
EXECUTIVE DIRECTOR

CEDEFOP

CONSOLIDATED ANNUAL ACTIVITY REPORT (CAAR) 2022

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CEDEFOP'S MANAGEMENT BOARD ANALYSIS AND ASSESSMENT OF CEDEFOP'S CONSOLIDATED ANNUAL ACTIVITY REPORT (CAAR) 2022

Article 5 of Regulation (EU) 2019/128 of the European Parliament and of the Council of 16 January 2019 establishing a European Centre for the Development of Vocational Training and Article 48 of Cedefop's Decision of 16 July 2019 on the Financial Regulation require the Management Board to send to the Court of Auditors, the European Commission, the Parliament and the Council the Consolidated Annual Activity Report (CAAR) of the previous financial year together with its assessment, no later than 1 July.

The Management Board, based on its analysis and assessment of the Executive Director's Consolidated Annual Activity Report 2022:

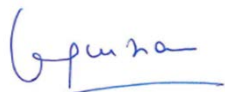
- takes note of Cedefop's report on the implementation of the annual work programme 2022, and in particular:
- congratulates and thanks Cedefop's staff and management for their resilience and agility and their achievements in 2022 beyond those planned in the work programme as regards performance, control, audit and assurance in relation to the 2022 budget despite the continued challenges posed by the Covid-19 pandemic, the war in Ukraine, the energy crisis and escalating climate emergency; more specifically,
 - the high budget implementation rate;
 - Cedefop's continued focus on the wider impact of the digital and green transitions on VET, skills, qualifications and employment;
 - Cedefop's real-time system for collecting and analysing online job advertisements – Skills OVATE – to understand more about green and digital transition skills;
 - the Green Observatory Cedefop launched in 2022 to look at the labour-market, skills and training implications of the green transition for cities, the waste management and agri-food sectors, and the circular economy;
 - the second European Skills and Jobs Survey, released at the end of 2022, which helped cast light on digitalisation and its impact on jobs and skills;
 - Cedefop's responsiveness in providing ad-hoc input to stakeholders, including Cedefop's papers supporting the Commission proposal on 'Save Gas for a Safe Winter' and the Council Recommendation on improving the provision of digital skills in education and training;
 - Cedefop's policy learning activities to support Member States towards more systematic approaches to CVET and adult learning, including the potential of adult apprenticeships; acknowledges in this regard the cooperation with the European Economic and Social Committee to make a case for more coordinated and systemic approaches to up- and reskilling;
 - the cooperation with the European Commission and Parliament, Member States, Social Partners, sister Agencies, and other VET and labour market stakeholders;

- Cedefop surveys, (online) tools, strategic foresight and networks as essential backbones of the Agency's work;
 - the Agency's active contribution in the implementation of the VET Recommendation and Osnabrück Declaration at national level;
- acknowledges the effective cooperation and strategic alignment with Eurofound, ETF, EU-OSHA and ELA:
 - congratulates Cedefop for its commitment to the European Year of Youth and for successfully co-leading with Eurofound the 5-Agency event 'Youth first! Employment, skills and social policies that work for young Europeans in times of uncertainty', hosted by the European Parliament;
 - acknowledges the knowledge-sharing seminar 'Skills and quality jobs as drivers of a just green transition', jointly organised with Eurofound and with experts from the EU Agencies Network on Scientific Advice (EU-ANSA);
 - appreciates that Cedefop shared its expertise on green transition skills and jobs with the ETF and reinforced the long-standing cooperation on monitoring the implementation of EU VET policy priorities through the analysis of Member States' national implementation plans presenting ongoing and upcoming VET reforms;
 - acknowledges that Cedefop provided expertise to enable ETF to field the second European Skills and Jobs Survey in some of its partner countries and continued working with Eurofound to exploit the joint 2019 European Company Survey.
- welcomes Cedefop's participation in the task force set up by the EUAN network to promote sharing services and capabilities across Agencies and joint undertakings and more specifically Cedefop's chairmanship of the EUAN task force on new ways of working, emerging opportunities and challenges;
- supports the reinforced cooperation with ENISA through joint procurement procedures, sharing a Data Protection Officer and confidential counsellors, and exploring conditions to merge finance and procurement services.
- acknowledges the cooperation with the countries holding the presidency of the Council of the EU and the joint seminars on microcredentials and on increasing training provision in micro enterprises with France and Czechia respectively;
- congratulates the Agency on its overall performance as attested by its performance indicators which:
 - confirm that it is a highly acknowledged centre of expertise on VET, skills and qualifications policies with high impact thanks to the uniqueness of its research and policy analysis;
 - show that the vast majority of respondents to the user satisfaction survey consider Cedefop information policy-relevant and future-oriented, and praise the quality and usefulness of Cedefop's online tools and databases;
 - display an increase in online outreach on the corporate web portal and social media;
- congratulates Cedefop's management and staff for the positive results of the 2022 staff engagement survey which show highly engaged employees (65% total favourable responses), 5 percentage points higher compared to the 2019 survey and 2 percentage points higher than the EU inter-agency benchmark; notes nevertheless that 15% of respondents declare themselves moderately or highly disengaged (4 percentage points lower compared to the 2019 survey); invites Cedefop's management to take action to address this and other areas for improvement identified;
- congratulates Cedefop on its efforts towards climate neutrality;

- congratulates Cedefop on the fact that the European Court of Auditors' report on the annual accounts for the financial year 2021 confirms the reliability of the Agency's accounts as well as the regularity and legality of the underlying transactions in all material aspects; congratulates Cedefop for having completed the follow-up to previous years' observations;
- acknowledges the European Parliament's positive report on discharge as regards the budget implementation for the financial year 2021 which:
 - notes that Cedefop uses a noteworthy performance measurement system that includes key performance indicators to assess the added value provided by its activities on projects, activity and organisational levels and other measures to improve its budget management; welcomes the presence of environmental and social sustainability indicators;
 - notes with satisfaction Cedefop's decision to re-establish an internal legal advisor in 2021 and calls on the Agency to keep reporting on any progress to the discharge authority;
 - notes Cedefop's existing measures and ongoing efforts to secure transparency, prevention and management of conflicts of interest and whistle-blower protection; welcomes the fact that by 12 September 2022 all full members of the Management Board had submitted their declarations of interest;
 - notes that the Agency pursues the effort to improve its cyber security and protection of personal data;
 - recalls the Centre's longstanding commitment to environment management practices and acknowledges the Agency's ongoing efforts to reduce the environmental impact and implementing the green and digital transition; welcomes that in 2021, in the context of the COVID-19 crisis, Cedefop reported a reduction of 78% of missions and meetings expenses, and that it has planned to reduce its staff travels by 70% (compared to pre-COVID-19 levels) in the programming period 2023-2025; welcomes the Agency's ambition to becoming carbon neutral by 2030;
 - notes with satisfaction that the Agency promptly shaped and activated a crisis management plan to deal with the COVID-19 pandemic by taking precautionary measures;
 - notes Cedefop's longstanding practice of cooperation and information exchange with other Agencies such as ETF and Eurofound;
- takes note of the declaration of assurance of the Executive Director and the information on the Internal Control system's assessment underpinning the declaration; welcomes that suitable controls are in place and work as intended, that no significant weakness has been identified, that risks are being appropriately assessed, monitored and mitigated, and that necessary improvements are implemented when required;
- appreciates the Agency's continued improved communication and transparency vis-à-vis its Executive Board and the Management Board as well as staff; in particular that Cedefop's management:
 - kept the Executive and Management Boards fully informed and actively involved in shaping the Programming Document 2023-25 and preparing the one for the period 2024-26;
 - kept the Executive and Management Boards informed on the implementation of the work programme at every Executive and Management Board meetings;
 - kept the Executive and Management Boards fully informed of audit, control and evaluation activities as well as on progress in implementing the agreed action plans.

- congratulates Cedefop for the constant high quality of its reports on the implementation of the annual work programme and of its programming and reporting documents;
- confirms that the Management Board's analysis of the Consolidated Annual Activity Report 2022 is positive and, in its opinion, provides the necessary assurance for the positive assessment of the results achieved by Cedefop in 2022.

14 June 2023



Nadine Nerguisian
Chairperson of the Management Board

EXECUTIVE SUMMARY

CEDEFOP IN BRIEF

Cedefop is one of the oldest EU's decentralised Agencies. Founded in 1975 and based in Greece since 1995, Cedefop supports the promotion, development and implementation of the Union policy in the fields of VET, skills and qualifications by working together with the European Commission, EU Member States and the social partners ⁽¹⁾.

In line with its vision and values, Cedefop's strategic areas of operation are:

- 1) shaping VET and qualifications: improve transparency, relevance, quality of VET and qualifications by facilitating close interaction between IVET, CVET and general and higher education institutional structures;
- 2) valuing VET and skills: respond to changing needs by promoting quality and inclusive lifelong learning policy, and relevant governance and institutional structures;
- 3) informing VET and skills policies: produce evidence on skill trends and wide-ranging changes in the world of work to inform VET and skills development policies.

The multiannual objectives reflect the Agency's core functions:

- produce innovative and forward-looking research and policy analyses to inspire policy-making and support well-designed policy implementation;
- develop and maintain the knowledge base and the unique blend of expertise at the interface of VET and the labour market to sustain its role as the authoritative source on VET in Europe;
- share skills, VET and policy intelligence, data, information, tools and perspectives and promote policy learning to foster partnerships in European VET and interactivity with our stakeholders;
- focus corporate communication on increasing stakeholder engagement and outreach via social media, a more interactive web portal and online tools, data visualisations, e-publications, audio visuals, webinars and other virtual/hybrid events

The multiannual objectives steer the activities of Cedefop's annual work programmes and ensure continuity of its work, allowing the necessary flexibility to respond to changing needs.

⁽¹⁾ Regulation (EU) 2019/128 of the European Parliament and of the Council of 16 January 2019 establishing a European Centre for the Development of Vocational Training (Cedefop) and repealing Council Regulation EEC No 337/75. <http://www.cedefop.europa.eu/en/about-cedefop/what-we-do/cedefop-regulation>

IMPLEMENTATION OF THE ANNUAL WORK PROGRAMME - THE YEAR IN BRIEF

DEVELOPMENTS AND TRENDS IMPACTING VET, SKILLS AND QUALIFICATIONS

European VET policy set out in the [2020 Skills Agenda](#), the [Council Recommendation for VET](#) and the [Osnabrück Declaration](#), and related policy documents, stresses the importance of developing the skills needed to manage Europe's transition to an inclusive green and digital economy. In 2022, the importance of including green skills in education and training policies and programmes was emphasised in the [Council Recommendation to stimulate learning for the green transition](#). In the area of digital skills, the EU agreed [the Digital Decade Policy Programme 2030](#), a comprehensive framework for action, which, building on the [Digital Education Action Plan](#) and the [digital skills and jobs coalition](#), sets digital skills targets for 2030. Guided by this policy framework, in 2022, Cedefop explored [how VET can develop in the future](#).

The green and digital transitions, with demography, are among the 'megatrends' affecting the labour market. [Rapidly changing skill needs, and emerging labour and skill shortages are fundamentally reshaping the world of work](#). In 2022, Cedefop worked to provide evidence-based conclusions to help decision-makers strengthen skills governance, and build more resilient and innovative VET and skills systems.

In 2022, Cedefop's Green Observatory looked at the implications of the green transition for cities, the waste management and agri-food sectors and the circular economy. Its findings show that each sector will be transformed in different ways, but that, alongside experts with specific green technological expertise, others are needed to implement and manage the transition, bringing a green element, to differing degrees, to a range of occupations.

Cedefop's second European skills and jobs survey showed that the COVID-19 pandemic accelerated the digital transformation. It also highlighted the enormous potential for digital upskilling among working adults and the opportunities to improve job quality through digital upgrading. According to Cedefop's Skills OVATE – a real-time system that collects and analyses online job advertisements – vacancies online doubled in the first half of 2022 compared to the first half of 2019, before the pandemic. Some 54% of online vacancies were for high-skilled jobs, but there was also strong demand for medium- and low-skilled workers in manufacturing and construction. These data align with Cedefop's 2022 skills forecast, which predicts more high-skilled jobs than medium-skilled ones in the next decade. These developments emphasise VET's crucial role in equipping people for more demanding jobs, in which tasks change, and will support the 2023 European Year of Skills.

Information from Cedefop's ReferNet network provided insights into how, with the support of European VET and skills policy, Member States are modernising their VET systems. National implementation plans, analysed by Cedefop in 2022, show that Member States are working to make VET more agile, flexible and inclusive, encouraging digitalisation, establishing a new lifelong learning culture and expanding continuing VET (CVET). Member States are also greening VET and strengthening the European education and training area.

Cedefop analyses show that Member States are placing greater emphasis in initial VET (IVET) on general subjects, transversal skills and competences. However, young people across the EU face major challenges in finding jobs matching their skills and aspirations. Young people are more digitally savvy, adapted to remote work and learning, and more skilled in advanced digital technology, but often find themselves in less secure and lower-quality jobs.

Cedefop's policy learning activities support Member States' moves to [more systematic approaches to CVET and adult learning](#). These are needed to accelerate the up- and reskilling adults need to have the skills, learning orientation and mindset required to make the green and digital transitions successful, and to enable them to shape their careers.

Modular training and learning programmes, using the learning outcomes approach, and hybrid programmes and pathways, alongside new assessment methods, show a clear shift [towards more individualised, learner-centred, locally adapted, and flexible VET](#). In this context, in 2022, Cedefop put the spotlight on microcredentials, outlining not only their flexibility, portability and transferability, but also the challenges to realising their potential to encourage up- and reskilling. These include how to make microcredentials visible and how to encourage employers and education institutions to trust and use them. In June 2022, the Council adopted recommendations on [microcredentials](#) and [individual learning accounts](#), which help learners build their skills portfolio.

IVET and CVET have become increasingly connected. This is, for example obvious from Cedefop's work on apprenticeships, which shows they are a good way for young learners and adults to acquire skills for the green transition. Apprenticeships [can be flexibly adapted to new skill needs, qualifications, training content](#), green technology and sustainability targets.

The success of VET reform depends heavily on VET teachers and trainers. In 2022, Cedefop conducted a feasibility study to survey IVET principals, teachers, learners and in-company trainers. It showed that while there are ample (mostly informal and non-formal) continuous professional development opportunities to upgrade digital skills, this is not the case for green transition skills.

WHAT OUR USERS SAY AND WHAT THE NUMBERS SHOW

In 2022, Cedefop increased stakeholder engagement and outreach through social media campaigns, audiovisual productions, webinars and conferences, e-publications, and its web portal's interactive tools and databases. Respondents to its user satisfaction survey ranked Cedefop as the number one organisation for work-relevant information.

Cedefop's policy impact is shown by extensive citations of its work, in the policy documents, papers and academic literature of EU institutions, social partners, researchers and international organisations such as the OECD, UNESCO, the ILO, the IMF and World Bank. Notably, in 2022, Cedefop was cited in the [Council Recommendation on pathways to school success](#), and Commission Communications [A new European innovation agenda](#), [progress towards the European education area](#), and [Attracting skills and talent to the EU](#).

Cedefop's online tools and databases scored a 97% satisfaction rate. Web traffic, in 2022, doubled compared to the previous year, with [Cedefop's skills forecast](#), [European skills index](#) and [Key indicators on VET](#) being the most popular web tools. With 444 000 downloads, in 2022, Cedefop's publications continue to be widely read, notably its briefing notes, research, policy analysis and its new 'policy briefs'.

CEDEFOP PERFORMANCE AT A GLANCE

TAKE-UP OF CEDEFOP'S WORK

124 EU POLICY DOCUMENTS

120 INTERNATIONAL ORGANISATION PAPERS

1 030 PAPERS IN ACADEMIC LITERATURE



ONLINE REACH

+18% PAGE VIEWS ON PORTAL

+12% FOLLOWERS ON SOCIAL MEDIA



BUDGET

100% BUDGET IMPLEMENTATION RATE

98% PAYMENT APPROPRIATIONS



QUALITY OF CEDEFOP EVENTS

95% SATISFACTION RATE



STAFF ENGAGEMENT

65% TOTAL FAVOURABLE
+5 p.p. COMPARED TO IN 2019
+2 p.p. HIGHER THAN EU INTER-AGENCY BENCHMARK

CLIMATE AND ENVIRONMENT FOOTPRINT (with ref. to 2019)

REDUCED BUSINESS TRAVEL AND EVENTS (**56.5%** LESS EXPENDITURE)

REDUCED BY

27% ELECTRICITY

43% HEATING OIL CONSUMPTION

CONSUMED **73%** LESS PAPER



2022 USER SATISFACTION SURVEY

97% OF CEDEFOP USERS FIND ITS WORK AS POLICY-RELEVANT AND RELIABLE

95% SATISFIED WITH CEDEFOP'S WORK ON DIGITAL TRANSITION

93% SATISFIED WITH CEDEFOP'S WORK ON GREEN TRANSITION

89% SATISFIED WITH CEDEFOP'S PANDEMIC-RELATED ANALYSIS



Cedefop's performance in 2022, in each of its strategic areas of operation, and its communication activities are discussed below.

KEY CONCLUSIONS ON FINANCIAL MANAGEMENT AND INTERNAL CONTROL

External parties monitor and audit Cedefop systematically and rigorously. No irregularities were found.

Cedefop reacted to the challenges of the year with agility and effectiveness and managed to achieve 99,98% execution of commitment appropriation and 98,36% execution of payment appropriations.

In the European **Court of Auditors'** opinion, Cedefop's accounts for the financial year 2021 present fairly, in all material respects, Cedefop's financial position at 31 December 2021, the

results of its operations, its cash flows, and the changes in net assets for the year. All corrective actions to the Court's previous years observations are completed. On the annual accounts for the financial year 2022, ECA conducted its first audit remotely in October 2022 and the desk review onsite in February 2023. The ECA final report on the financial year 2022 is expected by autumn 2023.

Observations and comments of the Discharge Authority are duly addressed, and follow-up actions reported.

Following the assessment of the Internal Control system, no significant weakness was identified.

