

SOC/002
(ex SOC/365)
**Community vocational training
action programme
(Leonardo)**

Brussels, 15 October 1998

OPINION

of the

Economic and Social Committee

on the

**Proposal for a Council Decision establishing the second phase of
the Community vocational training action programme "Leonardo da Vinci"**
(COM(1998) 330 final - 98/0196 SYN)

On 15 September 1998 the Council decided to consult the Economic and Social Committee, under Article 198 of the Treaty establishing the European Community, on the

Proposal for a Council Decision establishing the second phase of the Community vocational training action programme "Leonardo da Vinci"
(COM(1998) 330 final - 98/0196 SYN).

The Section for Social, Family, Educational and Cultural Affairs, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 16 July 1998. The rapporteur was **Mr Vasco Cal**.

At its 358th plenary session (meeting of 15 October 1998), the Economic and Social Committee appointed **Mr Cal** as rapporteur-general and adopted the following opinion unanimously.

1. Introduction

1.1 At the end of May 1998 the Commission presented a proposal for a Council decision establishing the second phase of the Leonardo programme, to run from 1 January 2000 to 31 December 2004 (five years, like the present programme). The proposal was submitted in conjunction with proposals for the second phase of the Socrates and Youth programmes, and the Commission took advantage of this to use the same wording for many articles in the decisions, even though they involve separate pieces of legislation. Unfortunately the Committee's meeting schedule prevented it from setting up study groups to consider these proposals, and it appointed rapporteurs-general for the three opinions.

1.2 The Commission's proposal for the second phase of the Leonardo programme is based exclusively on Article 127 of the EC Treaty (pre-Amsterdam version). It proposes to reduce the programme's objectives from 19 to three, and the number of strands (3) and measures (19) to six, retaining or strengthening project types and the two selection procedures. As at present, the priorities will be approved by the Leonardo committee, but in future they will cover a three-year period rather than just one year. The Commission proposes that there be a second call for programmes half way through the period. However, the selection process will remain annual. The proposed budget for the second phase is ECU 1000 million, compared to ECU 620 million for the first phase.

1.3 The Commission also considers that more responsibility for organizing and managing actions and measures should be devolved to the Member States, through the use of a decentralized selection procedure based on "indicative budgets" for each country. The centralized selection procedure at Community level would only be used for projects submitted by European organizations and networks, and demonstration projects for piloting European cooperation in innovative fields.

1.4 The results achieved during the first phase were discussed in an interim report which the Commission submitted on 23 July 1997 (COM(97) 399 final). At that stage, it was too early to give a definitive, detailed assessment of the programme's impact as the first projects only began to be operational at the beginning of 1996.

1.5 On the whole, project promoters feel that the results have been positive, although there has been criticism of the complex procedures, budget cuts and payment delays.

1.6 The external evaluation report, commissioned by the Commission and completed in March 1997, raises a number of worrying questions about programme management.

1.6.1 The Commission has a special unit for the operational management of the programme, with over 30 officials. It is also aided by a technical assistance office (TAO) in Brussels, and national coordination units (NCU) have been set up in the Member States. The annual operating costs of these bodies are high, at ECU 4.5 million for the special unit, 8.5 million for the TAO and 8 million for the NCU, with the latter coming from the sum allocated to the programme in part B of the budget. In other words, the equivalent of 14% of the programme's annual budget is spent on running the programme. The Commission justifies this high percentage by citing the large number of activities, the varied nature of the strands, the annual calls for proposals, and the complexity of the evaluation and selection machinery. A similar situation must not be allowed to recur in the implementation of the second phase of the programme.

1.6.2 The external evaluation report also gives an estimate of the costs incurred by project promoters in presenting their proposals and adjusting them to financial constraints. Adding this rough estimate to the costs mentioned above, the report considers it reasonable to conclude that between 30 and 40% of resources are used on managerial and administrative tasks (see point 4.9 of the report). The premises behind this figure are over-simple and the figure does not include the sums contributed by the partners, although their costs are included, as is expenditure on seminars organized by the TAO. The figure appears exaggerated, but it still draws attention to the ways the programme is managed.

1.6.3 Even more serious is the fact that the TAO's work is basically limited to contract management and knowledge of the financial and administrative details; it has insufficient direct contact with the projects, and is unable to actually assess them. A databank giving the products and results of earlier programmes can only be consulted at the TAO's multimedia centre.

1.6.4 The fact that the Commission departments have fewer resources than the TAO means that technical knowledge of the projects appears insufficient, the dissemination of good practice is limited and the anticipated effects on the rest of vocational training activity are not sufficiently apparent. These impact-related aspects should be remedied in the second phase of the programme. Despite the large sums spent on administrative tasks, up-to-date information about the results of the projects receiving funding is not available on the Internet.

