



Strategic Plan 2016-2020*

EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION DG

* The current Commission's term of office runs until 31 October 2019. New political orientations provided by the incoming Commission for the subsequent period will be appropriately reflected in the strategic planning process.



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List of acronyms

AAR	Annual Activity Report
AGS	Annual Growth Survey
AIR	Annual Implementation Report
COM	Commission
CWP	Commission Work Programme
DG	Directorate General
EaSI	EU Programme for Employment and Social Innovation
EESSI	Electronic Exchange of Social Security Information
EGF	European Globalisation Adjustment Fund
EMCO	Employment Committee
EP	European Parliament
ESDE	Employment and Social Developments in Europe
ESF	European Social Fund
ESIF	European Structural and Investment Funds
EURES	European Employment Services
FEAD	Fund for European Aid to the Most Deprived
JER	Joint Employment Report
LFS	Labour Force Survey
LTU	Long Term Unemployment
MCS	Management and Control Systems
MFF	Multiannual Financial Framework
MLP	Mutual Learning Program
MP	Management Plan
MS	Member States
NEET	"Not in Education, Employment, or Training".
SCO	Simplified Cost Options
SPC	Social Protection Committee
SPPM	Social Protection Performance Monitor
SWD	Staff Working Documents
TMS	Targeted Mobility Scheme
YEI	Youth Employment Initiative
YfEj	Your First EURES Job
YG	Youth Guarantee

PART 1. Strategic vision for 2016-2020

A. Mission statement

The Employment, Social Affairs and Inclusion DG pursues policy, legislative and financial initiatives to build a highly competitive social market economy in the European Union. Through the implementation of the Europe 2020 Strategy it aims to create more and better jobs, promote skills and entrepreneurship, improve the functioning of the labour markets, confront poverty and social exclusion, modernise social protection systems including pensions, health and long-term care, facilitate the free movement of workers, promote workers' rights, health and safety at work, and protect against discrimination in the work place, as well as the rights of persons with disabilities.

B. Operating context

Competences

The **Treaty** of the Functioning of the European Union (TFEU) provides that in determining and implementing its policies and activities, the EU has to take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion and a high level of education, training and protection of human health (Article 9 TFEU). Other specific responsibilities of EMPL enshrined in the Treaties include the implementation of the fundamental right of “Free Movement of Workers” (Article 45 Treaty of the European Union (TEU), the coordination of social security systems (Article 48 TEU) and the promotion of social dialogue and of improved living and working conditions (Articles 151 to 155 TFEU). EMPL is also in charge of the implementation of the European Social Fund (ESF) in order to improve employment opportunities for workers in the internal market and to contribute thereby to raising their standard of living (article 162 TFEU) and to develop actions leading to the strengthening of the Union economic, social and territorial cohesion (article 174 TFEU). EMPL also contributes to the employment and social dimension of enlargement and of globalisation.

The **responsibility** for fulfilling the above objectives as well as for policy setting in the field of employment, social affairs and inclusion is **shared between the EU and its member countries** (Article 4 and 5 TFEU).

Types of intervention

EMPL’s main areas of intervention to work towards the attainment of those objectives are:

- (1) Policy activities of guidance, coordination and governance towards employment and social policies reforms;
- (2) Regulatory activities in the areas of working conditions (labour law, health & safety), workers' rights and free movement of workers;
- (3) Management of a wide range of funding instruments under different **management modes**:
 - **Shared**: the European Social Fund (ESF), including the Youth Employment Initiative (YEI), European Globalisation Adjustment Fund (EGF), Fund for European Aid to the Most Deprived (FEAD);
 - **Direct**: EU Programme for Employment and Social Innovation (EaSI¹), part of Erasmus+ and of the Rights, Equality and Citizenship Programme (REC) and funds allocated by

¹ EaSI is made up of 3 axes: PROGRESS, EURES, and Microfinance and Social Entrepreneurship.

virtue of the powers conferred by the Treaty (so-called "Prerogatives") for social dialogue, mobility, analysis of the social situation, demographics and the family; and contributions to decentralised Agencies (see below).

- **Indirect:** Instrument for Pre-Accession Assistance – Human Resources Development (IPA-HRD 2007-2013) which is now phasing out. Its successor for the period 2014-2020 is managed by ELARG.

EMPL is also the supervising authority for 4 Agencies:

- **The European Agency for Safety and Health at Work (EU-OSHA in Bilbao)** which contributes to the long-term policy work of EMPL, notably in raising awareness on the importance of worker's health and safety as well as in promoting prevention of risks at work and thus contributing to improving the competitiveness and productivity of companies in the EU;
- **The European Foundation for the Improvement of Living and Working Conditions (Eurofound in Dublin)** which mainly contributes to the long-term policy work of EMPL, notably through Observatories (EIRO, EMCC, EWCO and EurLIFE) and Surveys, by providing information on industrial relations analysis (country reports), working and living conditions, restructuring and monitoring of employment trends, and social policy.
- **The European Centre for the Development of Vocational Training (Cedefop in Thessaloniki)** which assists with the delivery of the European Policy Agenda on vocational education and training as per the Riga Conclusions on a set of medium term deliverables in the field of Vocational and Educational Training (VET) for 2015-2020, as well as adult learning and education policy priorities;
- **The European Training Foundation (ETF in Turin)** which contributes to policy and outreach of EMPL by helping its partner countries – enlargement countries, neighbourhood countries and Central Asia – modernise their vocational education and training systems in order to equip people with knowledge, skills and other competences which are needed in dynamic economies and societies.

EMPL manages the following EU funds in the Multiannual Financial Framework (MFF) for 2014-2020:

EUR millions	2014	2015	2016	2017	2018	2019	2020	Total
ESF	9.680	13.519	12.015	12.308	12.633	12.957	13.301	86.412
YEI	1.707	1.505	-	-	-	-	-	3.211
FEAD	514	525	536	546	557	568	580	3.827
EaSI	123	129	127	130	134	138	146	927
Prerogatives & agencies	88	125	127	128	131	133	135	867
Erasmus+	8	8	8	8	8	8	9	57
REC	6	6	6	6	7	7	7	45
EGF	120	47	166	169	172	176	179	1.029
TOTAL	12.246	15.864	12.984	13.295	13.643	13.987	14.356	96.375

With a total budget to manage of 96.4 bio euros for 2014-2020, in addition to those remaining from the 2007-13 period, EMPL is thus responsible for approximately 9% of the EU budget allocated under the current MFF.

EU added value of those interventions

Through its interventions, EMPL mainly aims at (1) improving law and policies (notably through policy and legislative activities, and projects funded under EaSI-PROGRESS, REC, ERASMUS+, prerogatives,); and (2) supporting actions with a direct effect on citizens in the fields of employment and social inclusion (notably through EaSI-EURES, EaSI-Microfinance, ESF, EGF, and FEAD).

The EU added value of those interventions can be summarised as follows:

The key issue for the European social and employment policy, within the EU's limits of competence, is ensuring collective action and effective policy co-ordination among the EU Member States. While actions to tackle the socio-economic issues are still primarily the responsibility of the Member States and regions, the EU has a role to play in putting the need for specific reforms on the agenda, informing about barriers to change and opportunities to overcome them, ensuring that existing European-level rules are complied with, stimulating sharing of good practices and mutual learning, and supporting social policy innovation and Europe-wide approaches where there is a clear value added for European intervention.

The added value of the Commission actions also lie in its role to assist and support EU social dialogue by strengthening the administrative capacity of social partners at EU level, providing balanced support to both employees and employers' representatives, promoting the exchange of information and good practices between social partner organisations at EU and/or transnational level, enhancing the involvement of social partners in the governance of Europe 2020 and carrying out and disseminating analysis on industrial relations.

The added value of funding instruments with a direct impact on citizens lies with (1) providing increased resources; (2) supporting groups or policy areas that would not otherwise receive support; (3) promoting innovative projects and approaches; (4) supporting mutual learning between Member States and stakeholders; (5) influencing Member States and actors within them; and (6) increasing the visibility or prominence of shared EU policy objectives notably in international fora's such as ILO or UN.

External factors

The policies pursued by the Commission are shaped by many other factors with strong effects; key among these are the macro-economic situation, in particular the current and expected GDP growth in the EU and the linked rest-of-world GDP growth; push and pull factors in the various origin and destination countries of intra-EU movers such as differences in income levels across countries and regions. Furthermore, most policy levers are in the hands of the Member States and subject to many sometimes conflicting demands including fiscal constraints.

In addition, as regards programmes managed under shared management, which represent the vast majority of EMPL funding, the delivery of expected results and impacts depends significantly on a number of exogenous factors:

- 1) The efficient and effective implementation of actions depends primarily on good governance and partnership among all bodies involved during the various stages of implementation of the operational programmes;
- 2) The long-term results are also impacted by other factors such as the effect of the economic and financial crisis on existing disparities and the policies put in place by the national, regional and local authorities.

C. Strategy

President Juncker committed to renew the European Union on the basis of **an Agenda for Jobs, Growth, Fairness and Democratic Change** focusing on ten priorities². These have been translated into general objectives³ shared by all contributing Commission Services in order to set-up an integrated performance framework.

This agenda pursues the overall goal set in the **Europe 2020 Strategy** to generate smart, inclusive and sustainable growth. The "inclusive growth" dimension of the strategy sets out an overarching policy framework for reforming labour markets, modernising social Europe, creating job opportunities, ensuring adequate and sustainable social protection systems and social inclusion, and fostering economic competitiveness.

EMPL, directly supporting and reporting to Commissioner Thyssen, who is in charge of employment, social affairs, skills and labour mobility, plays a key role in implementing this agenda and more particularly contributes to: (1) A New Boost for Jobs, Growth and Investment; (2) A Deeper and Fairer Internal Market with a Strengthened Industrial Base; and (3) A Deeper and Fairer Economic and Monetary Union. However, EMPL's activities also contribute to other general objectives and in particular the migration policy agenda, to the area on justice and fundamental right and to the EU as a stronger global actor.

Making sure Europeans can fully participate in society and equipping them for modern working life is a key social concern, but it is also crucial for our productivity and ability to compete globally. The sustainability of welfare systems, labour mobility and a greater convergence of labour market performance are also essential for the functioning of the Euro zone and for progressing towards a deeper and fairer Economic and Monetary Union. Those key work streams translate into EMPL's 8 specific objectives⁴ which are presented below with the DG's instruments contributing to their fulfilment:



* A list of acronyms is presented on page 3

² A New Start for Europe: My Agenda for Jobs, Growth, Fairness and Democratic Change Political, http://ec.europa.eu/priorities/docs/pg_en.pdf

³ General objectives – *accompanied by impact indicators* – are long term goals expressed in terms of ultimate impact on society as a whole. These are set at Commission level. It should be noted that impact indicators give only indications for societal changes that the Commission aim to contribute to, together with Member States and other partners and stakeholders, despite limited influence of one level taken alone.

⁴ Specific objectives – *accompanied by result indicators* – are defined by EMPL for each general objective. Result indicators measure the direct effect of the EU actions on the target population. The selection of indicators is necessarily partial but points at certain observable trends over time in the positive outcomes of EU actions.

General objective 1: A New Boost for Jobs, Growth and Investment

The Commission top priority is to strengthen Europe's competitiveness and to stimulate investment for the purpose of job creation.

The economic and financial crisis has had a profound impact on society. There are some signs that the employment and social situation in the EU is slowly improving. Although remaining at pre-crisis levels, unemployment is gradually falling since mid-2013 and employment is rising⁵, especially in those countries that were hit hardest by the crisis. After a slight decrease in 2013, following three consecutive years on the rise, the proportion of persons at risk of poverty or social exclusion⁶ in the EU in 2014 remains broadly stable.

This more favourable macro-economic environment must be translated into more and better opportunities for people in the EU. This is particularly the case for the 11 million long-term unemployed and the 4.6 million unemployed young people in the EU, whose number is only now starting to go down⁷.

Our education and training systems are struggling to meet 21st century expectations, including longer working lives and digital skills. Reducing school drop-out rate below 10%⁸ and exceeding 40% of 30-34 year-olds who completed a third level education⁹ are key objectives of the Europe 2020 Strategy.

Labour market reforms have been implemented to a varying extent and there are still many obstacles to job creation and mobility in the workforce.

EMPL contributes to this Commission general objective by its specific objectives of (1) supporting Member States in their structural reforms, notably in the context of the European Semester; (2) reinforcing the role of social dialogue at all levels; (3) creating better functioning labour markets with as particular priorities the inclusion of the young generation and the long term unemployed; (4) ensuring decent & safe working conditions for all; (5) developing a skilled and more entrepreneurial workforce and (6) ensuring greater social inclusion and effective social protection.

Diagrams (page 9)

1. **Logic of intervention:** the diagram shows how the planned actions carried out by EMPL, or together with the Member States in case of shared management programmes, contribute to the delivery of the Commission priorities;
2. **Performance framework:** this diagram gives an overview of EMPL's specific objectives under the first general objective and the corresponding indicators. Their full formulation, definition, milestones and targets are presented in annex 1.

