#### **Background Information Paper**

#### High-Level Roundtable, Marrakech, February 14-15, 2020

# Bringing the EU and its neighbours together Promoting civil society actors in socioeconomic cooperation and youth-integration work

Please note that, in terms of content, this paper makes no claim to being either complete or balanced.

## **Topic 1:** EU / Germany and Morocco / EU neighbourhood at a crossroads: Strengthening social, economic and political relations - and the special role of civil society organisations in this dimension

After being elected by the European Parliament the new EU-Commission is working on its agenda since December 2019. The issue of foreign and trade policy is high on the agenda and has implications on the EU's relations with the direct neighbours in south and east. Ukraine, Georgia and Moldova have already concluded a trade agreement that supports this in the form of Deep and Comprehensive Free Trade Agreements (DCFTAs) with the EU since 2014. A similar arrangement is being negotiated with Tunisia. With regard to Jordan, for example, a Free Trade Area (FTA) was created so far to liberalise all goods and thus enable barrier-free trade. All these countries have the European Union as their main trading partner. In June 2019, the EU and the Moroccan Association Council agreed on further cooperation priorities such as convergence of values, social and economic development, shared knowledge, policy advice, mobility / migration and climate change.

### 1.1 What are the main social and economic challenges for Morocco / EU neighbourhood countries and Europe / Germany in 2020 / 2021?

- Bertelsmann Stiftung: <a href="https://www.bertelsmann-stiftung.de/en/topics/latest-news/2020/january/brexit-after-they-leave-is-when-the-negotiations-will-really-start/">https://www.bertelsmann-stiftung.de/en/topics/latest-news/2020/january/brexit-after-they-leave-is-when-the-negotiations-will-really-start/</a> Interview with Prof. Christian Kastrop on what happens after Brexit.
- https://www.bertelsmann-stiftung.de/en/our-projects/strategies-for-the-eu-neighbourhood/ Project
   Website "Strategies for the EU neighbourhood" with a focus on proposed solutions for an effective
   European Neighbourhood Policy.
- CEPS: <a href="https://www.ceps.eu/winds-of-change-for-eu-morocco-relations/">https://www.ceps.eu/winds-of-change-for-eu-morocco-relations/</a> Think Tank input about changes for EU-Morocco relations.



- DGAP: <a href="https://dgap.org/system/files/article-pdfs/morocco-paper-collection.pdf">https://dgap.org/system/files/article-pdfs/morocco-paper-collection.pdf</a> German Council of Foreign Relations on socio-economic challenges in Morocco (Perspectives from the region and Europe).
- European Commission: <a href="https://ec.europa.eu/research/iscp/pdf/policy/barcelona-declaration.pdf">https://ec.europa.eu/research/iscp/pdf/policy/barcelona-declaration.pdf</a>
   Barcelona declaration adopted at the Euro-Mediterranean Conference 1995.
- European Council: <a href="https://www.consilium.europa.eu/en/press/press-releases/2019/06/27/joint-declaration-by-the-european-union-and-the-kingdom-of-morocco-for-the-fourteenth-meeting-of-the-association-council/">https://www.consilium.europa.eu/en/press/press-releases/2019/06/27/joint-declaration-by-the-european-union-and-the-kingdom-of-morocco-for-the-fourteenth-meeting-of-the-association-council/</a> Joint declaration by the European Union and Morocco, Association Council, June 2019.
- https://www.consilium.europa.eu/en/press/press-releases/2019/06/17/joint-press-statement-following-the-13th-association-council-meeting-between-the-eu-and-jordan/pdf Joint press statement, EU and Jordan, Association Council, June 2019.
- https://www.consilium.europa.eu/en/press/press-releases/2019/05/17/joint-press-release-followingthe-15th-session-of-the-ue-tunisia-association-council/pdf Joint press release, EU and Tunisia,
   Association Council, May 2019.
- https://www.consilium.europa.eu/media/21841/political\_decl\_en.pdf
   Declaration, Valletta Summit
   (EU and African countries) on Migration, November 2015.
- https://www.consilium.europa.eu/uedocs/cms data/docs/pressdata/en/er/113247.pdf
   Joint statement, EU-Morocco Summit, Granada, March 2010.
- EU Neighbours: <a href="https://www.euneighbours.eu/en/south/stay-informed/news/european-bank-reconstruction-and-development-and-credit-du-maroc-boost?utm\_campaign=info%40euneighbours.eu&utm\_medium=email&utm\_source=transactional News on EBRD funds to Morocco, February 2020.
- European Parliament:
   <a href="https://www.europarl.europa.eu/RegData/etudes/IDAN/2020/646116/EPRS IDA(2020)646116 EN.pd">https://www.europarl.europa.eu/RegData/etudes/IDAN/2020/646116/EPRS IDA(2020)646116 EN.pd</a>
   f Ten issues to watch in 2020.
- Global Forum on Migration & Development: <a href="https://gfmd.org/docs/germany-morocco-2017-2018-landing">https://gfmd.org/docs/germany-morocco-2017-2018-landing</a> Germany-Morocco: Towards a global social contract on migration and development.
- GREASE: <a href="http://grease.eui.eu/wp-content/uploads/sites/8/2019/11/Morocco-report.pdf">http://grease.eui.eu/wp-content/uploads/sites/8/2019/11/Morocco-report.pdf</a> Country Report Morocco, November 2019.
- IEMED: <a href="https://www.iemed.org/publicacions/historic-de-publicacions/monografies/sumaris-fotos-monografies/socioeconomic-change-morocco-jaidi-larbi.pdf">https://www.iemed.org/publicacions/historic-de-publicacions/monografies/sumaris-fotos-monografies/socioeconomic-change-morocco-jaidi-larbi.pdf</a> Prof. Larbi Jaidi on economic and social change in Morocco.
- IMF: <a href="https://www.imf.org/en/Publications/CR/Issues/2019/07/12/Morocco-2019-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-47114">https://www.imf.org/en/Publications/CR/Issues/2019/07/12/Morocco-2019-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-47114</a> IMF Country Report Morocco, July 2019.
- INTERREG: <a href="https://www.interreg-central.eu/Content.Node/events/Final-Report-181018-full.pdf">https://www.interreg-central.eu/Content.Node/events/Final-Report-181018-full.pdf</a> Final Report on socio-economic challenges, potentials and impacts of transnational cooperation in central Europe.
- Mehdi Lahlou (2020), Migration policy, integration of migrants and labor market in Morocco, University of Rabat.

Morocco is a country with great potential for economic growth. A stable performance has been recorded since the beginning of the 2000s and the general level of the financial system in the country is close to the average of emerging markets while having a proficiently developed banking system (see IMF). Impacts such as smaller micro-shocks and international



economic and political crises have, however, partially contained opportunities. In addition to macroeconomic challenges, similar to the situation in various EU member states (Croatia, Italy), unemployment figures are a cause for concern (see IEMED). Young people in particular often lack the necessary skills during their training, which are needed to compete in the domestic and international labour market. The highest unemployment rates in Morocco are among the younger generation, who, especially in urban areas, do not have access to the labour market that would suit them. <u>Unemployment among young people</u> between 15 and 24 years has risen to 26.5% in 2017 and is 43.2% below the urban population of the same age. This reduces the chances of finding work with higher qualifications, which can also mean less support for training mechanisms (see GREASE).

