



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 30/09/2002
COM(2002) 533 final

**COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND THE
EUROPEAN PARLIAMENT**

**EURES Activity Report 2000 – 2001 presented by the Commission in accordance with
Article 19 (3) of Regulation (EEC) No 1612/68**

"Towards an integrated European labour market: the contribution of EURES"

TABLE OF CONTENTS

| | |
|--|----|
| Introduction | 3 |
| 1. EURES: support to the free movement of workers and to the European Employment Strategy | 4 |
| 2. The labour mobility and skill shortages situation | 5 |
| 2.1. Skill shortages at EU level..... | 5 |
| 2.2. Transnational Mobility | 6 |
| 2.3. Cross-border-Mobility | 7 |
| 3. Evolution of the Network during 2000-2001 | 8 |
| 3.1. Greater integration of EURES into PES..... | 8 |
| 3.2. The Consolidation of Cross-Border EURES | 9 |
| 3.2.1. New partnerships and launching of feasibility studies | 9 |
| 3.2.2. Synergies with other EU-programmes | 10 |
| 3.2.3. Improvements in the dialogue and co-ordination between social and economic partners | 10 |
| 3.2.4. Involvement of Employers organisations | 11 |
| 3.3. The Network of EURESadvisers..... | 11 |
| 3.4. Improvements in the quality of the service..... | 12 |
| 4. Services on Line | 12 |
| 4.1. Improvements of the job vacancies database..... | 12 |
| 4.2. The C/V-Search Database..... | 13 |
| 4.3. The EURES Internet Site..... | 14 |
| 5. Funding | 14 |
| 6. Forthcoming developments..... | 16 |
| 6.1. Contribution to the implementation of the Commission's Action Plan on Skills and Mobility | 16 |
| 6.2. Enlargement | 18 |
| 7. Conclusion | 19 |

INTRODUCTION

The EU has comparatively low levels of occupational mobility – the movement of workers between jobs or sectors, whether within or between Member States – and labour turnover. As the EU more and more becomes a knowledge-based service-sector economy, occupational mobility is even more important for adapting to structural change and thus contributing to a better functioning of labour markets and higher productivity, employment, growth and competitiveness.

Geographic mobility in the EU is also relatively low, particularly between Member States, but also within Member States. This is partly due to the existence of legal and administrative barriers, and partly to economic, social and cultural constraints and habits. It is true that patterns of geographic labour mobility have changed over the years. Temporary migration, long distance commuting, and cross-border commuting has, for instance, become more common. The overall rate of labour mobility is, however, still subdued.

Improving the potential for geographic mobility is also linked to the existence of dual labour markets in Europe, with regions of high unemployment existing side-by-side with regions suffering from skill shortages. Occupational mobility is often a pre-requisite for geographic mobility. Efforts to support geographic mobility will be more effective if combined with measures for occupational mobility. This requires a mix of policies including a reform of the educational and training systems and better opportunities for geographical mobility - both of which apply within each Member State and between the Member States.

The Commission has clearly defended such an approach in its Action Plan for Skills and Mobility (COM (2002)-72). This proposes a series of measures that aim to prepare the European workforce for the future needs of the labour market. This Action Plan was endorsed by the Barcelona European Council in spring 2002, which mentioned specifically the need to modernise the EURES network¹ in order for it to contribute more effectively to the increased mobility of workers in the European Economic Area (EEA). The development of EURES over the two years covered by this report – 2000 and 2001 – has demonstrated the role EURES has already played and will continue to play in delivering some of the key objectives outlined in the Action Plan. This report reflects also the recommendations made by the European Parliament in its report of 31.05.2001² on the activities of the EURES network during 1998 and 1999. In particular, it shows the relation between the EURES activities and the European Employment Strategy, providing statistical data on labour mobility, reports on developments concerning the EURES cross-border partnerships, and gives some indications of the work to be done in relation with enlargement.

The Commission has also supported the analysis of the importance of occupational and geographical mobility for meeting the growing demand for scientist and researchers in a knowledge based society. When endorsing the Commission's proposal for the creation of the European Research Area³, the Lisbon European Council, asked the Commission to take the necessary steps to reduce obstacles to the mobility of researchers in Europe. The implementation of the Strategy in favour of Mobility in the ERA⁴ proposed in response, is in

¹ COM (2002)-72, recommendation 23

² Reference 300.476

³ COM(2000) 6 of 18 January 2000

⁴ COM(2001)331 of 20 June 2001

full synergy with the Action plan for Skills and Mobility, and a series of actions aiming at creating a favourable environment for the mobility of researchers are developed in cooperation with EURES.

During these two years, the objective of integrating the EURES services into the wider range of services offered to job seekers and employers by the EURES partners, and particularly the Public Employment Services (PES), was furthered. An increasing number of the staff in the partner organisations have become aware of the EURES services and can now provide the public with the first round of information.

The importance of the EURES IT platform is underscored by the fact that more than half of the PES in the EEA have integrated their IT systems with that of EURES by 2001, which has enabled a significant increase in the number of job offers exchanged. The CV-search database, enabling citizens to advertise their CVs at European level, was launched in 2001 as a pilot project. It should be mentioned that the EURES web site which contains the databases mentioned above, as well as information on living and working conditions, is already one of the Commission's most frequently visited web sites.

