In Brief

- In the past twenty years, supranational employment policy cooperation in the European Union has increased significantly.
- Whereas plenty of programs on numerous employment-related issues were established, cooperation between the member states predominantly occurs on a voluntary basis.
- Monitoring is conducted via instruments like peer reviews, benchmarking and mutual learning in the formal framework of the European Semester.
- With regard to designing and evaluating common activities, various EU institutions strongly rely on internal and external research-based policy advice.
1 Introduction

Article 145 Treaty on the Functioning of the European Union (TFEU) mandates the European Union and its member states to “work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce and labour markets responsive to economic change”. Added in the Treaty of Amsterdam, the new employment chapter was to become the legal basis for the European Employment Strategy and the beginning of continuous coordination efforts on European level. Since employment and social policies have traditionally been perceived as national competences tied to the member states’ sovereignty, the policy area has experienced a comparably low degree of formal supranationalization but has mostly relied on “soft” control mechanisms, shared practices and peer pressure.

Although increased European level attention towards employment issues started only in the 1990s due to high unemployment rates throughout the community, some elements of the field go back further. The Treaty of Rome, for example, demanded equal pay for men and women and established the European Social Fund which still constitutes an important source of funding for employment initiatives. In addition, the 1980s and 1990s witnessed the creation of the European Employment Service (EURES), the possibility for collective agreements between European social partners and directives on worker health and safety.

In November 1997, even before the Treaty of Amsterdam had been ratified, the Luxembourg Jobs Summit assembled in order to implement the provisions of the newly included employment chapter. Taking into account the procedure outlined in Article 148 TFEU, the summit launched the European Employment Strategy which was to be conducted and monitored via the Open Method of Coordination, the so-called Luxembourg process. This annual cycle of reports, assessments, targets and monitoring of implementation efforts between the members and supranational institutions, which has now been integrated into the European Semester, was meant to ensure that coordination continued and best practices were shared under the principle of subsidiarity, thus without touching on the member states’ sovereignty.

Together with the “Cardiff Process”, established 1998 in order to render European markets structurally more efficient and improve competitiveness with the objective of increasing employment, and the macroeconomic dialogue, a platform for (non-binding) coordination of economic policies, the Luxembourg process forms the European Employment Pact, a milestone in EU-level employment cooperation. Also known as the “Cologne process”, this agreement aims at covering all factors that are relevant for employment in the EU and at involving all policy-making parties into the dialogue to promote growth and jobs while keeping prices stable.

Further important steps in the 2000s leading up to today’s political situation include the integration of the three pillars of the Employment Pact into the Lisbon Strategy, the introduction of the EU programme for employment and social solidarity and the
addition of Article 9 TFEU with the Treaty of Lisbon, which makes high employment a horizontal target that should be taken into consideration in any kind of policy area.17

Today, twenty years after the Treaty of Amsterdam and the Luxembourg Jobs Summit, the European Union’s approach to employment policy coordination has evolved from the treaty amendments, initiatives and changes of the past and, at the same time, been influenced by new priorities and social realities.

The underlying report intends to provide an overview of the numerous current activities and processes in the area of employment at the European level. More precisely, it will cover

- the main policy frameworks, programs and issues such as the European Employment Strategy, Europe 2020 and the Youth Guarantee,
- the instruments and procedures used to encourage and monitor implementation of common employment objectives, including the European Semester, the Open Method of Coordination, legislation and funding,
- the institutions and actors that are involved in EU-level employment policy cooperation and policy-making, ranging from EU institutions over the European social partners to the European Network of Public Employment Services.

Based on this compilation, potential points of access for research-based policy consulting will be evaluated.

2 EU-Level Frameworks and Initiatives for Employment Policy Cooperation

The purpose of this first chapter is to present the areas and issues currently covered by EU employment policy cooperation, including the two major frameworks under which supranational coordination mainly takes place – the European Employment Strategy and Europe 2020 – and the relevant programs that were established in this context. Further common initiatives, for example with a focus on youth employment, are also described.

2.1 European Employment Strategy

Since its initiation in 1997, the European Employment Strategy (EES) has evolved into a major policy framework covering diverse areas of employment issues. The Commission’s website declares "the creation of more and better jobs throughout the EU"18 as the strategy’s primary objective. Nowadays the EES forms part of the new 10-year growth strategy, Europe 2020, in which employment is directly addressed by means of a flagship initiative, as to be discussed in section 2.2.19 In 2011, the EES Open Method of Coordination procedure was adapted to and included into the European Semester20,
a central policy coordination cycle that will be a subject of the following chapter. At this point, it should merely be mentioned that the EES does not primarily aim at adopting supranational legislation but focuses on opportunities for mutual learning, setting benchmarks and providing incentives for compliance by reporting and monitoring progress by means of the European Semester.21

Looking at the past years, the Commission’s Employment Package of 2012 would certainly represent one of the more prominent examples of action taken under the EES.22 Given the high levels of unemployment caused by the widespread economic recession, the Barroso Commission suggested a number of measures necessary to stop the negative trend,23 ranging from proposing job promotion in promising sectors, adopting a demand-side focus on labor market policies and further facilitating labor mobility to remedying skill mismatches and strengthening EU-level monitoring activities.24 Later in 2012, a specific Youth Employment Package was released, which will be discussed in further detail in section 2.3.25

Apart from launching the broadly applicable employment package, the EES specifically targets groups like the self-employed and entrepreneurs, in particular start-ups founded by unemployed or vulnerable individuals.26 The Commission has supported the provision of microloans as part of the Europe 2020 strategy, from 2010 until 2013 via the so-called European Progress Microfinance Facility and starting with the new Multiannual Financial Framework in 2014, via the Microfinance and Social Entrepreneurship axis of the Employment and Social Innovation programme (EaSI; see also section 2.4).27 Essentially, the initiatives aim at increasing the availability of small loans (of amounts lower than 25.000€) to prospective entrepreneurs that would not receive this loan on the free market due to their financial status, social position etc. For this purpose, microloan providers are enabled to issue more risky loans by providing guarantees, capacity-building measures or funding. For the 2014–2020 period, the allocated budget amounts to 193 million €.28

Based on directives adopted mainly in the 1990s and 2000s, the EES also continues to prioritize the implementation of a minimum of health and safety standards, labor law and anti-discrimination regulations in all member states.29 In order to ensure compliance with these standards and advance their application on national level, for example, the Commission’s current Strategic Framework on Health and Safety at Work outlines essential challenges in this area and proposes measures to face or resolve them adequately.30 In addition, a European Centre of Expertise was founded in 2016, with the intention of assisting the Commission in monitoring the member states’ efforts and raising public awareness of labor law issues.31 Since the directives constitute EU law and therefore legally obliged the member states to transpose and implement the standards on national level, the Court of Justice of the European Union can be consulted and the Commission has the authority to initiate infringement proceedings if the laws are implemented insufficiently.32

A brief overview should be provided over the multitude of EES programs not covered in the previous paragraphs. Within the EES framework, the Council of the European
Union has recently adopted a recommendation on the integration of long-term unemployed workers into the labor market, proposing increased efforts to incentivize this group to register with employment services and to draw up personalized job integration agreements that are based on an individual assessment of skills and abilities. The (legally non-binding) implementation of these suggestions is monitored by the before mentioned European Semester, a roadmap for the evaluation has been published by the Commission in June 2017. Funding for reducing long-term unemployment is made available by the EaSI programme, for example, amounting to 9 billion € that are allocated to eligible projects run by public or private institutions and organizations in the member states. Moreover, migrant labor integration is addressed in various contexts. In 2016, for instance, the Action Plan on the Integration of Third Country Nationals was adopted promising support for the member states in areas such as education and training, employment, integration into vocational training etc. Further action under the EES includes the European Platform tackling undeclared work, funded by EaSI and intended to spark cooperation of national authorities to strengthen mutual learning, and assistance measures in the case of company restructurings, by means of promoting information of the workers and helping them to find a new job quickly.