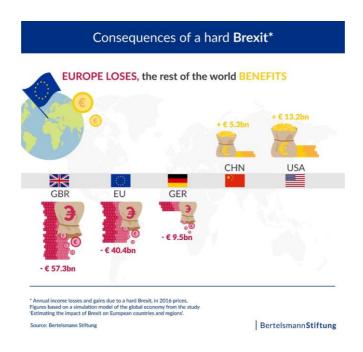
Through the <u>European Neighbourhood Policy (ENP)</u> of the EU, there is a close relationship between the European Union and Morocco and peace as well as consolidated political relations are of paramount importance. Here, the challenge is to promote economic modernization, strengthening and maintaining democratic approaches in the countries, and to ensure overall socio-economic stability (see DGAP).

Instruments such as the DCFTA can assist in this respect and, through productive negotiations, can help contain and better assess certain challenges within each country and between ENP countries and the European Union. This also might lead to a new kind of basis of trust which can be just as fragile as administrative structures itself. The biggest challenge for international commitment is to use the reforms and instruments in the right way while initiatives should be justified in order to be better implemented. Furthermore, it is important to meet the demands of the country receiving (aid) supplies and not to overburden sociological and economic structures. As an example, the EU may try to win confidence of Moroccan citizens in order to be able to provide appropriate socio-economic support and therefore, any development model must reflect social justice that involves each actor and not just the upper elites of government (see DGAP). When considering this, the overall willingness to work can be strengthened, thereby boosting businesses. The phenomenon of digitalization is additionally a topic or tool that should be taken care of due to current events and technical improvements. A knowledgeable and correct approach to it can promote access to the population and thus also the economy.

In the specific case of the <u>European Union</u>, the <u>main challenges</u>, <u>such as <u>Brexit</u></u>, may be approached in a clearly reflected way by the actors within such large networks. In order to



avoid a "hard" Brexit and to ensure fairness even after the transition phase of the exit, (trade) agreements between the parties must be designed in such a way that economic and security issues in particular are protected from risk and chaos. Anyone involved in global production must also be aware that national borders can largely influence it. Taking the example of the United Kingdom, without a continuing free trade agreement with the EU, imports and exports will become more expensive and will lead to a fundamental disadvantage for the country and its sales.



- 1.2 How can the volume of trade and socio-economic cooperation be increased and the integration into the European internal market be strengthened so that more growth, prosperity and jobs can be created for the benefit of both EU and neighbourhood?
  - EMNES: <a href="https://www.euneighbours.eu/sites/default/files/publications/2020-02/emness">https://www.euneighbours.eu/sites/default/files/publications/2020-02/emness</a> pp7full.pdf
     Publication of the Euro-Mediterranean Network for Economic Studies on whether non-tariff measures matter when thinking about unleashing trade potential in the Arab Mediterranean.
  - EU Bulletin: <a href="https://www.eubulletin.com/10099-bringing-europe-maghreb-together-tanger-med-port-vital-for-eu-morocco-partnership.html">https://www.eubulletin.com/10099-bringing-europe-maghreb-together-tanger-med-port-vital-for-eu-morocco-partnership.html</a> The significant impact of the Tanger Med Port on the EU-Morocco partnership.
  - European Commission: <a href="https://trade.ec.europa.eu/doclib/docs/2015/october/tradoc">https://trade.ec.europa.eu/doclib/docs/2015/october/tradoc</a> 153846.pdf The European Commission's strategy "Trade for All" for a stronger trade policy and European Union.
  - Fathallah Sijilmassi (2019), *L'Avenir de L'Europe Est Au Sud*, EMAE & CEPS & EMNES. New book about challenges, opportunities and the potential of EU South Mediterranean cooperation.



The European Union has developed a trade and economic agenda including agreements in the form of bilateral meetings, which are designed to complement cooperation with the World Trade Organization (WTO). In order to enhance benefits of trade in general, Free Trade Agreements (FTAs) have already been established with most of the EU neighbourhood countries. As with other reforms, the further development of trade is strongly dependent on certain circumstances. Better access to finance, investment in infrastructure and the acquisition of certain skills are necessary to achieve these goals, especially on an international basis. Countries must cooperate willingly and accommodate each other in order to make progress. Existing international market access can be promoted precisely through the FTAs and, on the basis of negotiations, new countries can be accepted into the advantageous community (see European Commission). Also, the European Union is the world's largest trading partner in agricultural products: This is promoted by the EU Common Trade Policy Directive, which governs trade cooperation with non-EU countries and operates on a cooperative basis.

A basic understanding of mutual dependency helps to avoid working only according to self-serving templates, but, furthermore, it is the responsibility of any foreign government not to regulate in domestic structures that provide access to water, health, education and social conditions. The organizing and financing of these areas also remains the individual accountability of the respective country. In order to ensure the <u>best possible introduction into the EU market</u>, both parties have to show changes that make it easier for each side. EU rules that seem too complex should be avoided, as well as customs duties that make proper cooperation difficult. The participating countries of the FTAs shall thereby accordingly show willingness to accept the European Union's customs system and investment in certain ways (see European Commission).

Non-tariff measures can have a significant effect on international trade and make it more difficult for both actors involved to trade with each other. Conformity assessments of this kind, which are also widespread within Arab countries, allow trade to progress slowly, which is partly due to the fact that several association agreements with Europe do not necessarily address or are compatible with non-tariff measures. Solutions to this could be measures as making standards more uniform, providing technical assistance to improve the quality of exports, involving small and medium-sized enterprises in regional value chains between the



northern and southern Mediterranean countries, and making customs more transparent (see EMNES).

In the end, diplomatic harmony on an equal footing can facilitate cooperation that takes into account fundamental views such as respect for human rights and the rule of law.

## 1.3 What do the priorities of the new EU Commission mean for the further development of the European Union's relations with the neighbouring countries in the south and east?

- European Commission: <a href="https://ec.europa.eu/commission/presscorner/detail/en/SPEECH\_20\_102">https://ec.europa.eu/commission/presscorner/detail/en/SPEECH\_20\_102</a>
   Keynote speech by European Commission President Ursula von der Leyen at the World Economic Forum, January 2020.
- https://ec.europa.eu/info/sites/info/files/president-elect-speech-original en.pdf Speech by Ursula von der Leyen in the European Parliament Plenary Session, November 2019.
- https://ec.europa.eu/commission/presscorner/detail/en/SPEECH 19 4230 Opening statement in the European Parliament Plenary Session by Ursula von der Leyen as the then candidate for President of the European Commission.
- EuroNews: <a href="https://www.euronews.com/2020/01/22/watch-eu-chief-ursula-von-der-leyen-speaks-at-davos">https://www.euronews.com/2020/01/22/watch-eu-chief-ursula-von-der-leyen-speaks-at-davos</a> EuroNews Article on Ursula von der Leyen's speech at the World Economic Forum in Davos, January 2020, where she assessed that the EU will take an enhanced participation on the global stage. Topics that are particularly taken into account in this regard are climate change and data protection.
- European Parliamentary Research Service Blog: <a href="https://epthinktank.eu/2020/01/29/the-von-der-leyen-commissions-priorities-for-2019-2024/">https://epthinktank.eu/2020/01/29/the-von-der-leyen-commissions-priorities-for-2019-2024/</a> The European Commission's priorities for 2019-2024.