⁵ Employment Rate: reached 69.2% in 2014 (confirmed by 2015 Q3 data) vs 68.4% the previous 2 years (see annex 1)

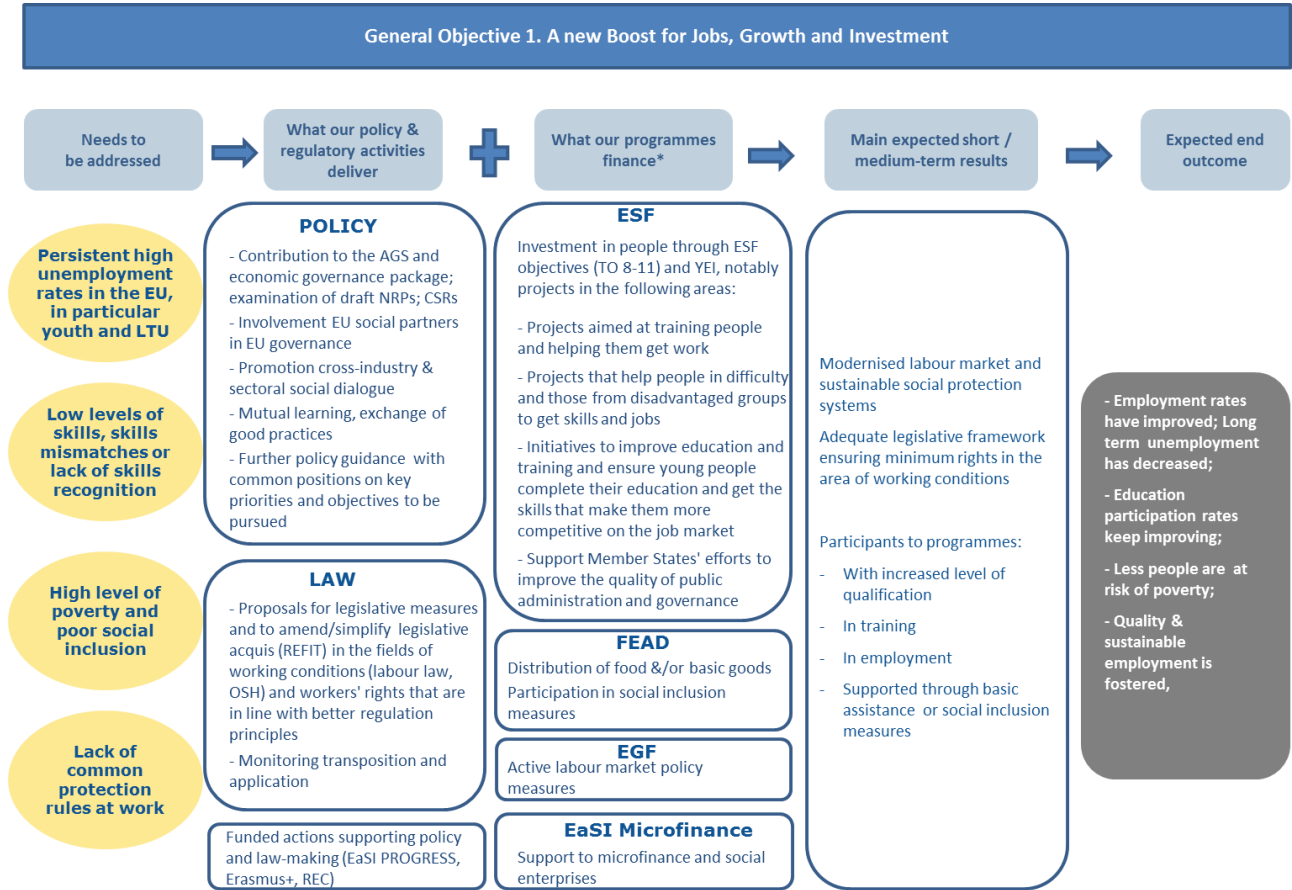
⁶ Population at risk of poverty or social exclusion: modest improvements in 2014 with 122.3 million people vs 122.9 in 2013 (see annex 1)

⁷ ESDE report 2015

⁸ Early leavers from education and training: dropped from 12.7% in 2012 to 11.2% in 2014 (see annex 1)

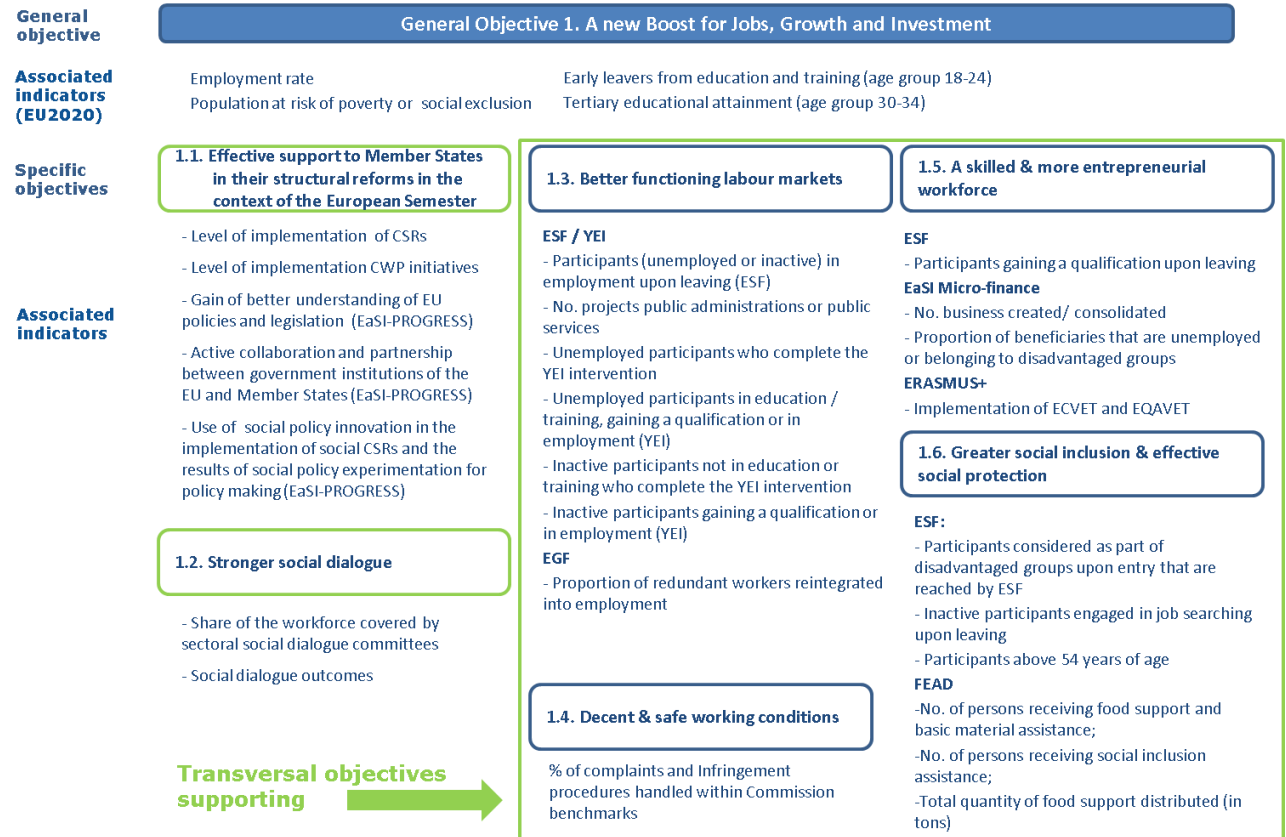
⁹ Tertiary educational attainment: up from 36.0% in 2012 to 37.9% in 2014 (see annex 1)

Logic of intervention - General Objective 1



* Although all programmes tackle employment and social matters, their scopes are complementary and do not overlap

Performance framework - General Objective 1



For each specific objective, the text below presents the situation and challenges to be addressed, the priorities set for this Commission as well as how EMPL intends to shape its intervention to contribute towards their attainment.

Specific Objective 1.1. Effective support to Member States in their structural reforms in the context of the European Semester

The context

The economic crisis demonstrated a need for **stronger economic governance and better policy coordination** between the EU Member States. In a Union of highly integrated economies, enhanced policy coordination can help promote structural reforms, prevent discrepancies in employment and social matters and contribute to ensuring convergence and stability in the EU as a whole, and in its Member States.

Furthermore, as all Member States have **committed to achieving the Europe 2020 targets** and have translated them into national targets, individual efforts of all countries need to be coordinated and focused towards the achievement of the desired impact on growth.

The **European Semester** serves to better align the goals of national budgetary, growth and employment policies based on thorough analysis, while taking into account the objectives set at the EU level.

The Commissioner's mandate

Commissioner Thyssen as the responsible Commissioner for employment, social affairs and labour mobility is in charge of supporting the Vice-President for the Euro and Social Dialogue to **streamline and reinforce the European Semester of economic policy coordination**¹⁰.

EMPL's intervention

In this context, EMPL as a core DG within the European Semester process significantly contributes by providing **guidance and solid analysis** in the employment and social area and by fostering coordination and governance of employment and social policies. EMPL's analytical work aims to provide operationally-oriented policy guidance to Member States. This guidance focuses on enhancing the capacity of Member States to modernise their labour markets and social protection systems with a view to progressing towards the Europe 2020 targets, ideally through the coordinated implementation of structural reforms.

EMPL supports the strengthening and effectiveness of the **multilateral surveillance and country peer-reviews** exercised through the Employment Committee (EMCO) and the Social Protection Committee (SPC) together with relevant reform monitoring mechanisms and the exchange of good practices via mutual learning programmes. Such frameworks for cooperation between the Member States are provided by the Open Method of Coordination (OMC).

This objective is sustained by **EaSI-PROGRESS** which supports actions developing and disseminating comparative analytical knowledge provides evidence on the Union's policies and improves information sharing, mutual learning and dialogue.

It is also supported by the **European Social Fund** which is one of EU's main financial instruments to support structural reforms, policies and priorities. It does so notably by: (1) financing projects under Operational Programmes designed to address the challenges identified in the National Reform Programmes and the relevant country specific recommendations; and (2) supporting Member States' efforts to improve the capacity of public

¹⁰ Commissioner's mission letter: The Commissioner should ensure that the European Semester is "the vehicle for pursuing the modernisation of labour markets and social protection systems, including with a view to progressing towards the targets set in the Europe 2020 strategy in the fields of employment and social inclusion". In this context, "particular attention should be paid to strengthening the multilateral nature of the economic governance process at the EU level, to engaging a broader range of actors at national level and to deepening the country-specific knowledge within the Commission."

administration and governance which is instrumental in ensuring a successful implementation of structural reforms.

How it supports the Commission general objective

EMPL thereby contributes to the effectiveness of the country reform process in relation to labour market, social protection and education systems. Those reforms are key to **restoring growth conditions** of European economies and sustaining the proper functioning of the Union.

Specific Objective 1.2. Stronger social dialogue

The context

In recent years the economic recession has put national industrial relations systems under severe strain. At European level, divergences have become apparent between the cross-industry social partners, especially regarding the causes of the crisis and the economic policy responses. The impossibility for social partners to come to a common vision has led to a situation where social dialogue at EU level is performing below its potential and not contributing as much as it could to EU policy making. The fact that the Member States that joined the European Union in recent years often have a relatively weak social dialogue also negatively influences the functioning of EU social dialogue.

To ensure a vigorous and sustainable recovery, which fosters quality job creation, Europe needs to reinforce the competitiveness and fairness of its social market economy. This requires a sustained and coordinated effort at all levels. The social partners have a crucial role to play in the new Commission's agenda for jobs, growth, fairness and democratic change. It is therefore necessary to give a new impetus to social dialogue, in full respect of the autonomy of social partners.

The involvement of social partners can strongly contribute to **the sustainability and ownership of relevant policies and reforms**. This involvement should take place in the design phase as well as when implementing reforms.

At the EU level, social partners are consulted at the key milestones of the **European Semester** process. At national level however, there is a great variety of situations. In some Member States there is a strong tradition of social dialogue with strong social partners shaping reforms and policies, including on a bipartite basis. In others, social partners are hardly existent or do not have the opportunity to contribute to design or implementation of policies.

The social partners, due to their knowledge and experience of economic and social issues at all levels, are also well-placed to provide their views and their contributions for the preparation of Commission policy and legislative initiatives in the employment and social fields or those having a social or employment impact. They are also entitled to enter into **negotiations and sign agreements** which may then be implemented by EU legislation.

The objective is for the EU to ensure that social partners have the capacity and possibility to fully contribute to the design and implementation of policies and reforms regarding labour markets and social systems, at both EU and national level. At the international level, the EU social dialogue model provides a reference for other players, e.g. in the ILO or the G20.

The Commissioner's mandate

The Commissioner was given the mandate to contribute, as part of the project team steered and coordinated by the Vice-President for the Euro and Social Dialogue, to promoting **social dialogue at all levels**.

EMPL's intervention

European social dialogue is one of the main instruments for employment and social policy at EU level. In line with Article 152 TFEU, the Commission promotes the role of EU social partners and contributes to facilitating social dialogue, while respecting the autonomy of social partners

and the diversity of industrial relations systems. The role of the European Commission is to ensure that this dialogue develops and takes place so as to make full use of the problem-solving potential of social dialogue at all levels (EU, national/regional, sectoral, company).

The Treaty provides for the social partners' right to be consulted before the Commission proposes new legislation in the labour and social field (Article 154 TFEU) and also establishes the social partners' capacity to negotiate agreements which may be legally binding (Article 155 TFEU). European social dialogue acts as a complement to the social dialogue which exists in the Member States. It allows social partners to contribute to the definition of European social standards and plays an important role in the governance of the European Union, including the European semester.

The Commission committed to re-launching and strengthening the dialogue with social partners and initiate a 'new start for social dialogue'. EMPL therefore pursues its objectives through a stronger involvement of social partners in the European Semester at European level but also by entering in direct contact with national social partners, through support to **capacity building** of social partners by means of funding such as the European Social Fund and prerogatives, by **consulting social partners** in line with the Treaty as well as by organising **involvement of social partners** in the Commission's key initiatives with an employment or social impact, such as the Energy Union, the Digital Single Market or the Investment Plan.

How it supports the Commission general objective

This activity, through a strengthened role of the social partners, helps in achieving better economic and social outcomes notably in terms of job creation, preservation and quality. It thus contributes to the Commission's priority objective of a boost for "jobs, growth & investment" as well as support inclusive growth in line with the Europe 2020 Strategy.