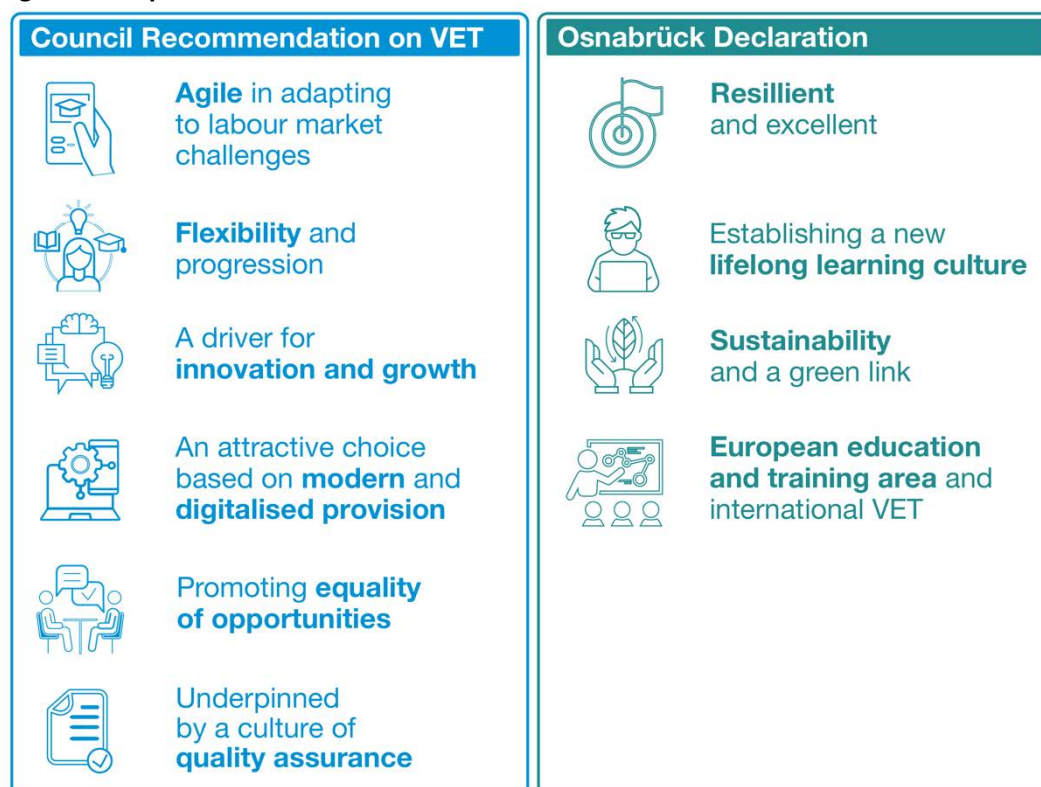
Management has reasonable assurance that suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements implemented.

PART I Policy achievements of the year

1.1 Strategic Area of Operation 1: Shaping VET and qualifications

The [Council Recommendation on VET](#) and the [Osnabrück Declaration](#) outline aims for VET, set targets for the coming period, and mandate Cedefop to monitor and analyse progress (Figure 1).

Figure 1. EU priorities for VET in 2021-25



Source: [VET Recommendation](#) and [Osnabrück Declaration](#).

National implementation plans: turning ambition into action

In 2002, Cedefop, the [European Training Foundation](#) (ETF) and the European Commission analysed Member States' national implementation plans ([NIPs](#)), [which present ongoing and upcoming national VET reforms and initiatives](#). Most measures relate to making VET better, more resilient, inclusive and flexible; establishing a new lifelong learning culture; and making VET more responsive to labour market challenges. All plans build on national strategies for VET and related policy areas, such as skills, youth, research and development. They also build on national reform programmes for the [European Semester](#) and the [Recovery and Resilience plans](#).

Cedefop's analysis showed the central role of EU funding in enacting change. For example, the Recovery and Resilience Facility supports increasing VET's labour market relevance and modernisation of VET infrastructure. The European Social Fund Plus supports up- and reskilling for adults, while Erasmus Plus promotes learner and staff mobility and the internationalisation of VET through European skills-related networks.

Cedefop and ReferNet: working together for European VET

In 2022, Cedefop, with its [ReferNet](#) network partners, prepared the ground for data collection and comparative analysis of trends, challenges and opportunities for European VET systems. ReferNet also continued to help Cedefop [monitor implementation of NIPs](#). Cedefop updated its [VET in Europe database](#), a unique source of comparative information about VET systems in Member States, Iceland and Norway. To support France and Czechia, the two countries holding the EU Presidency in 2022, Cedefop produced [short descriptions](#), [spotlights](#) and [video animations](#) of their VET systems. ReferNet articles on how countries reacted to the Ukraine war and [partnership forum](#) discussions helped Cedefop identify [good practices in responding to the conflict](#). At the [event to mark ReferNet's 20th anniversary](#) (Box 1) European Commission Vice-President Margaritis Schinas talked about the network's achievements and the crucial role of skills for competitiveness and social cohesion, while futurist Fabienne Goux-Baudiment presented a stimulating vision of the future of VET and education. ReferNet's knowledge and news on VET for policy learning reinforces its role in supporting European VET decision-makers and practitioners.

Box 1. Cedefop and ReferNet: partners in European VET for 20 years





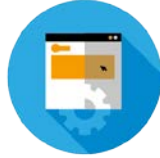

- [ReferNet](#) is Cedefop's network of institutions which provide expertise on national VET systems and policies in EU Member States, Iceland and Norway.
- Each national partner is a key organisation involved in VET in its country.
- Cedefop uses information from ReferNet partners to develop and/or keep up to date the following databases and publications:
 - [VET in Europe database](#) on national VET systems;
 - the [IVET mobility scoreboard](#) to monitor developments in policies, identify obstacles and suggest ways forward;
 - [short descriptions](#) and [videos](#) on VET systems in countries holding the EU Council Presidency;
 - [spotlights on VET](#) providing brief VET system overviews;
 - [thematic perspectives](#) on policy-relevant issues;
 - [national news](#) on VET, skills and labour markets.
- ReferNet partners also contribute to:
 - [Cedefop reviews of VET policy developments and reforms](#) in the context of priorities set at EU level;
 - Cedefop surveys on policy-relevant issues;
 - increasing Cedefop output visibility through maintaining a national ReferNet website and translating selected publications in their national languages.

Future of VET: looking back to see what is coming

In 2022, Cedefop completed its second [Future of VET](#) project. VET systems have evolved dynamically over decades, reflecting national developments, but current trends may not continue. Cedefop research shows that VET's response to challenges and changing priorities is far from linear. Anticipating VET's future depends on [understanding trends in VET's role, position and currency over time](#).

European VET has and will continue to change fundamentally, while retaining national differences. IVET is challenged by declining youth cohorts and a growing preference for general education pathways. The proportion of general subject knowledge and transversal skills and competences in national VET curricula is increasing, but VET at upper secondary level retains its strong identity. Combining general and vocational education in hybrid schools and programmes is on the rise but remains exceptional. CVET provision has become more diverse and the links between IVET and CVET have been reinforced.

In numbers: Cedefop's contribution to shaping VET and qualifications

73 REFERENCES IN EU POLICY DOCUMENTS		For example: <ul style="list-style-type: none"> • Commission working document accompanying its communication on the progress towards the European education area • European Parliament study: Stronger economy, social justice, jobs, education, culture, sport, digital transformation • Commission working document accompanying its proposal for a Council recommendation on building bridges for effective European higher education cooperation
45 CONTRIBUTIONS TO MEETINGS THAT INFORM POLICIES AND THEIR IMPLEMENTATION		For example: <ul style="list-style-type: none"> • Peer learning on international qualifications organised by the European qualifications framework (EQF) Advisory Group • Inter-Agency Group on Technical and Vocational Education, and Training Working Group on the Future of VET • Joint ACVT/DGVT webinar on Cedefop's study on microcredentials
35 WRITTEN CONTRIBUTIONS TO EU POLICY DOCUMENTS		For example: <ul style="list-style-type: none"> • Joint documents with the Commission for the EQF advisory group, including notes on EQF evaluation, international qualifications and learning outcomes • Note on the national IVET mobility schemes for the 52nd Standing Group on Indicators and Benchmarks meeting • Discussion paper to the ACVT on implementing VET Recommendation and Osnabrück Declaration
72 000 DOWNLOADS OF CEDEFOP PUBLICATIONS (published since 2017)		Top 3 <ul style="list-style-type: none"> • Vocational education and training in Romania (7 670) • Spotlight on VET: 2018 compilation (3 967) • Vocational education and training in Germany (3 542)

1.2 Strategic Area of Operation 2: Valuing VET and skills

The green and digital transitions have stimulated profound labour market change. They are a reason for the growing policy focus on up- and reskilling adults. Cedefop and the ETF's joint [2020 discussion paper](#), emphasised the need to shape and invest in strategic and systematic approaches to CVET and adult learning that integrate [learning and career support](#), such as guidance, skills validation, incentives (such as individual learning accounts) and social support.

Making training the new normal in micro small and medium-sized enterprises (MSMEs)

Enterprises committed to being learning environments help mainstream CVET for adults. Narrowing the gap between employer-sponsored training provided by MSMEs compared to large enterprises – the 'MSME training gap' – is a key policy challenge. Cedefop's 2022 MSME work, using its [database on financing adult learning](#), shows the importance of interconnecting relevant policies and of creating incentives, including for collective bargaining on training at various levels. Partnerships and networks bringing together companies, training providers, R&D institutions and others are also essential.

National and sectoral CVET strategies targeting enterprises typically do not promote social inclusion. Employer-led, growth-oriented CVET focuses on employees, and often, the higher-skilled ones. Institutions need to engage vulnerable groups, such as low-skilled workers, unemployed adults or platform workers, who find it difficult to access learning opportunities.

Forging links and connecting measures to support low-skilled adults

Cedefop's [thematic country review on upskilling pathways](#) showed that systems that support employees and systems that help unemployed adults, often do not connect and follow a different logic. This makes it difficult to help vulnerable people, whose economic status can change frequently, and whose situation can become precarious. Helping those furthest from training and employment requires major innovation in policy implementation. This starts with closer cooperation between institutional actors involved in social support, guidance, training and labour market integration, as outlined in the [Council Recommendation on upskilling pathways](#).

**POLICY LEARNING
FORUM**
**on upskilling
pathways**

**A VISION
FOR THE FUTURE**

- Policy learning fora (PLF) on upskilling pathways are a series of events aimed at providing a platform for countries to come together to learn from one another and explore common challenges in upskilling adults.
- In 2022, Cedefop and the European Economic and Social Committee (EESC) organised the fourth PLF on 'Upskilling pathways: a vision for the future'. It discussed lessons learned from the implementation of the Upskilling pathways Recommendation by exploring the preliminary findings from Cedefop's country reviews in France and Italy.

Green apprenticeship: equally relevant for adults and young people

[Joint research with the OECD](#) on apprenticeships and the green transition shows that for many enterprises short-term economic returns often take precedence over mainstreaming












sustainability. As more enterprises become ecologically aware, opportunities for apprenticeship to contribute to the green transition will expand.

Box 2. Cedefop goes green: our journey to climate neutrality by 2030

Cedefop is committed to contributing to a more sustainable future, with new ways of working already yielding benefits. Compared to 2019, Cedefop uses 27% less electricity, 43% less heating oil and 73% less paper. In 2022, Cedefop pledged to become climate neutral by 2030.

Apprenticeships are a good way for young learners and adults to acquire skills for the green transition. Apprenticeships [can be flexibly adapted to new skill needs, qualifications, training content](#), green technology and sustainability targets. Their links to the labour market and in-company training component expose learners to workplace change and innovative green technology. Cooperation between VET school teachers and in-company trainers enables exchanges of green innovation between schools and companies and vice versa. Adult green apprenticeships can also contribute to upskilling and other policy objectives. But for this to happen, [apprenticeship must become a real and realistic possibility for adults; more adults and companies must engage](#) (Figure 2).

Figure 2. Making the most of adult apprenticeship

 MAKING APPRENTICESHIP A POSSIBILITY FOR ADULTS	 ENGAGING MORE LEARNERS AND COMPANIES
 Removing barriers to access to quality training provision  Outreach and guidance to help adults understand the benefits  Motivation through non-financial incentives  Financial incentives, and targeted and individualised support to companies  Flexibility in the organisation and delivery of training  Shaping apprenticeship to the distinct characteristics of adults	 Understand the motivation of adults and companies in using apprenticeship for up- and reskilling  Clearly identifying the real needs which apprenticeship may fill  Systematically engaging trade unions and employers alongside public authorities, and collaboration between public and private employment

Source: Cedefop.





Promising programmes are emerging but mainstreaming and upscaling green apprenticeship is challenging. Most current data use occupational classifications that do not fully capture the extent of change. This makes it hard for training providers to assess and quantify changes in skill demand to adapt apprenticeships to the needs of learners affected by the green transition. Green skills intelligence can provide information to strengthen apprenticeship programmes and curricula and teacher and trainer professional development. Such intelligence can also reinforce

the contribution of school-based VET programmes with a strong work-based learning component to the green transition.

Helping VET teachers and trainers become change agents

The role of VET teachers and trainers [is becoming increasingly complex](#). They must master new technologies, promote excellence, understand changing labour market needs, empower and equip learners with skills for the future, and support social inclusion. In 2022, Cedefop used ReferNet's [thematic perspectives on VET teachers and trainers](#) to map the [state of play in their professional development](#); it also conducted a feasibility study to survey IVET principals, teachers, learners and in-company trainers. The study showed that while there are ample (mostly informal and non-formal) continuous professional development opportunities to upgrade digital skills, this is not the case for green transition skills.

In numbers: Cedefop's contribution to valuing VET and skills

90 REFERENCES IN EU POLICY DOCUMENTS		For example: <ul style="list-style-type: none"> • European Parliament research service on the proposal to make 2023 European Year of Skills • ETUC Position on equipping workers with necessary skills for the green transition • Council Recommendation on pathways to school success • Opinion of the European Economic and Social Committee on the proposed Council Recommendation on microcredentials for lifelong learning and employability
54 CONTRIBUTIONS TO MEETINGS THAT INFORM POLICIES AND THEIR IMPLEMENTATION		For example: <ul style="list-style-type: none"> • French ministerial conference: New Erasmus generation: developing mobility for apprentices • Czech Presidency conference on the integration of persons with disabilities in the labour market • Parliament Hearing (EMPL Committee) on the quality framework for traineeships
11 ^(EU) 5 ^(INT.ORGANISATIONS) WRITTEN CONTRIBUTIONS TO POLICY DOCUMENTS		For example: <ul style="list-style-type: none"> • European Parliament's own-initiative report Fostering and adapting vocational training as a tool for employees' success and a building block for the EU economy in the new industry 4.0 • Upcoming Commission proposal for a Council Recommendation on improving the provision of digital skills in education and training
48 000 DOWNLOADS OF CEDEFOP PUBLICATIONS (published since 2017)		Top 3 <ul style="list-style-type: none"> • Empowering adults through upskilling and re-skilling pathways (4 187) • The next steps for apprenticeship (3 010) • Briefing note: A fresh look at guidance practitioner professionalism (2 362)

1.3 Strategic Area of Operation 3: Informing VET and skills policies

Cedefop skills intelligence focused on various transitions: at EU and national levels, in sectors and occupations, and changes affecting learners and workers. Cedefop surveys, analyses, and data and policy intelligence help explain the implications of the green and digital transitions, COVID-19, and other megatrends for VET and skills.

Cedefop's skills index: insight into where EU skills systems are heading

Cedefop's [European skills index \(ESI\)](#) maps the performance of Europe's skills systems and tracked their development during the pandemic. [ESI approaches combine](#) skill development with skill activation (transitions from education to work) and skill matching. Compared to 2018, European skills systems appear to be converging in skill development, while skill matching has also improved. However, scores for skill activation dropped, reflecting the negative impact of the pandemic on the labour market, particularly for young people. The pandemic affected countries with weaker skills systems the most, while countries with economies with many jobs that could be done remotely, coped much better.

From recovery to skills upgrading: labour markets in transition

European labour markets [are more digitalised because of the pandemic](#). Cedefop's Skills OVATE showed that jobs advertised online in the first half of 2022 doubled compared to the same period in 2019, prior to the pandemic. Skill shortages and higher job turnover, as many employees looked for new jobs after the pandemic, prompted employers to expand online job advertising. Some 54% of job ads posted online between mid-2020 and mid-2022 were for [high-skilled science/engineering, business/administration, social/legal or ICT jobs](#). However, the post-pandemic recovery was led by demand for manual, medium- and low-skilled workers in the manufacturing, construction, and maintenance sectors. In the longer term, jobs are becoming more skill intensive. According to Cedefop's latest skills forecast, numbers of high-skilled jobs will exceed earlier estimates, surpassing numbers of medium-skilled jobs in the next decade. Employment in elementary jobs should stabilise. This emphasises VET's crucial role in equipping people for more demanding jobs.

VET (em)powering greener employment and skills ecosystems

In 2022, Cedefop launched its [Green Observatory](#) to examine what the European Green Deal means for [cities](#) and three key areas: [waste management](#), [agri-food](#) and the circular economy. Cedefop's [skills foresight](#) uses the expertise of social partners and others to map greening trends and their implications for occupations, VET and skills up to 2030. Alongside those implementing green technology, such as solar panel installers, many other job profiles matter for the green transition, including scientists to develop green tech solutions, professionals to manage the transition, specialists to engage citizens, and trainers to help companies and workers think and act green.

Cedefop's green skills foresight shows that, as well as providing people with skills for the green transition, VET can also accelerate it. VET facilitates systems thinking and can empower its partners to transform employment and skill provision and bring citizens on board (Figure 3).

Figure 3. VET a green transition accelerator: emerging green occupations

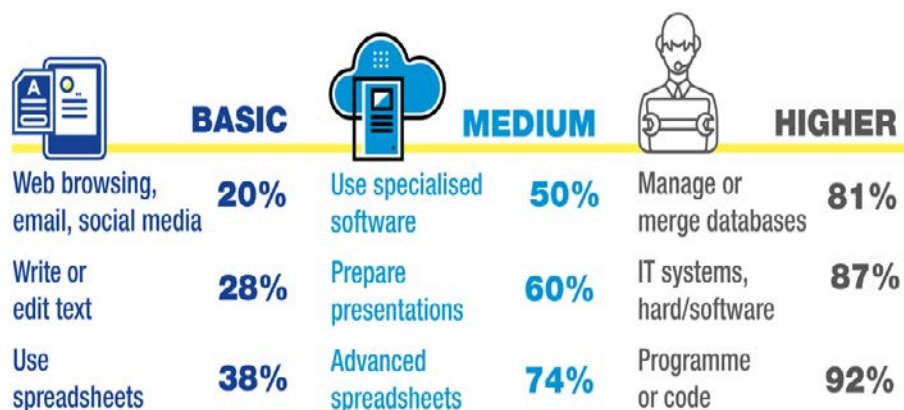


Source: Cedefop.

Digital transition must be human-centred, youth-enabling and inclusive

Cedefop's [second European skills and jobs survey](#) presented at the ['Powering the European digital transition' conference](#) shows why digital and STEM skills (science, technology, engineering and maths) are a VET and skills policy priority. Some 52% of adult workers in Europe need to develop their digital skills to do their job better, while 2 in 3 workers affected by technological change have a digital skills gap, which is not only in advanced digital skills, such as artificial intelligence. Many European adults would benefit from basic and mid-level digital skills upgrading (Figure 4).

