



European Network of Public Employment Services

Assessment Report on PES Capacity

2021

Written by ICON-INSTITUT Public Sector GmbH
Marjolein Peters
November 2021



*Social
Europe*

EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion
Directorate E – Labour mobility and international affairs
Unit E.1 – Labour mobility, Public Employment Services, ELA

Contact: Hilde Olsen

E-mail: EMPL-PES-SECRETARIAT@ec.europa.eu

*European Commission
B-1049 Brussels*

Assessment Report on PES Capacity

2021

The European Network of Public Employment Services was created following a Decision of the European Parliament and Council in June 2014, amended in 2020. Its objective is to reinforce PES capacity, effectiveness and efficiency. This activity has been developed within the work programme of the European PES Network. For further information: <http://ec.europa.eu/social/PESNetwork>.

This activity has received financial support from the European Union Programme for Employment and Social Innovation 'EaSI' (2014-2020). For further information please consult: <http://ec.europa.eu/social/easi>.

LEGAL NOTICE

The information and views set out in this document are those of the authors and do not necessarily reflect the official opinion of the European Union. Neither the European Union institutions and bodies nor any person acting on their behalf may be held responsible for the use which may be made of the information contained therein. More information on the European Union is available on the Internet (<http://www.europa.eu>).

PDF

ISBN 978-92-76-46604-8

doi: 10.2767/629732

KE-09-22-014-EN-N

Manuscript completed in November 2021.

The European Commission is not liable for any consequence stemming from the reuse of this publication.

Luxembourg: Publications Office of the European Union, 2022.

© European Union, 2022



The reuse policy of European Commission documents is implemented by the Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39). Except otherwise noted, the reuse of this document is authorised under a Creative Commons Attribution 4.0 International (CC-BY 4.0) licence (<https://creativecommons.org/licenses/by/4.0/>). This means that reuse is allowed provided appropriate credit is given and any changes are indicated.

For any use or reproduction of elements that are not owned by the European Union, permission may need to be sought directly from the respective rightholders.

CONTENTS

LIST OF FIGURES.....	6
LIST OF TABLES	6
LIST OF ABBREVIATIONS.....	7
HEADLINE MESSAGES	8
Monitoring internal and external developments in times of a pandemic	8
Information on adult career advice and guidance added to institutional characteristics ...	8
PES environment - reversal of trends in registered unemployment and vacancies	8
PES resources - financial and human resources increasing	8
LMP services and measures changed more often than in 2019 to respond to the crisis....	9
PES formulated external and internal ambitions for 2021	9
COVID-19 accelerated digitalisation, but also curbed other reforms.....	9
Preparations for post-COVID times started.....	10
1. INTRODUCTION	11
2. INSTITUTIONAL CHARACTERISTICS	12
2.1. Tasks and responsibilities	12
2.2. Organisational structure	13
3. DEVELOPMENTS IN SUPPLY AND DEMAND.....	15
4. PES INTERNAL RESOURCES	19
4.1. PES financing and annual expenditure.....	19
4.2. Human resources	24
4.2.1. Total staff numbers and developments between 2014 and 2021	24
4.2.2. Staff turnover and the changing deployment of staff	26
4.2.3. Dedicated employment counsellors for tailored support	28
5. ACTIVE LABOUR MARKET SERVICES AND MEASURES USED BY PES.....	30
5.1. Overview of changes in 2020	30
5.2. Interventions introduced in 2020.....	31
5.2.1. Types of interventions	31
5.2.2. Target groups for new interventions.....	32
5.2.3. New interventions and COVID-19.....	32
5.3. Changes in existing interventions	33
6. STRATEGIC OBJECTIVES AND TARGETS FOR 2021	35
6.1. Strategic objectives and targets for 2021	35
6.3. The impact of COVID-19 on strategies and reforms	38
6.4. Preparing for post-COVID-19	38
6.3.1 Policies to prepare for post-COVID-19.....	38
6.3.2 Issues under consideration when preparing for post-COVID-19	39
ANNEX 1. EXAMPLES OF POLICIES FOR POST-COVID-19 SITUATION	40

LIST OF FIGURES

Figure 1. Percentage change in the number of registered unemployed, 2018-2019 and 2019-2020, with PES ordered by change in the 2018-2019 period	16
Figure 2. Percentage change in the number of registered vacancies, 2018-2019 and 2019-2020, with PES ordered by change in the 2018-2019 period	17
Figure 3. Number of registered unemployed by target groups and vacancies reported to PES, 2014-2020	18
Figure 4. Number of PES reporting changes in total expenditure, excluding benefits paid and <i>pro forma</i> expenditure, 2010-2020	19
Figure 5. Percentage change in PES expenditure, excluding unemployment benefits and <i>pro forma</i> expenditure, 2019-2020	21
Figure 6. Expenditure by item in 2020 as a percentage of total expenditure, excluding benefit payments and <i>pro forma</i> budget items.....	22
Figure 7. The number of PES experiencing an increase or a decrease in staff (in FTE) between 2014 and 2021 (30 April).....	24
Figure 8. Annual percentage change in the number of staff between April 2019 and April 2021	25
Figure 9. Overall staff turnover in 2019 and 2020	26
Figure 10. Front-line staff targeting specific groups, April 2021.....	29

LIST OF TABLES

Table 1. PES responsibilities* in 2021.....	13
Table 2. Legal statuses of PES in 2021	14
Table 3. Developments in the number of registered unemployed, 2014-2020	15
Table 4. Expenditure increases for benefits and ALMPs compared, 2019-2020*	20
Table 5. Expenditure by item in 2020 as a percentage of total expenditure, excluding benefit payments and <i>pro forma</i> budget items, for PES with differing responsibilities on benefit administration	23
Table 6. Proportion of front-line staff in PES with different responsibilities for benefits, April 2021.....	28
Table 7. New LMP interventions introduced or existing ones modified in 2020.....	30
Table 8. Types of services measures offered under new or amended LMP interventions in 2020.....	31
Table 9. Examples of (temporary) loosening of eligibility criteria in 2020.....	33
Table 10. Main strategic objectives set for 2021 per PES (number of PES)	35
Table 11. Number of strategic targets and amongst these the ones that concern specific groups set for 2021 per PES.....	36
Table 12. Types of strategic targets set for 2021 per PES	37
Table 13. Number of PES* whose introduction or whose implementation of strategies or reforms was affected by COVID-19 and area concerned.....	38
Table 14. Issues under consideration when preparing for post-COVID-19*	39

LIST OF ABBREVIATIONS

Abbreviation	Meaning
ALMP	Active Labour Market Policy
BL	Benchlearning
DG EMPL	Directorate General Employment, Social Affairs and Inclusion
EaSI	European Programme for Employment and Social Innovation
EC	European Commission
ESF	European Social Fund
FTE	Full-Time Equivalents
HRD	Human Resource Development
IB	Intermediate Body (ESF)
ICT	Information and Communication Technology
LMP	Labour Market Policy
LTU	Long-Term Unemployed
MA	Managing Authority (ESF)
NEET	Young person who is Not in Education, Employment, or Training
OP	Operation Programme
PES	Public Employment Service(s)
PrES	Private Employment Services
SMEs	Small and medium-size enterprises
UB	Unemployment Benefit
UI	Unemployment Insurance

HEADLINE MESSAGES

Monitoring internal and external developments in times of a pandemic

COVID-19 and its impact on the labour market permeate this 2021 Assessment Report on the Capacity of Public Employment Services (PES). The measures taken to combat the pandemic thoroughly changed the environment in which PES operate and initiated or accelerated the introduction of strategies and reforms in 80% of the PES in 2020.

This report is principally based on 30 questionnaire responses received from European PES during July and August 2021 (Italy did not submit its response). The timing of the survey allowed for the collection of some additional data on the way PES are preparing for the longer-term.

The report also makes use of the data collected in previous years, as well as data obtained during the most recent annual PES Benchmarking data collection exercise. The report aims to create an information base to support the work of the European PES Network, by providing an overview of the main trends in the development of PES, describing aspects of their capacity and the services they offer. The main findings of this report are summarised below.

Information on adult career advice and guidance added to institutional characteristics

The responsibilities assigned to PES remained more or less the same. Only four PES (BE-Actiris, BG, DE and ES) made some amendments. For the first time, this year information became available on the involvement of PES in career advice and guidance for other groups than young people still in education. A majority of 17 PES is fully responsible for these services, 10 PES are one of more providers or offer them jointly with partners.

PES environment - reversal of trends in registered unemployment and vacancies

While in previous periods the majority of PES reported decreasing numbers of registered unemployed, in 2020 all PES were confronted with substantially higher numbers. The number of unemployed registered with the 30 PES surveyed increased by 15.5% compared to 2019. Individual, and in particular smaller, PES saw greater changes. Young people were hit relatively hard.

At the same time, virtually all PES saw the number of vacancies registered with them decrease in 2020, the exceptions being the PES in Bulgaria, Greece and Iceland. The number of PES registered vacancies decreased by 20.7% in 2020¹.

PES resources - financial and human resources increasing

Between 2019 and 2020, the number of PES that increased their expenditure was notably higher again than the number of PES that spent less than the year before. The share of expenditure on ALMPs increased in 2020, although to a different degree in individual PES.

To ensure comparability between PES, expenditure on unemployment and other benefits or pro forma expenditure are not included in these analyses. Nevertheless, in the light of COVID-19 measures, it is worth mentioning that benefit expenditure increased in all PES that administer such schemes.

Total PES staff mainly increased rather than decreased as a result of COVID-19 in 2020. The total PES staff, measured in Full-Time Equivalents, after decreasing for 4 years,

¹ For 29 PES. No or insufficient information was available for Italy and Sweden.

increased again by 8.7% between April 2020 and April 2021. 17 of these PES saw their staff number increasing or remaining the same². PES expect this trend to continue: 16 PES are planning to hire more staff in 2021. Nine of these increases are related to the pandemic and its effects.

The pandemic also impacts the way PES deploy their staff, but this impact is expected to become smaller over the course of 2021.

LMP services and measures changed more often than in 2019 to respond to the crisis

The impact of the pandemic on the labour market is reflected in the number of PES that amended their LMP interventions and the number of new and amended interventions, all of which were substantially higher in 2020 than the year before.

New interventions introduced in 2020 reflect the urgent need to create and maintain employment in light of the problems caused by the pandemic. The main type of newly introduced interventions were employment incentives, followed by, albeit with much lower frequency, training and client services. Amendments in existing LMP interventions concerned in particular training and employment services, followed by direct job creation.

The focus of new interventions was already moving away from the traditional target groups in 2019 and the changing labour market in 2020 intensified this trend. Older people and long-term unemployed (LTU) were far less often targeted, young people still by 12 interventions, in keeping with the impact of the crisis on this group. 18 interventions addressed a variety of other types of target groups.

Unsurprisingly, almost a quarter of the new interventions was explicitly introduced in response to the pandemic.

Existing interventions were primarily changed with an aim of making them more accessible.

PES formulated external and internal ambitions for 2021

The main PES ambitions for 2021 relate to the employment of jobseekers on the one hand and the improvement of their internal processes on the other.

The most often mentioned strategic objective for 2021 relates to the core business of PES: labour market (re-)integration (17 PES). This is followed closely by objectives in the field of internal processes and efficiency (13 PES), and objectives relating to specific clients' groups (12 PES).

The most common types of targets are those relating to the outputs and results to be achieved in 2021. Almost equal numbers of PES set such targets and 16 of them set them at both levels (26 PES set strategic targets for 2021). 12 PES set targets relating to their internal functioning. These concern work processes, quality, and the management and efficiency of their organisations.

COVID-19 accelerated digitalisation, but also curbed other reforms

The initiation or acceleration of strategies and reforms in 2020 was mentioned by 22 and 24 PES respectively. Nevertheless, 10 and 14 PES reported delays or postponement to a later date respectively.

² Information on total staff numbers is available for 25 European PES, excluding Italy and five PES where data could not be included in this report (IE, IS, PL, RO, and NO).

In particular, PES invested in the development and introduction of digital services. However, some important digital projects were suspended if they did not directly help to deal with the COVID-19 crisis. The same applied to other initiatives aimed at improving the internal functioning of PES.

Various reforms in active labour market measures and client services were moved forward to respond to new needs arising from the pandemic. Again, a number of envisaged larger revisions of such schemes were postponed or delayed, because of the costs or the efforts involved.

Preparations for post-COVID times started

At the time of the survey, more than half of the PES in the Network (17 PES) had a strategy in place to deal with the post-pandemic period. Four of these are included in general PES strategies or plans.

Digitalisation of services, but also strengthening partnerships with other actors such as social partners and social services are important elements in these plans.

When preparing for the recovery, PES consider it particularly important to address digitalisation of services, integration of young people into the labour market, and a personal, individualised approach to clients (counselling, initial skills profiling and skills assessment, coaching and guidance for jobseekers). Other issues to be addressed according to PES are furthering digital skills amongst jobseekers, face-to-face counselling for groups for whom face-to-face contact is essential, and supporting unemployed that have severe and/or multiple employment barriers. Supporting the transition to a greening economy has by comparison less priority.

