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IMPACT ASSESSMENT

Accompanying document to the

Proposal for a

COUNCIL RECOMMENDATION

on policies to reduce early school leaving

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Leading Service: DG Education and Culture (EAC)

Other involved services: DGs Employment, Social Affairs and Equal Opportunities (EMPL), Home Affairs (HOME), Research (RTD), Eurostat (ESTAT) and Secretariat-General (SG).

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Roadmap: published on 1 July 2010

(http://ec.europa.eu/governance/impact/planned_ia/docs/411_eac_recomm_early_school_leaving_en.pdf)

1. SECTION 1: PROCEDURAL ISSUES AND CONSULTATION OF INTERESTED PARTIES

1.1. Organisation and timing

The Recommendation on combating early school leaving (ESL) is included in the Commission's work programme under the reference 2010/EAC/028. It is foreseen to launch the inter-service consultation in October 2010 and to adopt the recommendation by end of 2010.

The detailed work on the impact assessment started in April 2010. A group of Commission Directorates General and Services was set up to monitor the work on the impact assessment (IA) and comment on the draft IA report. A first meeting of this Steering Committee was convened on the 22 April 2010. The following DGs participated in the group: EMPL, JLS, RTD, ESTAT and SG. DGs Economic and Financial Affairs (ECFIN), Regional Policy (REGIO) and Health and Consumers (SANCO) were also invited and received the meeting documents for comments.

Two further meetings were held on the 9 June 2010 and the 14 July 2010. The final draft of this report was discussed on 14 July 2010. The minutes of the meetings are annexed.

The first version of the IA Report was discussed by the IA Board on 22 September 2010. Following the recommendations of the IA Board, the report has been revised and includes the following additional information:

- Data on and reasons for different performances in reducing ESL rates in Member States and key factors for success are included in section 2 (Problem definition).
- The shortcomings in policy development in the current baseline arrangements (OMC and NRP under Europe 2020) are described in more detail in section 2.3 (Baseline scenario).
- The objectives have been revised (section 3).
- The options in section 4 have been re-defined in order to focus more on the policy content.
- Information on the availability of data and information and the possibilities to acquire the necessary information for more evidence based policy making are described at several points throughout the report: lack of data and information (Section 2), possibilities to acquire better data and information (section 6).

- The costs related to data and information gathering as well as the costs and benefits of introducing evidence-based, comprehensive and consistent policies against early school leaving are discussed in section 6.
- Annex 1 provides a description of the policy framework which would form the content of the draft Recommendation.

Following the comments of the IA Board of 22 October 2010, the presentation of the policy options has been clarified, in order to better guide the reader. Section 7 underlines more strongly that the initiative will base its reporting and monitoring on the information gathered through the Europe 2020 reporting and monitoring process. A number of smaller comments have also been taken into account in revised drafting.

1.2. Consultation and expertise

DG EAC started its work on early school leaving in 2006. Under the Open Method of Coordination, a “Cluster” of experts from Member States specialising in "Access and Social Inclusion in Education" was set up within the work programme *Education and Training 2010*, adopted by the Council in 2003.¹ This Cluster conducted peer-learning activities in Belgium (2006), Ireland (2007) and France (2007) focussing in particular on ESL and allowing for in-depth reflections on efficient and effective policies against ESL. Other peer learning activities contributed also to the knowledge base on ESL, placing it in a wider perspective of measures to support disadvantaged youth. Specific information on policies against ESL was collected from 11 countries (AT, CZ, FR, HU, IE, IT, LT, LU, ES, SE, TR). This information formed part of the empirical basis of the following analytical work.

Special Report No 1/2006 of the Court of Auditors on the contribution of European Social Funds to combating early school leaving gave additional insight into the current situation and the policies of six Member States (ES, FR, IE, NL, PT, UK). Reducing early school leaving has been a priority supported through the European Social Fund (ESF) and the experiences form an important basis for policy recommendations. One of the main conclusions of the report was that activities within Member States were not sufficiently based on an adequate analysis of the existing situation and were not sufficiently targeted. The report also noticed a lack of quantitative evaluation information on the results or the impact of the different measures. These findings correlate strongly with the findings of the Cluster.