**2.2 Europe 2020**

In the current decade, the European Employment Strategy is primarily being implemented within the framework of the Europe 2020 growth and jobs strategy. More precisely, the targets serve as benchmarks for the EES. The Europe 2020 long-term agenda succeeded the Lisbon Strategy in 2010 and promotes the overall objective of smart, inclusive and sustainable growth in the 2010–2020 period, i.e. of investing effectively in education and innovation, of reducing carbon emissions and of fighting unemployment and poverty. For this purpose, five quantifiable headline targets have been defined: with regard to employment, the corresponding target aims at having 75% of the 20–64-year-olds in the EU employed by 2020. Other targets cover education, poverty, climate and energy as well as research and development. Based on the headline targets the member states are asked to develop their national goals, i.e. to indicate to what extent they see themselves capable of (over- or under-) fulfilling the different numerical targets, with the Commission checking for consistency with the overall...
strategy. Meanwhile, the Commission is also supporting the strategy by pursuing seven flagship initiatives, among them the "Agenda for New Skills and Jobs" and "Youth on the Move".42

In the area of employment, the Agenda for New Skills and Jobs can probably be considered the most important initiative since it seeks to contribute directly to the 75% employment target. It tackles the issue of labor market reforms by encouraging the concept of "flexicurity", the combination of employer flexibility and job security for the workers. Stakeholders at all levels (supranational EU institutions, national authorities and social partners) are asked to cooperate to assist workers in the development of skills in demand on the (future) labor market and the related attempt to reduce long-term unemployment. Moreover, under this initiative, both working conditions on the one hand and conditions for creating new jobs on the other hand are to be improved.43 In order to keep track of current vacancies and thereby recognize skill mismatch trends as early as possible, the project "Monitoring labour market developments in Europe" was introduced, issuing quarterly and biennial reports on the current situation.44

Youth on the Move focused on the quality provision of education and training for young people and aimed at increasing their mobility to allow them to gain experience abroad and find jobs more easily.45 It ran from 2010 to 201446 and triggered various initiatives, some of which will be discussed in section 3.2. At this point, the Commission’s Mobility Scoreboard could be mentioned as one example, a tool developed to assess learner mobility in the member states and the progress that is made in this area in order to identify challenges as well as best practices.47

The implementation of Europe 2020 and especially the headline targets is, once again, monitored by the European Semester.48 Only with a common system of economic governance, it was assumed, can effective coordination between the EU and the member states be achieved and the Europe 2020 goals be accomplished.49 Numerous national and supranational institutions are involved in the process, as will be described in chapters 3 and 4. In 2014, the Commission published a communication on the progress of Europe 2020, evaluating it as mixed due to the severe effects of the economic crisis, but showing promising structural developments. Performance on the employment rate target was found to be highly different between the member states, with the overall rate amounting to 68.4% in 2013, the 2010 level.50 A public consultation in the same year arrived at a similar result as the Commission when evaluating Europe 2020 as beneficial and effective in terms of promoting growth and jobs in the European Union.51

2.3 Youth Employment

In addition to the general course of action to reduce unemployment and create sustainable growth, particular attention has been paid to the alarming youth unemployment rates in the aftermath of the economic crisis.52 Consequently, the Council of the EU adopted the EU Youth Strategy 2010–2018, a framework designed to promote goals
such as more and equal opportunities for young people and a more active participation in society in numerous areas. With regard to employment a variety of programs was launched especially in combination with the Europe 2020 agenda, for example the Youth on Move initiative and the Youth Employment Package mentioned above. Simultaneously, programs like Erasmus+ have been extended to groups like young entrepreneurs in order to improve training and education. It is important to keep in mind that these kinds of strategies and initiatives are usually not legally binding, since employment and social policies have traditionally been national competences, but rely on the Open Method of Coordination, i.e. voluntary commitments and peer pressure.

Figure 2: Overview of EU youth employment policies

<table>
<thead>
<tr>
<th>Year</th>
<th>Program</th>
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</thead>
<tbody>
<tr>
<td>2009</td>
<td>EU Youth Strategy 2010-2018</td>
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<tr>
<td>2010</td>
<td>Youth on the Move 2010-2014</td>
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<tr>
<td></td>
<td>•2011: Youth Opportunities Initiative</td>
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<td></td>
<td>•2012: Your first EURES Job</td>
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<tr>
<td>2012</td>
<td>Youth Employment Package</td>
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<td></td>
<td>•2013: Youth Guarantee</td>
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<td></td>
<td>•2013: European Alliance for Apprenticeships</td>
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<td></td>
<td>•2014: Quality Framework for Traineeships</td>
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<tr>
<td>2015</td>
<td>European Pact for Youth</td>
</tr>
<tr>
<td>2015</td>
<td>European Union Work Plan for Youth 2016-2018</td>
</tr>
<tr>
<td>2016</td>
<td>Investing in Europe’s Youth</td>
</tr>
</tbody>
</table>

Within these frameworks, more precisely under Youth on the Move, the Commission announced the so-called Youth Opportunities Initiative in 2011. It recognizes the prerogative of the member states in this policy field, but offers to support national authorities in using available EU funding more effectively, on mobility programs such as “Your first EURES job”, for example. “Your first EURES job” is an online platform that assists young people below the age of 35 to find a job, a traineeship or an apprenticeship in another European country. Apart from matching potential employers and employees, the platform can provide language classes or financial support for travelling. Having started out as a pilot project, the program is continued in the current budgetary cycle, the Multiannual Financial Framework 2014-2020, funded by the Employment and Social Innovation programme.

Shortly afterwards, in 2012, the Youth Employment Package constituted the next milestone in the fight against youth unemployment. It proposed a Council recommendation on a Youth Guarantee, according to which every young person under the age of 25 should be offered employment, a traineeship, an apprenticeship or an education opportunity within four months of graduating or getting unemployed. Moreover, it suggested further consultations on an EU-wide Quality Framework for Traineeships and presented the European Alliance for apprenticeships.
In April 2013, the Council recommendation concerning the Youth Guarantee was passed, calling on the member states to revise their outreach strategies towards young people, to encourage skill development and mobility using EU funds and to form partnerships between the relevant stakeholders (employment services, social partners, private sector, ...). Policymakers hoped to reach especially vulnerable or low-skilled young individuals and prevent them from long-term unemployment and social exclusion. In the 2014-2020 financial period, for example, at least 12 billion € are made available for youth employment issues. As stated before, the Youth Guarantee is not a legally binding instrument; implementation depends on the national circumstances. Every member state is asked to develop a Youth Guarantee implementation plan, outlining changes and measures, funding and monitoring processes that will eventually make it possible to swiftly provide every young graduate or unemployed individual with an opportunity. On the European level, channels of exchanging solutions that have been developed in the member states, i.e. best practices, are provided on both technical and political level within the EES Mutual Learning Programme. In a similar spirit, a network of national Youth Guarantee coordinators has been established in order to create a point of contact between the Commission and the national authorities at the regular meetings. The European Network of Public Employment Services is also involved by sharing experiences and evaluating progress. On a more institutionalized level, the implementation of the Youth Guarantee, more precisely the national plans, is monitored via the European Semester.