1. INTRODUCTION

This report provides an overview and analysis of the main trends in the development of Public Employment Services (PES), linked to the various aspects of PES capacity and the services PES offer their clients. This report, together with the complementary report on monitoring of PES support of the reinforced Youth Guarantee³, provides an information base to support the work of the European Network of PES⁴.

This present paper is the seventh annual report published on PES capacity. It is principally based on 30 questionnaire responses received from European PES during July and August 2021 (Italy did not submit its response). The Liechtenstein PES became a member of the Network in 2021 and will participate in the next survey.

The report also makes use of the data collected in previous years, as well as data obtained during the annual PES Benchmarking Data Collection exercise. In countries with a strongly decentralised structure, the national PES supplied as much information as possible, although the amount of information these countries were able to provide was inherently limited.

This report begins with a description of the institutional set-up of PES (Chapter 2), followed by a discussion of key trends in the environment in which PES operate (Chapter 3). Chapter 4 then examines the available PES resources and how those resources are deployed, as well as how the PES organise their work. Chapter 5 concentrates on the services offered to clients by the PES, in particular the active labour market policies they use. The final chapter summarises the strategic objectives and the key targets set for 2021 and discusses how they were affected by COVID-19 and what PES are undertaking to prepare for post-COVID times.

³ <https://ec.europa.eu/social/BlobServlet?docId=24936&langId=en>

⁴ In May 2014, the European Council and the European Parliament published a Decision that led to the creation of the European Network of Public Employment Services in June of that year. This formalised the long-standing cooperation between Public Employment Services (PES) in Europe, going back to 1998. This network is made up of 31 EU/EEA PES organisations (comprising 27 national PES, the three separate services in Belgium and one each from Iceland and Norway). Within this network, a number of working groups have been established to pursue different themes of interest to the Heads of Public Employment Services (HoPES). A new Decision amended the 2014 one and was published on 30 November 2020. It is available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1606741261195&uri=CELEX%3A32020D1782>.

2. INSTITUTIONAL CHARACTERISTICS

2.1. Tasks and responsibilities

The **responsibilities assigned to PES** remained more or less the same. Only four PES made one or two amendments: BE-Actiris (apprenticeship places are also offered by other institutions), Bulgaria (the acceptance of applications on paper for cash unemployment benefits was shifted from the National Social Security Institute to local employment offices), Germany (now fully responsible for individual pathways for clients that are entitled to unemployment benefits) and Spain (benefits for people with disabilities and apprenticeship places).

This year's survey gathered more detailed information on the **involvement of PES in career advice and guidance** for groups other than young people still in education. Most PES offer career advice and counselling; to their clients (ES, FR, HR, IS, LT and LV), jobseekers in general (AT, BE-VDAB, BG, DE, ES, FI, IE, MT, PT, RO, SI and SK), or to all citizens (BE-Actiris, CZ, EE, HU, LU, PL and SE). BE-FOREM provides this service mainly to unemployed jobseekers but the Employment Training Guidance Crossroads (CEFO) and 'Cités des Métiers' (CdM) in which they participate, are open to all citizens. Other target groups mentioned by PES are vulnerable unemployed (CY) and benefit recipients (DK). Sometimes specific services exist for people with disabilities that are managed by other organisations. Sometimes services are open to all citizens, provided they register or only in the form of web-based services.

A majority of 17 PES is fully responsible for these services, 10 PES are one of more providers or offer them jointly with partners. In Cyprus, the PES is partly responsible for students of upper secondary education and fully for the vulnerable unemployed.

Table 1 below shows the responsibilities PES have.

Box 1. Classification of duties in Table 1

1. *'Individualised paths': the implementation of services offering tailored ('individualised') assistance (for example intensive counselling and guidance, and job-search assistance) and follow-up for unemployed people provided as part of a planned path towards durable (re-) employment (cf. services as in Eurostat LMP database Category 1.1.2).*
2. *ALMPs: the implementation of ALMP measures (any measures within Eurostat LMP database cats. 2-7) financed by national funds or co-funding from the European Social Fund (ESF).*
3. *Unemployment benefits: the administration of the national unemployment benefit (UB) scheme (the handling of UB claims, payments, financial planning and reporting, etc.).*
4. *Training centre: managing training centre(s) for jobseekers (training centres that are an integral part of the PES).*
5. *Licensing and supervising private employment agencies (PrES).*
6. *Apprenticeship places: the notification of apprenticeship places and the placement of apprenticeship candidates.*
7. *Work permits: issuing work permits for third-country nationals (for example approving and issuing applications, keeping records, reporting, etc.).*
8. *8a. Acting as the Managing Authority (MA) for ESF, 8b. Acting as Intermediate Body (IB) for ESF.*
9. *Social allowances: the administration of social types of allowances (for example child allowances for Unemployment Benefit recipients).*
10. *Disability benefits: the administration of benefits for people with disabilities or handicapped people.*
11. *The approval of layoffs made by employers.*
12. *Career advice and guidance for young people still in education.*

Table 1. PES responsibilities* in 2021

	1	2	3	4	5	6	7	8a	8b	9	10	11	12
AT	P	F	P	F	No	P	F	No	No	P	P	P	P
BE - ACTIRIS	F	P	No	No	No	P	No	F	No	No	No	No	P
BE - FOREM	F	P	No	F	No	No	No	No	F	No	No	No	No
BE - VDAB	F	P	No	F	No	P	No	No	F	No	P	No	P
BG	F	F	P	No	F	P	F	No	No	No	No	P	P
CY	F	P	No	No	F	P	F	No	F	No	No	No	No
CZ	F	F	F	F	P	F	P	No	F	F	F	No	F
DE	F	F	F	No	P	P	P	No	F	P	P	F	P
DK	F	P	No	P	F	P	No	No	No	P	No	No	No
EE	F	F	F	No	No	No	P	No	F	No	P	P	F
EL	F	F	F	F	No	F	No	No	F	P	No	No	No
ES	F	F	P	F	F	P	No	No	F	No	No	No	P
FI	F	F	No	No	No	F	P	F	No	No	No	No	No
FR	F	P	F	No	P	P	No	No	F	No	No	No	P
HR	F	F	F	No	No	No	No	No	F	No	No	P	P
HU	F	F	F	No	F	No	No	No	F	No	No	F	P
IE	F	F	F	No	No	No	No	No	n/a	F	F	No	P
IS	F	F	F	No	P	No	F	n/a	n/a	P	No	No	No
IT	F	F	No	No	F	No	P	F	n/a	No	No	No	P
LT	F	F	No	No	P	P	F	No	No	No	No	No	P
LU	F	F	F	No	No	F	P	No	No	No	P	P	P
LV	P	F	No	No	F	No	No	No	F	No	No	F	P
MT	F	F	No	P	No	No	P	No	F	No	No	No	No
NL	P	P	No	No	No	P	F	No	No	No	No	P	No
NO	F	F	F	F	No	No	No	n/a	n/a	F	F	No	No
PL	F	F	F	No	P	P	P	No	F	No	No	P	P
PT	F	P	P	F	F	P	No	No	F	No	No	No	No
RO	F	F	F	F	F	F	No	No	No	No	No	No	P
SE	F	F	No	No	No	P	No	No	No	P	No	P	No
SI	F	F	F	No	No	P	F	No	No	No	No	P	P
SK	F	F	No	No	P	No	P	No	n/a	F	F	P	P

Source: responses to PES Capacity Questionnaires, 2018 to 2021.

*F=fully, P=partly (for some tasks, other institutions are exclusively or jointly responsible), No= not responsible, n/a = information not available.

2.2. Organisational structure

The organisational structure is one of the determinants of the operational freedom of PES. This structure is characterised by the degree of formal independence and the degree of decentralisation of PES responsibilities in a country.

The vast majority of PES (22 out of 30) are **independent public institutions**. This means that they may be supervised by, but are not part of, a Ministry. The classification of their legal status was done in close consultation with the PES, as definitions and the use of terms such as 'independent' or 'legal entity' are very dependent on the national legislation.

Important distinguishing features in this respect are that the PES is not a department or Directorate-General of a ministry and that it has its own director or governing board. The fact that the PES is placed 'under the authority of' or is 'supervised by' a ministry does not detract from this classification.

PES that are **part of a governmental organisation** differ in respect to the involvement of regional and local authorities. In five countries, the PES is an integral part of the national ministry responsible for employment affairs. In two further countries, the national PES is integrated into the national Ministry, while the regional PES are under the authority of regional governments.

Table 2. Legal statuses of PES in 2021

Status	No	PES
Independent public institution with Managing Board (representatives of social partners, government, etc.)	20	AT, BE-Actiris, BE-FOREM, BE-VDAB, BG, DE, EE, EL, FR, HR, IS, LT, LU, LV, MT, PT, RO, SE, SI and SK.
Independent public institution as above, but with local or regional authorities being responsible at their respective administrative level	2	DK and NL.
Integrated into the responsible Ministry (national, regional and local PES units are all part of this Ministry)	6	CY, CZ, FI, HU, IE and NO.
Integrated into the responsible Ministry at the national level, but with PES regional organisations operating under the authority of Regional Governments	2	ES and PL.

Source: responses to PES Capacity Questionnaire, 2021.

Note: 30 PES, excluding IT.

3. DEVELOPMENTS IN SUPPLY AND DEMAND

This chapter focuses on unemployed jobseekers registered with their PES⁵. It relies on data of the registered unemployed provided by PES during the annual PES Benchmarking Data Collection process. The figures of the registered unemployed show the annual average of the 'stock' of the unemployed registered with the PES at the end of each month of that year, who are available for the labour market and who are, or who should be, looking for a job, excluding those on any active labour market measure⁶.

COVID-19 and the measures taken by governments to combat the virus had a huge impact on **the number of registered unemployed**. While in previous periods the majority of PES saw the number of registered unemployed decreasing, in 2020, all PES were confronted with substantially higher numbers. The *overall* increase⁷ compared to the previous year amounted to 15.5%, while the unweighted *average* increase⁸ in the PES concerned amounted to 37.0%. While the overall change depicts the situation for the EU citizens as a whole, the average change summarises the development of the context for individual PES. The average is much higher than the overall increase, because of a surge in registration of the unemployed in several smaller countries including Iceland (254.8%), Malta (154.5%), Norway (93.3%), and Estonia, Finland and Lithuania (increases of around 50%). At the same time, larger countries experienced smaller increases, such as France and Poland (below 10%), and Germany and Spain (between 10% and 20%).

Table 3. Developments in the number of registered unemployed, 2014-2020

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Number of PES with increasing numbers	5	5	1	3	6	30
Number of PES with decreasing numbers	25	25	29	27	24	0
Overall percentage change (all registered unemployed)	-4.4%	-6.1%	-7.1%	-6.4%	-4.0%	15.5%
Unweighted average percentage change per PES	-6.3%	-8.0%	-10.6%	-10.1%	-3.2%	37.0%

Source: Annual PES Benchmarking Data Collection.

Note: Average monthly 'stock' of the registered unemployed compared on an annual basis, who are available for the labour market and who are, or who should be, looking for a job, excluding those on an active labour market measure. No data are available for IT.

Figure 1 below shows the situation for the individual PES. In countries where the number of registered unemployed was already increasing between 2018 and 2019 this trend continued in 2020. Countries in which unemployment was still decreasing in 2019 all saw these numbers increase in 2020. The size of the former decrease had no significant influence on the severity of the impact of the crisis.

