus on strategic priorities both geographically – the Western Balkans, the European Neighbourhood and Africa and thematically – access and quality at all levels of the education systems in partner countries, youth employability, lifelong learning, inclusion of women and decent work for all, in support of the 2030 Agenda for Sustainable development and the implementation of the European Pillar of Social Rights. This will pose new demands on the ETF in its support to EU actions in the pre-accession and neighbourhood regions as well as the rest of the world, in support of the external dimension of EU policies.

Regional context

The ETF's geographical scope covers the EU neighbourhood, including South Eastern Europe/Western Balkans and Turkey (SEET), Eastern Partnership (EaP), Southern and Eastern Mediterranean (SEMED) and Central Asia. The ETF is also active with the African Union in a project as part of the "AU-EU Skills for Youth Employability" programme.

EU neighbourhood countries

The current wave of technological change, globalisation, migration and climate change have a profound impact on all countries of the world, including countries in which the ETF is active. They create new opportunities for economic and social development but also increase the risks of inequality and polarisation of societies. Developing human capital in an equitable manner is a pre-requisite for all countries to make best use of the opportunities that are arising and mitigate risks. This implies investment in education and training systems that prepare citizens (both youth and adults) for upcoming changes and provide them with strong key competences and skills for employment through the course of their lives.

Education and Training systems in the EU neighbourhood need to be substantially modernised if countries are to (i) address eminent and persistent youth unemployment, vulnerability and detachment from the labour market, (ii) ensure availability of skills to support sustainable economic development also taking advantage of technological change, and (iii) improve social cohesion.

The effort for modernisation of the education and training systems is substantial because it has not only to address present underperformance but also to catch up with new challenges and opportunities.

Educational attainment of youth is overall improving over time, albeit at a varied pace in different countries. Access to higher education has substantially increased, early school leaving is reducing, and has reached very low levels in the vast majority of the pre-accession countries and the Neighbourhood East. Despite progress in access to basic education during the last decade, early school leaving remains critical in the Neighbourhood South.

The improvement in the educational attainment of youth is not translated into better labour market outcomes. The phenomenon of young people not in employment, education, or training (NEETs) remains substantial in all countries where ETF is active and is critical among young women in the Neighbourhood South. Youth unemployment remains at high levels. Higher education graduates, although with higher employment rates, are not protected by unemployment and are often in jobs below their qualification level. At the same time there are skill gaps for middle level skills.

Despite improvements in access to education the quality of education has not improved.

Results of international surveys (like PISA and TIMSS), where available, demonstrate underperformance in key competences among pupils in secondary education in partner countries. Employers complain about gaps not only in technical skills of young graduates but also in key competences. The digital and entrepreneurship competences are still marginally addressed by the different levels of the education system. Moreover, inequalities in the quality of education are present with poor conditions in schools in rural or depressed areas.

On top of that the majority of the ETF partner countries are experiencing **shrinking of their skills pool** due to aging populations, skills obsolescence and/or high level of migration in particular of young people.

Countries recognise the need to reform their education and training systems and during the last years they have worked on the development of new policy frameworks, passed new legislation, experimented with new governance structures, started changing their curricula and modernised their qualification systems. However, real change in education and training provision and system change is slow and has been overtaken by rapid economic, technological and social developments. There is still a big gap between policy intentions and change on the ground. In the Neighbourhood South, political instability and weak system governance has introduced substantial discontinuity in policy development and implementation. Moreover, most efforts have focused on the modernisation of the initial education system while continuous training to care for the needs of the adult population has been rather neglected. This creates a gap in the development of human capital in countries with weak initial education systems (often characterised by high early school leaving rates and low quality of learning) and/or aging populations.

A key focus for the future is to proceed with structural and system change with sustained focus on **quality and inclusiveness at all levels of education and training** (both initial and continuing). This should include improvement of reform capacities not only at central level but also at grass roots level. Interaction between schools and community is essential for successful reforms; as is the cooperation between education and the world of work.

Specific priorities for the future in the EU neighbourhood include:

System Governance. All countries have been working on improving system governance creating mechanisms of inter-ministerial cooperation; coordination mechanisms between the world of education and work at all levels; reviewing roles and responsibilities among actors and addressing issues of school autonomy. However, these new governance arrangements are not consolidated and often are functioning poorly due to limited capacities of the actors. Sustained efforts will be needed in the future to move gradually into more participatory governance modalities based on partnership and stronger coordination mechanisms.

Evidence for policy steering. Emphasis should also be given to develop further, countries' diagnostic capacities for better policy targeting and steering. This includes improving capacities for monitoring and evaluation of policies and system performance. It also includes improved capacities in generating skills intelligence in particular, anticipating skills demand and supply as well as monitoring skills utilisation.

Quality education. Four aspects should be given special attention: (i) the development of strong key competences, also including basic education and key competences, digital and entrepreneurship competences, at all levels of the education and training system; (ii) the reinforcement of practical

training for graduates of secondary and post-secondary VET in particular through work-based learning; (iii) the use of innovative teaching and learning methods also using new digital technologies; and (iv) the improvement of preservice and in-service teachers and trainers training. In some countries, investment in infrastructure of schools especially in rural areas is necessary.

Inclusiveness. Education systems should ensure special attention and apply preventive measures to the needs of pupils from vulnerable socioeconomic backgrounds, rural areas and/or Roma communities who are more exposed to early school disengagement. The systems should also address the needs of young adults who have left the education system prematurely through remedial education and second chance programmes. In all countries presently only a small fraction of those in need of such compensatory measures are covered.

Basic education. In the Neighbourhood South countries, which are characterised by large numbers of young people and high early school leaving rates, improving both access and quality of basic education is a prerequisite for any future improvement of educational outcomes of young people.

Adult learning. Technological, economic and labour market changes with more frequent transitions between jobs require permanent enhancement of the skills of the population. Adult learning becomes crucial as people need affordable access to training opportunities to improve and maintain their employability. Additionally, validation and recognition of prior learning improves portability of skills also for migrants and people working in the informal economy. NEAR countries are weak in adult learning with fragmented provision and a lack of incentives for both people and companies to invest in skills.

Active Labour Market Policies and reforms of Public Employment Services. The effect of the pandemic and the resulting economic downturn induce sectoral changes requiring change in career paths, reskilling and upskilling for people at risk of losing or are without jobs and approaches for Active labour market policies may need adjustments to fit current and foreseeable socio-economic conditions.

Central Asia

The five Central Asian countries – Uzbekistan, Kazakhstan, Tajikistan, Kyrgyzstan, Turkmenistan - have undertaken a profound structural transformation process moving from central planning to market economies. The countries vary considerably in terms of population, size, economic development and openness to the outside world, yet they also share a number of common features.

In the economic sphere, common features include sustained GDP growth, an increasing importance of the service sector in terms of GDP (added value) and employment, the importance of the agricultural sector for employment¹¹, though often only at subsistence level and a prevalence of small and micro enterprises. Both the agricultural and small and micro enterprise sectors can be associated with low levels of competitiveness and productivity and a high level of informality.

The labour markets of Central Asia are characterised by relatively low activity and employment rates. Women fare worse in the labour market of all countries. Despite the positive economic developments,

¹¹ Employment in agriculture (% of employed) in 2018 was as follows: KG: 26.6%, KZ: 15%, TJ: 51.3%, TM:22.9%, UZ: 33.5%

their situation has deteriorated over recent years. Although unemployment rates (15+) may seem low, they occur in a context where large parts of the population are self-employed.

Demographic growth, in combination with important rural-urban migration, puts pressure on the education and training systems, which should guarantee access to quality education at all levels. Moreover, the economies have limited potential to create a sufficient number of jobs for rapidly growing nations. Consequently, youth unemployment rates are considerably higher in most countries than the rates for the population aged 35 and older. The share of young people not in employment, education and training (NEETs) are very high in the three poorest economies, with rates for women consistently exceeding the rates for men. Insufficient job creation has also led to high levels of labour migration in a number of Central Asian countries. In these, personal remittances play a key role for the economy. Due to adverse conditions, Central Asian countries have not been able to engage in systematic policy dialogue and cooperation. The situation changed due to factors internal to the region, such as the reform process in Uzbekistan, as well as developments originating in neighbouring countries. China's Belt and Road Initiative and the Eurasian Economic Union are all enhancing the importance of the region in geopolitical and economic terms. Over the coming years, Central Asian countries can expect significant opportunity to modernise their infrastructure and diversify their economies through better integration and connectivity within the region and with its neighbours.

The development that Central Asia is experiencing will have several consequences for skills demand for the years to come. The ongoing regional initiatives will have a massive impact on transport and energy infrastructure development. This will go hand in hand with an increased demand for maintenance and new opportunities in the sphere of trade and logistics. At the same time, all Central Asian countries have recognised the importance of agricultural value chains and are attempting to develop new sub-sectors, including in the agro-food sphere. All countries have also recognised the importance of entrepreneurship in a context where small and micro-enterprises represent a key employment opportunity.

Specifically for the region, the 2018 Joint Communication [Connecting Europe and Asia - Building blocks for an EU Strategy](#) and chapter 3.4 "People-to-people connectivity" and 4.2 "Regional cooperation" and chapter 2.4 of the Joint Communication of 15 May 2019 [The EU and Central Asia – New Opportunities for a Stronger Partnership](#) aim to support inter and intra-regional cooperation in the areas of VET and higher education.

Russia

ETF support to Russia takes place in the context of EU-Russia cooperation and, in particular, Council Decision 833/2014 and follow-ups, which include the continuation of the support for projects facilitating people-to-people contacts mainly in the fields of scientific research, education and cross-border cooperation. In general the ETF follows the EU policy on Russia which is centred on five guiding principles: full implementation of the Minsk Agreement, which is a precondition for the lifting of sanctions; strengthening relations with the EU's Eastern Partners including Ukraine and Central Asia; strengthening the EU's resilience; selective engagement with Russia; increasing support to civil society and promoting people-to-people contacts. ETF priority for the region in 2021-23 in Russia focus on involvement in the fifth round of the Torino Process (2018-2021) and on specific thematic discussions involving other partner countries and EU member states.

African Union

With almost 200 million people aged between 15 and 24, Africa has the youngest population in the world. Creating opportunities for young people is crucial as they will be the drivers of the economic development and social change of tomorrow. The number of young people entering the labour market is growing and by 2035 450 million young people will have cumulatively entered into the labour market whereas, with unchanged policies, only 100 million jobs would be created over the same period.

The Africa-EU Partnership supports initiatives through recognition of qualifications, partnerships between institutions and mobility of young students, staff and researchers and in particular women and girls. Under the joint AU-EU Strategic Cooperation priority area 'Investing in people – education, science, technology and skills development', Africa and the EU acknowledge the importance of youth, especially girls and young women, and those living in disadvantaged or vulnerable environments. The key objectives of cooperation in this area are to: increase access to knowledge and skills; better link education and skills to employment; and unlock the potential offered by research, technology and innovation and the digital economy.

The ETF supported African Continental Qualifications Framework (ACQF) project is part of the multi-annual programme “AU-EU Skills for Youth Employability”, which is aimed at improving occupational prospects of young Africans through the provision of innovative market oriented skills development and supporting measures to facilitate recognition of qualifications among African countries. This initiative is also part of the renewed commitments under the Africa-Europe Alliance for Sustainable Investment and Jobs and one of the milestone deliverables of the commitments made at the 5th AU-EU Summit in Abidjan in 2017.

Institutional context

The ETF operates within the EU institutional framework. The mid-term financial outlook for the Agency is stable in real terms¹², representing a 2% increase in nominal terms matching expected inflation. Any reductions to the proposed envelope would put a strain on the ETF’s capacity to deliver on its mandate. The ambitions of the ETF Strategy 2027 are also constrained by the proposed available budget.

There are three possible options to increase the ETF’s revenue. The first is by increasing the EU contribution foreseen in the draft MFF, the second is that the Commission provides contribution agreements to the ETF to implement the actions as part of its cooperation with third countries and a third option would be for the ETF to provide remunerated services for other international actors.

With regard to other EU Agencies, cooperation agreements are in place with the European Centre for the Development of Vocational Training (Cedefop) and the European Foundation for the Improvement of Living and Working Conditions (Eurofound). These agreements foresee early consultation on work programme development and yearly action plans that agree further forms of exchange and, where appropriate, joint activities. The ETF Director has a seat on the European Labour Authority (ELA) Management Board as an Observer.

Cooperation with third countries and international organisations is mandated in the ETF Founding Regulation to facilitate exchange of information and experience among international actors engaged in human capital development reform in partner countries and between the EU and partner countries and

¹² [SEC\(2020\)-250](#) – June 2020 - Statement of estimates of the European Commission.

among partner countries. The Agency will seek opportunities to cooperate with entities that can advance the HCD agenda in countries for increased impact and added value of the ETF's activities.

The ETF is an active member of the Inter-Agency Group led by UNESCO where key global players in the area of human capital development, skills and VET share information and actively cooperate. Methodologies and tools are developed in a range of key policy areas such as: the future of work, including digital skills; matching and anticipation of skills needs and shortages; qualifications and qualifications systems; the contribution of skills recognition for migration management; work based learning and apprenticeship; teacher and teacher training; education information systems/key performance indicators; and entrepreneurship.

It is against this background that the ETF fulfils its mandate to contribute in the context of the EU external relations policies in improving human capital development by supporting countries to create inclusive and innovative lifelong learning systems.

Section II - MULTI-ANNUAL PROGRAMMING 2021-23

1. Multi-annual work programme

The ETF Governing Board adopted the new ETF Strategy 2027, in June 2019¹³, paving the way for the ETF to put in place a package of services that better address the pressing needs that countries face to make skills provision more responsive to the changing demands of industry and the challenges of new technologies, environmental change, migration and changing skills needs.

In preparation for the development of the strategy a thorough review of ETF past work and results from evaluations, including an intensive consultation process using a Policy Delphi methodology with key ETF stakeholders was conducted. The evaluation findings and feedback from stakeholders confirmed the added value of the ETF to:

- bring together a unique mix of expertise, innovation, in-depth analysis and policy dialogue capacity in the field of human capital development with a deep-rooted understanding of country context and,
- through its expertise development, thematic and system-level analysis and studies, the ETF ensures the continuous quality of its services, a key asset that is recognised through feedback from external actors

Based on these findings, the strategy sets out the changes required of the ETF to broaden its area of expertise in response to the shifting trends away from formal schooling towards wider learning pathways, and from isolated solutions towards comprehensive ones, and integrated actions across education and training systems.

The aim for the ETF for the period 2021-2027 is to consolidate its services delivery as:

- A global asset **for the EU** providing expertise on human capital development through a **diversified provision of clearly agreed services**;
- A reference **for partner countries for sector analysis, policy advice and to develop capacities**
- A **global knowledge hub** in the field of human capital development in transition and developing countries
- An **important resource for programming** and preparing and monitoring EU investment in human capital development.
- A **partner to the EU to enhance the strategic impact of EU funds**.

The ETF's interventions reflect priorities of the EU with reference to the human capital development (HCD) sector. Priorities for the operational direction of the ETF are agreed with the ETF Governing Board and EU services cooperating with the ETF.

¹³ <https://www.etf.europa.eu/sites/default/files/document/ETF%20Strategy%202027.pdf>

1.1 ETF response to Covid-19

The outbreak of COVID-19 and subsequent impact on socioeconomic demands and challenges of EU partner countries, as well as education and training disruptions, have confirmed the role of skills in determining the capacity of individuals, communities and countries to adopt resilient responses to the crisis, put in place inclusive policies and actions, and engage in a fast post-emergency phase.

The ETF has monitored in 2020 the evolution of the impact of COVID-19 in EU partner countries as regards both education and training as well as socio economic issues. Based on current demands and future perspectives, investments in skills at all stages of the life of individuals will be key, to confront immediate demands as well as accompanying transformation processes towards greening, digitalization and inclusiveness.

The ETF has adapted its work programme to address the immediate demands and offer flexible and customized support to its stakeholders, as well as ensure the focus on medium and longer term transformations. This is reflected in the activities and further expansion of networks where the ETF will seek positioning the skills agenda as a key component of economic and social development processes.

1.2 ETF approach to Human capital development and Lifelong learning

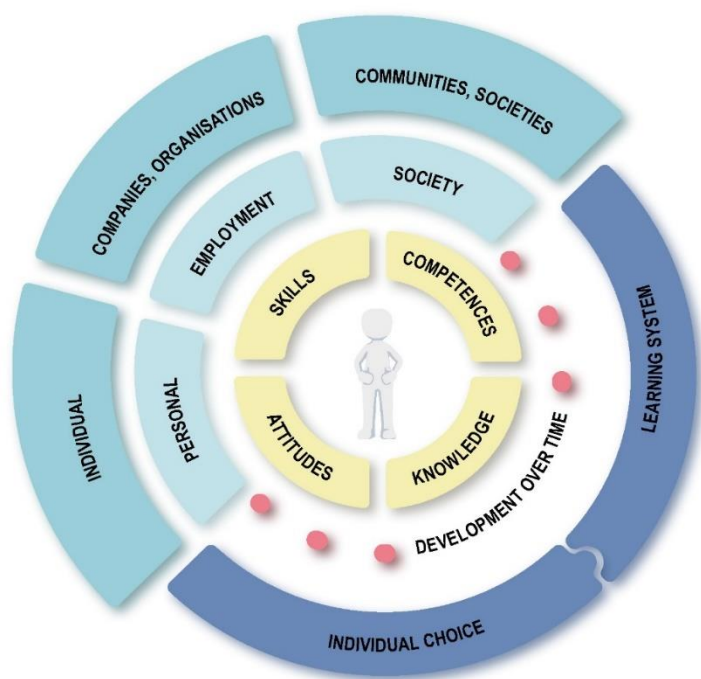
Human Capital Development (HCD)

Human capital development is the cornerstone of the work of the ETF as stated in its mandate ‘to contribute, in the context of EU external relations policies, to improving human capital development’¹⁴. For ETF, the understanding of human capital development is guided by five key principles:

First, human capital development stands not only for skills and competences but also for the knowledge and attitudes of people. Human capital is something that belongs to the people, to every person individually. This means that the support of the ETF to the development of human capital is meant to benefit first and foremost the learners.