Figure 4. Digital learning potential (% of European adult workers in 2021)



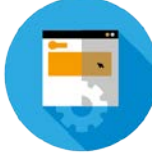



Source: Cedefop.

Too many young Europeans are losing out in the digital transition. Some cannot find jobs, while others find jobs where the mismatch is not due to lack but to underuse of their skills and potential. Young people are more digitally savvy, more used to remote work and learning. Many have advanced digital skills. Young people often find themselves in less secure and lower-quality jobs, for which they are overqualified, have less job satisfaction and fewer training opportunities. This disadvantages them and has negative consequences for the economy and society.

At the same time, roughly only half of adult European workers cannot use their potential. The digital and green transitions are an opportunity to build and use skills better: through learning-conducive job design and wider access to technology. Opportunities abound for 'greening' and 'digitally upgrading' the world of work. For many workers, when given the means to up- or reskill, riding the waves of change can mean more interesting and fulfilling work, greater autonomy, better job quality and more learning opportunities.

In numbers: Cedefop's contribution to informing VET and skills policies

<p>160 REFERENCES IN EU POLICY DOCUMENTS</p>		<p>For example:</p> <ul style="list-style-type: none"> • EESC opinion: Decent work for young people and inclusion of NEETs through NRPs • Business Europe position paper: The EU skills and talent package • Commission SWD accompanying the Proposal for a Council Recommendation on learning for environmental sustainability
<p>35 CONTRIBUTIONS TO MEETINGS THAT INFORM POLICIES AND THEIR IMPLEMENTATION</p>		<p>For example:</p> <ul style="list-style-type: none"> • ETUC Education and Training Committee (22.9.2022) • European Commission working group on VET and the green transition • European Commission conference: Farmer's Got Talent! Vocational education and training for agriculture in transition
<p>6 WRITTEN CONTRIBUTIONS TO EU POLICY DOCUMENTS</p>		<p>For example:</p> <ul style="list-style-type: none"> • Eurostat working paper: Competition in urban hiring markets – evidence from online job advertisements • Joint Research Centre (JRC) Science for policy report: GreenComp: the European sustainability competence framework • EIB working paper: Corporate training and skill gaps: Did COVID-19 stem EU convergence in training investments? • JRC Science for policy report: Supporting policies addressing the digital skill gap: Identifying priority groups in the context of employment
<p>36 000 DOWNLOADS OF CEDEFOP PUBLICATIONS (published since 2017)</p>		<p>Top 3</p> <ul style="list-style-type: none"> • The green employment and skills transformation (3 938) • Insights into skill shortages and skill mismatch (2 421) • Briefing note: Trends, transitions and transformation (1 910)

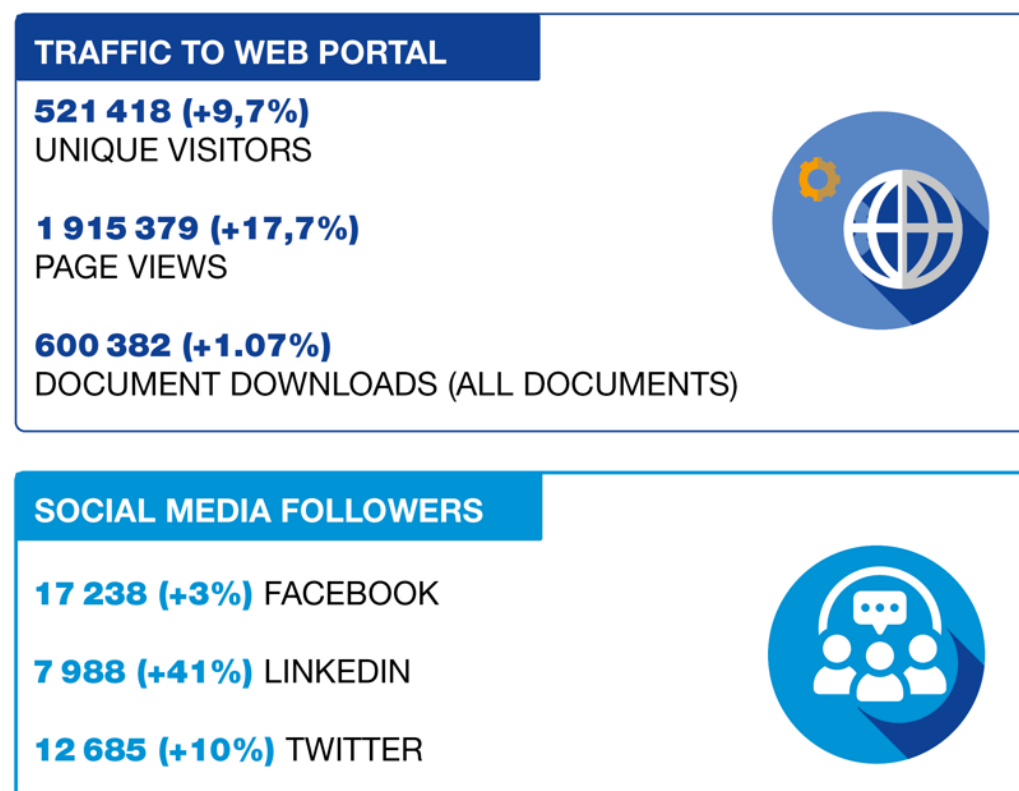
1.4 Communication, information and dissemination

KEY COMMUNICATION STRATEGIC ACHIEVEMENTS

Reaching users

Cedefop invested in innovative communication – [new corporate video productions](#), [motion graphics](#), [animations](#), and the [Cedefop podcast series](#). [Cedefop's web portal](#) was strengthened with new data visualisations and online databases and attracted more visitors in 2022.

In numbers: Cedefop's external communication



Engaging partners

Cooperation, partnership and strategic alignment with other European institutions and agencies contributed to success. In 2022, the European Year of Youth, Cedefop teamed up with four other agencies under the remit of the European Commission's Employment Directorate to make a strong case for expanding support for young people, by emphasising opening access to work experience and job opportunities in the green and digital economy (Box 3).

Box 3. Youth first! Employment, skills and social policies that work for young Europeans in times of uncertainty

- Led by Cedefop and Eurofound, supported by the ETF, EU-OSHA and the ELA, held in the European Parliament to mark the European Year of Youth.
- The agencies shared their expertise on labour market, skills, and the quality of employment and working conditions for young Europeans, including the implications of COVID and the Ukraine crisis.
- A key theme was how EU agencies complement one another and create synergies through data collection, shared expertise, and research.



Youth first!

EMPLOYMENT, SKILLS AND SOCIAL POLICIES THAT WORK
FOR YOUNG EUROPEANS IN TIMES OF UNCERTAINTY

8 September 2022 10:00-13:00 (CEST) European Parliament/Spinelli 1E2



With Eurofound, Cedefop continued working on the joint 2019 European company survey and organised the online knowledge-sharing seminar '[Skills and quality jobs as drivers of a just green transition](#)', with experts from the EU Agencies Network on Scientific Advice. Cedefop also supported the ETF in carrying out the second European skills and jobs survey in some ETF partner countries. Cedefop worked with the European Economic and Social Committee to [make a case for more coordinated and systemic approaches to up- and reskilling](#). With the EU Presidency countries, Cedefop organised a seminar [on microcredentials](#) in France and one [on increasing training provision in micro enterprises and SMEs](#) in Czechia.

PART II a) MANAGEMENT

II.1 Management Board

Throughout the year, Cedefop reported on a regular basis to its (Extended) Executive Board and Management Board on risks and internal control issues. Updates on internal control activities, ECA, IAS, discharge and other sources of assurance are a standing agenda item at all meetings.

Following the ease of restrictions concerning the COVID 19 pandemic, physical meetings resumed in summer 2022. As agreed at the Management Board meeting on 8 October 2021, the Executive Board meetings on 10 March and 1 December 2022 were held virtually. The Extended Executive Board meeting on 30 June and 1 July 2022 as well as the Executive Board meeting on 5 October and the Management Board 2022 on 6 and 7 October 2022 were held at Cedefop.

Key decisions adopted by the Management Board:

- Draft single programming document 2023-25 ⁽²⁾
- Annual Report 2021 ⁽³⁾
- Consolidated annual activity report (CAAR) 2021 ⁽⁴⁾
- Opinion of the Management Board on Cedefop's final annual accounts 2021 ⁽⁵⁾
- Minutes of the Management Board meeting 2022 ⁽⁶⁾
- Amending financing decision 2022 ⁽⁷⁾
- Cedefop's budget 2023 ⁽⁸⁾
- Single programming document 2023-25 ⁽⁹⁾

Key issues discussed with the Executive Board and Management Board included:

a) Executive Board meeting on 10 March 2022

- Draft annual report 2021 ⁽¹⁰⁾
- Reporting from the Executive Board to the Management Board ⁽¹¹⁾
- Outcomes of the pulse survey 2021 ⁽¹²⁾
- Implementation of the work programme 2022 ⁽¹³⁾
- Reporting on Internal Control Coordination (ICC) activities ⁽¹⁴⁾
- Discharge 2020 ⁽¹⁵⁾

⁽²⁾ RB(2022)00086 – endorsement procedure

⁽³⁾ RB(2022)00432

⁽⁴⁾ RB(2022)00697

⁽⁵⁾ RB(2022)00763

⁽⁶⁾ RB(2022)01413

⁽⁷⁾ RB(2022)0112

⁽⁸⁾ https://www.cedefop.europa.eu/files/cedefop_budget_2023.pdf

⁽⁹⁾ RB(2022)01480

⁽¹⁰⁾ RB(2022)00185-item 2a

⁽¹¹⁾ RB(2022)00152-item 2b

⁽¹²⁾ RB(2022)00143-item 2c – A pulse survey is a brief and regular set of questions sent to employees, carried out to gain employees' views on subjects such as job-related roles, communication and relationships, and the overall work environment.

⁽¹³⁾ RB(2022)00165-item 4

⁽¹⁴⁾ RB(2022)00170-item 5b

⁽¹⁵⁾ RB(2022)00172-item 5c

b) Extended Executive Board meeting on 30 June – 1 July 2022

- Implementation of the work programme 2022 ⁽¹⁶⁾
- Cedefop's portfolio review ⁽¹⁷⁾
- Reporting on ICC activities ⁽¹⁸⁾
- Transfers of commitment and payment appropriations in 2022 and substantial changes to the work programme 2022 ⁽¹⁹⁾
- Outcomes of the pulse survey ⁽²⁰⁾

c) Executive Board meeting on 5 October 2022 preceding the Management Board meeting at Cedefop

- Preparation of the Management Board meeting on 6 and 7 October 2022

d) Management Board meeting on 6 and 7 October 2022

- Implementation of the work programme and budget 2022 ⁽²¹⁾
- Revised single programming document 2023-25, including Cedefop's portfolio review and Opinion of the European Commission ⁽²²⁾
- First draft single programming document 2024-26 ⁽²³⁾
- Reporting from the Executive Board to the Management Board ⁽²⁴⁾
- Update on the progress of the action plan as a follow up to the external cross-cutting evaluation ⁽²⁵⁾
- Elections of the Chairperson and Deputy Chairpersons of the Management Board and composition of the Executive Board/Extended Executive Board ⁽²⁶⁾
- Reporting on ICC activities ⁽²⁷⁾
- Transfers of commitment and payment appropriations in 2022 ⁽²⁸⁾
- 2021 annual report of the Chair of Cedefop's Appeals Committee ⁽²⁹⁾
- Amending financing decision 2022 ⁽³⁰⁾
- Cedefop's pledge to climate neutrality ⁽³¹⁾
- Cyber security ⁽³²⁾

e) Executive Board meeting on 1 December 2022

- Implementation of work programme and budget 2022 ⁽³³⁾

⁽¹⁶⁾ RB(2022)00719-item 2

⁽¹⁷⁾ RB(2022)00735-item 4

⁽¹⁸⁾ RB(2022)00680-item 7b

⁽¹⁹⁾ RB(2022) 00659 and RB(2022)00732-item 7c

⁽²⁰⁾ RB(2022)00675-item 7e

⁽²¹⁾ RB(2022)01055-item 3

⁽²²⁾ RB(2022)01057-item 4a

⁽²³⁾ RB(2022)01056-item 4b

⁽²⁴⁾ RB(2022)01026-item 5

⁽²⁵⁾ RB(2022)01021-item 6

⁽²⁶⁾ RB(2022)01013-item 7

⁽²⁷⁾ RB(2022)01027-item 8b

⁽²⁸⁾ RB(2022)01035-item 8e

⁽²⁹⁾ RB(2022)01041-item 8f

⁽³⁰⁾ RB(2022)01060-item 8g

⁽³¹⁾ RB(2022)01015

⁽³²⁾ RB(2022)01016-item 9c

⁽³³⁾ RB(2022)01283-item 3

- Final draft single programming document 2023-25 ⁽³⁴⁾
- First draft single programming document 2024-26 ⁽³⁵⁾
- Reporting on ICC activities ⁽³⁶⁾
- Transfers of commitment and payment appropriations in 2022 ⁽³⁷⁾
- Information on the staff engagement survey 2022 ⁽³⁸⁾

⁽³⁴⁾ RB(2022)01276-item 4

⁽³⁵⁾ RB(2022)01278-item 5

⁽³⁶⁾ RB(2022)01270-item 6b

⁽³⁷⁾ RB(2022)01280-item 6c

⁽³⁸⁾ RB(2022)01226-item 7b

II.2 Major developments

2022 was tough. The European Union (EU) was still recovering from the COVID-19 pandemic, when other crises surfaced: the war in Ukraine, high energy prices and an escalating climate emergency.

Against this background, Cedefop continued to explore one of the most important issues of our time; how to raise the skills of an ageing population to ensure Europe's successful transition into an inclusive digital and green economy.

During the year Cedefop focused on 'ecosystems' by analysing not only skills and VET systems, but also the wider impact of the digital and green transitions on skills and employment.

The world of work is increasingly complex and dynamic. Cedefop's work shows that, in response, the trends in initial VET are to help young people manage broader societal and labour market challenges. It also shows the need for a more systematic approach to continuing VET and adult learning to provide adults with the up- and reskilling that a successful transition needs.

2022 marked the 20th anniversary of European policy cooperation on VET, known as the [Copenhagen Process](#). Cedefop has played a full part in strengthening European cooperation, supporting the EU, its Member States, social partners and the VET sector by providing information and insights that have helped shape VET and skills policies.

Over the past 20 years, change in VET has been incremental but clearly visible. In this latest phase, supported by European VET policy, Member States' national implementation plans set out how they are reforming their VET systems to support citizens and enterprises. The European Year of Skills, announced by European Commission President, Ursula von der Leyen in September 2022, will begin in 2023. It will emphasise the importance of EU and national VET policies and will add momentum to their implementation.

Energy crisis

In the context of the energy crisis deepened by Russia's reduced exports of natural gas to the EU Member States and of the Commission's package to Save Gas for a Safe Winter, Cedefop provided DG EMPL with evidence and data on skills implications for the energy services sector and the industrial sectors most likely to be affected by the gas crisis. This will feed into DG EMPL reflections on measures to mitigate the potential labour market impact of the gas shortages, on the one hand, and to support a faster transition to alternative sources on the other, as called for by the above-mentioned package.

Increase of energy prices

In 2022, Cedefop has been experiencing a steep increase in electricity and heating costs. To mitigate the impact on its budget, Cedefop deployed short-term measures aiming at reducing the Agency's energy bills:

- Friday was declared energy saving day (restaurant closed, no heating in common spaces)⁽³⁹⁾
- less lamps switched on in common spaces and reduction of external lighting at night
- recommended maximum temperature of 21 degrees in offices and meeting rooms

⁽³⁹⁾ i.e. the reception, the restaurant and the foyer

- conference centre closed for the winter (December-March 2023)

Cybersecurity-crisis management

To address potential threats and ensure organisational readiness, Cedefop closely monitored the situation in Ukraine and took actions as needed. An awareness-raising session on cybersecurity was addressed to all staff on 24 May 2022 in cooperation with CERT-EU ⁽⁴⁰⁾. Close contacts are maintained with the Crisis Management Team of the Greek Ministry of Foreign Affairs and the local police as well as with ENISA and international organisations in the area of Thessaloniki.

Impact of the 2022 salary indexation

Cedefop estimated that the budgetary impact of the 2022 salary updates amounted to 350 000 EUR (increase of both salary and weighting factor for Greece).

The increase of salary appropriations was sourced by reviewing priorities of all activities (administrative and operational), in agreement with the Management Board. Necessary transfers of commitment appropriations between Titles and budget lines were reflected in an Amending Budget.

Environmental commitment

In 2022, Cedefop's management made a firm strategic commitment to the Agency becoming carbon neutral by 2030. At its meeting on 6-7 October 2022, Cedefop's Management Board endorsed this strategic commitment and took the pledge that the Agency aims at becoming carbon neutral by 2030. Relevant analysis and work have started, leading to the adoption of Cedefop's strategy and action plan towards climate neutrality in 2023.

Institutional response to the COVID-19 crisis

Cedefop's de-escalation strategy was revisited to adapt it to the evolution of the responses to the pandemic and to define measures allowing Cedefop to resume business activities in its premises (e.g. internal presential meetings, missions, receiving visitors, etc.), while doing so in a safe environment, where risks of exposure to or transmission of the virus are mitigated to the extent possible. Cedefop has been operating under Phase 3 as of 3 October 2022. The main features of phase 3 are: onsite presence with the possibility to telework 3 days per week, business related missions, physical/hybrid meetings and events. Health and safety measures such as use of mask continue to apply to provide a safe working environment to all staff. Cedefop's Business Continuity team continued to update actions in line with national measures and kept staff informed of developments and announcements by the Greek authorities.

Periodic external evaluation

The last periodic external evaluation of Cedefop was completed in 2018. Carried out by DG Employment, the evaluation assessed Cedefop individually as well as in a cross-cutting perspective vis-à-vis the other Agencies (then) falling under the remit of DG Employment i.e. Eurofound, ETF and EU-OSHA.

⁽⁴⁰⁾ Computer Emergency Response Team for the EU institutions, bodies and agencies

Cedefop followed up on the implementation of the agreed action plan. The state of play was discussed several times with the (Enlarged) Executive and Management Boards. All actions have been implemented and all recommendations closed. The last open recommendation was formally closed by DGEMPL on 5 October 2022.