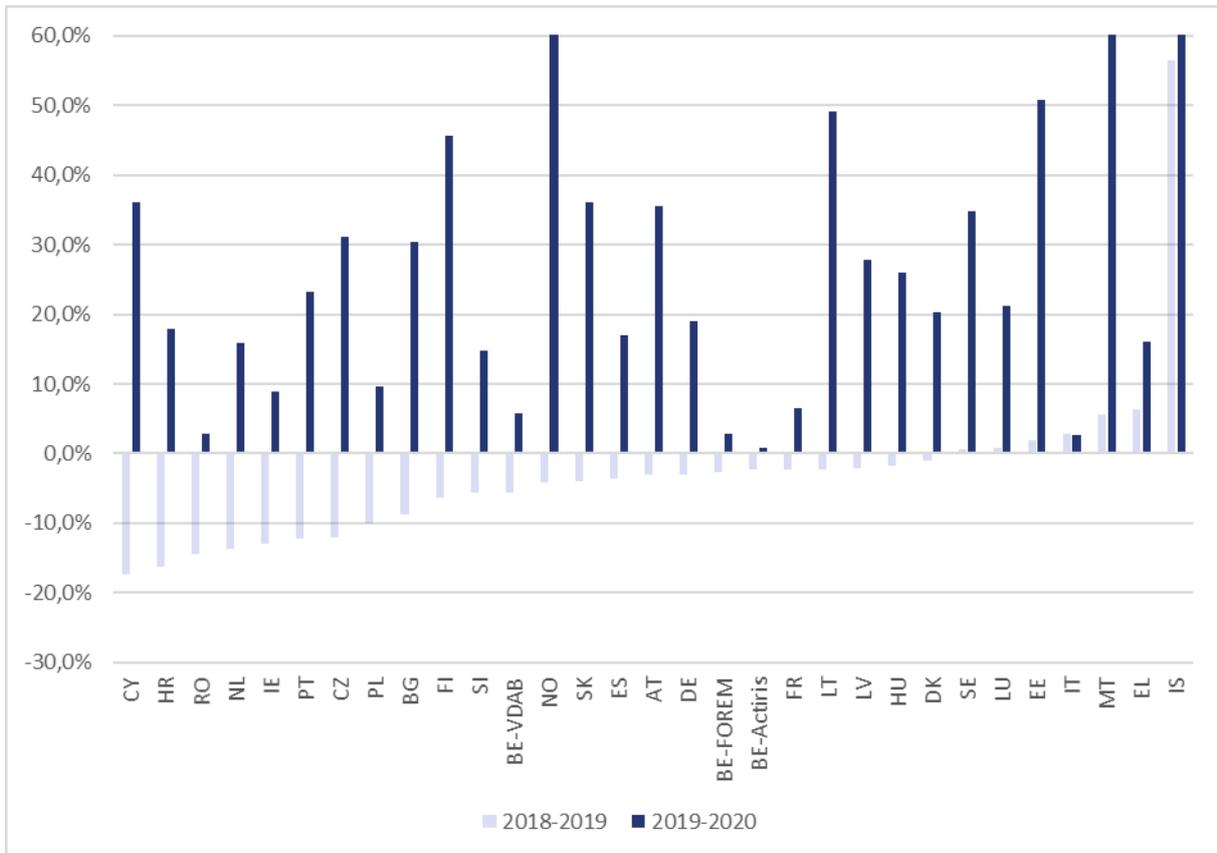
⁵ No information was available for Italy.

⁶ This definition differs slightly from the one for job-seeking clients used in the data in reports before 2019. Before 2019, data were collected through the PES Capacity survey. In the questionnaire, the definition of job-seeking clients included participants in ALMPs (except Eurostat LMP categories 5-7) and the figures in principle reflected the situation at the end of April. Furthermore, the number of PES responding to this question in the annual Benchmarking Data Collection tends to be somewhat higher than the number of PES responding to the survey.

⁷ i.e. the total of all PES clients in those countries where the PES responded to this question.

⁸ Unweighted average of the individual PES changes. All averages in this report are unweighted averages.

Figure 1. Percentage change in the number of registered unemployed, 2018-2019 and 2019-2020, with PES ordered by change in the 2018-2019 period



Source: Annual PES Benchmarking Data Collection.

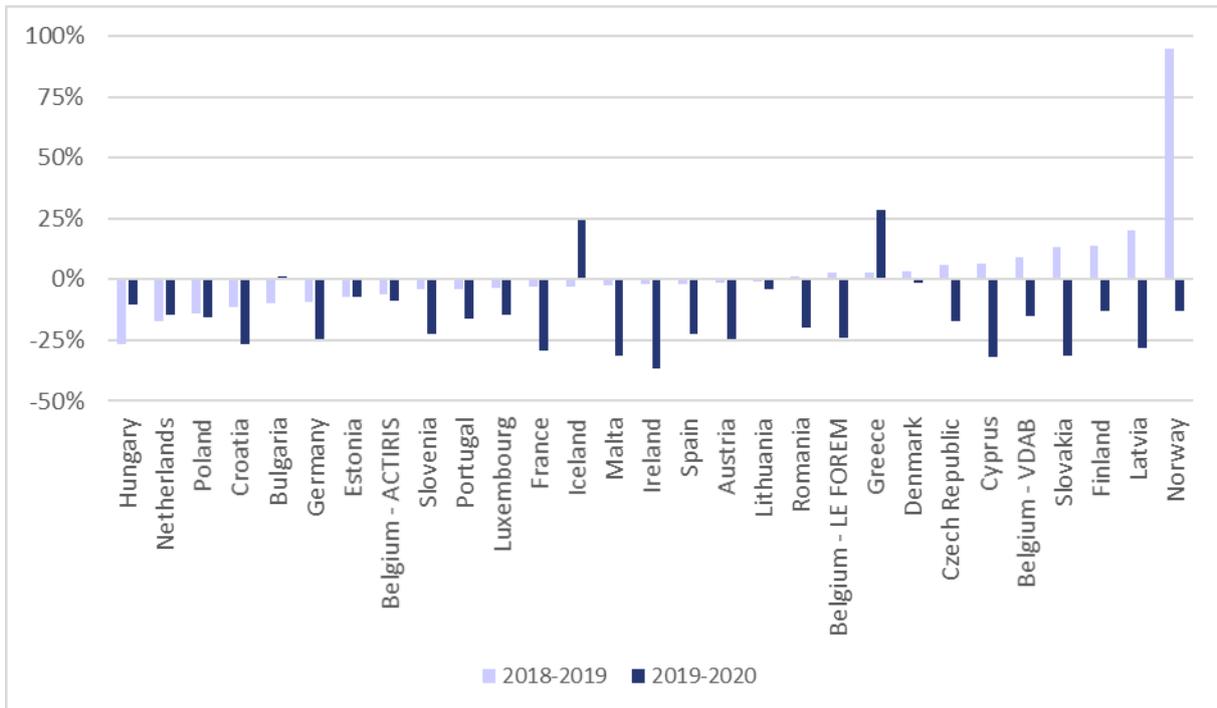
Note: Average monthly 'stock' of the registered unemployed compared on an annual basis, who are available for the labour market and who are, or who should be, looking for a job, excluding those on an active labour market measure. All 31 PES.

In 2020, virtually all PES saw the **number of vacancies registered** with them decrease, the exceptions being the PES of Greece and Iceland which experienced increases of between 20% and 30%, and Bulgaria with a small increase of 1%. For Greece the increase is related to the introduction and expansion of ALMPs which stimulated applications for recruitment incentives and hence associated vacancies. In Iceland the number of registered vacancies is small and hence their development tends to be relatively volatile as the development in a few companies can make a big difference. The number of vacancies went from 135 in 2019 to 168 in 2020. Overall, the number of PES registered vacancies decreased by 20.7% in 2020⁹.

Figure 2 below shows that the number of registered unemployed was decreasing in most countries and that the intensity with which this happened did not depend on the situation in the previous year.

⁹ For 29 PES, no or insufficient information was available for Italy and Sweden.

Figure 2. Percentage change in the number of registered vacancies, 2018-2019 and 2019-2020, with PES ordered by change in the 2018-2019 period

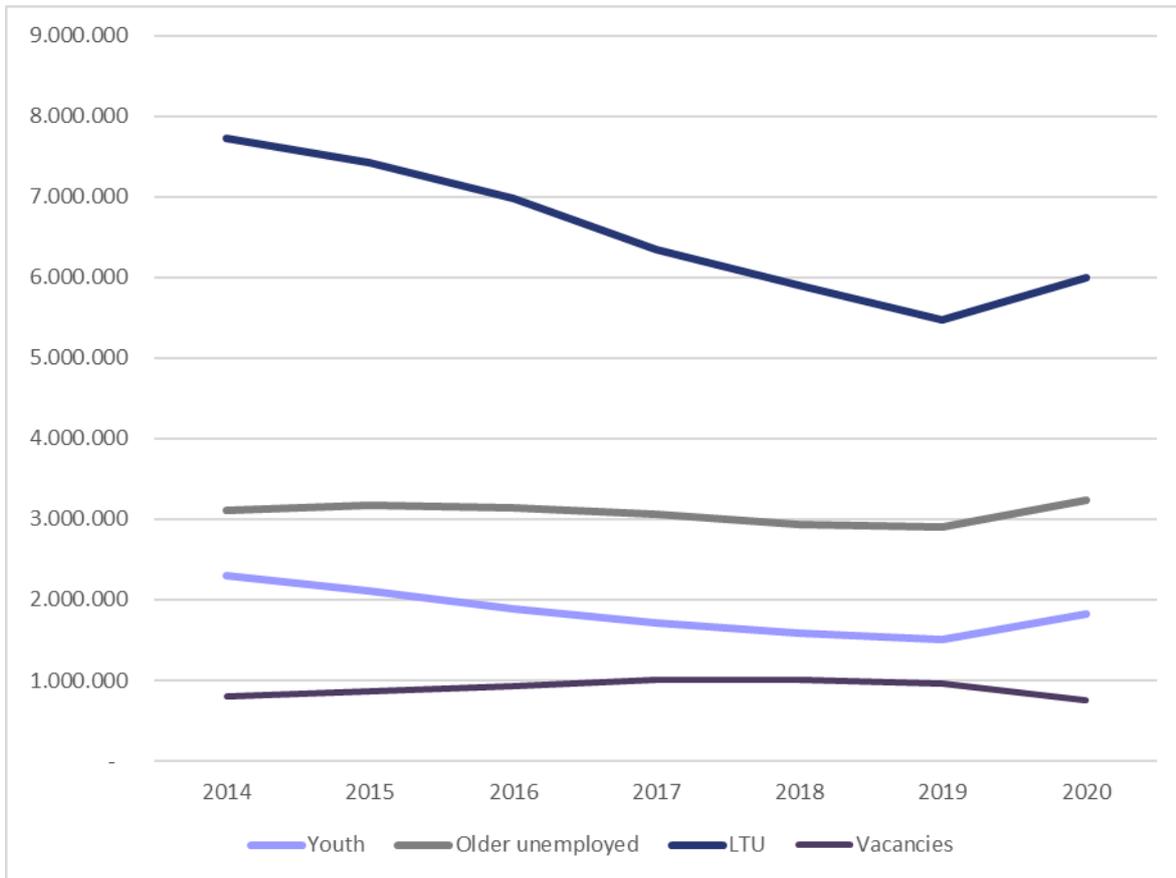


Note: 29 PES - no or insufficient information for IT and SE.

After a period in which the number of clients seeking work approached the number of available/registered vacancies, the COVID pandemic produced a dramatic reversal of this trend in 2020. The environment in which PES are operating once again became substantially more challenging. This is particularly noticeable when looking at the situation of **specific target groups** amongst the clients of the PES.

Figure 3 shows how the absolute numbers of young, older and long-term unemployed jobseekers sharply rose again in 2020, while the number of registered vacancies declined for the first time since 2014. The increase was relatively high for young people: 20.3% compared to an overall increase of 15.5%.

Figure 3. Number of registered unemployed by target groups and vacancies reported to PES, 2014-2020



Source: Annual PES Benchlearning Data Collection.

Note: Based on the data for 22 PES – no or insufficient information is available for CY, CZ, EL, IE, IS, IT, NL, NO and RO.

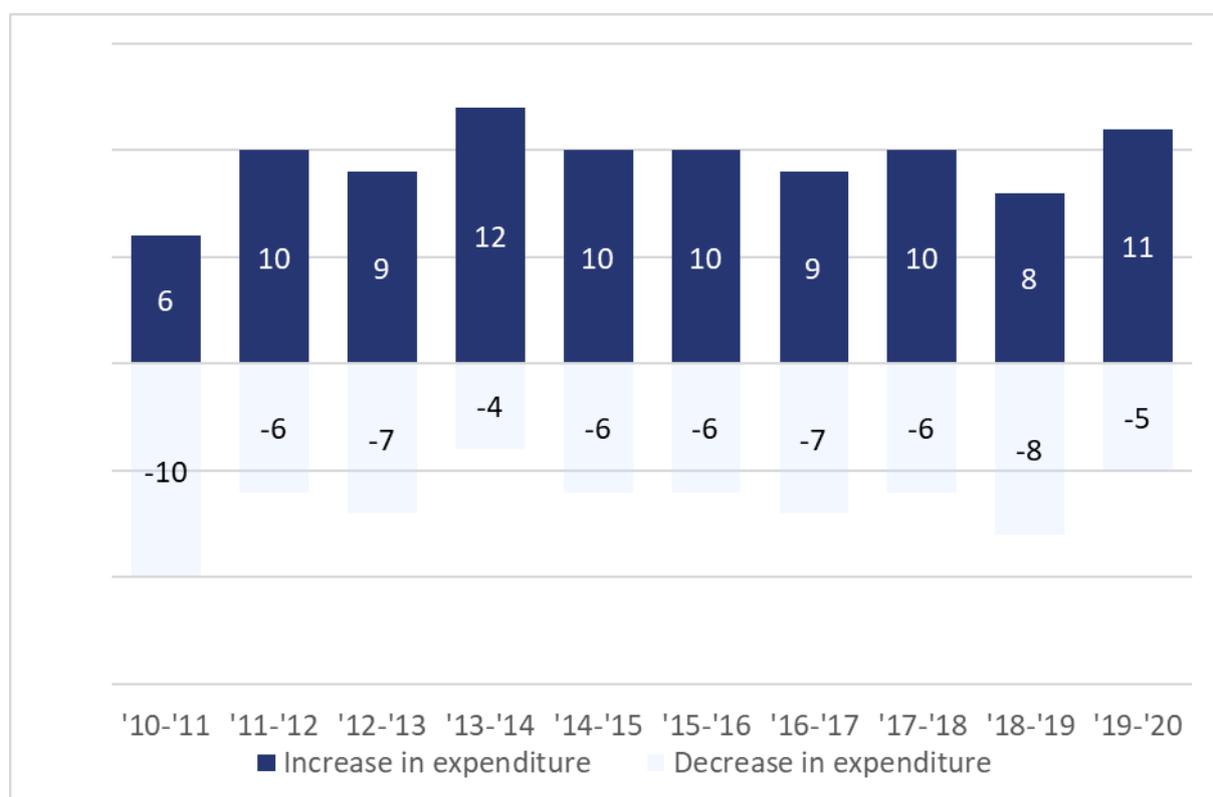
4. PES INTERNAL RESOURCES

4.1. PES financing and annual expenditure

To ensure comparability across PES, the financial comparisons in this section do not include expenditure on unemployment and other benefits or *pro forma* expenditure¹⁰. Overall, **total expenditure excluding these two categories**, after hardly changing between 2018 and 2019 dramatically increased between 2019 and 2020 with 40.7% for the sixteen PES with data available for the entire period. This increase resulted above all from additional expenditure on ALMPs, which rose by 59.2%.