In 2016, the Commission performed a more global evaluation of the effects of the Youth Guarantee up to this date: while both the youth unemployment rate and the rate of young people not in employment, education or training (NEETs) have decreased, their 2015 levels of 20.3% and 12%, respectively, continue to call for action especially with individuals distant from education and the labor market. In terms of structural reforms such as newly created partnerships, improved apprenticeship systems and extended capacities of public employment services, according to the Commission the program has proven to be successful. Nevertheless, the roll-out and absorption especially of the EU funds was too slow at the beginning and the quality of the services provided is considered to show potential for improvement.

On the political level, the Youth Guarantee received continued attention. As mentioned above, the introduction of the Youth Guarantee was combined with advanced consultations on a Quality Framework for Traineeships and the presentation of the European Alliance for Apprenticeships, aiming at smoothing the transition from school to work. Eventually adopted in 2014 as a Council recommendation (after an attempted agreement between the social partners had failed) the Quality Framework establishes guidelines for the quality of traineeships, e.g. regarding working conditions, learning opportunities and transparency, which can be improved by means of a potentially mandatory written traineeship agreement. The member states are asked to change or draft legislation accordingly. Being based on a recommendation, the framework is, however, legally not binding; thus it has been criticized that many trainees still don’t receive a written contract or that there is no binding provision for appropriate remuneration,
leaving 59% of trainees in 2014 unpaid according to the European Trade Union Confederation.68

The purpose of the European Alliance for Apprenticeships, on the other hand, lies in the establishment of a platform for all parties involved, such as governments, social partners, businesses, think-tanks etc., with the common objective to increase the supply and quality of apprenticeships in Europe as well as mobility opportunities and the image of this type of education. The alliance was formally established in 2013 through a joint declaration of the European social partners, the Commission and the Council Presidency and has witnessed commitments of 31 European countries by now. Numerous private corporations implement the goals via the business-led initiative Alliance4Youth and organizations such as the European Training Foundation and the European Centre for the Development of Vocational Training (CEDEFOP) provide expertise to the network.69

In recent years, the problem of youth unemployment has received further attention in European politics. For example, in 2015, the Commission and private sector businesses agreed on a European Pact for Youth, an initiative to create more and better partnerships between businesses and the education sector in the form of traineeships, apprenticeships etc. with the Commission providing technical support. First results will be presented in December 2017, but it is expected that about 10,000 partnerships and thereby 100,000 labor market opportunities will be created.70 In the same year, the Council of the European Union passed a new European Union Work Plan for Youth for the years 2016-2018, to continue implementing the EU Youth Strategy.71 A new initiative was presented by the Commission in December 2016, titled Investing in Europe’s Youth, which apart from demanding a revision, continuation and improvement of existing programs such as Erasmus+, the Youth Guarantee and the youth programs of the New Skills Agenda for Europe (see below) launched the European Solidarity Corps. With the intention of increasing mobility and solidarity among young people in Europe, the Corps allows 18-30-year-old Europeans to spend 2-12 months in another European country and either volunteer or do paid work in a social project.72 Despite the numerous initiatives, however, criticism is voiced about the persistently high number of unemployed young people; insufficient funding, a lack of national strategies and the unsustainable nature of some of the newly created employment opportunities are identified as some of the main problems.73

2.4 Further Employment-Related EU Initiatives

Especially in terms of funding, the so-called Employment and Social Innovation programme (EaSI) constitutes a major framework for European employment policies in the 2014-2020 (financial) period. Managed directly by the Commission, the EaSI is considered “a financing instrument at EU level to promote a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions”.74 On the one hand, the program aims at promoting the Europe 2020 goals, on the other hand it is
designed as a framework initiative itself. Consequently, the EaSI consists of three “axes”, three previously existing programs, namely the Programme for Employment and Social Solidarity (PROGRESS), the European Employment Services (EURES) and the microfinance and social entrepreneurship axis. For the 2014–2020 period, a total budget of 920 million € has been allocated to EaSI activities, with a special focus on innovative and experimental reforms that can be implemented more broadly if successful. Like most programs in this policy area, the EaSI’s methods include coordination and the exchange of best practices with regard to national reforms.

61% of the total EaSI budget are earmarked for the PROGRESS axis, which is intended to be in charge of modernizing policymaking on employment and social issues. The program’s main areas of focus include reducing youth unemployment, fighting poverty and social exclusion and improving working conditions. Apart from funding innovative policy experiments, emphasis is also put on information-sharing and capacity building on all levels in order to advance implementation of EU employment and social policies. The EaSI’s second axis concentrates more specifically on labor mobility by funding the European Job Mobility Portal linked to the public employment services. 18% of the EaSI budget are thus used to pursue the goals of making vacancies more transparent, advancing recruitment and placement services to users of the portal and forming partnerships to assist cross-border commuters. The remaining 21% are tied to the third axis dedicated to providing microloans to entrepreneurs especially from socially disadvantaged groups and to supporting social enterprises, as outlined in section 2.1.

Moreover, skill development has also been an important element of European employment policy for many years. For example, a European Skills, Competences and Occupations classification (ESCO) was developed, meaning that standard descriptions and categorizations of skills and standard formats were designed to make CVs better understandable throughout Europe. Similarly the European Qualifications Framework seeks to present competences in a comparable way. In 2016, following up on one of the declared priorities of the Juncker Commission, “A New Boost for Jobs, Growth and Investment”, the Commission initiated the so-called New Skills Agenda for Europe. Ten key actions over the next two years are set out to improve the use of existing skills and train people in new skills needed by today’s employers. They include a skills guarantee for adults, called “Upskilling pathways”, i.e. support to obtain basic literacy, mathematical and digital skills as well as to proceed to an upper secondary qualification, which was adopted by the Council in the end of 2016. Moreover, they include a proposition on sectoral cooperation to detect and communicate about skill requirements and shortages in specific sectors. A review of the European Qualifications Framework targets skills comparability issues while the newly created Digital Skills and Jobs Coalition aims at strengthening digital competences throughout the labor force, training unemployed young people in this area and extending life-long learning possibilities by means of intensive cooperation between the stakeholders. Furthermore, the Commission suggested, among others, to revise the Europass Framework, a unified tool to present one’s skills in a standardized way, to promote vocational training more strongly and to develop a Skills Profile Tool Kit to assess existing skills of migrants.
It is in the same context that the concept of a European Pillar of Social Rights was developed by the Commission and proclaimed by the EU Social Summit for Fair Jobs and Growth in November 2017. Designed to "set [...] out principles for a Union built on social fairness," the initiative will cover the Eurozone and be open for any other member state to join. The 20 key principles and rights include (access to) social protection, fair labor markets and fair working conditions, with accompanying initiatives on issues like working time, employee information and work-life balance of families. The Pillar is supposed to serve as a reference standard against which national policies will be assessed and evaluated. The so-called Social Scoreboard was developed in order to measure and compare progress, with the results being taken into account by the European Semester procedure. By triggering reforms in the member states the Pillar is to function as a basis for convergence on employment and social policy issues in the Economic and Monetary Union.

Especially within the Economic and Monetary Union (EMU), the Pillar could also constitute a step towards a stronger convergence based on binding standards in the area of employment and social policy, as demanded in a 2017 Commission reflection paper. Following the Commission's White Paper on the future of Europe, this paper intends to advance progress on the objectives set by the 2015 Five Presidents' Report on the completion of the EMU. Moreover, another reflection paper has recently been published with the intent to trigger a debate about the general future of the social dimension in the EU.

Apart from calling for further integration of employment issues, the Five Presidents' Report also identifies the need for a common fiscal stabilization mechanism for the EMU. One approach that is currently being discussed in this context is the idea of introducing a European unemployment benefits scheme (EUBS). If adopted and depending on its design, such a EUBS could have a significant impact on the existing national unemployment insurance schemes and deepen cooperation on social policy issues. At the same time, arguments against standardisation of the different social security systems, respectively, in favour of alternative coordination mechanisms have been raised.