1.6.5 Since the drafting and publication of the March 1997 evaluation report, the programme has moved on from the launch stage, with some projects reaching finalization and products being created.

The projects are beginning to market products, and thematic and transnational promotional conferences are being held to mobilize promoters' expertise on key issues for vocational training policy. Furthermore, information on selected projects can be accessed more easily thanks to the publication of a CD-ROM compendium and the forthcoming launch of an Internet site offering the same information.

2. General comments

2.1 The Leonardo programme is supposed to provide an instrument for implementing an EU vocational training policy. Yet such a policy does not exist, and the Council has not yet shown any political will to define it. Consequently, the programme's influence on Member States' vocational training systems is limited, particularly in those countries whose systems are the most developed. It has a greater impact in smaller countries, and this aspect should also be borne in mind when planning the second phase of the programme, notably in the criteria for determining the financial allocations (Annex B).

2.2 The Commission proposes to simplify the selection process, while retaining two procedures. The emphasis will be on the decentralized procedure, conducted at national level, and there will also be a centralized one, at Commission level.

2.3 In view of the number of actions financed in the current programme, the positive results achieved in many of these, and the budget cuts which have obliged promoters to adjust their proposals, largely at the expense of the dissemination activities, it follows that the second phase of the programme should give greater priority to dissemination activities and should help to exploit more fully the positive results of the projects financed during the present phase. This possibility should be offered to current promoters, so they can take greater advantage of the investment made; Article 5(5) (transitional measures) should be altered accordingly. This is the only way to ensure that the innovative effects of current Leonardo projects are felt more widely, and to capitalize on these effects during the next phase.

2.4 The physical mobility measures take up around half of the programme's budget. It is very important that practical steps be taken at EU level to overcome obstacles to mobility, which the programme's activities have also helped to identify. Such obstacles include the absence of a common contractual framework, mutual recognition of qualifications, and exploitation of the training acquired, the failure to certify and recognize skills, the lack of incentives for small firms and craft businesses, the lack of back-up instruments, linguistic problems, lack of information and communication, and the lack of placement mechanisms. For this reason the Committee endorsed the establishment of the "Europass" for training, and supports the inclusion of specific measures to help SMEs in the second phase of the Leonardo programme.

2.5 In the area of accompanying measures, the Commission proposes to use the same administrative system as for the first phase. This means using technical assistance offices which will now be financed from the programme's overall budget (i.e. from part B of the budget). Aside from the comments made in point 1.6 above, this proposal merits a number of further comments.

2.5.1 It is difficult to understand the logic of proposing increases in the budget for implementing Community programmes while at the same time, on budgetary grounds, failing to increase (or even reducing) the number of Community officials responsible for them, and making increasing use of technical assistance bodies. This trend is not confined to the present programme, and has become widespread throughout the Commission departments.

2.5.2 In a field such as vocational training, where the social partners play an important role, greater use should be made of the technical skills which they can offer. The role of the social partners, including representatives of SMEs and craft firms, should not be limited to sitting on the Leonardo committee which is established at Community level. These partners should also play a greater role in the national coordination units, and Article 5(3) should be amended accordingly.

2.5.3 The Commission intends to enlist independent experts to analyse the proposals and propose a selection of activities, under the centralized procedure. These experts will be appointed by the Commission after consulting the Member States and interested parties, particularly the social partners, including representatives of SMEs and craft firms. However, there is no such arrangement for the decentralized procedure. For this latter procedure, and with a view to ensuring that the proposals are evaluated from a transnational perspective, the programme should provide for the establishment of a pool of experts from different countries, to be made available to the Member States during the evaluation stage.

2.5.4 Given the role of SMEs and craft firms in creating and maintaining employment, the Committee recommends that their representatives be allowed to play an active part in all the working groups, at both EU and national level.

2.6 When setting Member States' budgets for transnational placement and exchange programmes, the Commission proposes to take account of population, per capita GDP in purchasing power parities, geographical distance and transport costs, the size of the target population in relation to the overall population, the overall unemployment figure and the level of long-term unemployment. While the first few criteria are acceptable, the last one is questionable. The best criterion for determining vocational training needs is the existing level of training in the various countries, and this is the criterion which should be used. Annex B, concerning the calculation method referred to in Article 7(2), should be amended accordingly.

2.7 Whilst the proposed statistical surveys are undeniably useful, they raise two questions: firstly, the need for harmonized concepts at EU level, to ensure that the data collected are complete and comparable; and secondly, whether it is appropriate for statistics collection and processing to be funded by the programme and conducted by consultancy firms. It would be more useful, and more fruitful in the long term, for Eurostat and national statistics institutes to include in their programmes the collection and processing of data on apprenticeships and initial and further training, using harmonized concepts.