Between 2019 and 2020 the number of PES that increased their expenditure was notably higher than the number of PES that spent less than the year before.

Figure 4. Number of PES reporting changes in total expenditure, excluding benefits paid and *pro forma* expenditure, 2010-2020



Source: Annual PES Benchlearning Data Collection.

Note: Information for 16 PES. No information – or insufficient information – is available for BE-Actiris, BE-FOREM, BE-VDAB, CY, DE, EL, ES, HU, IE, IT, MT, NL, NO, PL and RO.

It is noteworthy that **benefit expenditure**, not included in the above analysis, increased in all 13 PES that administer such schemes for which data are available.

Table 4 shows the great variety in the magnitude of expenditure increases. However, these findings need to be treated with care as the differences may be partly due to different ways of classifying COVID-19 related expenditure.

¹⁰ Expenditure items that feature in the PES budget but are transferred to other organisations without any involvement in their further spending.

Table 4. Expenditure increases for benefits and ALMPs compared, 2019-2020*

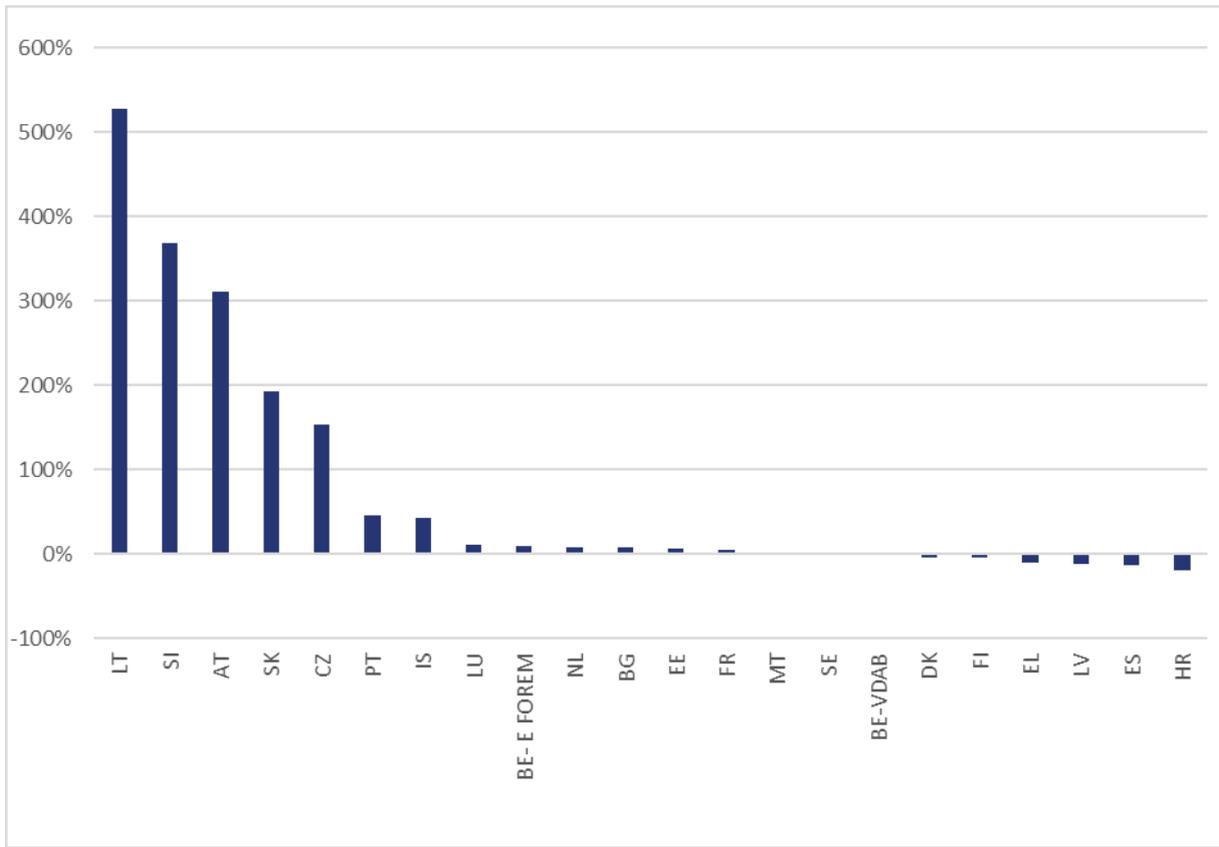
PES	Benefits	ALMPs
Austria	124.8%	458.4%
Croatia	903.6%	-23.6%
Czech Republic	28.8%	1 077.0%
Denmark	38.1%	-5.5%
Estonia	96.9%	5.3%
Greece	26.7%	-47.9%
Iceland	186.1%	106.8%
Lithuania**	34 523.9%	677.7%
Luxembourg	299.8%	11.8%
Slovakia	21.1%	446.4%
Slovenia	41.4%	-11.3%
Spain	87.7%	-15.0%
Sweden	80.2%	-4.1%

* For 13 PES for which these data were available.

**In 2020 the Lithuanian PES implemented a new COVID-19 measure and they became responsible for the payment of subsidies for downtime and job search benefits. Normally, the Lithuanian PES is not responsible for benefits payments except for benefits to individuals who were made redundant from Ignalina Nuclear Power Plant.

Figure 5 shows the **variations in developments across individual PES**. Compared to last year's report, the variety of increases is much greater, while decreases became smaller overall. Ten of the thirteen PES with increasing expenditure between 2019 and 2020 had already experienced increasing expenditure the year before. Of the nine PES with decreasing figures, four still had increasing numbers the year before.

Figure 5. Percentage change in PES expenditure, excluding unemployment benefits and *pro forma* expenditure, 2019-2020



Source: Annual PES Benchlearning Data Collection.

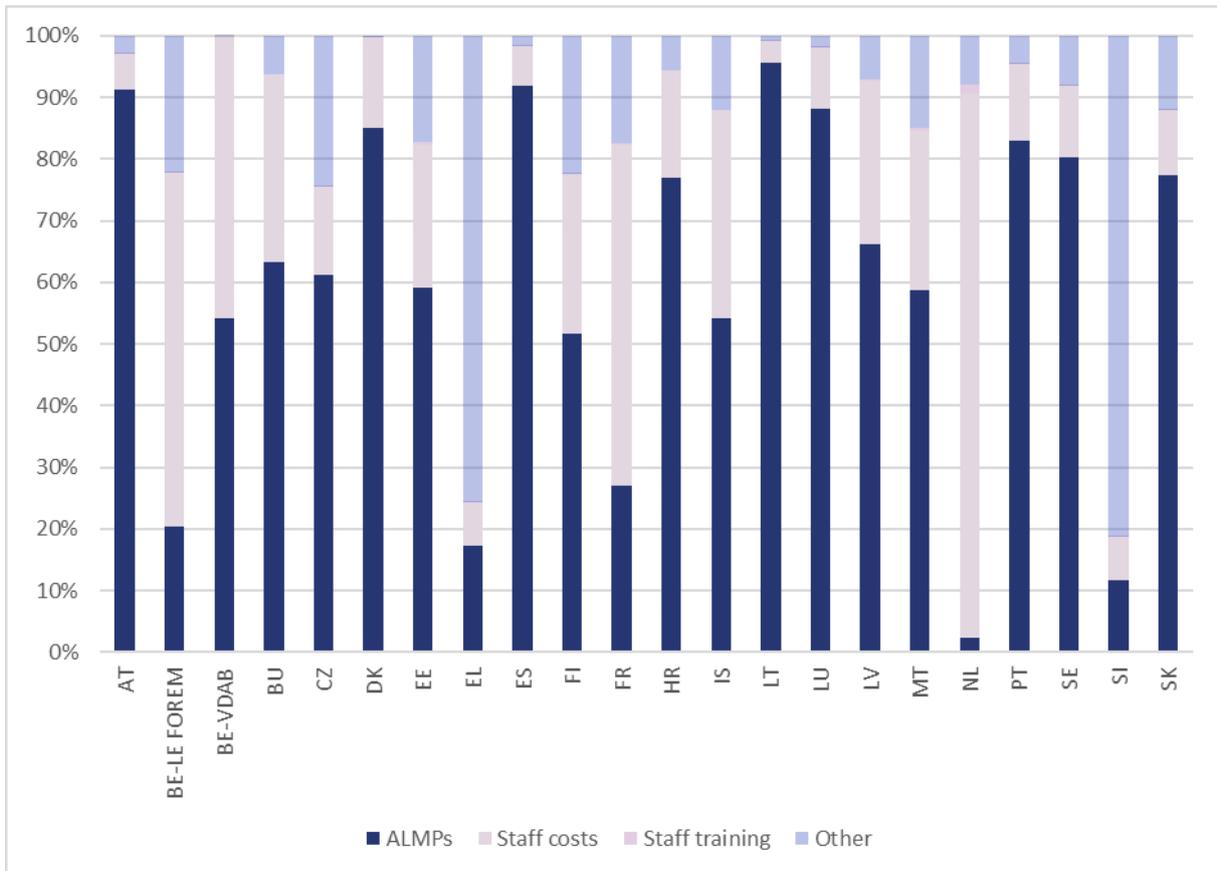
Note: Information for 22 PES. No or insufficient information about BE-Actiris, CY, DE, HU, IE IT, NO, PL and RO.

Looking at **the type of expenditure by PES**¹¹, the share spent on certain items is a telling indicator. After excluding benefits and pro forma expenditure, PES spent on average 69.3% on ALMPs, 19.6% on staff costs, 0.1% on staff training, and 1.1% on 'other' expenses. Figure 6 shows an overall increasing importance of ALMPs compared to the same figure last year, but with clear differences between individual PES as described earlier in this section.

It should be noted that in some countries other actors, namely municipalities, play a key role in providing ALMPs. Their budget is not included in Figure 6.

¹¹ i.e. the 23 PES where information on the various expenditure items in 2020 is available, excluding benefit payments and *pro forma* budget items from the analysis.

Figure 6. Expenditure by item in 2020 as a percentage of total expenditure, excluding benefit payments and *pro forma* budget items



Source: Annual PES Benchlearning Data Collection.

Information for 23 PES. No information – or insufficient information – is available for BE-Actiris, CY, DE, HU, IE, IT, NO and PL.

A comparison between those PES with the responsibility for the administration of benefits and those without (Table 5) shows that the share of the budget spent on ALMPs also differs between PES within each group. In other words, PES responsible for benefits do not spend a smaller or larger part of their budget on ALMPs than PES that do not bear this responsibility once benefits are excluded from the comparison. Although, the difference did become somewhat smaller for PES responsible for benefits. The following table provides information on the division of expenditure between various budget items.

Table 5. Expenditure by item in 2020 as a percentage of total expenditure, excluding benefit payments and pro forma budget items, for PES with differing responsibilities on benefit administration

	ALMPs	Staff costs	Staff training	Other
PES with no responsibilities for benefit payments				
BE-FOREM	20%	57%	0%	22%
BG	63%	31%	0%	6%
FI	52%	26%	0%	22%
LT	96%	3%	0%	1%
LV	66%	27%	0%	7%
MT	59%	26%	0%	15%
NL	2%	88%	2%	8%
PES only responsible for unemployment benefits				
FR	27%	55%	0%	17%
HR	77%	18%	0%	6%
PT	83%	12%	0%	5%
RO	87%	11%	0%	2%
SI	12%	7%	0%	81%
PES responsible for unemployment benefits as well as other benefits				
AT	91%	6%	0%	3%
CZ	61%	14%	0%	25%
EE	59%	23%	0%	17%
EL	17%	7%	0%	76%
ES	92%	6%	0%	2%
IS	54%	34%	0%	12%
LU	88%	10%	0%	2%
PES only administering other benefits				
BE-VDAB	54%	46%	0%	0%
DK	85%	15%	0%	0%
SI	80%	12%	0%	8%
SE	77%	11%	0%	12%

Source: Annual PES Benchmarking Data Collection.

