

DRAFT MINUTES

4th MEETING OF THE EXECUTIVE BOARD

9.00-13.00 Friday, 17 January 2020

Ms Kauffmann

Deputy Chair of the Management Board (European Commission)

Mr Menendez-Valdés

Executive Director

1. [REDACTED] welcomed the members and opened the meeting, noting that it would be the last meeting attended by [REDACTED] who were retiring shortly.
The Executive Director, on behalf of all the colleagues at Eurofound thanked the two colleagues for their valuable contributions to the work of Eurofound over the years.
2. **Adoption of the minutes of the Executive Board meeting of 17 January 2020**
 - 2.1 Point 3.8 was deleted and 3.9 was amended accordingly.
3. **Progress Report of the Executive Director (EB 4/3)**
 - 3.1 The **Executive Director** highlighted some of the recent events and publications in his progress report and slides and updated the members on the status of the research projects.
He noted that following the recent expert meeting, the pilot on the Industrial Action Monitor (IAM) was almost complete. It was proposed to present the results of the pilot to a larger group as part of the extended Executive Board seminar in Dublin on 2 April.
On the minimum wage, information on minimum wage-setting, adequacy and public debate in three Member States (Cyprus, Austria and Italy) had been submitted to the European Commission to support preparatory work on the minimum wage initiative, and Eurofound had attended meetings with BusinessEurope and the Commission on the topic.
After some delays the European Company Survey dataset had been delivered and a launch event was scheduled for October 2020. Early access to the data had been provided to 20 researchers for contributions towards a conference scheduled to take place in August 2020 along with a special issue of the IZA *Research in Labour Economics* book series.

He informed the Executive Board of the final budget transfers following the 2019 amending budget.

He highlighted a number of recent written procedures and updated the members on Human Resources and legal matters.

Ad hoc information requests in 2020

- *Distributional aspects of the transition to the low carbon economy* — Contacts had been taken up with the European Environment Agency as it was considered that research in this area should be undertaken in collaboration with them. There would be further changes to the text submitted in the draft proposal on the basis of this cooperation.
- Budget was available for the three ad hoc proposals (the other two being on *European Works Councils* and *Capacity building for effective social dialogue*) but the human resources requirements had still to be looked at carefully.
- An additional request received from the Commission on the transposition of EU labour law Directives through collective agreements required non-significant resources and was therefore implemented directly.

3.2 [REDACTED] welcomed the proposal to collaborate with the European Environment Agency on this important area in line with the Green Agenda of the Commission.

She said that Eurofound was already a reference point on the topic of minimum wage and she wondered whether more could be done in this area.

She noticed in the Executive Director's slide on the Activity Based Budgeting that there seemed to be certain areas where delivery was delayed, and she would like more information.

3.3 [REDACTED] **(Governments)** wondered whether Eurofound's research on upward convergence, which was a very important topic currently, could be brought more into public awareness, potentially with a high-level event in cooperation with Member State governments.

In relation to the ad hoc proposal, the distributional aspects of the transition to the low carbon economy was a highly political topic and an important issue for the future in Europe. It would be good to have an objective presentation of the distributional effects, and the project was therefore a significant one.

3.4 [REDACTED] **(Workers)** said that it was important to be clear at the outset that the research on the carbon transition covered areas of interest to the Workers' Group such as working conditions and the role of trade unions, social policy and collective bargaining. It was a matter of concern that in some ad hoc research, the final research output could be quite different from the initial proposal. The process was not transparent.

This appeared to be the case in the research on the Gender Pay Transparency, and she would welcome some information from the Executive Director on this issue. The project manager had informed her that a working paper had been drafted on how much the gender pay transparency measures cost and what benefits companies saw to their addressing gender pay gaps. But one might ask instead what benefits the workers saw. The objective of the research had changed from what was the cost of the impact assessment to what was the benefit for the companies. As a tripartite institution the interest lay in the benefit for the workers and for public policy. The methodology included interviews with companies, but had the researchers spoken to trade unions who addressed these issues in collective bargaining she wondered. It seemed that the Groups had not received information, but somehow the Commission had seen the draft working paper.