### 2.5 Conclusion

In the past twenty years, supranational employment policy cooperation in the European Union has increased significantly. The start of the European Employment Strategy, the Europe 2020 framework, and the struggle for youth employment were major steps in the development. Whereas plenty of programmes on numerous employment-related issues were established, cooperation between the member states predominantly occurs on a voluntary basis. In this regard, the subsequent chapter will treat instruments and processes for supranational employment cooperation.
3 Instruments and Processes for Supranational Employment Cooperation

While the previous chapter introduced EU-Level frameworks and initiatives for employment policy cooperation, this chapter discusses the implementation and monitoring. For this purpose, various procedures are being used, most prominently the European Semester and the Open Method of Coordination. In this context, the chapter also addresses EU legislation and funding.

3.1 The European Semester

As emphasized at various points in chapter 2, most supranational frameworks and programs in the area of employment policy are not legally binding. Nevertheless, the member states’ activities with regard to the implementation of measures like the Youth Guarantee, for example, are being monitored at EU level by means of one of the most important annual procedures of the European Union, the previously mentioned European Semester. After the economic and debt crises in the late 2000s, a more effective alignment of national fiscal, budgetary and other macroeconomic policies was demanded in order to ensure proper coordination between the states, implementation of common actions and thus stabilization of the EU. Moreover, the community recognized the need for a surveillance tool to detect severe financial and economic imbalances at an early stage. As a result, the European Semester was established in 2010, based on a reform of the Stability and Growth Pact (the “six pack”). It can best be described as an annual coordination cycle following a strict timetable, during which states and EU institutions issue reports, recommendations etc. at particular points in time with the purpose of monitoring national policy implementation on the one hand and coordinating economic measures on the other hand. Consequently, the objectives of the European Semester are to avoid macroeconomic imbalances and critically high levels of public debt as well as to strengthen investment and structural reforms to achieve the Europe 2020 targets.

To obtain a first and general overview, Figure 3 shows a stylized timeline of the European Semester:

Figure 3: Who does what in the European Semester?
Who does what in the European Semester?

- **Nov**
  - Preparatory phase
  - Analysis of the situation and follow up to the previous year

- **Dec**

- **Jan**
  - Phase 01: Policy guidance at the EU level

- **Feb**

- **Mar**

**European Commission**
- Draws the analysis
- Budgetary and structural policies
- Macroeconomic imbalances
  - Annual Growth Survey (AGS)
  - Draft recommendation for the euro area
  - Alert Mechanism Report

**Council of the EU**
- Studies the AGS and the euro area recommendation, adopts conclusions

**European Parliament**
- Provides opinion on employment guidelines

**European Council**
- (Heads of state or government) provides policy orientations
- In-depth reviews of countries with potential macroeconomic imbalances
The relevant elements for the area of employment will be discussed in more detail. One of the very first documents issued in each cycle of the Semester is the Annual Growth Survey (AGS), as mentioned in the upper part of the chart. This report assesses the current economic situation of the European Union, e.g. developments on the labor market, and identifies the political priorities for the following year, such as modernizing education and training, facing demographic changes and growing number of migrant workers and fighting youth unemployment for 2017, for example. Combined with other documents, among them the draft recommendation for the euro area, which addresses fiscal and structural topics for the Eurozone, the AGS constitutes the so-called “Autumn Package” of the Commission. The AGS and the draft recommendation are then discussed and conclusions are adopted by the Council of the EU; a few
weeks later, the European Council endorses the priorities stated in the AGS as well as the results of the draft recommendation and asks the member states to take these documents into account when deciding on their national policies.\textsuperscript{93}

In addition, the Commission publishes a Country Report for each member state in February (the "winter package"), which is later also discussed in the Council of the EU. These reports evaluate the progress a country has made regarding the country-specific recommendations from the previous cycle of the European Semester (see next paragraph), with a growing focus on employment and social issues under the current Commission. Since it is not until April that the member states are required to submit their new National Reform Programs (NRP), i.e. the policies and implementation measures planned for the year, there remains room for dialogue on the conclusions from the Country Reports and their implications for the upcoming NRP. Bilateral meetings are scheduled between Commission representatives and member states governments, parliaments and other national actors such as the social partners. Based on these consultations, the Country Report, the AGS etc., the national policymakers are asked to consult the relevant stakeholders in their country and to compile the previously mentioned National Reform Programs.\textsuperscript{94}

The Commission then analyzes the NRPs with regard to its conclusions in the Country Report, the cycle's general economic priorities and the compliance with the Europe 2020 targets.\textsuperscript{95} The institution summarizes their findings in the so-called country-specific recommendations (CSR): for each member state, the general priorities are applied to the respective national situation and areas of political action are recommended to implement these priorities, to improve national shortcomings and to face upcoming challenges in the next 12-18 months. A communication from the Commission on general trends and required measures accompanies these recommendations. After undergoing a discussion and approval procedure as outlined in the depiction above, the final version of the CSRs is passed in July, leaving it to the countries to begin implementing the recommendations and taking them into account in their budgets for the following year.\textsuperscript{96}

Further essential elements in the framework of the European Semester include procedures addressing macroeconomic imbalances as well as control measures for national budgets in order to ensure fiscal soundness.\textsuperscript{97} Despite constituting an important part of the cycle, the budget coordination measures’ effect on employment policies is only indirect, which is why they will not be discussed in more depth in this context. Macroeconomic imbalances are, for example, examined via a scoreboard in the Commission’s Alert Mechanism Report which forms part of the autumn package. If a member states seems to exhibit such imbalances, an in-depth review is conducted and included into the Country Report, which is then taken into account in the country-specific recommendations. In case of (excessive) imbalances identified in the review, the affected countries are placed under specific monitoring, i.e. continuing dialogue on correcting the imbalances. A state that shows "excessive imbalances with corrective action" is placed under enhanced surveillance, i.e. may have to file a corrective action plan. This
process within the European Semester is known as Macroeconomic Imbalance Procedure.98

Another tool of the European Semester deserves particular attention when discussing employment policies. Apart from the inclusion of employment-related issues into the AGS, the Country Reports and the CSRs, a separate Joint Employment Report is proposed by the Commission as part of their autumn package. This report evaluates the current situation and challenges in employment – in 2016, for example, an upward trend was identified alongside further significant potential for improvement – and the policy efforts of member states during the previous year. The evaluation is conducted by means of a scoreboard, which uses six categories to rank and compare countries according to their (relative) achievements. This assessment occurs against the background of the Employment Guidelines, whose implementation the Joint Employment Report comments on, too.99

The Employment Guidelines (EG) had already served as a means of coordination and monitoring before the European Semester was established, but had subsequently been integrated into the procedure. They provide direction for national employment policies in the NRP and the Commission’s CSRs by making a connection between employment-related measures and the Europe 2020 targets. Formally, new EG have to be passed every year by the Council based on a Commission proposal, but in practice their content remained largely the same from 2010-2014 and since 2015. In combination with the Broad Economic Policy Guidelines they form the so-called “Integrated Guidelines”.100 Apart from the Joint Employment Report, two additional instruments are used to monitor the implementation of EG under the Europe 2020 targets, namely the indicator-based Joint Assessment Framework and the more condensed Employment Performance Monitor which presents an overview over the Joint Assessment Framework’s findings on the main challenges in the field of employment.101

3.2 The Open Method of Coordination

Determining common goals for employment policies in the EG and leaving implementation to the member states according to the respective national situation constitutes an attempt to establish interstate cooperation despite the absence of comprehensive hard EU legislation in this area.102 As mentioned in the previous chapters, this soft mechanism is generally referred to as the Open Method of Coordination (OMC). In policy fields that remain largely under the authority of the national governments, EU-level cooperation and convergence are intended to be achieved by jointly setting objectives and simultaneously agreeing on indicators and benchmarks to evaluate national implementation based on reports by national or EU institutions.103 The EG and the Country Reports, for example, form part of this method.

