

The 2016 Country-Specific Recommendations What opportunities for VET, health and social service providers?

June 2016

I. Introduction

The European Semester process promotes policy coordination among national governments and EU Institutions. The last cycle was launched in November 2015 with the publication of the European Commission's Annual Growth Survey (AGS)¹. The AGS sets out the priorities for reform that the Commission believes are needed to promote economic growth and stability across Europe. In February, the Commission published the Country Reports analysing the economic situation and the reform agendas of each Member State. In April, governments published their National Reform Programmes (NRPs) outlining the reforms and initiatives they plan to take and have taken and in May, the European Commission and the European Council analysed the NRPs and replied to Member States with Country-Specific Recommendations (CSRs)².

Country Specific Recommendations are a set of recommendations made to each member state (with the exception of Cyprus and Greece which are subject to an economic adjustment programme). The recommendations lay out the measures which national governments should take within a period of 12-18 months in order to reach the goals of the Europe 2020 Strategy³ (such as employment rate at 75%, reduction of poverty with 25%, school drop-out rates below 10%) and to maintain economic stability and growth.

II. Developments in the approach to CSRs

In 2015, the Commission reduced the number of recommendations only covering key priority issues of macro-economic and social relevance that require Member States' immediate attention. The recommendations focus on what to achieve, instead of how to achieve it, in order to guide Member States in implementing the reform while leaving room for maneuver.

The 2016 recommendations follow this approach. They have a narrow focus and their number and their degree of specificity differ between Member States depending on the nature and the extent of the reforms.

¹ More on Annual Growth Survey at http://ec.europa.eu/europe2020/making-it-happen/annual-growth-surveys/index_en.htm

² Country Reports, National Reform Programmes and Country Specific Recommendations are available on the European Commission website at http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/index_en.htm

³ More on Europe 2020 Strategy at http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm



The 2016 recommendations address the following priorities identified in the 2016 Annual Growth Survey:

- Removing barriers to financing and supporting public and private investment
- Improving the business environment and productivity
- Adapting public finances to make them more supportive of growth
- Improving employment, human capital, social inclusion and protection

On employment policies and labour market reform the Commission noted that reforms have brought initial positive results. More efforts need to be done in a number of countries to improve the capacity to create jobs and to tackle high levels of unemployment, segmentation, skills mismatches, and to improve social cohesion.

III. Key recommendations in the field of employment, education and training

Some Member States also need to adapt the role that public employment services play and to enhance the promotion of job creation, also by promoting entrepreneurship and self-employment. This is the case of **Spain** for which it is recommended to *enhance the capacity of regional employment services and reinforce their coordination with social services*; and **Italy** that should *implement the reform of active labour market policies, in particular by strengthening the effectiveness of employment services*.

Long-term unemployment needs to be tackled by combining effective social assistance with measures to enhance the chances of finding employment, in particular in **Spain** and **Portugal**. The labour market participation of older workers, women also need to be promoted in countries such as the Czech Republic, Germany, Austria and Slovakia.

The segmentation of labour markets should be reduced by promoting more permanent types of employment in the Netherlands, Poland and Portugal. The Commission recommends to **the Netherlands** to *tackle remaining barriers to hiring staff on permanent contracts and facilitate the transition from temporary to permanent contracts*. To **Poland** to *remove obstacles to more permanent types of employment* and to **Portugal** to *strengthen incentives for firms to hire through permanent contract*

Skill gaps and mismatches have to be addressed to bring closer to the labour market persons who are not employable because they have not acquired sufficient and relevant skills. For example, the Commission recommends to the **United Kingdom** to *address skills mismatches and provide for skills progression* and to **France** to *reform apprenticeship and vocational training, with emphasis on the low skilled*. **Spain** also should take *further measures to improve labour market integration, by focusing on individualized support and strengthening the effectiveness of training measures*. To **Lithuania**, the European Commission recommends to *strengthen investment in human capital and address skills shortages, by improving the labour market relevance of education, raising the quality of teaching and pursuing more active labour market policies and adult learning*. **Latvia** needs to *speed up the curricula reform in vocational education, establish with the involvement of social partners a regulatory and increase framework for apprenticeship-type schemes their offer*.

Member States, such as **Belgium**, need to reform education and training systems and make more efficient use of public expenditure. Several countries face a problem in including vulnerable groups in mainstream education, particularly Roma, but also other groups such as students with a migrant background and **people with disabilities? [our addition]**. The Commission recommends to **Belgium** to *move forward with education and vocational training reforms and provide training support, notably for people from a migrant background*.



IV. Key recommendations in the field of social protection and services

Reforms of social protection, including pensions and services such as healthcare, childcare and long-term care, are also essential to achieve an inclusive growth. The Commission noted that several Member States need to promote the modernization of social protection and to enhance the capacity of unemployment benefit and social assistance to ensure adequate incomes, quality enabling services and effective activation. This can be achieved by broadening coverage and adequacy and also by ensuring sustainable financing and improving the targeting of social protection spending, as recommended, for example, to **Italy**. **Latvia** is recommended to *improve the adequacy of social assistance benefits and step up measures supporting recipients in finding and retaining work, including through increased coverage of activation measures*. **Lithuania** has to *improve the coverage and adequacy of unemployment benefits and social assistance*.

The 2016 Recommendations also focus on reforms aiming at ensuring accessible, effective and sustainable health systems. The Commission recommended to **Latvia** to *improve the accessibility, quality and cost-effectiveness of the healthcare system*; **Lithuania** to *improve the performance of the healthcare system by strengthening outpatient care, disease prevention and health promotion*. **Ireland** should *improve the provision of quality, affordable full-time childcare*, while **Spain** should *improve family support schemes, including access to quality childcare and long-term care*.

V. What next? What relevance for EPR members?

It is now up to national governments to respond to these recommendations and translate them into policies and services and ensure the effective implementation of the reforms announced. Many recommendations relate to areas of work of EPR members, and could be used to promote the need to invest in their services. EPR member organisations are invited to explore the potential of the 2016 recommendations given to their government and engage with public authorities to improve the service provision, showing how they can support governments to respond to the recommendations, and reminding them of their obligations.

VI. References

[EPR Online Platform on European Semester Mechanism](#)

EPR analytical paper 2015:

[The impact of the European Semester and the UNCRPD on the right to work for people with disabilities](#)

[European Employment Policies and Initiatives](#)

The European Platform for Rehabilitation (EPR) is the Network of providers of rehabilitation services committed to excellence and innovation. EPR and its members contribute to a society where every person with a disability and persons in other vulnerable situations have access to the highest quality services that create equal opportunities for all and independent participation in society. More information on www.epr.eu