There was a similar problem with the proposal on the European Works Councils, which had been mentioned in the Board meeting in November but had not yet been seen by the Groups.

It would be preferable she thought, to have a separate point on the agenda for discussing the ad hoc proposals.

- 3.5 [REDACTED] **(Employers)** agreed that it was useful to look at the transition to the low carbon economy. She said that BusinessEurope would be working with ETUC on a project looking specifically at employment labour market — including health and safety impacts — of the transition to the circular economy and it might be interesting to link the analysis of both research projects. It was important to look at the opportunities too, and to look at the sectoral dimension as well as the regional one.

She said that the Group's proposal on the European Works Councils had been sent to Eurofound on the understanding that it would be circulated to all the Groups, and it seemed it had not. Following that, an updated proposal had been sent to ETUC but not to BusinessEurope which had caused some dismay. The Group's main interest was to look at the issue in Eurofound within the tripartite context; this was the added value of the proposal.

The Group welcomed the ad hoc proposal on capacity building for the Social Partners which they had previously requested but said that it was not clear if the output would be an event or a report. Whilst noting the very good events on capacity building held in Riga and Gdansk she reiterated that the interest of the Group lay in the development of research by Eurofound rather than in organising events.

- 3.6 **Ms Kaufmann (Commission)** thanked the Executive Director and his staff for their welcome during the visit of the Director General of DG Employment in November, noting that Mr Korte had a good impression of the Agency.

In the progress report, the Commission were pleased to see good progress on the Representativeness Studies and that preparations on the European Working Conditions Survey were on track.

The ad hoc proposals did seem to be aligned with current policy initiatives by the Commission but she had some doubts in relation to the proposal on minimum wage at this time when so much work in the area had already been done. Any overlaps with work done by the Commission should be avoided.

[REDACTED] **(Commission)** added that there were a number of requests from the Commission in the pipeline. They would ask Eurofound to look into updating the 2013 figures on the gender employment gap. They would also request that Eurofound look into providing an overview of the agreements and policies addressing the 'right to disconnect'.

Regarding the capacity building proposal, he recommended that Eurofound should look to having more than just seminars, maybe also to interviews and surveys of social partners in order to really identify the needs.

- 3.7 [REDACTED] **(Employers)** agreed that it was timely to revisit the statistics on the gender employment gaps and was curious about other future initiatives mentioned by the Commission.

The 'right to disconnect' was a complex issue and the EU Social Dialogue work programme was currently looking at the modalities for connecting and disconnecting, so this should not be interfered with.

- 3.8 **The Executive Director** responded to some of the comments.

The European Parliament had approved, within the EU Budget, a pilot project on the evolution of the minimum wage in relation to the labour guarantee. Eurofound was mentioned in the text and would wait to see if the Commission delegated this to the

Agency. In any case, any research on minimum wage would have to take this pilot project into account.

He supported the suggestion of the Governments to promote Eurofound's research on convergence. So far, the data had been quite technical and had attracted attention at a more political level, but something like a cluster event with a number of Member States would work well he thought. Eurofound was open to hear any suggestions from the Member States.

In relation to the Gender Pay Transparency research, he apologised to the Workers' Group for any lack of information. As he recalled, following the initial research which involved collecting pay transparency measures in the Member States there was a request by the Commission to find what were the administrative and financial costs of the measures, which consisted of the correspondents asking that question on a limited basis. The research was quite limited, with a very small budget and undoubtedly was of a narrower scope than initially envisaged. It did not mean that more could not be done in the area, and indeed the Commission had expressed recently just such an interest.

He invited the Workers' Group to send an email with any particular requests or comments regarding the research on the European Works Councils. The feasibility would then be checked with the researchers in Eurofound.

The transition to the low carbon economy had been approved as a line of research in the Programming Document 2021-2024 and the proposal was to bring forward some exploratory work, to look at who would pay for this transition, where the burden would fall in society, to discuss with experts, and to look at elements in the labour market with a sectoral approach, for example showing sectors that would grow or decline.