Second, developing the skills, competences, knowledge and attitudes of a person is not only an aim in itself but it is also for the purpose of realising the potential of the person as a member of society.

Third, benefits of developing the skills, competences, knowledge and attitudes are also of benefit to companies, organisations, communities and society overall. Human capital is a key factor in the promotion of prosperous, innovative and inclusive societies.



Fourth, HCD is a dynamic notion, which means that it has to be developed over time to ensure the adaptability and responsiveness of people to rapidly changing environments.

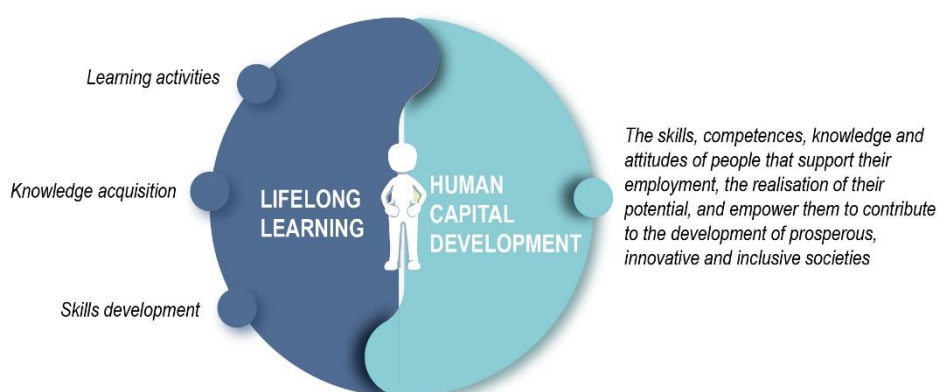
Finally, participation in HCD should always be a matter of individual choice. However, it is the responsibility of each country to create learning systems, which provide opportunities and incentives for all people to develop their human capital at any point in their lives, should they wish to.

Human capital development is the provision of support to countries for the creation of lifelong learning systems that provide opportunities and incentives for people to develop their skills, competences, knowledge and attitudes throughout their lives for the sake of employment and realisation of their potential, and as a contribution to prosperous, innovative and inclusive societies.

¹⁴ Art. 1.2 REG (EC) NO 1339/2008: human capital development shall be defined as work which contributes to the life-long development of individuals' skills and competences through the improvement of vocational and education training systems

Human Capital Development through Lifelong learning (LLL)

For the ETF, Human Capital Development places the learner at the centre, signalling a shift towards learning opportunities that accommodate the needs of autonomous and independent individuals who may not be bound to a single provider, fixed educational path nor to a predefined learning age. Placing the learner at the centre signals a shift towards the creation of sustainable and adaptable lifelong learning systems.



The ETF approach to **lifelong learning** is to focus on all learning that contributes to developing skills that promote the professional fulfilment of people, including their long and short term employability, their capacity to innovate, and to actively participate in society. Key principles are:

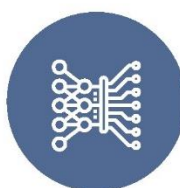
- Learner at the centre
- Shift of focus away from only (formal) education and training systems towards flexible and individualised learning processes, learning opportunities and learning pathways
- Diversity of learning environments and purposes



**LEARNER-CENTRED
APPROACH**



**DIVERSITY OF
LEARNING ENVIRONMENTS
AND PURPOSES**



**FLEXIBLE LEARNING
PATHWAYS**



**MULTIPLE PROVIDERS
AND EDUCATIONAL PATHS**

Lifelong learning refers to all learning activity undertaken throughout life, with the aim of improving knowledge, skills/competences and/or qualifications for personal, social and/or professional reasons.

1.3 Delivering in partnership

The ETF will use partnerships and strategic alliances to increase the impact of its work and ensure a higher level of coordination and coherence of EU and international investments amongst the most relevant actors in the field of human capital development. The aim will be to:

- Support greater impact in content implementation, and leverage;
- Increase the visibility of the ETF and EU for policy influence in Human Capital Development and lifelong learning domains; and/or
- Enhance efficiency gains and economy of scale.

Targeted strategic alliances and partnerships will be identified that will provide the organisation the greatest value to implement the ETF strategy 2027 with:

- **EU services:** to pursue opportunities to target ETF knowledge and products more accurately in order to maximise the uptake of its expertise, share good practice and support the EU external actions under the EU Enlargement and Neighbourhood policies and the global agenda for achieving the 2030 Sustainable Development Goals.
- **EU agencies:** joint work with other EU agencies, in particular Cedefop and Eurofound, will be strengthened in the areas of shared interest to ensure mutual benefit and exchange of experience between the EU and partner countries.
- **EU Member States and bilateral organisations:** Cooperation with EU Members States and actors driving thematic development and implementation in countries will be a key feature to deliver on ETFs objectives.
- **International organisations and donors active** in the area of human capital development globally (such as OECD, UNEVOC/UNESCO, ILO);
- **International financial institutions investing** in the area of human capital development globally (such as the World Bank, European Bank for Reconstruction and Development, European Investment Bank and the Asian Development Bank);
- **Platforms and networks** to enable building and benefiting from already existing partnerships, research and knowledge bases at regional and/or cross country level.

1.4 A differentiated approach

Differentiation means clearly identifying the added value of the ETF's actions bearing in mind the specific country context and the EU priorities as a basis for defining different packages of services by clustering partner countries using a set of defined principles and criteria.

ETF activities are planned taking into account the level of investments of the EU and of other donors in the field of Human capital development as well as country ownership and commitment towards progressing in the effort to improve policies and performance in targeted areas.

Principles

- Transparency through using global and ETF benchmarks and indicators for decision-making processes about country actions;
- Effectiveness through actions for higher impact, in support of EU policies and country priorities;
- Complementarity and alignment with EU and EU Member States goals and existing interventions;

Requirements

- Maintaining the logic of partnership between the ETF and partner countries; and
- Maximising ETF resources and expertise, tailoring and targeting better the country direct support actions.

1.5 Networks

The mandate of the ETF tasks the Agency to facilitate the exchange of information and experience amongst international actors involved in Human Capital Development reform in partner countries and to disseminate information and encourage networking between the EU and partner countries and among countries.¹⁵ Networks are key for the ETF as a tool for stakeholder engagement, expertise development and expertise sharing as part of ETF's serving as a knowledge hub.

More specifically the networks enable:

- initiating dialogue and facilitate exchanges of policies, practices and experiences
- identifying opportunities for joint methodological development and actions
- sharing information and expertise
- facilitating reaching out to stakeholders' groups internationally

The ETF delivers through several types of networks at the international, regional and country level, including but not limited to:

- Networks for operational delivery (international organisations, International Finance Institutions)
- Expert networks for core business and for contributing to the global knowledge hub
- Networks for dissemination of ETF work in partner countries and beyond

1.5 Advising European Union Services

The ETF provides support and policy advice to the EU institutions, namely the EC services, EEAS and EU Delegations, based on continuous interaction and consultation and upon request¹⁶, for:

1. the different phases of the EU bilateral and regional external assistance project cycle (identification, formulation, operationalisation and implementation, monitoring and evaluation, both for project and budget support modalities);
2. conducting / organising external assistance related EU bilateral and regional policy dialogue processes;
3. reports on achievement of EU-led reporting and assessment processes on education and training reforms, such as the Riga mid-term deliverables or the ERP;
4. development of Methodological tools and guides in support of EU external assistance such as indicators for budget support, assessments etc

¹⁵ Art.2 d) & f) Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation (recast) <http://data.europa.eu/eli/reg/2008/1339/oj>




¹⁶ See Annex XIV for planned requests 2021

1.6 ETF Core Services

The ETF Strategy 2027 outlines the following pillars that are at the core of ETF operational modalities.

- Knowledge hub.** The breadth and the quality of the ETF's expertise as a global reference for education and training. The ETF accompanies countries in the transformation of their education and training systems. The Agency will make greater use of digital and online tools to engage with stakeholders, ensure wider access and distribution of knowledge, good practice and learning materials. It will continue to engage with international donors and stakeholders for knowledge exchange, expertise development and increased impact.
- Monitoring and assessment.** The ETF has developed a series of diagnostic and assessment methodologies that cover education systems as a whole as well as specific policy and governance domains. ETF will continue its work of policy learning and innovation, including developing and piloting methodologies and producing knowledge products. These methodologies/tools will be applied/scaled up on request to support EU and third country decision making.
- Policy advice and input to EU external action priorities in the area of education and training.** As a result of the increased investments in the HCD sector from the EU and other international actors, the ETF plays a role in the programming of EU assistance, and in the provision of policy advice to the EU and partner country stakeholders. Together with actions in countries, the ETF will further increase its involvement at international (regional and multi-country) level. The ETF will be an important actor in the delivery of EU external action priorities for regional and multi-country policy dialogue by continuing to support EU actions.

Key outputs of ETF services

 Knowledge Hub	 Monitoring and assessment	 Policy advice
<ul style="list-style-type: none"> Thematic networks Multi-country analysis Co-created models, methodological tools and guides for skills identification and development Thematic studies and analyses Innovative practices and approaches on education and training in a lifelong learning perspective 	<ul style="list-style-type: none"> Intelligence management systems Datasets and statistical publications HCD country and regional assessments Country intelligence (snapshots, fiches, progress reports) Thematic intelligence (inventories, fiches) 	<ul style="list-style-type: none"> Tailored policy advice and guidance for EU and other interventions and programmes Content monitoring of EU programmes implementation (bilateral and regional) Tailored policy advice and guidance for country reform processes

1.7 Strategic Objectives

The ETF intervention for the period 2021 – 2023 is based on three strategic objectives with a focus on skills and education and training system development in a lifelong learning perspective. In detail they aim for:

- **Skills relevance and anticipation** - to identify changing skills demands and ensure skills relevance

Technological change, the greening of economies, globalisation and demographic factors (including migration) profoundly influence labour markets and the workplace and require new skills sets for individuals to make best use of opportunities while mitigating emerging risks.

Under this objective the ETF will support partner countries to monitor changing skills demand (also including skills gaps and skills mismatch) at national, sectoral and territorial level through the generation of new evidence and policy advice for the development of modern Labour Market Information Systems. The ETF will also provide policy advice for the modernisation of qualification systems and development of qualifications relevant to new labour market and workplace realities.

- **Skills development and validation** - to innovate skills development models and processes

The way skills are acquired is becoming continuously more diversified. Skills development takes place across people's lifetime. It takes place in different learning environments (school, training centre, workplace online etc.) applying different teaching and learning methods and requiring different, flexible and individualised learning pathways. The combination of key competences and technical skills is becoming ever more important for people's adaptability to new workplaces and professional development. Validating the skills and competences that people acquire in different ways is a must for access to employment and further learning as is career guidance, as a prerequisite for helping people to navigate in changing labour markets and in a world of such diversified training provision.

Under this objective, the ETF will support partner countries to promote innovation and tap into innovation already taking place within countries or elsewhere in tackling the above issues.

- **Performance and quality of education and training policies**

Effective public policies imply good governance including: (i) coordinated and concerted action of actors at different levels that link education and training systems to economic and social developments; (ii) financing mechanisms that work in favour of the policy objectives and ensuring adequate funds for policy implementation, efficiency and equity; (iii) quality assurance mechanisms; and (iv) regular monitoring and assessment of the performance of the education and training system taking into account country's human capital development challenges.

The ETF will support countries to monitor and permanently improve the performance of their education and training systems and lifelong learning policies, systematically using the monitoring and assessment findings to provide tailored policy advice to the EU interventions and to the partner countries systemic reforms towards increased quality performance.

1.8 Geographic area of operation

South Eastern Europe and Turkey

Albania
Bosnia and Herzegovina
Kosovo*¹⁷
North Macedonia
Montenegro
Serbia
Turkey

Southern and Eastern Mediterranean

Algeria
Egypt
Israel¹⁸
Jordan
Lebanon
Libya¹⁹
Morocco
Palestine²⁰
Syria²¹
Tunisia

Eastern Partnership

Armenia
Azerbaijan
Belarus
Georgia
Moldova
Ukraine

Central Asia

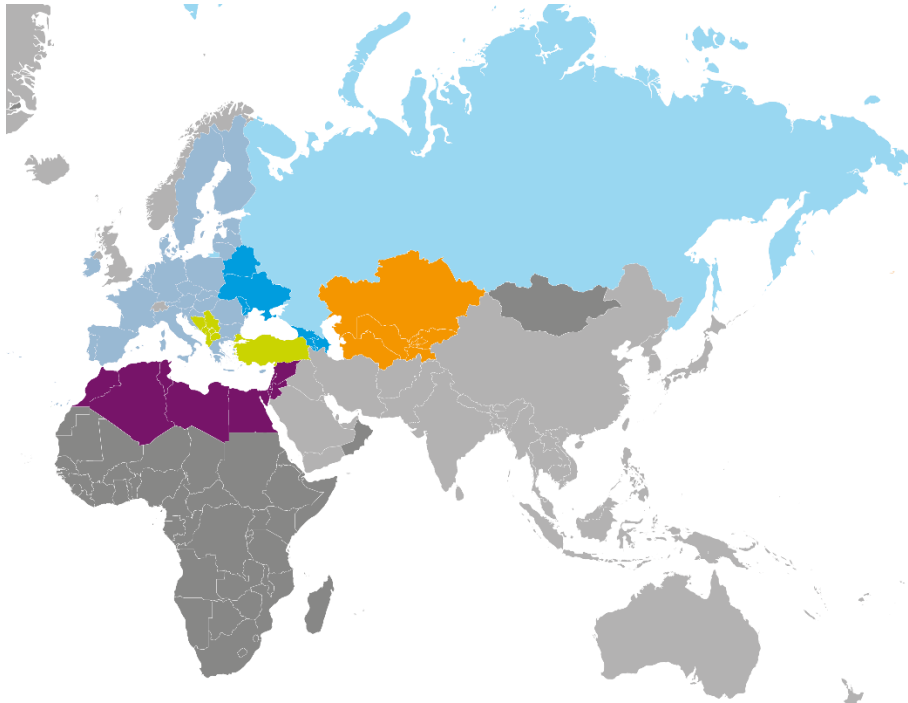
Kazakhstan
Kyrgyzstan
Tajikistan
Turkmenistan
Uzbekistan

Other partner countries

Russia²²

Cooperation with other countries

African Union



¹⁷ This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence

¹⁸ ETF support to Israel takes place in the context of EU-Israel cooperation and related Guidelines on eligibility of Israeli entities and their activities in the territories occupied by Israel since 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards

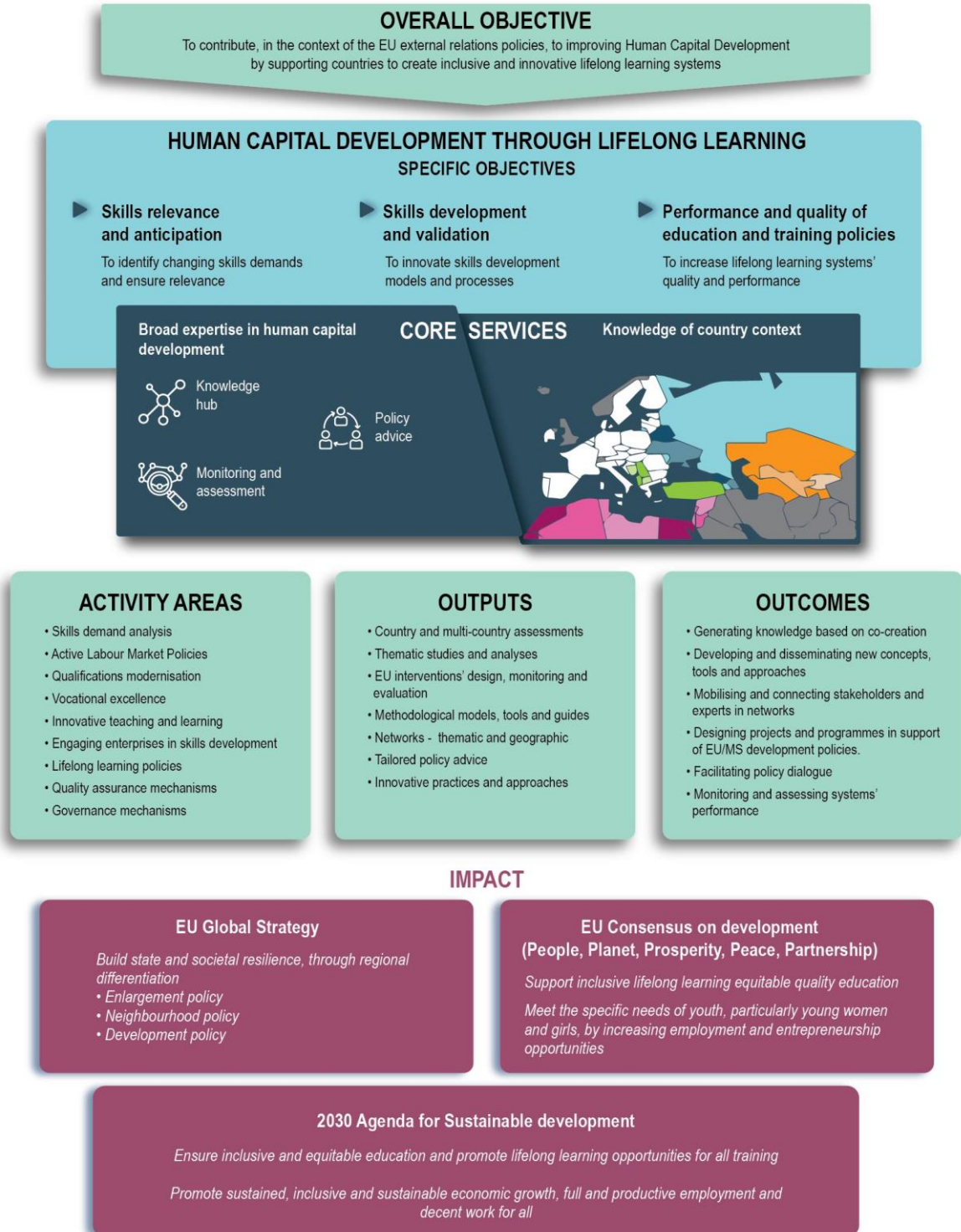
¹⁹ The ETF resumed cooperation with Libya in 2018. If conditions allow, this cooperation will continue in 2020-22

²⁰ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue

²¹ No activities are currently envisioned in Syria

²² ETF support to Russia takes place in the context of EU-Russia cooperation and with respect to Council Decision 833/2014 and subsequent acts

1.9 ETF Intervention Logic



2. Human and financial resource outlook for the years 2021-23

During the period 2021-23, the human and financial resource outlook for the period are:

Human Resources

As a centre of expertise, the ETF relies fully on its staff to fulfil its core mission. Human resource management and development is therefore key to ensuring a supporting environment to enable successful implementation of the objectives of the ETF work programme as well as ensuring full compliance with the regulatory framework (i.e. Staff Regulations and their implementing rules). In line with the ETF Human Resources Strategy 2021-2027 adopted in 2020 the priority areas gravitate around:

- Attracting and Deploying, which refers to the strategic importance of recruitment and integration into the ETF.
- Managing and Retaining, which focuses on clarity of performance objectives, managing by results and providing career opportunities for staff to continuously make use of their competences, skills and capabilities.
- Growing and Developing, which embraces the modalities of learning and thus developing.
- Caring for people and valuing diversity, which fosters the respect for diversity and the centrality of well-being of staff so they can perform at their best:

In addition, as a transversal continuous objective to increase efficiency, the ETF will increase further the digitalisation of HR processes, making best use of the Commission's and other relevant software.