The following periodic external evaluation started in October 2022, and will last approximately one year, covering the period 2017-22. As in the previous one, the external evaluation will assess Cedefop individually as well as in a cross-cutting perspective vis-à-vis the other Agencies as regards their relevance, effectiveness, efficiency, coherence and EU added value, identifying possible synergies and structural changes. Cedefop is actively contributing to the evaluation outcomes in close cooperation with the other Agencies.

Outsourcing of treasury service

Jointly with 30 other EU Agencies, Cedefop opted into the treasury service offered by the Commission. The Agency closed its main bank account and started using an account under the umbrella of the Commission as of October 2022. The outsourcing of treasury service is expected to enhance security, reduce costs and allow a more efficient use of funds in the bank, reduce internal administration.

Peer review exercise on risk management in decentralised Agencies

Following the request of the Commission for a peer review exercise on risk management in decentralised Agencies, as part of the exercise to align implementation of the recast Agency Regulations in line with the 'Common Approach', Cedefop's Internal Control Coordinator participated in the cluster with the ETF, EU-OSHA, Eurofound, the ELA and CdT. The cluster was chaired by EU-OSHA. The aim was to identify important risks common to the Agencies participating in the cluster. The exercise was coordinated by the inter-agency Performance and Development Network (PDN) and finalised in November 2022.

II.3 Budgetary and Financial management

For another year in a row, Cedefop's careful monitoring of the budget implementation allowed for the proactive reshuffling of activities and the reallocation of funds from budget items where savings were achieved to finance the increase in staff salary cost caused by inflation impact in cost of living and investments dictated by the greening objectives of the Agency as well as in ICT infrastructure. Within core business, available funds have been targeted in priority to studies and projects aimed at supporting the further alignment of the Agency's work programme with the renewed Skills Agenda, the Council Recommendation on VET and the Osnabrück Declaration.

Cedefop reacted to the challenges of the year with agility and effectiveness and managed to achieve 99,98% execution of commitment appropriation and 98,36% execution of payment appropriations.

Rate and type of implementation of appropriations

In 2022, Cedefop continued to utilise essentially all of its available funding with an overall budget implementation rate of 99,98%. In particular:

- from a total final Title 1 budget of EUR 12 176 749 commitments to the value of EUR 12 176 690 were raised, representing an execution rate of 100%;
- from a total final Title 2 budget of EUR 2 023 523 commitments to the value of EUR 2 020 043 were raised, representing an execution rate of 99,83%;
- from a total final Title 3 budget of EUR 4 634 148 commitments to the value of EUR 4 634 148 were raised, representing an execution rate of 100%.

Besides the EU contribution of EUR 17 960 000, the budget revenue available in 2022 of EUR 18 468 380 included an amount of EUR 464 420 of contributions from associated countries Norway and Iceland, and an amount of EUR 43 960 of miscellaneous own revenue and reimbursed amounts. As a result of Cedefop's preparatory work in 2022, the EEA Joint Committee adopted in February 2023 a decision to amend Protocol 31 of the EEA Agreement allowing for future EEA EFTA states' payments to Cedefop to be paid through the annual EEA EFTA budget as of the current year. Therefore, Cedefop joined Protocol 31 with effect from 1 January 2023.

Indication of commitments for actions that will extend for more than one financial year (major items only)

Title 3 appropriations are differentiated appropriation and multi-annual in nature.

The main contracts ⁽⁴¹⁾ signed in 2022 which gave rise to commitments extending for more than one financial year, which were booked on Title 3 (Operational activities) of the budget, are listed below.

⁽⁴¹⁾ Only major contracts are shown, with the threshold set at EUR 100 000

Budget line	Title of commitment	Expires	Amount (committed in 2022)
3240	OF N°2 CUSTOMISING THE SKILLS FORECAST	30/11/2023	274,825.00
3240	OF N°7 OJA ANALYTICS AND FURTHER DATA IMPROVEMENTS	31/07/2024	498,675.00
3340	ORDER FORM NO 3 - TRANSPARENCY&TRANSFERABILITY	13/04/2024	179,150.00
3340	OF N°1 THE INFLUENCE OF LEARNING OUTCOMES ON PEDAGOGICAL THEORY AND TOOLS	19/12/2023	180,275.00
3340	OF N°2 THE INFLUENCE OF LEARNING OUTCOMES-BASED CURRICULA ON TEACHING PRACTICES	19/06/2024	168,300.00
3440	AO/DVS/PLI-IKAT/TRAINING FUNDS/006/22 - TRAINING FUNDS	12/12/2024	295,600.00
3440	AO/DVS/RCDRCR-LSALVA/ REGIONS JUST SKILLS STRATEGIES/007/22	27/06/2025	277,175.00
3440	OF N°1 THEMATIC COUNTRY REVIEWS (TCRS) ON UPSKILLING PATHWAYS FOR (LOW SKILLED) ADULTS IN CROATIA	19/12/2025	172,150.00
3440	OF N°2 THEMATIC COUNTRY REVIEWS (TCRS) ON UPSKILLING PATHWAYS FOR (LOW SKILLED) ADULTS IN SPAIN	19/12/2025	252,650.00

Information on transfers and amending budgets

The transfers authorised in 2022 by the Executive Director between budget items are summarised below (net effect between Titles). All transfers are within the allowed limits defined by Art.26 of Cedefop's Financial Regulation:

- a **decrease** in Title 1 (staff expenditure) appropriations by EUR 7 472;
- an **increase** in Title 2 (administrative expenditure) appropriations by EUR 135 492;
- a **decrease** in Title 3 (operational expenditure) appropriations by EUR 128 020.

Additional transfers were authorised by the Management Board within the amending budget to Title 1 for a total EUR 504 901 and Title 2 for a total EUR 38 431 from Title 3 for a total EUR 543 332 ⁽⁴²⁾.

The transfers directed commitment appropriations to Title 1 to fund the increase in the salary scale and the weighting factor for staff posted in Greece. Transfers involved amounts reallocated within the Titles of the Budget, as soon as underspending was identified, to optimise budget usage.

In December, the Management Board adopted Amending Budget 01/2022, reducing payment appropriations by a value of EUR 400 000 to Title 3 of the budget. The amount corresponds to a reduction of payment appropriations in line with the Agency needs to meet payment obligations of 2022.

⁽⁴²⁾ RB(2022)01396

The effect of the amending budget and transfers performed in 2022 is demonstrated in the tables below.

2022 Budget (C1) in Euro	Initial budget (Commitment Appropriations)	Amending budget	Transfers (authorised by the ED)	Final budget
Title I	11 679 320	504 901	-7 472	12 176 749
Title II	1 849 600	38 431	135 492	2 023 523
Title III	5 305 500	-543 332	-128 020	4 634 148
TOTAL	18 834 420	0	0	18 834 420

2022 Budget (C1) in Euro	Initial budget (Payment Appropriations)	Amending budget	Transfers (authorised by the ED)	Final budget
Title I	11 679 320	504 901	-7 472	12 176 749
Title II	1 849 600	38 431	135 492	2 023 523
Title III	5 305 500	-943 332	-128 020	4 234 148
TOTAL	18 834 420	-400 000	0	18 434 420

Appropriations carried forward to the following financial year

In 2022, no non-automatic carry overs were needed.

The appropriations carried forward to 2023 in order to honour commitments made in 2022, are summarised below:

- Title 1 appropriations carried forward to 2023 were EUR 257 459 or 2.11% of the final funds for the year on the Title, well within the maximum target ceiling of 10%;
- Title 2 appropriations carried forward to 2023 were EUR 871 927 or 43.09% of the final Title 2 funds for the year on the Title ⁽⁴³⁾; the majority of the funds carried forward corresponds to planned activities (33.92%) and the remaining (9.17%, well within the maximum target ceiling of 20%) relates to investments decided following a budget revision exercise at year end.

Implementation of appropriations carried forward from the previous financial year

Of EUR 244 500 Title 1 appropriations brought forward from 2021, EUR 15 004 were cancelled.

Of EUR 589 407 Title 2 appropriations brought forward from 2021, EUR 52 293 were cancelled.

Percentage of procurement procedure types used

25 procurement procedures and one call for proposals (ReferNet Grant agreements 2022) were processed in 2022.

⁽⁴³⁾ Planned carry forward, corresponding to investments dictated by the energy efficiency strategy of the Agency, ICT investments as well as regular services invoiced at or after the year end, accounts for EUR 686 339 (or 33.98% of the Title 2 funds for the year).

Type of procedure	2022	
	Number	%
Open	12	46%
Negotiated	11	42%
Reopening of Competition	2	17%
Call for proposals (Grants)	1	4%
Total	26	100%

Information on interest charged by suppliers through late payments (> 30 days)

One invoice was paid with delay resulting in late interest paid for the amount of 604 EUR. This was an isolated case. Payments are monitored versus the legal payment time on a weekly basis.

Cost and benefits of controls

Cedefop assesses the cost and benefits of controls on the basis of the indicators of its Internal Control Framework; direct and indirect costs of the Internal Control function; and control results.

Costs

Cedefop used the same cost calculation methodology as last year, in line with DG BUDG guidelines. The functions/activities covered include financial management; budget and accounting; external audit; coordination incl. strategic programming and planning; anti-fraud; programme management and monitoring; ICT-IT strategy, governance and activities.

Indirect costs are calculated based on the 2022 annual average full time equivalent (FTE) costs of Cedefop staff by category, i.e.: AD, AST, SNE, CA FG IV, CA FG I to III.

The calculations led to a total internal control cost of EUR 1,101,755 for the year 2022, which includes EUR 29,024 direct and EUR 1,072,731 indirect costs. The total cost of internal control represents 6% of the Agency's 2022 budget ⁽⁴⁴⁾ and is considered to be reasonable and proportionate to the attained objectives of ensuring legality and regularity while safeguarding efficiency and effectiveness of operations. It is also comparable to the other Agencies under the remit of DG EMPL. The moderate increase compared to the year 2021 (5.3%) is due to increase in salary costs and the mix of staff involved in Internal Control tasks, thus leading to higher indirect costs.

Benefits

As defined in its Internal Control Framework, internal control helps achieve Cedefop's objectives and sustain operational and financial performance whilst respecting rules and regulations. Internal control supports sound decision-making by considering risks in the achievement of objectives and where necessary reducing them to acceptable levels through cost effective controls. Internal control applies to all activities, irrespective of whether they are financial or non-financial.

⁽⁴⁴⁾ EUR 18 434 420

Cedefop's internal control framework is designed to provide reasonable assurance regarding the achievement of objectives, including:

- effectiveness and efficiency of operations
- reliability of reporting and safeguarding of assets and information
- prevention, detection, correction and follow-up of fraud and irregularities
- adequate management of the risks relating to the legality and regularity of the underlying transactions

To identify internal control strengths and deficiencies, Cedefop uses several tools, including:

- internal assessments
- improvement actions / internal control strengths and weaknesses reported by staff
- analysis of risks reported during the risk assessment exercise
- Cedefop risk register (macro level)
- exceptions and non-compliance registered in the registry of exceptions
- accounting officer's report on the validation of financial management systems.

Cedefop also relies heavily on the work of the European Court of Auditors, and of the Internal Audit Service of the European Commission in ensuring a reasonable balance between the internal cost and the effectiveness of the control environment.

As reported in Part III, the overall assessment of the internal control systems shows that it is effective, all its components are in place and functioning well and for their intended purpose. Its benefits lie principally in the sustained regularity and legality of all transactions and accounts in all material aspects.

The benefits of an internal control system are qualitative in nature and cannot be quantified in monetary terms. A properly designed and effective internal control system can prevent irregularities before they materialise, protect organisations' resources against mismanagement or fraud, and more generally support compliance, diligence and regularity of operation through increasing awareness and expertise of staff. The benefits of internal controls concern outcomes in terms of legality and regularity that are the result of joint processes involving other services, such as finance and procurement, that cannot be disentangled from each other.

Summary information on budgetary operations

Cedefop continues to use its funds effectively and efficiently with a budget implementation rate of 99,98% in 2022. To achieve this exceptionally high figure, Cedefop utilises bespoke systems to constantly track its current and anticipated expenditures to ensure all funds are utilised by the end of the year.

With regard to legality and regularity of the underlying transactions, all costs are subject to audits by both the European Court of Auditors (ECA) and the external auditors whose remit specifically include such testing. All Title 3 costs are required to comply with the procurement plan which is an integral part of the annual management plan. Similarly, all costs are signed off by the authorising officer(s) (by delegation) who has (have) a specific remit to ensure regularity.

The internal controls are effective. Prior to validation by the authorising officers (by delegation), expenditure operations are initiated (operational and financial initiation) and verified

(operational and financial verification) by designated actors with a view to ensuring legality and regularity, over and above the required 4-eye principle.

External parties monitor and audit Cedefop rigorously. No irregularities were found. The cost of the external audit company which audits Cedefop's annual accounts ⁽⁴⁵⁾ – borne by the Agency – is considered reasonably low compared to the work they undertake and the value of the business they audit.

II.4 Delegation and sub-delegation of the powers of budget implementation to agency's staff

Delegation of the powers of budget implementation are prepared in accordance with Article 11(5)(j) of the Regulation (EU) No 2019/128 of the European Parliament and of the Council of 16 January 2019, establishing the European Centre for the Development of Vocational Training (Cedefop) and repealing Council Regulation (EEC) 337/75, as well as Articles 39(1), 41(1), 43(1), 45 and 46 of Cedefop's Financial Regulation, adopted by the Management Board on 16 July 2019 (Decision RB(2019)1034).

As Cedefop's Authorising Officer (AO), the Executive Director delegates the powers of budget implementation to the Deputy Director and the Heads of Departments, who are acting as Authorising Officers by Delegation (AOD). The powers delegated include:

- making budgetary and legal commitments as well as carrying out the preliminary actions for these commitments;
- validating and authorising expenditure;
- establishing amounts receivable and issuing recovery orders, waiving recovery and cancelling established amounts receivable;
- taking individual decisions on the award of public procurement contracts, grants or prizes; and
- proposing transfers of appropriations.

The delegation decisions have an unlimited duration but may be revoked by decision of the Executive Director. Except for the Deputy Director whose power of delegation is for an unlimited amount, limits are established to amounts of individual transactions an AOD may authorise, depending on his/her functions.

No sub-delegation decisions were in place in 2022.

The implementation of delegation decisions is monitored by Cedefop's Finance Service, which is responsible for drafting, amending or repealing a delegation upon instructions received by the Authorising Officer.

By decision of the Executive Director ⁽⁴⁶⁾, the delegations are transposed in ABAC with access rights granted by the ABAC Local Profile Manager of the Agency to each individual Authorising Officer by Delegation. The ABAC Local Profile Manager has no other role in ABAC (*ex-ante* control).

⁽⁴⁵⁾ According to the arrangements for the annual audits under Article 208 (4) and Article 107 of its Financial Regulation, Cedefop contracted an external audit company (MAZARS) to audit Cedefop's accounts 2022, based on a DG BUDG framework contract.

⁽⁴⁶⁾ Decision DIR 09/21 of 22 June 2021 - RB(2021)00743

In addition, in the context of a periodic validation of access rights granted in ABAC, access rights are assessed by a Neutral Verifier, appointed by the Executive Director, to confirm that the financial actors are granted ABAC access rights corresponding to the delegation decisions of the Executive Director (*ex-post* control). The Neutral Verifier is a staff member assuming no other role in ABAC. Initiated by DGBUDG in March 2022, the periodic assessment was completed in May and recommendations implemented.

II.5 Human Resources Management

Cedefop is progressing with the implementation of the HR strategy adopted in 2020 which aims at achieving the Agency's multi-annual objectives by fostering high staff engagement, performance and a change embracing culture. The strategy includes three building blocks: talent acquisition and matching; talent management; and staff well-being.

In 2022, attention was given to further refining the selection procedures, enriching the induction and onboarding processes, introducing mentoring and supporting the health and well-being of staff. The modernisation and digitalisation continued as a key enabling factor of the HR strategy. The Career Development Review workflow was revamped, and all key HR workflows were digitalised, e.g. outside activities, family situation review, education allowances.

Staff health, security and well-being continued to be high priorities. In 2022, a Committee on health and well-being at work was set up, to promote well-being and good health and to improve Cedefop's working environment. The committee is composed of two representatives of the administration appointed by the Executive Director, and one staff representative appointed by the Staff Committee. The issues falling within the remit of the committee are working conditions in the context of hybrid working, as relevant to the health and well-being of staff. The committee establishes a two-year work programme by selecting and prioritising among possible initiatives or projects. Based on the Agency's de-escalation strategy, mode of working and protection measures were adapted to suit the fluctuating epidemiological situation and rules issued by the Greek authorities. The Agency prepared implementing guidelines for the application by analogy as of 1 January 2023 of the Commission decision on working hours and hybrid working.

Cedefop's regular Staff Engagement Survey (SES) took place in 2022 and achieved a 75% response rate. Despite the highly disruptive period since the last survey in 2019, due to the pandemic, the results of the survey are very positive. Ten out of the twelve dimensions of analysis recorded positive changes in comparison to the 2019 survey results. In most dimensions, the results of Cedefop's 2022 SES are above the average of the EU agencies which conducted the same survey. Three out of four areas of strength are consistent with the previous SES (sense of purpose, colleagues, and working conditions). Staff respondents appreciate the professional and committed colleagues with whom they work, enjoy the content of their work, and the interesting intellectual challenges they are facing. The fourth emerging area of strength concerns flexible working arrangements, including teleworking, and work-life balance.

Among the areas for further attention, respondents have identified workload and transparency in decision-making. Another area for improvement is internal cooperation, even though teamwork and cooperation were highlighted as a key strength for Cedefop, and despite significant increases in perception of meaningful internal cooperation across departments. Personal and professional development of staff has also emerged as a theme for further consideration.

The results of the survey were presented to all staff in a general assembly and dedicated question-time meetings. A follow-up facilitated workshop is planned in May 2023. The workshop design, shaped together with the Staff Committee, will ensure the active involvement of staff.

II.6 Strategy for efficiency gains

Cedefop systematically considers further scope for efficiency gains to inform directly management decisions on core business, staff and budget.

Already in 2009, Cedefop introduced a performance management system (PMS), which the European Parliament has acknowledged as ‘exemplary’ in the discharge reports for the financial years 2017, 2018 and as ‘noteworthy’ as per the discharge reports for the financial year 2019, 2020 and 2021. By measuring project, activity and organisational level performance, the PMS helps Cedefop manage and evaluate its impact, efficiency, effectiveness and relevance, and strengthens the alignment of the organisation’s activities with its strategic objective and priorities. The PMS thus provides a system for tracking and improving performance and efficiency throughout its activities.

The following initiatives were foreseen in the single programming document 2022-24:

a) continuous collaboration with other Agencies to achieve further efficiency gains through shared services such as inter-agency resource pooling, joint procurements for common services but also for other services, as available in the Agencies’ catalogue of shared services.