Information for 22 PES. No information – or insufficient information – is available for BE-Actiris, CY, DE, HU, IE, IT, NO, PL and RO.

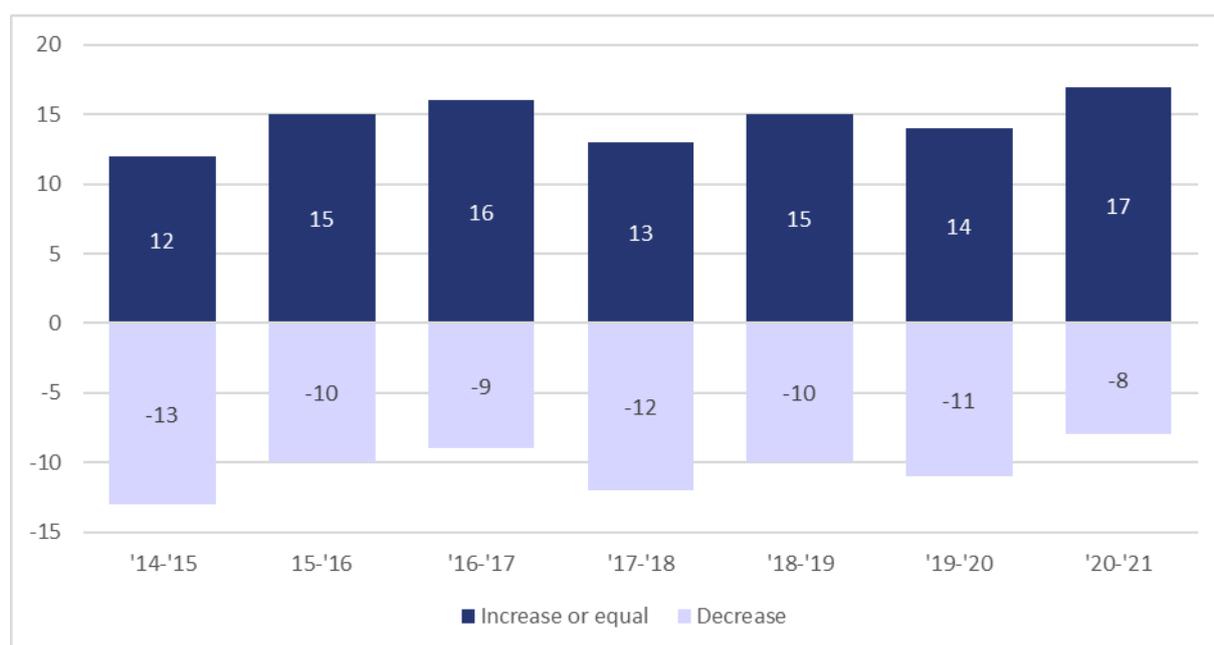
4.2. Human resources

4.2.1. Total staff numbers and developments between 2014 and 2021

Information on total staff numbers is available for 25 European PES, excluding six PES where data could not be included in this report.

Collectively, the **total PES staff, measured in Full-Time Equivalents (FTE)**¹², after decreasing for 4 years, increased again by 8.7% between April 2020 and April 2021. 17 of these PES saw their staff number increase or remain the same (LT), as shown in Figure 7.

Figure 7. The number of PES experiencing an increase or a decrease in staff (in FTE) between 2014 and 2021 (30 April)

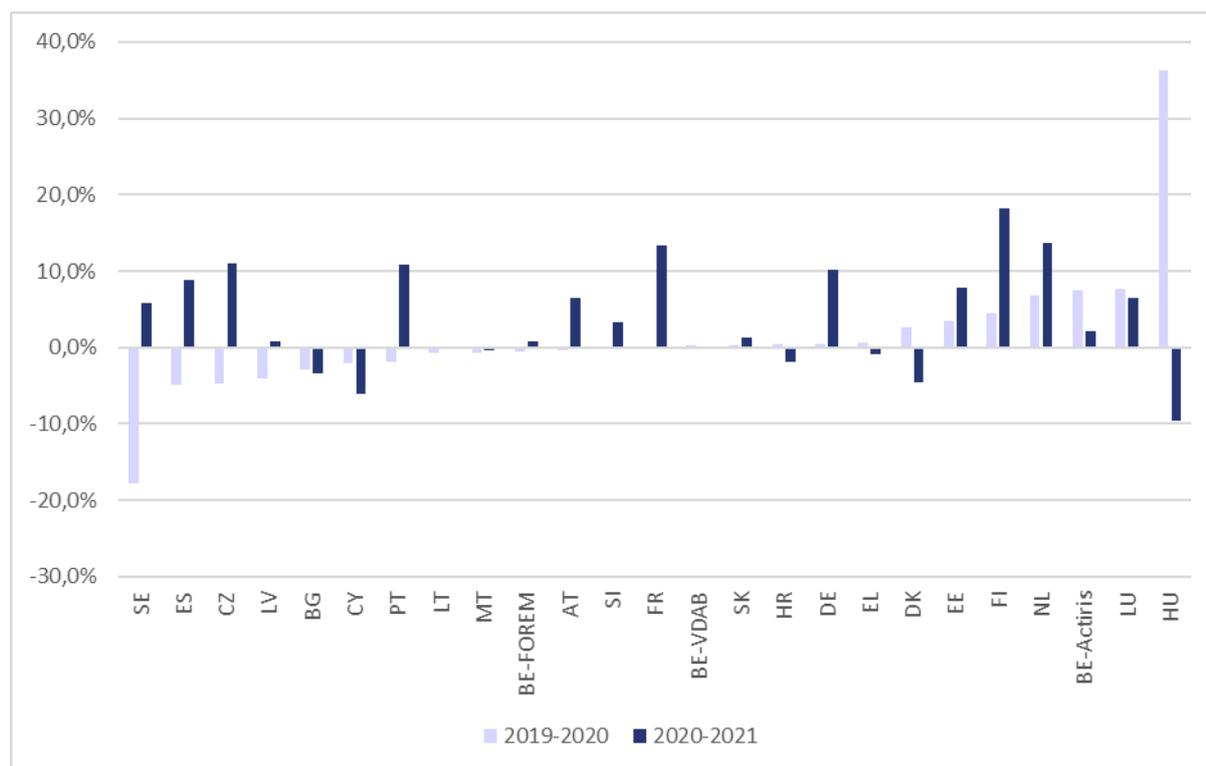


Source: responses to PES Capacity Questionnaires, 2015-2021.

Note: Based on 25 PES, no information – or insufficient information is available for IE, IS, IT, PL, RO, and NO. All data refer to 30 April or the closest date to this date where data were available.

When **comparing the development in the most recent years** (Figure 8), PES with increases in two consecutive years mostly experienced higher staff increases between 2020 and 2021. Furthermore, 2 of the 3 PES with decreases in 2 consecutive years saw higher staff decrease the second period.

¹² Full-Time Equivalent is a unit of account used to express the size of a workforce. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. It is calculated as the ratio of the total number of paid hours during a period (part-time, full time, and contracted) to the number of working hours in that period (Monday to Friday).

Figure 8. Annual percentage change in the number of staff between April 2019 and April 2021


Source: responses to PES Capacity Questionnaires, 2019-2021.

Note: Information for 25 PES, no information or insufficient information is available for excl. IE, IS, IT, PL, RO, and NO.

All data refer to 30 April or the closest date to this date where data were available.

Explaining developments in 2020

A number of PES (15) explained the reasons for these **increases**, 10 of which had to do with adjustments required to **deal with the impact of COVID-19**. The example of the German PES serves to illustrate what this may entail. The total staff capacity of the *Bundesagentur für Arbeit* increased by around 3 600 full-time equivalents (FTEs) in 2020 compared with the previous year. In unemployment insurance, staff capacity increased by 3 060 FTEs, specifically to cope with the increased workload due to the coronavirus pandemic. What is striking in this example is that around 2 670 of the new contracts are temporary. As a result, the share of temporary staff in the SGB III section has risen to 9.5%. The number of permanent employees has increased by around 390. Similarly, the Spanish PES also added 1 500 temporary interim officials of the 'Contingency Program to face the economic and social impact of COVID-19' to their staff. Additional staff were hired to deal with jobseekers, but also with employers (e.g. in France) or with processing unemployment benefit claims as in Norway.

Staff decreases were less often related to COVID-19. More often staff decreases resulted from regular staff turnover (ES, PL), reorganisations or budget cuts (BE-VDAB, BG and DK), or the completion of EU (co-) funded projects (LV). COVID-19 sometimes caused budget reductions (BE-FOREM, HR and MT), but was also responsible for staff reductions, e.g. staff hired on fixed-term contracts to deal with the crisis were later dismissed (NO).

Expectations for 2021

Hiring additional staff to deal with COVID-19 continues in 2021. For 2021, 16 PES are planning (further) to hire more staff. Nine of these increases are related to the pandemic and its effects. Six PES foresee staff reductions.

The Dutch PES foresees a temporary further increase in the number of their employees to, amongst other duties, handle the consequences of the Covid-19-crisis. New staff will be assigned to the teams dealing with benefits and to participate in so-called regional transition/mobility teams together with municipalities, employers' organisations and labour unions. Similarly, the Slovak PES plans to strengthen the administrative capacity for the implementation of the First Aid+ project that provides financial support to companies and self-employed during the COVID-19 crisis. The Slovak PES foresees the recruitment of 150 employees for a maximum of 12 months, from March 2021 to February 2022.

In some cases, the process of hiring staff is almost complete; in Estonia, most of the additional places were created in 2020 and fulfilled by 30 April 2021. On the other hand, on 21 October 2020, the Walloon Government announced a series of additional measures to deal with the crisis. BE-FOREM received additional resources for hiring 60 counsellors and 5 psychologists to continue and intensify the support of people to help them quickly find a job. These recruitments are underway and hirings are planned for 2021.

It is to be expected that as the pandemic subsides, the labour market will recover and the temporary funds will be withdrawn. For Sweden, this is likely to be the case in 2022, which means that during autumn 2021 the PES will need to start to reduce the number of staff.

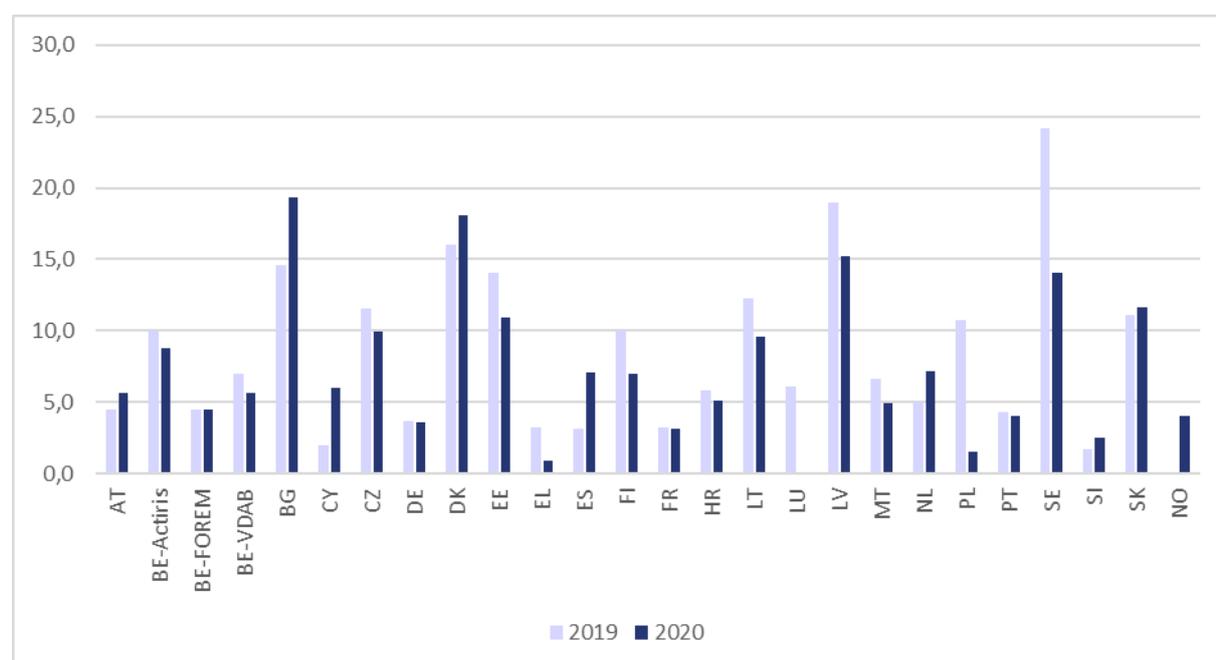
4.2.2. Staff turnover and the changing deployment of staff

Staff turnover

The trend, starting last year, of **decreasing turnover rates** continued this year. In the 25 PES where this information is available, the average staff turnover rate decreased from 9.0% in 2018 to 8.6% in 2019, and again to 7.5% in 2020 (Figure 9).