Finance and procurement

The challenge of optimising the trade-off between resources and performance will continue. The ETF will therefore continue to focus on budget performance and discipline whilst ensuring a robust, compliant and effective financial, and procurement management cycle. The ETF will:

- enhance the efficiency and effectiveness of budget implementation using information and communication technology, digitalising internal / external processes and deploying the new financial management system (SUMMA);
- optimise the use of procurement instruments by sharing them with EC services and other agencies for standard procurement needs in particular;
- optimise and facilitate the integration of environmentally responsible purchasing;
- mobilize additional revenue as allowed by the reformed financial regulation and in addition to the EU contribution;
- implement efficient quality assurance measures within the ETF internal control and risk management frameworks.

Facilities and Security

The ETF ensures that all aspects of the ETF building, people and information are managed in a secure, effective and efficient manner in order to provide the agency, its staff and visitors with an optimal, safe and cost-effective working environment, while respecting corporate and regulatory compliance. The ETF will:

- implement an Environmental Management System aligned with EMAS standards and implement improvement actions deriving from the objectives defined in the ETF environmental policy;
- improve the maintenance and management of the building and technological systems;
- provide healthy, safe and secure on-site working conditions based on risk assessments and applicable regulations, facing the challenges of the COVID 19 crisis;
- Review the approach to security in a comprehensive manner by aligning with Commission and International Standards, with particular attention to setting up an Information Security management System inspired by ISO 27001
- improve safety/security on mission by fostering cooperation with EEAS and other agencies;

Accounting

The ETF will continue to ensure high quality annual financial statements with the aim of receiving a positive audit opinion from the European Court of Auditors (ECA). The ETF will achieve this by maintaining and further enhancing its in-house accounting capacity with a focus on maintaining robust, compliant and auditable accounts and related documentation.

2.1 Overview of the past and current situation

Staff population overview for 2019

The ETF's human resources were defined in the Commission Communication (COM(2013)519 final) for the period 2014 to 2020, including a 10% staff cut. The ETF completed the reduction of establishment posts from 96 to 86 in 2017.

To counter the reduced availability of resources, the ETF has gradually managed to increase the number of allocated staff to the core operational activities from around 63% in 2015 to around 72% as highlighted in the job screening exercise (see table below) whilst reducing administrative support, coordination and neutral functions. The increase in the operational category is noteworthy given that natural departures, used to implement the staff cuts, took place almost exclusively amongst HCD Specialists. In addition, the ETF took advantage of article 38.2 of the Financial Regulation and started to offset 'the effects of part-time work authorised ... by other appointments'. One additional HCD Specialist (Temporary Agent – AD7) was recruited in 2018.

Job Type (sub) category	2015 (%)	2019 (%)
Administrative support and Coordination	23.83	17.19
Administrative Support	16.69	13.75
Coordination	7.14	3.44
Operational	62.78	72.42
General operational	3.01	8.20
Programme management	50.00	57.73
Top level Operational Coordination	4.51	2.97
Evaluation & Impact assessment	5.26	3.52
Neutral	13.38	10.39
Finance/Control	12.63	9.61
Linguistic	0.75	0.78

Since 2018, staffing has remained stable with 86 Temporary Agents, 41 Contract Agents, and 1 Local Agent. The last Seconded National Expert left the ETF mid-2019 and was not replaced due to the

difficulties in attracting adequate candidates. From 2020, an additional Contract Agent was authorised as a permanent replacement (for thus a total of 42 Contract Agents).

At the end of 2019, all establishment posts for Temporary Agents were occupied (0% vacancy rate), in addition to all authorised Contract and Local Agents.

Expenditure for 2019

The ETF has optimised its use of the budget contribution by achieving a commitment rate in 2019 of 99.96%. Savings under Title 1 staff costs have been carefully allocated to priority investments in order to improve the working facilities (Title 2 premises and information technology) and to increase the operational budget in Title 3.

2.2 Resource programming for the years 2021-23

The resource programming for the new period has been updated and is in line with the forecast for the ETF contained in the Commission's draft proposal for the draft budget 2021 and financial programming for 2022-2027²³ indicating that the mid-term financial outlook for the Agency is stable in real terms²⁴, representing a 2% increase in nominal terms matching expected inflation.

In the current context, should inflation be higher than 2% or the weighting factor for Italy increase, or a reduction in the proposed envelope in the MFF, the operational budget of ETF would decrease and put a strain on the ETF's capacity to deliver on its mandate and fulfil the ambitions of the ETF Strategy 2027.

There are three main options possible to increase the ETF's revenue. The first is by increasing the EU contribution foreseen in the draft MFF. The other available option is that the Commission and/or Member States provides contribution agreements to the ETF to implement the actions as part of their cooperation with third countries. A third option would be for the ETF to provide remunerated services.

As part of the future programming phase the ETF is in discussion with EC services to identify possible avenues for actions with appropriate dedicated funds.

2.2.1 Financial resources

Justification

- Revenue

The 2021 budget is based on the EU contribution of EUR 21 300 000 in both commitment and payment appropriations, composed of a contribution of EUR 21 053 286 from the Union budget and EUR 246 713 from the recovery of surplus related to the 2019 budget execution.

The revenue for 2022-2024 is expected to increase in nominal terms with 2% each year, ensuring stability in real terms.

²³ [SEC\(2020\)-250](#) – June 2020 - Statement of estimates of the European Commission

²⁴ [SEC\(2020\)-250](#) – June 2020 - Statement of estimates of the European Commission.

As part of the future programming phase the ETF is in discussion with EC services to identify possible avenues for actions with appropriate dedicated funds and additional budget resources options are currently under discussion.

- Expenditure

The forecast for expenditure on Title 1 Staff expenditure is based on the following assumptions: a cumulative salary adaptation in line with the Commission's assumptions²⁵ (+2% in 2021 and in subsequent years) and a small decrease in the weighting factor. In addition, an upward impact on salary costs of the automatic increase in step and the annual reclassification exercise and savings deriving from staff turnover and the retirement of senior staff replaced by more junior staff. Overall, the expectation is that there will be a net increase of 3% in staff expenditure compared to the 2020 Amended budget (a budget slightly reduced due to a higher turnover, longer gaps between end and start of service, considerable savings from learning and development and administrative missions due to the COVID 19 crisis), and a lesser increase of 2% in the subsequent period 2022-2024.

The forecast for expenditure on Title 2 - Infrastructure, is estimated at 2.2m€, a decrease of 7% compared to 2020. This mainly covers expenditure on facilities and ICT. The sizeable improvements made to the premises in recent years should help contain maintenance costs beyond 2021. Additionally, in response to the demands arising out of the COVID 19 crisis for updated equipment to allow for remote interactions, the ICT expenses have been increased in 2020. They are expected to remain at a similar level also in 2021 and 2022 to optimise to the full extent the ETF digitalisation project. The expenditure for infrastructure is expected to decrease in 2023-2024 linked to the improvements already introduced in the area of facilities. The ETF environmental certification (EMAS) project has seen important investments in 2020, including also a number of renovation works for a healthier and more environmentally friendly building and facilities. In future years however, lower maintenance costs are expected.

The assumptions concerning staff costs has led the ETF to revise and reduce the budget forecast for Title 3 Operational activities and look for ways to increase efficiency in delivering activities. The experience of 2020 linked to the COVID-19 crisis has forced the ETF to re-consider the modalities used to deliver its activities. In the coming years there is a possibility for a different breakdown between the different actions i.e. missions/services. The resources available for Title 3 are expected to increase for the period 2021-2024 (+1.7% from 2020 to 2021), allowing the ETF to best fulfil its mandate. As per consolidated practice, savings in Title 1 will be assigned to operational activities and, if necessary, to infrastructure improvements.

Budget outturn and cancellation of appropriations (detailed data in table 3 Annex III)

The 2019 budget outturn is EUR 246 713.17. The main reason is the cancellation of payment appropriations not used in Title 3 (EUR 226 774.60). This is mostly linked to the delay in starting and implementing WP activities caused by the instruction to freeze 15% of the total budget during the first months of 2019, due to the potential adverse budget impact of Brexit.

For appropriations carried over, the main reason for cancellation of appropriations is linked to the actual costs being slightly lower than foreseen. For payment appropriations for the year the main reason is the small delay observed in starting and implementing the operational activities.

²⁵ Budget Circular for 2020 – Agency Instructions (20 Dec 2018)

2.2.2 Human resources

Staff population evolution (detailed data in table 2 Annex IV)

During the period 2021-23, the ETF's total staff population will continue to be 129 plus any additional recruits to offset the effects of part time (as per art. 38.2 of the ETF Financial Regulation). From 2022, the ETF will assess if the recommendations from DGHR to rather recruit additional Contract Agents and/or Interim workers to offset the effect of part time workers could be a suitable alternative.

The ETF's HCD Specialists are a scarce and valued resource on which the Agency relies for the ETF's added value in meetings its objectives. All efforts will therefore continue to ensure that the proportion of staff allocated to operational activities is above 70%.

In 2020 one AST retired and the ETF is taking the opportunity to recruit an additional HCD Specialist. This requires a decrease by 1 AST and an increase by 1 AD in the Establishment Plan for 2021. The proportion of AST would therefore decrease to 33.7% as opposed to 35.4% in 2013 (prior to the staff cuts) and that of AD would increase to 66.3%.

As regards external personnel, the total number remains stable at 43 including one Local Agent unless, as mentioned in the paragraph above, the ETF would follow the recommendation to recruit additional Contract Agents. The latter will be considered from 2022.

Resource outlook over the years 2021-23

Provide a description of the future activities of the agency taking into account consequences on staff policy

A) New tasks

The ETF is pursuing discussions on the future of the Central Asia Education Programme (CAEP) with DG DEVCO on the action document that has been drafted on the development of the DARYA Central Asia regional action planned to begin late 2021 or 2022 as well the contribution to preparations and follow up of the African Union – EU Summit. With DG NEAR discussions are on the diagnostics of education and training systems, as well as the next phase of the EU4Youth programme. New tasks are dependent on the actions being implemented through additional resources, as described in Annex XII.

B) Growth of existing tasks

There are many areas of potential growth that could be developed with the EU services, Member states and international actors active in the field of human capital development. The ETF will remain open to identifying opportunities that provide added value to the EU priorities and future instruments.

2.3 Strategy for achieving efficiency gains

The ETF continuously strives to improve its functioning through an integrated approach to monitoring performance. On an annual basis improvement actions are identified through the assessment of internal controls, annual performance assessment, audits and evaluations and an action plan prepared.

Key areas of focus are:

Annually a review of the resource allocation during the planning process. In human resources the aim is to increase the numbers and level of staff allocated to operational activities through reallocation of duties, staff mobility and training.

Financial resource allocations and circuits are reviewed annually and areas for streamlining of processes identified, any savings in Title 1 are mostly allocated to operational or facilities improvements. Close monitoring of resource consumption during the year with analyses of costs allocated to missions and events also allow for improved efficiency gains during implementation.

In terms of the operational activities in the partner countries, the new ETF strategy 2027 outlines using a differentiated approach in partner countries to maximise impact and use of resources. In practice this means a more streamlined and targeted approach to each country taking into account the level of investments of other international actors as well as country ownership and commitment in the targeted areas of action. The strategy foresees a decrease in smaller, pilot actions and a discontinuation of tasks that are resource intensive and no longer a priority towards actions with a higher added value and impact.

The ETF also aims to seek partnerships and strategic alliances with other international actors active in human capital development in partner countries to maximise synergies, identify joint actions and share resources.

Through the network of EU Agencies, the ETF will continue to explore areas for cost savings through shared services as well as using IT systems with the Commission where shared infrastructure is more cost effective.

A digital transformation strategy and a digitalisation project have been initiated in 2020 with the intention of reviewing the ETF internal IT infrastructure for a more integrated approach to increase the use of digital and online tools for delivering ETF services and engaging stakeholders as well as for internal efficiency gains.

Section III – ANNUAL WORK PROGRAMME 2021

1. Executive summary

The annual work programme 2021 will be the first year of implementation of the new ETF Strategy 2027. The Strategy assumes a holistic approach to human capital development and lifelong learning and is underpinned by the principles of partnership and differentiation. Three strategic objectives are set in a coherent intervention logic for the period 2021-2027.

Through the different work programmes in the period covered by the ETF Strategy 2027, the ETF will be contributing to the ambitions of the Geopolitical Commission, notably supporting its partner countries on Human Capital Development and where relevant, from a VET perspective - the Green Deal, Migration Partnerships, Investment & Jobs, Digital skills and Digital Education. The skills relevance and anticipation activities aim at identifying the skills demand from the economy and the society to inform the supply side on how to equip individuals from the partner countries to the needed skills in the transition to greening and digitalisation of the economy. The better knowledge of the main issue of human capital development in the partner countries will inspire the policies addressed to mobility and migration to prevent brain drain and find win-win-win solutions for sending and receiving countries and the individuals. Contributions to reskilling and upskilling of the labour force will be the supporting factor for the efforts in investments and jobs.

As a result of the COVID-19 pandemic the ETF adapted the 2020 work programme to the emerging needs of the countries. Specifically, the ETF carried out a regular mapping exercise of the impact of the COVID-19 pandemic on education and training systems as well as countries responses to mitigate the negative/disruptive effects. A series of webinars were launched to facilitate exchange of information and experience of countries' responses and support common learning for policy development. The ETF also participated in a series of international surveys to collect information on how training providers, learners and enterprises experienced the pandemic.

As a result of these actions the ETF launched two new actions: one on skills for enterprise development and one on Active Labour Market Measures (ALMMs) which will continue in the 2021 work programme. The overall effect on the work of the ETF in response to the pandemic will be to:

- (i) integrate into the monitoring processes the socioeconomic impact of the pandemic as well as its impact on the education and training system,
- (ii) continue to participate in actions of the international community to generate information on responses of education systems,
- (iii) continue the series of webinars to facilitate exchange of information and experience, and (
- (iv) integrate the enterprise development and Active Labour Market Measures specific actions into the work programme for 2021.
- (v) The 5th round of the Torino Process (TRP) (2018/2020) will be closed with the organisation of an international conference with the aim to discuss the results of the TRP looking at HCD issues in the context of greener, digital and more inclusive societies and confirm priorities for education and training against the backdrop of COVID-19 pandemic.

Key activity areas under the three objectives in 2021 are comprised from existing action areas in the countries and new areas launched in 2020. As implementation progresses, and lessons learned from evaluations, experience and priorities in the partner countries and the EU evolve, these activity areas will be further shaped and updated during the annual work programme preparation.

The three Strategic Objectives and associated activity areas for 2021 are:

Skills relevance and anticipation	Skills development and validation	Performance and quality of education and training policies
<ul style="list-style-type: none"> ▪ Skills demand analysis ▪ Active Labour Market Policies ▪ Modernisation of qualifications and establishment of qualification systems 	<ul style="list-style-type: none"> ▪ Vocational Excellence provision models ▪ Innovative teaching and learning processes and practices ▪ Skills for enterprise development 	<ul style="list-style-type: none"> ▪ Lifelong learning policies and sector policy development ▪ Quality assurance and governance mechanisms

The actions are planned in 28 EU neighbouring countries (the ETF resumed cooperation with Libya in 2018, with preparations for the 5th round of the Torino process and support to the EU Delegation). If conditions allow, this cooperation will continue in 2021. There are no activities currently envisioned in Syria.

In 2021-23, the ETF will also continue to provide thematic expertise to support emerging EU priorities in work with the African Union and in other geographic regions or countries at the request of the European Commission where additional resources are committed.

