European network of employment services (EURES), workers' access to mobility services and further integration of labour markets

2014/0002(COD) - 17/01/2014 - Legislative proposal

PURPOSE: to reinforce the EURES network with the aim of enhancing access of workers to intra-EU labour mobility support services, thus supporting fair mobility and increasing access to employment opportunities throughout the Union.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the free movement of workers is a fundamental freedom of Union citizens and one of the pillars of the internal market in the Union enshrined in Article 45 of the TFEU. Article 46 sets out the measures to bring about this freedom, in particular by ensuring close cooperation between the Public Employment Services ('PES').

The free movement of workers is a key element to the development of a more integrated Union labour market which allows worker mobility from high unemployment areas to areas characterised by labour shortages. It also contributes to finding the right skills for vacant positions and overcoming bottlenecks in the labour market.

Only approximately 7.5 million of the European labour force of around 241 million (i.e. 3.1%) is economically active in another Member State. At present, high unemployment rates in some Member States coexist with high numbers of open job vacancies in others. There are many reasons why the potential for intra-EU labour mobility remains untapped and individual citizens do not realise their intentions to become mobile workers. The most common practical difficulties expected or encountered are the lack of relevant language knowledge and the difficulties in finding a job. The EU can contribute to addressing the latter by raising awareness on employment opportunities across the Union and developing appropriate support services to encourage intra-EU recruitments.

The provisions of Regulation 492/2011 of the European Parliament and of the Council on freedom of movement for workers within the Union (codification) established mechanisms for clearance and for information exchange and the Commission Implementing Decision 2012/733/EU has laid down provisions on the functioning of a network entitled EURES (European Employment Services) in accordance with that Regulation.

Whereas the functioning of the EURES network was subject to some changes at the initiative of the Commission through its 2012 Decision, the Chapter II of Regulation 492/2011 which constitutes the European regulatory framework for the clearance and information exchange between Member States on intra-EU labour mobility has not been amended since 1992.

This regulatory framework needs to be revised to reflect new mobility patterns, enhanced requirements for fair mobility, changes in the technology for sharing job vacancy data, the use of a variety of recruitment channels by job seekers and employers and the increasing role of other labour market brokers next to the Public Employment Services ('PES') in the provision of recruitment services.

A common framework for cooperation should be established between Member States and the Commission on labour mobility within the Union. This framework should bring together job vacancies from across the Union and the possibility of applying for those job vacancies ('clearance'), define the provision of related support services to workers and employers and provide for a common approach to share information necessary to facilitate said co-operation.

IMPACT ASSESSMENT: the Commission conducted an impact assessment of policy alternatives to address shortcomings:

- ***Option 1***: no new options,
- ***Option 2***: amending Regulation 492/2011 as regards the powers of the Commission on the implementation of its provisions (Lisbonisation),
- ***Option 3***: introducing a **new Regulation** with new provisions altogether (modernisation of EURES) ,
- ***Option 4***: introducing a new Regulation with a specific Commission mandate to increase the co-operation between public and private employment services.

Option 3 is the preferred option which should replace Regulation 492/2011 and the 2012 Decision with a **stand-alone instrument** combining the provisions of the two instruments. Within this option, a number of specific alternatives were discarded as not being proportionate to the specific objectives.

LEGAL BASIS: Article 46 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the aim of this proposal is to enhance access of workers to intra-EU labour mobility support services, thus supporting fair mobility and increasing access to employment opportunities throughout the Union. It replaces the provisions on the exchange of information on job vacancies, job applications and CV's across Member States ("clearance") found currently in Regulation 492/2011.

It also **(re)establishes the European network of Employment Services**, called **EURES**, the purpose of which will be to provide assistance with job search and recruitment across Member States. A similar network is active today on the basis of the 2012 Commission Decision. Therefore, upon adoption of this Regulation, the Commission will repeal the above Decision on the functioning of the current EURES network.

In this context, the Commission recently introduced a proposal to establish a network of PES to deepen cooperation and mutual learning. That network will cover a wider range of objectives and initiatives in the form of incentives and is complementary to this proposal.

Objectives: the general objective is to make the EURES network an **effective instrument** for any job seeker or employer interested in intra-EU labour mobility. Shortcomings have been identified in the functioning of the EURES network (such as an incomplete pool of job vacancies and CVs; limited automated matching potential; insufficient support services and cross-border information on labour). The specific objectives of the proposal address these shortcomings:

- to achieve on the EURES portal a nearly complete supply of job vacancies, with job seekers all over Europe having instant access to the same vacancies, in combination with an extensive pool of CV's available from which registered employers can recruit;
- to enable the EURES portal to carry out a good automated matching between job vacancies and CV' s across Member States, translating in all EU languages and understanding skills, competences, qualifications and occupations acquired at national and sectoral level;
- to make available basic information about the EURES network throughout the Union to any job seeker or employer seeking client services for recruitment and to consistently offer any person interested access to the EURES network;

- to assist any such person interested with matching, placement and recruitment through the EURES network;
- to support the functioning of the EURES network through information exchange on national labour shortages and surpluses and the coordination of actions across Member States.

More specifically, the proposal seeks to:

- integrate into a **single framework** the provisions of chapter II and Article 38 of Regulation 492 /2011 and the Commission Decision 733/2012/EU on the EURES network. There may also be a possibility to **extend the scope** of the EURES network to cover apprenticeships and traineeships;
- **re-establish the EURES network** as well as laying down the new terms and conditions as regards its composition and membership. A single governance body to facilitate practical co-operation between Commission and Member States for this Regulation shall be set up;
- introduce specific measures on **transparency** and automated matching;
- introduce the specific measures on **mainstreaming** and support services. The proposal explicitly supports the extension of the delivery of support services by organisations other than the PES, in principle through the voluntary participation in the EURES network by EURES Partners. In addition, PES are encouraged to develop partnerships to promote a coherent service package to employers as regards intra-EU labour mobility. One specific form of these support structures are **cross-border partnerships**;
- reinforce the existing arrangements for **sharing information** in the EURES network where it benefits the quality of concrete collective outputs or the coordination of policies of Member States.

BUDGETARY IMPLICATIONS: the proposal will not result in any specific budgetary impact for the EU budget. Any activities to be carried out by the European Commission for the EURES network which will result in the need for human and/or financial resources fall under the scope of the Regulation establishing the Programme for Employment and Social Innovation ("EaSI") (2014-2020) and will be covered within the annual budgetary allocation of this programme. For the period 2014-2020, this EU programme will pay for horizontal measures such as the EURES portal, the common training programme, targeted mobility schemes like Your first EURES Job and the development of the European classification for skills /competences, qualifications and occupations (ESCO). For the same period, activities in Member States on intra-EU labour mobility are eligible under the European Social Fund.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.