COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 27.05.1998 COM(1998) 337 final

97/0126 (CNS)

Amended proposal for a

COUNCIL REGULATION (EC)

amending for the second time Regulation (EEC) No 1360/90

establishing a European Training Foundation

(presented by the Commission pursuant to Article 189 a (2) of the EC-Treaty)

1. INTRODUCTION

- 1.1 On 28 April 1997, the Commission presented a proposal for a Council Regulation¹, pursuant to Article 235 of the EC Treaty, for the purpose of amending for the second time Council Regulation (EEC) No 1360/90 establishing a European Training Foundation². The proposal aimed at extending the European Training Foundation's area of activity to cover the Mediterranean non-member countries and territories for which financial and technical measures to support the reform of their economic and social structures have been laid down in Council Regulation (EC) No 1488/96³ (MEDA Regulation). The proposal also included a number of accompanying measures designed to enhance the guidance and efficiency of the European Training Foundation's operations.
- 1.2 The Economic and Social Committee issued its opinion on 29 October 1997⁴, in which it welcomed the Commission's proposal and stressed that the European Training Foundation could contribute significantly to cooperation with the Mediterranean countries in the sphere of vocational training.
- 1.3 The European Parliament adopted its opinion on 12 March 1998⁵. This opinion contains 17 amendments to the wording of Council Regulation No 1360/90. Three of these concern the recitals referring to the Regulation. The remaining amendments concern the Regulation itself.
- 1.4 The Commission accepts the amendments concerning the recitals. The Commission also accepts four of the amendments concerning the Regulation in full and one in part but cannot accept text of the other amendments. Suitable arrangements can be made in practice to address some of the underlying concerns expressed by Parliament.
- 1.5 The reasons for the position adopted by the Commission with regard to these amendments are set out in section 3 below. The complete texts of the original proposal and the amended proposal is attached.

⁵ A4/0032/98, OJ No C 80, 16.3.1998

¹ COM(97) 177 final, OJ No C 156, 24.05.1997, p. 27

² OJ No L 131, 23.5.1990, p.1, Regulation as last amended by Regulation (EC) No 2063/94 (OJ No L 216, 20.08.1994, p.9)

³ OJ No L 189, 30.7.1996

⁴ ESC 1182/97

2. AIM OF THE PROPOSAL

In March 1995 the Commission forwarded to the Council a communication setting out the priorities for reinforcing the Union's Mediterranean policy, inter alia in the field of vocational training, and laying down the framework for financial and technical cooperation for the period up to 1999.

The representatives of the Council, the Commission, the Member States and the Mediterranean countries agreed at the conference held in Barcelona on 27 and 28 November 1995 that the participants establish a comprehensive partnership. In addition to strengthening the political dialogue, the aim would be the development of economic and financial cooperation and greater emphasis on the social, cultural and human dimension. The detailed work programme adopted by the conference provides for the enhancement of educational levels in particular in the Mediterranean region, with an initial focus inter alia on vocational training. In this context, the Foundation is called upon to contribute.

At its meeting in Madrid on 15 and 16 December 1995, the European Council called upon the Council and the Commission to put the Barcelona Declaration and Work Programme into practice.

The subsequently adopted MEDA Regulation lays the basis for a new partnership with the Mediterranean countries, within a single framework. The measures which the Regulation lays down to assist in the reform of the economic and social structures in the Mediterranean partner countries take into account the importance of support for the development of human resources, notably in vocational training.

The European Training Foundation provides an institutional framework for the provision of vocational training assistance, structured to provide a flexible response to the varying needs of the countries eligible under the Phare and Tacis programmes. The Foundation's remit also enables it not only to collaborate with the various regional and national facilities, whether public or private, operating in this field, but also to cooperate with the relevant national and international institutions. The Regulation establishing the Foundation further provides for participation in the Foundation's activities by countries sharing the Community's commitment to the provision of assistance in this field. In that Regulation, the Commission is given the task of ensuring consistency and complementarity between the work of the Foundation and other Community vocational training activities.