Despite the progress shown in the report below, serious challenges remain for both the Commission and for the partners in the EURES network. Much work needs to be done over the coming period in order to meet the challenges set by Commission's Action Plan, the European Council, Council of Ministers and the European Parliament.

1. EURES: SUPPORT TO THE FREE MOVEMENT OF WORKERS AND TO THE EUROPEAN EMPLOYMENT STRATEGY

There are two essential policy focuses of EURES. The first is the support EURES provides to enable workers from the EU (and extended to EFTA/EEA workers) to take advantage of their right to **freedom of movement** and to live and work in another Member State. These rights are laid down in Regulation 1612/68; and include providing information on job opportunities, *curricula vitae*, living & working conditions and the labour market throughout the EEA, as well as providing assistance and guidance to jobseekers and employers through EURES advisers and the public employment services.

The second policy focus is the contribution EURES makes to supporting the **European Employment Strategy**, and the reflection of labour mobility within the EES. The Spring European Councils of Lisbon in 2000 and of Stockholm in 2001 laid far greater emphasis on the role of labour mobility than had been politically visible previously. The Lisbon conclusions, for example, underline the importance of improving employability and reducing skills gaps, in particular by providing employment services with a Europe-wide data base on jobs and learning opportunities. The Council pointed out the specific situation faced by researchers and asked for special efforts to reduce obstacles to their mobility. The Stockholm conclusions pointedly mentioned the mobility of workers in new open European labour markets, and underlined that the modernisation of labour markets and labour mobility needed to be encouraged to allow greater adaptability to change by breaking down existing barriers, and that the feasibility of establishing a one-stop European mobility information site should be examined.

The Employment Guidelines for 2001 strengthened this emphasis on labour mobility, including its European dimension, by calling upon Member States to step up their efforts to identify and prevent emerging bottlenecks. This should be done by developing the job-matching capacities of employment services, developing policies to prevent skills shortages and enhance occupational mobility, promoting geographical mobility. Furthermore, the functioning of labour markets should be enhanced by improving databases on jobs and learning opportunities, which should be interconnected at European level, making use of modern information technologies and experience already available at European level. EURES is designed to make a considerable contribution to achieving these policy objectives.

In addition, EURES has a supportive function with relation to a number of the pillars of the Employment Strategy. It enhances the employability of job seekers through providing them with occupational experience abroad, and contributes to the adaptability of undertakings, through giving them access to a deeper labour pool with a wide range of skills, work culture and languages.

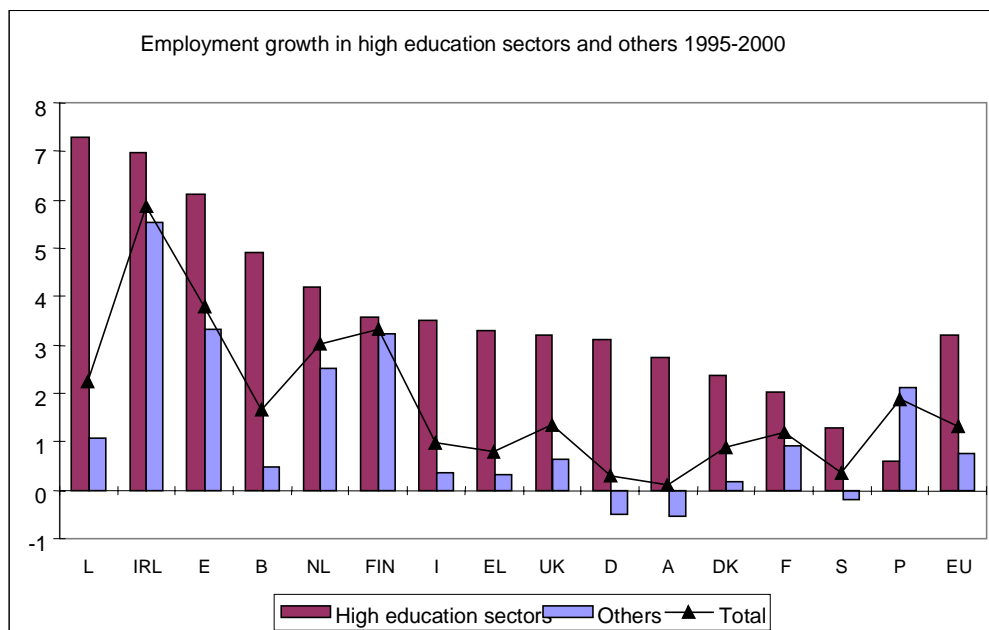
2. THE LABOUR MOBILITY AND SKILL SHORTAGES SITUATION