Specific Objective 1.3. Better functioning labour markets

The context

Unemployment in the EU remains far too high, with 22 million Europeans unemployed in December 2015. Long-term unemployment has almost doubled since 2008 with large variations between Member States. This has implications for society as a whole, with direct social consequences for the persons concerned and a negative impact on growth and public finances. Youth unemployment, although declining overall, still remains very high, at above 20% in most Member States.

Divergences across EU labour markets may create fragility for the whole Union and therefore a new **convergence process** needs to be embarked upon in line with the Five Presidents' Report¹¹. One of the three policy priorities outlined in the 2016 Annual Growth Survey is that of pursuing structural reforms to modernise our economies. These reforms must be based on effective coordination between Member States and aim at higher productivity and upward convergence. It is further stated that labour market policies need to balance flexibility and security considerations and a particular focus should be on tackling youth and long-term unemployment.

Labour markets in countries where flexicurity policies¹² have been in place have shown more resilience than other countries, with less severe effects of the crisis in terms of unemployment and GDP growth. Experience has also shown that the additional labour market flexibility obtained during the crisis has not been sufficiently balanced by security in the labour market, including adequate income protection.

Increased flexibility has also been disproportionately borne by specific groups (e.g. youth, low-skilled) and is exacerbating rising income inequality (e.g. long-term unemployed). Persistent

¹¹ http://ec.europa.eu/priorities/economic-monetary-union/docs/5-presidents-report_en.pdf

¹² Policies aimed at balancing flexibility and security considerations, thereby improving the adaptability and productivity of workers and enterprises for more effective and efficient functioning labour markets

long-term unemployment has implications for society as a whole and a potential negative impact on growth and public finances.

The objective for the EU is therefore to maximise employment, make labour markets more resilient and more inclusive.

The Commissioner's mandate

The Commissioner was given the mandate to contribute to the Jobs, Growth and Investment objective, including setting out priorities and channelling funding. The Commissioner further has an explicit mandate to **promote labour market reforms** and help coordinate the employment policies of the Member States and strengthen the EU's social market economy and to complement the efforts already undertaken with the **Youth Guarantee**.

EMPL's intervention

An interplay between an adequate regulatory framework, policy steer and the channelling of funding positively affect the functioning of labour markets.

EMPL notably further promotes: (1) the development of **Active Labour Market Policies**; (2) the improvement of capacities and performance of **Public Employment Services** (3) addressing persisting **long-term unemployment**; and (4) initiatives in favour of **youth employment**.

This objective is sustained financially by **EaSI-PROGRESS** which supports the policy-making process. It is also supported by the **EGF** which supports reintegration into employment, by the **Youth Guarantee** which tackles youth unemployment, the dedicated **ESF** investment priorities financing projects to help people get into work, and in particular by the **YEI** that helps address youth unemployment in regions where the youth unemployment rate was above 25% in 2012.

How it supports the Commission general objective

A well-functioning labour market can contribute to economic growth by fostering human capital investments and by making the economy more competitive and better able to adapt to changing circumstances. It thus contributes to reaching a high level of employment within the EU and therefore support inclusive growth in line with the Europe 2020 Strategy.

Specific Objective 1.4. Decent and safe working conditions for all

The context

In his political guidelines President Juncker has set out to create a Europe with a 'Triple A Social Rating'. This notably requires the creation of decent, quality jobs, as well as protection for all in their work life. The existing social *acquis*, specifically on health and safety at work ('OSH'), non-standard employment, working time or information and consultation of workers, already guarantee to EU citizens minimum EU rights and standards to protect them as workers, in accordance with the competences granted to the EU in Article 153 TFEU.

The world of work steadily changes, and with it, risks and challenges that affect workers. For many of those that are employed, there is a concern about the lack of quality work, about emerging hazards at the workplace and about increasing precariousness. There is also a need to address evolving nature of employment relations, in parallel to shifts in production and service delivery models, influenced by profound trends such as digitalisation and globalisation. EU legislation and policy in the field of labour law and occupational safety shall effectively accompany these phenomena in a balanced way combining protection with flexibility so as to effectively contribute to Europe 2020 strategy's objectives for smart, sustainable and inclusive growth.

In the context of the Smart Regulation and REFIT, the Commission is also aiming at a simplified, clearer and more robust regulatory framework in the area of working conditions. This will make EU law clearer and increase awareness and compliance, benefiting both workers and employers of all sizes through an easier and more effective implementation of EU rules.

The Commissioner's mandate

The Commissioner was given the mandate to equip Europeans for modern working life, as a key social concern which is also crucial for EU productivity and ability to compete globally. This shall also contribute to a greater convergence of labour market performance.

EMPL's intervention

In this context, and supported by EaSI-PROGRESS, the Commission is pursuing a consistent set of actions:

on the one hand, a **systematic evaluation** of EU labour law and OSH acquis, followed, as necessary, by streamlining and updating instruments (e.g. follow up to the ex post evaluation of the OSH Directives) with the aim of increasing the effectiveness and efficiency of the EU OSH acquis; moreover, the DG contributes to the strengthening of a **global level playing field** in this area through multilateral, regional and bilateral initiatives and within international fora such as the ILO and the G20;

on the other hand, the setting up of an **EU Pillar of Social Rights**¹³, which shall include, inter alia, proposals to modernise and address the gaps in existing social policy legislation to take account of today's work environment and to ensure that new models of work maintain a fair balance in the relationship between employers and workers and supporting competitiveness as well as social inclusion.

How it supports the Commission general objective

Ensuring the development and enforcement of adequate EU minimum requirements in the area of working conditions fosters quality and sustainable employment as well as effective socio-economic convergence within the EU and competitiveness. This directly feeds into the objective of "boost for jobs, growth & investment" and in turn supports inclusive growth.

Specific Objective 1.5. A skilled and more entrepreneurial workforce

The context

The labour market is constantly evolving; **skills, competences, and knowledge** that people need **change over time**.

Too many people leave education and training without sufficient levels of skills for being employable and taking part in social life. Almost 70 million European adults do not possess sufficient levels of literacy or numeracy and one in five 15 year-olds is low performing in these basic skills¹⁴. Almost 40% of individuals in the EU have only low level or no digital skills¹⁵ and a significant share of migrants from third countries already residing in the EU (and to some extent their children) lack basic skills¹⁶.

40% of employers report difficulties in finding candidates with the right skills, many of them stressing lack of technical skills and of work experience and transversal skills among job applicants.

Even when skills are available, they are not always used. Actual use of skills in the workplace does not exploit the full potential of employees¹⁷ as around 30% of highly-qualified workers are in jobs usually requiring medium to low-level qualifications. Also, although women represent 60% of new graduates, they are still more likely than men to be inactive or work part-time.

To deal with these changes, people need to be equipped with **sound basic skills**, including literacy, numeracy and digital skills. Transversal skills, such as the ability to learn and initiative-

¹³ In line with the CWP 2016, the pillar of social rights will be reported upon under the general objective of "A deeper and fairer Economic and monetary Union" although the scope of this initiative is in practice transversal across the DG.

¹⁴ OECD PIAAC survey on EU working age population and PISA survey on 15 year olds.

¹⁵ The Digital Economy and Society Index (DESI) 2015.

¹⁶ OECD-EU, Indicators of Immigrant Integration, 2015.

¹⁷ OECD, Skills Outlook 2013. Cedefop, European Skills and Jobs Survey 2015.

taking, are essential to help people deal with today's varied and unpredictable career paths. Entrepreneurial skills contribute to employability of young people in particular, as well as supporting new business creation.

Furthermore it is important to better **identify** the skills, competences, and knowledge needed by the labour market, so that education and training systems can adapt accordingly, preventing skills gaps and mismatches. Making skills and qualifications **comparable, visible and recognised** is also key to ensure no talent is wasted. Effective communication and partnerships between the labour market and the education and training sector is vital.

The objective is for the EU to raise the relevance and overall level of skills among those in employment, as well as the unemployed. This will facilitate social inclusion through labour market integration and increase business competitiveness and growth.

The Commissioner's mandate

Commissioner Thyssen was given the mandate to mobilise EU instruments (such as policy guidance, social dialogue, financing programmes) to further **develop the skills level** of the European workforce, by promoting vocational education & training (VET) and lifelong learning. The mandate also urged to do this by working closely with HOME in relation to the **skills of third country nationals** arriving in the EU – this situation has become even more pressing in view of the recent waves of migrants and refugees arriving in Europe.

EMPL's intervention

In this context, EMPL will take forward a new **European Skills Agenda** as per the Commission's Work Program for 2016. This will be a multiannual agenda running through at least until the end of the current Commission term. In this respect, EMPL will ensure the implementation of a coordinated approach at EU level both with labour market stakeholders, the private sector and Member States. Changes brought about by this agenda should be systemic and set out to reform current working structures and methods identified as priority areas for intervention through the European Semester in the education and training spheres, as well as the labour market.

The main political **objectives** identified revolve around three areas: (1) Higher and more relevant skills for citizens and business; (2) Better visibility and use of available skills; and (3) Better understanding of skills needs and trends in the labour market.

The implementation of the mid-term **deliverables for VET** as per the **Riga¹⁸ Conclusions** of June 2015 and the **Adult learning agenda** will further contribute to the implementation of the European Skills agenda, and the European strategic framework for education and training (EU 2020).

Supporting work will also be pursued to promote **entrepreneurship**, access to **microfinance** and assistance for **social enterprises**, as well as improving the framework conditions for companies to create jobs.

All of these objectives are supported financially by (1) **ERASMUS+** which supports Vocational Training and Adult Education policy; (2) **EaSI-PROGRESS** axis with the production of analysis based policy evidence, inclusive information sharing and mutual learning, capacity building and other actions directed towards improving the policy-making process; (3) **EaSI-Microfinance Axis** which reaches out potential entrepreneurs by increasing access to finance for vulnerable groups and micro-entreprises, as well as financing social enterprises; and (4) the **ESF** which helps finance projects aiming to improve education and training or provide assistance for starting a business.

¹⁸ Riga Summit 2015: Shape the future of the multilingual digital single market

How it supports the Commission general objective

These initiatives should help foster employment and bridge the gap between the labour market and Education and Training Systems (including VET) to optimise the matching between labour supply and demand. These actions are fully in line with the Commission's priority to give a boost to jobs, growth and investment and to foster mobility.

The Skills Agenda for Europe will do so by promoting life-long investment in people, from vocational training and higher education through to digital and high-tech expertise and the life skills needed for citizens' active engagement in changing workplaces and societies, including entrepreneurial skills.

Specific Objective 1.6. Greater social inclusion and effective social protection

The context

With the challenges of an ageing society, reducing the employment gap for women and people with specific barriers and needs (such as single parents, people with migrant background, refugees and the low-skilled) is essential to ensure longer, broader and more stable participation in the labour market. At the same time, with 9.5% unemployed in 2015 vs 7% in 2008 and with 122.3 million people at risk of poverty against 115.7 in 2008, unemployment and poverty and social exclusion levels have reached record highs and there is increasing diversity across Europe. This is a huge drain on Europe's human resources at a time when public budgets are under pressure.

Solutions must be found to **improve social policies towards a fairer European Union**, in particular **ensuring sustainable and adequate social protection systems**. Further modernisation of social protection systems is needed to facilitate labour market participation and to prevent and protect against risks throughout the life course. Efforts are required to ensure persons with disabilities living in the EU fully enjoy their rights on an equal basis with others and that discrimination on grounds of religion and belief, age, disability and sexual orientation does not occur. Specific measures are needed to ensure the social inclusion of people in particularly disadvantaged situations.

The objective is for the EU to strengthen measures to ensure inclusion in the labour market and society for all.

The Commissioner's mandate

Commissioner Thyssen was given the mandate to pursue the **modernisation of social protection systems**, including with a view to progressing towards the targets set in the Europe 2020 strategy in the fields of employment and social inclusion, by achieving more social fairness and by deepening of the Economic and Monetary Union and supporting forms of social innovation.

EMPL's intervention

Through the development of policy guidance in the areas of pensions, health, active inclusion or Roma integration, EMPL encourages Member States to put in place **reforms** aiming at enhancing the efficiency, effectiveness and adequacy of the social protection systems. A particular focus in the coming years will be to modernise the current EU legal and policy framework applying to working parents and carers so as to promote work-life balance and female participation in the labour market. The DG utilises the instruments of the **European Semester, the Open Method of Coordination among Member States, EaSI PROGRESS axis and REC**.

The DG contributes through its **regulatory** role particularly regarding the Employment Equality Directive 2000/78/EC and the UN Convention on the Rights of Persons with Disabilities. It will also complete this legislative framework via the adoption by the EU legislator of the European Accessibility Act and, afterwards, the follow up of its implementation.