The new president of the European Commission, Ursula von der Leyen, has set the goal of shaping the future in such a way that more is done and implemented in a mainly geopolitical context. Neighbours suffering from instability are suggested to be supported by the international community. For the European Union, the neighbourhood is of great importance, as lasting stability protects against crises and thus also makes Europe a safer place. Aid in the area of development cooperation is being promoted and a great deal of attention is being paid to crisis prevention. Diplomacy and direct exchange will be an eye-opener to avoid escalating crises and the European Union wants to contribute as an international actor on the world stage and be more involved in global events in order to convey multilateralism among other objectives. The aim to strengthen partnerships in that way is at the same time an important method for strengthening Europe too. Priorities within the European Union also include fixed structures for a digital age, combating climate change, promoting democracy and saving European values. In addition, an economy should be designed that includes not only main



players (see European Commission, EuroNews, European Parliamentary Research Service Blog).

## 1.4 What can southern and eastern neighbour countries learn from each other's different levels of economic and trade cooperation / agreements with the EU?

- Bertelsmann Stiftung: <a href="https://www.bertelsmann-stiftung.de/fileadmin/files/BSt/Publikationen/GrauePublikationen/EZ Studie Benefits and Costs of DCFTA 2017 ENG.pdf">https://www.bertelsmann-stiftung.de/fileadmin/files/BSt/Publikationen/GrauePublikationen/EZ Studie Benefits and Costs of DCFTA 2017 ENG.pdf</a> Joint working paper with The Vienna Institute for International Economic Studies (wiiw) about benefits and costs of DCFTA (Georgia, Moldova, Ukraine), December 2016.
- Bertelsmann Stiftung: <a href="https://www.bertelsmann-stiftung.de/en/our-projects/strategies-for-the-eu-neighbourhood/project-news/tunisia-and-eastern-europe-peer-learning-in-reform-policymaking/">https://www.bertelsmann-stiftung.de/en/our-projects/strategies-for-the-eu-neighbourhood/project-news/tunisia-and-eastern-europe-peer-learning-in-reform-policymaking/</a>
  Follow-up reporting on a Bertelsmann Stiftung's conference in cooperation with the Tunisian-German Chamber of Industry and Commerce in Tunis. The concentration lied on peer learning in regard to reform policymaking. Included were also former negotiators of the DCFTA3: Georgia, Moldova, Ukraine.
- 3 DCFTAs: https://3dcftas.eu/publications/deepening-eu-ge-relations-what-why-and-how-2 Georgia.
- https://3dcftas.eu/publications/deepening-eu-ukrainian-relations-what-why-and-how-2 Ukraine.
- https://3dcftas.eu/publications/deepening-eu-moldovan-relations-what-why-and-how-2\_Moldova.

Principles of the <u>DCFTAs</u>, if implemented after submission, offer progress especially in removing tariff barriers while direct communication brings with it access to the European market and a high increase in exports. The liberalization of imported goods ensures that more efficiency can be insured and national industries benefit. The resulting lower prices of the final goods do not prevent the EU from tightening up the implementation and thus insuring a high quality of the products.

The example of Georgia, Moldova and Ukraine in the context of the DCFTAs, signed with the EU in 2014, can serve as an example of how direct cooperation with the EU market can be successfully introduced. Official results showed that Moldova and Georgia made progress in nominal growth vis-à-vis the EU, with no such progress being recorded for Ukraine. With regard to the free trade areas, DCFTA countries made mixed experiences. There is also a general concern that some of the rules emanating from the EU side are not aligned with the structures or systems of the neighbouring countries involved and that there will be difficulties by implementing them. However, all three nations have increased their exports to the EU and have reformed their trade with the European Union. EU standards have been fairly well implemented and cooperation has been strongly encouraged.



One of the chief negotiators of the DCFTA agreement between Georgia and the EU, Tamara Kovziridze, confirms that the Association Agreements / DCFTAs with the three Eastern European countries have shown that progress in terms of integration and consolidation of political and economic ties is possible in any case. Not to be neglected are the short and medium-term consequences, which may not initially be in line with the expectations of the participating countries. Legal harmonization can be associated with higher costs due to the necessary compliance with regulations, but in the long term this can lead to a positive economic result due to a completed alignment with EU law. A free trade agreement with the EU can also attract other potential allies, as the case with Georgia has shown: China, Hong Kong and European Free Trade Association (EFTA) have each concluded additional agreements with the country. It is important to note that agreements of this kind cannot improve or completely influence the overall economic situation of a state. The basic prerequisite is a productive, investment-promoting policy. A good perspective for the future also includes discussing steps to be taken once the trade agreements have been implemented (see 3 DCFTAs).

### 1.5 What joint initiatives can emerge from these priorities and the desire for closer cooperation?

- European Commission: <a href="https://ec.europa.eu/commission/sites/beta-political/files/six-flagship-initiatives-support-transformation-western-balkans en.pdf">https://ec.europa.eu/commission/sites/beta-political/files/six-flagship-initiatives-support-transformation-western-balkans en.pdf</a> EU-Western Balkans initiatives to support transformation processes of the Western Balkans.
- https://ec.europa.eu/neighbourhood-enlargement/tenders/twinning en Twinning projects as European Union instrument for institutional cooperation between member states and partner countries while bringing together public sector expertise.
- EU4Youth: <a href="https://www.euneighbours.eu/en/east/eu-in-action/youth">https://www.euneighbours.eu/en/east/eu-in-action/youth</a> EU cooperation with its Eastern Partners in order to promote youth skills development and employability.
- Erasmus+: https://www.erasmusplus.de/ EU programme for education and training of the youth.
- OECD: <a href="https://www.oecd.org/mena/competitiveness/MENA-Competitiveness-brochure-2018-Eng.pdf">https://www.oecd.org/mena/competitiveness/MENA-Competitiveness-brochure-2018-Eng.pdf</a>
   MENA-OECD Competitiveness Programme which supports reforms to mobilize investment, private sector development and entrepreneurship for supporting inclusive growth and employment in MENA countries. One important focus lies also on women and youth.
- OECD: <a href="http://www.oecd.org/publications/the-mediterranean-middle-east-and-north-africa-2018-9789264304161-en.htm">http://www.oecd.org/publications/the-mediterranean-middle-east-and-north-africa-2018-9789264304161-en.htm</a> Collaboration between OECD, addressed governments, European Training Foundation and the European Commission. Strategic approaches for SME policy making in countries such as Morocco, Jordan, Tunisia amongst others.



### <u>Example from the EU with the Western Balkan countries:</u> (European Commission)

#### I. Strengthening the Rule of Law

- a. Action plans
- b. Trail-monitoring
- c. Advisory missions

#### II. Reinforcing engagement on security and migration

- a. Fighting organized crime, terrorism, and violent extremism (cooperation in border security and migration management)
- b. International collaboration between officers

#### III. Enhancing support for socio-economic development

- a. Guarantee fund
- b. Support of start-ups
- c. Making access to research and innovation
- d. Supporting the social sector in areas of health, education, ERASMUS programs
- IV. Digital agenda
- V. Diplomatic relations
- VI. Increasing connectivity
  - a. Within the region and the EU
  - b. New investment support can increase funding in fields such as transport, energy, digital economy
  - c. Enhancing competitiveness, economic growth and security of supply