2.1. Skill shortages at EU level

Achieving the Lisbon objectives of more and better jobs, greater social cohesion and a dynamic, knowledge-based economy requires a skilled and adaptable labour force. Skills mismatches are often a major cause of imbalance in the supply and demand for labour across sectors and regions. Also the rapidly changing world of work makes increasing demands on people to equip themselves with the capacity to adapt to new ways of working, technologies, sectors and working environments. This point is illustrated by the following figure: between 1995 and 2000, employment growth in so-called high education sectors (i.e. sectors with at least 40 % of their workforce having attained higher education level, such as, manufacturing of office machinery and equipment, computer and related activities, education, health and social work, or activities of membership organisations) was 3% per year as compared to 1% in other sectors (Source: Eurostat, Labour Force Survey).⁵

⁵ Source: Eurostat, Labour Force Survey

Technological and industrial changes mean that new types of skill profiles have to be



developed to enable enterprises to provide relevant training to their employees. The objective of increasing the level of investment in R&D up to 3% of GDP by 2010 in the Union⁶ will create an additional demand for skilled workers and researchers. The development of ICT and eBusiness skill profiles in particular is needed to help ease shortages in ICT occupations and sectors. Europe's long-term demand for skilled ICT people remains strong and short-term events have not undermined the basic growth trend. It is true that there has been a reduction in ICT industry growth resulting in some significant redundancies, e.g. during 2001, the telecoms, computer and electronics industries announced over 350 000 job cuts⁷. The jobs affected were, in the main, production workers rather than highly-skilled workers. Inevitably some of these redundancies will narrow the 'gap'; however, the 'gap' between ICT skilled worker supply and projected needs across the European Union alone is still estimated to reach 1.6 million in 2003. (Source: IDC, June 2001).⁸

Finally, there are, or will be, regions of high unemployment existing side-by-side with regions which have high employment rates and therefore face large deficits of skilled labour: for example south of UK, Denmark, Sweden, central Portugal, the Netherlands and to a less extent different regions in Germany and the north of Italy.

2.2. Transnational Mobility

During 2000, EURES undertook a study on "Migration trends in Europe – Intra-EU labour mobility and migration flows between the EU and EEA/CEEC - A review of existing studies"⁹.

Although the main emphasis of the study was on labour mobility between the the EEA countries, migration from the Central and East European countries (CEEC) was also taken into account. It is clear that EURES will be faced with completely new

⁶ adopted at the Barcelona European Council

⁷ Source: Outplacement firm Challenger, Gray & Christmas

⁸ Source: IDC, June 2001

⁹ MKW GmbH, Munich

challenges as a result of the EU expansion into Eastern Europe, both qualitatively and quantitatively speaking. This not only holds true for the border regions, but also for EURES transnational placement and advisory activities.

After analysing the existing studies on migration, the study pointed out the changing patterns of mobility at the turn of the century, suggesting that new trends in mobility are a composite result of several overlapping trends:

- The relocation of industry - the highly skilled are moving throughout central regions to the new centres of excellence in the various sectors.
- Labour intensive manufacturing industries with low skills requirements are moving to low cost areas (predominantly peripheral locations).
- Cross border mobility of various types is increasing along with skills levels.
- New infrastructures and improvements in existing transport systems such as the TGV are creating new dimensions of migration and commuting. Partly improved transport systems are facilitating long-haul commuting instead of migration.
- Globalisation has led to new patterns of temporary migration of corporate employees.

In the EEA, the largest migration can be observed between the urban centres and the rural surroundings. Overall, geographical migration patterns happen in close correlation with what can be called the "hierarchy of central places". For example, people move from a rural area to the next urban centre or perhaps the next capital city which offers the desired profile in terms of training facilities or job prospects whereIn general, therefore, people move step by step along this hierarchy..

The review of the existing literature reveals three important issues which need to be taken into account in the operation of EURES:

- Migration is increasingly substituted by commuting
- In recent years there has been a trend towards temporary migration. Consequently, the boundaries between commuters and migrants are becoming more blurred.
- The use of corporate migration as an instrument of personnel policy in large multi-national companies.

Recent studies on the impact of enlargement on the Member States (see section 7.3.) show that concerns over the EU labour market being swamped by migrants from the Central and Eastern European countries are ill founded. Net immigration into the EU is estimated at 200,000 to 335,000 persons per year according to the most recent studies.

2.3. Cross-border-Mobility

Another EURES study carried out in 2001¹⁰ extended the data on cross-border commuters within the EEA, updating the results of a previous study carried out for EURES in 1995/96¹¹:

Analysis of available statistics showed that there are 496,982 cross-border workers within the area studied in 1999 (excluding the 1270 commuters between Gibraltar and Spain and 964 commuters between London and Paris). Comparing this figure to the total number of workers in the border regions of the study area (34 302 903), cross-border commuters made up 1.4% of the total workforce within this area in 1999. The number of cross-border commuters in the regions studied increased by 29% from 1995 to 1999, making an average annual increase of 4%. Whilst in some cases, such as German commuters to the Netherlands, very significant annual increases of 30% were recorded, in other regions there were even time periods where a yearly decrease could be observed.