In 2022, Cedefop continued to be an active member of the EU Agencies’ network (EUAN) and to share services and enhance synergies with other Agencies. Cedefop was a member of the EUAN Task Force on new ways of working, of which it became the chair towards the end of the year. Moreover, exploring opportunities for shared services, joint procedures and initiatives is a regular – rolling – activity. In this respect, Cedefop is a member since 2020 of task force on shared services of the EUAN. In 2022, Cedefop also continued to participate to other sub-networks of the EUAN.

In compliance with the renewed service-level agreement (SLA) signed with ENISA in June 2022, resource-sharing opportunities continue to be identified and are taking place between the two Agencies. To date, knowledge, expertise and capabilities are shared in the fields of data protection, confidential counselling, procurement and ICT. Cedefop’s ICT team participates regularly to the ENISA and CERT-EU events and exercises where valuable experience is collected on methods to deal with incidents. The possibility for shared Finance and Procurement services is being explored.

A knowledge sharing seminar for corporate and administrative services took place between Cedefop and ETF. This set up in motion an action plan on sharing knowledge and resources between the respective administrative services (Procurement, ICT, HR etc.).

Based on a service-level agreement, Cedefop uses EUIPO as a disaster recovery site for its ICT systems since 2020.

The Agency also started discussions with other Agencies in view of offering accounting services and signing relevant service-level agreement. This led to an agreement with EIGE for sharing accounting services as of 2023.

b): learning the lessons from the Covid-19, reduce mission costs by at least 65% (-71% in 2022) and implement a combination of online, hybrid and physical events that is efficient while reducing the overall meetings and missions cost by half (-51% in 2022). On top of further increasing cost savings and efficiency gains to the benefit of core business, this measure witnesses Cedefop's firm commitment to reduce its environmental footprint and minimise its environmental impact

In 2022, Cedefop exceeded its targets for reducing missions and meetings costs. Regarding mission costs, Cedefop achieved a reduction of 85%, exceeding the target by 14%. For its combined missions and meetings cost, the target (51%) was also exceeded by achieving a reduction of 61%. These cuts were crucial to further support core operational needs while at the same time reducing the Agency's environmental impact and carbon footprint.

Not waiting for a fully-fledged action plan to achieve carbon neutrality, Cedefop also moved forward in selected areas such as facility management and modes of working. More specifically, the Agency installed energy-efficient window blinds and completed the preparation work to install photo-voltaic panels in 2023, to produce own renewable electricity.

Efforts made in previous years and new ways of working have also already had a clear pay-off as several indicators show a positive trend compared to 2019: electricity and heating oil consumption were reduced by 27% and 43% respectively; following systematic digitalisation efforts, Cedefop consumed in 2022 73% less paper than in 2019.

c): further use of Commission/interagency framework contracts, wherever possible, to reduce administrative overheads

To increase effectiveness and reduce overheads, Cedefop joined several Commission's and Agencies' inter-institutional framework contracts and joint procurement procedures with other Agencies, including: European Union Agency for Cybersecurity (ENISA), European Insurance and Occupational Pensions Authority (EIOPA), European Food Safety Agency (EFSA), European Training Foundation (ETF), European Foundation for the Improvement of Living and Working Conditions (Eurofound), and Eurostat. In 2022, Cedefop joined a call for tender for Travel agency services together with EEA, EU-OSHA and EFCA.

d): further invest in ICT and new technologies to achieve modernisation and digital transformation, bearing in mind that investments in automation lead to temporary cost increases

In 2022, Cedefop made significant progress with the implementation of its ICT and digitalisation strategy:

- It digitised all workflows and introduced a digital tool for selection procedures. A number of tools from the Commission have been introduced in past years: ABAC, e-invoicing, e-tendering, Public Procurement Management Tool (PPMT)
- SharePoint was deployed to offer a new digital working and collaboration environment to the organisation
- A mapping exercise and assessment of solutions for a data architecture for the Agency was completed

- A number of cyber-security and compliance improvements have been made (digital signature, two-factor authentication, vulnerability and penetration assessments as well as regular actions to raise the awareness of staff)

e): the forthcoming greening strategy will focus on increasing energy efficiency, thereby reducing carbon footprint and generating savings

In autumn 2021, Cedefop's management had already adopted an energy efficiency strategy. Cedefop's action plan will be ready in autumn 2023. To monitor its progress towards concrete environmental targets, Cedefop will also upgrade its environment management system, aiming to become [EMAS certified by 2025](#). More information is available below (II.10 Environment Management)

f): participation in selected inter-agency working groups to pool expertise, resources and best practice and, whenever possible, carry out joint projects across agencies (such as joint surveys)

Jointly with the other four agencies under DG Employment (Eurofound, ETF, EU-OSHA and ELA) Cedefop organised the event '[Youth first! Employment, skills and social policies that work for young Europeans in times of uncertainty](#)' on 8 September, hosted by the European Parliament. Together with Eurofound, Cedefop organised the online knowledge-sharing seminar '[Skills and quality jobs as drivers of a just green transition](#)' on 12 December, with experts from the EU Agencies Network on Scientific Advice (EU-ANSA). Cedefop continued sharing expertise on green transition skills and jobs with the ETF and reinforced the long-standing cooperation on monitoring the implementation of EU VET policy priorities. Cedefop also shared its survey expertise to enable the ETF to field the second European Skills and Jobs Survey in some of its partner countries, and continued working closely with Eurofound to exploit the joint 2019 European Company Survey. A second joint Cedefop/Eurofound report that focuses on skills utilisation was prepared for publication in 2022.

Cedefop continued participating in the task force set up by the EUAN network to promote sharing services and capabilities across agencies and joint undertakings and took over the chairmanship of the EUAN task force on new ways of working, emerging opportunities and challenges. Cooperation with ENISA was strengthened by organising joint calls for tenders, by sharing a data protection officer and confidential counsellors, and by exploring conditions to join finance and procurement services in the future. In 2022, Cedefop also prepared the grounds for a memorandum of understanding with the European Labour Authority which was signed in January 2023.

g): revisit regularly HR and budget allocation with a view to securing additional resources to the core business

Throughout 2022, HR regularly followed the implementation of the budget Title 1 (staff cost). Due to the high inflation level in Greece, and the related salary adjustment, salary increase above the initial projections coupled with an increase of the weighting factor, the flexibility for securing additional resources to the core business was limited.

Nonetheless, systematic efforts in the administration and support services to simplify, streamline, and share knowledge and resources with other Agencies led to an incremental redeployment of staff towards core business. According to the job screening methodology applied across Agencies, the share of 'operation staff and personnel' increased from 66.5% in 2014 to 73.2% in 2022.

In addition, Cedefop carries out systematic reviews of its portfolio of activities and outputs with a view to streamlining and focusing them further. The new approach initiated in 2020 provides a broad idea on the direction of change in the period 2022-24 implied by the thematic corporate priorities. It addresses current activities with an increased focus on clusters of thematic activities, how they are prioritised and synergised through cooperation and shared focus. The clusters are considered in a dynamic perspective combining continuity and consolidation with future investment necessary to deepen and expand expertise in line with evolving priorities, also reflecting Cedefop's relative strengths and needs for capacity building. Outcomes of the prioritisation exercise carried out in 2022 informed management decisions on staff and budget. The 2022 portfolio review was discussed with the Extended Executive Board at its meeting in June 2022 and informed the finalisation of the single programming document 2023-25.

II.7 Assessment of audit and ex-post evaluation results during the reporting year

Cedefop's internal auditor is the Internal Audit Service of the European Commission (IAS) and the Agency is annually controlled by the European Court of Auditors (ECA). The Agency informs the Discharge Authority on the results of the audits.

Cedefop also follows up closely the observations from the Discharge Authority.

In addition to the audits conducted by the IAS and ECA, Cedefop has developed several procedures and tools to allow systematic ex-ante and ex-post controls and evaluations and, thus, further ensures that the necessary control layers and actions are in place and implemented. These procedures are outlined in an overarching evaluation policy adopted by the Executive Director in 2019 ⁽⁴⁷⁾.

The Executive Board and Management Board are kept regularly informed of audit, control and evaluation outcomes as well as on progress in the implementation of the agreed action plans. This is a standing agenda item in all Board meetings.

II.7.1 Internal Audit Service (IAS)

As announced in its letter of 24 January 2022, and in line with its Strategic Internal Audit Plan 2021-23, the IAS started in December 2022 an audit on Cedefop's core business surveys. The field work took place in April. The audit is expected to be finalised in autumn 2023.

II.7.2 Other sources of assurance

Risk management

Following the request of the Commission for a peer review exercise on risk management in Agencies, as part of the exercise to align implementation of the recast Agency Regulations in line with the 'Common Approach', Cedefop's Internal Control Coordinator participated in the cluster with ETF, EU-OSHA, Eurofound, the ELA and CdT. The results were shared with the parent DGs. The main benefit for the Agencies in the DGEMPL and DGT cluster was the comparison of risk assessment methodologies and a common understanding of what constitutes a critical risk.

⁽⁴⁷⁾ Decision DIR 12/2019 of 14 November 2019

The assessment of fraud risks is an integral part of the overall annual risk assessment. In 2022, one fraud-related risk was identified: mistakes in procurement/contract management. The risk was properly mitigated.

Awareness-raising activities on ethics, integrity and internal control

As part of awareness-raising activities on ethics, integrity and internal control issues, Cedefop provides regular mandatory sessions on good governance for newcomers. The sessions, open to all staff members, were revamped in 2020 and the approach reshaped to target Cedefop's specificities more directly, allow interaction with staff members and adapt the concept to virtual formats.

Several awareness raising sessions took place in 2022: on data protection and cloud solutions, on contract management and on confidential counsellors.

Evaluation and control activities

In compliance with its updated Evaluation Policy, Cedefop conducted evaluation and control activities according to its Annual Management Plan 2022.

Ex-ante evaluations ⁽⁴⁸⁾ are carried out for procurement procedures above 500,000 Euros. A report reviewing progress and lessons learned was prepared by the Head of Finance and Procurement on 13 December 2022. The report concluded that the procurement procedures launched in the period examined were compliant with the requirements of ex-ante evaluation.

Cedefop carries out ex-post evaluations ⁽⁴⁹⁾ for projects/activities that have come to an end and entailed a total budget expenditure of above 500,000 Euros.

In 2022, ex-post evaluation focused on the following activity:

- Informing VET by offering labour market intelligence and skill needs analysis, framework contract AO/DSL/VKVET-RUSSO/Real-time LMI/009-16 (contract value EUR 1,088,350)

The ex-post evaluation exercise was finalised in April 2022. The outcomes confirm that the activity was effective, efficient, coherent and brought EU added value. An action plan was drawn up in October 2022 and related actions are being implemented.

Cedefop carries out ex-post control on a sample of 3 procurements procedures. A working group was appointed by the Executive Director in February 2021. Final outcomes were received in April 2022. Based on the review of substantive elements in the 3 procurement procedures, it was concluded that the criteria related to effective and efficient internal controls were in place and followed. No need for immediate corrective actions was established.

Cedefop conducts ex-post controls on recruitment procedures to ensure that all reported declarations of interest and confidentiality notes by selection panel members are in place and adequately and consistently assessed. In 2022, Cedefop conducted ex-post controls on selection

⁽⁴⁸⁾ Article 29.2 of Cedefop Financial Regulation adopted by its Management Board on 16 July 2019

⁽⁴⁹⁾ Article 29.3 of Cedefop Financial Regulation

procedures which took place in 2021. The assessment shows that the majority of controls is in place and works effectively, with some areas for further improvement.

Evaluations and controls are carried out with the support of external evaluators, selected through an inter-Agency call for evaluation services launched by ETF, which Cedefop has joined, and through the inter-Institutional FWC BUDG19-PO/01 – audits and controls, to further increase synergy and efficiency gains. Ex-post evaluations assess the following criteria: effectiveness, efficiency, coherence, relevance, EU added value of the projects/actions. Evaluation outcomes inform management decisions on future activities.

II.7.3 European Court of Auditors (ECA)

Annual accounts 2021

On 27 October 2022 the European Court of Auditors published its final report on Cedefop's annual accounts for the financial year 2021 ⁽⁵⁰⁾.

In the Court's opinion, Cedefop's accounts for the year ended 31 December 2021 present fairly, in all material respects, Cedefop's financial position at 31 December 2021, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

In the Court's opinion, the revenue and payments underlying the accounts for the year ended 31 December 2021 are legal and regular in all material respects.

The Court nevertheless included observations on management and control systems and on budgetary management that do not call its opinion into question. More specifically:

Observations on management and control systems

3.14.9. [The Court] found weaknesses in Cedefop's recruitment procedures.

- a) In one case, Cedefop used external consultants to screen applications on preselection criteria set out in the vacancy notice. The consultants delivered their assessment, but for some of the pre-selection criteria, the selection board decided not to use it. Instead, it re-performed that part of the screening process itself. [The Court] noted large discrepancies between the assessment performed by Cedefop and the one performed by the consultants. These discrepancies, which could benefit or disadvantage candidates, were caused by a lack of clear and detailed guidelines for scoring the pre-selection criteria.
- b) In two recruitment procedures, remote written tests took place over several days, increasing the risk of the test content being disclosed without authorisation. In one of these two cases, the procedure took place over four days, with a weekend in between. Cedefop did not undertake all necessary measures to establish an effective internal control mechanism to mitigate the associated risks. Following our audit, Cedefop adapted its procedures for future recruitment procedures.

⁽⁵⁰⁾ https://www.eca.europa.eu/Lists/ECADocuments/AGENCIES_2021/AGENCIES_2021_EN.pdf

3.14.10. [The Court] also found weaknesses in payment management, in particular with regard to ex-ante controls.

- a) A framework contract for IT services and products allowed the contractor to charge an uplift fee on the actual prices. Cedefop paid an invoice of €11 614 without checking first whether the invoiced amounts were correct, even though the Financial Regulation requires ex-ante controls of this sort to be carried out. Following our audit, Cedefop adapted its internal procedures to prevent similar occurrences in the future.
- b) On another occasion, Cedefop paid €180 590 in respect of an order form under a framework contract associated with the development of a new website. It made this payment without having received the specific declarations required from the contractor under the framework contract. The omission affected all 28 order forms associated with this framework contract, with a total value of €883 539, and could expose Cedefop to legal risks in relation to intellectual property rights. Following [the Court's] audit, Cedefop asked the contractors to supply the missing declarations subsequently and registered the incident in its non-compliance registry. It also adapted its internal procedures to prevent similar occurrences in the future.
- c) In April 2020, a grant beneficiary submitted a request for final payment. Cedefop delayed the processing of the payment beyond the 60-day limit stipulated in the grant agreement and made the final payment only in January 2021. According to Cedefop, the delay was mostly due to the absence of the project manager and subsequent delays in communication with the beneficiary. Cedefop did not have a contingency plan to prevent staff absences from delaying grant approval procedures. Following our audit, Cedefop adapted its internal procedures in order to address it.

Observations on budgetary management

3.14.11. On 23 June 2021, Cedefop started using a new accounting system, the ABAC, which is also used by the European Commission. [The Court] found two weaknesses in Cedefop's move to the new system.

- a) In ABAC, the final dates of implementation for budgetary commitments carried over from 2021 to 2022 were not recorded correctly. As a result, outstanding budgetary commitments that should have been cancelled because the time limit of their associated legal commitments elapsed by the end of 2021 could potentially have been irregularly carried over to 2022. Following our audit, in 2022, Cedefop reviewed and updated the final dates of implementation for all of the budgetary commitments in question and cancelled 11 budgetary commitments with a total value of €45 923.
- b) In 2021, ABAC wrongly calculated €2 834 in late interest in respect of five payments. The error was caused by the deadline in ABAC for these payments being wrongly set to 30 days, while the actual legal deadline was 60 or 90 days. Cedefop spotted the error and cancelled the recovery orders for the wrongly calculated late interest

Follow-up of previous years' observations

All corrective actions to the Court's previous years observations are completed.

On the annual accounts 2022

On the annual accounts for the financial year 2022, ECA conducted its first audit remotely from 17 to 21 October 2022 and the desk review onsite in the week 20-24 February 2023. The ECA

final report is expected by autumn 2023. According to the arrangements for the annual audits under Article 104 of its Financial Regulation and based on a DG BUDG framework contract, Cedefop contracted an external audit company to audit Cedefop's accounts 2022.

II.8a Follow up of recommendations and action plans for audits and evaluations

Following each audit and evaluation, Cedefop draws up an action plan for the implementation of all recommendations. A regular monitoring of actions is carried out by the Internal Control Coordinator. A consolidated action plan, updated at least biannually, is posted on Cedefop's intranet, accessible to all staff.

Since 2020, Cedefop uses the 'degrees of implementation' logic. For each action Cedefop indicates its status at the outset and a target date for completion to help track progress - an approach that the Commission considered exemplary and also recommended to others ⁽⁵¹⁾. By the end of 2020, a dedicated tool had been designed to support 'degrees of implementation' progress tracking which was deployed in 2021 to track the progress of the external evaluation action plan and more generally of the Agency's consolidated action plan.

II.8b Follow up of recommendations issued following investigations by the European Anti-Fraud Office (OLAF)

The OLAF investigation ongoing since 2018 was concluded in July 2022 ⁽⁵²⁾. Details of OLAF's findings, recommendations and Cedefop's follow-up actions – if any - are not provided in this document for sensitivity reasons. The Executive Board is kept informed in in-camera meetings.

II.9 Follow-up of observations from the Discharge Authority

In accordance with Article 107 of Cedefop's decision on the Financial Regulation of 16 July 2019, Cedefop follows up promptly and systematically on the observations and comments accompanying the discharge decision. The Executive Director takes all appropriate steps to act and reports back to the Discharge Authority on measures taken.

On 16 September 2022, the Executive Director sent his report ⁽⁵³⁾ to the Discharge Authority on measures taken by Cedefop in light of the observations and comments from the Discharge Authority related to the implementation of the budget 2020.

By the end of 2022, Cedefop had implemented 10 out of 15 follow-up measures addressing the previous years' observations of the Discharge Authority. The table below reports on the status of the follow-up measures that were still ongoing on 31 December 2022.