### 1.6 What contribution can civil society actors make to building a deeper partnership?

- Anna Lindh Foundation: <a href="https://www.annalindhfoundation.org/">https://www.annalindhfoundation.org/</a> Foundation to build more inclusive and resilient societies. First common institution for dialogue co-created by the EU and its Mediterranean Partner countries.
- Business Development Center Jordan: <a href="http://www.bdc.org.jo/">http://www.bdc.org.jo/</a> Development solutions for the needs of Jordanian SMEs, women, youth, entrepreneurs and local economic development.
- Distance Education for Africa: <a href="http://deafrica.org/">http://deafrica.org/</a> E-Learning: Capacity Building, Digitalization, Institutional Development.
- DLD Conference 2019: <a href="https://youtu.be/6ZBXHRpQ8JE">https://youtu.be/6ZBXHRpQ8JE</a> Investing in the Future of Africa. The Africa opportunity: Investing, educating, building, strengthening and growing in terms of people and economies and fighting poverty through digitalization.
- European Foundation Center: <a href="https://www.efc.be/">https://www.efc.be/</a> Inter alia: peer-learning.
- European Training Foundation: <a href="https://www.etf.europa.eu/en/about">https://www.etf.europa.eu/en/about</a> EU agency which supports countries surrounding the EU to reform their education, training and labour markets.
- International Labour Organization (ILO): <a href="https://www.ilo.org/pardev/partnerships/civil-society/lang-en/index.htm">https://www.ilo.org/pardev/partnerships/civil-society/lang-en/index.htm</a> Engagement with non-state actors to promote fair work opportunities for everybody.
- Mit-i-Ma Project: <a href="https://juergen-wahn-stiftung.de/2019/07/20/mit-i-ma-miteinander-in-marokko/">https://juergen-wahn-stiftung.de/2019/07/20/mit-i-ma-miteinander-in-marokko/</a>
   Project, which brings used wheelchairs and other aids from Germany to Morocco, repairs them there and distributes them free of charge to those in need.



- Union for the Mediterranean: <a href="https://ufmsecretariat.org/sharedviewsforum2019/">https://ufmsecretariat.org/sharedviewsforum2019/</a> Conference between youth and civil society actors in Barcelona with aimed proposals for practical cooperation and development in the Mediterranean.
- Vision Europe Dialogue: <a href="https://www.sitra.fi/en/articles/treat-people-doers-not-production-factors/">https://www.sitra.fi/en/articles/treat-people-doers-not-production-factors/</a>
   The right provision of data through individuals and organizations while co-operating within a digital revolution.
- YouMatch: <a href="https://www.youmatch.global/">https://www.youmatch.global/</a> Global initiative on innovative employment services for youth.

#### I. Local and regional authorities (ILO)

- a. Working on local / regional level
- b. City-to-city cooperation
- c. Encouragement of local actors
- d. Engagement in sharing goods and affordable practices among the actors

#### II. International non-governmental organizations (ILO)

- a. Creation of development programs
- Goal: Promotion of human rights, social security, poverty alleviation, professional rehabilitation, gender issues, environmental improvement, sustainability
- c. Special meaning of think tanks, research, network, and dialogue / conferences

#### III. Organizations with a specific profile of values (ILO)

- a. Support of certain values of the different development agendas
- b. Youth employment / education
- c. Development of sustainable enterprises
- d. Fair business practices



## **Topic 2:** Work and life perspectives for young people: Strategies for growth, work and prosperity

With regard to demographic change and social peace, the creation of life prospects and jobs for young people in the Mediterranean, the European Neighbourhood and some EU member states, is of particular importance

## 2.1 What experience has Morocco (as an EU neighbourhood example) had in creating more job and life prospects for young people, including NEET people – mirroring Saham Foundation project experiences

- USAID: <a href="https://www.usaid.gov/morocco/fact-sheets/employability-youth-enhanced">https://www.usaid.gov/morocco/fact-sheets/employability-youth-enhanced</a> USAID response in order to enhance youth employability in Morocco.
- German Council on Foreign Relations: <a href="https://dgap.org/system/files/article-pdfs/morocco-paper-collection.pdf">https://dgap.org/system/files/article-pdfs/morocco-paper-collection.pdf</a> German Council on Foreign Relations on socio-economic challenges in Morocco.
- European Training Foundation: <a href="https://www.etf.europa.eu/sites/default/files/m/BFEEBA10DD412271C1257EED0035457E">https://www.etf.europa.eu/sites/default/files/m/BFEEBA10DD412271C1257EED0035457E</a> NEETs.pdf
  Report on young people who are not in employment, education or training. Overview of certain ETF
  partner countries. August 2015.
- International Labour Organization: <a href="https://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/genericdocument/wcms">https://www.ilo.org/wcmsp5/groups/public/---dgreports/---integration/documents/genericdocument/wcms</a> 561755.pdf SDG Note: 2030 Agenda for Sustainable Development.
- Saham Foundation: http://sahamfoundation.com/

The term NEET, which stands for "Not in Education, Employment, or Training", refers to young people, mostly between 15-29 or 15-24 years of age, who do not have a job at the time, or are not in education or student status. Women tend to be more affected by this with various factors, such as sociological and cultural norms, unsuitable working conditions and family responsibilities as reasons. High quality Vocational Education and Training reduces the percentage of NEETs by providing support to early dropouts (early school dropouts are the most consistently dominant NEET sub-group), compensating the failure of the general education system and providing second chance opportunities to young adults. In this respect, three types of policies are particularly observed: prevention (education policies), reintegration (information, advice, guidance or job opportunities) and compensation policies (for the most extreme situations and difficult reintegration). When it comes to unemployment among young people, preventive measures prove to be particularly useful.



In the case of Morocco, 80% of the unemployed are between 15 and 34 years old. On the demographic side, young people represent 44% of Morocco's working population and about 1/3 of Morocco's total population of 35 million. The downside is that the more educated youth become, the more likely they are to be unemployed, as there is more job demand than supply. Every year, approximately 240,000 people enter the job market, although only about 129,000 new jobs can be offered. This also has the consequence that the younger generation is moving into the informal sector and trying to earn money without any contracts. In 2012, 88% of this target group were in this informal sector. The Moroccan Ministry of Employment and Social Affairs has launched a national strategy in 2015 that focuses on four factors: Increasing the standard and value of human capital, reinforcing labour market mediation, establishing a labour market governance framework, and promoting job creation among businesses.

Although its market share has decreased due to increasing urbanization, Morocco's agricultural sector still constitutes relatively a large share of the overall employment. In the light of the gradual decline in informal agricultural work, informal employment in urban environments has grown. Responding to different risk factors, Morocco had come up with solutions for each factor such as:

Why exclusion	What measures	<b>Examples of solutions</b>
Low employability (lack of necessary skills)	Work experience opportunities	Idmaj programme aimed at inserting first-time job seekers into the labour market (only for registered unemployed)
Institutional, practical and logistical barriers to employment	Information guidance and counselling	Anapec website and local offices (limited capacity and HR)
Institutional, practical and logistical barriers to employment	Incentives to employers	Subsidised jobs (contrat d'insertion social)
Institutional, practical and logistical barriers to employment	Entrepreneurship incentives	Moukawalati programme in Morocco, to provide financial support and counseling to young entrepreneurs



Partnerships among actors at all levels and coordinated action are critical for addressing the NEET challenge. National policies are needed for a strategic and integrated approach to mitigate the NEET phenomenon, while implementation at local levels carries more possibilities of success. One example is the Moroccan National Employment policy (NEP) 2015-2025. A tripartite committee under the auspices of the Minister of Labour and Social Affairs facilitated the elaboration of a common national framework. The NEP is comprehensive, focusing on job creation, upgrading of human resources, sectoral policy responses and improved labour market governance. The International Labor Organization assisted in the design of the policy and in its pilot implementation in selected provinces.