Other instruments of common non-legislative action in the area of employment include the establishment of mutual learning procedures and the exchange of best practices, via learning exchanges, peer reviews and databases. In alignment with the European Semester, the Commission has set up a Mutual Learning Programme cycle within
the framework of the European Employment Strategy that comprises all these elements. Peer reviews, for instance, are hosted by member states in order to share concepts or approaches that proved effective; learning exchanges mainly serve the purpose of assisting countries facing specific challenges. The database of labor market practices collects successful policy examples from the member states. In addition, thematic events for a broad group of stakeholders and dissemination seminars on the findings of the Mutual Learning Programme are organized. Another tool for cross-country comparison in particular is provided by the Commission’s thematic factsheets (on topics such as active labor market policies, youth employment etc.) accompanying the Country Reports. Within the PES Network, the European Network of Public Employment Services, a so-called benchmarking approach is pursued, combining benchmarks and mutual learning mechanisms in a way that shall trigger learning processes based on evidence from country comparisons.

Although failure to implement common goals or transpose recommendations into national policy action cannot be sanctioned in a traditional way, the OMC is nevertheless able to exert pressure on uncompliant states. “Naming and shaming”, for example, denotes the practice of singling out these countries and publicly reprimanding their lack of action. Criticism from their cooperation partners – peer pressure – and public attention is then supposed to adjust the target state’s behavior. The monitoring role in this multilateral surveillance system is primarily performed by the Commission and, for example, at ministerial meetings on employment policies.

3.3 Supranational Legislation

Whereas the OMC constitutes the predominant process for EU-level cooperation in the field of employment, in some specific areas supranational legislation can be and has been passed, among them directives regarding health and safety at work, anti-discrimination measures and labor law establishing minimum standards for working conditions. If these requirements are not sufficiently transposed into national law, the Commission has the possibility to start infringement proceedings. The legislative procedure differs from other policy fields, since the European social partners, whose composition will be described in the next chapter, are strongly involved in the process.

According to Art. 154 TFEU, the European social partners have a right to be consulted by the Commission on any social legislative initiative it introduces, which allows for direct influence on the design of a policy. The social partners may furthermore suspend the Commission proposal and decide to commence bipartite negotiations on the issue. Several procedural outcomes from the social dialogue are possible in this context: On the one hand, the employer and employee representatives can arrive at a framework agreement on the particular issue, a so-called autonomous agreement, which will be implemented in the member states in a decentralized manner. In the past, such agreements were made on topics like telework or harassment and violence at work, for instance. Certain areas allow for a further legislative step, meaning that the social partners can choose to pass their agreement on to the Council via the Commission and ask
to have it adopted as a directive. The Commission then conducts an impact assessment and may accept or reject the social partners’ request, but an amendment of the agreement is not possible. Previous examples include directives on parental leave or part-time work. On the other hand, if no agreement is reached or if the decision to start bipartite negotiations is not taken in the first place, the Commission can proceed with its proposal along the regular legislative channels. Depending on the issue, passing a directive then requires either majorities in both the Council of the EU and the European Parliament or unanimous voting in the Council after consulting with the Parliament.111

3.4 Funding

Apart from mutual learning and soft coordination or hard supranational legislation, the allocation of financial resources constitutes another EU-level tool to promote implementation of common goals. With regard to social and employment policies, the European Social Fund (ESF), one of the European Structural and Investment Funds, assumes a central role in funding programs and initiatives in the member states that aim at reducing unemployment and social exclusion, increasing labor mobility, improving educational opportunities and capacity-building in public authorities. For the 2014–2020 period, 86.4 billion € have been designated to the ESF (corresponding to 7.95% of the total EU budget), subject to the principle of co-financing, i.e. the ESF payments to projects in an EU country have to be complemented by national funding.112 In order to allocate the financial means in accordance with the countries’ wealth, three categories of regions are identified (less developed regions, transition regions and more developed regions), with each category receiving a certain percentage of the available budget. At the beginning of the multiannual financial period, each member state develops one or more Operational Programmes for the seven-year term, outlining priorities and types of actions to be implemented with ESF support. Their direction is defined in the more general Partnership Agreement between the member state and the EU concerning the use of all structural funds in order to reach the Europe 2020 targets. In Germany, for example, 17 Operational Programmes are filed – one federal and one by each federal state – according to which the funds are allocated to programs and projects, with tight monitoring regarding an effective use of the funds. Beneficiaries of ESF funding, i.e. organizations that apply for and run the selected employment-related projects on national or regional level, include public administrations, social partners, NGOs, businesses, etc.113

In order to target youth unemployment in particular, an additional funding instrument has been created in 2013, the so-called Youth Employment Initiative (YEI). Its primary purpose lies in the implementation of the Youth Guarantee – the objective of providing every young person with a job, training or educational opportunity within four months of graduating or becoming unemployed. Correspondingly, regions with youth unemployment rates higher than 25% in 2012 (or 20% if the national youth unemployment rate was higher than 30% in 2012) are eligible for receiving YEI financing for programs targeting young people not in employment, education or training (NEETs). YEI financial
means are to work as a complement to ESF funding in this area. Given the high youth unemployment rates at the beginning of the 2014-2020 period, the majority of the 6.4 billion € available for 2014-2018 were distributed in the first two years in order to quickly set up the national Youth Guarantee measures; in the course of the mid-term review of the budget in 2016, it was suggested to increase the YEI funding by an additional 2 billion euro.114

Whereas the ESF pursues strategic and long-term objectives in the area of social policies and employment, the European Globalization Adjustment Fund (EGF) allows for a more immediate reaction if unemployment occurs as a result of globalization processes or financial and economic crises. A maximum of 150 million € can be allocated for this purpose in the 2014-2020 framework, providing individuals with financial support for training measures or starting a business if the region is eligible for EGF funding.115

3.5 Conclusion
Implementation of employment policy initiatives at the EU-level relies on a number of formal processes. Monitoring is conducted via instruments like peer reviews, benchmarking and mutual learning in the framework of the European Semester. This is amended to a certain extent by supranational legislation as well as relevant funding mechanisms. The EU-level institutions involved in these processes will be depicted in the subsequent chapter.

4 EU-Level Institutions Involved in Common Employment Policy Initiatives

Following on from the previous chapter, which treated instruments and processes in EU employment policies, the current chapter focusses on the relevant institutions and organisations. While for the most part, those have already been briefly mentioned in the previous chapters, their role is now to be summarized and presented in more detail.

4.1 The EU Institutions
One of the EU institutions’ major channels of involvement in supranational employment policy cooperation is the European Semester as described in chapter 3. While the Commission focuses on reporting, analyzing and keeping up the dialogue with the member states, the Council of the EU (national ministers) considers and passes conclusions on the Commission’s findings. The European Council (heads of state and government) provides policy guidance and direction and eventually endorses the country-specific recommendations.116 In this chapter, the role of the relevant EU institutions as well as other actors is to be examined in more detail.