Observation / Recommendation	Follow-up measures (status - end 2022)
Staff Policy – Rec. 16 Notes that, on 31 December 2020, the establishment plan was 97% implemented (compared to 95 % in 2019),	As of 2021 Cedefop has introduced strategic workforce planning exercises that take place 3 times per year. This has improved effectiveness in managing posts in the establishment plan and promptly addressed the needs of the service. The

⁽⁵¹⁾ DI 1 refers to 'problem identified', DI 2 to 'solution conceptualised', DI 3 to 'solution implementation planned in detail', DI 4 to 'solution implemented (go-live date)', and DI 5 to 'solution impact established'

⁽⁵²⁾ OC/2018/0606/A1

⁽⁵³⁾ RB(2022)01051

Observation / Recommendation	Follow-up measures (status - end 2022)
with 78 temporary agents appointed out of 81 temporary agents and 10 officials authorised under the Union budget; notes that two interim workers and eight-and-a-half consultants (comprising eight working full time and one working half time) worked at the Centre in 2020, while the Centre did not use these resources in 2019;	introduction of a very limited number of interim agents in Cedefop has been well-justified as they address temporary short-term needs and are timebound. In addition, some external consultants are used to provide highly specialised IT expertise complementing that of internal IT staff
Staff policy – Rec. 17 Notes the lack of gender balance of the Centre’s senior management, with four men (66,7 %) and two women (33,3 %); notes that regarding its overall staff, the gender balance is 57 % women and 43 % men	At senior management level the gender balance is 50:50, i.e. Executive Director (male) and Deputy Director (female) ⁽⁵⁴⁾ . The forthcoming retirements at middle management level, in the short to mid-term time horizon, represent an opportunity to attempt to address issues of gender balance at middle management level. Cedefop attaches high priority to gender balance; gender is a key consideration in selection procedures otherwise based on merit
Staff policy – Rec. 18 Encourages the Centre to pursue the development of a long-term human resources policy framework which addresses work-life balance, lifelong guidance and career development, gender balance, geographical balance and the recruitment and integration of people with disabilities; welcomes the Centre's proactive approach to the implementation of telework over the last few years;	Cedefop adopted a comprehensive HR strategy 2021-23 on 25 June 2020. The strategy is an integral part of the Centre’s planning process and includes three building blocks: (a) talent acquisition and matching, (b) talent management, and (c) staff well-being. Moreover, Cedefop adopted an equal opportunity policy in 2020. Gender and geographical balance indicators are closely monitored as part of the HR scoreboard. The latter provides a complete coverage of HR activities and is a reporting tool that outlines the state of the human capital in a succinct and comprehensive manner. Comprising 15 indicators, the scoreboard brings together concise and evidence-based information to enable a better understanding of the characteristics of Cedefop human resources and to inform HR management decisions.
Staff policy – Rec. 19 Notes with concern that the Centre’s issues regarding the externalisation of its legal service highlighted by the discharge authority and the Court are still not resolved but welcomes the decision of the Centre to re-establish an internal legal advisor in 2021; calls	During the Executive Board meeting of 3 March 2021, the Executive Director, supported by the Executive Board, decided to re-establish an internal legal advisor. A vacancy notice was published on 1 September 2022. The selection procedure was cancelled in 2023. Cedefop is considering using the reserve list of other Agencies.

⁽⁵⁴⁾ even though the Discharge Authority refers to these posts as senior management, Heads of Department and Deputy Director are not considered senior management as per the Staff Regulations

Observation / Recommendation	Follow-up measures (status - end 2022)
on the Centre to continue to report to the discharge authority on any developments in that regard;	
Staff Policy – Rec. 21 Regrets that many staff members have difficulty in contacting national authorities, such as the health care system and the social security system; calls for more support for staff members who move to the country where the agency is located; suggests in this regard a liaison person to ensure, inter alia, the smooth running of connections between the Centre’s staff and national authorities.	Cedefop provides ample support to its staff during the onboarding phase as well as during employment. This includes: liaising with the local authorities for import and export of cars; tax and medical issues, in cooperation with the Greek Ministry of Foreign Affairs; assisting in the Covid-vaccination procedure by registering and booking appointments for interested staff and their family members; providing information on local news, etc. The support extends beyond the strictly professional matters and includes help with personal matters including for family members. Cedefop explores other ways to maintain its relations with Greek authorities to provide to the extent possible support to its staff.

The report on discharge in respect of the implementation of the budget of Cedefop for the financial year 2020 ⁽⁵⁵⁾, adopted by the European Parliament on 4 May 2022, praises Cedefop’s high quality work on several aspects such as budget and financial management, performance, prevention and management of conflicts of interest and transparency, internal control, COVID-19 response and business continuity.

The report on discharge in respect of the implementation of the budget of Cedefop for the financial year 2021 ⁽⁵⁶⁾, adopted by the European Parliament on 9 May 2023, again praises Cedefop’s high quality work on aspects such as budget and financial management, performance, staff policy, procurement, prevention and management of conflicts of interest and transparency, internal control, digitalisation and the green transition and business continuity along crisis.

Observations and comments of the Discharge Authority will be duly addressed, and follow-up actions will be reported, in accordance with Article 107 of Cedefop’s Financial Regulation.

⁽⁵⁵⁾ https://www.europarl.europa.eu/doceo/document/TA-9-2022-0154_EN.pdf

⁽⁵⁶⁾ https://www.europarl.europa.eu/doceo/document/TA-9-2023-0148_EN.pdf

II.10 Environment Management: Cedefop's journey to climate neutrality in 2030



Cedefop is committed to reducing the impact of all its operations on the climate and environment in order to contribute to a more sustainable future. In 2022, Cedefop made a pledge, endorsed by its Management Board, to become climate neutral by 2030. Our objective is to reduce our greenhouse gas (GHG) emissions to the lowest possible level. To achieve that, we will transform our operations and rethink our ways of working, while safeguarding our capacity to produce high-quality data and evidence on VET, skills and qualifications in line with our mandate. To turn our ambitions into tangible actions, we will calculate our emissions and design mitigation measures to achieve climate neutrality by 2030. Commitments and actions will include:

- greening ICT and digital communication;
- greening public procurement;
- increasing energy efficiency and optimising workspaces;
- lowering the carbon footprint of travel;
- organising events in more sustainable ways.

Cedefop's action plan will be ready by autumn 2023. To monitor progress towards set targets, Cedefop will upgrade its environment management system, aiming to become [EMAS certified](#) by 2025. Cedefop has already started reducing direct and indirect emissions, by moving forward in selected areas, such as facility management, travelling and modes of working. Exceeding the target set at 50%, Cedefop reduced expenditure on business trips and events by 56.5% in 2022 in comparison to 2019 and installed energy-efficient window blinds. All preparations were made to start producing our own renewable electricity in 2023 following the installation of photovoltaic panels.

In autumn 2021, Cedefop's management had already adopted an energy efficiency strategy. This was a first important milestone towards climate neutrality. The strategy included the following energy saving and efficiency measures:

- Replacement of all lamps by LED lamps (in 2021)
- Installation of semi-automatic blinds for window (in 2022)
- installation of photovoltaic panels (in 2023)
- further insulation of building facades (in 2024)

Efforts in previous years and new ways of working have already yielded clear benefits, as several indicators show a positive trend. Compared to 2019, the use of electricity is 27% lower and the

consumption of heating oil almost halved (-43%). Thanks to systematic digitalisation of work processes, Cedefop also consumed 73% less paper in 2022.

Also, as part of its core business in 2022, Cedefop further reinforced the work on VET and skills in the context of the green transition. The results of a dedicated forecast scenario on implementing the European Green Deal published as a [Cedefop report](#) ⁽⁵⁷⁾ in 2021 were used throughout 2022 to inform policy discussions. The foresight work on the green transition in smart and green cities and three sectors was completed in 2022. Policy briefs on the green transition in [smart green cities](#) and in [waste management](#) were published and widely disseminated, and preparations for green transition policy briefs on [agri-food](#) and circular economy started. A synthesis of findings from the four foresights was released at several events to support VET and skills stakeholders in managing the implementation of the European Green Deal. New work on identifying green jobs and skills as part of SkillsOVATE development activities continued as planned to put in place the capacity required to better reflect on emerging green transition trends in the labour market using big data (see Part I - 1.3 for more information).

In line with the priorities set by the Council recommendation on VET and the Osnabrück declaration, Cedefop continued working on green apprenticeship and published a [briefing note](#), which also reported on the outcomes of the [second joint Cedefop-OECD symposium](#) ⁽⁵⁸⁾ on 'Apprenticeships for greener economies and societies'. The joint Cedefop-OECD report [Apprenticeships for greener economies and societies](#) showcasing practices, research and analyses was released in May. Cedefop's community of apprenticeship experts delivered [new evidence on how apprenticeships adjust to the green transition](#) in 17 countries (see Part I - 1.2 for more information). Jointly with other members of the interagency working group on work-based learning (the OECD, Cedefop, the ILO, the ETF and UNESCO) Cedefop produced a [leaflet on skills for the green transition](#). Apart from defining them, it also reflects on the role of work-based learning for green transition skills development and on the enabling conditions to unlock its potential.

Working at the interface of VET and the labour market, Cedefop's work as a whole also directly contributes to the UN's Sustainable Developments Goals 4 (quality education) and 8 (decent work and economic growth).

II.11 Assessment by Management

This section reports and assesses the elements identified by Cedefop's management that support the assurance on the achievement of the internal control objectives.

These elements are: (a) comprehensive set of processes and documents to plan its annual work programme; (b) comprehensive set of processes to monitor and report on the implementation of its annual work programme and the deployment of its human and financial resources; (c) processes to monitor and report on legality and regularity; (d) internal control framework; and (e) safeguarding of assets.

a) Comprehensive set of processes and documents to plan the annual work programme

⁽⁵⁷⁾ <https://www.cedefop.europa.eu/en/publications/4206>

⁽⁵⁸⁾ <https://www.cedefop.europa.eu/en/events/2021-joint-cedefopoecd-symposium-apprenticeships-greener-economies-and-societies>

- i The single programming document 2022-24 was adopted by the Management Board on 10 December 2021 by written procedure ⁽⁵⁹⁾.
- ii The annual work programme 2022 is embedded in the single programming document and includes the risk management plan which results from an in-depth ex-ante assessment of the generic risks and risks by project and by Activity-Based Budgeting (ABB) activity. The work programme also includes a set of qualitative and quantitative indicators within Cedefop's Performance Measurement System (PMS).
- iii Along with the adoption of the annual budget (estimate of revenue and expenditure) a multi-annual staff policy plan (MASPP) sets out the human resources required for the implementation of the annual work programme. The MASPP forms an integral part of the single programming document and annual work programme.
- iv Finally, the annual management plan (AMP) 2022 comprises detailed planning for the Agency's key deliverables - e.g. conferences, publications, web tools, procurement procedures - outlined in the annual work programme. It also includes evaluation and audit plans, risk assessment and the anti-fraud strategy action plan for the year 2022.

b) Comprehensive set of processes to monitor and report reliably on the implementation of the annual work programme and the deployment of human and financial resources

- i The Executive Director, Deputy Director and Heads of Departments meet on a weekly basis. The aim of these meetings is to monitor developments in operational, administrative and support activities and take strategic decisions on issues related to financial and human resource management, internal controls, outreach activities of management and experts ⁽⁶⁰⁾ as well as the day-to-day administration of the Agency. Follow-up actions are reviewed on a weekly basis.
- ii The Executive Director, Deputy Director, Heads of Departments, Internal Control Coordinator, Head of Finance and Procurement, Head of Human Resources, coordinators of services (ICT and facilities) and the accounting officer meet in Performance Monitoring Meetings (PMM) three times per year to discuss systematised reports on financial issues (budget implementation, procurements), human resources developments, and monitoring reports on achievements compared to the planned objectives. In the first yearly meeting, the PMS team and a representative of the Staff Committee are also invited. In the third meeting, budget correspondents participate. Achievements are monitored through the performance indicators and targets set in the annual work programme. In addition, these meetings support strategic considerations and opinion exchange on policy issues, planning, and other operational and organisational issues.
- iii A budgetary mid-term review is conducted in September to discuss in detail progress on the implementation of the budget and the work programme and to agree on corrective actions as necessary. The budget correspondents assigned to each Department provide regular monitoring of the budget's planned commitments and payments throughout the year.
- iv The annual report and the consolidated annual activity report are discussed with the Executive and Management Boards, besides the regular reporting to the Executive Board/Management Board on the implementation of the annual work programme, results of audits and evaluations, budget implementation, transfers of appropriations.

⁽⁵⁹⁾ written procedure number 2021-08

⁽⁶⁰⁾ e.g. events, publications, briefing notes, web tools

- v Executive and Management Board members are systematically informed on key changes that may occur in the implementation of the annual work programme. This is a standing agenda item in all meetings.
- vi As requested under Art. 31.4 of Cedefop's Financial Regulation, the Agency makes available on its [website](#), no later than 30 June of the year following the financial year in which the funds were legally committed, information on the recipients of funds financed from the budget of the Agency, including experts contracted. The published information is easily accessible, transparent and comprehensive.

c) Processes to monitor and report on legality and regularity

As regards legality and regularity of underlying transactions, the objective is to ensure that the estimated annual risk of errors in commitments and payments at the time of the authorisation of the transactions is less than 2%. No deviations were recorded in 2022.

As foreseen in the Commission's Anti-Fraud Strategy and in the action plan of the Inter Institutional Working Group's roadmap, Cedefop's Management Board adopted its updated Anti-Fraud Strategy on 28 January 2019, which repealed the first version from 2014.

Following the IAS audit on HR management and ethics, new guidelines on reporting potential conflicts of interests in selection and recruitment processes were adopted on 29 March 2019. Rules on the prevention and management of conflicts of interests for Management Board members, independent experts, seconded national experts and other staff not employed by Cedefop were adopted by Cedefop's Management Board on 2 October 2019.

Internal procedures on reporting irregularities/whistleblowing, including the legal framework, basic principles and steps to be followed by staff members, already in place since 2008, were revised and complemented with Cedefop's guidelines on whistleblowing in 2019 ⁽⁶¹⁾, based on the Commission's Guidelines and in compliance with the requirements set out in Art. 22c of the Staff Regulations.

d) Internal control framework

Internal Control standards are in place in Cedefop since 2009. The Agency revised its Internal Control Framework in 2019 to align it to the European Commission's own revised Framework, basing it on the highest international standards set by the COSO framework ⁽⁶²⁾. Shifting from a compliance-based to a principle-based approach, Cedefop's revised Internal Control Framework, adopted by the Management Board on 9 January 2019, is structured around five components: control environment, risk assessment, control activities, information and communication, monitoring activities. Each component consists of several principles, 17 in total. Cedefop uses indicators to assess the effectiveness of the internal control framework. The indicators are an integral part of Cedefop's Internal Control Framework and are reviewed on an annual basis.

e) Safeguarding of assets

With regard to safeguarding of assets, regular controls and checks are in place, which are in line with the Commission's control structures. They are tested and proved to be sound. Procedures

⁽⁶¹⁾ DGE/37/2019 of 9 April 2019

⁽⁶²⁾ Committee of Sponsoring Organizations of the Treadway Commission (COSO) - Framework for internal control against which organisations measure the effectiveness of their systems of internal control

and recordkeeping concerned with the safeguarding of assets and reliability of financial records are designed to provide assurance that:

- i transactions are executed in compliance with management's authorisation;
- ii transactions are recorded as necessary to permit preparation of financial statements in conformity with the Agency's Financial Regulation and to maintain accountability for assets;
- iii access to assets is restricted through the hierarchical structure of verifications and in line with the Financial Regulation;
- iv the recorded value of assets is compared with existing asset checks e.g. inventory controls and bank reconciliations at reasonable intervals.

PART II b) External Evaluations

As required by Regulation (EU) 2019/128 of the European Parliament and of the Council of 16 January 2019 establishing Cedefop and by the Financial Regulation, Cedefop is subject to periodic external evaluations which are carried out by the Commission. The last one was conducted in 2017 for the period 2011-16 as part of a comprehensive exercise aiming at implementing a more coherent framework for decentralised EU Agencies ⁽⁶³⁾. The evaluation covered the four Agencies that (at that time) fell within the remit of DG Employment ⁽⁶⁴⁾ and assessed them individually and in a cross-cutting perspective, considering also the European Labour Authority being planned at that time.

In April 2019, the European Commission published its conclusions on the Agencies' performance ⁽⁶⁵⁾. Confirming the overall assessment that they operated effectively and efficiently and contributed to EU-level policy making, the Commission highlighted some areas for improvement and issued Agency-specific as well as general recommendations addressed to the four Agencies. Cedefop received only two specific recommendations (see table below).

As requested, Cedefop drew up an action plan which was discussed by the Management Board and submitted to the Commission in October 2019. It comprises detailed actions to address Cedefop-specific recommendations:

- i continue efforts to reallocate even more resources from administration to its core operations;
- ii present the results of its performance measurement indicators that relate to informing policies and their implementation in a more detailed manner;
- iii further align the four Agencies' performance indicator methods.

By October 2022, all recommendations were implemented and formally closed by DGEMPL.

Cedefop-specific recommendations	Actions to be continued	Progress ⁽⁶⁶⁾ - end 2022
The Agency could continue looking for ways to reallocate even more resources from administration to its core operations.	<ul style="list-style-type: none"> Revisit HR situation to see whether additional staff can be deployed to operational areas 	DI: 5 <i>Recommendation closed as per DG EMPL letter ref. EMPL.B.3/ps(2022)76 71796 of 05/10/2022</i>
	<ul style="list-style-type: none"> Identify transfer opportunities from administrative to operational budget lines 2020 target: EUR 20 000 (budget and/or FTEs) 	DI: 5 <i>Recommendation closed as per DG EMPL letter ref. EMPL.B.3/ps(2022)76 71796 of 05/10/2022</i>

⁽⁶³⁾ The 'Common Approach' on decentralised Agencies signed in 2012 by the European Parliament, Council and the Commission.

⁽⁶⁴⁾ European Foundation for the Improvement of Living and Working Conditions (Eurofound), the European Training Foundation (ETF) and the European Agency for Safety and Health at Work (EU-OSHA).

⁽⁶⁵⁾ SWD(2019) 159 final

<https://ec.europa.eu/social/main.jsp?langId=en&catId=85&furtherNews=yes&newsId=9348> [accessed 08.05.20]

⁽⁶⁶⁾ Cedefop tracks progress by degrees of implementation (DI), whereby DI 1 refers to 'problem identified', DI 2 to 'solution conceptualised', DI 3 to 'solution implementation planned in detail', DI 4 to 'solution implemented (go-live date)', and DI 5 'solution impact established'.