This content was contributed by Abdelmalek Alaoui, Guepard Group

## 2.2 Work and life perspectives for young people: Strategies for growth, work and prosperity – Reflection on the experience of reintegrating NEET by the first Public Business School in Morocco (ISCAE)

https://www.groupeiscae.ma/english/

Since its creation 50 years ago, as a highly selective national public Business School (BS), ISCAE has had a social mission. It has the responsibility to A) educate responsible autonomous citizens that could be drivers, B) address the job market's needs and cultivate an entrepreneurial mind-set to eventually create new job opportunities and C) reduce brain drain. The actions can have a direct or indirect impact.

What is being done specifically to accomplish these three missions?

#### A) Educate responsible autonomous citizens, drivers of change:

Historically, Business Schools had the reputation of training managers with the only purpose of making profits. Now BSs are talking about social impact, positioning themselves as "A Force for Good". As BSs in general, there is a strong believe that the students, as future leaders, can shape the world they live in. And students themselves are in quest of purpose.

1. For ISCAE precisely, its social mission starts with the context of its creation and its status. ISCAE was created in 1971, as the first 100% Moroccan BS, in order to answer a growing demand for high level local executives. It is a public, free of



- tuition institution, giving the same opportunities to all students, no matter what their gender or social background is. So, ISCAE has always played its role as a "Social Ladder".
- 2. Although there is no specific "positive discrimination" policy, once admitted to the school, students benefit from a whole range of soft-skills and humanity modules offered in order to bridge the gap between students coming from different backgrounds.
- All students are involved in at least one Social Impact Project (PIS) as a mandatory
  part of their curriculum. Therefore, they contribute to help less privileged youth,
  such as NEET people.
- 4. The ISCAE learning model is based on the learner's autonomy to get the student to "learn to learn" by him- or herself, so that the individual can be actor of an own-construction in order to be agile, to adapt, to progress and keep up with this ever-changing work environment.

#### B) Address the job market needs and create job opportunities:

- 1. In order to stay connected with the business world, all the students have to complete a mandatory internship every year and at least one Professional Immersion Program (PIP).
- 2. The pedagogical model is based on an optimal combination between academic permanent faculty and part-time professional teachers.
- 3. The school is very active in signing partnership agreements with companies from private and public sectors on different collaboration aspects: internship, recruitment, immersion programs, participation in curriculum design and content, providing guest speakers.
- 4. Besides, there are dedicated Career Services in each campus as a liaison between the potential employers and the students or graduates.
- 5. To create more job opportunities, ISCAE is fostering the integration of entrepreneurship as a mind-set through the curriculum; but also, through the creation of the first BS incubator in partnership with a Moroccan Bank.
- 6. To stay relevant and up-dated, the institution believes in a lifelong learning strategy, through executive and continuous education. There is a movement from a 3-stage life: Educa-Work-Retirement to a multi-stage life: Edu-Work-C.Edu-Entrepreneurial experience-Ret.



#### C) Reduce Brain Drain:

- 1. There is an ambition to reconciliate the students with themselves with their own history and identity, while embracing global trends and values. This includes trying to cultivate love and emotional attachment to their country through their school. If they are satisfied with their school, they are more likely to stay after graduation.
- For those who cannot afford to study abroad or want to study in Morocco, ISCAE
  is very active in signing partnership agreements with international BSs (80) from
  different countries, in order to offer the opportunity to go for a free exchange or
  double degree program in prestigious world-class BSs. By doing so, the school
  encourages short-term mobility.

In conclusion, offering a great initial education, finding or creating job opportunities for graduates, integrating current NEET people are urgent issues. However, there is the suggestion of three questions as input for trains of thoughts: **1.** What do we do with people that are actually Educated, Trained and currently Employed but Not Adapted to the evolving need of employers due to technology disruption, artificial intelligence, multicultural influence, personal motivation etc.? **2.** What are the new inequality or exclusion factors? **3.** Last but not least, how can the global megatrends be used as opportunities for new integration factors?

This content was contributed by Nada Biaz, Groupe ISCAE

### 2.3 What experience has Spain had working with the Fundación Bertelsmann with reducing youth unemployment?

■ Fundación Bertelsmann: Project I – <u>Coordinated Career Guidance</u>

Fundación Bertelsmann: Project II – The Alliance for dual VET

https://www.fundacionbertelsmann.org/es/home/

#### **Project I: Coordinated Career Guidance**

"I first realized the importance of career guidance when I was a head teacher. Many young people rely on their parents and families to guide them through school and beyond, towards a fruitful career. But even the best-informed families may give incomplete or even stereotyped advice. School is the place where all students, whatever their family background, can get unbiased information, advice and guidance on the whole range of career pathways."

Sir John Holman, Senior Advisor of Gatsby Foundation and advisor of the British Government



#### **Context and challenges**

Post-secondary education is key to the incorporation of young people into the labour market, as well as being necessary to access higher academic or vocational education. In Spain, 18% of the 18-24 are "early leavers", which means that they complete at most lower secondary education and do not participate in further education or training. This makes Spain the country with the highest rate of early school leavers among EU member states.

Besides, in Spanish society in general and in many secondary schools in particular, prejudices against vocational routes to work are widespread among teachers and career counsellors who often lack a realistic knowledge of alternatives to academic routes, as counsellor training tends to focus on psychological aspects and often leaves aside the important factor of a changing world of work. Schools must ensure that all students have the same information and the same opportunities to achieve the educational level they aspire to, understanding that post-secondary vocational and academic education will offer them more possibilities to develop key competences and skills that will allow them to adapt to the changing labour market.

Systematic and well-informed career guidance is a crucial element to ensure that every student knows all the opportunities available. In less favoured socioeconomic contexts, stereotypes regarding certain vocational identities and aspirations can be reinforced in the family context or through the absence of different role models. In this case, schools are the only place where students can get good career guidance that provides adequate support helping each student to continue studying or training and thus contributing to reduce early school drop-outs and increasing access to higher academic and vocational education for more students. Career guidance is a means to inspiring, encouraging and raise students' professional aspirations from diverse contexts.

In the Spanish context of career guidance, three major problems can be defined:

- 1) NO GENERAL FRAMEWORK FOR CAREER GUIDANCE: Currently, Spain lacks a general framework that defines the elements good career guidance. Consequently, career guidance in Spain is not regarded a strategic element in school politics. Instead, it is patchy, under regulated and too dependent of individual engagement.
- 2) NO WHOLE SCHOOL APPROACH: Despite the internationally recognized importance of career guidance at school level, most schools in Spain are still lacking a whole school



approach towards career guidance. Usually, the only person responsible for career guidance in school, the career counsellor, is overloaded, since he or she has to attend an average of between 600 and 750 students, compared to the 250 recommended by the OECD. Furthermore, Spanish career counsellors are often forced to prioritize punctual or remedial interventions directed at students with special needs over more systematic activities and career guidance that fosters career readiness related to the labour market among students.

3) LOW LEVEL OF COLLABORATION BETWEEN EDUCATION AND WORK: Another limiting factor for career readiness of Spanish students is the low level of collaboration between the education system and the world of work in general in Spain. Compared to other European countries like Germany, Finland or England, secondary school students in Spain rarely have work related experiences during their secondary education period.

#### The Coordinated Career Guidance implemented by the Fundación Bertelsmann

The long long-term vision of the Fundación Bertelsmann is to implement a high-quality career guidance system in Spain that fills an important vacuum: contact with the "world of business". When beginning its work in this field in 2014, the Fundación Bertelsmann started off with translating the manual on career guidance of the German Bertelsmann Stiftung, the so called "Leitfaden Berufsorientierung", a recognised bestseller in that thematic area. The Spanish version was the basis of the operative work with Spanish schools and became a reference in Spain. Concretely, 30 secondary schools in Catalonia, Madrid and Andalusia became pilot schools and were advised how to implement to improve their career guidance system systematically.