3.8 [REDACTED] **(Workers) requested clarification of the procedure for approval of ad hoc requests.**

3.9 [REDACTED] **said that it was important that the Commission checked for any synergies or overlaps between Eurofound's research and its own.**

She encouraged Eurofound to find a way to balance the quadripartite discussion on the ad hoc proposals.

The procedures for ad hoc requests should be sent to the Executive Board who could discuss them at a future Executive Board.

4. **Update on Steering Group on development of Eurofound surveys (EB 4/3)**

4.1 [REDACTED] reported on the first meeting of the Steering Group which had been held on the previous day.

It had been a constructive meeting, the purpose of which was to discuss the criteria the contractors would use to propose scenarios for future-proofing the surveys. There was agreement that continuity of comparability over time and countries was extremely important.

The question of overlap with other surveys and between the various Eurofound surveys had been raised, but the contractors would have no time to deal with this. It would therefore be considered internally with the team going back over a number of internal papers that had been written on this issue. It was complicated because it was still necessary to be able to do cross-tabulation and to articulate different issues.

It was agreed that information would be forwarded to members and alternates of the Steering Group, but also to the coordinators in order to be transparent. The Group were also open to any requests for information from the Executive Board.

The scope included the question also of potentially changing the mode of the survey, as it was necessary to think about that, if the face-to-face mode were to become

problematic. It also included consideration of the issue that there were effectively only one or two contractors in Europe who could do the work.

The next meetings of the Steering Group would be on 20 March and 2 April (in Dublin).

- 4.2 [REDACTED] **(Workers)** thanked the Deputy Director for the information and the transparent approach. She was assured that the members of the Steering Group would report back also to their Groups.

Her comments about the ad hoc proposals spoke to the lack of such a transparent procedure. It seemed that the ad hoc proposals existed independently, whereas all the other research proposals were the result of discussions which meant that the Groups could be confident that they were happening within a strategic framework. This was not the case with the ad hoc research proposals it seemed.

5. **Recruitment of Executive Director – update by the Commission (EB 4/4)**

- 5.1 **Ms Kauffmann (Commission)** informed that the notice had been published on 15 November with a closing date for receipt of applications of 13 December 2020.

A pre-selection committee would be chaired by the Director General Mr Korte, two Directors (including herself) and a rapporteur from Human Resources. [REDACTED] [REDACTED] would be the observer from the Management Board.

It was hoped to have a list of candidates for assessment by the end of February. Following an initial interview the candidate would also be interviewed by Commissioner Schmit.

A list of candidates would then be forwarded to the Management Board.

The Executive Board discussed how it might best be organised that the Management Board could reach a decision on the candidates proposed by the Commission during its meeting in July.

- **All Groups agreed that there should be an opportunity for an exchange of views with the candidates before the Management Board meeting.**
- **A procedure would be proposed by the Executive Director to be agreed at the Executive Board meeting in April.**

6. **Approval of final Draft Programming Document 2021 (EB 4/5)**

- 6.1 The **Executive Director** noted that the final draft also included Eurofound's new vision statement which was 'to be a leading knowledge source for better life and work in Europe'.

- 6.2 [REDACTED] **(Governments)** said that the text proposed by the Governments' Group in relation to the future of the surveys had not been included in this draft. The Group would insist that the text be amended as follows 'after the outcome of the feasibility study is available, the Management Board will decide whether to test a new survey, with fieldwork planned for 2022-2023, which aims to measure the interconnectedness of living and working conditions in Europe'.

- 6.3 [REDACTED] **(Employers)** said that the Group considered that self-employment should not be included in the definition of non-standard employment. Although this was a definition used by the Commission, it was not clear that Eurofound should adhere to that. The issue was quite contentious.

The Group would like capacity building to have been included in the programme, but they were satisfied that the ad hoc proposal would address the issue.

Otherwise it appeared that their comments had been taken on board in the document.

- 6.4 [REDACTED] **(Workers)** said that the majority of the Workers' comments had been addressed and they could approve the programme.

The Executive Board agreed that the amended Programming Document would be submitted for approval by a written procedure of the Management Board and sent after that to the European Commission by the deadline of 31 January.