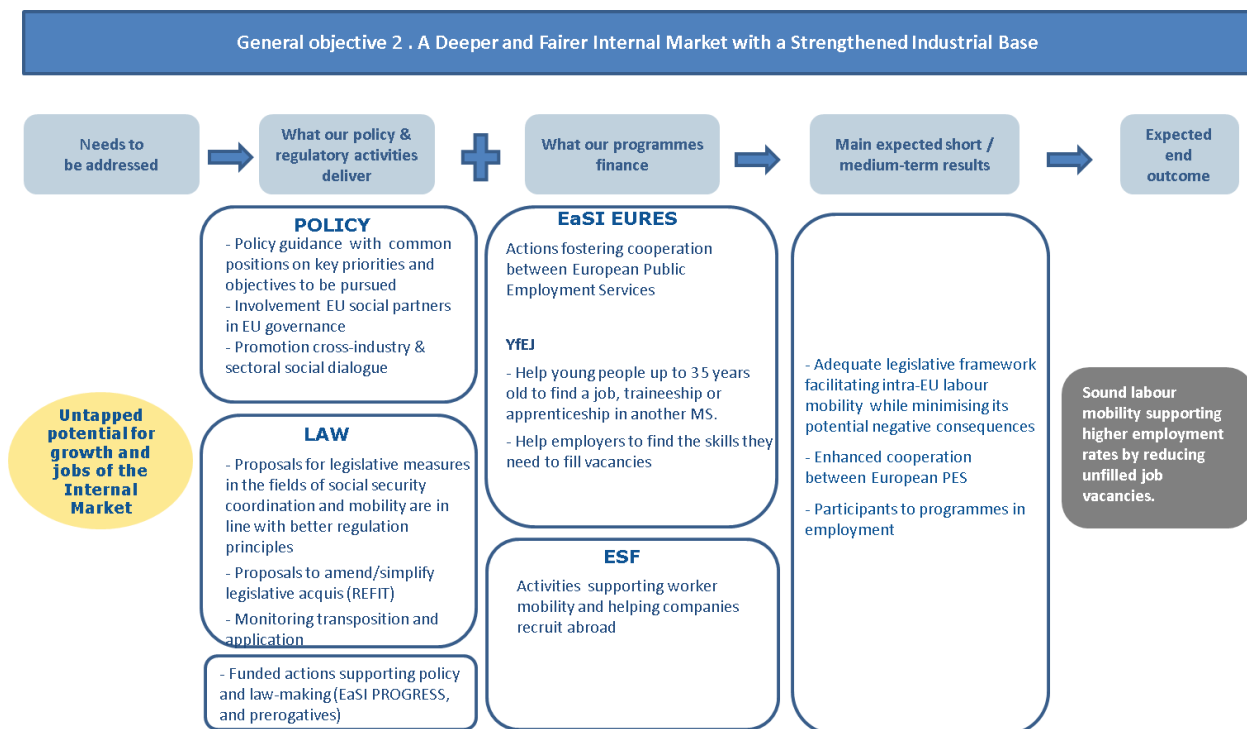
This objective is also supported by the dedicated **ESF** investment priorities and the **FEAD** which provide assistance to the most disadvantaged persons in the EU and promote their social inclusion.

How it supports the Commission general objective

These initiatives should help strengthen people's current and future capacities to engage in the labour market and should contribute towards achieving the employment, education and poverty and social exclusion targets.

General objective 2: A Deeper and Fairer Internal Market with a Strengthened Industrial Base

The diagram below shows how the planned actions carried out by EMPL, or together with Member States in case of shared management programmes, contribute to the delivery of the Commission priorities.



The following diagram gives an overview of EMPL’s specific objectives under the 2nd general objective and the corresponding indicators. Their full formulation, definition, milestones and targets are presented in annex 1.



Specific Objective 2.1. Improved conditions for geographic and professional mobility whilst tackling risks of distortions and abuses

The context

The Internal Market is one of the biggest achievements of European integration and enjoys widespread support among citizens. Intra-EU labour mobility is a pivotal element of the Internal Market, based on two fundamental freedoms: the free movement of workers and the freedom to provide services. Evidence points strongly to the **economic benefits of labour mobility** as it allows for a more efficient allocation of resources, helps addressing skills and labour shortages, as well as unemployment. It promotes knowledge transfer, innovation and human capital development, provides more job opportunities for citizens, and may also help in adjusting to asymmetric shocks in the economies.

Yet, it remains unevenly developed, with **untapped potential for growth and jobs**. Currently, around 8.3 million EU citizens are economically active and live in another EU country, representing 3.4% of the total EU labour force. Furthermore, 1.6 million people work in a Member State other than the one in which they reside, and some 1.45 million workers are posted. However, these figures are still rather low if compared for example with the U.S. where around 30 % of the working-age population live in a different state than that of their birth.

At the same time, the impact of labour mobility on the ground is subject to discussions both in destination and origin countries. Concerns have been raised in relation to **potential negative effects**, such as the risk for mobile and posted workers to be exploited or abused, displacement effects of local workers, the perception of abuse and fraud in access to welfare benefits, as well as brain drain and youth drain.

The objective of the EU is therefore to facilitate intra-EU labour mobility via a balanced approach which maximises its benefits, while minimising its potential negative consequences.

The Commissioner's mandate

Commissioner Thyssen was given the mandate to **promote free movement of workers** and to work closely with national authorities to ensure that existing rules are well understood and implemented, as well as to **fight possible abuses or fraudulent claims**. The mandate specifically includes: making sure that the Posting of Workers Directive is strictly implemented; initiating a targeted review of the Directive to prevent risks of social dumping; and strengthening the opportunities and improving the conditions for geographic and professional mobility across Europe through initiatives such as the European Job Mobility Portal (EURES).

EMPL's intervention

In this context, EMPL will come forward with a **Labour Mobility Package** aimed at maximising the benefits of labour mobility while minimising its unwanted consequences. The package will set the cornerstones for EU policy and legislation in this field, notably via i) a revision of the EU rules on **social security coordination**, ii) a targeted revision of **the posting of workers** Directive and iii) an enhanced **EURES**.

The objectives of the Labour Mobility Package are underpinned also by funds supporting the policy and law-making processes (prerogatives and **EaSI-PROGRESS**) and by **EaSI-EURES** which aims at enhanced cooperation between European Public Employment Services through the EURES network, seeking to facilitate voluntary geographical mobility for workers on a fair basis. EaSI-EURES also supports the deployment of Targeted Mobility Schemes (particular emphasis on youth mobility - Your First EURES Job) which aims to directly create employment opportunities at EU level. The **ESF** can also play a role in supporting labour mobility and promoting access to employment. Moreover, by contributing to the implementation of the EU jobs and growth strategy and reducing disparities between the levels of development of regions,

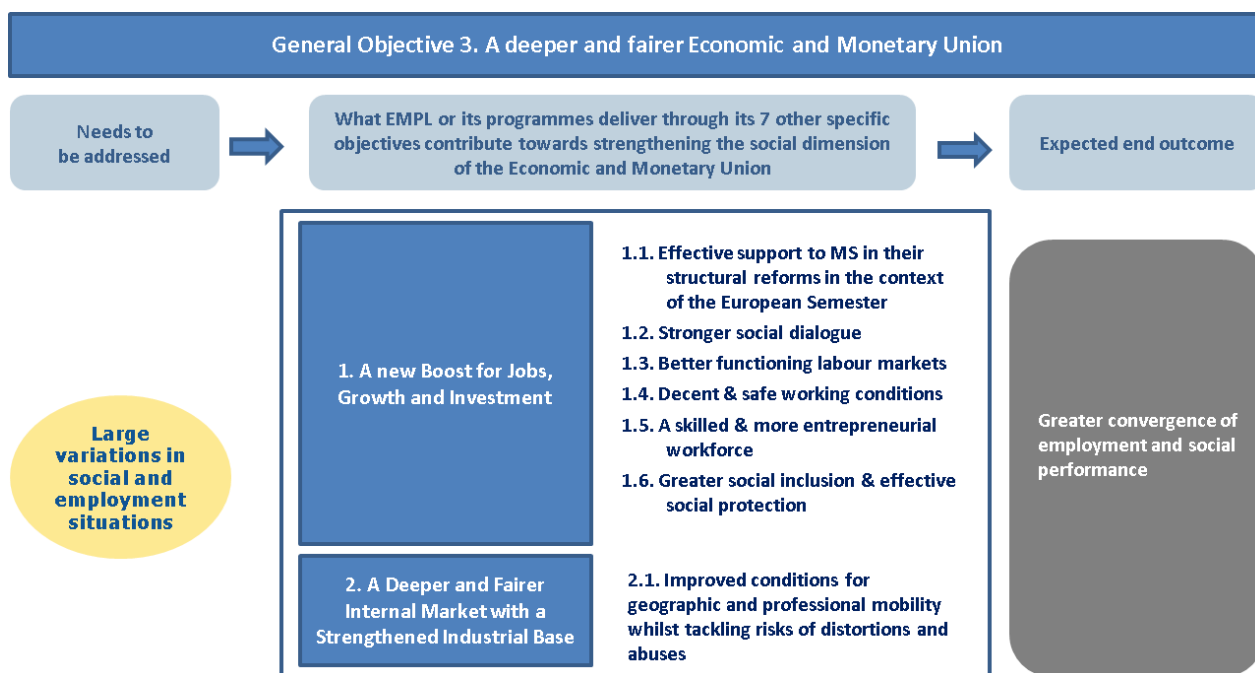
the European Regional Development Fund (ERDF), managed by REGIO, helps create the economic conditions for labour mobility throughout the EU.

How it supports the Commission general objective

Enhancing labour mobility goes hand in hand with other efforts to deepen the Internal Market and to promote upwards social and economic convergence. It can help stimulating business dynamics and thereby productivity and job creation. Clarified and less fragmented rules on the labour and product markets will benefit both citizens and companies and contribute to further enhancing the functioning of the Internal Market.

General objective 3: A deeper and fairer Economic and Monetary Union

This objective of strengthening the social dimension of the EMU is embedded in all initiatives pursued under the 7 specific objectives of EMPL presented above. Delivering on those work streams contributes to a Deeper and Fairer EMU.



As this objective is achieved mainly through interventions under EMPL's other objectives, the underlying performance framework has been limited to the delivery and implementation of the key deliverable under this priority.

General objective	3. A Deeper and Fairer Economic and Monetary Union
Associated Indicators	Dispersion of GDP per capita (Euro area Member States) Income quintile share ratio
Specific objective	3.1. Strengthened social dimension
Associated indicator	Delivery and implementation of social pillar initiative

Specific Objective 3.1. Strengthened social dimension of the EMU

The context

The employment and social situations vary widely across the euro area. Between 2005 and 2014, the dispersion of GDP per capita in the Euro area has been broadly stable¹⁹ showing a pause in the longer term converging pattern, which reflects in particular diverging trends in employment and unemployment rates. Inequalities have been on the rise and are calling into question the fairness and effectiveness of our social market economy²⁰.

In his political guidelines, President Juncker underlined his ambition to pursue the completion of the EMU by creating the conditions for enhanced socio-economic and structural convergence. The very existence of the EMU was imperilled by the financial crisis of 2008-2009. Its shortcomings were identified as both economic/financial and employment/social. The former are being addressed *i.a.* by the strengthened economic governance and the Banking Union while the latter are tackled under the heading "strengthening the social dimension".

The importance of tackling employment and social problems within the monetary union were first highlighted in the 2013 Communication on Strengthening the EMU²¹. Mid 2015, the Five Presidents' Report "Completing Europe's EMU"²² then set Europe's ambition to earn a 'social triple A'²³. The Report distinguishes stage one, until 2017 (which would be essentially within the European semester), from stage two thereafter (where the convergence process could become more binding and could entail the development of a fiscal stabilisation function).

The Commissioner's mandate

Commissioner Thyssen's mission letter tasked her with contributing to the work on the deepening of our Economic and Monetary Union.

EMPL's intervention

All of EMPL's instruments work towards strengthening the EMU's social dimension. The envisaged **European Pillar of Social Rights** has both regulatory and policy (via the European Semester) components that will contribute towards upwards convergence. Funding through EaSI and the ESF will both develop the analytical basis of work (studies, seminars, etc.) and finance directly some of the policies needed (such as Active Labour Market Policies) for upwards convergence, especially in those Member States with the greatest social challenges.

How it supports the Commission general objective

A strengthened social dimension of the EMU will see a more robust EMU with members being more economically, socially and politically resilient. Ensuring that the European and national institutions and policies show more resilience to cope with shocks will support a deeper and fairer EMU. In the shorter term actions promoting upward convergence will also support the Europe 2020 objectives of smart, sustainable and, especially, inclusive growth.

¹⁹ The coefficient of variation of GDPpc of the Euro area (19 Member States) is broadly at the same level of 54.5% in 2005 and 2014 – see annex 1.

²⁰ The inequality of income distribution (indicator "income quintile share ratio") has remained relatively stable over the last years but suffered an important increase in 2014 (up to 5.2 in 2014 vs 5.0 in the previous three years) – see annex 1

²¹ [COM\(2013\) 690 - Strengthening the social dimension of the EMU](#) - "a well-functioning monetary union must be able to cater for the social implications of reforms (...) needs to detect and tackle in a timely way the most serious employment and social problems (...) as these can have negative impact beyond national borders and lead to long-lasting disparities."

²² http://ec.europa.eu/priorities/economic-monetary-union/docs/5-presidents-report_en.pdf

²³ "The employment and social situations vary widely across the euro area, partly as a result of the crisis but also because of underlying trends and poor performance predating the crisis. Europe's ambition should be to earn a 'social triple A'

D. Key Performance Indicators

From the full list of indicators presented in annex, and while it is very difficult to reflect the great diversity of EMPL's priorities and intended achievements EMPL has retained the following 4 **key performance indicators** for 2016-2020:

- Degree of implementation of EMPL's initiatives of the Commission Work Programme;
- Participants (inactive or unemployed) in employment upon leaving the ESF measure;
- Participants gaining a qualification upon leaving the ESF measure;
- Cumulative residual error rate in shared management.

E. Managing funds towards delivery of policy results

The general and specific objectives illustrated under section C above refer to EMPL's contribution to the delivery of the political priorities of the Juncker Commission. Many indicators that have been linked to them result from the implementation of the Funds managed by EMPL.

Those objectives and indicators provide an overview of the related performance expectations and constitute the framework for assessing the achievement of policy objectives. However, since the largest share of EMPL's funds is delivered through shared management, policy achievements are the result of a combination of factors – the policy, the quality of implementation by the implementing bodies, the regulatory context, the economic context, etc. - on which the DG has limited control.

EMPL has therefore built a monitoring framework around 3 operational objectives related to shared management (and the ESF in particular). This framework, which will be finalised early 2016, further defines key priorities and actions (and related indicators) which can positively contribute to the delivery of policy results, thus enhancing policy performance. Key priorities are briefly explained below.