The number of PES with lower staff turnover in 2019 was, however, higher in 2020. No less than 16 out of 25 PES experienced a decrease in turnover, instead of 12 out of 25 the year before.

Figure 9. Overall staff turnover in 2019 and 2020



Source: responses to PES Capacity Questionnaires, 2020 and 2021.

Note: 25 PES No information for IE, HU, IS, IT, RO, and NO. Staff turnover is defined as 'the proportion of total staff leaving the organisation over a set period of one year for whatever reason' (including retirement, leaving voluntarily, redundancy, etc.).

Staff deployment in 2020

The pandemic also affects the way PES deploy their staff. Eleven out of fourteen PES that reported **changes in the allocation of their staff** in 2020 explicitly attribute this to **COVID-19**. Sometimes this relates to the implementation of measures to combat the impact of COVID-19 (CY, LT, LU and SI), sometimes it concerns helping out with the increased workload in benefits or registration (ES, HR, IE, IS and NO), and in Austria, the switch to online services required the redeployment of staff.

The Bulgarian PES is an example of the impact that measures to address the pandemic can have on the provision of employment services. The crisis required emergency measures and a new organisation of work. While employees with the highest health risks were working from home, the other employees worked in the 'front line' on a rotating basis. Regular activities continued to be performed, but some activities were carried out through other communication channels to avoid direct contact. In addition to its usual activities, the Bulgarian Employment Agency had to perform new functions, not implemented before the state of emergency. Handling applications for cash unemployment benefits was shifted from the National Social Security Institute to the local PES offices. The PES also became a key actor in the implementation of measures aimed at maintaining employment. They were responsible for informing and consulting employers, as well as accepting and processing the submitted applications for their use. Six new electronic services were created for, e.g. participation in training and submitting vacancies by employers. The PES set up actions to inform potential clients on how to use the digital applications. The Bulgarian PES also started monitoring registered unemployment in the country daily, with regular information provisions tailored to different stakeholders.

Alongside the pandemic, **other structural reforms** also necessitate a reconsideration of the assignment of tasks and staff. The Swedish PES has embarked upon some major redesigning of their service delivery, which includes the digitalisation of services, development of 'customer service' and outsourcing of services to external actors. As a result of these changes, many local PES offices were closed down or taken over by *Statens servicecenter* - SSC. This State Service Centre offers service to citizens for several government agencies, but *Arbetsförmedlingen* (PES) has no staff in these centres. The process started in 2020 and is expected to continue in 2022 and even in 2023 if necessary.

The German PES is adjusting its organisation of unemployment insurance to gradually handle regional imbalances across a number of years to avoid staff migration. For the provision of basic benefits to jobseekers, job centres review their staffing needs and try to meet the changing needs at the local or regional level first. If no reallocation is possible, the central office examines supraregional reallocation options.

Expectations for 2021

The impact of COVID-19 on staff deployment is expected to diminish in 2021. In total 11 PES expect further changes in staff deployment. Staffing policies are affected by general reorganisations as in Greece, or the introduction of new functions such as those of an e-counsellor and remote administrative counsellor in BE-FOREM. Sometimes the nature of the changes cannot be predicted. The Irish PES, for example, is likely to make changes in the allocation or deployment of staff, but those would be a matter for each Assistant Secretary to manage in consultation with their Principal Officers or Divisional Managers.

4.2.3. *Dedicated employment counsellors for tailored support*

On average, in April 2021, some 65% of the PES' staff is working in front office divisions or units, i.e. in direct contact with clients. For most PES, the **share of front-line staff**¹³ was similar to the year before (April 2020), and the same applies to the average figure if corrected for outliers.

As before, the PES with responsibilities for benefit payment on average have a lower share of their staff working directly with clients, which is partly explained by the fact that the administration of unemployment benefits requires more back-office work.

Table 6. Proportion of front-line staff in PES with different responsibilities for benefits, April 2021

No responsibility for benefits	%	Only Unemployment Benefits	%	UB and other benefits	%	Only other benefits	%
BE - ACTIRIS	60.5%	BG	82.7%	AT	76.0%	BE - VDAB	65.4%
BE - FOREM	52.4%	ES	67.2%	CZ	42.5%	SE	76.3%
CY	94.6%	PL	39.0%	DE	27.0%	SK	70.9%
FI	92.0%	PT	30.4%	EE	60.4%		
LT	80.6%	RO	30.4%	EL	50.4%		
LV	68.3%	SI	70.9%	FR	77.2%		
MT	68.4%			HR	66.2%		
NL	83.9%			IE	52.0%		
				IS	66.7%		
				LU	65.9%		
Average	75.1%		53.4%		58.4%		70.9%

Source: responses to PES Capacity Questionnaire, 2021.

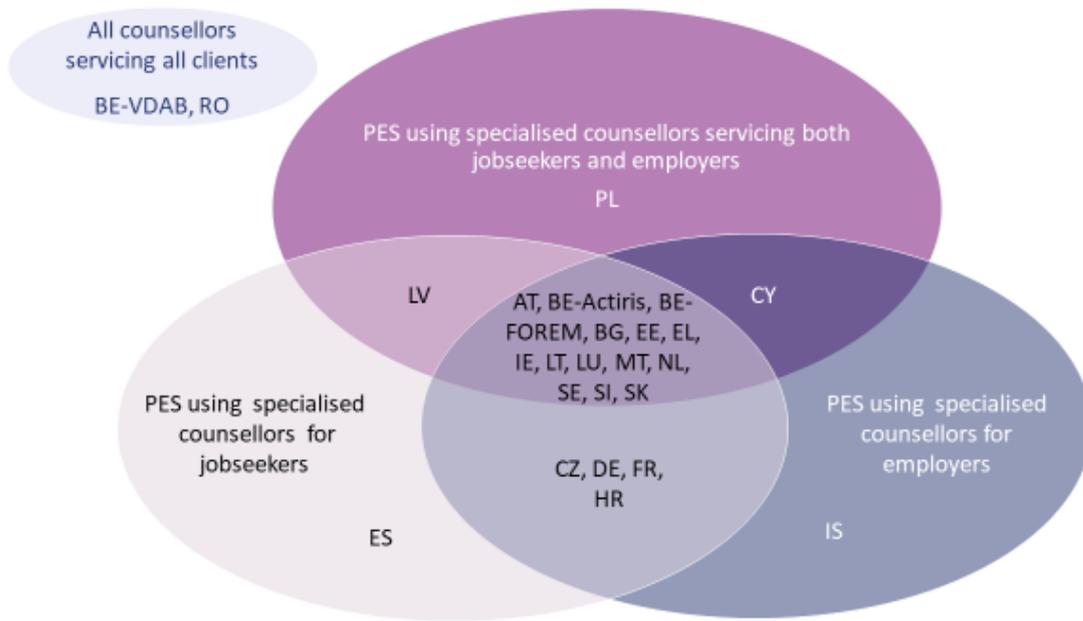
Notes: Information for 27 PES, no or insufficient information for DK, HU, IT and NO.

Front-line staff can be assigned to work with all clients or all visitors, but a majority of the PES also assign teams or staff office workers to specific groups. Exceptions are the Flemish PES (BE-VDAB) and Romania that do not assign specialist front office staff to specific groups. It is part of the PES' strategy that all counsellors work in a specific sector and work for all clients within their particular sector (Figure 10).

The **typical model in PES** for providing targeted front office services is to use specialised counsellors for specific groups, particularly jobseekers or employers, as well as counsellors dealing with both groups. In four PES there are counsellors exclusively servicing employers and counsellors specifically servicing jobseekers (CZ, DE, FR and HR). Figure 10 shows all models applied in PES.

¹³ Front-line staff in PES carry out roles relating to matching, counselling, advising, and training, etc.

Figure 10. Front-line staff targeting specific groups, April 2021



Source: responses to PES Capacity Questionnaire, 2021.

Note: 25 PES, no or insufficient information available for DK, FI, HU, IT PT and NO.

5. ACTIVE LABOUR MARKET SERVICES AND MEASURES USED BY PES

5.1. Overview of changes in 2020

Twenty PES report the introduction of new LMP interventions and 23 PES reported amending existing LMP interventions in 2020. As a result, 17 PES both introduced new interventions and also made changes to existing interventions, compared to 11 PES in 2019.

The **impact of the pandemic** is exemplified by the **higher number of PES** that amended their interventions and the number of new and amended interventions, all of which were substantially higher in 2020 than the year before.

Four PES saw no changes at all in their LMP interventions (Table 7). The average number of new interventions per PES introducing new interventions (4.2), and the average number of interventions altered by PES that made these changes (3.7), are also higher than the numbers reported for 2019 (3.4 and 3.2).

Table 7. New LMP interventions introduced or existing ones modified in 2020

PES*	New	#	Modified	#	Both	Neither
AT	N	n/a	Y	2	0	0
BE-Actiris	Y	2	Y	1	1	0
BE-FOREM	Y	2	N	n/a	0	0
BE-VDAB	Y	6	Y	2	1	0
BG	Y	4	Y	8	1	0
CY	Y	3	N	n/a	0	0
CZ	N	n/a	N	n/a	0	1
DE	N	n/a	Y	3	0	0
DK	Y	9	Y	2	1	0
EE	N	n/a	Y	3	0	0
EL	Y	10	Y	11	1	0
ES	Y	1	Y	2	1	0
FI**	N	n/a	N	n/a	0	1
FR	Y	4	Y	3	1	0
HR	N	n/a	Y	8	0	0
HU	Y	5	Y	3	1	0
IE	Y	2	Y	9	1	0
IS	Y	3	Y	2	1	0
LT	Y	2	Y	2	1	0
LU	N	n/a	Y	3	0	0
LV	Y	3	Y	2	1	0
MT	N	n/a	Y	1	0	0
NL	N	n/a	N	n/a	0	1
NO	Y	2	Y	3	1	0
PL	N	n/a	N	n/a	0	1
PT	Y	7	Y	7	1	0
RO	Y	7	N	n/a	0	0
SE	Y	1	Y	1	1	0
SI	Y	2	Y	7	1	0
SK	Y	8	Y	1	1	0

PES*	New	#	Modified	#	Both	Neither
Totals ('yes' or numbers) 2020	20	83	23	86	17	4
Totals ('yes' or numbers) 2019***	17	58	14	45	11	7

Source: responses to PES Capacity Questionnaire, 2021.

Note: n/a = not applicable.

* No information for IT.

** In Finland temporary changes to some LMP interventions were introduced in 2020 due to COVID-19 pandemic, but no new LMP interventions were introduced.

*** IS, NO, and RO were not included in 2019.

5.2. Interventions introduced in 2020

5.2.1. Types of interventions

The **main types of support** offered under the interventions **introduced** in 2020 are employment incentives, followed at some distance by training and client services (Table 8). This reflects the urgent need to create and maintain employment in light of the problems of the labour market resulting from the pandemic. The **amended** LMP interventions concerned training and employment services to more or less the same degree, followed by direct job creation.

Table 8. Types of services measures offered under new or amended LMP interventions in 2020

LMP Intervention type	New LMP interventions	%	Amended LMP interventions	%
1.1. Client services, including	11	10.0%	8	8.1%
1.1.1. Information services	5	4.5%	2	2.0%
1.1.2. Individual case management	6	5.5%	7	7.1%
2. Training	20	18.2%	27	27.3%
4. Employment incentives	46	41.8%	29	29.3%
5. Sheltered and supported employment and rehabilitation	6	5.5%	2	2.0%
6. Direct job creation	12	10.9%	18	18.2%
7. Start-up incentives	4	3.6%	6	6.1%
Total	110	100%	99	100%

Source: responses to PES Capacity Questionnaire, 2021.

Note: The types of LMP interventions are based on the harmonised classification used in the EU LMP database. Category 3: 'Job rotation and job sharing' has been integrated into category 4 in the LMP classification and is therefore not included as a separate LMP intervention type in this table. Also, note that almost one-quarter of the interventions offer more than one type of service.

For new LMP interventions in 2020: no new interventions for AT, CZ, DE, EE, FI, HR, LU, MT, NL and PL. No information: IT.

For LMP interventions modified in 2020 no modifications for interventions in BE-FOREM, CY, CZ, FI, NL, PL and RO. No information: IT.

5.2.2. *Target groups for new interventions*

As mentioned in Table 7, 83 new interventions were introduced in 2020 by 20 PES. Most of these interventions (85.5%) targeted one customer group; nine interventions addressed two customer groups, two had three and one intervention had four target groups.

In 2020, the focus of **new interventions** was **shifting further away from the traditional target groups**, continuing a trend starting in 2019 but also reflecting the dramatically changing labour market and policy priorities.

Older people and **LTU** are mentioned only incidentally as target groups (2 and 4 interventions respectively). Interventions aimed at **people with specific skills levels**, which were increasing in importance last year, were also mentioned only four times. The same applies to interventions targeting **unemployed or workers in specific sectors**: agriculture and healthcare by the Belgian VDAB, seasonal workers in tourism in Bulgaria and Spain. **Vulnerable groups** were targeted slightly more (6 interventions), but this is less in absolute and also relative terms than in 2019.