Assumptions

The proposed work programme for 2021 has been planned considering the macro level risks involved and is based on the assumptions that:

- the external environment in most of the partner countries remains socially and politically stable;
- institutional and political priorities in individual partner countries remain committed to and engaged in human capital development and socio-economic related policy reform processes;
- the network of key partner country stakeholders remains relatively stable;
- the ETF has resources in place to respond timely and at a high level of quality and relevance to EC and EU Delegation requests, as well as address country specific needs while safeguarding its thematic expertise focus and evidence and intelligence gathering function.
- the ETF adapts its mode of programme delivery to address the constraints from the COVID-19 pandemic through digital and other means.
- ETF has adequate measures in place to ensure the continuation of remote working should the return to the office premises be delayed or prevented.

2. Activity Areas

2.1 Skills demand analysis

Skills demand is changing rapidly round the world, due to accelerating technological advances, digitalisation of economies, globalisation, demography, migration and climate change. In the past few years, much research has been done, mainly on advanced economies, to understand the implication of such forces for skills demand. What we lack is equivalent information on and analysis of such impacts on transition economies

The ETF Skills Lab seeks to fill this gap. It conducts regular and in-depth analysis on changing skills demand in transition and developing countries. There is a need for effective information flows to design innovative Human Capital Development public policies; strong capacity for monitoring changes in skills demand for informing adaptation of education and training to become fully lifelong learning systems; and new patterns of interaction and collaboration among actors. The ETF Skills Lab is designed to help countries achieve the first two of these and to facilitate the third, by establishing a sustained community of experts co-developing and exchanging knowledge.

For the analysis of changes in skills demand ETF will mobilise a series of methodological tools encompassing big data analytics, sector studies, territorial analyses, and analysis of labour market dynamics. In order to tap and build upon on-going work at country and international level ETF aims at strong cooperation with experts from partner countries and EU Member States as well as international finance institutions and partners through the creation of a network of experts. Through the Skills Lab, the ETF will contribute to the EU policy objective that people thrive in the green and digital transitions, and to aid national recovery from the coronavirus pandemic. In particular, the Skills Lab will contribute to the Skills Agenda Action 2 of Strengthening skills intelligence by providing tools to generate online 'real-time' information on skills demand, including at regional and sectoral level, using big data analysis of job vacancies and ensuring accessibility of such information. By doing this, the ETF Skills Lab will also contribute to the identification of the skills to support the green and digital transitions (Skills Agenda action number 6).

A new complementary action targets craft sector enterprises in 4 partner countries. ETF will, in successive phases, map and analyse the sector, link the relevant actors to EU networks and, consistent with Skills Lab, then conduct surveys to identify skill needs, then develop and propose tools and other implanting measures and expand the network to further countries.

Objective

Support the systematic generation of information on changing skills demand for the benefit of companies, the economy and individuals in transition and developing countries

Outcomes

- New / upgraded methodological tools to analyse skills needs (skills' needs, skills gaps, skills mismatch) are developed, disseminated and used in partner countries
- Experience, knowledge and good practice on skills identification mechanisms and tools systematically gathered and shared among a network of engaged experts from countries, EU and international organisations.
- New analytical work and (cross-country) studies are developed and disseminated to inform national, EU bilateral and regional policy dialogues.

Key deliverables	Indicators
<ul style="list-style-type: none">■ Methodological instruments for skills' needs analysis■ Intelligence and evidence on changing skills demand	<ul style="list-style-type: none">■ Number of methodological instruments

<ul style="list-style-type: none"> ▪ Cross-country studies ▪ Network of experts 	<ul style="list-style-type: none"> ▪ Number of studies ▪ Membership of the Network
Resources - EUR 3.2 million	

2.2 Upskilling and reskilling through Active Labour Market Policies

In 2020, the ETF has immediately started analysing the socio-economic dynamics and labour market impact of the COVID-19 pandemic and policy responses in the context of crisis, post crisis and recovery phases. The working assumptions are that (i) the economic downturn and pandemic induce sectoral changes requiring change in career paths, reskilling and upskilling for people at risk of losing or without jobs; and (ii) approaches to ALMPs may need adjustments to fit current and foreseeable socio-economic conditions, technological advancement, etc. At the same time, countries and sectors are impacted differently and their institutional and financial capacities to recover, boost economies and support individuals vary to a great extent. A protracted recovery of less advanced economies is a major risk in the post-crisis context, leading to deeper inequalities. Timely and informed decisions on policy changes and interventions targeting the most exposed may help avoiding such risks. The ETF will therefore focus in immediate actions on shortcomings exacerbated by the crisis from 2021 onwards, while dedicating a longer-term perspective to structural reforms, system change and resilience linked to opportunities brought by the global trends of digitalisation, greening, and others.

The work will entail a mapping of countries' developments, challenges and measures to counteract the effects of crisis on groups exposed to joblessness and social exclusion risks in the ETF Partner Countries. The focus is on people in (risk of) unemployment and marginalisation in the labour market. It will also entail an enhanced exchange of practice, involving both EU Neighbourhood and EU Member States (and beyond). The outputs should help ETF in knowledge building and policy advice to the countries and to the European Commission (for example, for the (re)design of EU actions on education, labour market and social inclusion; or for targeting assistance to support recovery), and engage the ETF in the global research discussions and debates.

The ETF will also use updated evidence and results/findings generated by the Skills Lab initiative as well as other evidence collection and analysis instruments to support the adaptation of Labour Market Information Systems in partner countries, through the provision of targeted and differentiated policy advice to its partner countries. Simultaneously, the ETF will use updated evidence and the findings from Skills Lab to design EU interventions - both at country and/or regional level and upon request of the EU services, advising on how best to develop and adapt the employment policies and labour market tools and instruments, as per the most recent developments in this area. The ETF will also provide inputs to the bilateral and regional policy dialogue mechanisms, in particular to the most relevant processes of policy monitoring and assessment, and EU programming.

Objective
Support countries to improve Active Labour Market Policies and employment services to deal with the crisis effects.

Outcomes

- Mapping produced of countries' active labour market policy developments, including challenges and measures to counter the crisis (crisis prevention and crisis management, e.g. adjustments to ALMPs, workers' and company support measures (preventive and corrective), economic incentives; labour market trends and socio-economic context);
- Groups identified that are vulnerable to the crisis, based on their need to adapt, enhance and upgrade skill sets.
- Analytical work produced on the effectiveness of ALMPs and PESs capacity to deal with crisis effects and help recovery in post-crisis, including innovation potential of employment services and activation programmes' delivery;
- Evidence-based technical inputs provided to EU interventions designed at country and regional levels,
- Experience, knowledge and innovative practice collected and shared in peer learning and regional policy dialogues

Key deliverables	Indicators
<ul style="list-style-type: none"> ■ Tailored policy advice on setting-up or adapting Active Labour Market Policies in partner countries ■ Tailored policy advice on employment and labour policies to partner countries and EU institutions ■ Inputs to EU programming and EU interventions (project design, formulation and content monitoring) and to bilateral and regional policy dialogue ■ Monitoring of employment and labour market policy development 	<ul style="list-style-type: none"> ■ Number of countries advised to adapt their ALMPs and/or employment policies ■ Number of EU requests using evidence/findings from Skills Lab and ALMPs action ■ Policy dialogue inputs delivered to EU institutions ■ Country EMPL fiches
Resources - EUR 0.3 million	

2.3 Modernisation of qualifications and establishment of qualification systems

Globally, the context for qualifications systems development is rapidly changing, driven by internationalisation of labour markets, the advance of digital technologies and migration. Countries worldwide are seeking to orient learning to become more skills-focussed, in line with the new **EU Skills Agenda**, which implies changes to qualifications themselves, including more private sector engagement in their design and certification, and changes to teaching learning and curricula. There is also the rapid emergence of digital credentials and micro-credentials, and digitalisation of recognition of qualifications, especially in higher education. Validation of non-formal learning is widespread even if its learner uptake remains relatively small compared to formal routes to qualifications.

ETF partner countries have made variable progress in producing modern qualifications and establishing lifelong-learning oriented qualification systems. Most have legally adopted a National Qualifications Framework, established stakeholder platforms, allocated roles and functions to institutions, introduced system elements aimed at quality-assuring qualifications and generated numbers of modern, outcomes-based qualifications. In ETF partner countries, the challenge is to properly implement NQFs, which means linking to provision, the curriculum, teaching and guidance and information, use in certification to underpin outcomes-based qualifications with quality assurance systems, and tools such as databases and registers.

In 2021, priorities vary by country, but include populating frameworks with qualifications; implementing VNFIL systems; advice on institutional arrangements; integrating VET and Higher Education for comprehensive NQFs; application of occupational standards, communication tools for NQFs and recognition practices.

In selected SEET countries, the ETF will continue analysis of VNFIL systems, to contribute chapters to the European Inventory on Validation. ETF is lead expert body in the EQF Advisory Group's Project Group on third country relations with the EQF, where it advises the Commission and Member States on readiness of third countries to link their NQFs to the EQF. Contribution to this Project Group is part of ETF's broader assistance to partner countries, in developing their NQFs on lines which promote compatibility of their qualifications with those of EU countries.

The ETF will also contribute thematic and country chapters to the new, 2021 edition of the ETF-Cedefop-UNESCO co-publication Global NQF Inventory.

Objective	
Support countries in modernising qualifications / qualification systems for lifelong learning, employability and competitiveness	
Outcomes	
<ul style="list-style-type: none"> ■ Qualification systems facilitate validation and recognition of lifelong learning ■ Fit-for purpose and lifelong learning oriented qualifications developed ■ Access to qualifications is improved through linked and interoperable databases, including micro credentials; stackable qualifications become available ■ Partner countries develop stronger links with the EQF. Groups of countries compare their systems to EQF and make use of/adapt EU instruments for own development. ■ Contribution to global debates on qualifications and qualification systems supporting internationalisation 	
Key deliverable	Indicators
<ul style="list-style-type: none"> ▪ Monitoring progress in the establishment of modern qualifications system ▪ Tailored policy advice to establish qualification systems in partner countries ▪ Inputs to EU programming and EU interventions (project design, formulation and content monitoring) and to bilateral and regional policy dialogue using new tools and instruments of qualification systems for lifelong learning 	<ul style="list-style-type: none"> ▪ NQF inventory records progress in countries on NQF stage of development ▪ Number of instruments/tools (i.e. skills validation tools and instruments) promoted and integrated in education and training provision in countries ▪ Qualification systems development by EU external assistance in partner countries formulated with support of the ETF
Resources - EUR 1.5 million	

2.4 Vocational Excellence provision models

The ETF's Network for Excellence, ENE, is inspired by a Commission-led initiative in the EU countries, which establishes COVES partnerships. The centres of excellence approach is an alternative to traditional policies driven by central ministries, instead it identifies good practices ongoing at ground level in schools, training centres and school to business partnerships, and disseminates these via clusters across the national system. Through ENE, the ETF aims to apply such an approach to countries outside the EU, focussing on selected themes such as work-based learning and adult education, to offer more opportunities for transnational partnerships and platforms, which can then transmit excellence across national systems.

Vocational Excellence is also foreseen in the [VET Recommendation](#) as a driver for innovation and growth, preparing society for the greening, digital transitions and to orient providers to offer labour-market demanded programmes and qualifications.

ENE will encourage collaboration, to share know-how and tools, both among its member centres in the ETF's partner countries and between them and those centres in established networks in the EU countries, planned in the VET Recommendation for Member States, to gradually establish and develop and the full participation of the ENE centres in these platforms.

The ETF's partner countries can benefit from the experience gained by EU regions in the context of targeted initiatives under the umbrella of Smart Specialisation Strategies. The methodologies and experience in building regional partnerships between Higher Education Institutions, VET and skills development providers and public authorities to address skills and human capital related challenges through the use of Structural and Investment Funds can be a source to learn and exchange experiences.

Objective

Enhance skills provision and inspire innovation through Centres of excellence acting as hubs, beacons or models for systemic change.

Outcomes

- Improved knowledge on how centres of excellence develop in different contexts and how Centres of vocational excellence development can be supported and coordinated at system level.
- Centres of vocational excellence deepen their engagement with the labour market and cooperate with other skills providers as part of the ETF Network for Excellence.
- Innovative practices in Centres of vocational excellence are gathered, analysed and shared and learned from.
- Centres of vocational excellence showcase models of innovative skills development and serve as inspiration for policy dialogue at local, regional, national and EU level.
- Foster partnerships between EU and Partner countries

Key deliverables	Indicators
<ul style="list-style-type: none"> ▪ Updated digital registry of Centres of Vocational Excellence ▪ Providers in the Network for excellence ▪ Peer learning activities ▪ Partnerships EU-Neighbourhood countries for fostering EU programmes participation (i.e. Erasmus+ calls) 	<ul style="list-style-type: none"> ▪ Number of Centres of Vocational Excellence mapped in the Digital Registry ▪ Number of members in the ETF Network for Excellence and type of interactions (exchange on models; adoption of new processes/models) ▪ Type and number of peer learning activities ▪ Number of proposals/partners in the new Erasmus+ calls in this field involving PCs

Resources - EUR 1.0 million

2.5 Innovative teaching and learning

How people learn is changing. Creating New Learning examines new learning practices, how learning is delivered and in what environments e.g. in the workplace, in various non-formal or informal settings, or in traditional, formal schooling. In the partner countries, exposure to new practices in learning e.g. in curricula, pedagogy, and in designing new qualifications to capture such learning, is limited. CNL seeks to address this deficit, so that, ultimately, countries and other partners have the tools and capacity to create new learning. CNL is cross-thematic, spanning key competences, digital, distance and online learning, innovative teaching and curriculum development, teacher training, modern qualifications. In these themes, it searches for and identifies good practice worldwide, develops new tools, guides and methodologies, and disseminates its findings and outputs at system and practitioner level. This new knowledge and these tools, are co-developed with partners, including both policy shapers and practitioners such as teachers, via study, information exchange and through establishing the new CNL platforms and networks.

CNL is aligned to the new EU Skills Agenda and its associated instruments. Notably, it is consistent with the proposed VET Recommendation in identifying and facilitating individualised learning pathways, modularised and digitalised qualifications, and new learning environments, tools and pedagogies. CNL is also aligned with the initiatives included in the Digital Education Action Plan²⁶.

The ETF will also prioritise continuous professional development of teachers, trainers and managers to help equip them to develop their own innovative training methods, deliver high quality training, foster technical and digital skills in learners and know how to work with digital learning tools, and in diverse and multicultural environments.

Objective

Enable the development, implementation and dissemination of innovative teaching and learning practices for more effective education and training systems.

Outcomes

- A strengthened knowledge base for supporting innovations in teaching and learning through applied research.
- Networks of practitioners established with capacity to share and co-create and implement new teaching and learning approaches.
- Practice models and tools that support innovation in different domains of teaching and learning.
- Innovative teaching and learning practices provide inspiration for policy dialogue at local, regional, national and EU level.
- The ETF is positioned as a contributor to global dialogue on innovation in teaching and learning.

Key deliverables	Indicators
<ul style="list-style-type: none"> ▪ Evidence findings based on applied research (publications) ▪ Network of practitioners from Partner Countries ▪ Tools and instruments for innovative teaching and learning approaches 	<ul style="list-style-type: none"> ▪ Number of practitioners engaged in the CNL Network, by country, and type of interactions (exchange on findings; adoption of new processes/models) ▪ Use by partner country actors of publications and other tools produced by CNL

Resources - EUR 2.4 million

²⁶ “Digital Education Action Plan” (https://ec.europa.eu/education/education-in-the-eu/digital-education-action-plan_en)

2.6 Engaging enterprises in skills development

Rapid changes in the world of work have direct impact on the skills that individual must have to perform in the workplace and require flexible approaches to professional development and access to employment. Pathways to develop these skills and reach the required learning outcomes are permanently diversified and several options must be considered by individuals in their learning process and in the transition from learning to work. Work-based learning has demonstrated to be an effective mechanism for achieving the needed learning outcomes, promoting access to employment and smooth transition from learning to work.

The ETF has been advising several partner countries on the different possibilities to develop work-based learning policies and involve employers in the improvement of vocational training and transition to work. At the same time career guidance mechanisms can support individuals in the decisions about the different options and help them to use the existing information about jobs, skills and learning. The latest round of the Torino Process confirms that the demand for career guidance in partner countries is on the rise. In recent years, the ETF has developed specific methodologies and tools, such as questionnaire-based policy reviews, a position paper, a practical tool to identify the best mix of delivery models/modalities, and tailor-made policy papers for countries on demand. The ETF has also designed and offered a one-week course on career guidance policy and practice for policymakers and planners in cooperation with ITC-ILO.

The gathering of information on these domains will be of great usefulness for the provision of tailored policy advice for further strengthen work-based learning and career guidance mechanisms in ETF partner countries. Therefore, policy advice will continue to be deployed by contributing to the formulation of large EU interventions, EU-partner countries thematic dialogue or by inputting technical advice to other partners' actions being implemented as bilateral or multilateral cooperation programmes.

As a result of the ETF's monitoring and engagement actions during the COVID-19 pandemic, the ETF has also strengthened its focus and support to skills strategies in particular targeting sustainable competitiveness, inclusion and resilience in enterprises. While partner countries response to the dramatic impact of COVID-19 on the world of work, has been articulated in supporting enterprises and workers in the immediate needs to address financial demands, workers support and economic crisis, there has been a limited focus on integrating skilling, re-skilling and up-skilling action as part of the support in the emergency and post emergency phases. The ETF is hence engaging in a dialogue with intermediary bodies supporting enterprises in partner countries, and with enterprises themselves, to support actions targeting skills as a key asset for transformation and resilience, innovation and greening, and identify good practices both at enterprise and policy level to inform choices conducive to sustainability and inclusion.

Objective

Engaging companies into skills development through work-based learning, career guidance and supporting inclusive skills strategies for enterprise development for sustainable competitiveness, inclusion and resilience.