The Commission is composed of 31 Directorate-Generals covering different topics of EU policymaking. Regarding employment and social policy, the Directorate-General
Employment, Social Affairs & Inclusion (DG EMPL) – currently under the lead of Commissioner Marianne Thyssen – plays the most important role. It prepares the employment-related parts of the Country Reports and the country-specific recommendations, although it has to take into account the general annual strategy and opinions of other DGs. Apart from its role in the European Semester, DG EMPL is also involved in policy initiatives such as most recently the European Pillar of Social Rights, it conducts further analyses on employment issues as well as policies in this field and engages in dialogue with stakeholders, e.g. in the form of consultations before policy proposals are finalized. The job portal EURES is associated with this unit of the Commission, as is ESF and EaSI funding management. Another field of action is the promotion of the exchange of best practices, for example via the Mutual Learning Programme mentioned before. In addition, the state and development of the member states’ labor markets are analyzed by the Directorate-General for Economic and Financial Affairs (DG ECFIN). The department examines, among others, the effect of structural reforms, publishes papers and reports on the topic and addresses labor market issues at events such as the Annual Research Conference 2016, to mention one example. The main focus is on labour markets being also macroeconomically key for competitiveness, inflation, forecasts and beyond. In general, the Commission monitors the implementation of EU laws and initiatives in the member states and can propose drafts for new legislation in areas such as employment (taking into account the rights of the European social partners as outlined before).

Similarly, the Council should be considered as a set of topic-specific configurations of national ministers. Apart from the Education, Youth, Culture and Sport Council, which contributes to monitoring the corresponding Europe 2020 targets and offers a framework for cooperation, the Employment, Social Policy, Health and Consumer Affairs Council configuration (EPSCO) is most relevant in the present context. EPSCO is composed of the member states’ ministers for these areas, who usually meet four times a year. Based on Commission proposals, the Council can adopt binding legislation or recommendations in the area of employment with involvement of the European Parliament.

Another equally important body is the so-called Employment Committee (EMCO). Created in 2000 within the European Employment Strategy framework “to promote coordination between Member States on employment and labour market policies”, it assumes the role of an advisory committee for the EPSCO ministers. Each member state appoints two members and two alternate members, as does the Commission. Although EMCO is organizationally associated with the Council, the Commission also acts as a secretariat for the committee. In terms of operations EMCO is further divided into an indicators group, conducting technical and indicator-based tasks, and a policy analysis group, which offers recommendations based on these findings.

One of EMCO’s primary task consists of monitoring the member states implementation efforts, of the national Youth Guarantee implementation plans and the Recommendation on Long-Term Unemployment in particular and of the employment-related country-specific recommendations in general. It uses the previously explained Joint Assessment Framework and issues the Employment Performance Monitor in cooperation with
the Commission. Based on its findings from monitoring the country's efforts to implement the country-specific recommendations, EMCO provides an opinion on the new recommendations to the Council. Moreover, it prepares the text of the annual Employment Guidelines and provides an opinion to the Council on the Joint Employment Report proposal as well as a draft for the Council conclusions on the Annual Growth Survey. While conducting its tasks, EMCO regularly consults with the social partners and other committees.121

Since labor market and employment policy coordination relies to a large extent on interstate cooperation, the formal involvement of the European Parliament may be characterized as less strong than in other policy areas. If hard legislation is passed, most issues do demand approval by the Parliament according to the ordinary legislative procedure; directives on social security and social protection, protection of workers in case of contract termination, representation of workers’ and employers’ interests including co-determination and employment conditions for third-country legal EU residents, however, require a mere consultation of the Parliament.122 The institution has nevertheless pushed for a stronger integration of employment issues into EU strategies and the European Semester during the past decades, with a specific Committee for Employment and Social Affairs (EMPL) composed of representatives covering these topics. In the past years involvement of the Parliament in the European Semester has increased as leading members of the Commission and the Council are invited among others to discuss the different steps and documents of the Semester with the representatives (the so-called "Economic Dialogues"). Moreover, the Parliament is consulted prior to the Council's decision on the Employment Guidelines and adopts a report of its own on the Commission's autumn package, for example, commenting on the reports and identifying needs for further action.123

Participation of civil society organizations and national social partners takes place via the European Economic and Social Committee (EESC). The EESC has the status of an advisory committee which provides opinions on employment legislation as well as on reports like the Annual Growth Survey and the Employment Guidelines, for example, in order to represent the interests of its stakeholders. In addition, a specialized think-tank called the Labour Market Observatory monitors the implementation of strategies and the current situation in the labor market, for instance. A similar consulting role for the legislative process and the European Semester is assumed by the European Committee of the Regions.124

4.2 The European Social Partners

Apart from the EU institutions, the European social partners also constitute important actors in supranational employment policymaking, as outlined in the previous chapter with regard to their role in the legislative process. Organizations that the Commission has recognized as European social partners due to their representativeness of member state social partners and their capacity to participate at European level and which are therefore currently consulted in cross-industry European social dialogue include: the European Trade Union Confederation (ETUC) in particular as well as the CEC European
Managers and EUROCADRES (professional and managerial staff), who represent workers and employees, whereas BusinessEurope, the European Association of Craft, Small and Medium-Sized Enterprises (UEAPME) and the European Centre of Employers and Enterprises providing Public Services and Services of general interest (CEEP) promote employers’ interests. As one example, ETUC brings together 99 national and European trade union confederations and is governed by a Congress, an Executive and a Steering Committee. In addition to the cross-industry organizations, numerous sectoral groups represent industry-specific concerns.125

The role of the social partners is officially recognized in Art. 152 TFEU. In practice, one can distinguish between bipartite and tripartite cooperation. Autonomous agreements and agreements that are turned into directives are concluded by bipartite social dialogue between employers’ and workers’ associations, with cross-industry negotiations taking place in the so-called Social Dialogue Committee and sectoral discussions being conducted in one of the 43 sectoral social dialogue committees. The Social Dialogue Committee meets three to four times a year and is composed of a maximum of 66 representatives, with employers and employees represented in equal shares. Moreover, the European social partners adopt a common work program developing the basis for future cooperation.

Tripartite talks, on the other hand, include the EU institutions into the dialogue. Most prominently, cross-industry exchange take place at the Tripartite Social Summit for Growth and Employment, which is held each spring and comprises ten representatives of each side of the social partners as well as members of the Commission and the current and upcoming council presidencies. The summit serves the purpose of ensuring ongoing dialogue and integrating the social partners into EU strategic policymaking.126 Beyond consultation on legislative proposals and general dialogue the social partners can also be asked to participate in impact assessments preceding policy initiatives and have the possibility to take part in public consultations. They are members of Commission advisory committees such as the Advisory Committee on Freedom of Movement for Workers and are represented in the leadership of organizations such as Eurofound (European Foundation for the Improvement of Living and Working Conditions) and CEDEFOP (European Centre for the Development of Vocational Training).127

In recent years, the Commission has made an attempt to strengthen the role of the European social partners. In 2015, for example, the European Semester was adjusted in order to involve actors like the European Parliament, national parliaments as well as European and national social partners more strongly in the process. The Country Reports are now being published earlier in an attempt to give the member states more time to hear the social partners when drafting the National Reform Programmes. In a similar fashion, a first review of EMCO by social partners and member states took place in 2016 examining the current role of the social partners in the European Semester. Stronger participation of the social partners is ultimately considered to lead to a greater acceptance and better implementation of the EU employment policies.128
4.3 Public Employment Services Cooperation

Cooperation in the area of employment policy is not limited to member states, EU institutions and social partners, but is also shaped by a continuous exchange between national public employment services. With the creation of the PES Network in 2014, the European Network of Public Employment Services, coordination processes were formalized. The main focus of the network lies on building channels for sharing best practices and learning from each other’s practical experiences on the basis of performance comparison with the objective of improving and modernizing the members’ service provision, in terms of implementing the Youth Guarantee and contributing to the Europe 2020 targets, for example. An Annual Work Programme summarizes activities and policy areas. As outlined before, the so-called benchlearning concept constitutes the organization’s central approach in promoting indicator-based and comparative mutual learning. Since the PES Network was established by a Parliament and Council Decision, it can issue official recommendations to the EU institutions and can be heard as an expert.  