The geographical distribution of cross-border commuters in the area studied is very uneven. Around 83% of all commuters come from only four countries, namely France, Germany, Belgium and Italy. Half of all cross-border commuters originate from France alone. The destination countries of commuters are even more concentrated, with 71% commuting to Switzerland, Germany and Luxembourg. Despite their size, small entities such as Monaco, Andorra, Liechtenstein and San Marino are the destination of almost 9% of cross-border commuters. The highest concentration of commuters can be found in the area covered by the Benelux states, the Rhine valley (Germany-France) and Switzerland; approximately 85% of all commuters in the area studied can be found in this region. There is a clear correlation between the level of commuting and population density, with the level of commuting increasing alongside increases in population densities. However, it is important to note that the level of commuting is not solely dependent on population density, but rather upon a whole set of influencing factors.

The traditional picture of the cross-border worker (male, blue-collar-worker) has been undergoing a significant change in the past years. Results of a study completed in July 2001¹² show that the share of women and those employed in service professions (white-collar-workers) has been increasing constantly among cross-border workers. One in three cross-border workers is now female, while those with college/university degrees represent the strongest growing group among cross-border workers.

In view of the importance attached to identifying and tackling obstacles to cross-border mobility, the first EURES report on such obstacles was published in February 2001. An update of this report is planned for Summer 2002, based on data to be provided by the EURES cross-border partnerships, using a common classification and an improved structure, in order to highlight areas where EURES stakeholders can take action in order to overcome the obstacles and to inform administrations or other bodies involved to help them improve the mobility of cross-border workers.

¹⁰ MKW GmbH, Munich

¹¹ B & A Groep (Beleidsonderzoek & Advies BV), the Hague

¹² INSEE, Paris

3. EVOLUTION OF THE NETWORK DURING 2000-2001

3.1. Greater integration of EURES into PES

The importance attached to developing the European labour market and labour mobility in the EU has been increasingly highlighted over the reference period, along with the central role to be played by the Public Employment Services (PES).

The Heads of the PES recognised the importance of these developments in December 2000 in their Joint Declaration "The role of the PES in supporting the labour market and mobility in Europe". Here they welcomed this new interest in the European dimension of the labour market, and committed themselves to its proper functioning by providing support to:

- Strengthen their partnership and co-operation within the EURES network.
- Develop the accessibility and visibility of information on the European labour market, especially through the use of ICT technologies.
- Ensure transparency in their offer of mobility-related services to employers and jobseekers through the use of clear and efficient communication tools.
- Continue the development of the professional competencies of their staff in international mobility issues.
- Integrate the European dimension in all customer-oriented services.
- Set up evaluation processes to ensure the quality of services provided.
- Strengthen co-operation with the social partners and improve the functioning of the EURES cross-border structures.

This commitment was re-enforced by the adoption by the Heads of PES of an action plan (also adopted in December 2000) for the fuller integration of EURES into the PES which focused on four main areas: improving human resources, better job vacancy exchange, a greater attention to the needs of employers, and evaluating integration more effectively.

On the *human resource* side, integrating the "mobility dimension" into all key PES services requires an internal promotion plan in each PES with appropriate European mobility directed training programmes, and with special attention paid to the role and resources of EURES managers and EURES advisers. A more effective *European level brokerage service for job vacancies* will be achieved through more PES vacancies being advertised at European level with more being automatically transferred, a better job coding system, and the development of a revised and decentralised job vacancy exchange system, and supporting vacancy exchange in EURES cross-border partnerships. *Employers* would be better served by the publication of a EURES service commitment to employers, improved methods to help international recruitment, and setting up a EURES labour market information database. *Evaluation* will be improved by a revision of PES' own internal evaluation methods, the Commission's annual report on EURES and its integration, and a joint Commission/PES analysis of EURES services.

It is intended for the implementation of the action plan to be reviewed at the end of 2002. If the announced intentions give rise to effective action, it will mark the clear commitment of Member States to embrace the integration of EURES services into the PES mainstream activities, and support European labour mobility as a policy objective.

3.2. The Consolidation of Cross-Border EURES

EURES plays a particularly important role in cross-border regions, where it brings together various organisations such as public employment services, social partners and local bodies. These form partnerships and can act as a forum for consultation for the active support of common and open regional labour markets. They supply information and aim to find solutions to practical problems of mobility. There are currently 20 such EURES cross-border partnerships and the Commission is constantly exploring the feasibility of establishing new partnerships with a view to cover all relevant border regions.

3.2.1. New partnerships and launching of feasibility studies

During the reference period an additional partnership (Tornedalen) was established in 2000 between Sweden and Finland, bringing the total number of crossborder partnerships to 20. At the end of 2001 a feasibility study to analyse the possibility of creating a partnership between the regions of Alentejo, Algarve (PT), Andalucia and Estremadura (ES) ("Guadiana ") was launched following a request by local partners. This study should be concluded by June 2002 in order to establish the feasibility of such a partnership.

With the entry into force of the bilateral agreement on the freedom of movement between the EU and Switzerland, the latter may also become a member of the EURES network and could potentially fulfill the conditions required to take part in a cross-border partnership. This could be an important step for the network, since it is estimated that almost half of the EU cross-border commuters work in Switzerland.

The possibility of setting up further cross-border partnerships or opening up participation in existing partnerships along the Swiss/Italian and Swiss/French border will be considered, for example, by enabling the Swiss regions bordering the EURES-T Oberrhein/Rhin superior to become full members of this partnership (currently they participate as observers).