In the cause of the project, the Fundación identified also **other relevant stakeholders** in this area, such as parents, youngsters and companies, and started to develop practical instruments and materials tailored to the needs of each target group. Again, schools received support and advice in the process of implementation. The most important products are:

- Manual for schools (1st edition 2014, 2nd revised edition 2017): A guide that helps
   schools to systematically implement and improve their career guidance system
- Manual for parents (2014): A book that supports parents to better advice their children regarding their future career choices
- MyWyPass for teenagers (2017): An online-platform that helps youngsters to reflect on their talents and vocations in a playful way
- Manual for companies (2020): A guide of good practises that animates companies to engage with schools as a part of their HR- and/or CSR-strategy



Apart from the practical work with the actors on site, the Fundación Bertelsmann also started from the beginning to establish relationships with regional educational administration and school associations, since these actors play an important role in the dissemination and transfer of the materials.

Today, as described above, Spain still misses a holistic concept that integrates the different stakeholders and that involves companies and promotes practical experiences for students. For this reason, the Fundación Bertelsmann is currently developing **Xcelence**, a quality framework for schools and educational authorities, based on international good practise. Xcelence consists of ten fields of action (see picture below) that, taken all together, describe a holistic career guidance approach.

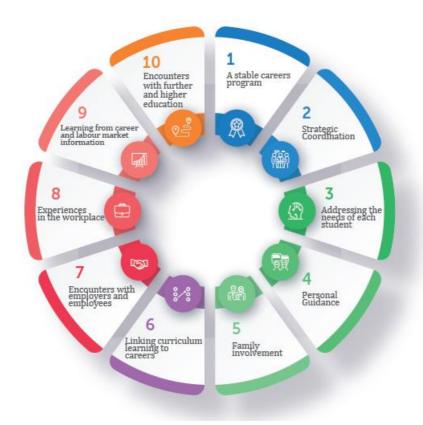
#### Xcelence has three functions:

- 1) It defines a good career guidance.
- 2) It measures the real state of career guidance at schools using an auto-evaluation tool.
- 3) It offers suggestions for improvement tailored to the school.

The **benefit** of Xcelence is twofold: First, schools recognise where they stand and receive concrete impulses to improve their career guidance. Second, educational administrations receive aggregated data on the situation of career guidance at the schools they are responsible for (monitoring).

Half of the ten fields of action refer to the professional world - Xcelence is therefore a door opener to bring closer together the **world of education and the world of business**. This also includes dual training as one of many topics. Apart from that, the Fundación Bertelsmann will continue to disseminate its previously developed materials for parents, youngsters and companies under the new "umbrella" Xcelence.





THE XCELENCE QUALITY FRAMEWORK

#### What will be the next steps in the career guidance project Xcelence?

- Facilitating a whole school approach towards career guidance through a trained professional (Careers Leaders), together with the project partner "Teach First Spain"
  - Phase 1: Awareness raising
  - Phase 2: Professional Training of Careers Leaders
- Facilitating closer links between education and business: work related experiences and skills for students in secondary schools
  - Networking activities and speed dating sessions between schools and companies
  - Contacts with further education
  - Work related experiences in companies for secondary school students

#### **Project II: The Alliance for dual VET**

#### **Context and challenges**

Despite of the overall upward trend throughout the past five years, Spain still has one of the highest unemployment rates in the EU28, reaching 15.3% in 2018 (compared to the EU average of 7.0%). The youth unemployment rate in Spain, usually twice as high as the overall



unemployment rate, still reaches 34.3% in 2018 (compared to the EU average of 15.6%). To tackle this situation, the Spanish Government implemented a set of measures, one of them was allowing for dual vocational training (dual VET) in 2012. The so-called "Royal Decree 1529/2012" was the first legal regulation for initial dual VET in Spain. Within the legal framework of the Royal Decree, the educational authorities of the 17 regional governments (Comunidades Autónomas) are responsible for the development and implementation of the education and training measures in the respective territory.

Since the Royal Decree is very general and there are no minimum quality-standards to fulfil, each region has implemented dual VET in a different way. For instance, in some regions, apprentices receive a regular employee contract, the "Contrato de Formacion y Aprendizaje", including a salary and a contribution to social security. In others regions, companies are not obliged to remunerate at all. Another example is the fact that there are no common rules for the alternation of training between workplace and VET school, since the Royal Decree only defines the overall time (33 %) that dual VET apprentices shall spend in the company. In consequence, students alternate from daily or weekly in some regions, whereas in others, they spend up to a whole school year in the VET school and afterwards a whole year in the company. Because of the regional variation, the apprentices in Spain obtain different trainings and acquire not necessarily the same professional skills sets. Similarly, a company that has subsidiaries in different regions and wishes to develop a standardised and consistent dual VET programme will struggle to do so because it must correspond to the respective regulations in the region. Even though the lack of harmonisation also has certain advantages, e.g., when it comes to adapt dual VET projects to sectorial needs and company typologies, a general quality framework would help to guarantee some minimum standards.

Apart from the lack of a quality framework, dual VET in Spain currently faces three major challenges. First, it remains to be unknown by parents, students, teachers and companies. **Dissemination activities** are needed to make the relatively young dual VET known in Spain, and even more so, since the traditional VET system suffers from a bad reputation. Within this context, teachers are a major bottleneck to prevent the access to dual VET and should be addressed directly, because they recommend and transmit the students to the companies. If teachers are unfamiliar with the modalities and advantages of the dual VET system, they will not promote the system among their students. As a result, many companies in Spain currently suffer from not finding students for their apprenticeship places.



Second, dual VET is based on shared responsibility for the education and training of the apprentices. This requires a **new training culture** in companies as well as **new forms of cooperation** between companies, schools and the public administration. Traditionally, Spanish companies do not consider themselves as educating institutions, and schools and companies are not used to work hand in hand. Hence, a paradigm shift on the part of all actors involved is needed.

Third, implementing a dual VET project is especially challenging for **small and medium enterprises** (SMEs), since they lack resources to provide training and to release a tutor internally. SMEs however dominate the landscape of Spanish companies: Of the currently over 3.3 million companies, 99.88 % are SMEs (between 0 and 249 employees). Within this group, micro companies with up to nine employees make up 93.1 %. According to the Fundación Bertelsmann, non-monetary public incentives could be a useful instrument to promote dual VET among SMEs, but no such policy line has been implemented yet.

Regarding **participation rates** of students in dual VET, there has been a constant increase in the past years. In the academic year 2017/18, around 27.000 students were enrolled in dual VET programmes in Spain. Compared to the overall number of students participating in the traditional school-based VET-system in Spain - around 800.000 students in 2017/2018-, the participation rate in dual VET remains small, though it has been constantly increasing though the past years. Despite the strengths of the dual VET programmes and the favourable employment insertion of VET graduates, Spanish youngsters still tend to see VET as a second-class education. At the same time, policymakers put a strong focus on expanding dual VET quantitatively, but only when also ensuring quality in the system at the same time, dual VET will make its way in the long run in Spain.

The sections above show, that even though the initial dual VET system has arrived in Spain, it still faces some important challenges. There are various private and public initiatives trying to promote dual VET and to contribute to its improvement, but they lack coordination and common goals. For this reason, the Spanish Fundación Bertelsmann, an independent affiliate organization of the Bertelsmann Stiftung in Germany, dedicated in 2015 a new project to the promotion and coordination of dual VET in Spain. Together with the Spanish Chamber of Commerce, the Foundation Princess of Girona, and the Spanish Confederation of Employers' organisations, the Fundación Bertelsmann created the "Alianza para la FP Dual" (Alliance for



dual VET), a national network of meanwhile more than 1.200 companies, VET schools and other organizations, all of them committed to a high-quality dual VET system in Spain.