1) Steering Member States' programming based on performance and results to deliver on EU policy objectives

In the context of shared management, the Commission works with the Member States to ensure that European Social Fund (ESF) and Youth Employment Initiative (YEI) programmes are performance and result-oriented with a view to deliver on EU priorities identified in the country-specific recommendations (CSRs).

Even though funding priorities were defined at the start of the programming period in the Partnership Agreements and Operational Programmes, the Commission needs to make sure that operational programmes, where necessary, continue to address the above priorities and adapt, if necessary, to emerging challenges.

To that end, the Commission will work actively with the Member States on amendments of ESF, YEI and FEAD operational programmes either at the Member State's or at the Commission's initiative throughout the programming period.

The mid-term review of the multi-annual financial framework in 2016 will also be an important milestone as it might bring additional resources to the Youth Employment Initiative and influence programming.

Finally, in 2019, the Commission in cooperation with Member States will undertake a review of the performance of the European Structural & Investment Funds (ESIF) programmes ('performance review'). It will examine the achievement of milestones of programmes. This

performance review will lead to the allocation of a performance reserve to programmes and priorities which have achieved their milestones.

2) Providing effective support to Member States in their implementation of the funds and better communication of results

After a slow start, implementation should intensify as of 2016. Whilst Member States are responsible for the implementation of the ESF, YEI and FEAD funds in the context of shared management, the Commission has an active role to play in the follow-up and monitoring of the programmes.

The Commission will ensure close monitoring of the programmes to guarantee that the right conditions for effective investments are in place and that they deliver results. This will involve (1) monitoring the fulfilment of ex ante conditionalities; (2) the active participation of the Commission in the monitoring committees and annual review meetings; (3) a thorough analysis of the annual implementation reports data, expenditure and performance data, assessing progress towards targets and objectives set; (4) promoting the use of simplified cost options and monitor its implementation; (5) the use of evaluation evidence reported by Member States and of evaluations carried out by the Commission to support implementation.

One of the Commission's priorities being transparency, EMPL will strive to improve communication around the use of funds. This was initiated by the adoption of the Communication on "Investing in jobs and growth – maximizing the contribution of European Structural and Investment Funds" and the launch of an Open Data Platform where information on programming is publicly accessible to all since December 2015. More visibility will continue to be given to ESF/YEI activities for example by making available to the public implementation data through the Open Data Platform but also through the summary and progress reports.

3) Providing effective support to Member States in their implementation of the funds and better communication of results

In order to prepare a post-2020 ESF which is ready to address the future challenges in the area of human capital development EMPL will start gathering evidence as of 2016 through studies. Those studies will then feed the impact assessment to be finalised by end 2017 to support the drafting of the proposed legislative framework.

The Commission's proposal on the new ESF Regulation for the next programming period should then be submitted by end 2017-start 2018 to the co-legislators.

PART 2. Organisational management

This part focuses on the most critical aspects of EMPL's organisation that will support the effective and efficient delivery of the Commission objectives. Related indicators, milestones and targets can be found in annex 1.

A. Human Resource Management

Objective: The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

In the overall context of staff reductions, the efforts to align resources with priorities will continue to be the main challenge over the coming years. The reductions concern both officials and non-permanent staff and will require very careful monitoring and transparent allocation based on objective criteria.

The major reorganisation undertaken in November 2015 will improve the efficiency of the DG and its capacity to play its key role in the delivery of Commission priorities. At the same time, core legislative and financial tasks must not be jeopardised. Further scrutiny of possible efficiency gains must therefore constantly be pursued in the coming years, as well as efforts to decrease overheads.

Ensuring that staff is knowledgeable, skilled and flexible becomes even more important in this context. Possibilities to recruit new staff from outside the Commission will decrease and internal mobility will become even more important. In this context, inter-DG mobility will be further explored as means to break down silos between services and offer interesting career opportunities to staff. Existing staff must be given the possibility to acquire and develop the skills and expertise needed for successful achievement of our priorities. To this end, updated knowledge of the existing competence pool and of the required competences will be necessary, and well-designed learning opportunities need to be designed and offered to staff. Particular attention will be paid to the development of management skills among female officials. Mobility must be based on a good matching between the service needs and the competences and career development of those concerned.

In our knowledge-based organisation, the engagement and well-being of staff are key factors for delivery of results. Managers play a key role in this context and measures will be taken to improve their capacity to manage people. Achieving better gender balance among managers will be a priority. Actions to improve working conditions and working arrangements will be further developed as well as initiatives to improve communication between staff and management.

Specific actions in the above areas will be detailed in the 2016 updates of two strategic documents programmed for the first quarter of the year, the HR Plan and the EMPL Learning and Development programme. These documents will be revised regularly during the period covered by the Strategic Plan.

B. Financial Management

Overarching objective: The Authorising Officer by Delegation should have reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions including prevention, detection, correction and follow-up of fraud and irregularities.

Objective 1: Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions

For each management mode/programming period EMPL has set up internal control processes aimed to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments concerned. The objective is to ensure that the estimated residual risk of error remains under the materiality threshold of 2%.

During the 2007-2013 programming period, the annual error rate²⁴ has established in the range of 2.5 to 3.5 %, and on a cumulative basis, the residual error rate²⁵ is estimated between 1 and 1.5 % after application of financial corrections following the Member States and Commission audit work. Based on the management verifications by the Management Authorities and the audits of operations by the Audit Authorities, it is expected that, for the 2014-2020 programming period, the residual risk of error will be annually below the materiality threshold at the time of submission of the assurance package by the Member States' authorities.

The 2014-2020 Commission audit strategy assurance building process is based on audits to verify the reliance that can be placed upon the work of national audit authorities. The main objective of these audits will be to confirm that no serious system deficiency remained undetected or unreported by audit authorities and that the reported audit opinions and residual error rates in relation to expenditure included in the annual programmes' accounts are reliable.

Since most audit authorities will remain the same, the results from the Commission extensive audit work to rely on audit authorities carried out under the 2007-2013 period will be a good starting point.

EMPL will also perform compliance audits which will primarily focus on the re-performance of audits of operations at the level of audit authorities and on the spot at the level of final beneficiaries, depending on the risks identified. Compliance audits supports EMPL's Audit Directorate when assessing whether the audit opinion and residual error rates provided by the audit authority are considered reliable and can be used by the Commission for its own assurance.

EMPL's Audit Directorate will also carry out thematic/targeted audits for programmes and risk areas not sufficiently covered by the audit authorities or for which insufficient assurance has been obtained through desk work.

To mitigate the inherent risk mentioned above, EMPL's Audit Directorate will continue to deliver administrative capacity-building actions to the national authorities. It will provide early guidance and training to programme authorities and to audit authorities in particular to ensure the implementation of a stable and harmonised audit framework respecting high quality standards.

²⁴ The annual average error rate is based on error rates reported in the Member States' Annual Control Reports and validated or adjusted by Commission analysis

²⁵ The cumulative residual error rate considers the multi-annual impact of the validated error rates and is expressed as percentage of the value of the cumulative interim payments made for the programming period, taking into account financial corrections up to the date of signature of the annual activity report.

Depending on the needs and the appropriateness, dedicated seminars and/or conferences on specific thematic issues may be organised, notably regarding Simplified Cost Options.

The detection of serious system deficiencies or irregularities immediately triggers the interruption of the legal deadline for executing the related interim payments or the suspension of payments to all or part of the affected OP. Interruptions and suspensions are only terminated on the basis of reasonable assurance on the implementation of an action plan including corrective measures and/or after financial corrections have been implemented.

Other financial programmes of EMPL (EASI, EGF) are also covered by audits of grants, an annual audit plan being determined on a risk-based approach.

Objective 2: Effective and reliable internal control system in line with sound financial management

Each DG is responsible for implementing budgetary resources in accordance with the principle of sound financial management i.e. respecting the principles of economy, efficiency and effectiveness, as framed by the Financial Regulation and the Commission Internal Rules. The respect of these principles is continuously pursued through the implementation of internal control procedures defined per management mode and per stage of implementation (planning, implementing, monitoring & controlling). These procedures ensure that activities are executed in an efficient and effective manner and according to the principle of economy.

In its last two AARs, EMPL assessed its controls in shared management as cost efficient. A key priority will be to maintain the effectiveness of the DG's control processes whilst optimising their cost-efficiency where possible.

As regards direct and indirect management, although most benefits of controls are not quantifiable, EMPL has considered in its AAR 2014 that the relative level of efficiency and cost-effectiveness of the controls operated is adequate. This conclusion was supported by the error rates being consistently below the materiality threshold and by positive values of efficiency indicators such as time-to-grant. Although the cost of control compares favourably with other DGs for similar management modes, other quality aspects of the organisation can be reviewed to ensure that it is equipped with the best tools to deliver on its policy objectives in a timely, efficient and effective manner.

Having undergone significant changes in the last two years, notably the implementation of a reformed cohesion policy, a centralisation of financial management for direct and indirect management in 2014 and a full reorganisation of the DG in November 2015, EMPL's objectives by 2020 is therefore to ensure its operations run smoothly, with simplified financial and programme procedures whilst maintaining its level of assurance and optimising the use of its resources.

Objective 3: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and correction of fraud.

With the ultimate goal of protecting the EU budget against corruption and fraud, EMPL has established two anti-fraud strategies to cover its core activities under shared and direct management, where the risk environments differ greatly.

As regards shared management, the new "Joint Anti-Fraud Strategy" (JAFS), elaborated with REGIO and MARE and adopted by EMPL end 2015 sets out the guiding principles for the fight against fraud for the period 2015-2020.

Under this strategy, EMPL will concentrate its efforts on achieving two priority objectives:

- (1) assure qualitative analysis of Member States' fraud risk assessments and related anti-fraud measures;
- (2) increase the use by Member States of IT tools (such as ARACHNE) to prevent and detect potential fraud.

EMPL will also pursue other objectives such as:

- provide support and information to Member States concerning their anti-fraud measures and policy;
- promote good governance and step up the fight against corruption by, in particular, seeking further collaboration with academics and NGOs on anti-fraud and anti-corruption issues;
- continue its solid and well established cooperation with OLAF;
- assure, legal and regular ESF, FEAD and EGF expenditures uncontaminated by fraud and corruption via its audit activities.

In respect of EMPL's direct management activities, the risk of fraud occurring and remaining undetected and/or uncorrected is assessed as relatively low. EMPL is updating the existing anti-fraud strategy for direct management to bring it in line with the "Methodology and guidance for DGs' anti-fraud strategies" proposed by OLAF. The main objectives and actions that the DG will pursue in the next years in view of strengthening anti-fraud measures already in place will concentrate on fraud detection via ex-ante verification and in ex-post controls.

C. Better Regulation

Objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently

Better regulation is about designing EU policies and laws so that they achieve their objectives at minimum cost. It ensures that policy is prepared, implemented and reviewed in an open, transparent manner, informed by the best available evidence and backed up by involving stakeholders.

To ensure that EU action is effective, the Commission assesses the expected and actual impacts of policies, legislation and other important measures at every stage of the policy cycle - from planning to implementation, to review and subsequent revision.

In order to prepare policy initiatives and manage the EU acquis in line with better regulation EMPL has endeavoured to review legislation to keep it 'fit for purpose' through fitness checks and evaluations. It had evaluated 14% of the acquis by 2015. This rate should exceed 85% by the end of 2016 upon finalisation of the review of the bulk of the social acquis through three ex-post evaluations relating to the 24 Directives on Occupational Health and Safety, the European Works Council Directive and the Written Statement Directive concerning the information obligations for employers in relation to employment contracts.

EMPL track record on positive opinion of the Impact Assessment Board was 100% up to 2014 and the DG intends to maintain this high standard. The new set of rules for "Better Regulation" was implemented from January 2015 and the two impact assessments submitted by EMPL to the Regulatory Scrutiny Board in 2015 received unfavourable opinions²⁶ on first submission. Due to the significant change in the approach, EMPL changed its baseline to 2015 results (0%).

²⁶ One related to the proposal for a Council Recommendation on Long Term Unemployed, which was submitted within an extremely tight timeframe due to the urgent need to act by the Commission; however, the text was transformed into a SWD that accompanied the final proposal adopted by the Commission and later by the Council. The second negative opinion related to revision of Reg. (EC) 883/2004 based on the lack of an assessment of the overall impact of the preferred option as well as the structure and length of the report, but it still acknowledged the sound evidence used, the quality of the drafting and how complexed issues were explained in straightforward language.

The DG will ensure that the structures (task forces), processes (social partners consultation), and tools (external expertise) are in place to ensure the preparation of quality evaluations and impact assessments. It will maintain adequate resources for the better regulation function of the DG, ensuring its involvement through the entire policy cycle. It will provide the necessary training to policy units on better regulation tools and will harness the analytical skills available in the DG and continue fostering the use of counterfactual impact evaluations by Member States in the evaluation of the ESF. To ensure the availability of data, it will dovetail the monitoring of implementation of legislation and the evaluation.

D. Information management

Objective: Information and knowledge in the DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable

EMPL uses and produces considerable information and knowledge to support its activities. It exploits notably data from Eurostat, international organisations, expert networks or external contractors to develop an evidence base for its policy and legislative initiatives. It produces detailed analytical reports and country analysis to support the EU Semester. It regularly receives implementation data from all the operational programmes it finances, based on agreed performance indicators. It monitors the implementation of legislation or policy reforms in all Member States as well as some third countries. In a context of scarce resources and the search for efficiency, it is especially important that such information and knowledge is widely shared within the DG as well as with other DGs.

EMPL will pursue this objective over the current Commission mandate with two priority areas in mind:

- the European Semester, where it is essential that different parts of the DG – thematic, analytical and geographical units – pool their respective knowledge to build an accurate picture of strengths and weaknesses in Member States to form a solid basis for the CSRs;
- the ESIF funds, where it will be essential to a) ensure a good flow of information throughout the DG following the 2015 reorganisation (with units dealing with ESIF distributed across 5 Directorates) and b) share information with other ESIF DGs both on programme management and on the results of projects.