Given the existence of this instrument, the Commission has proposed, on grounds of cost-effectiveness and efficiency, to extend the Foundation's remit to cover the nonmember countries and territories specified in the Regulation on the new Mediterranean partnership, subject to the constraints of consistency and complementarity referred to above.

In view of the extended geographical spread of the Foundation's responsibilities which would result from this amendment, it is proposed to widen the Governing Board's base by providing for an additional Commission representative. However, no change in the number of votes at the disposal of the Commission's representatives is envisaged. The experience of the first three years of the Foundation's operations shows that certain measures could enhance its efficiency. The Foundation has requested clearer guidance on issues relating to broader Community policy. Therefore, the Commission has also proposed various measures aiming at enabling the different actors involved (i.e. the Commission, the Foundation's Governing Board and Advisory Forum) to provide such guidance and contribute to more efficiency, also in the context of the extension of the Foundation's scope to the Mediterranean partner countries.

3. THE COMMISSION'S POSITION WITH REGARD TO THE AMENDMENTS PROPOSED BY THE EUROPEAN PARLIAMENT

3.1 Amendments accepted

The Commission accepts amendments 1, 2, 3, 4, 7 (subject to a slight rewording), 14 (partly), 16 and 17. The reasons for this position are the following:

Amendments 1-3: These amendments, which provide for the insertion of three recitals, outline principles and guidelines for the European Training Foundation's activity, in particular with regard to the Foundation's contribution to the reform of the partner countries' vocational training systems, with a view to facilitating their transition to a market economy and strengthening their democratic institutions, the social dimension, respect for human rights and equal opportunities, as well as with regard to the testing of innovative schemes, the promotion of a common approach to vocational training issues and the transfer of best practice. These issues are in line with the principal orientations set out in the Commission's Report of 18 July 1997 to the European Parliament, the Council and the Economic and Social Committee on the European Training Foundation⁶, and have been/can be taken into account by the European Training Foundation's 1998-2000 work programme and/or future work programmes. They are therefore acceptable.

Amendment 4: This amendment provides for a "mission statement" for the European Training Foundation jointly defined by the Commission and the Foundation's Governing Board (Article 3 of Regulation No 1360/90). This corresponds to a recommendation made by an external evaluation report on the Foundation. Both the Commission and the Foundation's Governing Board support this recommendation.

Amendment 7: This amendment supplements the existing provision that the European Training Foundation may implement vocational training programmes at the request of the Commission or of the partner countries (Article 3 (c), third indent of Council Regulation no 1360/90), by adding that such programmes should be of an innovative value and, for the countries preparing for accession, should relate more closely to the Community's vocational training priorities. This is in line with the principal orientations

⁶ COM(97) 379 final

set out in the Commission's report of 18 July 1997. The rewording concerns the terminology used for the candidate countries.

Amendment 14: The Commission accepts this amendment insofar as it concerns the duration of the mandate of the European Training Foundation's director (Article 7 (1), first sub-paragraph of Regulation No 1360/90). This means that the initial mandate will remain at five years and that an extension may be granted once for up to five years.

Amendment 16: This amendment, which provides for the European Training Foundation's budget to detail by category and grade the number of staff employed in the relevant financial year, corresponds to the Foundation's own financial rules.

Amendment 17: This amendment calls for evaluations to be carried out by an external body, sets indicators to be measured by such evaluations and obliges the Commission to report on the results of the monitoring and evaluation of the European Training Foundation to the European Parliament, the Council and the Economic and Social Committee before 31 December 2000. The Commission recognises that Parliament, notably in its capacity as Budgetary Authority, has a close interest to be informed on the effective and efficient use of expenditure for which the Commission is responsible.

3.2 Amendments not accepted

The Commission cannot accept the remaining amendments for the following reasons:

Amendment 5: The Commission considers it essential to provide for policy guidelines in Article 3 of Council Regulation no 1360/90 which defines the European Training Foundation's functions.

Amendment 6: The amendment proposes a detailed explanation of how the European Training Foundation should assist the partner countries and the Commission in the definition of training needs. The suggestions made can be, and have been, implemented on the basis of the present Council Regulation no 1360/90. Therefore, the Commission sees no apparent need to propose legislative changes in this respect.