Outcomes

- Evidence on innovative approaches to Career guidance mechanisms and Work-based learning models is gathered and disseminated for further policy development aiming at supporting citizens navigate in changing labour market conditions and promote employability
 - New instruments and methodologies on Career guidance and Work-based learning shared to influence policy development and engagement of private sector actors
 - EU regional policy dialogue is reinforced with participation of partner countries through the established networks e.g. EAfA (SEET) and WBL regional forum (EaP)
 - Evidence on skills strategies in innovative enterprises in the agribusiness sector (with EBRD) in the after-math of COVID-19 in selected countries
 - Evidence on skills support programs within enterprise development actions in partner countries and advice informing international and national networks.
 - EU and partner countries dialogue around good practices in skills for enterprise development in support to achieving sustainable competitiveness and greening, inclusion and resilience (with UNIDO, EBRD and other international and national stakeholders)
-

Key deliverables	Indicators
<ul style="list-style-type: none">▪ Partner countries participate in regional dialogue platforms e.g. EAfA (SEET) and EaP in WBL▪ Updated country fiches in Career Guidance▪ Mapping and analysis of innovative models and practices of enterprise/business development linked to skills and inclusion▪ Tailored policy advice to develop work-based learning, career guidance mechanisms, In and enterprise/business development models▪ Skills for Enterprise Development, mapping in selected partner countries▪ Hackathon	<ul style="list-style-type: none">▪ Updated country fiches▪ Number of countries that apply ETF-developed tools in national systems of work-based learning and career guidance▪ Engagement by international bodies and partner countries in SfE.▪ Number of contributions to regional policy dialogue on work-based learning and career-guidance▪ Stakeholders engaged in Hackathon

Resources - EUR 2.2 million

2.7 Lifelong learning policies and system change

Based on the ETF's definition of Human Capital Development, the Agency continues to focus, like most of the EU education and training strategies and policies, on lifelong learning as a guiding principle as well as on system change and resilience in these times of technological, socio-economic and demographic transformations. Lifelong learning encompasses the increased diversity of education and training provision and learning environments, the increased complexity of career paths and the need to focus on individual, flexible and diverse learning opportunities including for upskilling, and therefore putting the learner at the centre of the learning processes. It creates an incentive and pressure for countries to reform their education, training and labour market systems to be further responsive to the socio-economic needs, resilient to brutal shocks such as the Covid-19 crisis and to move into comprehensive, open and flexible lifelong learning systems.

The ETF aims to support the process of change of education and training systems towards lifelong learning systems through direct policy advice to the partner countries and advice to the EU assistance

and cooperation modalities. It will also seek for cooperation and partnerships with different stakeholders, including the role of Civil Society Organisations in the further development of lifelong learning systems. The ETF will provide its policy advice - whether to the EU or to the partner countries - based on timely, quality and relevant evidence, embedding the principles of EU policies such as the recently adopted Skills agenda.

In specific, the ETF will base its policy advice on (i) continuous **monitoring** of countries' trends in human capital development issues as well as in progress in policy implementation, and (ii) **assessing** system functioning and performance as well as further needs for policy development. Collection, analysis and publication of a set of relevant indicators will be pursued (KIESE, NDC-National Data Collection, etc.) to enable both quantitative and qualitative monitoring and assessment of performance of VET systems in partner countries as per the EU VET recommendations.

Monitoring countries' development trends will continue through the collection of quantitative and qualitative information on a regular basis. The scope of the main source of qualitative information collection, the Torino Process Analytical Framework, will be expanded to cover a broader range of aspects related to Human Capital Development and lifelong learning systems as per the new Strategy. The monitoring framework will also include dimensions linked to skills for green transition, technological transformation including digitalisation as well as lessons learned from COVID-19 and recovery in alignment with EU skills agenda and VET recommendations. Attention will be paid also to the monitoring of women in education, training and labour market through their participation in STEMs, entrepreneurship etc.

Assessing system functioning and performance will be further strengthened through (i) the consolidation of the Torino process methodology as an ETF branded assessment of Human capital development policies based on a participatory approach, and (ii) the application of diagnostic instruments developed by the ETF to inform EU interventions in the education sector - namely, the diagnostic assessment of the education sector - elaborated upon request of DG NEAR in 2020. This includes an analytical diagnostic framework and its piloting in a partner country. The ETF assessment of HCD policies and education sector diagnostics will be made using the differentiation principle, i.e. they will be implemented wherever it fits a need to support policy advice either for national or for EU policy dialogue. On the same basis, regional assessments could also be ensured.

Dissemination of the outcomes of the monitoring and assessment activities will be ensured through publications and other Communication tools and in particular through the Torino Process (TRP) corporate event and SEMED and CA regional events to be organised in 2021.

Through this activity, the ETF will contribute to embed the EU values for LLL in its partner countries and confirming the central role of VET in the lifelong learning continuum and its strong links to all education and training sectors, which calls for permeability and transparency. This will be done by co-creating evidence and analyses on lifelong learning developments, engagement of stakeholders for system change in partner countries and delivery of relevant policy advice.

Objective

Strengthen the monitoring and assessment of the functioning and performance of education systems in a lifelong learning perspective

Outcomes

- Quantitative and qualitative evidence and data is gathered, kept updated and disseminated through digital tools and systems
 - Human capital development, sector-wide education systems assessments/diagnosis are developed for country reforms, and EU interventions at country and regional level
 - Knowledge on lifelong learning policies and systems is exchanged among actors through EU-led regional and bilateral policy dialogue
 - Project and programme design and formulation is elaborated using ETF country and thematic evidence
 - Innovative and relevant practices and approaches on education and training in lifelong learning perspective are disseminated among partner countries' actors for reform progress
-

Key deliverables	Indicators
<ul style="list-style-type: none">■ Tailored policy advice to partner countries for system change and implementation of LLL policies■ Country diagnostic assessments on human capital development or education sector (Analytical framework and piloting in Lebanon)■ Bilateral and regional policy dialogue inputs■ IMAGE and ETF Stats Database set-up, operational and quantitative and qualitative evidence on HCD in partner countries accessible■ Country and thematic monitoring fiches■ Dissemination of results (findings and recommendations) of the 5th round 2018-2020 TRP (SEMED and CA)■ Corporate conference 2021 to close the 5th round of Torino Process■ TRP5 Cross-Country report on system change and resilience	<ul style="list-style-type: none">■ Policy uptakes of ETF assessments, i.e. use of ETF findings for country or EU policy advice, policy docs etc.■ Overall participation in Torino process■ Number and type of EU requests■ No of participants in ETF 2021 conference■ Consultation of the TRP5 publications

Resources - EUR 2.7 million

2.8 Quality assurance and governance mechanisms

The ETF promotes partnerships between governmental actors, private sector and civil society actors, for modern and lifelong learning oriented VET in partner countries, because policies are effective when they are prepared, implemented and enforced in a more inclusive way, involving the different stakeholders in vertical and horizontal coordination mechanisms. Aligned with the VET Recommendation, the ETF work contributes to sustainable public-private partnerships for the governance of vocational education and training involving social partners and all relevant stakeholders. It promotes ensuring effective governance of the partner countries' policy for vocational education and training and its coordination and cross-fertilisation with economic policy, greening, industrial strategy, sustainable competitiveness, social fairness and resilience, Digital Education and cooperation with the European Education Area

The ETF encourages transnational collaboration between partner countries, and provides support in using EU policies and processes, expertise, instruments and resources to strengthen VET quality assurance and its governance and financing.

Through policy advice, knowledge sharing and peer learning, the ETF will further increase partner country awareness and commitment to develop a systemic quality assurance approach in VET and co-create the conditions for multi-level and multi-stakeholder governance ecosystems. The ETF's priority in 2021 will be to support partner countries in the systematic monitoring of QA improvements to allow partner countries to progress in planning and/or implementing policies and practices. The main tools will continue to be the ETF Transnational Forum for exchange and collaboration on QA issues in VET.

Objective Support conditions at system level that enable the transition from education and training to performant lifelong learning	
Outcomes	
<ul style="list-style-type: none"> ■ Establishing countries' commitment to apply lifelong learning perspectives in human capital development are advocated (e.g. Pact for Skills in lifelong learning perspective). ■ Strengthened capacities of the QA Forum members to improve QA systems by means of collaboration and peer learning activities. ■ More proportionate and diversified financial resources for lifelong learning in partner countries. ■ Policy design and implementation informed by principles of multi-level and multi-actor governance ■ Policy dialogues on governance in human capital development give equal attention to sustainable competitiveness, social fairness and resilience. 	
Key deliverables	Indicators
<ul style="list-style-type: none"> ■ EU regional and bilateral policy dialogue with focus on QA and Governance ■ Meetings and peer learning activities of the Quality Assurance Forum ■ Innovative instruments and tools for PPPs, multi-level governance and Sector-skills councils 	<ul style="list-style-type: none"> ■ Number of QA forum members and number of peer learning activities organised ■ QA systems adaptations in partner countries resulting from the QA Forum debate ■ Methodologies and tools developed for PPPs
Resources - EUR 2.3 million	

Horizontal activity areas

2.9 Responding to new EU policy and geographical priorities

As the new Neighbourhood, Development and International Cooperation Instrument has not yet been adopted and EU programming has not been completed, the ETF has retained a certain amount of flexibility to react to information needs and policy advice that could not be foreseen at the time of the finalisation of the work programme and to respond to ad hoc requests from EU services and other important stakeholders. The ETF will use this flexibility to respond to the new European Commission priorities (new Skills Agenda, Green Deal, Africa, migration, digitalisation) and to pursue opportunities to work beyond current partner countries or to engage in new priority thematic areas in order to respond to relevant requests supported by the Commission and the Member States.

<p>Objective To respond to the evolving global and EU priorities in order to advance the EU agenda on skills and human capital development.</p>	
<p>Outcomes</p> <ul style="list-style-type: none"> ■ EU agenda on skills and human capital development is further promoted. ■ ETF responds to the needs of the European Commission and addresses EU priorities at both thematic and geographical levels ■ Partnerships are established with strategic partners. 	
<p>Key deliverables</p> <ul style="list-style-type: none"> ▪ Collaboration with new third countries and EU delegations ▪ Partnership agreements and actions delivered with other global international organisations for addressing EU policy priorities ▪ Inputs to EU programming beyond neighbourhood countries 	<p>Indicators</p> <ul style="list-style-type: none"> ▪ Number of EU requests outside of the geographical coverage of ETF partner countries accepted and delivered. ▪ Number of partners involved for organising global actions and debates
<p>Resources - EUR 0.9 million</p>	

2.10 Communication and stakeholder engagement

The delivery of the ETF's objectives is underpinned by strategic, innovative and user-centred communication ensuring a clear and coherent perception of the ETF and its relevance and added value among its different stakeholder groups. Communication is key to supporting open access to ETF products and outputs, evidence and thematic knowledge. Furthermore, as an EU agency, the ETF has a duty of transparency and accountability for its performance and use of public funds vis-à-vis the EU institutions and EU citizens.

Stakeholders are one of the ETF's key assets. The ETF works in cooperation with relevant international and regional stakeholders active in the field of human capital development including international and regional donors, and research and civil society organisations as well as private sector actors and social partners. The ETF works systematically with its stakeholders to share information, share expertise and methodologies and identify opportunities for joint methodological development and fieldwork cooperation.

<p>Objective To ensure ETF's information is high-quality, timely and accessible for key stakeholders</p>	
<p>Outcomes Optimum communication tools are identified, developed and effectively used by ETF and all stakeholders</p>	
<p>Key deliverables</p> <ul style="list-style-type: none"> ▪ Fully functioning, responsive and interactive website ▪ Fully operational SRM system ▪ Open space used as a networking mechanism 	<p>Indicators</p> <ul style="list-style-type: none"> ▪ No of stakeholders directly engaged in ETF activities through online media, meetings, workshops, missions ▪ Level of engagement through Open Space
<p>Resources - EUR 2.3 million</p>	

2.11 Digitalisation

To guide its (digital) innovation the ETF has developed a digitalization roadmap for 2020 - 2024. The goal is to become a 'more digital, SMART ETF' in line with the ETF Strategy 2027. The roadmap will drive the ETF to an improved efficiency of its functions and underlying processes through the application of digital technology. The use of digital tools for both quantitative and qualitative information storage and processing, via the ETF Statistical database and IMAGE (a unique digital information and management system of country and thematic intelligence) will ensure efficiency gains in the access to information as well as in the processing of the information. Information will also be presented and disseminated using different channels, tools and social media.

Objective

To ensure a more integrated approach to the IT infrastructure that increases ETF effectiveness and internal efficiency in delivering its services and effectively engaging stakeholders.

Outcomes

- Efficiency gains in processes supporting the operational activities, and administrative workload through ICT cloud-based solutions and system upgrades.
- Improved and simplified use of ICT tools, including those for project planning, implementation and reporting processes, as well as data input.

Key deliverables

- Integrated planning and monitoring tool
- Simplified ICT platform

Indicators

- % of implementation of the digitalisation roadmap

Resources - EUR 1.2 million

2.12 Organisational development and support

Under Organisational development ETF identifies projects and actions, such as the digitalisation project, that enable the organisation to improve performance, ensuring compliance with EC regulatory requirements. Beyond individual development, organisational development impacts on staff, ICT infrastructure and applications, processes, culture etc. In view of the new Strategy 2027 and the new organisational structure which will be operational from January 2021, development actions will be identified and put in place to develop staff competency levels and deployment, review processes and enhance cooperative culture adapted to the new structure. Developing a robust information and document management system to support well-informed decision making and knowledge sharing will be important prerequisites. The digitalisation project will continue next year building on the initial achievements in 2020.

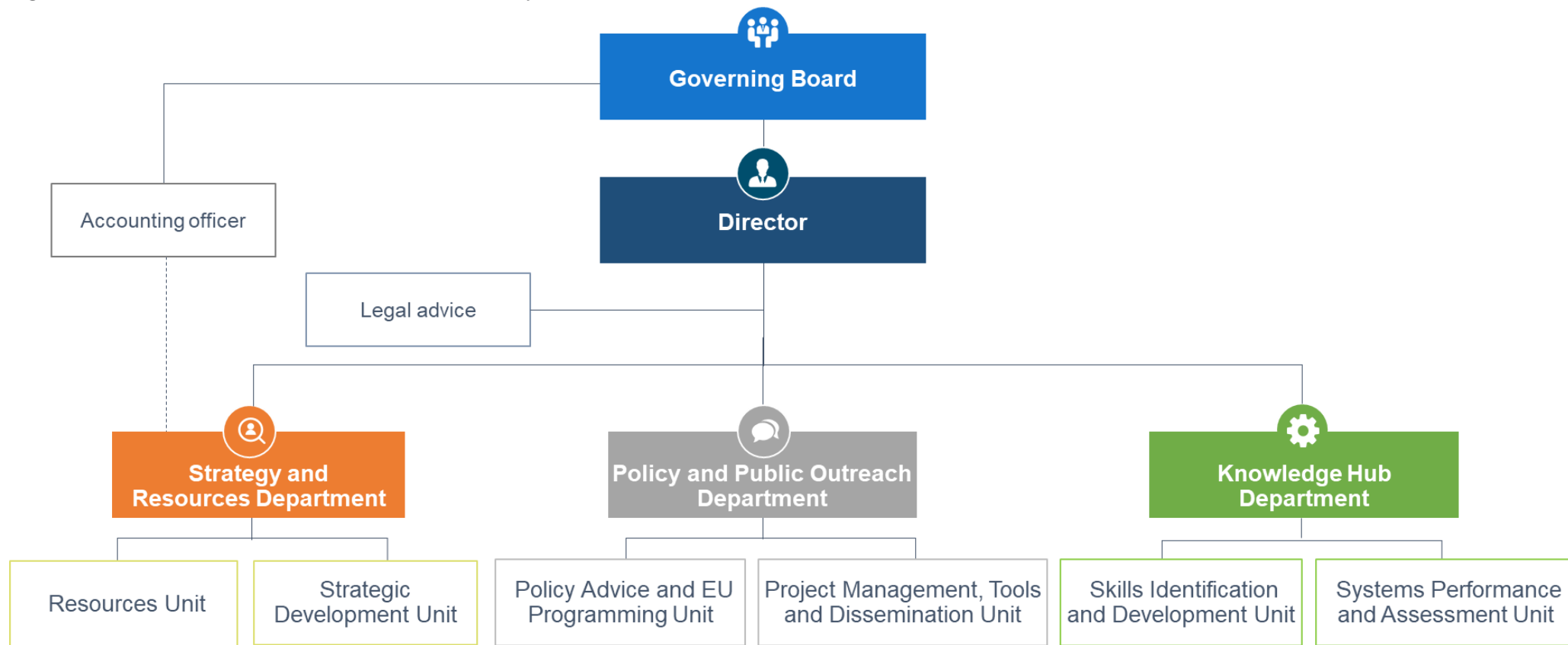
Objective	
To identify and put in place improvement projects and actions that will increase institutional performance.	
Outcomes	
<ul style="list-style-type: none"> ■ Internal control and performance reporting is streamlined and reflects the requirements of the 2018 ICF, the 2019 Financial Regulation, EMAS, performance indicators and evaluation results. ■ Development activities for staff and management to increase team and institutional performance and capacity to adapt to change ■ Improvements in organisational performance are identified through performance data, audit and evaluation findings and recommendations ■ Processes are developed, updated, and/or simplified to adapt to changes, such as digitalisation and new organisational structure 	
Key deliverables	Indicators
<ul style="list-style-type: none"> ▪ Internal control assessment included in consolidated annual activity report (CAAR) ▪ Development activities and projects ▪ EMAS report 2020 ▪ Audit and Evaluation reports and action plans 	<ul style="list-style-type: none"> ▪ No of recommendations implemented on time ▪ No of L&D activities
Resources - EUR 1.4 million	

ANNEXES

Number	Title
Annex I	Organisation chart – 31.12.2019
Annex II	Resource allocation per activity 2021-23
Annex III	Financial resources 2021-23 Table 1 - Revenue Table 2 - Expenditure Table 3 - Budget outturn and cancellation of appropriations Table 4 – Global budgetary envelope for procurement
Annex IV	Human resources (quantitative) Table 1 – Staff population and its evolution; Overview of all categories of staff A. Statutory staff and SNE B. Additional external staff expected to be financed from grant, contribution or service-level agreements C. Other staff Table 2 – Multi -annual staff policy plan 2021-23 Table 3 – Recruitment forecasts 2021
Annex V	Human resources (qualitative) A. Recruitment policy B. Appraisal of performance and reclassification/promotions Table 1 - Reclassification of temporary staff/promotion of officials Table 2 - Reclassification of contract staff C. Implementing rules foreseen for adoption 2021 D. Gender balance Table 1 - Data on 31/12/20219 statutory staff (only officials, AT and AC) Table 2 - Data regarding gender evolution over 5 years of the Middle and Senior management E. Geographical balance Table 1 - Data on 31/12/2019 Table 2 - Evolution over 5 years of the most represented nationality in the Agency F. Schooling
Annex VI	Environment management
Annex VII	Buildings
Annex VIII	Privileges and immunities
Annex IX	Evaluations
Annex X	Strategy for the organisational management and internal control systems
Annex XI	Plan for grant, contribution or service-level agreements
Annex XII	Strategy for cooperation with third countries and/or international organisations
Annex XIII	Collaboration with other EU Agencies
Annex XIV	Planned requests from EU services 2021

Annex I - Organisation chart²⁷ 01.01.2021

The ETF has revised the organisational structure to align it better to the new ETF Strategy 2027. It was adopted by the ETF Governing Board in 2020 and the new organisation chart will enter into force from the 1st January 2021.