#### The Alliance for dual VET implemented by the Fundación Bertelsmann

The "Alliance for dual VET" consists of four pillars, which will be described in the following sections:

- (1) Network
- (2) External consultants
- (3) Working groups
- (4) Communication

#### (1) Network

The membership to the network of the Alliance is cost-free; however, every new member needs to commit to certain basic principles, for example in the case of the companies:

- Remuneration of apprentices
- Training company tutors
- Positioning dual VET as a strategic element in the company/institution

Within this network, companies represent the largest group (55 %), followed by VET schools (25 %), business associations (12 %) and other institutions (8 %). Interestingly, the share of public institutions is constantly growing, such as regional educational governments, town halls and employment offices. Besides, a relatively new trend is the membership application of trade unions, who traditionally view dual VET in a rather critical light due to the risk of abusing apprentices as cheap labour force. Overall, the "Alliance for dual VET" includes very different members; however, they all share a common goal: Developing and disseminating high quality dual VET system in Spain.

The network of the Alliance facilitates mutual learning among its members, interchange of knowledge and good-practises as well as various possibilities of collaboration in dual VET-projects, publications and events. At the beginning of 2018, a digital platform was launched by the Fundación Bertelsmann with openly accessible information on dual VET and an internal section only for its members. The internal part is supposed to enhance the interchange, mutual learning and synergies between the members, for instance by webinars and new practical materials.



#### (2) External consultants

The second pillar of the Alliance is the support and advice service for companies and schools by a team of external consultants that the Fundación Bertelsmann deploys in three autonomous regions: Andalusia, Catalonia and Madrid. The team of in total nine consultants are experts in dual VET and familiar with the business or educational world as well as with the legal requirement of the respective autonomous region. Their main task consists in advising and accompanying companies, clusters and VET schools in their first dual VET project. This usually implies the mediation of the interests between the company, the VET school and the regional administration, the definition of the qualification needed and the identification of the company tutor. Once the first dual VET project is running, the external consultants also offer support to improve and refine the quality of the existing projects.

Ensuring the success of the first dual VET project is specifically crucial, since it is a demanding task at the level of knowledge and recourses. Experience shows that if the first attempt of a company to get the system going fails, they are hardly willing to give it a second chance. If, in return, the first dual VET project is successful, the companies usually stay on track and repeat. In that sense, the Fundación Bertelsmann is convinced that the decision for dual VET must be considered as a long-term investment within the company's human resource strategy, otherwise, the risk of failure is high.

Overall, the external consultants have visited in the past years approximately 1.700 companies, schools and business associations in the three regions. More than 1.000 of them have become a member of the Alliance. The figure of the external consultant as well as the training material developed by the Fundación Bertelsmann have already been transferred to other regions. In Valencia y Castilla y León, the Fundación Bankia has deployed its own team of external consultants. In other autonomous regions, the Fundación Bertelsmann provides its training materials to public entities who wish to establish a similar advice and support service for companies and schools.

#### (3) Working groups

When the "Alliance for dual VET" was found, its governing body, the Executive Committee, concluded that there are different topics of strategic relevance for the improvement of the dual VET system in Spain, such as a new law, the training of tutors and quality. Therefore,



different working groups were established with the objective to consolidate the respective topic, publish the conclusions and deliver them to the relevant actors. In total, around 100 persons from about 70 institutions have participated so far in different working groups. The working groups currently in place are the following:

- New regulation
- Tutors of companies and VET schools
- VET schools
- Quality
- Communication
- SMEs
- Young ambassadors

Usually, the working groups consist of representatives of members of the Alliance, the Fundación Bertelsmann and experts in the field. During various working sessions, the respective issues are profoundly discussed and its results disseminated. In that sense, the Alliance allows for constant generation of expertise and hands-on knowledge needed in the field.

Concrete examples of the published materials are a proposal for a new law by the working group on regulation, a study of the situation of the teachers in VET schools by the working group of VET schools and a set of quality indicators for VET schools and companies by the working group on quality. The most recent group consists of young ambassadors of apprentices and ex-apprentices with the objective to suggest ideas for the improvement of quality in dual VET and to disseminate the option of participating in dual VET among their peers through social media and talks at school. Experience shows that in order to convince young students, testimonials of the same age group are most suitable.

#### (4) Communication

One of the greatest challenges of the dual VET system is that it remains unknown by all actors involved, primarily though by students, parents and teachers. For this reason, the Fundación Bertelsmann makes an effort to disseminate dual VET among these groups and improve the image by emphasising its advantages.

The most prominent examples are the price and a communication campaign. Regarding the price, the Fundación Bertelsmann launched in 2017 the first national price for the best



dual VET initiative in four categories: Big companies, SMEs, VET schools and organisations. Since 2017, the price has been announced every year, always in collaboration with a different partner, and its objectives are twofold. One the one hand, there is an interest in learning from the best practises currently carried out in Spain and inspiring others to follow those examples. On the other hand, the price is an appropriate motive for constant communication activities about dual VET. In the past years, broad media coverage and the huge amount of candidates revealed the interest in the topic.

Concerning the communication campaign, the Fundación Bertelsmann decided to address specifically young students who are about to finish obligatory schooling and need to take a decision about their next career steps. An explanatory video with young testimonials explain how dual VET works and why it is recommendable. The objective is to improve the traditionally bad image of VET among students and to help them see dual VET as an excellent option that can lead to any educational pathway in the future, including a university career. Other elements of the campaign were posters, banners and spots in the radio. Schools, who are members of the Alliance, were given the opportunity to integrate their school branding and thus customize the campaign to their situation.

The above mentioned digital platform of the Alliance also helps to disseminate dual VET. One of its objectives is becoming the central reference point with reliable information on dual VET in Spain, which so far does not exist. The external section is open to anybody and divided into sections for different target groups seeking for information (companies, schools and youngsters).

Overall, these four pillars are the constituting elements of the "Alliance for dual VET". Since its creation, five years have passed and naturally, the activities of the Alliance are evolving. The most important aspect of evolution affects the external consultants: while the Fundación Bertelsmann started to advice individual companies and schools, its strategy changed over the past two years. Now, the focus of the external consultants is on business associations with the objective to develop attractive dual VET options for their members, which are usually SMEs. This approach has two advantages: First, it supports SMEs to participate in dual VET. Without the support from an umbrella organization, that assumes bureaucratic issues as well as the training of tutors and rotation of apprentices, many SMEs would not have the capacities to take part in a dual VET project. Second, addressing the



business association guarantees more impact through the scaling effect, since more companies are reached by this approach.

Despite the coordination through the Fundación Bertelsmann, the Alliance is a highly collaborative project. It does not only count on the implication of its 1.000 members, but also on the support of several public institutions (such as various regional governments and the Ministry of Education and VET), the German embassy, the Centre for European Trainees (CET) and the JP Morgan Chase Foundation. Despite the heterogeneity of the actors involved, they share a common interest: pushing forward a high quality dual VET system in Spain.

