COUNTRY FICHE: LATVIA

PES NAME: State Employment Agency (NVA)

Basic organisational model

Type of organisation/relation to government

Supervised by the Ministry of Welfare, it operates under the Public Agency Law and implements state policy in the field of unemployment reduction and support to unemployed jobseekers.

Structure and organisational levels

- Central office
- 28 local employment offices, which register unemployed persons, implement labour market programmes and are in charge of providing counselling and training services.

Management structures and the role of social partners

- Management: NVA's management is in the hands of a Director and a Consultative Board. The Agency's main goals and tasks are decided at national level through periodic Management Contracts with the Ministry of Welfare. The Contract includes concrete and specific issues to achieve the planned results as well as information about financial resources and sources, public services, risk evaluation, criteria and order of evaluation of results, report and information administration, etc.
- Supervision: NVA is accountable to the Latvian Ministry of Welfare.
- Social partners: unions and employers participate in the NVA Consultative Board, whose task is to help the unemployed to receive a better service from the NVA, by analysing the results of its actions and putting forward proposals for improvement.

Financing model

PES financing by source, Euro (million)

	Expenditure (EUR million)						Change 2010-2011 (%)		
	2010			2011 (forecast)					
Source of funding (%)	Total Budget	Operating costs	ALMP	Total Budget	Operating costs	ALMP	Total Budget	Operating costs	ALMP
Total	154,7	5,9	148,2	113,8	5,9	107,1	-26%	0%	-28%
Social security contributions									
Government and other public funding	43,3 (28,0%)			15,8%					
ESF	110,4 (71,4%)			3,4%					
Other EU Funding	0,1 (0,6%)			0,9%					
EURES									
PES own revenues									
Other									

Note: PES total budget includes also a small portion for EU project Technical support and Foreign financial aid: EUR 0,6 million in 2010, and EUR 0,8 million in 2011.

Human resources

PES human resources. Date of observation: December 2010

	Number of staff	% directly servicing clients
Total	**804**	65%
Head office	196	
Local offices	608	86%

Note: There are in total 520 employees (all working in local offices) directly servicing clients.

Integration of employment services and benefit payments

Unemployment and related benefits:

- Unemployment benefits are paid by the Social Insurance Agency, under the supervision of the Ministry of Welfare. Registration as a jobseeker is one of the necessary prerequisites, and must be performed at the local NVA office. Benefit applications can be submitted directly to local NVA offices.

Clients/Customers

Jobseekers. Date of observation: December 2010

	Number	%
Jobseeker client groups		
Total	**162.463**	
Persons from 15 to 24 years of age	23.203	14%
Disabled persons (persons for whom the invalidity has been determined)	9.345	6%
Persons after parental leave	3.344	2%
Persons in pre-pension age (not more than five years until the age necessary for the granting of the State old age pension)	17.109	11%
Long-term unemployed (have been registered in the NVA for more than one year	61.331	38%
Ex-convicts (persons discharged from imprisonment)	526	0%

Further breakdowns are typically applied to monitored unemployed persons: gender; age; duration of unemployment; disability; ethnicity; education; work experience; knowledge of the Latvian language.

Employers

Employer clients are categorised into three groups, according to their potential for cooperation with NVA. The 'priority employer group' includes clients from large enterprises or people who employ a significant number of employees. The 'active employer group' is composed of middle-sized or small companies that advertise vacancies not less than once in three months. Employers who open no new positions or do not show an interest in ALMPs are considered as belonging to the 'passive employer group'.

Other clients

- Workers at risk of unemployment;
- Students in need of career counselling.

Types and methods of service provision

Services for jobseekers

- Individual counselling and career counselling are provided to all unemployed and all jobseekers through face-to-face interviews;
- Training and re-training programmes are available to all unemployed persons, through the outsourcing of service provision to educational institutions;
- General information on the NVA service provision and on job vacancies is available to everyone online;
- Measures to increase competitiveness are provided to all those who face the risk of becoming unemployed, by the outsourcing of individual counselling and psychological support services.