²⁷ Staff numbers will be inserted into the final draft in November 2020

Organisational structure - 31.12.2019	CA	SNE	LA	TA*	Total	Vacant posit.	TOTAL
Operations Department (OPS)							
OPS Core (Manager and sup. staff)	1			2	3		3
Analysis and Coordination Unit	6			9	15		15
Country Intelligence Unit	2			17	19		19
Policy Unit	9			28	37	1	38
Sub-Total OPS	18	0	0	56	74	1	75
Resources & Services Department (RSD)							
RSD Core (Manager, Facilities and sup. staff)	2			2	4		4
Accounting	1			1	2		2
Finance & Procurement Unit	6			5	11		11
Human Resources Unit	3			5	8		8
Sub-Total RSD	12	0	0	13	25	0	25
Director's office (DIR)							
DIR Core (Director, sup. staff)	1			3	4		4
Legal Advice				1	1		1
Sub-Total DIR	1	0	0	4	5	0	5
Communication Department (COMM)	6		1	4	11	0	11
Strategic Development Department (SDD)	3			5	8		8
ICT Team	1			4	5		5
Sub-Total SDD	4	0	0	9	13	0	13
Total	41	0	1	86	128	1	129
Vacant positions*				1	1	-	-
Total including vacant positions	41	0	1	87	129	-	-

* During 2018, in accordance with article 38.2 of the ETF Financial Regulation, the ETF used the opportunity to "offset the effects of part-time work" by one additional appointment (function group AD). Should all posts be filled in, the number of TA employed would therefore be 86 +1

Annex II – Resource allocation per activity 2021-23

Activity Areas	2021	2022	2023
Strategic objective 1 Skills relevance and anticipation	€4.9m (23.1%)	€5.0m (23.1%)	€5.1m (23.1%)
Skills demand	€3.2m (14.9%)	€3.2m (14.9%)	€3.3m (14.9%)
Active labour market measures	€0.3m (1.2%)	€0.3m (1.2%)	€0.3m (1.2%)
Qualifications	€1.5m (7.0%)	€1.5m (7.0%)	€1.6m (7.0%)
Strategic objective 2 Skills development and validation	€5.7m (26.5%)	€5.8m (26.5%)	€5.9m (26.5%)
Vocational Excellence	€1.0m (4.8%)	€1.0m (4.8%)	€1.1m (4.8%)
Innovative teaching and learning	€2.4m (11.4%)	€2.5m (11.4%)	€2.5m (11.4%)
Engaging enterprises in skills development	€2.2m (10.4%)	€2.2m (10.4%)	€2.3m (10.4%)
Strategic objective 3 Performance and quality of E&T policies	€5.0m (23.3%)	€5.1m (23.3%)	€5.2m (23.3%)
Lifelong learning policies and system change	€2.7m (12.7%)	€2.8m (12.7%)	€2.8m (12.7%)
Quality assurance and governance mechanisms	€2.3m (10.6%)	€2.3m (10.6%)	€2.3m (10.6%)
Horizontal	€5.8m (27.1%)	€5.9m (27.1%)	€6.0m (27.1%)
New EU and geographic priorities	€0.9m (4.0%)	€0.9m (4.0%)	€0.9m (4.0%)
Communication & stakeholder engagement	€2.3m (11.0%)	€2.4m (11.0%)	€2.4m (11.0%)
Digitalisation	€1.2m (5.7%)	€1.2m (5.7%)	€1.3m (5.7%)
Organisational development & support	€1.4m (6.3%)	€1.4m (6.3%)	€1.4m (6.3%)
TOTAL	€21.3m (100.0%)	€21.7m (100.0%)	€22.2m (100.0%)

Annex III - Financial resources 2021-23

Table 1 – Revenue²⁸

General revenues

REVENUES	2020	2021
	Revenues estimated by the agency	Budget Forecast
EU contribution	20 936 899	21 053 286
Other Revenue	20 101	246 713
TOTAL REVENUES	20 957 000	21 300 000

REVENUES	General revenues						
	Executed 2019	Estimated by the agency 2020	2021		VAR 2021/2020 (%)	Envisaged 2022	Envisaged 2023
			Agency request	Budget forecast			
1 REVENUE FROM FEES AND CHARGES							
2 EU CONTRIBUTION	20 546 000	20 957 000	21 300 000		+1.6%	21 726 000	22 161 000
- Of which assigned revenues deriving from previous years' surpluses	57 010	20 101	246 713		+1127.3 %		
3 THIRD COUNTRIES CONTRIBUTION (incl. EEA/EFTA and candidate countries)							
- Of which EEA/EFTA (excl. Switzerland)							
- Of which candidate countries							
4 OTHER CONTRIBUTIONS							
5 ADMINISTRATIVE OPERATIONS							
- Of which interest generated by funds paid by the Commission by way of the EU contribution (FFR Art. 58)							
6 REVENUES FROM SERVICES RENDERED AGAINST PAYMENT							
7 CORRECTION OF BUDGETARY IMBALANCES							
TOTAL	20 546 000	20 957 000	21 300 000	-	+1.6%	21 726 000	22 161 000

²⁸ All forecasts related to the EU budget contribution in 2021, 2022 and 2023 are indicative and without prejudice to the decisions to be taken as regards the next Multiannual Financial Framework and

As per Article 72 3b of the ETF FR, the implementation of the Financing Decision is subject to the availability of budget appropriations for the respective financial year after the adoption of the budget or as provided for in the system of provisional twelfths.

Additional EU funding: grant, contribution and service-level agreements

REVENUES	2020	2021
	Revenues estimated by the agency	Budget Forecast
TOTAL REVENUES		

REVENUES	Additional EU funding: grant, contribution and service-level agreements						
	Executed 2019	Estimated by the agency 2020	2021		VAR 2021/2020 (%)	Envisaged 2022	Envisaged 2023
			Agency request	Budget forecast			
ADDITIONAL EU FUNDING STEMMING FROM GRANTS (FFR Art.7)							
ADDITIONAL EU FUNDING STEMMING FROM CONTRIBUTION AGREEMENTS (FFR Art.7)							
ADDITIONAL EU FUNDING STEMMING FROM SERVICE LEVEL AGREEMENTS (FFR Art. 43.2)							
TOTAL							

Table 2 – Expenditure

Expenditure	2020		2021	
	Commitment	Payment	Commitment	Payment
Title 1 - Staff expenditure	14 103 200	14 103 200	14 540 000	14 540 000
Title 2 - Infrastructure and operating expenditure	2 362 950	2 362 950	2 193 000	2 193 000
Title 3 - Operational	4 490 850	4 490 850	4 567 000	4 567 000
TOTAL EXPENDITURE	20 957 000	20 957 000	21 300 000	21 300 000

EXPENDITURE	Commitment appropriations						
	Executed Budget 2019	Budget 2020	Draft Budget 2021		VAR 2021/2020 (%)	Envisaged 2022	Envisaged 2023
			Agency request	Budget forecast			
Title 1 - Staff expenditure	13 747 770	14 103 200	14 540 000		+3.1%	14 863 000	15,147,000
Salaries & allowances	13 128 302	13 506 200	13 944 000		+3.2%	14 223 000	14,507,000
- Of which establishment plan posts	10 866 105	11 076 200	11 430 000		+3.2%	11 659 000	11,892,000
- Of which external personnel	2 262 197	2 430 000	2 514 000		+3.5%	2 564 000	2,615,000
Expenditure relating to Staff recruitment	5 375	37 000	7 000		-81.1%	9 000	9,000
Employer's pension contributions			-			-	-
Mission expenses	68 000	16 000	65 000		+306.3%	65 000	65,000
Socio-medical infrastructure	24 340	44 000	25 000		-43.2%	25 000	25,000
Training	200 637	143 000	210 000		+46.9%	210 000	210,000
External Services	279 952	318 000	258 000		-18.9%	300 000	300,000
Receptions, events and representation	3 124	4 000	4 000		0.0%	4 000	4,000
Social welfare	38 041	35 000	27 000		-22.9%	27 000	27,000
Other Staff related expenditure	-	-	-			-	-
Title 2 - Infrastructure and operating expenditure	1 887 316	2 362 950	2 193 000		-7.2%	2 024 000	1,628,000
Rental of buildings and associated costs	712 055	1 038 974	757 600		-27.1%	706 800	697,800
Information, communication technology and data processing	962 628	1 175 776	1 261 200		+7.3%	1 143 000	756,000
Movable property and associated costs	61 791	20 000	-		-100.0%	-	-
Current administrative expenditure	51 920	70 000	66 000		-5.7%	66 000	66,000
Postage / Telecommunications	8 295	8 200	8 200		0.0%	8 200	8,200
Meeting expenses	90 627	50 000	100 000		+100.0%	100 000	100,000
Running costs in connection with operational activities	-	-	-			-	-
Information and publishing	-	-	-			-	-
Studies			-			-	-
Other infrastructure and operating expenditure			-			-	-
Title 3 - Operational expenditure	4 901 759	4 490 850	4 567 000		+1.7%	4 839 000	5,386,000
Communication	442 010	375 000	375 000		0.0%	375 000	375,000
Corporate Performance and Stakeholders	226 321	247 000	247 000		0.0%	247 000	247,000
Operational projects	3 530 427	3 648 000	3 310 000		-9.3%	3 582 000	4,129,000
Operational missions	703 000	220 850	635 000		+187.5%	635 000	635,000
TOTAL	20 536 844	20 957 000	21 300 000		+1.6%	21 726 000	22,161,000

EXPENDITURE	Payment appropriations						
	Executed Budget 2019	Budget 2020	Draft Budget 2021		VAR 2021/2020 (%)	Envisaged 2022	Envisaged 2023
			Agency request	Budget forecast			
Title 1 - Staff expenditure	13 747 770	14 103 200	14 540 000		+3.1%	14 863 000	15,147,000
Salaries & allowances	13 128 302	13 506 200	13 944 000		+3.2%	14 223 000	14,507,000
- Of which establishment plan	10 866 105	11 076 200	11 430 000		+3.2%	11 659 000	11,892,000
- Of which external personnel	2 262 197	2 430 000	2 514 000		+3.5%	2 564 000	2,615,000
Expenditure relating to Staff recruitment	5 375	37 000	7 000		-81.1%	9 000	9,000
Employer's pension contributions			-			-	-
Mission expenses	68 000	16 000	65 000		+306.3%	65 000	65,000
Socio-medical infrastructure	24 340	44 000	25 000		-43.2%	25 000	25,000
Training	200 637	143 000	210 000		+46.9%	210 000	210,000
External Services	279 952	318 000	258 000		-18.9%	300 000	300,000
Receptions, events and	3 124	4 000	4 000		0.0%	4 000	4,000
Social welfare	38 041	35 000	27 000		-22.9%	27 000	27,000
Other Staff related expenditure	-	-	-			-	-
Title 2 - Infrastructure and operating expenditure	1 887 316	2 362 950	2 193 000		-7.2%	2 024 000	1,628,000
Rental of buildings and associated costs	712 055	1 038 974	757 600		-27.1%	706 800	697,800
Information, communication technology and data processing	962 628	1 175 776	1 261 200		+7.3%	1 143 000	756,000
Movable property and associated costs	61 791	20 000	-		-100.0%	-	-
Current administrative expenditure	51 920	70 000	66 000		-5.7%	66 000	66,000
Postage / Telecommunications	8 295	8 200	8 200		0.0%	8 200	8,200
Meeting expenses	90 627	50 000	100 000		+100.0%	100 000	100,000
Running costs in connection with operational activities	-	-	-			-	-
Information and publishing	-	-	-			-	-
Studies			-			-	-
Other infrastructure and operating expenditure			-			-	-
Title 3 - Operational expenditure	4 680 928	4 490 850	4 567 000		+1.7%	4 839 000	5,386,000
Communication	491 605	375 000	375 000		0.0%	375 000	375,000
Corporate Performance and	176 262	247 000	247 000		0.0%	247 000	247,000
Operational projects	3 356 870	3 648 000	3 310 000		-9.3%	3 582 000	4,129,000
Operational missions	656 190	220 850	635 000		+187.5%	635 000	635,000
TOTAL	20 316 014	20 957 000	21 300 000		+1.6%	21 726 000	22,161,000

Table 3 - Budget outturn and cancellation of appropriations

Budget outturn	2017	2018	2019
Revenue actually received (+)	20 161 249.30	20 146 935.71	20 561 154.13
Payments made (-)	-19 821 618.96	-19 757 647.62	-19 740 813.61
Carry-over of appropriations (-)	- 395 807.83	- 377 681.40	- 590 354.04
Cancellation of appropriations carried over (+)	42 925.35	8 934.73	18 732.64
Adjustment for carry-over of assigned revenue appropriations from previous year (+)	71 125.85	1 300.05	
Exchange rate differences (+/-)	- 863.32	- 1 740.15	- 2 005.95
Adjustment for negative balance from previous year (-)			
TOTAL	57 010.39	20 101.32	246 713.17

Budget outturn

The 2019 budget outturn is EUR 246 713.17. The main reason is the cancellation of payment appropriations not used in Title 3 (EUR 226 774.60). It is linked mainly to the delay in starting and implementing WP activities caused by the instruction to freeze 15% of the total budget during the first months of 2019, due to the potential adverse budget impact of Brexit.

Cancellation of commitment appropriations

The ETF has only cancelled EUR 3 211.88 commitment appropriations which were not used in Titles 1 and 2.

Cancellation of payment appropriations for the year and payment appropriations carried over

The ETF has only cancelled EUR 226 774.60 payment appropriations for the year which were not used in Title 3 and has cancelled EUR 18 732.64 payment appropriations carried over from 2018.

For appropriations carried over the main reason for cancellation of appropriations is linked to the actual costs being slightly lower than foreseen. For payment appropriations for the year the main reason is the small delay observed in starting and implementing the operational activities.

Procurement

The global budgetary envelope reserved for procurement contracts for operational activities in 2021 in support of ETF's strategic objectives is 4,567,000 Euros.

Table 4 Global budgetary envelope for procurement

Year	Planned	Total
2021	<i>Procurement contracts for operational activities</i>	<i>4,567,000 Euros.</i>

Within this global budgetary envelope, the ETF purchases its goods and services via procurement procedures as appropriate, mostly through framework contracts (new procedures and contracts in force). As an indication, contracts for the operational activities cover studies and assessments, consultancy and research services, supply of databases and platforms, various services for project implementation, communication services, translation services, conference organiser services, logistical support to projects, travel services, evaluation services.

The list of operational activities to be outsourced through new procurement procedures will be defined at the beginning of 2021 and published on the ETF website for application by potential tenderers.

Annex IV – Human resources (quantitative)

Table 1 – Staff population and its evolution; Overview of all categories of staff

A. Statutory staff and SNE

Human Resources	2019			2020	2021	2022	2023
	Authorised Budget	Actual filled as of 31/12/2019	Occupancy Rate %	Authorised staff	Envisaged staff	Envisaged staff	Envisaged staff
Administrators (AD)	56	56	100%	56	57	57	57
Assistants (AST)	30	30	100%	30	29	29	29
Assistants/Secretaries (AST/SC)	0	0		0	0	0	0
ESTABLISHMENT PLAN POSTS	86	86		86	86	86	86
Contract Agents (CA)	41	41	100%	42	42	42**	42**
Seconded National Experts (SNE)	1	0	0%	0	0	0	0
Local Agents	1	1	100%	1	1	1	1
TOTAL STAFF	129	128		129	129	129	129

* During 2018, on the basis of article 38.2 of the ETF Financial Regulation, the ETF used for the first time the opportunity to “offset the effects of part-time work” by one additional appointment (function group AD). Should all posts be filled in since then, the number of TA employed would therefore be 86 +1. By end 2020 or early 2021, it is expected to reach 86+2 as part time continues to be above 2 FTE.

** Considering DGHR recommendation to rather offset part time with interim and/or additional Contract Agents, the ETF will assess this option from 2022 and thus may revise upward the need for Contract Agents from then.