Somewhat larger numbers of interventions (12 interventions, i.e. 14.5%) still targeted **young people**. Six of these were introduced in Greece targeting, amongst others, young women and university graduates. Nine interventions targeted workers with disabilities, five of which were launched in Denmark and one in both Lithuania and Latvia. The comprehensive Danish approach amongst others includes initiatives aimed at increasing the knowledge and information about the employment situation for people with disabilities, a fund for employment projects for people with disabilities that different organisations and private employers can apply for, targeted dissemination of information about disabilities via a permanent platform with information and an increased focus on people with disabilities in the municipal jobcentres through the function of 'key-persons' that are the central figures for developing knowledge and advising colleagues on disabilities, employment interventions for people with disabilities, and case reviews.

Some 18 interventions addressed a variety of **other types of target groups**: employees (SK), all citizens (BE-VDAB), ex-prisoners (CY), apprentices or students (IE, and a tripartite agreement on exceptional strengthening of apprentices, students and companies in DK), employers organisations (a binding partnership between employers' organisations and the PES in NO), citizens who have ceased their labour relations with employers abroad and returned to their home country (RO). Two PES introduced interventions aimed at specific regions (areas with low economic activity for LV, and specific municipalities or regions in EL). Slovakia launched the programme 'Investment Aid for Social Enterprises', thereby contributing to strengthening the employment opportunities for disadvantaged people. The programme contains both repayable and non-repayable instruments. France introduced a new programme ('Accelerate employment') to help jobseekers that know what kind of job they are looking for and that are familiar with digital technologies to make their job search more effective. The offer includes individual support as well as the possibility to exchange experiences with jobseekers in a similar situation.

5.2.3. *New interventions and COVID-19*

Unsurprisingly, almost a quarter of the new interventions was explicitly introduced in response to the socio-economic impact of COVID-19. A total of 18 interventions were aimed at companies, self-employed and workers, offering financial assistance to preserve the employment of workers. In Hungary, two of these interventions specifically targeted SMEs, while Portugal introduced an intervention for artisans. One of the Romanian interventions offered support to companies for telework.

Other types of COVID-19 related interventions include temporary support for the performance of socially necessary work in Portugal, public works promoting the social and

working inclusion of vulnerable groups of the unemployed (SI), and a programme supporting parents who need to supervise children in case of a temporary closure of schools (RO). In Slovakia the programme 'First Aid', in October 2020 renamed 'First Aid+', provides financial support to employers and self-employed to maintain jobs. One of the aims is to help people that find themselves in a crisis situation without income during the coronavirus pandemic (the so-called 'SOS subsidy').

5.3. Changes in existing interventions

The main changes made to **existing interventions** were designed to make them **more easily accessible**; eligibility criteria were relaxed or widened for some 40% of the interventions that were adapted in 2020. Eligibility was increased through expanding the type of people or organisations that can participate, the age limitations of participants, suspending requirements regarding cumulating activities such as work, education, and benefit receipt.

Mostly, these changes were temporary to deal with the COVID-19 crisis.

Table 9. Examples of (temporary) loosening of eligibility criteria in 2020

PES Changes	
AT	The amount of aid and the eligibility requirements were adapted every 3 months according to the degree of people and organisations that were affected.
EE	The target group of people who have lost their job in the oil shale industry was added to the population eligible under a scheme for regional support for creating jobs.
EL	With a view to further supporting vulnerable social groups, the Programme for Vulnerable Social Groups) is now also accessible for legal entities engaging in economic activity which are either (i) municipal/regional authority enterprises, or (ii) public sector enterprises, bodies, and organisations.
HR	A training measure covering unemployed people in 2020 was extended to also cover other jobseekers who are potentially at risk of losing their jobs or are actively looking for new jobs.
IE	Jobs Plus is a payment to encourage employers to employ jobseekers who have been unemployed for 12 months or more and who satisfy certain conditions. In 2020, amongst other changes, the qualifying period for unemployed individuals aged under 30, has been reduced to 4 months (previously only under 25's were eligible following 4 months).
IS	The right to study at university and college while receiving unemployment benefits was extended.
LU	During the period from 24 July 2020 until 31 December 2021 the age limit of an unemployed person is lowered to 30 years for the Employment reintegration contract and for the Contribution relief for hiring older unemployed.
MT	The Access to Employment Scheme provides employment aid to enterprises in Malta and Gozo to promote the recruitment of the more challenged amongst jobseekers and inactive people. From the 1st of October 2020, the description of one of the client groups under Disadvantaged Persons was enhanced.
PT	The restriction of the accumulation of the exercise of the activity with another normally remunerated activity was suspended.

PES Changes	
SI	Persons who became unemployed due to COVID-19, workers in the STW schemes due to COVID-19, and workers in the temporarily laid-off schemes due to COVID-19 were added as target groups to non-formal education and training programmes.

For almost 20% of the interventions, the change consisted of **higher compensation for participants**. This includes, for example, support to partner organisations (BE-Actiris-guidance activities), higher subsidies for course costs, higher vocational training bonus (DE-promotion of vocational training), increased amount of wage compensation paid to employers offering apprenticeships (LT), and higher monthly grants for projects (implemented in health care or social support (PT-Employment integration contracts). In Spain, payment of wages for students and staff was continued in case training had to be suspended.

A third important category of changes, applying to about one-quarter of the measures, has to do with the **adaptation of PES services and work processes in response to measures taken to combat the pandemic**. Online entrepreneurship counselling (EL and SI), virtual classrooms for vocational training (ES), the use of a call or contact centre (SI), reinforcement of channels such as e-mail, telephone and the online portal (e.g. HR, NO, PT and SK). To simplify the application and participation process, the Maltese PES began accepting all forms electronically and several forms were removed. In Slovakia, the verification of facts was no longer based on evidence submitted by applicants but conducted electronically by the office itself with data delivered by social insurance, health insurance and other state institutions. Similarly, the Lithuanian PES simplified the administration of a wage subsidy measure by calculating the subsidy from insurable earnings data provided by the State Social Insurance Fund. PES also increased their information activities. The Irish PES, for example, delivered 24 public information campaigns in 2020. The majority of these (18) has been to increase awareness of/provide important information and updates on the COVID-19 income supports introduced as a result of the economic impacts of the pandemic.

Other modifications, such as changes in budgets or duration of programmes, or decreases in compensation were rare in 2020.

6. STRATEGIC OBJECTIVES AND TARGETS FOR 2021

6.1. Strategic objectives and targets for 2021

The most often mentioned strategic **objective** for 2021 relates to the core business of PES: labour market (re-)integration (17 PES). This is followed by objectives in the field of internal processes and efficiency (13 PES), and objectives relating to specific clients' groups (12 PES). Anticipating skills needs, implementing measures, and increasing the participation in measures is mentioned each by six PES. Four PES mention objectives concerning sustainable employment, servicing employers or activation of jobseekers.

Table 10. Main strategic objectives set for 2021 per PES (number of PES)

Category of objectives	# PES
Results/effectiveness in terms of work	17
PES internal objectives	13
Objectives for specific target groups	12
Skills needs anticipation and fulfilment	6
Implementing measures	6
Participation in measures	6
Sustainable employment	4
Employers	4
Regional disparities, inter-regional mobility, regional coverage	4
Activation	4
Technology	3

Over 80% (26) of the PES set strategic **targets** for 2021. The number of reported targets varied from 2 in Portugal to 22 in the Netherlands (Table 11).

Three PES did not set targets: BE-Actiris, DK and LV. At the time of the survey, the processes for target setting of the Brussels (Actiris) and Latvia PES were still ongoing. In Denmark, active labour market policy is to a large degree decentralized to the municipalities. Municipalities decide themselves what targets and indicators they wish to set up in their employment plans. They are monitored and compared monthly using indicators that reflect national political intentions and evidence regarding effective employment policies. No information was available for CZ and IT.

21 PES included targets for **specific groups**. These targets refer specifically to young people, LTU, and people with disabilities. The large number of targets for the latter category is mainly caused by the Netherlands, which has many targets for people with disabilities relating to the activities the PES undertakes for them. Other main but much smaller categories are vulnerable groups (CY, ES and MT), women (AT, ES and PL), and employers (BE-FOREM, DE and NL).

Table 11. Number of strategic targets and amongst these the ones that concern specific groups set for 2021 per PES

PES	# targets per PES	LTU	Youth	People with disabilities
AT	6	1	1	
BE-Actiris				
BE-FOREM	4		1	
BE-VDAB	17			
BG	11			
CY	6	1	1	
DE	15	1	1	
DK				
EE	15			
EL	10			
ES	6	1	1	
FI	2			
FR	10			
HR	14	1	1	
HU	7	1	1	
IE	6			
IS	7	1		1
LT	7	1		
LV	6			
LU				
MT	11	1	1	1
NL	22			1
NO	7			1
PL	5			1
PT	2		1	
RO	14	1	1	
SE	17			1
SI	7	1		
SK	4		1	
# PES 'yes'	26	11	11	6
# targets	69	16	16	16

Source: responses to the PES Capacity Questionnaire, 2021.

Note: Author's classification of targets based on the responses from 20 PES. One PES can have more than one target for a target group. No information, or insufficient information for: CZ and IT.

The most common **types of targets** are those relating to the **outputs and results** to be achieved in 2021. Table 12 shows that 21 and 22 PES respectively set such targets and 16 of them set them at both levels.

Almost 40% (12) of the PES set targets relating to their **internal functioning**. These concern work processes, quality, and the management and efficiency of their organisations. Examples of targets relating to work processes are to cover the number of contacts with employers or jobseekers (EL, LU and NL), or the average time for processing applications or delivering payments (EL, FR, LT and MT). Examples of targets to improve the quality of services delivered by PES are the rate of legally valid decisions regarding requests submitted for benefits and the rate of overpayments which have been noticed in France, or meetings with an Employment Advisor resulting in referral to an employment

and training opportunity in Malta. Three PES set targets for 2021 concerning the management and efficiency of their organisation. The Irish PES strives for increasing capacity and upscaling services. The Dutch PES set targets for the number of 'productive' hours annually per FTE in the work advisor function, effective and complete utilisation of budget to outsource services for Incapacity Insurance Benefits claimants, and for not exceeding the budget. The flow rate of digital documents in the PES is part of the Lithuanian targets for 2021.

Only six PES mention targets that are based on indicators measuring customer satisfaction.

Table 12. Types of strategic targets set for 2021 per PES

PES	Customer satisfaction	Results(work)	Outputs	Internal
AT		1	1	
BE-Actiris				
BE-FOREM		1	1	
BE-VDAB	1	1	1	1
BG	1	1	1	
CY		1	1	
DE	1	1	1	1
DK				
EE		1	1	
EL			1	1
ES		1	1	
FI		1		
FR	1	1		1
HR			1	
HU		1	1	
IE			1	1
IS		1	1	
LT	1	1	1	1
LV			1	1
LU				
MT		1	1	1
NL	1	1	1	1
NO		1	1	1
PL		1		
PT			1	
RO		1	1	
SE		1	1	1
SI		1	1	1
SK		1		
# PES 'yes'	6	21	22	12
# targets	16	91	85	36

Source: responses to PES Capacity Questionnaire, 2021.

Note: Author's classification of targets based on the responses from 20 PES. One PES can have more than one target for a target group. No information, or insufficient information for: CZ and IT.

6.3. The impact of COVID-19 on strategies and reforms

The pandemic more often led to the initiation or acceleration of strategies and reforms (mentioned by 22 and 24 PES respectively) than their delay or postponement to a later date (10 and 14 PES respectively).

In particular, the impact on initiation or acceleration concerned the development and introduction of digital services. At the same time, however, important and often time consuming digital projects were suspended if they did not directly help to deal with the crisis. Other initiatives aimed at improving the internal functioning of PES suffered a similar fate.

Reforms in active labour market measures and client services were on the one hand moved forward to respond to new needs arising from the pandemic. On the other hand, envisaged and sometimes very ambitious revisions of such schemes were postponed or delayed, because of the costs or the efforts involved.

Table 13. Number of PES* whose introduction or whose implementation of strategies or reforms was affected by COVID-19 and area concerned

Category	Speeded up	Initiated	Introduction Postponed	Implementation Delayed
Digital(isation) services	20	11	1	1
Channels used	2	2	0	0
ALMPs and client services	3	9	6	7
Income provision	1	2	2	0
Redundancy measures, STW	1	1	0	0
Rapid service and support	1	2	0	0
Internal procedures/processes	2	1	5	4
Other	2	2	1	0

* Note that for one PES multiple areas may be affected.

Information for 29 PES, no information for FI and IT.

6.4. Preparing for post-COVID-19

6.3.1 Policies to prepare for post-COVID-19

More than half of the PES in the Network (17) have formulated a strategy to deal with the post-pandemic period, of which four PES post-COVID policies are included in general PES strategies or plans.

