

European Training Foundation. Recast

2007/0163(COD) - 18/11/2008 - Council position

The common position reflects the agreement reached between the three institutions as a result of the informal contacts referred to above. Although the common position contains some significant changes with regard to the Commission's initial proposal - notably in respect of the governance provisions - the essential structure of the proposal remains unaltered. The main changes may be regarded as essentially of a technical/editorial nature whose sole purpose is to improve the clarity of the text.

Scope: the Commission proposal provided for a broadening of the Foundation's scope beyond education and training to include human resources development, primarily on the grounds that the different education sub-sectors (primary, secondary, vocational, higher, adult, etc.) should now be seen holistically within a lifelong perspective that embraces them all. Although the Council can agree to some extension of the scope of the ETF, it is generally felt that the recurrently used term 'human resources development' is too broad in meaning, given the legal base chosen. As a result, the Council prefers to replace this expression throughout the text by the term 'human capital development', as well as to include in Article 1 a clear definition of the term as used in the Regulation, a definition which is based almost entirely on Article 150 of the Treaty.

Geographical scope: as for the proposed extension of the ETF's geographical scope, an effort has been made - also in Article 1 - to define more explicitly which countries would be eligible for support and, where appropriate, under which conditions. The Council has incorporated two amendments adopted by the European Parliament - in Articles 2(b) and 3(3) - aimed respectively at ensuring that the Foundation would promote knowledge and analysis of skills needs in national and local labour markets, and that duplication would be avoided between its activities and those of the complementary European Centre for the Development of Vocational Training (Cedefop). Finally, the Council has reinstated a reference absent from the Commission proposal to the potential involvement in the ETF's work of representatives of the social partners at European level.

Governance: the key amendments to the Commission proposal concern the management structure and specifically the extent to which each of the **three main institutions should be represented on the Governing Board**. On the grounds of streamlining the decision-making process, the Commission proposed to reduce the level of Member State representation to no more than six members, whilst at the same time doubling the size of its own representation to the same level, i.e. six, putting it on a par with the Council. The Council considered this proposal very carefully, inter alia, in the wider context of the ongoing horizontal debate on the future governance of European agencies. Although sensitive to some of the Commission's arguments in favour of a lighter management structure, the Council ultimately considers that the **current situation should be maintained**, whereby each Member State is entitled to represent its own views by having a seat on the Board and the right to vote. In the Council's view, individual representation represents the best way of enhancing Member States' ownership of the Foundation's work. Similarly, the Council sees no valid reason to alter the existing arrangements concerning the Commission's representation on the Board and initially remained **opposed to any form of representation by the European Parliament** on the grounds of a potential conflict of interests. Having said this, the Council is prepared - in a spirit of compromise - to accept the formula ultimately devised, whereby **three seats would be allocated on the Board for "non-voting experts appointed by the European Parliament"**.

The remaining changes agreed between the Council and Parliament in the area of governance are aimed at:

- clarifying the status and profile of representatives of the partner countries with which the ETF works,
- reaffirming the objective of achieving gender balance on the Governing Board,
- specifying the voting arrangements for reaching decisions and convening meetings,
- laying down some additional rules concerning the appointment and evaluation of the Foundation's Director.

Reports and evaluation: the Council has supported those Parliamentary amendments aimed at ensuring a regular flow of information and feedback to the relevant bodies of both the Parliament and the Council. This may be provided in the form of both written reports and appearances of the Director before the relevant EP Committee(s) and Council body. In addition, the Foundation's activities will be subject to an evaluation every four years by external experts in liaison with the Commission and the Governing Board.

In conclusion: the common position - the result of informal negotiations between the European Parliament, the Council and the Commission - is largely consistent with the approach and aims pursued by the Commission in its original proposal for a recast Regulation, with the exception of the provisions on governance and, in particular, representation on the ETF's Governing Board. The scope of the Foundation's work has been extended and more clearly prescribed, a number of provisions relating to the Governing Board, its voting rules and the role of the Director have been clarified and the procedures for reporting and evaluating the Foundation's activities and performance tightened up.