Amendment 8: The Commission prefers not to include in Council Regulation no 1360/90 a detailed description of the Foundation's tasks vis-àvis the candidate countries as suggested by the amendment. While the European Training Foundation will naturally assist the candidate countries in modernising their vocational training systems with a view to accession (cf. the Commission's communication of 18 July 1997), it would seem preferable not to give *ex-ante* legislative priority to one particular aspect of such assistance. Suitable and flexible arrangements will be made in practice in order to take Parliament's concerns into account. The existing Council Regulation No 1360/90 would seem to provide a sufficient basis.

Amendment 9: While the Commission welcomes cooperation between the Foundation and social partners at all levels (including at national level), it

believes that the current provision for "association with the Foundation's work" in an institutional context (Article 4 (2) of Council Regulation no 1360/90) should remain restricted to social partners at European level.

Amendment 10: The Commission shares Parliament's concern to highlight the link between the work programme and the annual "budgetary decision". However, this link is made sufficiently clear by the modified Article 10 (4) as proposed by the Commission. Moreover, the Commission considers it essential to be consulted on the European Training Foundation's annual work programme, given the very close cooperation with the Foundation developed to date. Against this background, the proposed amendment to Article 5 (7) is not acceptable.

Amendments 11-13: While sharing Parliament's concern that the European Training Foundation's Advisory Forum remain effective despite its size, the Commission prefers not to accept these amendments aiming to reduce and alter the composition of this body, given that the Advisory Forum's performance to date would seem satisfactory. Also, the Commission considers that a formal sub-division into separate working groups, along geographical lines, might hinder fruitful cooperation and exchanges between Advisory Forum members. Suitable and flexible arrangements can be made on the basis of the existing Regulation, notably by setting up working groups on an ad-hoc-basis.

Amendment 14: The amendment cannot be accepted as far as it focuses on a particular selection procedure for the post of director. In this respect, the Commission considers the provisions of the "Conditions of employment of other servants of the European Communities", which apply to the European Training Foundation's staff (Article 14 of Council Regulation no 1360/90), to be sufficient. Neither should the reference to policy guidelines be omitted (see above).

Amendment 15: The Commission shares the spirit of this amendment concerning the complementarity of the Foundation's activities with other Community actions but does not consider a legislative change necessary. Intense efforts are being made in practice to ensure such complementarity.

Amended proposal for a

COUNCIL REGULATION (EC)

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amending for the second time Regulation (EEC) No 1360/90

establishing a European Training Foundation

Initial proposal ⁷	Amended proposal
COUNCIL REGULATION (EC) amending for the second time Regulation (EEC) No 1360/90 establishing a European Training Foundation	Unchanged
THE COUNCIL OF THE EUROPEAN UNION	
Having regard to the Treaty establishing the European Community, and in particular Article 235 thereof,	
Having regard to the proposal from the Commission ⁸ ,	
Having regard to the opinion of the European Parliament ⁹ ,	
Having regard to the opinion of the Economic and Social Committee ¹⁰ ,	
Whereas the European Council meeting in Strasbourg on 8 and 9 December 1989 called upon the Council, acting on a proposal from the Commission, to adopt the necessary decisions for the establishment of a European	Unchanged
Training Foundation for Central and Eastern Europe; whereas to that end on 7 May 1990 the	