Annex 1 lists the objectives of these strategies for PES that were already able to provide this information.

Strategies and objectives vary greatly, but **recurring specific target groups** besides 'the unemployed' are vulnerable people and long-term unemployed (BE-VDAB, CY, ES, IE, LU, NO and SK) and employers (BE-VDAB, CY, EL, ES and LU).

With regard to the implementation of measures, several PES refer to strengthening **partnerships** with other actors such as social partners and social services (BE-Actiris, BE-VDAB, EL, ES, NO and SK).

Given the experience during the COVID period, **digitalisation** of services is another theme of interest. BE-VDAB mentions the acceleration of the digital transformation as one of three

main priorities for the coming period. Similarly, one of the six objectives of the Greek PES is a digital transformation programme to improve the quality and delivery of services to clients. Cyprus pursues digital transformation of almost all services provided to PES clients combined with services with a physical presence, as well as the promotion of a new culture of PES staff and PES clients based on the new digitalised procedures. Both the German and the Lithuanian PES emphasise the use of different channels for communication and service delivery. The German PES plans to, amongst other targets, include video communication, call circles and online appointment scheduling. The Lithuanian strategy puts the focus on remote (blended) service delivery, digitalisation of PES services, and process optimization and automatization to reduce administrative burden (for client and PES staff).

6.3.2 Issues under consideration when preparing for post-COVID-19

The most important issues to consider when preparing for the recovery according to PES are 'digitalisation of services', 'integration of young people into the labour market', and 'counselling, initial skills profiling and skills assessment, coaching and guidance for jobseekers'.

These are closely followed by furthering digital skills amongst jobseekers, face-to-face counselling for groups for whom face-to-face contact is essential, and supporting unemployed with severe and/or multiple employment barriers.

Supporting the transition to a greening economy, identified as the second key transition to be accomplished in the EU recovery plan, is by comparison undervalued. The least important issue of those that were explicitly proposed to PES is the situation of jobseekers that had non-standard forms of employment, such as platform work, crowd employment, and involuntary self-employment.

Table 14. Issues under consideration when preparing for post-COVID-19*

Issue	# PES - highly important	Average score of PES
Digitalisation of services	27	2.9
Furthering digital skills amongst jobseekers	18	2.5
Face-to-face counselling for groups for whom face-to-face contact is essential	20	2.6
Measures supporting the transition to a greening economy	7	2.1
Cross-sector and occupational mobility	12	2.3
Counselling, initial skills profiling and skills assessment, coaching and guidance for jobseekers	23	2.8
Specific groups		
- Unemployed with severe and/or multiple employment barriers	21	2.7
- Jobseekers that had non-standard forms of employment, such as platform work, crowd employment, and involuntary self-employment	2	1.6
- Integrating young people into the labour market	24	2.8
- Employment of older workers	12	2.3
Other	0	0.3

* These issues were proposed for evaluation to the respondents who rated them on a scale of 1-3, (1 = low, 2 = medium, 3 = high).

ANNEX 1. EXAMPLES OF POLICIES FOR POST-COVID-19 SITUATION

PES	Objectives
BE-Actiris	<p>The new Management Contract 2022-2027 will set a strategic framework for the institution over 5 years. It will be accompanied by operational objectives and specific trajectories over 3 years and one year, respectively. Concrete targets will be set at these different time horizons. The precise objectives of the new Management Contract 2022-2027 have not yet been defined, but it will take into account</p> <ul style="list-style-type: none"> • An evaluation of the current Management Contract and the lessons learned from the COVID-19; • The socio-economic policy objectives of the Government and the Brussels social partners; • The regional recovery plan; • The national recovery and resilience plan (with its regional specificities); • The major European socio-economic guidelines; • The COVID-19/post-COVID-19 situation.
BE-VDAB	<p>The Flemish recovery plan '<i>Alle hens aan dek</i>' ('All hands on deck'), in which an important role is assigned to VDAB, focuses on three main priorities:</p> <ul style="list-style-type: none"> • A training and career offensive; • Accelerating the digital transformation; • Sustainable employment for everyone. <p>Within the framework of this plan, VDAB undertakes actions to achieve the following objectives:</p> <ul style="list-style-type: none"> • Strengthening the guidance and mediation capacity of the PES and its partners to be ready for a larger influx of jobseekers due to COVID-19; • Broaden the (online) training offer in cooperation with partners, also aiming at a larger intake for training; • Providing a broad (training) offer for the temporarily unemployed (and vulnerable entrepreneurs); • Strengthen on-the-job training; • Developing a language plan to help non-Dutch-speaking jobseekers find a job more easily; • Actions to increase (lateral) inflow into the bottleneck sectors of care and education; • An accelerated roll-out of the new employer approach so that employers can be fully supported when the labour market revives; • Provide a digital career platform to offer every citizen a career perspective and to encourage them to take their career into their own hands; • Development of a digital training platform to make the wide range of training courses available to all Flemish citizens; • Digitalisation of the VDAB partner management to fully focus on the collaboration with partners to be able to offer faster and more tailored services in the context of the current challenges.
CY	<p>The strategy is currently being prepared. Policy areas covered include:</p> <ul style="list-style-type: none"> • Digital transformation of almost all services provided to PES clients combined with services with the physical presence of jobseekers and employers; • Effective coverage of PES digital services ensuring the continuous support of vulnerable unemployed; • Continuous improvement of PES Performance through the upgrading of the daily monitoring of the PES procedures with greater quality and quantity controls of electronic data and increase of reporting; • Empowerment of Services provided to Employers aimed at attracting and filling more and good quality vacancies, minimising the risk of exclusion and reducing the level of unemployment, especially the LTU; • Safeguarding the provision of equal opportunities regarding information, training and employment to all registered jobseekers through the strengthening of communication channels and synergies with various organisations; • Effective development of a new culture of PES staff and PES clients based on the new digitalised procedures through training, material printing, monitoring and evaluations.

PES	Objectives
DE	<p>There is no separate post-COVID strategy in the German PES (BA). However, within the framework of the 'BA of the Future' strategy ('BA der Zukunft'), our services are reviewed and adapted to customer requirements and technical possibilities.</p> <p>For example:</p> <ul style="list-style-type: none"> • Video communication; • Call circles; • Online appointment scheduling (OTV) and online appointment configuration (OTK); • Online Access Act (OZG). <p>The Vision Strategy 2025 jointly developed by the BA's Board of Directors and Executive Board in 2017 remains unchanged after being reviewed for relevance. The megatrends described there have been strengthened by the COVID-19 pandemic, but in essence, remain unchanged. The operational priorities for the implementation of the Strategy 2025 have been refocused in the context of the current challenges (due to the pandemic, but also due to structural changes in the labour market).</p>
EL	<p>The strategy defines the following priorities:</p> <ul style="list-style-type: none"> • Objective 1: Provide a wider safety net and a more effective and efficient system in terms of covering rates and compensation rates for the UB beneficiaries; • Objective 2: Provide redesigned wage subsidy programmes that include enhanced incentives and a streamlined and simplified hiring process for the employers. (The uptake of the specific programmes has shown a significant increase during the lockdown period); • Objective 3: Provide short-term, high-quality reskilling/upskilling opportunities for high- and growing-demand occupations via innovative partnerships with quality training providers and under a new performance-based accountability system; • Objective 4: Support key sectors and working families, through enhanced social policy programmes; • Objective 5: Quickly and thoroughly implement a digital transformation programme to improve quality and delivery of services to clients (e.g. interoperability, OAEDapp, myOAEDlive, support.gov.gr, etc.); • Objective 6: Strengthen and reform VET infrastructure to ensure responsiveness and closer alignment with the needs of the economy.
ES	<p>There is no isolated post-COVID strategy. However, in the context of the regular adjustments of the Strategy 2025, the experiences from the COVID 19 pandemic will be taken into account.</p> <p>The Spanish Strategy for Employment Activation 2021-2024 contains the following strategic objectives:</p> <ol style="list-style-type: none"> 1. To promote the activation and improve employability for young people, especially for those who have the highest deficiencies in training and who are at risk of job insecurity, through instruments such as the Youth Guarantee and coordination with the educational system; 2. To promote employment as the main instrument for social inclusion, with priority on improving the activation and insertion of long-term unemployed people and those older than 55; 3. To promote, according to the needs identified in the individualised diagnostics and to the needs of the production system, a training offer aimed at an ever-changing job market, better adjusting the skills and facilitating job transitions; 4. Improve the performance of the public employment services, modernising the instruments of the National Employment System. <p>Approach the activation policies from a holistic perspective, which takes into account their sectorial and local dimensions, and establish collaboration frameworks with employers, social spokespersons and other public and private agents.</p>
IE	<p>Pathways to Work 2021-2025 is the next iteration of the Government's national employment services strategy and is due to launch in mid-2021. The overall objectives are:</p> <ul style="list-style-type: none"> • Continue the goal of ensuring that as many jobs as possible go to those unemployed through the provision of a quality Public Employment Service (PES) - Intreo; • Ensure better labour market outcomes are achievable for all groups in Ireland's society, including a particular focus on supporting those whose jobs are

PES	Objectives
	<p>permanently lost and who are consequently displaced from the labour market by COVID-19;</p> <ul style="list-style-type: none"> • Ensure Ireland’s labour force is well-positioned to respond to future economic, societal and environmental challenges; • The strategy will support the Irish Government’s Economic Recovery Plan 2021 and its ambition in fostering a jobs-led recovery; • The strategy contains 83 commitments set out on a whole-of-Government basis; • The strategy will include a series of targets and high-level goals, aiming to reduce unemployment back to or below its pre-pandemic levels, including reducing long-term unemployment.
LT	<p>Three important components of the strategy are:</p> <ul style="list-style-type: none"> • Focus on remote (blended) service delivery (more channels); • Digitalisation of PES services; • Process optimisation and automatization to reduce administrative burden (for client and PES staff).
LU	<p>The Luxembourg PES' strategy (<i>ADEM 2025</i>) aims at fostering both operational excellence (internally) and the quality of services delivery (externally). Regarding the post-COVID-19 situation, the PES strives for resilience (with work on the Business Continuity Plan) and flexibility of action (extension of teleworking capacities).</p> <p>The objective is to know and to better serve their traditional clients, i.e. jobseekers (for whom they are promoting more e-services for more personalisation and more autonomy) and employers. Particular attention is paid to the most vulnerable people on the labour market (i.e. LTU, workers with disabilities ...).</p> <p>A new mission of the PES will be to actively support employees to protect them from the risk of unemployment by proposing tailor-made training and thus strengthening their employability.</p>
NO	<p>1) Strengthen 'work-related follow-up' and the handling of the high level of unemployment will continue to receive high attention. Increase efforts for the inclusion of vulnerable groups into the labour market + step up efforts for long-term unemployed. Early and close follow up of people with impaired work capacity;</p> <p>2) New measures/tasks shared with external partners (joint responsibility) will hopefully give positive results.</p>
PT	<p>The programme ATIVAR.PT, a programme that emerged with the Economic and Social Stabilisation Programme, aims at providing a rapid and comprehensive response, through professional training, professional internships and reinforced support for hiring and entrepreneurship.</p>
SK	<p>The objectives are set in accordance with Commission Recommendation (EU) 2021/402 of 4 March 2021 on an Effective Active Support to Employment Following the COVID-19 Crisis (EASE) and in line with the Action Plan on the Implementation of the European Pillar of Social Rights. The objectives are the following,</p> <ul style="list-style-type: none"> • Provide comprehensive packages of effective active support, combining temporary and permanent measures to address labour market challenges resulting from the pandemic. This includes particularly three components of an effective active labour market policy: <ul style="list-style-type: none"> - incentives to recruit and change jobs and support entrepreneurship; - opportunities for skills upgrading and retraining; - support measures, increased support from employment services in connection with job changes; • Provide jobseekers with individualised support, including counselling, guidance and mentoring, skills validation, job search assistance, support of entrepreneurship and, if needed, guidance to social services; • Promote awareness-raising activities of public employment services in cooperation with social services, which should especially focus on hard-to-reach long-term unemployed or inactive young people.

GETTING IN TOUCH WITH THE EU

In person

All over the European Union there are hundreds of Europe Direct information centres. You can find the address of the centre nearest you at: https://europa.eu/european-union/contact_en

On the phone or by email

Europe Direct is a service that answers your questions about the European Union. You can contact this service:

by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),

at the following standard number: +32 22999696 or

by email via: https://europa.eu/european-union/contact_en

FINDING INFORMATION ABOUT THE EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website at: https://europa.eu/european-union/index_en

EU publications

You can download or order free and priced EU publications at: <https://publications.europa.eu/en/publications>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see https://europa.eu/european-union/contact_en).

EU law and related documents

For access to legal information from the EU, including all EU law since 1952 in all the official language versions, go to EUR-Lex at: <http://eur-lex.europa.eu>

Open data from the EU

The EU Open Data Portal (<http://data.europa.eu/euodp/en>) provides access to datasets from the EU. Data can be downloaded and reused for free, for both commercial and non-commercial purposes.



Publications Office
of the European Union