3.2.2. Synergies with other EU-programmes

Increasing focus has been paid to cooperation between the EURES cross-border partnerships and the Interreg programme. Given the role of Interreg for the integration of the labour market and the promotion of social inclusion, specific provision is made for EURES, since in the areas where there is a EURES cross-border partnership, particular attention will be paid to the implementation of operations complementary to or supportive of this partnership which help improve operation of the cross-border labour market. There is a commitment for these

operations to be defined in agreement with the EURES local partners¹³. A particular boost to this cooperation was provided through a EURES seminar organised in Barcelona in September 1999, aimed at strengthening the ties between EURES and Interreg and to find additional cross-border labour market activities that could be financed through Interreg.

The actual participation of cross-border partnerships in relevant Interreg projects has shown to vary widely across the EU; in view of the timing of decisions on respective programme-planning documents, and the expected decisions of Interreg steering committees on the various projects, further information on this developing co-operation can only be provided in the context of future reports.

In several EURES cross-border partnerships as well as in the framework of national activity plans, EURES advisers are also collaborating on Leonardo da Vinci projects. This is mainly for the identification of companies, the selection of the candidates who could participate as well as their social and professional integration during the apprenticeships.

3.2.3. Improvements in the dialogue and co-ordination between social and economic partners

The role of the EURES cross-border partnerships as a forum for analysis, an exchange of ideas and joint actions in relation to cross-border labour markets has also developed during this period.

Some partnerships like PED (Pôle Européen de Développement), SLLRP (Saar/Lorraine/Luxembourg/Rheinland-Pfalz) and Pyremed, and in particular the social partners, have carried out comparative studies of the collective agreements related to the sectors that are more relevant to the cross-border labour market pool. These studies give relevant information to workers and companies that intend to work/ establish themselves on the other side of the border. In other partnerships such as Interalp and Oresund, studies have looked at the cross-border comparison of different definitions and profiles of the professions within specific sectors (e.g. healthcare, construction), including the qualifications and diplomas required.

Studies have continued on trends in the qualifications required at cross-border level and on commuter flows. The majority of partners have also collected statistics on cross-border labour markets and disseminated them either on paper or on Internet sites.

Joint actions on cross-border employment areas have similarly been carried out by the public employment services, particularly in relation to significant recruitment or redundancy actions, the setting up of cross-border "job clubs" or the exchange of good practices between their organisations.

Social partners have been closely involved in the preparation and editing of documents and brochures on living and working conditions in the cross-border areas, which are useful for both employers and jobseekers/ commuters.

¹³ Communication from the Commission of 28.4.2000 laying down guidelines for a Community Initiative concerning trans-European co-operation intended to encourage harmonious and balanced development of the European territory - INTERREG III (C(2000) 1101), Annex II, Strand A, part 3

A number of cross-border EURES have drawn up inventories of vocational training opportunities in the cross-border area and provided information on the subject, often through links from the partnership Internet sites with various other sites in the cross-border region.

Some cross-border partnerships have also carried out studies on qualification requirements or on the recognition of qualifications in the regions concerned, and intend to establish cross-border vocational training actions (funded by other programmes such as Interreg), open to residents on both sides of the border and leading to qualifications recognised by employers on either side of the border.

3.2.4. Involvement of Employers organisations

Employers are a key EURES target-group, but many are unfamiliar with the services that EURES can provide to them. Employers organisations are involved in most of the cross-border partnerships but this involvement should be further increased. They mainly provide information to employers that wish to recruit commuters, although some undertake additional activities, such as surveys on the future needs of workforce, seminars for HR managers, participation in fairs and in other promotion activities. At national level, some PES develop promotion activities towards employers, including participation in jobs fairs, advertisements in professional magazines, and visits by EURESadvisers. Some large scale recruitment activities and other forms of transnational cooperation between PES involve employers very closely.

Nevertheless, it is clear that it is important for employers' awareness of EURES activities to be increased and that employers' organisations could benefit from being more involved in EURES activities. A working group was set up in 2002 in order to establish how better to adapt EURES services to the needs of employers by identifying and disseminating good practices in this field, and designing a clear message to employers about what EURES can offer to them and their organisations.

3.3. The Network of EURESadvisers

EURESadvisers are the driving force behind the EURES network, since they have a key role in delivering information, guidance and placement/recruitment assistance services to both job seekers and employers. In total, there are more than 600 EURESadvisers in all the EEA countries, including the cross-border regions.

The role of the EURESadvisers has evolved from a "first stop shop" to a "resource person" who co-ordinates and promotes the EURES services at a local/regional level and who manages or collaborates in transnational projects. In this regard EURESadvisers continue to perform the traditional information and advice tasks but also combine them with the new ones in their role of "integrator" of EURES in their organisations.

Yearly basic training sessions were organised in the EURES network for a total number of 120 new EURESadvisers in 2000 and 2001. Two annual, transnational, continuing training programmes were also undertaken to respond to the EURESadvisers' needs (e.g. in terms of living and working conditions in different countries, social security issues, vacancy handling and large-scale recruitment). Line managers (i.e. PES managers at local/regional level) were invited to join some

sessions, and a new special seminar for line managers was organised in Sweden in March 2001.

