

Brussels, 27.9.2024 COM(2024) 414 final

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

Evaluation of EU Agencies: Eurofound, Cedefop, ETF and EU-OSHA

{SWD(2024) 222 final}

EN EN

This report presents the main findings of the 2024 evaluation of the EU Agencies Eurofound, Cedefop, ETF and EU-OSHA for 2017 to 2022.

The European Commission launched the evaluation of the four Agencies in 2022. In line with the Commission's better regulation guidelines, the evaluation looked at the Agencies' effectiveness, efficiency, relevance, coherence/complementarity, and EU added value.

I. BACKGROUND AND CONTEXT

The evaluation assessed four decentralised EU Agencies working in the employment and social affairs policy field, namely: the European Foundation for the Improvement of Living and Working Conditions (Eurofound); the European Centre for the Development of Vocational Training (Cedefop); the European Training Foundation (ETF); and the European Agency for Safety and Health at Work (EU-OSHA). As regards the European Labour Authority (ELA), due to its early stage of development and its on-going 2024 evaluation as set out in its Founding Regulation, it does not form part of this evaluation.

The main objective of the four Agencies is to generate knowledge and contribute to the policy process in their respective fields of activity. According to their Founding Regulations:

- 1) **Eurofound** aims to carry out research and share knowledge in employment, industrial relations, living and working conditions, to contribute to the objective of shaping and to implement policies aimed at improving living and working conditions.
- 2) <u>Cedefop</u> aims to support the promotion, development and implementation of evidence-based, high-quality EU policies in vocational education and training (VET), skills, and qualifications.
- 3) **ETF** aims to contribute, in the context of the EU external relations policies, to human capital development of partner countries through improved VET and lifelong learning systems.
- 4) **<u>EU-OSHA</u>** aims to provide reliable and relevant information, analysis and tools to advance know-how, raise awareness and share occupational safety and health (OSH) information and good practice.

The overall objective of this evaluation was to assess the individual performance of the Agencies for the 2017 to 2022 period and to identify possible synergies and efficiency gains.

II. MAIN FINDINGS

II.1 Effectiveness

The four Agencies operated effectively during the 2017-2022 evaluation period, achieving many of their objectives to a high degree. There is, however, room for improvement in certain areas, as highlighted in Section III on lessons-learned.

The four Agencies successfully implemented their work programmes despite budget and staff limitations. The quality of the Agencies' outputs, as well as the use of these outputs by

stakeholders, was high. These outputs **informed EU policymakers** (as well as those in ETF partner countries), contributing to EU policymaking and its implementation in EU Member States.

The Agencies **showed their ability to adapt to challenging circumstances**. They responded successfully, within the scope of their mandates, to unexpected events such as supporting the EU's response to the COVID-19 pandemic and Russia's war of aggression against Ukraine. They revised their internal processes and thematic focus and produced relevant and impactful outputs in response to these events, to assist stakeholders in facing the new challenges. Additionally, they have increasingly incorporated climate and environmental health considerations into their activities, ensuring that their outputs contribute to broader sustainability goals.

While the Agencies have improved their communication and dissemination activities (e.g., increased social media use and presence) the evaluation highlighted that there was scope for improvement in that area.

II.2. Efficiency

Overall, the four Agencies were cost-effective. They achieved most of their delivery targets while lowering costs and maintaining the quality of their work.

The Agencies took a variety of cost saving measures to improve cost-effectiveness (e.g., shared procurement and accounting services, identifying deliverables where costs can be shared, and investing in actions that lead to long-term savings). Increased digitalisation during the COVID-19 pandemic also contributed to cost-savings.

However, the four Agencies have the potential to further:

- a) decrease the administrative burden and simplify processes. This could be achieved, for instance, by encouraging more inter-Agency cooperation (e.g., further joint procurement opportunities, identification of cooperation in areas of research and survey).
- b) improve monitoring systems to better measure the extent of success. This could include setting appropriate Key Performance Indicators (KPIs) with targets, producing common indicators across agencies, and increasing result monitoring at the national level.

The governance of the tripartite Agencies¹ offers significant advantages but also creates some inefficiencies. It offers advantages such as representation, strategic direction, and sharing of knowledge facilitated by government and social partner representatives from all EU Member States. At the same time, due to their larger size, the Agencies' management boards have relatively high operating costs, meetings tend to be long and complex to manage, decision-making can be challenging, and their overall management can be burdensome.

II.3 Coherence

2

¹ CEDEFOP, Eurofound, EU-OSHA.

Cooperation between the four Agencies has become more active, producing more joint deliverables, and the number of subjects covered has increased. While all four Agencies work in employment and social affairs, close cooperation has avoided duplication of activities, as the Agencies have complemented rather than duplicated their work. The current evaluation has not found any example of duplication of activities. The cooperation has led to a higher degree of coherence among the Agencies.

The conclusions of the previous evaluation concerning a potential merger between the four Agencies remain valid. Although the Agencies have some common areas of work, duplication of activities has been successfully avoided. Merger options represent high-risk scenarios that show difficulties in balancing positive and negative effects, and efficiency can be improved through better cooperation.