As regards document management, EMPL has identified the following priorities:

- 1) The generalisation of the principle of "open access to all" by default for information held in the DG's services, and the promotion of collaborative platforms as working tools;
- 2) Promoting electronic instead of paper workflows in the DG, including in relation to financial management;
- 3) Promoting electronic archiving instead of paper archiving in the DG.

E. External Communication

Objective: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

The mission letter addressed by President Juncker to Commissioner Thyssen invites her to focus over her mandate on a number of societal challenges with a direct impact on citizens, such as: getting the younger generation back to work in decent jobs, modernising labour markets and social protection systems, promoting the social dialogue at all levels, promoting free movement of workers, developing the skills level of the European workforce by promoting vocational education and training and lifelong learning, supporting social innovation and ensuring that employment and social considerations are taken into account in all Commission proposals and activities.

External communication in the related fields should aim at regaining citizens' trust in the sustainability of the European economic and social model. Stakeholders and citizens must see that President Juncker's objective of "a social triple A for Europe" is taken seriously.

EMPL will focus its 2016-20 communication strategy on the three policy priorities of the Juncker Commission which have been identified as most relevant for the DG: (1) A new boost for jobs, growth and investment; (2) A deeper and fairer internal market; and (3) A deeper and fairer Economic and Monetary Union.

To raise the efficiency and effectiveness of its communication activities, EMPL will have the following operational priorities:

- 1) supporting the Commission's corporate communication efforts, in particular as regards activities in the area of growth, employment and social affairs;
- 2) embedding communication into policy making, to ensure that from their initial design, policy, legislative or funding initiatives can be clearly justified and explained to stakeholders and citizens;
- 3) strengthening EMPL's media presence and press impact through high quality press work and seminars for journalists;
- 4) enhancing digital communication by contributing to the Commission's digital transformation exercise and putting emphasis on video and social media activities;
- 5) mobilising Commission Representations, stakeholders and networks to enhance the valorisation and dissemination of EMPL-funded policies and projects;
- 6) modernising EMPL's publications strategy with emphasis on fewer but better quality publications.

In pursuing these priorities, EMPL will take account of resource constraints imposed by general Commission staff cuts, pressure for the reduction of overheads (which include all staff involved in external communication and information activities) as well as Commission level strategies affecting the management of local communication resources, as part of the Commission's internal "Efficiency review".

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Indicators supporting part 1

General objective 1, associated specific objectives²⁷ and indicators

General objective 1: A new boost for jobs, growth and investment	
Impact indicator: Employment rate	
<i>Definition:</i> The number of persons (females, males) aged 20-64 in employment as a share of the total population (females, males) of the same age group. Employment contributes to economic performance, quality of life and social inclusion, making it one of the cornerstones of socioeconomic development. <i>Source:</i> Eurostat (t2020_10, lfsi_emp_a, lfsa_ergan, hlth_dlm010)	
Baseline (2014)	Target (2020)
69.2%	At least 75% (EU 2020 target)
Impact indicator: Tertiary educational attainment (age group 30-34)	
<i>Definition:</i> The share of the population aged 30-34 years who have successfully completed university or university-like (tertiary-level) education. Higher educational attainment levels increase employability in the context of a knowledge-based economy. <i>Source :</i> Eurostat (t2020_41)	
Baseline (2013)	Target (2020)
37.1%	At least 40% (EU 2020 target)
Impact indicator: Share of early leavers from education and training	
<i>Definition:</i> Percentage of the population aged 18-24 with at most lower secondary education and who were not in further education or training during the last four weeks preceding the LFS survey. Education is critical to promote the quality of job creation. Having an adequate education is crucial also for smoothly entering the labour market, as young adults who lack a basic education are more likely to be unemployed or inactive, working in low-wage jobs, or are less likely to progress in their career. <i>Source:</i> Eurostat (t2020_40)	
Baseline (2013)	Target (2020)
11.9%	Less than 10% (EU 2020 target)
Impact indicator: People at risk of poverty or social exclusion²⁸	
<i>Definition:</i> This indicator corresponds to the share of individuals living at risk of poverty or severely materially deprived or living in households with very low work intensity. Effective, efficient and fair social protection systems help people getting back to work and support household income in case of adverse individual or economic situations. One way of evaluating the success of social protection measures is to compare at-risk-of-poverty indicators before and after social transfers. <i>Source:</i> Eurostat (ilc_peps01)	
Baseline (2014)	Target (2020)
122.3	At least 20 million people fewer than in 2008 (116.2 million)
Planned evaluations: ESF 2007-2013 Ex Post Evaluation Synthesis, 2016 Ex post evaluation of ESF 2014-2020; 2024	

²⁷ Baselines under specific objectives are those set when the objectives were first established

²⁸ At risk of poverty or social exclusion, abbreviated as AROPE, refers to the situation of people either [at risk of poverty](#), or [severely materially deprived](#) or [living in a household with a very low work intensity](#). The AROPE rate, the share of the total population which is at risk of poverty or social exclusion, is the headline indicator to monitor the [EU 2020 Strategy](#) poverty target.

Specific objective 1.1: Effective support to Member States in their structural reforms in the context of the European Semester

Specific objective 1.1: Effective support to Member States in their structural reforms in the context of the European Semester		Related to programmes EaSI-PROGRESS, ESF																														
Result indicator: Level of implementation of the employment and social policy components of the Country Specific Recommendations (CSRs), based on a disaggregation by priorities of each CSR.																																
<p><i>Definition: The European Semester represents a yearly cycle of economic governance and country specific surveillance. Each year, the European Commission undertakes a detailed analysis of EU Member States' programmes for economic and structural reforms and provides them with recommendations for the next 12-18 months. In respect of Treaty obligations, the first scope of action for EMPL is to foster coordination and governance of employment and social policies within the European Semester. One of the main policy instruments for this purpose is the issuance of CSRs and Staff Working Documents (SWDs) monitoring progress in the implementation of CSRs from previous years.</i></p> <p><i>The Commission considers that the implementation of the employment and social policy reforms as provided for in the CSRs is instrumental in ensuring the implementation of EU priorities. The percentage of CSRs from the previous year in the field of employment and social policies which have been partially or completely complied with provides an indicator on the effectiveness of the policy guidance, coordination and governance by the European Commission.</i></p> <p><i>External factors are however important, as Member States are ultimately responsible for the implementation of CSRs.</i></p> <p><i>The indicator measures the level of implementation of CSRs from the previous year, as assessed in the SWDs for the ongoing year. Progress is considered when "some", "substantial" or "full" progress has been achieved according to the SWD. CSRs with "limited" progress only are excluded. Progress is measured specifically in the four priorities of EMPL: skills, mobility, more and better jobs and social protection systems. In order to ensure the disaggregation by priorities, the CSRs are split into their specific components for the calculation.</i></p> <p><i>Source: European Commission_EMPL_A1</i></p>																																
Baseline (2014) and latest known results		Milestone (2017)	Target (2020)																													
<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">2014</th> <th colspan="2">2015</th> </tr> <tr> <th>No CSRs</th> <th>Some or full progress</th> <th>No CSRs</th> <th>Some or full progress</th> </tr> </thead> <tbody> <tr> <td>More & better jobs</td> <td>105</td> <td>55%</td> <td>66</td> <td>52%</td> </tr> <tr> <td>Skills</td> <td>48</td> <td>46%</td> <td>57</td> <td>53%</td> </tr> <tr> <td>Mobility</td> <td>16</td> <td>25%</td> <td>15</td> <td>53%</td> </tr> <tr> <td>Social protection systems</td> <td>72</td> <td>37%</td> <td>52</td> <td>42%</td> </tr> </tbody> </table>			2014		2015		No CSRs	Some or full progress	No CSRs	Some or full progress	More & better jobs	105	55%	66	52%	Skills	48	46%	57	53%	Mobility	16	25%	15	53%	Social protection systems	72	37%	52	42%	80% partial or complete implementation in each of the four priorities	100% of the CSRs in the employment and social policy field partially or fully complied with
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Indicator: Degree of implementation of EMPL's initiatives of the CWP																																
<p><i>Definition: Measured by the number of CWP initiatives that are attributed to EMPL and which could be completed in the given year. Although external factors play an important role in the achievement of this indicator, it provides an indication of the DG's performance as regards its policy objectives.</i></p> <p><i>Source: internal - EMPL 01</i></p>																																
Baseline (2014) and latest known results		Annual target																														
2014	2015	100%																														
80%	40%*																															
<p>* 3 of 8 CWP items adopted²⁹ and 3 labour mobility items are pending. REFIT information and consultation of workers is on hold and REFIT written statement is postponed until 4th Q 2016.</p>																																

²⁹ Speeding up the implementation of the Youth Employment Initiative through an increase of the pre-financing rate; Proposal for a Council Recommendation on "Integration of the long-term unemployed"; European Accessibility Act: improving accessibility of goods and services in the Internal Market

Result indicator: Declared gain of better understanding of EU policies and legislation³⁰

Definition: Share of participants in the events declaring that they have gained a better understanding of EU policies and objectives as a result of an EaSI-funded activity (by thematic section). It provides an indication of the contribution of EaSI to effective and inclusive information sharing, mutual learning and dialogue.

Source: European Commission EMPL Unit F3_EaSI survey (conducted every two years)³¹

Baseline (2012) and latest known results			Target (2020)
2012	2013	2014	> 85% ³²
92%	92%	91%	

Result indicator: Active collaboration and partnership between government institutions of the EU and Member States³³

Definition: Share of officials working in national, regional and local government institutions indicating that they collaborate actively with the institutions of the EU. It provides an indication of the contribution of EaSI to increased collaboration between national and EU institutions.

Source: European Commission EMPL_EaSI survey (every two years)_F3³⁴

Baseline (2012) and latest known results			Target (2020)
2012	2013	2014	> 85% ³⁵
87%	91%	86%	

Result indicator: Declared use of social and labour market policy innovation in the implementation of social CSRs and the results of social policy experimentation for policy-making³⁶

Definition: Reported use of social policy innovation³⁷ as a tool to design and catalyse social policy reforms for better economic and social outcomes. This will be checked against the references to the use of social policy innovation as reflected in the NRP/NSR and the Semester multilateral surveillance reviews in the SPC as well as the uptake of social policy innovation in the ESF/OPs

Source: European Commission EMPL_EaSI survey (every two years)_F3

Baseline (2014)	Milestone (2017)	Target (2020)
62%	64%	Over 2/3 of involved participants

Specific objective 1.2: Stronger social dialogue

Specific objective 1.2: Stronger social dialogue

Result indicator: Share of the EU workforce covered by sectoral social dialogue committees

Definition: The indicator measures the relevance of sectoral social dialogue committees for the EU labour market and economy. The aim is to increase this share while seeking economies in the operation of social dialogue.

Source: European Commission EMPL-A2 calculations based on representativeness studies

Baseline (2013) and latest known results			Milestone (2017)	Target (2020)
2013	2014	2015	76%	78%
75% ³⁸	75% ³⁹	75% ⁴⁰		

³⁰ As defined in the baseline report of the framework "Monitoring the performance of EaSI (2014-2020)"

³¹ 2012 and 2013 results relate to the 2007-2013 annual performance monitoring report whilst 2014 comes from EaSI-PROGRESS's first performance monitoring report (spring 2015).

³² Based on past experience, the 85% threshold is considered as a good result

³³ As defined in the baseline report of the framework "Monitoring the performance of EaSI (2014-2020)"

³⁴ 2012 and 2013 results relate to the 2007-2013 annual performance monitoring report whilst 2014 comes from EaSI-PROGRESS's first performance monitoring report (spring 2015).

³⁵ Based on past experience, the 85% threshold is considered as a good result

³⁶ As defined in the baseline report of the framework "Monitoring the performance of EaSI (2014-2020). This is a new indicator of the programming period 2014-2020. 2014 is therefore the first set of data (EaSI-PROGRESS's first performance monitoring report - spring 2015) and forms the baseline.

³⁷ [Guide to Social Innovation](#)

³⁸ There are currently 43 SSDC

³⁹ No new sectoral social dialogue committees were established in 2014

⁴⁰ No new sectoral social dialogue committees were established in 2015

Result indicator: Social dialogue outcomes

Definition: The indicator measures the outputs of social dialogue on the basis of the number of joint texts (this includes procedural texts, follow-up reports, tools, declarations, joint opinions, policy orientations, codes of conduct, guidelines, frameworks of actions, autonomous agreements, agreements Council Decisions) agreed between social partners in a given year at either sectoral or cross-industry level. It measures the level of activity of EU social dialogue which depends on the activities of the social partners and on the Commission support.

Source: European Commission EMPL A2 database

Baseline (total period 2007-2013)	Target (total period 2014-2020)
284	300

Specific objective 1.3: Better functioning labour markets

Specific objective 1.3: Better functioning labour markets

Related to programmes ESF, EGF, EaSI-PROGRESS

Result indicator (ESF): Participants (unemployed or inactive) in employment, including self-employment, upon leaving

Definition: The ESF shall benefit people, including disadvantaged people. Engaging these categories of participants in ESF actions is an important achievement per se as it is often a first step towards (re-) integration on the labour market. The participation in the underlying projects will contribute to achieving the Europe 2020 poverty target.

Source: European Commission EMPL F1-G4

Baseline	Milestone 2018	Target 2023
No baseline ⁴¹	24%	24%

Result indicator (ESF): Number of projects targeting public administrations or public services at national, regional or local level

Source: European Commission EMPL F1-G4

Baseline	Milestone 2018	Target 2023
185 projects per year	900 projects (cumulative 2014-2018)	2250 projects

Note: The baseline provided is based on some Programmes of the 2007-2013 programming period. Targets and milestones will be updated on the basis of the first reporting by all MS on common indicators (2016).