#### **Final reflections**

The Alliance has become an important reference point in dual VET in Spain. Today, policy makers and media recognise knowledge and expertise of the Fundación. When synthesizing its success factors, the Alliance has been built upon **favourable circumstances** and a **successful process**:

#### **Favourable circumstances:**

- The first regulation in Spain for dual VET, the Royal Decree 1529/2012, was a perfect window of opportunity and caused political tailwind.
- No other actor in the third sector in Spain occupied the topic of dual VET at that time

   there was a "market" to enter (today, the Fundación Bankia also focuses on dual VET

   and disposes on funding that is many times higher).
- Regarding knowledge and credibility, the Fundación Bertelsmann was an ideal actor to work in this field: On the one side, the Bertelsmann Stiftung headquarter in Germany stems from a country with a long tradition in dual VET, and provides expertise and networks. On the other side, a local team of Spanish project managers with "street-credibility" executed the project.
  - → These favourable conditions should be taken into account when thinking of transferring the idea of the Alliance to another country. The team of the Fundación Bertelsmann did a good job, but circumstances were outstanding, too.



#### Success factors of the process:

Start with a bottom-up-approach to impact on the system in the long term: The Alliance was implemented bottom-up, not top-down. The "buy-in" of many companies and the creation of a network in the field ("strong muscle") was necessary to gain credibility when reaching out to policy makers later on. It would not have worked out vice versa.

Today, the approach is twofold: On the one hand, dual VET is still implemented (with a focus on business associations), and on the other hand, policy makers are addressed to suggest new concepts and solutions to improve dual VET.

- Meet real demands: The Alliance meets real demands of companies for qualified workers and offers hands-on solutions through the external consultants → Visible and direct benefit.
- Get umbrella institutions on board: Important institutions representing the world of labour where on board as founding members of the Alliance, such as the Confederation of Spanish Companies and the Chamber of Commerce. At the same time, the Alliance is politically independent. Both factors facilitated the implication of companies.
- Coordination is necessary: Despite its collaborative approach, the team in the Fundación Bertelsmann is indispensable to initiate and coordinate all kind of activities.
- Time matters: Five years were necessary to build up the solid network of meanwhile more than 1.200 members in the Alliance and to convert the Fundación Bertelsmann into "the" actor of reference when it comes to dual VET in Spain.

## 2.4 What initiatives are important for companies in order to learn to make their own contribution to the practical training and employment of young people?

- European Network Public Employment Services:
   https://ec.europa.eu/social/main.jsp?catId=101&langId=en&eventsId=1507&moreDocuments=yes&ta
   bleName=events Documents related to PES (Public Employment Services) Network stakeholders' conference on how to unemployment in a changing world of work.



Labour markets are becoming increasingly volatile with ever more rapid transitions presenting both opportunities and risks for job seekers and employers. The reduction in the size and aging of the working-age population, increased labour demand, skill shortages and mismatches run in parallel to new forms of employment and increasingly digitalized recruitment methods.

Two contemporaneous UK studies in 2018 considering the potential labour market impact of technological change over two decades predicted that "There will be widespread hollowing out of job roles and whole job families as large swathes of people become technologically unemployed", quoting Andy Haldane, Chief Economist Bank of England, and "7 million jobs will be displaced and 7.2 million will be created. Manufacturing and agriculture will suffer an overall job loss whilst other industries such as new technology and healthcare will see job growth" (PWC).

A Recruitment and Employment Confederation study (2018) identified four key characteristics which recruitment organizations would need to display in order to maintain and enhance their role in such a fast-changing world of work: developing a "future-focused" mindset, delivering new services and forging new identities, building future skills and leadership to take their organizations forward, and becoming ambassadors for future jobs.

Social enterprises can be a useful tool. For example, the social enterprise Hi5 in the Netherlands (that itself is run by young people) reaches NEET youth even from the poorest neighbourhoods through a radio station very popular among youth, an on-line monthly magazine and through partnering with community organizers and star athletes. It raises aspirations of young people by pointing to positive role models from a similar social background. It also offers numerous job training programmes throughout the whole country and works as a broker that helps employers to understand the value of the skills of the youth and helps young people to appreciate the opportunities provided by different employers and jobs. The success of this approach is proven by the 86 per cent job placement rate of at-risk youth in comparison with the 17 per cent rate of government-funded programmes.

This content was contributed by Abdelmalek Alaoui, Guepard Group



### 2.5 What further contribution can civil society actors such as foundations and associations make to increase the employability of young people?

- European Network of Public Employment Services:
   https://ec.europa.eu/social/main.jsp?catId=101&langId=en&eventsId=1507&moreDocuments=yes&ta
   bleName=events Documents related to PES Network stakeholders' conference on how to
   unemployment in a changing world of work.
- European Commission: <a href="https://op.europa.eu/en/publication-detail/-/publication/bce2914b-ec37-11e6-ad7c-01aa75ed71a1/language-en/format-PDF/source-115102923">https://op.europa.eu/en/publication-detail/-/publication/bce2914b-ec37-11e6-ad7c-01aa75ed71a1/language-en/format-PDF/source-115102923</a> EU publication on sustainable activation of young people who can be seen in a NEET status, January 2017.
- European Commission: <a href="https://op.europa.eu/en/publication-detail/-/publication/b657042d-ea99-11e5-a2a7-01aa75ed71a1/language-en/format-PDF/source-115102923">https://op.europa.eu/en/publication-detail/-/publication/b657042d-ea99-11e5-a2a7-01aa75ed71a1/language-en/format-PDF/source-115102923</a> EU publication on European characteristics, costs and policy responses towards NEETs, October 2012.
- European Regional Development Fund: <a href="https://urbact.eu/sites/default/files/final-soa-jobtown2.pdf">https://urbact.eu/sites/default/files/final-soa-jobtown2.pdf</a>
   Ideas for local approaches to youth employment and opportunity, December 2016.
- ISCAE: <a href="https://www.groupeiscae.ma/english/groupe-iscae/about-us/">https://www.groupeiscae.ma/english/groupe-iscae/about-us/</a> First public business school in Morocco with a concentration on education and management.

<u>Trade unions can play a role in identifying and encouraging at-risk workers to take up training</u>. Besides, public institutions, employers' organizations and trade unions should work closely to explore options to financially support workers at risk in transitions from job to job or from one employment status to another.

One strand of the literature argues that strong unions in conjunction with centralized systems of collective bargaining and cooperative relationships between corporate partners can generate institutional structures that are favourable to youth labour market integration. Such efforts might include wage moderation policies to enhance youth labour market integration or corporatist efforts in establishing common training standards and curricula and in promoting dual systems of vocational training.

NGOs can offer valuable work experience to young people, through placements or internships. For instance, in Portugal, the internship programme "Employment Traineeships" aims at the professional integration of young people through the development of a work experience in an enterprise or an NGO. In some countries, internship programmes are also led by social partners, as in Ireland, where the Irish Business and Employers' Confederation (IBEC) runs its own internship scheme called Gradlink. This scheme provides work experience for recent graduates.

There is a growing consensus around the <u>need to ensure sustainable labour market</u> <u>outcomes for beneficiaries</u>. This approach would mean the sustainability of outcomes being



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related not only to the speed of labour market integration but, importantly, to the quality and stability of employment as well.

For this reason, the involvement of a range of stakeholders in the design and delivery of youth employment measures is essential. Stakeholders would include education and training providers, employers, public employment services, social partners, third-sector organizations, and health and other authorities. In particular, measures that focus on fostering their beneficiaries' employability require a strong level of engagement with employers and their representatives.

The OECD LEED programme affirms strategies for youth employment are "best achieved through programmes that are grounded in the local context and have a commitment from partners to align resources, co-ordinate programmes and policies, and engage in a high level of communication and data sharing".

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