Close cooperation has led to the work of the four Agencies being closely aligned with EU policies and the priorities of the Commission's department for employment and social affairs (DG EMPL), although there could still be scope for even stronger cooperation. The four Agencies have also further developed cooperation with other relevant decentralised EU agencies and international organisations.

II.4 EU added value

The four Agencies generated EU added value according to each Agency's mandate.

Stakeholders particularly appreciated the EU added value with regard to the quality of information produced, specific thematic knowledge not available elsewhere and EU dimension of publications, surveys and data, as well as the specific focus on EU policy needs.

Overall, most stakeholders indicated that the Agencies' work would be difficult to substitute, and that discontinuing their activities would negatively affect their work.

II.5 Relevance

The Agencies' activities, objectives and mandates were highly relevant and responded to both EU policy and stakeholders' needs. EU policies and priority areas were reflected in key programming documents, and the Agencies' work was often used by stakeholders.

The Agencies were also able to maintain their relevance by delivering work on the COVID-19 pandemic and supporting EU action in response to Russia's war of aggression against Ukraine.

The Agencies also responded promptly and openly to audit recommendations.

III. LESSONS-LEARNED

The evaluation identified lessons-learned both at the level of the four Agencies and at the level of the individual Agencies.

III.1 Overall lessons-learned for all Agencies

Effectiveness

While the use of and quality of the Agencies' work is high, communication and dissemination could be further improved, including better engagement with the national level and producing more customized outputs.

Efficiency

There is scope to increase efficiency through a variety of means. Prioritisation of work, simplified internal processes, increased hybrid or online meetings, whenever possible, could all help.

Furthermore, while control mechanisms are effective and generally efficient, streamlining could reduce the administrative burden. Monitoring systems, especially KPIs, could see significant improvement in accurately gauging the effectiveness of the Agencies interventions. This could be achieved by defining SMART objectives, systematically setting targets for all KPIs, addressing data gaps, further harmonising indicators across the Agencies and improving result monitoring at national level.

Eurofound, Cedefop and EU-OSHA could consider how to address the balance between research needs and budgetary restrictions. For instance, through *extra-budget funding*, as was successfully done by the ETF.

Coherence

The cooperation between the Agencies and DG EMPL could be reinforced further, including on relevant thematic areas and at operational level.

The Agencies could continue to explore sharing services and facilities. Cooperation between them on policy work could be further developed and could also benefit from discussions with the Commission about where cooperation brings the most EU added value.

In the case of skills forecasts and labour shortages, better coordination between Cedefop, Eurofound, and the ELA could be needed to avoid duplication and ensure completeness and consistency, while the development of joint products in this area should be considered.

The Agencies could explore a joint approach to engage with national stakeholders and compare their experiences-

EU added value

To increase further their added value, the Agencies could strengthen their visibility among additional stakeholders (e.g. non-governmental organisations (NGOs)) and boost the dissemination of the Agencies' work.

Relevance

The Agencies' mandates were found to be relevant. However, while they already work on 'megatrends' (e.g. digital and green transitions and demographic change), they could focus more on the implications of an ageing population.

III.2. LESSONS-LEARNED BY AGENCY

Eurofound

Eurofound could use more interactive and visual content in digital formats. It could provide more methodological guidance for stakeholders, together with increasing stakeholder participation in its services and activities.

Eurofound could also further reflect on cost/quality trade-offs between online and face-to-face survey methods. Together with the Commission and the social partners, Eurofound could review the approach to conducting representativeness studies, as also mentioned in the 2023 Commission Communication on strengthening social dialogue.

Formal guidelines and a more systematic approach could also be employed to further improve staff training.

Cedefop

The Cedefop Management Board's working arrangements could benefit from being reviewed to increase efficiency and effectiveness, including a clearer orientation of agenda items towards policy topics rather than administrative matters.

Cedefop could cooperate and align with other agencies on KPIs and introduce a KPI on a quantitative work programme delivery that would be reported on in agency annual reports.

Cedefop could consider providing more possibilities for stakeholders outside the Management Board to provide input on its activities (e.g. VET providers) and explore how to improve the extent to which its services correspond to the needs of its stakeholders.

ETF

The ETF could further tailor its support to the needs of partner countries and those of stakeholders, including businesses and the social partners. This could be achieved through user satisfaction surveys. The ETF could also reflect on how to better support partner countries that do not participate in the voluntary strand of the Torino Process (in-depth system-wide monitoring of progress in the VET).

Cooperation with the Commission could be refined by developing a joint long-term approach to focus efforts and resources on areas of greatest impact and need. The ETF could further cooperate with the European Institute for Gender Equality (EIGE) on gender equality, and with the ELA in areas of relevance. The ETF could also develop cooperation with international human capital development actors.

The ETF could also work to improve the geographical and gender balance among its staff and look into ways to improve its performance monitoring.

EU-OSHA

EU-OSHA could refine its work in a number of specific areas and target audiences. It could also increase its impact by exploring how to further support countries that are less advanced in OSH.

EU-OSHA could further develop its cooperation with the Commission, increase efforts to share research findings in the Commission's publications, and increase the visibility of its work through the Commission's DG GROW Europe Enterprise Network.

EU-OSHA could also strengthen its cooperation with the other three Agencies covered by the evaluation and the ELA. It could also improve a number of specific internal processes to improve cost-effectiveness, notably in relation to translation and procurement.