2.8 As regards the indicative breakdown of measures, the Committee considers that the pilot projects and European networks should receive greater priority, as these are the quintessential elements of the Leonardo programme. The amounts allocated to statistical surveys and mobility should be reduced accordingly, not least because most projects do not involve the testing of new approaches to vocational training.

3. Specific comments

3.1 In Article 1, the Committee notes that although the start of the second phase coincides with the start of the new financial perspectives, which are to run from 2000 to 2006, the Commission has chosen to retain a five-year period. It is thus likely that the second phase will be completed before the start of the next EU enlargement. This will make the running of the programme easier, and will make it easier to plan any third phase. Provision is nonetheless made for extension of the programme to the candidate countries, in Article 10.

3.2 Article 2 reduces the number of objectives of the programme. Here the Commission follows a similar approach to that used in its revision of the Structural Funds. In both cases, it justifies the reduction on the grounds of "simplification". However, in the present case, it is important that the objectives not be defined so generically as to obscure the specific role of the Leonardo programme; the differences between the programme and the Community initiatives and Structural Fund measures must also be quite clear. The fact that other programmes have similar objectives is not in itself a problem, but it does bring a need to promote synergies and to avoid overlapping, fragmentation and confusion.

In order to clarify the programme's role in supporting national policies, it must be ensured that all the objectives fit in with national systems; the proposal currently only specifies this in the case of the third objective. The first paragraph should therefore be reworded as follows:

*"1. The implementation of this programme is based on objectives, in support of and as a supplement to **the vocational training systems**, policies and actions undertaken by and in the Member States, and designed as a matter of priority to:".*

This new wording makes the reference in objective (c) to national systems superfluous. Objective (c) should then be reworded as follows:

*"(c) **assist those in difficult circumstances** due to having insufficient or outdated competences, **to find employment** and to better insert themselves in the labour market."*

3.2.1 In addition to those proposed by the Commission, the objectives of the Leonardo programme should include support for the contribution which training can make to the strengthening of innovation and technology transfer within companies, particularly in relation to new forms of work organization. Such an objective could help to increase the involvement of the social partners, which is one of the specific features of the programme that should be reinforced in the second phase.

A new objective should be added in Article 2, as follows:

"d) strengthen the contribution of vocational training to the promotion and transfer of technological and social innovation, particularly within companies."

3.2.2 Care must be taken to ensure that the programme's objectives do not overlap with other Community measures, particularly those taken under the Structural Funds and especially the new Community initiative under the European Social Fund. Notwithstanding the innovative nature of Leonardo measures and other features which distinguish them from other programmes (such as the European dimension of vocational training), any overlapping of objectives could create confusion, especially among project promoters.

3.3 The Committee is in favour of the possibility, provided for in Article 3, of combining various types of measures to form integrated projects. It thinks that these should be encouraged. In particular, support for the mobility of people undergoing training - which takes up around half of the total budget - should not be limited to very young people and instructors, and should always place a strong emphasis on high-quality training, to be evaluated objectively.

3.4 The Committee is pleased that Article 4 lists the public and/or private bodies and institutions involved in vocational training. It should also address the question of the intellectual property of the results of the activities being funded, as in many cases this hampers the dissemination of results.

3.5 Article 5 does not sufficiently recognize the role of the social partners in vocational training systems, both as participants in the framing of vocational training policy and as promoters of training schemes.

The first sentence of Article 5(3) should be reworded as follows:

"3. The Member States shall take appropriate action to secure nationally the coordination, organization and the follow-up needed for the attainment of the objectives of this programme, involving all the parties concerned by vocational training, in particular the social partners, in accordance with national practice."

3.6 The procedures laid down in Article 6 for preparing joint actions (for Leonardo, Socrates and Youth) should be simple and transparent. Socrates and Youth do not provide for the involvement of the social partners, while Leonardo does. The Leonardo committee should be able to monitor and assess the joint actions.

3.7 The membership and operation of the Leonardo committee, as set out in Articles 7 and 8, remain largely unchanged and therefore raise no comments. The Commission could have taken advantage of the move to present a common text for Leonardo, Socrates and Youth in order to propose greater involvement of the social partners in the latter two programmes as well.

3.8 In Article 9, the Committee welcomes the Commission's intention to ensure overall consistency and complementarity with other Community policies and actions. It particularly welcomes the references to action under the Structural Funds, the coordinated employment strategy and the need for the programme's measures to be consistent with the employment guidelines.

3.9 Article 10 provides for the participation of the associated central and eastern European countries, Cyprus, Turkey and Malta under the same rules as for EEA countries. The Committee welcomes this. However, the Committee considers that Article 11 (international cooperation) should single out the countries which have concluded association agreements with the EU providing for significant cultural cooperation, such as Mediterranean partner countries and Latin American countries, especially Mercosur.

Brussels, 15 October 1998.

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of the
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