3.4. Improvements in the quality of the service

EURES quality standards, as agreed by the partners for the handling of vacancies and job applications, are seen by many of the partners as an integral part of their national operating procedure and are further reinforced by the national and regional training of EURES advisers and other staff. However, some of the partners still are at early stages of adopting and fully implementing those quality standards. For them to be fully effective, all organisations need systems to deal with such standards, and to follow up and evaluate that they are properly respected.

The use of EURES service commitments to job seekers and employers has been agreed by the partners and many of them promote such commitments on their national website, in brochures, leaflets and other promotion material.

The updating of quality standards is a continuing process, using feedback from the users of the service. EURES partners have agreed to the use of customer inquiries and have been asked to include questions on EURES services in their national customer surveys in order to obtain feedback to improve services. Many of the studies and inquiries already carried out by the partners indicate that job seekers and employers find the EURES information and advice services useful.

4. SERVICES ON LINE

4.1. Improvements of the job vacancies database

The EURES job vacancies database continued to be widened and strengthened during 2000-2001. It has now been operational for more than seven years. Maintenance work on the main user application (serving 567 EURES advisers) is continuing. A complete refresh is being planned to bring it up to date with current technologies. Concerning the EURES profession coding system, it will now be enhanced from its current form (ISCO-88) to a more modern form of ISCO (to include many of the newer professions) during 2002. The internet web-site which the general public uses to view the EURES jobs continues in the original 2000 form. It now needs to be brought up to date with modern web site design and the initial steps in this respect will be taken in 2002. The TESTA II telecommunications network continues to provide the technical connectivity that is essential for the smooth running of EURES.

Progress on the integration of the national systems

As a result of the seven years of operation, ten of the EURES PES partners now automatically exchange jobs with EURES on a daily basis. These include PES in France (ANPE), Germany, Belgium, Austria, Ireland, UK, Finland, Norway, the Netherlands and Italy. During 2002, the partners in IEF (Portugal) and APEC (France) will be added. Preparatory work is being undertaken with the Netherlands (reception of jobs) and Northern Ireland, for further integration. Complete European integration will depend on the pace at which the remaining partners manage to achieve automatic job exchange.

4.2. The C/V-Search Database

The Heads of PES decided in 1999 that a CV-database on the Internet should be established within the EURES framework. A pilot CV-database was launched in June 2001, initially restricted to four occupational areas (namely Information and Communication technology, Health care, Hotel and catering and Air travel), the aim being to explore the market interest in such a service and evaluate the functionalities and user response. (<http://www.eurescv-search.com>)

The fundamental principles, functions and user interface of the application have been tested and the overall impression is that the users appreciate the service and find it useful and easy to use. In fact, the interest from the users was so substantial, that a number of well-motivated suggestions for improvements and additions were received.

The pilot phase has enabled about 28 688 CVs and around 852 employers to be registered, which could be considered as lower than initially hoped for due mainly to two factors: insufficient promotion activities and the restricted number of occupations in the database. In addition to this, changes in the labour market situation in the IT and aviation sectors (two of the four occupational groups featured) have probably also had a negative effect, especially on the number of employers looking for qualified labour.

The pilot period was too short to draw any substantive conclusions, but pointed up the need to put a stronger emphasis on promotion activities and increase the number of occupations in the CV-database in order to make the service more open and accessible.

The pilot will therefore be expanded to cover all occupational fields in 2002 – 2003, and ensure the format is adapted to be compatible with the European CV format recommended by the Commission¹⁴. Promotion activities will be enhanced, the pilot will be evaluated, and the application will be further developed and linked into the Jobs database/EDEN Pilot project described below (6.2).

4.3. The EURES Internet Site

At present the EURES public website offers the following information and services:

- EURES jobs-search website that allows the search of "European" job-offers, sorted by regions and profession
- EURES CV-search, (see above)
- information on the EURES network, including the cross-border partnerships and the contact details of all the EURESadvisers
- gateway to information on jobs and mobility at European level provided by partners and other organisations.

¹⁴ Commission Recommendation on a common European format for curricula vitae, 11 March 2002

A total redesign and enhancement of the public site is planned, incorporating databases of information on living and working conditions and on regional labour markets, and enhancing links with relevant initiatives in the field of Mobility of researchers. This, coupled with a renewed low-cost marketing campaign, is designed to greatly increase the usage of the site.

The database on regional labour markets will help identify the regions where there is a skills surplus or shortage in a specific sector of activity. The information collection process started by the PES at the end of 2000, using a standard model to describe the situation of their regional and sometimes national labour markets, and listing documents, useful addresses and relevant Internet sites.

The database on living and working conditions will provide information on all the 17 countries participating in EURES based on data provided by experts in each country. Besides basic information, it will also provide details on useful contacts and relevant Internet sites. Work on the database was re-launched in September 2001 in order to develop and improve on the existing information provided through the "Dialogue with citizens" service. The new version should be ready by the end 2002.