B. Additional external staff expected to be financed from grant, contribution or service-level agreements

Human Resources	2020	2021	2022	2023
	Envisaged staff	Envisaged staff	Envisaged staff	Envisaged staff
Contract Agents (CA)	0	0	0	0
Seconded National Experts (SNE)	0	0	0	0
TOTAL	0	0	0	0

C. Other Staff

Structural service providers

	Actual filled as of 31/12/2019
Security	1
IT	1
Receptionist	1
Facilities support	1

Interim workers

	Actual filled as of 31/12/2019
Number	7

Table 2 – Multi -annual staff policy plan 2021-23

Function group and grade	2019				2020		2021		2022		2023	
	Authorised Budget		Actual filled as of 31/12 *		Authorised budget		Envisaged *		Envisaged *		Envisaged *	
	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts
AD 16												
AD 15												
AD 14		1		1		1		1		1		1
AD 13		5		3		5		5		5		5
AD 12		15		4		10		10		9		9
AD 11		9		11		10		10		10		10
AD 10		6		11		9		9		9		9
AD 9		12		11		13		13		13		13
AD 8		7		6		6		6		7		7
AD 7		1		8		1		3		3		3
AD 6				1		1						
AD 5												
AD TOTAL	0	56	0	56	0	56	0	57	0	57	0	57
AST 11		3		1		1		1		1		1
AST 10		6				3		3		3		3
AST 9		8		8		10		13		13		13
AST 8		7		9		10		6		6		6
AST 7		4		1		4		4		4		4
AST 6		2		4		1		1		1		1
AST 5				3		1		1		1		1
AST 4				4								
AST 3												
AST 2												
AST 1												
AST TOTAL	0	30	0	30	0	30	0	29	0	29	0	29
AST/SC 6												
AST/SC 5												
AST/SC 4												
AST/SC 3												
AST/SC 2												
AST/SC 1												
AST/SC TOTAL	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	86	0	86	0	86	0	86	0	86	0	86
GRAND TOTAL	86		86		86		86		86		86	

* During 2018, on the basis of article 38.2 of the ETF Financial Regulation, the ETF used for the first time the opportunity to “offset the effects of part-time work” by one additional appointment (function group AD). Should all posts be filled since then, the number of TA employed would therefore be 86 +1. By end 2020 or early 2021, it is expected to reach 86+2 as part time continues to be above 2 FTE. However, considering DGHR recommendation to rather offset part time with interim and/or additional Contract Agents, the ETF will assess this option from 2022 and thus may revise upward the need for Contract Agents from then.

External personnel

Contract Agents

Contract agents	Authorised 2019	Recruited as of 31/12/2019	Authorised 2020	Envisaged 2021	Envisaged 2022	Envisaged 2023
Function Group IV	12	13	13	14	14	14
Function Group III	24	19	24	23	24	24
Function Group II	5	9	5	5	4	4
Function Group I	0	0	0	0	0	0
TOTAL	41	41	42	42	42*	42*

* Considering DGHR recommendation to rather offset part time with interim and/or additional Contract Agents, the ETF will assess this option from 2022 and thus may revise upward the need for Contract Agents from then

Local Agents

Local agents	Authorised 2019	Recruited as of 31/12/2019	Authorised 2020	Envisaged 2021	Envisaged 2022	Envisaged 2023
Function Group AL/N2	1	1	1	1	1	1

Seconded National Experts

Seconded National Experts	Authorised 2019	Recruited as of 31/12/2019	Authorised 2020	Estimate 2021	Envisaged 2022	Envisaged 2023
TOTAL	1	0	0	0	0	0

Table 3 – Recruitment forecasts 2021 following retirement/Mobility or new requested posts (Information on the entry level for each type of posts: Indicative table)

Job title in the Agency	Type of contract (Official, TA or CA)		TA/Official	CA
	Due to foreseen retirement/mobility	New post requested due to additional tasks	Function group/grade of recruitment Internal (Brackets) and external (single grade) foreseen for publication*	Recruitment Function Group (I, II, III or IV)
HCD Specialist	TA AST 8		TA AD7	

*indication of both is required

1 AST 8 retired in 2020 and with a view to recruit instead of an administrative staff replacing the retired one, the ETF would reinforce its operations with one HCD Specialist AD 7. This is reflected in the Establishment Plan for 2021 (minus 1 AST plus 1 AD).

Number of inter-agency mobility 2020 from and to the Agency:	0
---	---

Annex V – Human resources (qualitative)

A. Recruitment policy

Implementing rules in place

		Yes	No	If no, which other IR are in place
Engagement of CA	Model Decision C(2019)3016	X		
Engagement of TA	Model Decision C(2015)1509	X		
Middle management	Model decision C(2018)2542	X		
Type of posts	Model Decision C(2018)8800	X		

B. Appraisal and reclassification/promotions

Implementing rules in place

		Yes	No	If no, which other IR s are in place
Reclassification of TA	Model Decision C(2015)9563	X		
Reclassification of CA	Model Decision C(2015)9561	X		

Table 1 - Reclassification of temporary agents/promotion of officials

Average seniority in the grade among reclassified staff							
Grades	2015	2016	2017	2018	2019	Actual average over 5 years	Average over 5 years (annex IB SR)
AD05	2.7	0.0	0.0	0.0	3.8	3.3	2.8
AD06	0.0	0.0	2.0	3.5	0.0	2.8	2.8
AD07	4.4	4.5	3.2	6.0	2.5	4.1	2.8
AD08	0.0	3.0	3.6	4.3	2.8	3.4	3
AD09	8.0	2.8	0.0	5.4	5.9	5.2	4
AD10	4.0	0.0	0.0	4.5	5.0	4.6	4
AD11	0.0	0.0	22.7	0.0	0.0	22.7	4
AD12	0.0	0.0	3.5	8.3	0.0	5.1	6.7
AD13	0.0	0.0	0.0	0.0	0.0	0.0	6.7
AST1	0.0	0.0	0.0	0.0	0.0	0.0	3
AST2	0.0	0.0	0.0	0.0	0.0	0.0	3
AST3	5.0	7.0	2.5	0.0	0.0	5.7	3
AST4	3.0	3.0	3.5	2.0	0.0	2.9	3
AST5	0.0	3.0	2.0	0.0	5.5	4.0	4
AST6	3.0	4.5	0.0	0.0	4.5	4.1	4
AST7	0.0	11.5	2.0	3.5	0.0	6.7	4
AST8	3.0	4.0	2.5	0.0	0.0	3.2	4
AST9	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AST10 (Senior assistant)	0.0	0.0	0.0	4.5	0.0	4.5	5
AST/SC1							4
AST/SC2							5
AST/SC3							5.9
AST/SC4							6.7
AST/SC5							8.3

Table 2 -Reclassification of contract staff

Function Group	Grade	Staff in activity at 1/01/2018	How many staff members were reclassified in	Average number of years in grade of reclassified staff members	Average number of years in grade of reclassified staff members according to
CA IV	17				Between 6 and 10
	16	1	1	3.8	Between 5 and 7
	15	4			Between 4 and 6
	14	4			Between 3 and 5
	13				Between 3 and 5
CA III	11	5	1	4.5	Between 6 and 10
	10	10	1	2	Between 5 and 7
	9	5			Between 4 and 6
	8				Between 3 and 5
CA II	6	1	1	7.5	Between 6 and 10
	5	4	2	3.2	Between 5 and 7
	4				Between 3 and 5
CA I	2				Between 6 and 10
	1				Between 3 and 5

C. HR implementing rules foreseen for adoption in 2021

Unknown at this stage. It depends on what (new or updated) implementing rules DGHR will issue in 2021

D. Gender representation

Table 1 - Data on 31/12/2019 statutory staff (only officials, TA and CA)

		Official		Temporary		Contract Agents		Grand Total	
		Staff	%	Staff	%	Staff	%	Staff	%
Female	Administrator			31	36%	9	21%	40	31%
	Assistant (AST & AST/SC)			24	28%	24	57%	48	38%
	TOTAL			55	64%	33	79%	88	69%
Male	Administrator			25	29%	4	10%	29	23%
	Assistant (AST & AST/SC)			6	7%	5	12%	11	9%
	TOTAL			31	36%	9	21%	40	31%
	GRAND TOTAL			86	100%	42	100%	128	100%

Table 2 - Data regarding gender evolution over 5 years of the Middle and Senior management²⁹

	2015		2019	
	Number	%	Number	%
Female Managers	5	56%	6	60%
Male Managers	4	44%	4	40%

E. Geographical Balance

Table 1 - Table on 31/12/2019 - statutory staff only (officials, TA and CA)

Nationality	AD + CA FG IV		AST/SC- AST + CA FGI/III/III + LA ALN/2		TOTAL	
	Number	% of Total Staff members in AD and FG IV categories	Number	% of Total Staff members in AST SC/AST and FG I, II, III + AL/N2 categories	Number	% of total staff
AT	4	6%		0%	4	3%
BE	4	6%	3	5%	7	5%
CY	1	1%		0%	1	1%
CZ	1	1%		0%	1	1%
DE	4	6%	2	3%	6	5%
DK	2	3%		0%	2	2%
EE		0%	2	3%	2	2%
ES	6	9%		0%	6	5%
FI	3	4%	1	2%	4	3%
FR	4	6%	2	3%	6	5%
GR	3	4%		0%	3	2%
IE	2	3%		0%	2	2%
IT	15	22%	36	61%	51	40%
LU		0%	1	2%	1	1%
LV	1	1%	1	2%	2	2%
MA	1	1%		0%	1	1%
MK	1	1%		0%	1	1%
NL	3	4%	1	2%	4	3%
PL	2	3%	2	3%	4	3%
PT	2	3%		0%	2	2%
RO	2	3%	3	5%	5	4%
SI		0%	1	2%	1	1%
TN	1	1%		0%	1	1%
TR	1	1%		0%	1	1%
UA	1	1%	1	2%	2	2%
UK	5	7%	3	5%	8	6%
Grand Total	69	100%	59	100%	128	100%

²⁹ From Head of Unit only

Table 2 - Evolution over 5 years of the most represented nationality in the Agency

Most represented nationality	2015		2019	
	Number	%	Number	%
IT	48	37%	51	40%

The ETF receives constantly a higher proportion of applications from its host country despite the wide publication of its vacancy notices, in particular for administrative and support positions (AST/FGII-FGIII), which explains the constant higher number of Italian nationals recruited. The ETF selection procedures are merit-based but where there are equal merits, the ETF would favour the under-represented nationalities.

F. Schooling

Agreement in place with the European School(s) of

Contribution agreements signed with the EC on type I European schools	Yes		No	X
Contribution agreements signed with the EC on type II European schools	Yes		No	X
Number of service contracts in place with international schools:				

Description of any other solutions or actions in place:

Due to the absence of a European School in Turin and the fact that there are several international schools but which are extremely expensive, the ETF covers up to 50% of the cost above the ceiling foreseen in the Staff Regulations. This is done with the scope to support the ETF's capacity to attract and retain staff as a social support measure.

Annex VI - Environment management

The ETF vision is to contribute to the Sustainable Development Goals following the EU approach³⁰ and to promote environmental protection and sustainable development to optimize the use of resources by both reducing their use as much as possible and using renewable resources.

In order to contribute to environmental protection and to implement the above-mentioned vision, the ETF has established an Environmental Management System, which complies with the EU Eco-Management and Audit Scheme (EMAS)³¹. Within the overall regulatory framework, the ETF is committed to:

- Protecting the environment and minimize pollution through a sustainable use of resources;
- Complying with the relevant environmental legislation, regulations and other compliance obligations;
- Creating, maintaining and continuously improving the Environmental Management System and its environmental performance;
- Ensuring awareness of environmental issues and the active participation of all staff, with a view to reduce the ETF environmental impact;
- Encouraging suppliers and external stakeholders to abide by the environmental protection principles established by the ETF.

With the help of its Environmental Management System, the ETF pursues the following strategic environmental goals:

1. Shifting towards the use of renewable energy sources and reducing overall energy consumption;
2. Reducing the general use of resources and materials (incl. paper, plastics, gadgets, office equipment & furniture, stationery and other supplies);
3. Reducing greenhouse/polluting gas and particulate matter emissions resulting from ETF-related travels (incl. commuting by staff, staff missions, travels of event participants and contractors);
4. Reducing water consumption;
5. Reducing and effectively managing waste;
6. Shifting towards more sustainable events;
7. Raising awareness among staff on environmental issues.

The ETF makes available the resources necessary to implement its Environmental Policy and to achieve its strategic environmental goals. Following EMAS certification in 2020, the ETF indicators and targets will be used to monitor the implementation of the action plan and report annually in the ETF's Annual Activity Report. The ETF aims to obtain EMAS certification in 2020 and renew it in the years thereafter. Planning and programming of the ETF's activities for the coming years should be in compliance with the approved Environmental policy and Improvement Plans, mainly in the area of staff mobility and events organisation.

³⁰ https://ec.europa.eu/info/strategy/international-strategies/sustainable-development-goals/eu-approach-sustainable-development-0_en

³¹ https://ec.europa.eu/environment/emas/index_en.htm

Annex VII - Buildings

#	Building Name and type	Location	SURFACE AREA(in m ²)			RENTAL CONTRACT					Host country (grant or support)	Building present value(€)
			Office space	non-office	Total	RENT (€/year)	Duration of the contract	Type	Breakout clause Y/N	Conditions attached to the breakout clause (if applicable)		
1	Villa Gualino	Torino, Italy	2,175 m ²	3,825 m ²	6,000 m ²	1	30 years until 2027	Rent is covered by a Convention complemented by detailed service contracts			NO	N/A

The ETF does not have any building projects in the planning phase nor any building projects submitted to the European Parliament and the Council

Annex VIII - Privileges and immunities

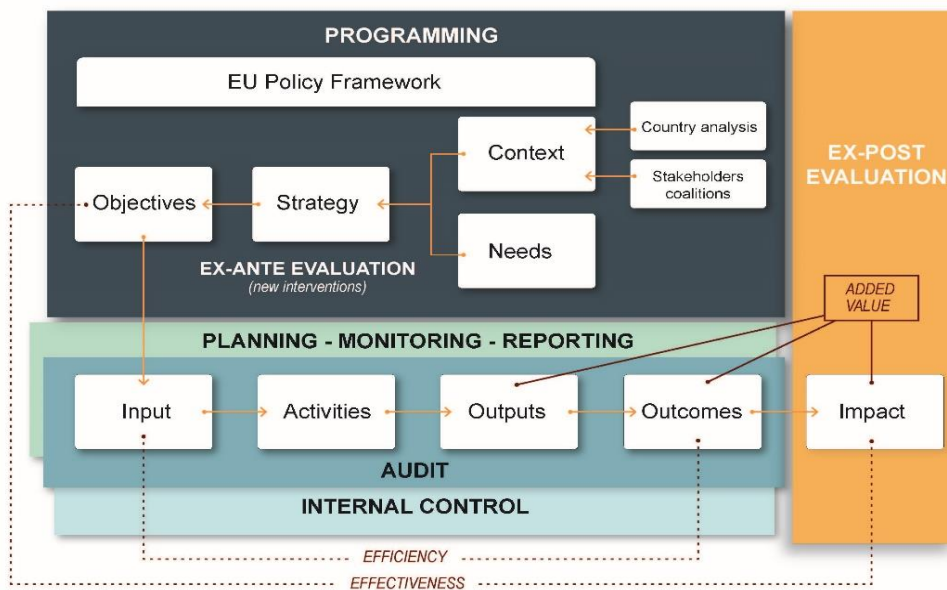
Agency privileges	Privileges granted to staff	
	Protocol of privileges and immunities / diplomatic status	Education / day care
<p>* Local premises have been provided by local authorities on the basis of a convention that provides for the following main essential points: ETF to participate in the costs of refurbishing the premises to be used, ETF to pay a symbolic rent, ETF to participate in the costs of maintenance of the building</p> <p>* General support is provided by Italy against unauthorised access or other forms of disturbances to the premises.</p> <p>*ETF is authorised to install and operate communications systems.</p> <p>* ETF official communication is not subject to any restrictions or to confidentiality breaches.</p> <p>*The Protocol of privileges and immunities is applicable to ETF.</p> <p>* ETF, its assets and funds may not be subject to administrative or legal measures of constraints.</p> <p>*Premises (including temporary premises) and buildings are inviolable, except in case of emergencies/ fire.</p> <p>* ETF, its assets and funds are exempt from taxes or direct duties, except for taxes on public services.</p> <p>* ETF is exempt from the payment of VAT for purchases of goods or service. The value of the exemption is established in the law applicable to international organisations in Italy.</p> <p>* ETF imports and exports are exempted from customs duties, taxes, prohibitions or restrictions.</p> <p>* Goods transported as hand baggage are treated as diplomatic luggage.</p> <p>* ETF vehicles are exempted from any taxes, duties or fees or from any import prohibitions/ restrictions.</p> <p>* ETF exempted from payment social security and health insurance contributions on salaries paid to staff, except for local agents.</p>	<p>*Staff immune from legal proceedings for acts performed in the exercise of their official duties.</p> <p>* Staff exempted from taxes on salaries and emoluments paid by ETF.</p> <p>* Staff, spouses and dependent members of family not subject to immigration restrictions or registration formalities for foreigners.</p> <p>* For currency exchange staff has the same privileges as officials of equal rank in the diplomatic missions.</p> <p>* Staff, spouses and dependent members of family receive assistance for repatriation in the event of international crises.</p> <p>* Staff who is neither permanently resident in Italy at the time of their appointment, nor Italian, may, duty-free and without prohibitions and restrictions, import from the country of their last residence or the country of which they are nationals, when they first take up their post, for a period of one year from their appointment for a maximum of two shipments, their own furniture and personal effects, including a vehicle bought at the conditions of that country, which will be registered in special series.</p> <p>* Staff may export, in the year following the date of cessation of their duties, without prohibitions and restrictions, their own furniture and personal effects, including vehicles.</p> <p>* The ETF Director, spouse and dependent members of family, is granted privileges and immunities, facilities and concessions granted by the Italy to members of equivalent rank in the diplomatic corps in Italy.</p> <p>* Staff, who is neither permanently resident in Italy at the time of their appointment nor Italian, may, when they first take up their post, for a period of one year from their appointment purchase a motor vehicle free from taxes and charges.</p> <p>* Italy issues a special identity card to staff, spouses and dependent members of family to prove that the holder is ETF staff and enjoys privileges and immunities.</p>	<p>None</p>

Annex IX – Evaluations

Evaluations in the ETF are integrated into the overall performance management system of the Agency and are commissioned either by the ETF or by the European Commission. ETFs evaluation practices are based on the principles of the European Commission, ‘Better Regulation Guidelines and Toolkit’:

- Capture the results of ETF’s interventions and evidence of impact and added value;
- Improve the ETF’s long-term capacity to achieve results and impact by identifying and disseminating the lessons learned from experience;
- Identify opportunities to adapt ETF’s interventions according to achieved impact and country development stage (for example to scale up ETF work and/or put in place an exit strategy).