⁷ OJ No C 156, 24.05.1997, p. 27

- 8 OJ No C
- 9 OJ No C
- 10 OJ NO C

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Council adopted Regulation (EEC) No 1360/90 ¹¹ which established the said Foundation; Whereas, pursuant to Regulation 1360/90, the countries eligible for the Foundation's programmes are the countries eligible for economic aid under Regulation (EEC) No 3906/89 ¹² ('Phare' Programme) and Regulation (Euratom, EC) No 1279/96 ¹³ ('Tacis' Programme);	Unchanged
Whereas the representatives of the Council, the Commission, the Member States and the Mediterranean partner countries, meeting in Barcelona on 27 and 28 November 1995, agreed in their Declaration on the establishment of a Euro-Mediterranean partnership to place greater emphasis on the social, cultural and human dimension; whereas, in order to contribute to the attainment of that objective, the Work Programme implementing the Barcelona Declaration provides for an initial focus inter alia on vocational training, to which the European Training Foundation will contribute; whereas the European Council, meeting in Madrid on 15 and 16 December 1995, called upon the Council and the Commission to put into practice the Barcelona Declaration and Work Programme;	Unchanged
Whereas Council Regulation (EC) No 1488/96 ¹⁴ provides for financial and technical measures to accompany the reform of economic and social structures within the framework of the Euro-Mediterranean partnership (MEDA);	Unchanged
Whereas, in the context of the Mediterranean partners' efforts to reform their economic and social structures, the development of human	Unchanged

OJ No L 131, 23.5.1990, p.l, Regulation as amended by Regulation (EC) No 2063/94 (OJ No L 216, 20.8.1994, p. 9)

 ¹² OJ No L 375, 23.12.1989, p.11 Regulation as amended by Regulation (EC) No 753/96 (OJ No L 103, 26.4.1996, p. 5)

¹³ OJ. No L 165, 4.7.1996, p. 1

¹⁴ OJ. No L 189, 30.7.1996, p. 1

resources is essential for the attainment of long term stability and prosperity and in particular the achievement of socio-economic equilibrium;	
Whereas the Foundation was set up to provide a flexible response to the specific and differing requirements of the individual countries to be assisted; whereas, in providing assistance on the basis of Community experience in the area of vocational training, the Foundation is charged with collaborating with regional, national, public and private facilities in the Community and third countries, and with exercising its functions in close co-operation with existing national and international institutions; whereas the possibility exists for participation by third countries which share the Community's commitment to the provision of aid in the training field; whereas consistency and complementarity between the work of the Foundation and other Community actions should be ensured;	Unchanged
· ·	Whereas the Foundation's knowledge and direct experience of the specific requirements and circumstances of the eligible countries in the field of vocational training and human resources development can usefully contribute to the definition of the Community's aid policy for the reform of their vocational training systems:
	Whereas the Foundation should therefore be assisting the Commission in promoting developing and modernising vocational training systems in the eligible countries with a view to facilitating their transition to a market economy and strengthening their democratic institutions, the social dimension, respect for human rights and equal opportunities;
	Whereas the implementation of vocational training programmes should provide the Foundation with the opportunity to test innovative schemes, promote a common approach to vocational training issues and transfer best practices;
Whereas within the institutional framework established for the Foundation the Community's experience can be placed at the disposal also of the Mediterranean partners;	Unchanged

Whereas the Foundation's governing board should be strengthened to take account of this wider remit without, however, providing for a corresponding increase in the number of votes held by the representatives of the Commission;	Unchanged
Whereas the efficiency of the Foundation's operations will benefit from a number of accompanying measures; whereas guidance by the Commission will allow for the Foundation's activities to be aligned efficiently with the Community policies adopted with respect to the partner countries;	Unchanged.
Whereas cooperation with other relevant Community bodies is a prerequisite for the efficient use of resources and should be reinforced in order to exploit synergies; whereas this can be ensured most efficiently by the Commission;	Unchanged
Whereas the decision making powers of the Foundation's governing board will be strengthened by creating a closer link between the Foundation's work programme and its budget, in particular by adopting both documents through a coordinated procedure and linking the Foundation's expenditure closely to its operations;	Unchanged
Whereas experience has shown that the role of the Foundation's advisory forum would be strengthened by providing it with more efficient counsel from the Commission;	Unchanged
Whereas there is a need to define the mandate of the Foundation's director in a more precise and flexible manner,	Unchanged
HAS ADOPTED THIS REGULATION: Article 1 Regulation (EEC) No 1360/90 is amended as follows:	Unchanged
1. The first paragraph of Article 1 shall be replaced by the following:	Unchanged
'This Regulation hereby establishes the European Training Foundation (hereinafter referred to as the "Foundation") whose objective shall be to contribute to the development of the vocational training systems of:	