Result indicator (YEI⁴²): Unemployed participants who complete the YEI supported intervention

Definition: This indicator provides an indication of how many unemployed participants fully benefitted from the YEI support and of YEI achievements in terms of results on the ground for that specific objective.

Source: European Commission EMPL units F1-G4

Baseline	Milestone 2016	Target 2018
No baseline ⁴³	894 000	2,4 million

Result indicator (YEI): Unemployed participants in education/training, gaining a qualification or in employment, including self-employment, upon leaving the YEI supported intervention

Definition: This indicator shows a change in the labour market and/or educational status of the participants. It provides an indication of ESF achievements in terms of results on the ground for that specific objective.

Source: European Commission EMPL units F1-G4

Baseline	Milestone 2016	Target 2018
No baseline	420 000	1 million

⁴¹ ESF/YEI indicators are part of the common result indicators for the new programming periods, hence no baseline.

⁴² General explanation on all indicators related to YEI:

- The aim is to follow the result and change in the status for each participant, following the YEI support – and thus to establish the link between the YEI support and the fact that as a result the person is no longer a NEET but is active in some way, either through employment or education activities.

- As the NEETs group has heterogeneous characteristics, it is important to break down the result indicators according to the different types of labour market status (unemployed, LTU, inactive).

- The element of completing the YEI intervention is also an important aspect, in order to measure how many participants fully benefitted from the support.

⁴³ ESF/YEI indicators are part of the common result indicators for the new programming periods, hence no baseline

Result indicator (YEI): Inactive participants not in education or training who complete the YEI supported intervention

Definition: This indicator provides an indication of how many inactive participants fully benefitted from the YEI support and of YEI achievements in terms of results on the ground for that specific objective.

Source: European Commission_ EMPL units F1-G4

Baseline	Milestone 2016	Target 2018
No baseline	295 000	694 000

Result indicator (YEI): Inactive participants not in education or training in education/training, gaining a qualification or in employment, including self-employment, upon leaving the YEI supported intervention

Definition: This indicator shows a change in the labour market and/or educational status of the participants. It provides an indication of ESF achievements in terms of results on the ground for that specific objective.

Source: European Commission_ EMPL units F1-G4

Baseline	Milestone 2016	Target 2018
No baseline	150 000	449 000

Result indicator (EGF): Proportion of redundant workers reintegrated into employment following EGF supported measures

Definition: Percentage of the workers participating in the measures who are in employment six months after the end of the implementation period.

Source: European Commission_ EGF Annual Report(biennial as from 2015) - EMPL unit F2

Baseline (2012) and latest known results		Milestone (2017)	Target (2020)
2012	2014	49%	>50 %
47%⁴⁴	49 %		

Planned evaluations:

ESF 2007-2013 Ex-post evaluation: Access to employment, 2016
 Commission report on the PES Network EP Decision 573/2014/EU, 2017, EaSI
 EaSI mid-term evaluation, 2017
 EGF - Mid-term evaluation, 2017

⁴⁴ Percentage of workers targeted that were re-employed at final reporting time. This is an average figure based on the five annual reports available (2008 to 2012). These results were heavily influenced by the global financial and economic crisis.

Specific objective 1.4: Decent and safe working conditions for all⁴⁵

Specific objective 1.4: Decent and safe working conditions for all		Related to programme Easi-PROGRESS																																												
<p>Result indicator: Percentage of Complaints, EU PILOT and Infringement procedures handled within Commission benchmarks</p> <p><i>Definition:</i> The indicator consists of three sub-indicators which reflect the effectiveness of the Commission's services in relation to both monitoring of the transposition and application of the EU law.</p> <p><i>Sub-Indicator 1:</i> Percentage of complaints registered in CHAP system successfully handled by the Commission within the benchmark set by the Secretariat General (1 year)</p> <p>Any person or organisation may submit a complaint about any measure (law, regulation or administrative action), absence of measure or practice by a Member State which they consider incompatible with respective Union law. As a general rule, the Commission will investigate complaints with a view to arriving at a decision to issue a formal notice or to close the case within not more than one year from the date of registration of the complaint. After investigating the complaint, which may include a consultation of the national authorities in the EU Pilot system, the Commission may either issue a formal notice opening proceedings against the Member State in question, or close the case definitively.</p> <p><i>Sub-Indicator 2:</i> Percentage of complaints registered in EU Pilot successfully handled within the benchmark set by the Secretariat General (70 days)</p> <p>EU Pilot is the main tool for the Commission to communicate with the participating Member States on issues raising a question concerning the correct application of EU law or the conformity of the law in a Member State with EU law at an early stage (i.e. before an infringement procedure is launched under Article 258 TFEU, but after the preliminary analysis of the complaint in CHAP). If no solution compatible with EU law is found in a communication with EU Member State, an infringement proceeding under Article 258 TFEU may be launched. The objective of EU Pilot is to achieve speedier results and to find solutions compatible with EU law for citizens and business through better cooperation between the Member States and the Commission without the need to launch infringement procedures under Article 258 TFEU. The benchmark for the Commission is to reply to the Member State (either rejecting the reply or accepting it) within 70 days of receipt of their observations on the issue raised by the Commission.</p> <p><i>Sub-Indicator 3:</i> Percentage of non-compliance procedures registered in NIF system successfully handled within the benchmark set by the Secretariat General (3 years). The NIF system is the IT tool for the Commission's infringements (letters of formal notice, reasoned opinions, referrals and closures). The benchmark is to conclude a case in NIF within 3 years of registration.</p> <p><i>Source :</i> European Commission_Semestrial coherence exercise_EMPL units B2/B3</p>																																														
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	2012		2013		2014		2015																																							
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<p>Planned evaluations:</p> <ul style="list-style-type: none"> -Ex-post evaluation of the EU Health & Safety Legislation Framework Directive 89/391/EEC and all associated Directives (24 evaluations),2016 - Evaluation of Directive 91/533/EC on an employer's obligation to inform employees of the conditions applicable to the contract or employment relationship -Update of the Evaluation of Directive 1997/81/EC on Part-Time Work and Directive 1999/70/EC on Fixed-Term Employment, 2016 -Evaluation on the implementation of Directive 2009/38/EC on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees, 2016 -Evaluation of the Directive 2014/67/EU on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services, 2019 																																														

Specific objective 1.5: A skilled and more entrepreneurial workforce⁴⁶

Specific objective 1.5: A skilled and more entrepreneurial workforce					Related to programmes EaSI-PROGRESS, Erasmus+, ESF			
Result indicator (ESF): Participants gaining a qualification upon leaving								
<i>Definition: This indicator shows a change in the educational status of the participants. It provides an indication of ESF achievements in terms of results on the ground for that specific objective.</i>								
<i>Source: European Commission_ EMPL F1-G4</i>								
<i>Baseline</i>		<i>Milestone 2018</i>			<i>Target 2023</i>			
No baseline ⁴⁷		48%			48%			
Result indicator (EaSI-Microfinance): Number of business created or consolidated that have benefitted from EU support⁴⁸ (cumulative figures)								
<i>Definition: Lack of access to finance is often a difficult obstacle for a micro-enterprise or a social enterprise to face when being created or consolidated. The Commission considers the provision of microloans and social enterprise investments an important factor in achieving the specific objectives of increasing the access to, and the availability of, microfinance for micro-enterprises and facilitating the access to finance for social enterprises.</i>								
<i>Source: European Commission_ Progress Microfinance implementation reports - EMPL E1</i>								
Baseline (2012) and latest know results					Milestone (2017)		Target (2020)	
	2012	2013	2014	2015				
Progress Microfinance ⁴⁹	6.089	12.690	30.473	45.987	Progress Microfinance	40.000 ⁵⁰	Progress Microfinance	46.000
EaSI	NA	NA	0	0	EaSI	21.000	EaSI	41.000 ⁵¹
Social Enterprises:					500 social enterprises ⁵⁴		1350 social enterprises	
	2012	2013	2014	2015				
Social enterprises	0⁵²	0	0	0 ⁵³				
Result indicator (EaSI-Microfinance): Proportion of beneficiaries that have created or further developed a business with EU microfinance that are unemployed or belonging to disadvantaged groups								
<i>Definition: Vulnerable persons, such as unemployed or members of a disadvantaged group often have a more difficult access to the conventional credit market. The provision of microloans to these groups helps to increase their access to microfinance and their ability to start up or develop their own micro-enterprise.</i>								
<i>Source: European Commission_ Progress Microfinance implementation reports - EaSI Regulation - EMPL E1</i>								
Baseline (2011) and latest know results⁵⁵					Milestone (2017)		Target (2020)	
2011	2012	2013	2014	2015	45%		50%	
40%⁵⁶	32% ⁵⁷	59% ⁵⁸	61.2%	48.7%				

⁴⁶ All baselines under specific objectives are those set when the objectives were first established

⁴⁷ ESF/YEI indicators are part of the common result indicators for the new programming periods, hence no baseline.

⁴⁸ The EaSI Regulation 1296/2013 defines the type of support that can be made available under EaSI i.e. a microcredit as well as social enterprise investments and the type of final recipients (cf. definition of micro-enterprises social enterprises) that can benefit from it.

⁴⁹ For Progress Microfinance, the target is in microloans, not final recipients.

⁵⁰ 46.000 is the official target for Progress Microfinance by 2020, i.e. when the facility closes. The milestone of 40.000 is an estimate which is not officially established.

⁵¹ The target has been based on the past experience with Progress Microfinance. Milestone and target are both subject to change, as the final budget, the required leverage and the potential co-investments are unknown at this stage.

⁵² There was no such support offered by the European Commission to social enterprises in the past.

⁵³ The EaSI delegation agreement with the EIF was signed on 22/06/2015. As of 31/12/2015, EIF had already signed 12 operations (11 for Microfinance and 1 for Social Entrepreneurship). It is estimated that the milestone and target may still be reached.

⁵⁴ This calculation is based on the total volume of the guarantees and funded instruments funds, multiplied by the expected leverage and divided by an average investment size of 200.000 euros per social enterprise. For the funded instruments, an expected co-investment of 20 million euros was taken into account. In addition, this target is set taking into account a slower take-off of the instruments and a more accelerated disbursement after the first three years. Please note that the target is subject to change, as the final budget, the required leverage and potential co-investments are unknown at this stage.

⁵⁵ The provided information only relates to Progress Microfinance.

⁵⁶ In September 2011, 40% of beneficiaries were disadvantage (27% of them were unemployed or inactive and 13% were over the age of 54).

⁵⁷ In September 2012, 32% of reported recipients were unemployed or inactive.

⁵⁸ In September 2013, 59% of reported recipients were unemployed or inactive.

Result indicator (Erasmus+): Implementation of European Transparency tools in vocational education and training (ECVET and EQAVET)

Definition: (1) **ECVET:** Number of countries having introduced units in all or part of their VET qualifications, as promoted by the European Credits for Vocational Education and Training (ECVET); (2) **EQAVET:** Number of countries having established a national approach to quality Assurance in line with the European Quality Assurance for Vocational Education and Training

Source: ECVET: Cedefop monitoring survey – EQAVET: secretariat survey

Baseline (2013) and latest known results			Milestone(2017)	Target (2020)
	2013	2015	ECVET: nd EQAVET: 28	ECVET: All MS EQAVET: All MS
ECVET	10	22		
EQAVET	23	26		
Planned evaluations: ESF 2007-2013 Ex Post Evaluation: Investing in human capital", 2016 Mid-term evaluation of the European Training Foundation, 2016 Ex post evaluation of Progress MICROFINANCE facility, 2017, EaSI				

Specific objective 1.6: Greater social inclusion and effective social protection⁵⁹

Specific objective 1.6: Greater social inclusion and effective social protection⁶⁰

Related to programmes EaSI-PROGRESS, ESF, FEAD)

Result indicator (ESF): Participants considered as part of disadvantaged groups that are reached by the ESF⁶¹

Definition: This indicator provides an indication of the importance of this specific objective in the ESF programming. The ESF shall benefit people, including disadvantaged people. Engaging these categories of participants in ESF actions is an important achievement per se as it is often a first step towards (re-) integration on the labour market. The participation in the underlying projects will contribute to achieving the Europe 2020 poverty target.

Source: European Commission_ EMPL units F1/G4

Baseline (Average programming period 2007-2013) ⁶²	Milestone 2018	Target 2023
20.1%	20%	20%

Note 1: Only a very limited number of OPs have targets set specifically for these categories of disadvantaged groups, although the actual number of supported disadvantaged people is likely to be larger given the range of ESF interventions. Considering the ratio of all disadvantaged groups over total participants (9.2%), the ratio of participants to the thematic objective (TO9) that addresses issues of social exclusion, poverty and discrimination (24.2%) and based on previous results from the 2007-2013 programming period, EMPL keeps 20% as the target for 2023. The related figures on targets and milestones will be updated on the basis of the first reporting by all MS on common indicators (2016).

Note 2: Data related to the disadvantaged situation of participants is considered sensitive data in the sense of Article 8 of the Directive on the protection of individuals with regard to the processing of personal data and on the free movement of data (OJ No L 46, 20.11.1995). Hence recording these data is subject to very stringent data protection standards. Therefore, the data sets submitted for these indicators are likely to be underreported.

Result indicator (ESF): Inactive participants engaged in job searching upon leaving

Definition: This indicator shows a change in the labour market status of the participants It provides an indication of ESF achievements in terms of results on the ground for that specific objective.

Source: European Commission_ EMPL units F1-G4

Baseline	Milestone 2018	Target 2023
No baseline ⁶³	27%	27%

⁵⁹ All baselines under specific objectives are those set when the objectives were first established

⁶⁰ It should be noted that these indicators cover all actions under all thematic objectives.

⁶¹ Migrants, participants with a foreign background, minorities (including marginalised communities such as the Roma); Participants with disabilities; Participants who live in a single adult household with dependent children; Participants who live in jobless households; Other disadvantaged. Persons may cumulate several disadvantages.