In addition, a Researchers' Mobility Web Portal will provide information of particular interest for researchers, such as detailed national regulations and procedures, job vacancies and funding opportunities in the research sector. It will ensure appropriate links with specialised web sites at the national level and with European sources such as the EURES public web site. The pilot phase of this portal will be ready by early 2003.

EURES "partners" site

The EURES partners site contains the information needed to manage the EURES activities, including links to legal documents, proceedings of the different working groups, directory of the members of the network, details about the training programmes, and statistics on EURES activities.

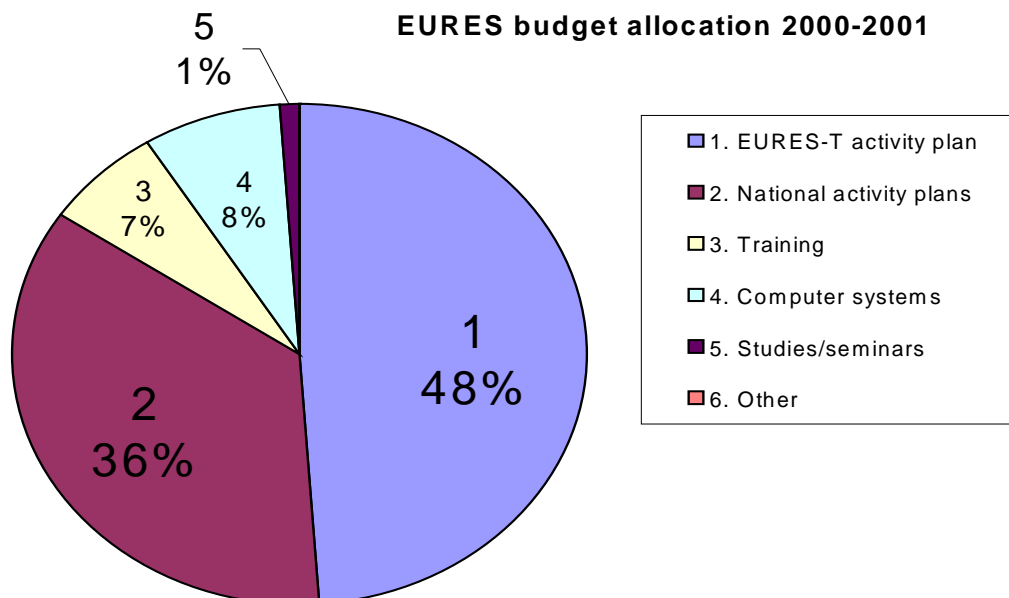
5. FUNDING

The EURES budget amounted to € 11,6 million in 2000 and € 12,46 million in 2001. In 2000 and 2001, a ceiling of € 405 000 and of € 540 000 respectively was set for expenditure on technical assistance and administration. In addition to these amounts, EURES was allocated a contribution from EFTA (€ 217 200 in 2000 and € 241 800 in 2001) under the terms of the agreement on the European Economic Area (participation of Norway and Iceland).

Most of the budget was used to fund activities by national and cross-border partners for the development of EURES services, in particular information, promotion and support activities or computer equipment

Through the EURES budget a number of services of benefit to all partners are supported, such as basic and continuing training for EURES advisers and line managers, and the development, administration and updating of the databases and Websites on vacancies, CVs, information on living and working conditions, and information on regional labour markets.

The figure below illustrates budget allocation for 2000 and 2001 (average).



The increase in the annual budget has allowed the financing of the extension of the network. In particular it has allowed for the start-up costs of new cross-border partnerships as well as the development of databases and Internet sites. The map on next page shows the cross-border partnerships established at the end of the reporting period.



Overview of cross-border partnerships established at the end of the reporting period

6. FORTHCOMING DEVELOPMENTS

6.1. Contribution to the implementation of the Commission's Action Plan on Skills and Mobility

In its Communication on the "New European Labour Markets; open to all with access for all" of 28/2/2001¹⁵, the Commission drew attention to the feasibility of setting up a one-stop European mobility information site, which would include the setting up of a Europe-wide jobs and learning database (built upon the experience of existing EURES network), as called for in the conclusions to the Lisbon European Council of March 2000 and as included in the Employment strategy. It also identified EURES as one of the means of undertaking a mobility information campaign, targeted at employers and workers on the key dimensions, opportunities and possibilities of the European labour market.

Similarly in its December 2001 report, the High Level Task Force on Skills and Mobility, set up following the Communication of February 2001, called for the launching of such a one-stop site, and for the modernisation and re-enforcement of the operation of the EURES system by 2002 and its integration into the national systems

The culmination of the work during 2001 to open up the European labour markets, was the Commission's Action Plan on Skills and Mobility adopted on 13 February 2002¹⁶. Here, EURES was called upon to contribute to the establishment of a One-

¹⁵ COM(2001) 116 final

¹⁶ COM(2002)72final)

stop European mobility information site, and it was reconfirmed that EURES would be modernised, re-enforced and integrated into the Member States' employment services. The Action Plan was welcomed by the Barcelona European Council in March 2002.