Three studies on ESL launched by the DG EAC in 2005 and 2009 completed the overall picture:

- *Study on access to education and training, basic skills and early school leaving* (2005), lot 3 on early school leaving submitted by the consulting company GHK (UK). The report collected and compared information from 25 EU Member States and four non-European countries.²

¹ Sixteen countries participated in the cluster 'Access and Social Inclusion in LLL': AT, BE, CZ, ES, FR, DE, GR, HU, IE, IT, LT, LU, LV, SE, RO, and TR. The cluster focussed its activities on the topic of educational disadvantage in school education, early school leaving and access to early childhood education and care. Between 2006 and 2010 it conducted 10 peer-learning activities and 11 meetings in Brussels.

² http://ec.europa.eu/education/pdf/doc284_en.pdf

- *Early School Leaving. Lessons from research for policy makers* (2009), a report submitted by the Network of Experts in Social Sciences of Education (NESSE). The report provided an overview of current research on ESL.³
- *Inclusion and education in European countries* (2009), INTEMEAS consortium, coordinated by DOCA Bureaus (NL) The report provided information on 10 European countries (FR, DE, HU, IT, NL, PL, SI, SE, ES, UK), and included a specific chapter on ESL.⁴

Research evidence from different European countries, other comparative studies, and results of projects funded under European programmes (mainly the Lifelong Learning Programme and the EU Framework Programmes for research) have also been taken into account.⁵

The topic of ESL was also addressed in the **public consultations** on 'Schools for the 21st century'⁶ (2007) and on 'Migration and Education'⁷ (2008).

- The **consultation on 'schools for the 21st century'** asked how school systems could best respond to the need to promote equity, to respond to cultural diversity and to reduce early school leaving. With regard to ESL, responding authorities in particular stressed the importance of a 'remediation' system to reduce school drop-out, capable of intervening at an individual and family level as early as possible. Respondents indicated that schools and teachers valued personalised learning highly to ensure intrinsic motivation and reduce drop-out. Both organisational and didactic reforms were mentioned with an emphasis on early years' education and early intervention for pupils with special needs – to reduce inequity and provide the best grounding for learning.
- The **consultation on migration and education** asked for views on important policy challenges related to the provision of high quality education to children from a migrant background. ESL is regarded as one of the effects of overall educational disadvantage of migrant children. The consultation confirmed the view of the Green Paper on Migration and Mobility that socio-economic disadvantage does not account for the full extent of disadvantage among migrant pupils nor for the high rate of early school leavers among migrant youth. Issues frequently mentioned were school segregation, insufficient competences of teachers to work in multicultural classrooms, and a lack of equal opportunities in education.

A summary of main outcomes of both consultations with regard to ESL is annexed.

In December 2009 a draft version of a policy framework was presented to a meeting of **Directors General for school education** of Member States' education ministries. The policy framework underlines the need of evidence-based approaches in fighting ESL. It distinguishes between prevention, intervention and compensation and argues for consistent and coordinated policies involving all stakeholders. The participants expressed their support for the policy framework and its basic structure. Many underlined that reducing ESL is one of the priorities

³ <http://www.nesse.fr/nesse/activities/reports/early-school-leaving.pdf>

⁴ http://ec.europa.eu/education/more-information/doc/inclusion/sum_en.pdf

⁵ E.g. IRIS (2005) Policy measures concerning disadvantaged youth, launched by DG EMPL, http://ec.europa.eu/employment_social/social_inclusion/docs/youth_study_en.pdf

⁶ SEC(2007)1009.

⁷ COM(2008) 423.

in school education policy. Some countries remarked that there were difficulties in measuring ESL and that the problems might even be greater than many stakeholders believe. In addition to measures at school level such as pedagogical improvements, better cooperation with families was highlighted as crucial. Interviews with early school leavers in some countries indicated that family instability and lack of family support contributed to drop-out. It was also underlined that the consequential costs of ESL exceed by far the costs for measures against ESL. In the follow-up of this meeting, Member States contributed to the further development of the paper by submitting additional examples of good practice.