Cedefop-specific recommendations	Actions to be continued	Progress ⁽⁶⁶⁾ - end 2022
	<ul style="list-style-type: none"> Further streamline administrative workflows and procedures using more electronic tools (NB: investments in automation may lead to temporary cost increases) 	DI: 5 <i>Recommendation closed as per DG EMPL letter ref. EMPL.B.3/ps(2022)76 71796 of 05/10/2022</i>
	<ul style="list-style-type: none"> Collaborate with other Agencies to achieve further efficiency gains through shared services (e.g. using the Agencies' catalogue of shared services) and joint procurement procedures, e.g. for ICT helpdesk services with ENISA in 2018 <p>Some of the ongoing actions have already reached DI 5 (e.g. joint company survey with Eurofound)</p>	DI: 5 <i>Recommendation closed as per DG EMPL letter ref. EMPL.B.3/ps(2022)76 71796 of 05/10/2022</i>
<p>The Agency could provide greater detail when presenting indicators relating to evidence, to inform policies and their implementation.</p> <p>In particular, it is advised that the indicators 'Policy documents citing Cedefop work' and 'Participation in Presidency events and meetings of senior stakeholders, or which support policy', would not present aggregated figures for items of a very different nature.</p>	<p>Indicator on citations in policy documents: present disaggregated data showing the different nature of the EU-level policy documents and reports that cite/use/refer to Cedefop work</p>	DI: 5 <i>Recommendation closed as per DG EMPL letter ref. EMPL E/SC/ps(2020)471216 0 of 04/08/2020</i>
	<p>Indicator on contributions to policy-relevant meetings of senior stakeholders: present indicator in disaggregated manner</p>	DI: 5 <i>Recommendation closed as per DG EMPL letter ref. EMPL E/SC/ps(2020)471216 0 of 04/08/2020</i>

In its note of 5 October 2022, the Commission confirmed the closure of the action plan. The state of play was discussed with the extended Executive Board at its meeting on 30 June-1 July 2022 and the closure of the action plan presented to the Management Board at its meetings on 6-7 October 2022.

The 2024 cross-cutting evaluation of the four agencies falling within the remit of DG EMPL (Cedefop, EU-OSHA, ETF, Eurofound) was announced on 13 September 2022. It covers the period 2017-21. The first draft inception report was shared with the Agencies on 21 November 2022 for their comments. Cedefop in cooperation with the cluster Agencies provided its comments to the European Commission on 9 December 2022. Prior to that, Cedefop held an online meeting with the external contractors on 8 December 2022. Cedefop, in close collaboration with the other Agencies, is actively contributing to the external evaluation throughout the process, which is expected to last till October 2023.

PART III Assessment of the effectiveness of the internal control systems

III.1 Effectiveness of the Internal Control systems

The methodology applied for the assessment of Cedefop's Internal Control Framework is compliant with the Implementation Guide of the European Commission (2018 updated version of Ares(2017)3293999-30/06/2017).

The assessment of the Internal Control Framework is founded both on ongoing continuous monitoring and on specific periodical assessments and was carried out at three levels:

- the principles - based on the analysis of the detected strengths and deficiencies;
- the components - based on an analysis of the results at principle level;
- the internal control framework as a whole - based on an analysis of the results at component level. See section III.2.

The final conclusion, based on professional judgement, assessed also whether the components are operating well together in an integrated manner.

Ongoing monitoring is built into business processes and performed on a real-time basis at all levels of the organisation. This enables the Agency to timely react to changing conditions and to correct deviations from intended performance and effectiveness levels. The Internal Control Framework is monitored by performance and specific indicators adopted by the Management Board.

Cedefop updated its policy on reporting of exceptions, non-compliance events and notes to the file on 5 November 2020 ⁽⁶⁷⁾ in line with the Commission's guidelines and Cedefop's Internal Control Framework adopted by its Management Board on 9 January 2019.

Deficiencies identified in the context of the ongoing monitoring activities and actions are registered in a 'Deficiencies Registry'. Appropriate mitigating actions addressed the identified issues.

In 2022, Cedefop registered 57 non-compliance events and exception requests linked to issues of contract and financial management. Recommendations issued by the ICC were implemented and followed up to help avoid reoccurrence.

III.2 Conclusions of assessment of internal control systems

The goal of the annual internal control assessment is to provide reasonable assurance that Cedefop's internal control principles are functioning, deficiencies are communicated and corrected in a timely manner, with serious matters reported and followed up as appropriate.

The assessment of the overall Internal Control Framework shows that it is effective, all its components are in place and functioning well and for their intended purpose.

⁽⁶⁷⁾ Decision DIR 07/2020 - RB(2020)01239

The overall assessment was performed by the ICC, using the tool provided by DG BUDG to Agencies' Internal Control Coordinators. DG BUDG and IAS delivered a specific training session to ICC teams of EU Agencies on the annual assessment of the internal control system.

The assessment tool comprises:

- a a registry of deficiencies populated from different internal sources: register of non-compliance events and exception requests, recommendations from IAS, ECA, OLAF and ICC, deficiencies reported spontaneously by staff, the action plan of Cedefop's Anti-Fraud Strategy, Cedefop internal control indicators, notes to the file;
- b an assessment of each principle with regards to the related deficiencies, ranked from 1 to 4 (1= None, 2=Moderate, 3=Major, 4=Critical);
- c an assessment of each component with regards to the related principles, also ranked from 1 to 4;
- d overall assessment of the internal control system (see table below).

Overall (Specific) Assessment of Internal Control System		
To be done globally at Directorate-General level. In addition this assessment can be done for one part of the organisational structure (Delegation, Representation, Directorate, Function, etc.)		
Internal control Component	Present and functioning (Category 1/2/3/4)	Explanation/Conclusion
CONTROL ENVIRONMENT	Category 1. The component is present and functioning well	The Management has set properly the tone at the top with respect to the importance of internal control, including expected standards of conduct.
RISK ASSESSMENT	Category 1. The component is present and functioning well	Overall risks are properly mitigated
CONTROL ACTIVITIES	Category 2. The component is present and functioning but some improvements are needed	Control activities are well in place and functioning.
INFORMATION AND COMMUNICATION	Category 1. The component is present and functioning well	External communication is well organised and functions well. Internal communication can be improved
MONITORING ACTIVITIES	Category 1. The component is present and functioning well	Continuous assessments provide timely information on any deficiencies. Findings are assessed and deficiencies are communicated and corrected in a timely manner.
OVERALL ASSESSMENT (1/2/3 or 4). Are all components operating together in an integrated manner? Assess globally the combination of the assessments of the internal control components.	Category 1. The internal control system is present and functioning well, only minor improvements needed	
Is the overall internal control system effective? Category 1. Minor- Yes Category 2. Moderate- Yes Category 3. Major- Partially Category 4. Critical- No	Yes	
Comment	The assessment of the internal control framework concludes that the organisation is able to deliver its objectives. The key component 'Control environment' is present and functioning well.	

III.3 Statement of the manager in charge of risk management and internal control

RB2023-1061870622-53



DEPUTY DIRECTOR – INTERNAL CONTROL COORDINATOR

Thessaloniki, 23 May 2023

STATEMENT OF DEPUTY DIRECTOR AND INTERNAL CONTROL COORDINATOR TO THE EXECUTIVE DIRECTOR, MR JUERGEN SIEBEL

I, Mara Brugia,

in my capacity as Deputy Director and authorising officer by delegation,

declare that in accordance with my responsibilities as authorising officer by delegation, I have reported to the Executive Director my assessment, advice and recommendations on the issues under my responsibility.

I hereby also declare that in accordance with my responsibilities as Internal Control Coordinator I have reported my assessment, advice and recommendations to the Executive Director on the overall state of internal control in Cedefop.

I declare that on the basis of my managing and monitoring operations I have reasonable assurance that the underlying actions have been legal and regular and that the information I have provided has been accurate and complete.

I hereby declare that the information provided in the Consolidated Annual Activity Report 2022 and its annexes, to the best of my knowledge, are accurate, reliable and complete.

Digitally signed by:

MARA BRUGIA (EUROPEAN CENTRE FOR
DEVELOPMENT OF VOCATIONAL TRAINING (CEDEFOP))

Date: 2023-05-23 12:37:03 UTC

Mara Brugia

Deputy Director and Internal Control Coordinator

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PART IV Management assurance

IV.1 Review of the elements supporting assurance

Cedefop's Internal Control Framework is built under the direct supervision of the management. Taking Cedefop's size into account, a flat hierarchical structure has been adopted. Heads of Departments delegate various functions such as staff assessment of contract agents or contract implementation to Heads of Service and project managers/experts.

Heads of Departments, Heads of Service and project managers/experts are closely and actively involved in the planning, reporting and monitoring processes, as well as in the risk assessment exercise. Not only does this assure alignment of objectives; it also ensures buy-in and a common understanding of the strategic objectives and the annual work programme.

Planning and monitoring tools for the ABB, procurement, events and publications are in place and used to inform management decisions.

A comprehensive set of procedures and guidelines was developed to build and implement the Internal Control Framework. All main procedures and workflows have been documented and digitalised, backups appointed to ensure business continuity - as also documented in the job descriptions of all staff - and further skills development trainings provided to staff to ensure proper implementation of the annual work programme and effective controls ⁽⁶⁸⁾.

Additionally, department and project team meetings or briefings by the Heads of Departments/Services are used to inform staff of relevant issues and new developments.

Because of the Covid-19 pandemic and prolonged periods of teleworking for Cedefop staff, increased communication needs arose. In 2022, 10 general staff assemblies were organised either virtually or in hybrid mode, more specifically on:

- 21 January 2022 (virtual), to present Cedefop's achievements and key figures of 2021, and information on bank charges and salary accounts;
- 11 March 2022 (virtual), to present new colleagues and to debrief staff on the Executive Board meeting of 10 March 2022, inform staff of an upcoming awareness-session on confidential counsellors, present the ICT Work Programme for the year and remind colleagues of the working paper series;
- 31 March 2022 (virtual), to inform staff on the move to Phase 3 of Cedefop's COVID-19 de-escalation strategy and the return to the office as of Monday 2 May 2022;
- 3 May 2022 (hybrid), to remind staff on the practicalities of Phase 3 of Cedefop's de-escalation strategy as of Monday 2 May 2022 and for an update on Facilities.
- 6 June 2022 (hybrid), to inform staff on the 'Intermediary salary adjustment';
- 4 July 2022 (hybrid), to present new colleagues and to debrief staff on the Executive Board meeting of 30 June-01 July 2022 and to raise staff awareness about the DGE on administrative inquiries and disciplinary proceedings;
- 19 September (hybrid), to present new colleagues and to inform staff on Cedefop's operation as of 3 October 2022.

⁽⁶⁸⁾ e.g. trainings and knowledge sharing on e.g. contract management, ABAC, data protection, team development, NVIVO, finance and procurement.

- 7 October 2022 (virtual), to debrief staff on the Executive and Management Board meetings of 5-7 October and announce the new Trello Board 2.0 ⁽⁶⁹⁾ for the 2023 Presidency Priorities and the EU Year on Skills;
- 21 November 2022 (virtual), to inform staff of the salaries adaptations and the weighting factor, inform staff on social measures, present Cedefop's energy saving measures, the end of year processes and the European Ombudsman's recommendations on the recording of text and instant messages;
- 15 December 2022 (virtual), to present to staff the e-procurement and Public Procurement Management Tool (PPMT), provide HR updates and inform staff of a phishing incident and increase their security awareness.

The Executive Director in his capacity as authorising officer and the authorising officers by delegation in their areas of responsibility base their assurance declarations on the results of their direct management supervision. Statements of assurance delivered to the Executive Director by the Deputy Director/Internal Control Coordinator (ICC), Heads of Department and Heads of Service represent an additional layer of internal control and assurance.

Following the assessment of the Internal Control system no significant weakness has been identified.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Executive Director, in his capacity as Authorising Officer by Delegation signed the Declaration of Assurance.

IV.2 Reservations

N/A

⁽⁶⁹⁾ Trello is a collaboration tool that organizes your projects into boards

PART V. Declaration of assurance

RB2023-1061870622-52

**CEDEFOP**European Centre for the Development
of Vocational Training

EXECUTIVE DIRECTOR

Thessaloniki, 25 May 2023

DECLARATION OF EXECUTIVE DIRECTOR

I, Jürgen Siebel,

Executive Director of Cedefop

in my capacity as Authorising Officer

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgment and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the ex-post and ex-ante evaluation and other sources of assurance as steered by the Internal Control Coordinator, the observations of the Internal Audit Service and the lessons learnt from the report of the Court of Auditors for years prior of this declaration.

I confirm that I am not aware of anything not reported here which could harm the interests of Cedefop.

Digitally signed by:

JUERGEN SIEBEL (EUROPEAN CENTRE FOR DEVELOPMENT OF VOCATIONAL TRAINING (CEDEFOP))

Reason: I am the author of this document.

Date: 2023-05-25 10:06:34 UTC

Jürgen Siebel

Executive Director

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page 1 of 1

ANNEXES

Annex I: Core business statistics

CEDEFOP PERFORMANCE AT A GLANCE

TAKE-UP OF CEDEFOP'S WORK

124 EU POLICY DOCUMENTS

120 INTERNATIONAL ORGANISATION PAPERS

1 030 PAPERS IN ACADEMIC LITERATURE



ONLINE REACH

+18% PAGE VIEWS ON PORTAL

+12% FOLLOWERS ON SOCIAL MEDIA



BUDGET

100% BUDGET IMPLEMENTATION RATE

98% PAYMENT APPROPRIATIONS



QUALITY OF CEDEFOP EVENTS

95% SATISFACTION RATE



STAFF ENGAGEMENT

65% TOTAL FAVOURABLE
+5 p.p. COMPARED TO IN 2019
+2 p.p. HIGHER THAN EU INTER-AGENCY BENCHMARK

CLIMATE AND ENVIRONMENT FOOTPRINT (with ref. to 2019)

REDUCED BUSINESS TRAVEL AND EVENTS (**56.5%** LESS EXPENDITURE)

REDUCED BY
27% ELECTRICITY
43% HEATING OIL CONSUMPTION

CONSUMED **73%** LESS PAPER



2022 USER SATISFACTION SURVEY

97% OF CEDEFOP USERS FIND ITS WORK AS POLICY-RELEVANT AND RELIABLE

95% SATISFIED WITH CEDEFOP'S WORK ON DIGITAL TRANSITION

93% SATISFIED WITH CEDEFOP'S WORK ON GREEN TRANSITION

89% SATISFIED WITH CEDEFOP'S PANDEMIC-RELATED ANALYSIS



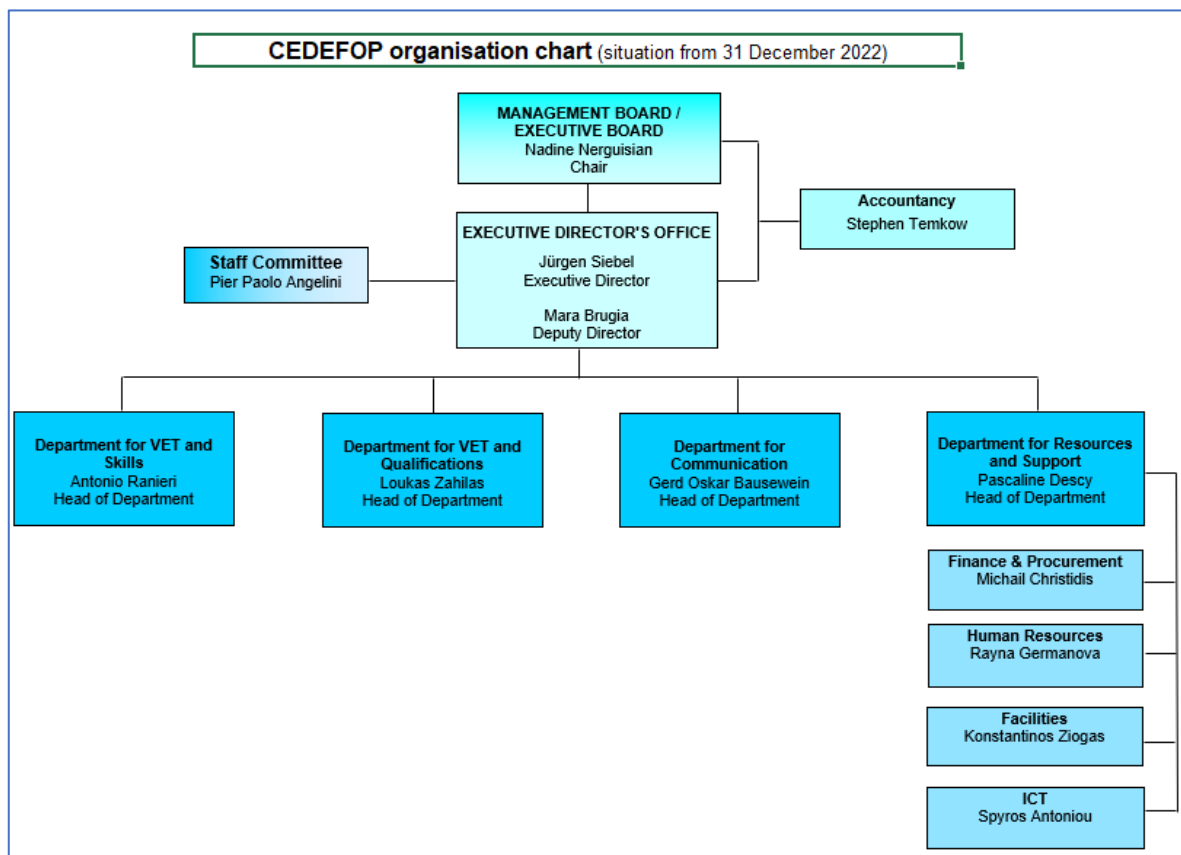
Annex II: Statistics on financial Management

Budget outturn	N-4 (2019)	N-3 (2020)	N-2 (2021)	N-1 (2022)
Revenue actually received (+)	19,308,595	17,173,664	18,538,589	18,468,380
Payments made (-)	-18,342,813	-15,918,322	-17,580,672	-17,102,388
Carry-over of appropriations (-)	-827,786	-1,218,993	-879,615	-1,172,755
Cancellation of appropriations carried over (+)	59,332	58,261	77,236	67,297
Adjustment for carry-over of assigned revenue appropriations from previous year (+)	0	33,514	39,277	45,708
Exchange rate differences (+/-)	-1,948	-1,123	-858	-297
Adjustment for negative balance from previous year (-)	0	0	0	0
Total	195,379	127,001	193,957	305,945

The budget outturn 2022 is EUR 305 945.

Detailed information on budget execution is presented in Part II.3.

