

European Training Foundation. Recast

2007/0163(COD) - 15/10/2012 - Follow-up document

In accordance with Council Regulation (EEC) No. 1360/90, the Commission presents a report on the European Training Foundation (ETF), which provides an overview of experience acquired by the work of the Foundation between 2006 and 2010. It takes into account changes in the role, the geographical coverage, the EU's external relations environment and the activities of the Foundation since 2006. The report draws on the findings, conclusions and recommendations of an independent evaluator's report.

Evolution of the Foundation from 2006 to 2010: the report recalls that the ETF's mission is to help transition and developing countries to harness the potential of their human capital through the reform of education, training and labour market systems in the context of the EU's external relations policy. In 2008, **Regulation (EC) No 1339/2008 recast the Foundation's mandate** in a holistic manner, creating a new mandate for the ETF to address human capital development issues, which widened its formal scope beyond vocational education and training to include issues such as labour market needs and enterprise development. In addition, the new mandate allowed for the geographic scope of the ETF to be expanded if necessary. The new Regulation did not include any programme management functions for the ETF, consolidating its role as a centre of policy expertise in human capital development for EU external policies. As a result, **the ETF undertook significant reform of its internal structures starting in 2008.** Most recently, the Operations Department was split into three separate departments – the Thematic Expertise Development Department, the Geographical Operations Department and the Evidence-based Policy Making Department. The Commission considers that **the ETF has indeed been able to successfully reorganise and refocus its activities.** It shares the evaluator's **overall positive assessment of the effectiveness of the Foundation's work in its main roles** of providing and disseminating information, analysis, and policy advice, capacity building and networking and knowledge transfer. The ETF has also taken up the challenge of its recast mandate for considerable internal reforms.

The report **highlights the following issues:**

Relevance: the evaluator found ETF's to be relevant both thematically and procedurally to beneficiary needs and that it managed to strike a good balance between flexibility and strategic planning. However, the evaluator stressed that the ETF should be more proactive in clarifying its role to stakeholders with whom they work and the ways in which the ETF can provide support. The ETF has performed very well in developing human capital development policy but beneficiaries are not always aware of this impact and should be made aware of ETF's success and impact, e.g. a clear description of areas in which ETF can provide support.

Moreover, it is noted that the ETF's role is clearly defined at the policy level and with state level actors. However, the ETF's role *vis-à-vis* social partners and NGO need to be clarified. The Commission stresses the relevance of ETF's activities to beneficiary needs but agrees with the evaluator that **a more proactive approach in clarifying ETF's role to stakeholders is wanted as well as a clearer definition of its role vis-à-vis social partners and NGOs.**

Coherence: the evaluators found ETF actions to be internally coherent, as well as being coherent with broader EU objectives, notably in EU external relations, and most partner country objectives. However, it was found that there was no clear hierarchy between strategic and operational ETF objectives in mid-term perspectives and annual work plans. The Commission agrees with the evaluators in underlining **the need to explain in the annual work programmes and country plans how specific actions contribute to wider strategic objectives of the ETF.**

Effectiveness: the evaluator found ETF to be highly effective in its main roles of providing and disseminating information, analysis, and policy advice, capacity building and networking and knowledge transfer.

Information dissemination has evolved over the evaluation period and is now making greater use of social media and online opportunities to share information. However not all stakeholder groups are clear on the nature of ETF information and action. Therefore, in particular with stakeholder groups more recently engaged by the ETF (i.e. social partners and NGOs) a more proactive approach to information dissemination should be undertaken in order to inform these groups about the nature and extent of ETF action.

The ETF was effective in helping to develop knowledge and expertise, which could lead to greater partner country capacity in human capital development. However, it was difficult to distinguish how effective the ETF was in building capacity, as a picture of how ETF actions should contribute to capacity building and a clear definition of capacity building were not established.

The Commission stresses that **in the field of capacity building, the ETF should work closely with partner countries to develop a strategy** for how ETF actions and knowledge development can be utilized to improve capacity and increase partner country ownership over the policy process.

Lastly, the evaluators stressed that the ETF performed most strongly in networking and knowledge transfer and that these activities were highly valued by beneficiaries. Regional networks were especially valued. In that context, the reorganisation and the creation of separate thematic and geographic departments offers potential to strengthen further regional initiatives in terms of networking and policy learning between stakeholders. These regional networks should continue to be developed in the future to the greatest extent possible. The Commission feels that **the ETF's focus on the development of regional networks should be further strengthened.**

Efficiency and cost effectiveness: the evaluator found ETF to perform very well, in particular given its wide mandate and limited resources. It is recommended that the ETF maintain consistency at the partner country level by matching staff skills with particular thematic and geographic areas. Country managers should therefore be rotated infrequently in order to allow them to build up sufficient knowledge and connections at the partner country level.

The evaluators found ETF to have a system of useful performance indicators that should be kept stable to enable measuring the progress of the organization over the years. However, the existing indicators focus solely on immediate outputs. The indicators should therefore be extended to incorporate results level indicators, e.g. partner country beneficiary satisfaction with services provided by ETF.

It was found that ETF is cost-effective in its work. Given its vast thematic mandate, large geographical area and relatively modest budget, the ETF has proven to be flexible in the past in deploying its support where EU institutions and Governing Board deemed it most necessary.

The Commission **shares the evaluators' positive assessment of ETF's added value and cost-effectiveness, in particular given its wide mandate and extensive geographic coverage.**