7. Ex ante evaluation of Programming Document 2021-2024 — final Report (EB 4/6)

7.1 The Executive Director introduced the item noting that the ex-ante evaluation was a process that accompanied the development of the work programme. The internal evaluator made a number of recommendations that were considered in drafting an action plan.

7.2 [REDACTED] presented the evaluation report from Eurofound's internal evaluator, [REDACTED] which aimed to ensure that the new programme was robust enough on the basis of certain criteria.

It considered efficiency, effectiveness, coherence and relevance of the programme. She looked also at whether it was 'good enough', at whether it fulfilled the objective of being a good programme.

The programme fulfilled the needs of the stakeholders as ultimately it had been endorsed by the Management Board, but there were questions as to whether there should have been a broader stakeholder consultation, referencing the situation in the past where NGOs had been explicitly asked for their views. It was noted that the Commission sometimes had a public stakeholder consultation, but Eurofound had not done that.

On whether Eurofound was fulfilling the mandate and requirements of the founding regulations in this programme, the report asked whether the programme was distinct enough when considered in the light of all the other players in the field of looking at improvement of living and working conditions. The unique added value was not always clearly visible. A brief competitor analysis had been carried out and ultimately it was a programme that fulfilled the needs, but in light of the resource challenges she made an important point that Eurofound should make sure to keep its distinctive position and value.

The third element of a good programme was that there should have been options in the evolution of the content, that choices were considered and then made, and here the report pointed to the fact that there had been a development where a more thematic structure had been developed but later rejected for a more traditional model. The evaluator was very positive about keeping the ad hoc capacity for dealing with flexibility and emerging needs.

There was a strong logic and structure to the programme, which would also make it easier to monitor progress. Placing the multiannual perspective with the annual one was regarded as strengthening the logic and justifying the choice of activities in the annual programme.

In relation to the feasibility of the programme, the report found that the ambitions were greater than the resources and there was a new urgent need to look at this, for example in relation to the surveys.

Many of the recommendations of the evaluation would be taken up in an action plan.

The final recommendations related to the programme development process and were based on observing how the different drafts were developed, what was discussed and not discussed.

She asked whether there were areas where the role of the Management Board and Executive Board could be further strengthened in terms of who was responsible for what.

It was likely that an ex post evaluation of the programme would look at the effectiveness and efficiency of the Management Board. Concern was expressed not

so much in relation to the formal governance tasks but whether when it came to the programme, there was enough knowledge and interest in certain elements that made up the programme. A lot of time was spent discussing the content, which was understandable given the background and make-up of the Board but hardly any time was spent discussing the risk register and the monitoring of the objectives and indicators. Was this because it was considered an internal matter or was there a lack of awareness on the issue? Was there enough knowledge about the programming document structure itself?

There were opportunities during the implementation of the programme for strengthening that awareness. Some agencies held specific workshops on elements that were seen as more technical but that were an integral part of the programme. [REDACTED] mentioned that at inter-Agency level there was a review of the structure of the Programming Document and the philosophy behind it and how that was articulated in the template for the document. A new template for the Programming Document would be available soon. DG Budget and DG HR were liaising on this matter with the Agencies, and she suggested that this might be a topic where Eurofound could organise some awareness sessions.

Internal Control Work plan (EB 4/7)

[REDACTED] summarised the Internal Control activities in the pipeline and outlined in the Annual Work plan.

- 7.3 [REDACTED] r thanked [REDACTED] r for her presentation and said that the Management Board were aware of their managerial and administrative duties. They were satisfied with the information provided to them regularly by Eurofound.

8. Programming Document 2022 – planning schedule (EB 4/8)

- 8.1 [REDACTED] outlined the proposed schedule for developing the 2022 Programming Document which would include a seminar on the afternoon of 2 April prior to the Executive Board, comprising Executive Board members along with members of the Steering Group for the future of surveys.

At that meeting it was proposed also to discuss the results of the pilot for the Industrial Action Monitor.