Documents relating to the activities and best practices of the network and its members are collected and provided via the PES Knowledge Centre, an online database that also contains information on other European-level public employment service programs such as the Partnership between Employment Services (PARES) initiative. As part of the Agenda for new skills and jobs, PARES aimed at increasing quality and efficiency of employment service provision by improving cooperation between different types of organizations, such as public and private employment services, and identifying areas where complementary services could be created. Whereas the final PARES Strategic Dialogue took place in 2016, the collected experiences can still be consulted via the online database.

In the area of labor mobility, the European Employment Service (EURES) constitutes the most prominent network of cooperation, its partners including public and private employment services, employers’ and workers’ associations etc. Its purpose lies in the coordination of the partners’ provision of placement and recruiting services to both sides of the labor market on European and national level, as well as in the distribution of information on working in other countries and the monitoring of mobility obstacles. Moreover, EURES is active in cross-border regions to form partnerships that promote mobility. Core elements of EURES are the previously mentioned online European Job Mobility Portal linking jobseekers and employers throughout Europe and the EURES advisers in the member organizations. In 2016, a new regulation obliged the national governments, among others, to improve the accessibility of uploaded job vacancies and to collect data on labor mobility and the use of the network.

4.4 Conclusion

European employment policy involves various institutions. This concerns the EU core institutions such as the European Council, the Commission and the Parliament. However, further organization also play an important role, such as the European social partners or the cooperation among public employment services. The final chapter
will discuss demand and opportunities for research-based employment policy advice at EU-Level.

5 Research-based Employment Policy Advice at EU-Level

The underlying paper outlined issues, instruments, processes, and institutions in the field of European employment policies. Now, the final chapter discusses demand and opportunities for research-based employment policy advice. Given the subject-specificity of employment policy output at EU level – considering Commission proposals for initiatives and legislation, country-specific recommendations, etc. –, academic policy advice is relied upon in different steps of the previously described processes.

Within the EU institutions, for instance, the European Parliamentary Research Service constitutes an example for an in-house think-tank. Established in 2013 it conducts impact assessments for legislation proposals and evaluates results, including monitoring of other EU institutions; documents on labor market policies are regularly published by this department. For this purpose, external partners and experts are relied upon in various forms: on the one hand, framework contracts that result from an application procedure establish a pool of partners, to which research tasks are then easily allocated when needed. On the other hand, contracts are also concluded with individual experts.

In 2014, the European Political Strategy Centre (EPSC) was established by European Commission President Jean-Claude Juncker as the Commission’s in-house think tank. EPSC aims at providing strategic, evidence-based analysis and forward-looking policy advice, just as to facilitate communication with decision-makers, think tanks and civil society. Integrated in the Commission is also the so-called Joint Research Centre, a separate Directorate-General under lead of the Commissioner for Education, Culture, Youth & Sport which provides evidence-based policy analyses and advice to the EU institutions. Apart from conducting its own research, the center strongly collaborates with external institutions and partners and issues calls for tenders. The Joint Research Centre covers a broad variety of scientific areas; while employment is not one of these areas, it is touched upon in the context of information technology and digitalization, migration and demography and in the field of innovation and growth. In addition, a recently established Scientific Advice Mechanism led by a High Level Group of scientists and associated with the five European academy networks is to provide timely and independent advice to the Commission; so far, labor market and employment topics have not been addressed.

Moreover, numerous external think-tanks issue opinions on EU policies or conduct studies mandated by the Commission. Some of the most prominent Brussels-based organizations that produce output on employment policies (among others) include the European Policy Centre (EPC), the Centre for European Policy Studies (CEPS), Bruegel,
the European Social Observatory (OSE) and the European Trade Union Institute (ETUI). The Commission itself can also set up expert groups which offer advice to the EU officials on preparing and implementing proposals and policies. Potential members of such groups are individuals, organizations (companies, social partners, research institutions, academia ...), member state authorities and other public entities such as international organizations. DG EMPL, the Directorate-General in charge of employment and social policy, obtains advice from expert groups on topics such as vocational education, qualifications, posting and free movement of workers as well as undeclared work.

Other vehicles of interaction with the Commission on policy issues include consultations and feedbacks. On its website, DG EMPL opens roadmaps, inception impact agreements and evaluation roadmaps of employment and social policies for public feedback, allowing for opinions from research institutions, public authorities, NGOs, citizens, etc. While open for everybody, this channel of communication is mainly used by some members of the expert public, by organizations such as the Confederation of German Employers’ Association (BDA), ETUC or authorities like the Austrian Federal Ministry of Labour, Social Affairs and Consumer Protection, for example. Adopted proposals for legislation are found in the Register of Commission documents and can equally be commented on, with the results being presented to the European Parliament and the Council. In the policy development phase DG EMPL can initiate an open public consultation inviting statements from stakeholders and citizens. Exchanges with the research community also take place at conferences on formal and informal level.

Some technical or scientific tasks are delegated by the Commission to so-called decentralized agencies. DG EMPL, for instance, relies on organizations such as the European Foundation for the Improvement of Living and Working Conditions (Eurofound) and the European Centre for the Development of Vocational Training (CEDEFOP) to provide knowledge on employment and social issues and to promote vocational education and training, respectively. Both examples of decentralized agencies draw on external contractors to fulfill some of their tasks, by calling for external experts or by opening calls for tenders and proposals.

When considering the provision of employment policy advice, it also makes sense to briefly comment on the organizational structure of DG EMPL. Apart from issue-specific units such as “Social Dialogue” or “Employment Strategy”, to mention just some examples, geographical units focus on small groups of member states. The latter strongly contribute to documents such as the Country Reports of the European Semester. Unlike other units and departments, the geographical units do not have a significant budget at their disposal, but academic policy advice is very welcome in this area. Especially research findings that are finalized until September or October of each year, when the Country Reports are in the process of being drafted, can be used for the following Semester’s reporting, or projects which deliver a clearly defined result at a foreseeable point later in the process. As previously outlined, Country Reports comment on the progress of the member states with regard to the country-specific recommendations, since 2017 also from a longer-term perspective. In contrast to that,
the procedure of drafting the country-specific recommendations, for example, is rather rigid and allows for little external involvement.

If research-based policy input is required on a certain topic, the Commission in particular may have one or more external partners conduct a study on their behalf. Specific annual work programs of DG EMPL identify the budget lines which will cover the funding for grants, public procurement, social dialogue and other initiatives in the upcoming year. It specifies predetermined grants for international organizations such as ILO or the OECD for studies and projects and sets a financial framework for calls for proposals on various topics. Depending on the nature of the project or service required, the Directorate-General issues a call for proposals, which asks for project suggestions that are then supported (but not fully funded) by a grant, or a call for tenders, which serves as a procurement tool for awarding public contracts on specific tasks. Apart from DG EMPL’s own website, all calls for tenders are made available on the Tenders Electronic Daily (TED) online platform. After expiry of the respective deadline, the submitted proposals and tenders are evaluated, potentially with the assistance of contracted external experts.

Some units of DG EMPL, such as the cross-sectional “Thematic Analysis” unit, allocate small-scale studies without a formal call for tenders, but in a rapid process to a qualified external partner. For such contracts with a budget between 15,000 € and 60,000 €, the Directorate-General is obliged to offer a prior information notice, also called ex-ante publicity, briefly announcing the upcoming decision and providing the opportunity for external parties to express their interest. In the final application procedure only the Commission’s pre-selected candidates are allowed to participate. For larger studies, the official tenders or proposal procedure has to be applied, which is more formalized and takes up a longer time until completion.