Other developments related with ICT systems

- A new EURES portal is being developed. It will be database driven and will allow all the partners to update/upload information on-line such as their adviser details, living and working conditions, labour market information. It will include many of the "members site" features which will also be updated.
- The EDEN (*Employment Data Exchange Network*) pilot project commenced in late 2001. It is carried out by a consortium of four Public Employment Services. It will model the transfer of vacancies and c/vs using the internet and XML technologies. The vacancies will be stored in a central database and it is planned that the operational functions will be hosted by the PES themselves.
- At the request of a number of PES partners, the Commission will also pilot the "webservices" approach to the transfer of vacancy data over the internet using XML. In this model the vacancies would remain on the individual PES websites and a central mechanism would facilitate the routing of vacancy requests. This would require no central database as such. It would leave the control and management of the system in the hands of the individual PES.

By end 2002 the results of the above initiatives will be evaluated. The objective is the creation of a multilingual, web-based, European employment platform for vacancies and CVs, based on a common structure, as the core of the mentioned One-stop European job mobility information site.

Renewal of the legal base of EURES

The review of the rules governing EURES was announced in the Commission's Social Policy Agenda¹⁷, of 28 June 2000.

In order to take careful account of the views of the key actors on the network in relation to the renewal process, the Commission organised, on the one hand, a seminar in May 2001 with all the EURES partners in Malmö and, on the other, discussions with the Heads of the PES in June and in December 2001 in order to examine the key orientations which needed to be taken into account in the preparation of the EURES review, including:

- To underpin occupational and geographic mobility in line with the European Employment Strategy and enhance the EURES' services and products by mainstreaming EURES into PES activities.
- To consolidate and strengthen EURES as a key tool to support the free movement of workers and the integration of the European labour markets, to monitor mobility, and to inform citizens about the relevant EU/EEA legal provisions.

¹⁷ Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions, COM (2000) 379 final

- To refocus the role of the Commission and to strengthen the programming tools so that the Commission could concentrate on strategic impulse and overall coordination, whereas most operational decisions would be taken by the EURES members and partners.
- To give EURES a more flexible set-up, that can be easily adjusted to new technological and other relevant developments.
- To introduce better tools for monitoring and evaluation of the activities.
- To provide EURES with a structure that will remain manageable with a larger number of member countries after EU enlargement.

Further discussions and consultations on these issues were undertaken also with the Technical and Advisory Committees for the free movement of workers in November 2001 with a view to a revision of the EURES legal base in 2002.

6.2. Enlargement

The enlargement of the EU is a significant challenge for the network

There will be limitations to the free movement of workers from most new Member States during the first years after enlargement, under Chapter 2 of the Acquis in the Accession Agreements concerning the free movement of workers. The necessary preparation for enlargement will have to take account of these transitional arrangements.

Apart from the general rules applicable to the free movement of workers in an enlarged Union, a number of Member States have concluded bilateral agreements with candidate countries defining the circumstances under which workers from these countries may work in the other state. Most of these agreements concern temporary staff, trainees, seasonal and cross-border workers. Therefore, also during the transition period, EURES may already contribute to supporting these types of mobility of workers from those countries. In addition, some Member States will be open to the workers from the new Member States during the transition period while access to others remains more limited.

Provision will be made in the context of the revision of the EURES legal base in order to guarantee that EURES remains operational whilst taking into account the logistics of an increase in Member States participating in the network.

The groundwork for the development of EURES services in the new Member States takes also place through the means of bilateral agreements between Member States and candidate countries, and through existing PES co-operation projects.

Existing PES Co-operation Projects

The PES already have taken a large number of initiatives together with the candidate countries to develop co-operation on delivering employment services, on which EURES will be able to build. In many cases the collaboration has been funded through bilateral aid funding mechanisms or through PHARE and/or World Bank funding. An increasing number of projects are based around the idea of twinning an EU PES with a PES from a candidate country.

PES co-operation projects have taken place in Bulgaria, Romania, Hungary, Slovak Republic, Baltic States-Latvia, Estonia, Lithuania-Croatia, Czech Republic, Slovenia, Poland, Cyprus and Malta. The methodologies of the co-operation include technical assistance, consultancy, seminars, strategic studies, study visits and equipment procurement.

7. CONCLUSION

The operation of the EURES system during 2000 and 2001 has coincided with a considerably greater focus at EU level and in the Member States on the contribution which occupational and geographic mobility should make towards tackling skills bottlenecks and supporting the European Employment Strategy. The conclusions of the Spring European Councils in Lisbon and Stockholm (with notable strengthening at Barcelona in 2003) have consistently emphasised employment mobility as having a significant role to play in opening up the European labour markets. The objective of more occupational and geographic mobility is part of the Commission's annual Employment Guidelines and is also reflected in the respective National Action Plans in the Member States. The objective is also part of the Commission's commitment for the creation of a European Knowledge area and a European Research Area. In this context, EURES will continue to play a key role as the tool to support the free movement of workers and further integration of the European labour markets.

This stronger policy focus will be particularly important when planning the next stage of EURES, in terms of the review of the legal base, the opening up of the system to more countries in the light of enlargement, and providing easier access for employers and jobseekers to information on job mobility through a One Stop Job Mobility Information Website.