Services for employers

- Services of vacancy advertisement, job placement and candidates' selection are available for all employers who need NVA mediation;
- Training courses for the unemployed are provided by educational institutions on employers' request, in order to improve skills and competences useful to meet the labour demand;
- Subsidised employment is provided to all employers who look for state financing for hiring people from specific target groups;
- Youth work practice is provided via NVA mediation for all those employers who look for young people

having their first work experience.

Job vacancies and market share

Collecting information on job vacancies

Information on job vacancies is collected by NVA through face-to-face meetings, telephone interviews and seminars with employers, as well as through the CV vacancy portal. All these means are constantly used to keep the offer of vacancies up-to-date.

Vacancies and referrals

Latest stock of vacancies: 23.587 (December 2010).
97.166 registered unemployed found permanent jobs in 2010.

Matching of supply and demand

The NVA regularly monitors mismatches between demand and supply of labour by looking at unemployment records, to the list of the potential employee requirements in term of skills and competences, as well as the number of occupational surpluses and shortages.

Market share

25.3% in 2010.

Method: ratio between the number of de-registered vacancies and the unemployed who moved into employment.

Active labour market policies

LMP Services

Name of service	Brief description	Delivery
Individual counselling services	Fact to face interviews	In-house
Career counselling services	Face to face interviews	Outsourced to service providers
Self-services	Web-based job-vacancy and CV database	In-house
Measures to increase competitiveness	Individual counselling and group sessions of job search methods of learning, psychological support and the basic skills required in the job market	Outsourced to service providers (lecturers)

LMP Measures

Name of measure	Category	Brief description	Delivery
Acquisition of informal education	2	Acquisition of informal education	Outsourced to educational institutions
Training, retraining or promotion of qualification of the unemployed	2	Vocational training and professional development education programs	Outsourced to educational institutions
Training by the employer	4	Work skills and professional skills update	Employers
Professional higher education with a voucher system for the unemployed	2	Acquisition of the first and second level professional higher education	Outsourced to educational institutions
Subsidized employment	4	Subsidised workplaces	Employers
Support for business or self-employment start-ups	7	Support for business or self-employment start-up	Outsourced to consultants
Youth Practice	4	Young people's practices	Employers
Training for skills acquisition and maintenance, if the employer is a municipality	4	Temporary employment practice creation	Municipalities

Cooperation/partnership

External providers selected on the basis of calls for proposals and according to the Public Procurement Law are involved in the delivery of ALMPs. NVA contracts all kinds of counselling and training programmes to external providers such as educational institutions, external consultants or even employers. Employers, including municipalities and NGOs, are also selected on the basis of calls for proposals to act as partners in the implementation of ALMPs (i.e. on-the-job training, job experience, subsidised employment).

Evaluation

Evaluation is incorporated in the design of the ALMP programmes: progress is monitored on a monthly basis, and every three months the effectiveness of measures is analysed. All these results are reported to the Minister of Welfare in order to provide useful suggestions for the new policy decisions and planning.

Management logic and performance measurement

Planning process

Key objectives and targets are laid down in the mid-term strategy of the Management Contract, according to the guidelines set by the Ministry of Welfare and the ones decided at EU level. The Contract establishes concrete and specific issues in order to achieve the results planned by both the government and the Latvian PES, but it also deals with the financial resources and sources, the public services, the risk evaluation and the criteria for evaluating the results.

Types of objectives and targets

N/A.

Monitoring

The monitoring of progress made on quantitative annual targets set in the Management Contract is carried out on a quarterly basis and then analysed by the Ministry of Welfare. The work of local offices is monitored by using a 'management by objectives' method: targets are monitored every month for each office. Quarterly, NVA produces a quarterly performance review of the implementation plan, including evaluation of active employment measures.

Lean management

No lean management processes or procedures are reported.