In recent years, studies have been commissioned on issues such as access to social protection for employees with non-standard contracts (conducted by the European Social Policy Network) and a potential European unemployment insurance (conducted by CEPS), to mention some examples. In the near future, EU labor mobility will continue to constitute a relevant topic. Moreover, in the medium-term, the expiry of the Europe 2020 strategy will demand a final evaluation of the strategy’s effects. For example, qualitative analyses comparing several countries with regard to the results of Europe 2020 efforts will be required by the Commission. However, beyond projects funded by EU institutions, policymakers rely on relevant existing studies, also in view of the fact that initiating new projects is time-consuming and limited by financial capacity.

Considering the implementation of the country-specific recommendations, annual evaluations are rendered difficult by the rather short period in which the member states can translate the Commission’s findings into policies (the recommendations being published in May and the draft budget for the following year being submitted in October by euro area countries). An issue that arises in this context, however, which may be open to research-based policy advice is the proper formulation of the country-specific recommendations. Whereas the Directorate-Generals prepare a position for their policy area for each country, the final compilation, selection and wording of the
recommendations in their entirety are subject to a political process within the Commission and receive much external attention. Research may address the questions in how far thematic focuses are placed effectively in this process and if the setup and the formulations are suited to trigger the desired changes in the member states.

Any form of research-based, academic policy advice at EU-level should be provided in English in order to make the findings accessible to all employees of the Commission or other recipients. For DG EMPL, research that puts its findings in a European context and that can be used to draw conclusions from a European perspective is particularly interesting. In this regard, discussing in how far country-specific findings can be generalized to a European context and which lessons can be learned from an international perspective proves valuable. Further examples would include comparisons of countries with similar labor markets or labor market institutions, evaluation of policy instruments etc. Apart from that, the Parliamentary Research Service, for instance, also concludes research contracts with external experts for single countries and uses partners to conduct national case studies. In order to be considered for EU-level provision of policy advice, one factor that is generally required is being independent from national policymakers’ interests and influence and being perceived as such.

As mentioned before, in the area of employment policy, the European Network of Public Employment Services (PES Network) constitutes another important actor that operates based on research and evidence. For example, in order to implement the core concept of benchmarking between the European public employment services, a call for tenders was issued by DG EMPL in 2014. It contained the tasks of analyzing and comparing the performance of the public employment services in order to identify evidence-based best practices as well as of promoting mutual learning and implementation of these practices. In practice, the activities included academic research, planning of events and further action to support the PES Network.

With regard to designing and evaluating common activities in employment policy, various EU institutions strongly rely on internal and external research-based policy advice. While the sovereignty for this policy area remains largely with the national governments, employment policy cooperation has created an institutional structure at EU-level that actively promotes common action, and a further deepening of the union is being discussed. That will most likely continue to require external input.

6 Conclusion

Since the 1997 inclusion of the employment chapter into the Treaty of Amsterdam, cooperation and coordination have been extended significantly in this policy area. Nowadays, the European Employment Strategy framework includes programs and initiatives supporting entrepreneurs, monitoring progress in labor law improvement, providing opportunities for skill enhancement and assisting migrants as well as long-term unemployed individuals. The newly introduced European Pillar of Social Rights constitutes the most recent example of promoting stronger convergence among the member states in this field. In the aftermath of the economic crisis in the late 2000s,
a particular focus has also been placed on fighting youth unemployment and activating young people not in education, employment or training. Among the variety of programs to increase the mobility of young people and to improve the quality and image of apprenticeships and traineeships, for example, the Youth Guarantee represents one of the most ambitious goals.

In terms of direction and content, European-level employment measures have been integrated into the current overarching ten-year strategy of the Union, Europe 2020. Funding for common projects and implementation in the member states is provided by the Employment and Social Innovation programme and the European Social Fund, for example. Integration has also taken place with regard to procedural aspects: cooperation in the area of employment is now implemented, analyzed and monitored as part of the European Semester cycle. Starting with the Annual Growth Survey and the Joint Employment Report in the fall and the Country Reports in the winter of each year, the EU institutions as well as national policymakers discuss the findings, resulting in National Reform Programs filed by the member states and country-specific recommendations drafted by the Commission before being reviewed and adopted by the Council. Simultaneously, the Employment Guidelines, which provide direction for meeting the Europe 2020 targets in this area, have to be confirmed or adjusted every year.

While the areas and target groups covered by employment policy initiatives have increased and processes have been streamlined, common activities are still mostly based on voluntary, legally non-binding cooperation. Mechanisms include peer reviews, benchmarking and mutual learning rather than formal sanction mechanisms. Concerning issues like minimum standards for working conditions, some legislation can be and has been passed, with potentially strong involvement of the European social partners in the legislative process. While the development of common political action since the 1990s is remarkable, labour market and employment policy is still largely a national domain. The prevalence of national actors' interests and institutional differences must be taken into account when assessing the achievements of EU-level policies.

Among the relevant institutions in the design, implementation and monitoring employment policy programs are also the Commission’s Directorate-General Employment, Social Affairs & Inclusion, the Employment, Social Policy, Health and Consumer Affairs Council configuration and its advisory body, the Employment Committee. The European Parliament, the European Economic and Social Committee and the European Committee of the Regions contribute to the process as well; moreover, cooperation between public employment services has been intensified in recent years via the PES network.

The development and monitoring of common employment activities relies in many parts on academic policy advice, which can be provided by internal think-tanks and research centers of EU institutions as well as by external partners. Some of the channels for external policy advice especially to the Commission include expert groups, consultation and feedback opportunities and calls for tenders or proposals regarding studies, for example. Apart from the Commission and DG EMPL in particular, the PES Network also heavily relies on research-based findings on employment policy. Relevant
future topics in this policy area may be the final evaluation of Europe 2020, for example, and analyses of the effectiveness of the employment-related country-specific recommendations’ formulation. In the context of the European Semester, research-based findings are used for the compilation of the Country Reports, for example, which assess the states’ implementation progress with regard to the country-specific recommendations. More generally, research that provides relevant information for drawing conclusions from a European perspective is of particular interest.

In conclusion, an increase in supranational cooperation efforts since the relatively recently establishment of the EU policy area can be observed, considering the broader coverage and growing formalization of the field. Learning from other member states’ experiences and coordinating activities on topics such as labor mobility appear to be based on rather comprehensive agreement. On the other hand, given the significant diversity among the member states with regard to employment and social policy systems and the traditional perception of the field as a national core competence, the sovereignty for this policy area remains largely with the national governments as does correspondingly the (voluntary) implementation of supranational recommendations and initiatives. Nevertheless, employment policy cooperation has created an institutional structure at EU-level that actively promotes common action, and a further deepening of the union is being discussed. That will most likely continue to require external input.

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2 EU-Level Frameworks and Initiatives for Employment Policy Cooperation


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3 Instruments and Processes for Supranational Employment Cooperation

4 EU-Level Institutions Involved in Common Employment Policy Initiative


5 Research-based Employment Policy Advice at EU-Level


http://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwji2Z79zK7UAhUJK1AKHd7dGjFUG6GeqMkMjyuA&aT=0&url=http%3A%2F%2Fec.europa.eu%2Fsocial%2FBlob-Servlet%3FdocId%3D2796%26langId%3D%26展示了%3D%26tusq=AFoCNEnGU10nfFKWW450soAC0Vv2e_tCuO