	r
- the countries of Central and Eastern Europe designated as eligible for economic aid by the Council in Regulation (EEC) No 3906/89 or in any subsequent relevant legal act;	
- the New Independent States and Mongolia which are the beneficiaries of the programme to assist economic reform and recovery under Regulation (Euratom, EC) No 1279/96 or in any subsequent relevant legal act; and	
- the Mediterranean non-member countries and territories beneficiaries of the financial and technical measures to accompany the reform of their economic and social structures under Regulation (EC) No 1488/96 or in any subsequent relevant legal act'	
2. Article 2 shall be replaced by the following:	2. Article 2 shall be replaced by the following:
'Following general policy guidelines set by the Commission, the Foundation shall work in the training field, covering initial and continuing vocational training as well as retraining for young people and adults, including in particular management training.'	Following general policy guidelines set by the Commission and on the basis of a mission statement jointly defined by the Commission and the governing board, the Foundation shall work in the training fields, covering initial and continuing vocational training as well as retraining for young people and adults, including in particular management training.
3. The introductory sentence of Article 3 shall be replaced by the following:	Unchanged
'For the purpose of achieving the objectives set out in Article 1, the Foundation shall, following general policy guidelines set by the Commission :'	
	3a. Point (c), third indent of Article 3 shall be replaced by the following :
	- implement, at the request of the Commission or of the eligible countries in cooperation with the governing board, vocational training programmes agreed on by the Commission and one or more of the eligible countries as part of the Community policy of assistance to

	these countries, using multi- disciplinary teams of specialists in close collaboration with the competent authorities in the countries involved and drawing actively on the experience of Community vocational training programmes; in the selection of projects to be managed by the Foundation priority will be given to projects of an innovative value and - for the candidate countries for accession - which relate directly to the Community's policy priorities in the field of vocational training;
4. Point (e) of Article 3 shall be replaced by the following:	Unchanged
'(e) confer on the governing board the power to lay down tendering procedures for projects funded or co-financed by the Foundation, taking full account of the procedures established under Regulation (EEC) No 3906/89, in particular Article 7 thereof, under Regulation (Euratom, EC) No 1279/96, in particular Articles 6 and 7 thereof, Regulation (EC) No 1488/96 in particular Article 8 thereof, or in any subsequent relevant legal act;	
 5. The second subparagraph of Article 4 (1) shall be replaced by the following: 'The Commission shall ensure co-operation between the Foundation and other relevant 	Unchanged
Community bodies, in particular Cedefop.'	
6. The first subparagraph of Article 5 (1) shall be replaced by the following:	Unchanged
'The Foundation shall have a governing board consisting of one representative of each Member State and three representatives of the Commission.	
•7. The third subparagraph of Article 5 (4) shall be replaced by the following:	Unchanged
'The members of the governing board representing the Member States shall each have one vote. The representatives of the Commission shall have at their disposal one vote.	

8. Article 5 (7) shall be replaced by the	Unchanged
following :	
'On the basis of a draft submitted by the director of the Foundation, the governing board, in consultation with the Commission, shall adopt the annual work programme for the Foundation at the beginning of each year, within the framework of a three-year rolling perspective. The programme may be adapted during the year using the same procedure.	
The projects and activities in the annual work programme shall be accompanied by an estimate of the necessary expenditure and by allocations of staff and budgetary resources."	
9. The second subparagraph of Article 6 (1) shall be replaced by the following :	Unchanged
'The members of the forum shall be selected from experts among training and other circles concerned in the work of the Foundation, taking into account the need to ensure the presence of representatives of the social partners, of the Commission, of those international organisations active in the provision of training assistance, and of the eligible countries.'	
10. Article 6 (2) shall be replaced by the following :	Unchanged
 The governing board shall seek nominations for appointment from : each of the Member States each of the eligible countries, the Commission the social partners at European level which are already active in the work of the Community institutions, and relevant international organisations.' 	
11. The first paragraph of Article 7 shall be replaced by the following :	11. The first paragraph of Article 7 shall be replaced by the following :
'The director of the Foundation shall be appointed by the governing board on a proposal from the Commission for a term of office of three to five years, which can be extended on a proposal from the Commission.	'The director of the Foundation shall be appointed by the governing board on a proposal from the Commission for a term of five years, which can be extended once for up to five years.
The director shall be responsible :	The director shall be responsible :
- for the preparation and organisation of the	- for the preparation and organisation of the