⁶² Annual Implementation Reports

⁶³ ESF/YEI indicators are part of the common result indicators for the new programming periods, hence no baseline.

Result indicator: Participants above 54 years of age

Definition: This indicator allows measuring the number of participants from this category engaged in ESF operations, which is an achievement per se as it is often a first step towards (re-)integration on the labour market.

Source: European Commission_ EMPL units F1-G4

Baseline (Average programming period 2007-2013)	Milestone 2018	Target 2023
6.2% of all ESF participants	6% of all ESF participants	6% of all ESF participants

Only a very limited number of OPs have targets set specifically for this category. The target set for 2023 is therefore based on the results of the indicator "Older people (55-64 years)" from the 2007-2013 programming period. The related figures on targets and milestones will be updated on the basis of the first reporting by all MS on common indicators (2016).

Result indicator (FEAD): Number of persons receiving assistance from the fund⁶⁴

Definition: This indicator demonstrates how the Fund contributes to achieving the Europe 2020 poverty target, which aims at reducing the number of people at risk of poverty and social exclusion of at least 20 million.

Source: annual implementation reports - EMPL units F1/G4

Baseline	Milestone (2017)	Target (2020)
0 ⁶⁵	8 million	14 million ⁶⁶

Planned evaluations:

ESF 2007-2013 Ex Post Evaluation: Supporting the integration of disadvantaged groups into the labour market and society, 2016

Midterm evaluation of FEAD, 2018

Ex post evaluation of FEAD, 2024

General objective 2, associated specific objectives and indicators

General objective 2: A deeper and fairer internal market with a strengthened industrial base

Impact indicator: Share of mobile EU citizens in % of the labour force (EU-28, age group 20-64)

Definition: The indicator proposed reflects the overall extent of residential mobility across EU countries for labour market purposes. It measures the 'stock' of EU mobile workers as no reliable indication of annual flows is available. Analysis of past trends of mobility shows well that the indicator has been on the rise following the large increase in mobility flows from 2004 on. Comparison with other large economic block (typically the USA) confirms that comparable indicator reaches a higher level compare to the EU where the objective is to increase cross-country labour mobility.

Source: Eurostat, EU-LFS (lfsa_pganws). Mobile EU citizens defined as EU foreigners being economically active

Baseline (2014)	Target (2020)
3.4%	Increase

⁶⁴ Indicators for FEAD will be reviewed once the set of data on 2015 achievements is delivered by Managing Authorities.

⁶⁵ Note 1: The FEAD is a new Fund, hence with a baseline at 0. The figures used in the framework of the existing Food assistance programme are established through a methodology which does not yield figures that could be comparable to the one of the new FEAD, thus they cannot be used as a baseline.

Note 2: The Commission Proposal foresees the definition of common indicators to be adopted by the Commission through Implementing Acts. The specific objective's indicator will be complemented and possibly revised at the later stage, in light of the Implementing Act.

⁶⁶ As there is no requirement for Member States to set targets for those common indicators, the Commission currently maintains its target to reach 2 million persons a year, although first evidence from the eight Member States that reported on implementation in 2014 points to a much higher number of end-recipients. This will be reviewed once the next set of data is delivered by Managing Authorities (on 2015 achievements).

Specific objective 2.1: Improved conditions for geographic and professional mobility whilst tackling risks of distortions and abuses⁶⁷

Specific objective 2.1: Improved conditions for geographic and professional mobility whilst tackling risks of distortions and abuses			Related to programmes ESF, EaSI-EURES		
Result indicator : Percentage of Complaints, EU PILOT and Infringement procedures handled within Commission benchmarks					
<i>Definition: see similar indicator under the objective "Decent and safe working conditions"</i>					
<i>Source: European Commission_Semestrial coherence exercise_EMPL unit D1</i>					
Baseline (2013)			Target (2020)		
Complaints	79%		100% of cases concluded within the benchmark set by the Secretariat General		
EU PILOT	42%				
Infringements	55%				
Result indicator (EaSI-EURES): Number of visits of the EURES platform (monthly average in million)					
<i>Definition: The indicator reflects the number of visits to the platform, the "first port of call" at European level, by jobseekers and, to a lesser extent, of employers. Alterations in the number of visits allow measuring the demand for information on labour mobility.</i>					
<i>Source: European Commission_EMPL unit D1_Indicator measured with Google Analytics</i>					
Baseline (2013) and latest known results			Milestone (2016)		Target (2020)
2013	2014	2015	1.5 million		2 million
0.85	0.7	1.4			
Result indicator (EaSI-EURES): Number of youth job placements achieved or supported under the Preparatory Action Your First EURES Job (Yfej) as well as under Targeted Mobility Schemes (cumulative figure)					
<i>Definition: This indicator reflects the contribution of the EURES axis in terms of job placements and serves as a key performance indicator and reflects the results of EMPL's support and guidance activities.</i>					
<i>Source: Preparatory action monitoring - EMPL unit D1</i>					
Baseline (2013) and latest know results			Milestone (2016)		Target (2020)
2013	2014 (Q3)	2015	5000		15.000
1950	3200	4950			
Result indicator: Number of individual personal contacts of EURES advisers with jobseekers, job changers and employers					
<i>Definition The figure presents the performance of staff working within the different actors (e.g. public employment services, trade unions, etc.) in the EURES network, in particular presenting contacts with jobseekers as well as employers. Variations in the number of contacts reflect changes in the outreach of the network which notably results from EMPL's support and guidance activities.</i>					
<i>Source: European Commission_EMPL unit D1_Eures Advisors' Monthly Reports</i>					
Baseline (2013) and latest know results			Milestone (2016)		Target (2020)
2013	2014	2015	1.200.000		1.400.000 ⁶⁸
1.055.936	947.489	1.058. 874			
Planned evaluations:					
Ex-post evaluation of the EURES programme covering the period 2009-2013, 2016					
Evaluation of the Your First EURES job mobility scheme, 2016					
Ex post evaluation of EURES, 2020					

⁶⁷ Baselines under specific objectives are those set when the objectives were first established

⁶⁸ Strategic goal of the Commission – target set on the assumption that the 2012 EURES Decision is properly implemented as from 01/01/2014)

General objective 3, associated specific objectives and indicators

General objective: A deeper and fairer Economic and Monetary Union	
Impact indicator: Dispersion of GDP per capita	
<i>Source: Eurostat. Code – "Main GDP aggregates per capita [nama_10_pc]"</i>	
<i>Baseline (2014)</i>	<i>Target (2020)</i>
54.3%	Reduce
Impact indicator: Income quintile share ratio	
<i>Source: Eurostat. Eurostat (ilc_di11)</i>	
<i>Baseline (2014)</i>	<i>Target (2020)</i>
5.2	Reduce

As this objective is achieved mainly through interventions under EMPL's other objectives, the underlying performance framework has been limited to the delivery and implementation of the key deliverable under this priority.

Indicators supporting part 2

2.1 Human Resource Management

Objective: The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.					
Indicator 1: Percentage of female representation in middle management					
<i>Source of data: DG HR</i>					
<i>Baseline (2014) and latest know results</i>	<i>Target (2019)</i>				
<table border="1"> <tr> <td>2014</td> <td>2015</td> </tr> <tr> <td>26%</td> <td>38.9%</td> </tr> </table>	2014	2015	26%	38.9%	40%
2014	2015				
26%	38.9%				
Indicator 2: Percentage of staff who feel that the Commission cares about their well-being					
<i>Source of data: DG HR - Commission staff survey</i>					
<i>Baseline (2014)</i>	<i>Target 2020</i>				
24.2%	40% (Commission average in 2014 survey=34,90%)				
Indicator 3: Staff engagement index					
<i>Source of data: DG HR - Commission staff survey</i>					
<i>Baseline (2014)</i>	<i>Target (2020)</i>				
63.7%	At least equal to Commission average in 2020 survey				

2.2 Financial Management: Internal control and Risk Management

Overarching objective: The Authorising Officer by Delegation should have reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions including prevention, detection, correction and follow-up of fraud and irregularities.

Objective 1: Effective and reliable internal control system giving the necessary guarantees concerning the legality and the regularity of the underlying transactions

Indicator 1: Estimated residual error rate⁶⁹

Source of data: AAR 2014

Baseline (2014)	Target
ESF 2007-2013: cumulative residual error rate (CRR) of 1,2 %	CRR below the materiality threshold
ESF 2014-2020: no baseline yet	Annual residual error rate below the materiality threshold

Indicator 2: Estimated overall amount at risk for the year for the entire budget under the DGs responsibility

Source of data: AAR 2014

Baseline (2014)	Target
278 m € / 403 m €	None

Indicator 3: Estimated future corrections

Source of data: AAR 2014

Baseline (2014)	Target
317 m €	None

Objective 2: Effective and reliable internal control system in line with sound financial management.

Indicator 1: Conclusion reached on cost effectiveness of controls

Source of data: EMPL AAR

Baseline (2014)	Target
Yes	Yes

Indicator 2: Cost of control/financial management of the Commission checks and assessment (as a % of total payment appropriations)

Source of data: EMPL AAR – shared management

Baseline (2014)	Target
0.23% of annual payments	Below 0.3%

Indicator 3: Percentage of Commission payments on time

Source of data: EMPL AAR 2015 Annex 3

Baseline (2015)	Target
86.2%	As high as possible

Indicator 4: Average time to inform grant applicants of the outcome of the evaluation of the application (Financial Regulation)

Source of data: EMPL AAR 2015

Baseline (2015)	Target
126	Below 180 days

Indicator 5: Average time for signing grant agreements with applicants or notifying grant decisions to them (Financial Regulation)

Source of data: EMPL AAR 2015

Baseline (2015)	Target
51	Below 90 days

⁶⁹ For the definition, see the first annex to the AAR instructions 2014 "Key definitions for determining amounts at risk" at <https://myintracomm.ec.europa.eu/budgweb/EN/rep/aar/Documents/aar-standing-instructions.pdf>.

Objective 3: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and reparation of fraud.

Indicator 1: Updated anti-fraud strategy of DG EMPL, elaborated on the basis of the methodology provided by OLAF⁷⁰

Source of data: EMPL's AFS

Baseline	Interim Milestone	Target
"Joint Anti-Fraud Strategy 2015-2020" for shared management: adopted in October 2015.	n/a	First revision end of 2016
EMPL's Anti-Fraud Strategy for direct management: adopted end 2010.	Updated strategy adopted in 2016	Update every 3 years

2.3 Better Regulation

Objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently.

Indicator 1: Percentage of Impact assessments submitted by DG EMPL to the Regulatory Scrutiny Board that received a favourable opinion on first submission

Source of data: EMPL unit G4

Baseline 2015	Interim Milestone 2016	Target 2020
0% of IA received a positive opinion ⁷¹	50%	100%

Indicator 2: Percentage of the DG's regulatory acquis covered by ex-post evaluations and Fitness Checks not older than five years

Source of data: EMPL unit G4

Baseline 2015	Interim Milestone 2016	Target 2020
14% of the EU acquis covered by evaluation not older than 5 years	Positive trend compared to baseline	Positive trend compared to interim milestone

2.4 Information management

Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable

Indicator 1: Percentage of registered documents that are not filed⁷² (ratio)

Source of data: Hermes-Ares-Nomcom (HAN)⁷³ statistics

Baseline (2015)	Target
3,78%	0%

Indicator 2: Number of HAN files readable/accessible by all units in the DG

Source of data: HAN statistics

Baseline (2015)	Target
70.5%	100% ⁷⁴

Indicator 3: Number of HAN files shared with other DGs

Source of data: HAN statistics

Baseline (2015)	Target
0.09%	100% ⁷⁵

⁷⁰The methodology can be found on the FPDNet website: <https://myintracomm.ec.europa.eu/serv/en/fraud-prevention/ToolBox/Documents/Methodology%20and%20guidance%20for%20DGs%20anti-fraud%20strategies.pdf>. In particular paragraph 3 of the methodology is relevant.

⁷¹ One related to the proposal for a Council Recommendation on Long Term Unemployed, which was submitted within an extremely tight timeframe due to the urgent need to act by the Commission; however, the text was transformed into a SWD that accompanied the final proposal adopted by the Commission and later by the Council. The second negative opinion related to revision of Reg. (EC) 883/2004 based on the lack of an assessment of the overall impact of the preferred option as well as the structure and length of the report, but it still acknowledged the sound evidence used, the quality of the drafting and how complex issues were explained in straightforward language.

⁷² Each registered document must be filed in at least one official file of the *Chef de file*, as required by the [e-Domec policy rules](#) (and by ICS 11 requirements). The indicator is to be measured via reporting tools available in Ares.

⁷³ Suite of tools designed to implement the [e-Domec policy rules](#).

⁷⁴ Except files whose access need to be restricted in order to protect personal data and other sensitive information on the base of current EC and national legislation and rules

⁷⁵ Except files whose access need to be restricted in order to protect personal data and other sensitive information on the basis of current EC and national legislation and rules to be verified with units and directorates responsible for files via a survey to be launched in the course of 2016 and on the base of other DGs' and of the EC's corporate information policy implementation.

2.5 External Communication

Objective: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

Indicator 1: Percentage of EU citizens having a positive image of the EU

Definition: Eurobarometer measures the state of public opinion in the EU Member States. This global indicator is influenced by many factors, including the work of other EU institutions and national governments, as well as political and economic factors, not just the communication actions of the Commission. It is relevant as a proxy for the overall perception of the EU citizens. Positive visibility for the EU is the desirable corporate outcome of Commission communication, even if individual DGs' actions may only make a small contribution.

Source of data: Standard Eurobarometer

Baseline: November 2014

Target: 2020

Total "Positive": 39%

Neutral: 37 %

Total "Negative": 22%

Positive image
of the EU \geq 50%