ETF LOGIC MODEL



As an Agency of the European Commission, the ETF is subject to regular (4 year) evaluation by the Commission in consultation with the Governing Board of the implementation of the ETF Regulation. The Commission presents the results of the evaluation to the European Parliament, Council and European Economic and Social Committee following which the ETF formulates an action plan to remedy any problems or implement any recommendations. The action plan is entered into the ETF Improvement Plan with regular report to the Commission and Governing Board.

ETF commissioned evaluations mainly focus on assessing the extent to which the ETF’s activities have achieved the planned results, the added value and impact. According to the ETF Financial Regulation³², retrospective evaluations shall be undertaken periodically and in sufficient time for the findings to be taken into account in ex-ante evaluations or impact assessments that support the preparation of related programme activities.

³² Financial Regulation of the European Training Foundation, Turin, 15 June 2019 (GB-19-DEC-008)

Annex X - Organisational management and internal control systems strategy

Organisational performance and development actions are identified through regular monitoring of a framework of indicators based on a core of 15 key performance indicators and the Internal Control principles to ensure efficient and effective organisational performance and proactive organisational change (see Annex VIII). This, together with a continued monitoring and evaluation of its operational delivery, performance and added value, provides the necessary evidence to ensure the quality of the work of the agency and a culture of quality enhancement and improvement.

KPIS FOR ETF OVERALL PERFORMANCE 2021 - 2024³³

Administration

Activities completion rate ^{34*}	Rate (%) of completion of the activities of the ETF Work Programme Target >90%
Timely achievement of activities of WP*	Rate (%) of activities of the ETF Work Program timely achieved in year: Target 80%
Timely submission of WP/SPD to EC*	The Annual WP/SPD timely submitted to the EC. Target 100%

Operational

Knowledge uptake	Satisfaction and uptake up of the developed knowledge products (studies, guides, tools)
Programme design	Projects and programmes requests in support of EU/MS development policies
Network level of participation	% of activities of network members/no of members and institutions actively engaged in ETF networks
Stakeholder engagement	No of organisations engaged in bilateral meetings with EU institutions, member state organisations, and country stakeholders

Human resources

Administrative support, / operational staff ratio*	(Administrative support and coordination job type category)/(Operational job type category / Neutral job type category) Target <30%
Average vacancy rate*	% of authorised posts of the annual establishment plan which are vacant at the end of the year, including job offers sent before 31 December. Target <5%
Staff engagement*	Rate (%) of staff engagement from satisfaction survey within the agency. (every two years) Target >2% increase

Finance

Commitment appropriation implementation*	Rate (%) of implementation of Commitment Appropriations. Target >98%
Payment appropriations cancellation rate*	Rate (%) of cancellation of Payment Appropriations. Target <2%
Timely payments*	Rate (%) of payments executed within the legal/contractual deadlines. Target >90%
Rate of outturn*	Total payments in year N and carry-forwards to Year N+1, as a % of the total EU funding received in Year Target >96%
Audit recommendation implementation*	Rate (%) of external and accepted internal audit recommendations implemented within agreed deadlines. Target >90%

³³ Proposed indicators and targets to be confirmed in 2021

* KPI's for Directors & benchmarking

The ETF has a robust principle based system of internal controls in place. In November 2017 the ETF adopted a framework of 17 Internal Control Principles, in line with the Commission's revised internal control framework.

The ETF internal control framework helps the ETF to reach its objectives and sustain operational and financial performance. It provides reasonable assurance that internal controls are in place and function correctly to mitigate risks, and that any potential weaknesses are addressed in the form of corrective actions.

The ETF monitors the implementation of internal controls on a regular basis through a number of internal control indicators. A robust assessment of the effectiveness of internal controls is carried out every year, the aim of which is to provide evidence-based reasonable assurance the internal controls are in place function as intended, and that any weaknesses are identified and improvement actions put in place accordingly.

Since 2014 the ETF has put in place an overall approach to develop and implement an in house anti-fraud culture. In this context an Anti-fraud Strategy has been adopted to identify and assess existing anti-fraud measures as well as the residual areas of intervention needed to strengthen the ETF anti-fraud framework. In line with best practices and guidance issued by OLAF, the strategy has been updated in 2019 complemented by an annual Action Plan.

The activities for 2021 primarily aim at reinforcing the in-house awareness to prevent conflict of interest, irregularities and fraud. The delivery of an annual anti-fraud training programme for different target groups is foreseen together with an ex-post evaluation on the use of declarations of interest and conflict of interest forms, an ex-post verification of financial transactions, the analysis of the Register of exceptions and of the audit recommendations.

Annex XI - Plan for grant, contribution and service-level agreements

The ETF participates in several ongoing EC service level agreements for services provided by other entities such as with DIGIT for IT security support, IT hosting and e-prior services, with DG BUDG for the use of ABAC, with DG HR/PMO for the provision of SYSPER and management of entitlements as well as with OIB, CDT and EPSO.

Within the ETF mandate and Financial Regulation, and in addition to the EU contribution, the ETF may receive additional revenue from EC/Union bodies through **Contribution agreement or Service level agreement** and from Member states/third countries/international organisations/non-Union bodies through **bilateral cooperation agreement or bilateral agreement** for services performed.

From EC/Union bodies:

- Additional funds through **Contribution agreement** – *for actions compatible with the ETF mandate and objectives, justified by the specific expertise of the ETF, the nature of the additional tasks cannot be within the scope of the tasks already financed by the EC subsidy.*
- Funds/reimbursement through **Service level agreement** – *for provision of services*

From Member states, third countries, international organisations, non-Union bodies:

- Financial contribution to a specific project through **bilateral cooperation agreement** – *for contribution to ETF specific projects or actions*
- Reimbursement for services performed through **bilateral agreement** – *for provision of services*

Currently, the ETF has no ongoing **contribution and service level agreements** with the European Commission in place for additional funds. It is however planned, during the forthcoming multi-annual financial framework 2021-2027, to benefit from the options allowed by both the mandate and financial regulation and obtain additional revenue from entities requesting ETF services.

Annex XII - Strategy for cooperation with third countries and/or international organisations

Cooperation with third countries and international organisations in the field of Human Capital Development is explicitly stated in the mandate of the ETF³⁵ i.e. working with partner countries, other international actors, EU Agencies and social partners at European level including participation of third countries who share the EU commitment to supporting Human Capital Development in third countries.

More specifically:

- To facilitate the exchange of information and experience among donors engaged in human capital development reform in partner countries, and
- To disseminate information and encourage networking and the exchange of experience and good practice between the EU and partner countries and among partner countries in human capital development issues.

For the ETF there are three main reasons to enter into or establish a partnership.

1. Advance the HCD Agenda in the ETF Partner Countries

A partnership provides the means to an end in creating the potential to achieve a reach the ETF could not achieve alone. It also facilitates the opportunity to increase the dissemination of good practices and ETF proven methodologies. This extends to influencing the reform processes and the development of strategic policies.

2. Access Capacities and Resources Beyond ETF's Current Means

Working in partnership increases the potential to find new or additional resources, enhances efficiency gains and cost saving; it affords the opportunity to make savings based on the economies of scale and provides increased access to resources and capacities outside the organisation. It also enables improvements in operational efficiency (cost/benefit analysis) and creates the opportunity to unlock expertise expansion and sustain policy implementation.

3. Wider Influence

Partnerships allow the opportunity to increase the influence of the ETF and provide opportunities to further advance the Human Capital Development agenda. They enable the ETF to increase its own visibility and credibility, thus enabling a greater capacity for the first reason to partner. Creating strategic alliances will enhance the ETF's international capacities, reach and knowledge base.

In the above context, the ETF strategic approach to cooperate effectively supports the identification of those partnerships that provide the organisation the greatest value to implement the ETF strategy 2021-2027 and to become **a global asset for the EU**, a resource to be used in support to the EU investments in human capital development through **a diversified provision of clearly agreed services** :

³⁵ Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation (recast) <http://data.europa.eu/eli/reg/2008/1339/oj>

- as an important resource for programming and preparing EU investment in human capital development and for monitoring and evaluating the resulting actions. This applies to both individual country assistance and centrally managed regional or thematic programmes;
- a **partner to the EU to enhance the strategic impact of EU funds**. On request, the ETF could upscale selected methodologies, intelligence, diagnosis or policy advice to a wider range of countries with the support of dedicated funds^{viii} in accordance with the ETF's mandate and the scope afforded by its financial regulation.

The ETF will seek to create partnerships and strategic alliances with:

- **EU services:** to pursue opportunities to target ETF knowledge and products more accurately in order to maximise the uptake of its expertise, share good practice and support the EU external actions under the EU Enlargement and Neighbourhood policies and the global agenda for achieving the 2030 Sustainable Development Goals.
- **EU agencies:** joint work with other EU agencies, in particular Cedefop and Eurofound, will be strengthened in the areas of shared interest to ensure mutual benefit and exchange of experience between the EU and partner countries.
- **EU Member States and bilateral organisations:** Cooperation with EU Members States and actors driving thematic development and implementation will be a key feature to deliver on ETFs objectives.
- **International organisations and donors active** in the area of human capital development globally such as OECD, UNESCO/UNEVOC, ILO and ITC-ILO);
- **International financial institutions investing** in the area of human capital development globally (such as the World Bank, European Bank for Reconstruction and Development, European Investment Bank and the Asian Development Bank);
- **Platforms and networks** to enable building and benefiting from already existing partnerships, research and knowledge bases at regional and/or cross-country level.

Annex XIII - Collaboration with other EU Agencies

Cedefop Action plan for collaboration in 2021

Actions	Activities
Qualifications development	<p>Shared products (publications)</p> <ul style="list-style-type: none"> - (i) co-design, development and drafting of forthcoming edition of the European Inventory on Validation; (DG EMPL coordinates); - (ii) co-design, development and production, (also with UNESCO) of the fifth edition of the Global NQF Inventory; <p>Joint advice to Commission:</p> <ul style="list-style-type: none"> - in the EQF, exchange of data and intelligence on qualifications systems and frameworks in the Advisory Group's sub-group on EQF to NQF comparison for third countries; <p>Information-sharing, expertise exchange, peer learning:</p> <ul style="list-style-type: none"> - in particular contribute to skills Agenda implementation in micro-credentials, individual learning accounts, interoperable databases of qualifications, common European VET profiles, upskilling pathways and international qualifications, use of ESCO and Europass in third countries.
Skills matching and anticipation/ identification	<p>Thematic cooperation:</p> <ul style="list-style-type: none"> - Platform economy/platform work: knowledge sharing, co-work on terminologies and approximate methodologies - exploring possible set up for joint cooperation with other stakeholders (e.g. EC, JRC, Eurofound) <p>Network building:</p> <ul style="list-style-type: none"> - Cedefop membership in the ETF Skills Lab High Level Advisory Group - Network of experts in the Skills Lab's work strands e.g. Platform work <p>Communication and dissemination</p> <p>Cedefop inputs to ETF Corporate Conference (May 2021); ETF inputs to Cedefop skills identification conference in Q2 2021;</p>
Innovative teaching and learning	<p>Network-building:</p> <ul style="list-style-type: none"> - Cedefop membership of ETF Creating New Learning's new expert group; - Co-development of common tools - sharing research tools and experiences in their use, and pooling of data, in respective projects in curricula innovation (notably Key Competences), teaching and teachers and learning;
Centres of Vocational Excellence	<ul style="list-style-type: none"> - Exchange of knowledge and expertise - Participation of Cedefop in webinars organised by ENE or partners
Copenhagen/ Osnabrück process follow up – Reporting ³⁶	<ul style="list-style-type: none"> - Development of joint monitoring framework for deliverables under Osnabrück Declaration - Monitoring of the agreed priorities and joint (where appropriate) presentation of findings

³⁶ To be continued once decisions are taken after November 2020

EUROFOUND Action plan for collaboration in 2021

Actions	Activities
Participation in activities and exchange of information	<ul style="list-style-type: none"> • Platform economy/ platform work: knowledge sharing actions (also with participation of JRC and Cedefop), including reciprocally inviting experts to working meetings and conferences/seminars • COVID-19 and the impact on business continuity: changes in workplace practices (continuation 2020 project) explore the possibility of applying the ECS Survey questionnaire to ETF PCs - also in relation information collection on the impact of COVID-19; knowledge sharing of results of ECS survey and ETF studies (also with participation of CEDEFOP); reciprocally inviting experts to working meetings and conferences • Provision and use of public services (in particular employment support services, and education) in COVID- 19 times: knowledge sharing • NEETs and COVID-19: exchange on methodologies and knowledge sharing of results • Fairness and the future: ETF participation in expert discussions, conferences, seminars organised by EF
Shared services	<ul style="list-style-type: none"> • Compare methodologies of performance measurement (indicators) related to inputs and outputs between the four Agencies and align where possible • Continue to share ideas on performance indicator methodologies with other Agencies in the context of the PDN • Continue to share methodologies for peer review risks 2020 Social and Employment involving CDT, Cedefop, ETF, EU, OSHA and Eurofound
Programming	<p>In consideration of the different mandates of the Agencies the joint action plan for the next year will be prepared following the exchange of draft work programmes before their approval by the respective Administrative Boards. Both agencies will refer to each other's work and cooperation where appropriate.as well as in relevant strategic discussion</p>
Consultation	<p>Organisation of annual meetings (possibly teleconference) to discuss and assess progresses on the above and other relevant issues</p>

Annex XIV – Planned requests from EU services 2021

Planned requests as at end of September, 2020 with approximate budget and resource allocation without mission costs.

POLICY DIALOGUE

Country	Description
Albania	Support to the SRPC skills component related sector policy dialogue - EUD Albania
Armenia	Support to BQBJ related sector policy dialogue - EUD Armenia
Serbia	Support to the sector policy dialogue related to SRPC - EUD Serbia
SEMED	Up-dates for SOUTH sub-committee meetings
EE	Up-dates for EAST people-to-people and cluster committees
SEET	Up-dates for SEET sub-committee meetings
Planned resources - Budget € 20,000 and Expertise € 84,575	

ASSESSMENTS

Country	Description
SEET	Support to the assessment of Economic Reform Programmes
All	Country fiches for South and East Neighbourhood + Enlargement
Planned resources - Budget € 10,000 and Expertise € 79,905	

METHODOLOGICAL TOOLS AND GUIDES

Country	Description
Lebanon	Dissemination of DG NEAR Education diagnosis piloted in one PC
Planned resources - Expertise € 7,783	

DIFFERENT PHASES OF THE EU BILATERAL AND REGIONAL EXTERNAL ASSISTANCE PROJECT CYCLE

Country	Description
Algeria	Content monitoring of AFEQ project (AAP 2014) - EUD Algeria
Algeria	Support to the operationalisation of the EU project Youth Employability in Handicraft and Tourism - EUD Algeria
Armenia	Content and methodological advice for BQBJ SRC implementation - EUD Armenia
Azerbaijan	Support to the TOR and operationalisation of the Education for Employment Programme (AAP 2018) - EUD Azerbaijan
Azerbaijan	Content and methodological advice for the Skills Needs Anticipation Project/LM & Skills Observatory (AAP 2016) - EUD Azerbaijan
Belarus	Identification and formulation of AAP 2020 on VET & Skills - EUD Belarus
Belarus	Content and methodological advice for the EU Employment and VET project implementation - EUD Belarus
Bosnia and Herzegovina	Support to the broadening and implementation of IPA 2016 and design of IPA 2019 - EUD Bosnia and Herzegovina
Egypt	Content monitoring of the EU TVET programme (NIP 2011-13) - EUD Egypt
Egypt	Support to the formulation of new EU intervention (TBC)
Georgia	Content and methodological advice for the EU SRPC Skills Development and Matching for LM needs (AP 2018) - EUD Georgia
Jordan	Content monitoring of the new SRPC - EUD Jordan TBC
Kosovo	Content and methodological advice for the implementation of ALLED II (IPA 2017, including observer/inputs to the SC - EUO Kosovo
Lebanon	Support to the formulation of EU programme for Palestinian refugees in Lebanon - EUD Lebanon
Lebanon	Support to the operationalisation of the IPA 2018 VET component and content and methodological advice - EUO Kosovo
Lebanon	Technical inputs to the Action Plan for VET Vision - EUD Lebanon
Lebanon	Support to the operationalisation of 'VTE4all – recognised job-related competences for Syrian refugees, IDPs and vulnerable Lebanese' - EUD Lebanon
North Macedonia	Content and methodological advice for the SRPC (IPA 2018) - EUD North Macedonia
Palestine	Identification and formulation of a new EU TVET intervention in East Jerusalem - EUD Palestine
Serbia	Support the preparation of IPA2020 intervention tackling further development of the non-formal learning system - EUD Serbia
Turkey	Content and methodological advice for the implementation of IPA II projects, inc. observer in the IPA Sectoral Management Committee - EUD Turkey
Ukraine	Content monitoring EU VET intervention - EUD Ukraine
Central Asia	Support to the operationalisation of the CAEP II successor programme - DEVCO
EE	Content and methodological advice for the implementation of the EU4Youth Programme - DG NEAR

Planned resources - Budget €104,000 and Expertise €405,754