Annex III: Organisational chart



Annex IV: Establishment plan and additional information on Human Resources management

Key functions	Type of contract (official, TA or CA)	Function group, grade of recruitment	Indication whether the function is dedicated to administrative support or operations
Executive Director	TA external	AD14	Operations
Deputy Director	TA reassignment	AD12	Operations
Head of Administration	TA reassignment	AD11	Administrative
Head of Department	TA external	AD10	Operations
Administrator/Expert	TA external	AD 7	Operations
Administrator/Expert	TA external	AD 5	Operations/ Administrative
Expert	CA	FG IV	Operations/ Administrative
Senior Assistant	TA internal	AST 10	Operations
Assistant	TA external	AST 2	Operations
Assistant	TA external	AST 4	Administrative/ Neutral
Assistant	CA	FG III	Administrative
Assistant	CA	FG II	Operations/ Administrative/ Neutral
Head of Human Resources	TA external	AD 8	Administrative
Head of Finance and Procurement	TA inter-agency	AD 9	Neutral
Security officer	TA reassignment	AST 4	Administrative
Editing assistant	TA external	AST 2	Operations
Press officer	TA external	AD 5	Operations
Web manager	TA external	AST 4	Operations
Data Protection Officer	TA	AD 7	Administrative
Accounting Officer	TA external	AD 7	Neutral

Job screening/benchmarking against previous year results

Job Type (subcategory)	2021 (%)	2022 (%)
Administrative support and Coordination	19.28%	19.00%
Administrative support	17.63%	17.45%
Coordination	1.65%	1.56%
Operational	72.49%	73.21%
Top level Operational Coordination	4.94%	4.67%
Programme management and implementation	67.55%	68.54%
Evaluation & impact assessment	0.00%	0.00%
General operational	0.00%	0.00%
Neutral	8.24%	7.79%
Finance/Control	8.24%	7.79%
Linguistics	0.00%	0.00%

List of HR implementing rules adopted in 2022

Cedefop-DGE-44-2022_Administrative inquiries and disciplinary proceedings

Gender representation - Data on 31/12/Year N-1 (2022) / statutory staff (only officials, AT and AC)

		Official		Temporary		Contract Agents		Grand Total	
		Staff	%	Staff	%	Staff	%	Staff	%
Female	Administrative level	2	33.3%	17	38.6%	1	10.0%	20	33.3%
	Assistant level (AST & AST/SC)	4	66.7%	27	61.4%	9	90.0%	40	66.7%
	Total	6	100.0%	44	100.0%	10	100.0%	60	100.0%
Male	Administrative level	0	0.0%	28	80.0%	4	44.4%	32	69.6%
	Assistant level (AST & AST/SC)	2	100.0%	7	20.0%	5	55.6%	14	30.4%
	Total	2	100%	35	100%	9	100.0%	46	100.0%
Grand Total		8	100%	79	100.0%	19	100.0%	106	100.0%

Data regarding gender evolution over 5 years of Middle and Senior management

	N-5 (2018)		N-1 (2022)	
	Number	%	Number	%
Female Managers	3	50%	2	33.3%
Male Managers	3	50%	4	66.7%

Geographical balance: Explanatory figures to highlight nationalities of staff (split per Administrator/CA FG IV and Assistant /CA FG I, II, III)

a - Table on 31/12/year N-1 (2022) - statutory staff only (officials, AT and AC)

Nationality	AD + CA FG IV		AST/SC-AST + CA FGI/CA FGII/CA FGIII		TOTAL	
	Number	% of Total Staff members in AD and FG IV categories	Number	% of Total Staff members in AST SC/AST and FG I, II and III categories	Number	% of total staff
AT			1	1.9%	1	0.9%
BE	2	3.8%	3	5.6%	5	4.7%
BG	1	1.9%			1	0.9%
CZ	1	1.9%			1	0.9%
DE	5	9.6%	4	7.4%	9	8.5%
DK			2	3.7%	2	1.9%
EE	1	1.9%			1	0.9%
EL	18	34.6%	32	59.3%	50	47.2%
ES	3	5.8%	1	1.9%	4	3.8%
FR	2	3.8%	5	9.3%	7	6.6%
IT	9	17.3%	2	3.7%	11	10.4%
LV	2	3.8%			2	1.9%
NL	1	1.9%			1	0.9%
NO	1	1.9%			1	0.9%
PL	2	3.8%			2	1.9%
RO	1	1.9%	2	3.7%	3	2.8%
SE			1	1.9%	1	0.9%
SK	1	1.9%			1	0.9%
UK	2	3.8%	1	1.9%	3	2.8%
TOTAL	52	100%	54	100%	106	100.0%

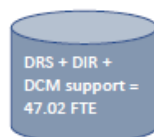
b - Evolution over 5 years of the most represented nationality in the Agency

Most represented nationality	N-5 (2018)		N-1 (2022)	
	Number	%	Number	%
EL	49	43%	50	47%

Annex V: Human and financial resources by activity

ABB 2022													
Activity Name	Dept - Chapter	Direct budget cost per activity		FTE cost per activity							Overhead cost per activity	Total budget per activity	
		Direct final budget per activity (1)	% of Total Oper B	Direct FTEs (a)	% of FTEs (key)	Direct FTEs salary cost (2)	Indirect FTEs (b)	Indirect FTEs salary cost (3)	Total FTEs (c)=(a)+(b)	Total FTE salary cost (4)=(2)+(3)	T1+T2+Ch30 excl salaries (5)	Total cost (6)=(1)+(4)+(5)	% per activity
Shaping VET & qualifications	DVQ - Ch 33	1,671,142	37%	22.03	36%	2,318,457	17.12	1,802,180	39.15	4,120,637	1,114,017	6,905,796	37%
Valuing VET & skills	DVS-LE - Ch 34	1,090,335	24%	17.65	29%	1,857,502	13.72	1,443,871	31.37	3,301,373	892,529	5,284,236	28%
Informing VET & skills policies	DVS-SL - Ch 32	1,057,881	24%	12.81	21%	1,348,136	9.96	1,047,931	22.77	2,396,067	647,779	4,101,727	22%
Communication	DCM - Ch 35	641,742	14%	8.00	13%	841,927	6.22	654,446	14.22	1,496,373	404,546	2,542,661	14%
Totals		4,461,100	100%	60.49	100%	6,366,022	47.02	4,948,427	107.51	11,314,450	3,058,870	18,834,420	100%

PD 2022-24			
Annex II Resource allocation 2022			
Total FTEs	% of total FTEs (key)	Total Budget (initial)	% per activity
43.90	36%	6,027,014	32%
31.30	25%	5,461,982	29%
30.70	25%	5,461,982	29%
17.00	14%	1,883,442	10%
122.90	100%	18,834,420	100%



(1): Budget allocated to Core operational activities at year end

(a): FTEs allocated to Core operational activities (organigramme, % reporting to different Depts, and months in service accounted for)

(2): Direct FTEs (a) multiplied by average staff salary cost

(b): FTEs of DRS, DIR and DCM (excl Communication) redistributed to Core operational activities according to '% of FTEs (key)'

(3): Indirect FTEs (b) multiplied by average staff salary cost

(c): Total FTEs, direct (a) plus indirect (b) allocated to activities

(4): Salary cost of total FTEs (c) per activity

(5): Overhead costs for distribution. Budget allocated to Resources and Support activities = T1 (excl salaries) + T2 + Chapter 30 (MB meetings and transversal activities)

(6): Total budget allocated per activity: Direct final budget (1) + Total FTE cost (4) + Overhead cost (5)

Remark

Deviation total FTEs (c) from PD Annex II Resource allocation: From 123 authorised posts, the total FTEs engaged is 107.51 = 15,49 FTEs less than available

Annex VI: Environment management

In the context of the inter-agency Performance and Development Network (PDN), a proposal emerged in October 2020 to promote a common approach to the programming and reporting requirements on Environment Management ⁽⁷⁰⁾ in the form of a practical guide providing succinct practical advice and inspiration to Agencies on how to structure and present the programming and reporting information of their environmental performance. Cedefop's current approach is in line with this initiative.

However, in line with its climate neutrality ambition, the Agency will in 2023 upgrade its environment management system and take steps to become EMAS certified as of 2025.

Context of the Agency and its environmental management strategy

Sustainability reporting is the practice of measuring, disclosing and being accountable to internal and external stakeholders for organisational performance towards the goal of sustainable development. Sustainability reporting is both a management and an accountability tool. It involves reporting on how the organisation considers sustainability issues in its operations, and on its environmental, social and economic impacts ⁽⁷¹⁾.

Overview of the Agency's environmental management system

Since 2008, Cedefop is making a firm commitment to environment management practices. The Agency introduced a comprehensive and structured internal Environmental Management System (EMS) in 2014 ⁽⁷²⁾.

The EMS is a framework helping the organisation achieve its environmental targets through consistent control and assessment of its operations, aiming to provide:

- a better regulatory compliance: ensuring that the Agency's environmental legal responsibilities are met and better managed on a day-to-day basis;
- b more effective use of resources: managing resources and waste more effectively and at reduced costs;
- c improved public image: improving the Agency's credentials as an environmentally aware institution that has made a commitment to continual environmental improvement;
- d protection of the environment: moderating or eliminating major impacts, monitoring and controlling impacts that cannot be eliminated or mitigated.

As most EMS models ⁽⁷³⁾, Cedefop's EMS is built on the 'plan, do, check, act' (PDCA) model.

⁽⁷⁰⁾ New Framework Financial Regulation (2019) for EU agencies, EC's new templates and guidelines for the Single Programming Document (SPD) and the Consolidated Annual Activity Report (CAAR), EP discharge questionnaire.

⁽⁷¹⁾ <https://www.un.org/sustainabledevelopment/> [accessed on 13.11.2019].

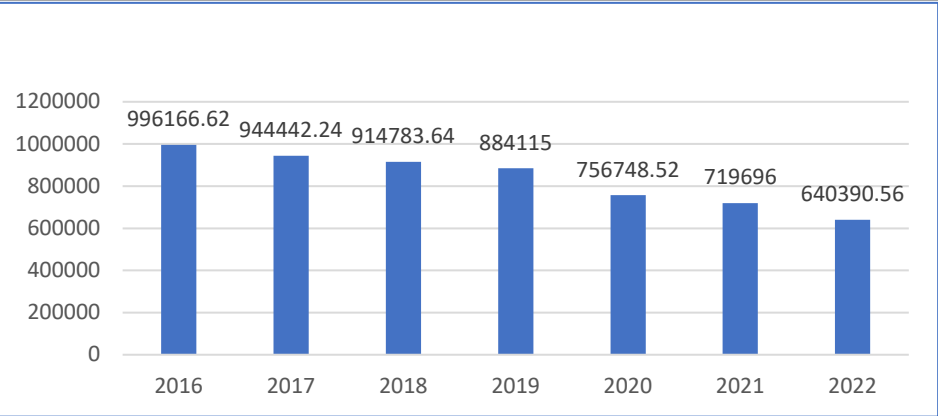
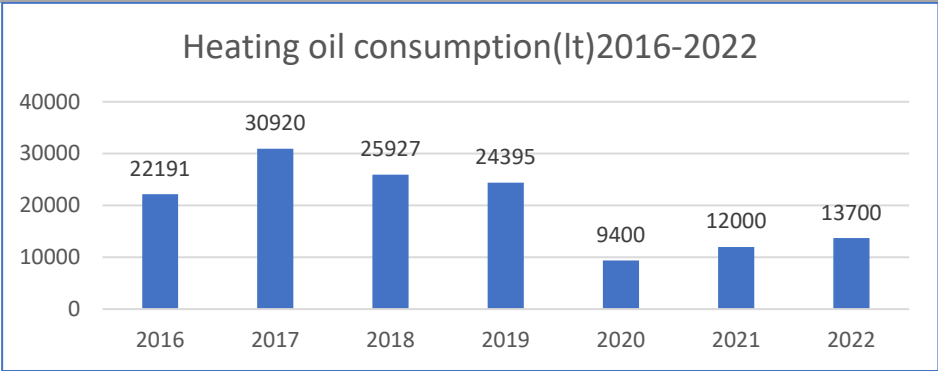
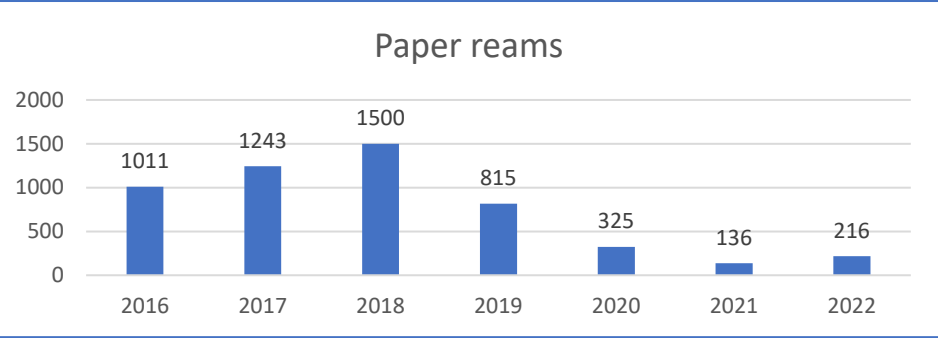
⁽⁷²⁾ RB(2014)00321 of 24 April 2014.

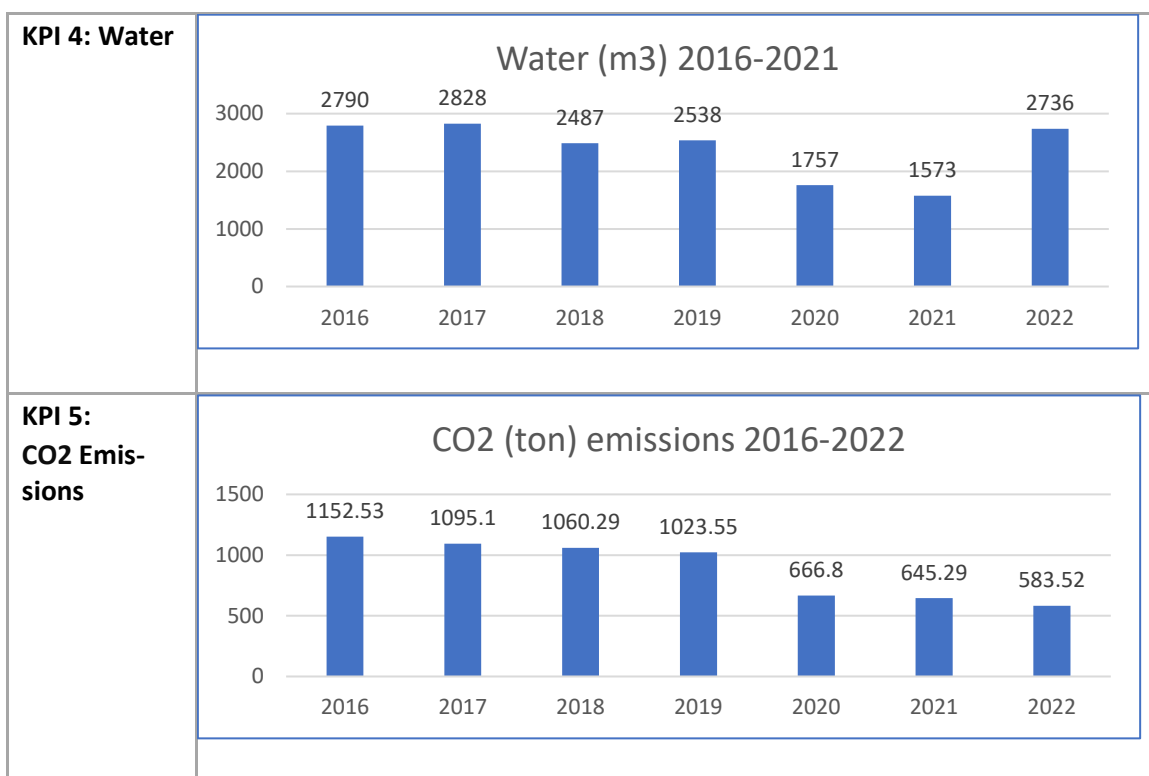
⁽⁷³⁾ Including ISO 14001 or the eco-management and audit scheme – EMAS.

To measure progress towards the achievement of the Agency's green objectives Cedefop's EMS uses the following indicators:

- energy consumptions: electricity and heating oil consumptions;
- water consumption;
- paper consumption;
- waste;
- co2 emissions.

For all indicators listed in the table below, the 2022 target was to maintain (or go below) 2016 consumption.

Indicator	Until 31/12/2022																
KPI 1: Electricity	 <table border="1"> <thead> <tr> <th>Year</th> <th>Consumption</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>996166.62</td> </tr> <tr> <td>2017</td> <td>944442.24</td> </tr> <tr> <td>2018</td> <td>914783.64</td> </tr> <tr> <td>2019</td> <td>884115</td> </tr> <tr> <td>2020</td> <td>756748.52</td> </tr> <tr> <td>2021</td> <td>719696</td> </tr> <tr> <td>2022</td> <td>640390.56</td> </tr> </tbody> </table>	Year	Consumption	2016	996166.62	2017	944442.24	2018	914783.64	2019	884115	2020	756748.52	2021	719696	2022	640390.56
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KPI 2: Heating oil	<p>Heating oil consumption(It)2016-2022</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Consumption (It)</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>22191</td> </tr> <tr> <td>2017</td> <td>30920</td> </tr> <tr> <td>2018</td> <td>25927</td> </tr> <tr> <td>2019</td> <td>24395</td> </tr> <tr> <td>2020</td> <td>9400</td> </tr> <tr> <td>2021</td> <td>12000</td> </tr> <tr> <td>2022</td> <td>13700</td> </tr> </tbody> </table>	Year	Consumption (It)	2016	22191	2017	30920	2018	25927	2019	24395	2020	9400	2021	12000	2022	13700
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KPI 3: Paper	<p>Paper reams</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Consumption (reams)</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>1011</td> </tr> <tr> <td>2017</td> <td>1243</td> </tr> <tr> <td>2018</td> <td>1500</td> </tr> <tr> <td>2019</td> <td>815</td> </tr> <tr> <td>2020</td> <td>325</td> </tr> <tr> <td>2021</td> <td>136</td> </tr> <tr> <td>2022</td> <td>216</td> </tr> </tbody> </table>	Year	Consumption (reams)	2016	1011	2017	1243	2018	1500	2019	815	2020	325	2021	136	2022	216
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Integrated into Cedefop's performance measurement system, PMS indicator 26 (Environmental indicator) assesses the Agency's environmental performance using greenhouse gas emissions (ton CO₂) ⁽⁷⁴⁾ and overall waste emissions ⁽⁷⁵⁾.

In addition to its EMS, Cedefop also reports on social sustainability indicators. Gender equality indicators are reported in Annex V – D (Human resources – qualitative – Gender representation) of the Agency's Single Programming Document as well in the Consolidated Annual Activity Report.

⁽⁷⁴⁾ Energy consumptions.

⁽⁷⁵⁾ Recyclable material and household.

Annex VII: Draft/Final Annual Accounts

Disclaimer: Link to Annual accounts published on Cedefop web portal will be added when available