'The governing board, after receiving the	The governing board, after receiving the
13. Article 10 (4) shall be replaced by the following :	13. Article 10 (4) shall be replaced by the following :
Links with other Community actions The Commission, in co-operation with the governing board and, where appropriate, in accordance with the procedures set out in Article 9 of Regulation (EEC) No 3906/89, Article 8 of Regulation (EUC) No 1279/96 and Article 11 of Regulation (EC) No 1488/96 or in any subsequent relevant legal act, shall ensure consistency and, where necessary, complementarity between the work of the Foundation and other actions at Community level, both within the Community and in assistance to the eligible countries, with particular reference to actions under the Tempus scheme'.	
'Article 8	
12. Article 8 shall be replaced by the following:	Unchanged
- for properly implementing the governing board's decisions and the guidelines set down for the Foundation's activities.'	- for properly implementing the governing board's decisions and the guidelines set down for the Foundation's activities.
- for undertaking the tasks set out in the annual work programme referred to in Article 5 (7),	- for undertaking the tasks set out in the annual work programme referred to in Article 5 (7),
- for all staff matters,	- for all staff matters,
- for the preparation and publication of reports specified under this Regulation,	 for the preparation and publication of reports specified under this Regulation,
- for the preparation of the statement of revenue and expenditure and execution of the budget of the Foundation,	- for the preparation of the statement of revenue and expenditure and execution of the budget of the Foundation,
- the day-to-day administration of the Foundation,	- for the day-to-day administration of the Foundation,
work of the governing board, of any <i>ad</i> <i>hoc</i> working parties convened by the governing board and, in particular, following general policy guidelines set by the Commission, for the preparation of the draft annual work programme of the Foundation,	work of the governing board, of any <i>ad</i> <i>hoc</i> working parties convened by the governing board and, in particular, following general policy guidelines set by the Commission, for the preparation of the draft annual work programme of the Foundation,

advice of the Commission, shall adopt the budget of the Foundation together with the work programme at the beginning of each financial year, adjusting it to the several contributions granted to the Foundation and to its other resources.'	advice of the Commission, shall adopt the budget of the Foundation together with the work programme at the beginning of each financial year, adjusting it to the several contributions granted to the Foundation and to its other resources. The budget shall detail by category and grade the number of staff which will be employed by the Foundation in the relevant financial year.
14. The first subparagraph of Article 16(1) shall be replaced by the following :	Unchanged
'The Foundation shall be open to the participation of countries which are not members of the European Community and which share the commitment of the Community and the Member States to the provision of aid in the training field to the eligible countries, under arrangements to be laid down in agreements between the Community and themselves, following the procedure laid down in Article 228 of the Treaty'.	
	14a. Article 17 shall be replaced by the following:
	"Monitoring and evaluation procedure
	The Commission shall, in consultation with the governing board, establish a monitoring and evaluation procedure of the experience acquired in the work of the Foundation. This procedure should be carried out by an external body, and should take particular account of the extent to which the Foundation has:
	- achieved the aims and objectives set out in the mission statement jointly defined by the Commission and the governing board, the three-year rolling programme, and the annual work programme; and
	- implemented measures designed to ensure non-discrimination and equal opportunities in access to training.
	It shall present the first results of this procedure in a report to be submitted to the European parliament, the Council and the Economic and Social Committee before 31

	December 2000."
Article 2	Unchanged
This Regulation shall enter into force on the eighth day following that of its publication in the Official Journal of the European Communities.	
This Regulation shall be binding in its entirety and directly applicable in all Member States.	

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