It was discussed whether Draft 3 of the Programming Document might be available to be presented in the Advisory Committees, who would, in turn, provide feedback in discussions in their own Groups before the September Executive Board. The possibility of re-scheduling the September Advisory Committees should therefore be considered.

9. Decision on non-substantial Amendments to the Work Programme (EB 4/9)

- 9.1 [REDACTED] presented the document, which concerned provisions for the Management Board to delegate the power to make non-substantial amendments to the Work Programme to the Executive Director.

The latest changes were prompted by requests for clarifications during the Executive Board meeting in September.

It was the intention to have rules that were practical and easy to understand. The rules were aligned to those already adopted by Cedefop.

Prior to the meeting, the Commission had requested a change which had now been included on page 1.

While there was general agreement with the revised text, the Worker's group required additional clarifications. It was proposed by Eurofound and the Executive Board agreed, that the text would be reviewed together with the representatives of the Workers' Group and, in case of amendments, circulated to the Executive Board before submitting it to the Management Board for decision by written procedure.

10. **Cooperation agreements with other EU Agencies (EB 4/10)**

- 10.1 [REDACTED] outlined the cooperation agreements with five other EU Agencies, which were concentrated mainly on the survey data that Eurofound was producing. The cooperation concerned how Eurofound could meet their needs or where their expertise could be input, so that Eurofound surveys were better make use of their expertise and be adjusted to their needs. Cooperation with Cedefop was on a more advanced level with the collaboration on the implementation of the European Company Survey.

In the area of digitalisation there was much exchange of studies between the Agencies, ensuring a flow of knowledge and potentially leading to greater collaboration in the area, perhaps in the writing of joint reports.

In the future, it would be important to have a similar approach to cooperation on environmental issues.

The Agencies also exchanged their Programming Documents each year in order to identify areas for exchange and to avoid overlaps.

In response to a question from the Chair on cooperation with the OECD she said that it was proposed to formalise the ongoing exchange. There was cooperation already on the job quality framework where the OECD relied heavily on Eurofound data and there were proposals to look at further collaboration on indicators.

Eurofound was part of an expert Group advising the OECD on how to bring forward the ICTWSS database on industrial relations. The OECD also commented and fed back into Eurofound's work on industrial relations and its monitoring tools.

There was cooperation also on platform work, for example in relation to the methodology of measuring platform work. Further opportunities would be sought for collaboration.

- 10.2 [REDACTED] **(Commission)** said that the Commission welcomed the detailed Memoranda of Understanding which were in line with the Staff Working Document and the new founding regulation. The Commission also encouraged Eurofound to establish the same practice with the new European Labour Authority.

11. **AOB**

[REDACTED] thanked the Executive Board members for their collaboration over the years in his work both as a Board member and latterly a seconded national expert. He wished the Executive Director and his staff the best of luck in continuing to bridge the world of research and policy. He would bring good memories into his retirement.

12. **The next meeting of the Executive Board would be held on Friday, 3 April 2020 in Dublin**

Chairperson

Executive Director

4th Meeting of Executive Board — Conclusions and Actions

The Executive Board:

1. Adopted minutes of Executive Board meeting of September 2019.
2. Reviewed ad hoc research proposals.
3. Were updated by the Commission on the schedule for the recruitment of the Executive Director and agreed that a procedure for the appointment by the Management Board would be proposed at the next Executive Board meeting in Dublin in April.
4. Agreed that the final draft PD 2021 with some amendments be sent for approval by a written procedure of the Management Board.
5. Were briefed on the finding of the ex-ante evaluation report of the PD 2021-2024
6. Were briefed on the Internal Control work plan and follow up on audit and evaluation.
7. Discussed the planning schedule for PD 2022 and agreed that an extended Executive Board would meet on 2 April to discuss the PD, as well as the future of surveys and the Industrial Action Monitor pilot project.
8. Agreed that the decision on non-substantial amendments to the work programme would be reviewed together with the representatives of the Workers' Group and, in case of amendments, circulated to the Executive Board before submitting it to the Management Board for decision by written procedure.
9. Were briefed on cooperation agreements with other EU Agencies and the OECD.