In May 2010 **the Cluster 'Access and Social Inclusion in Education'** met to finalise its work. Cluster members were asked to comment on a draft version of a Staff Working Document on ESL and the policy framework. The overall reaction was supportive, while underlining that more attention should be paid to the diversity of the issue and the fact that European countries face different situations with regard to ESL. Cluster members discussed the various needs and their corresponding measures at system-level, school-level and with regard to supporting individual pupils. They emphasised the need to 'mainstream' policies against ESL in all policies related to children and families. The minutes of the meeting are annexed to this IA report.

When preparing the proposed new initiative on ESL, the Commission decided to build on the results of the existing public consultations outlined above, and that a specialised consultation of relevant stakeholder organisations would be an appropriate follow-up given the specialised nature of the issue. It was therefore decided not to conduct an additional public consultation on ESL in preparation of this impact assessment.

The meeting of **European stakeholders in School and Vocational Education** took place on 14 June 2010 in Brussels. It was attended by 14 stakeholder organisations, representing stakeholders in general and vocational education and training as well as organisations for children's rights and well-being, for migrants and for Roma. The selection of participants was based on those European organisations and networks which participated in "round table" meetings with the European Commission in the area of education, supplemented by further relevant European-level organisations in the field identified by different units in DG EAC as well as the members of the Inter-Service Impact Assessment Steering Committee. All participants in the stakeholder meeting supported the approach taken in the policy framework. Participants requested that aspects such as the role of education and schools for personal development, the individual perspective of the young person, the potentials, competences and creativity of children, and their right to education need to be strengthened in the documents. Also the limited participation of people with lower educational levels in democratic processes was emphasized, which is a risk factor for social cohesion and would be improved by a reduction in ESL. It was underlined that the economic and financial crisis increases the urgency of the problem. Under conditions of austerity, education should be seen as an investment, not a cost factor for states and societies. The minutes of the meeting and the list of participants are annexed to this IA report.

A **Ministerial Seminar organised under the Belgian Presidency on 9 July 2010** discussed current policies on early school leaving. The discussion was introduced by presentations from the Netherlands and Hungary. The contributions from Member States underlined the complexity of the problem and its multifaceted causes. They focused on (1) absenteeism as a warning signal, and the importance to monitor and react to it rapidly and decisively; (2) extension of compulsory schooling to age 18, which had recently been implemented in the Netherlands, Hungary and Poland; (3) improved guidance and family support, including

financial support for pupils from disadvantaged backgrounds; (4) reinforcing vocational education and training pathways; and (5) the need to provide compensatory / second chance mechanisms to re-engage early leavers from education and training. Participants supported the initiative of the Commission to propose a Recommendation and underlined the added value of European exchange in this area. The French delegation proposed the establishment of a working group on ESL which should facilitate the exchange of good practice, develop a tool kit for policy development and provide recommendations on ways to improve the efficiency of policy and measures in the area of early school leaving. This initiative was welcomed by the other delegations.

During the process of consultation, all relevant parties have been involved. Discussion papers have been made available well in advance. Both written and oral comments have been taken into account.

Chart 1: List of consultations

	Type of consultation
Education Ministries	<ul style="list-style-type: none"> • DG Schools Meeting in Stockholm in 2008 • Cluster on Access and Social Inclusion in Lifelong Learning (2006 – 2010; 15 countries participating) • Ministerial Seminar in 2010
Stakeholders in education and training	<ul style="list-style-type: none"> • Stakeholder meeting in July 2010 • Public consultation on schools in 2007
Migrant organisations, Roma organisations	<ul style="list-style-type: none"> • Stakeholder meeting in July 2010 • Public consultation on migration and education in 2008
Broader public	<ul style="list-style-type: none"> • Public consultation on schools in 2007 • Public consultation on migration and education in 2008

Given the strong involvement of experts in previous consultations and working groups, no further external expertise was needed for this impact assessment. The compilation and analysis of the consultation results and expertise has been done by Commission services.

1.3. Political background

The Education Council set itself in 2003 a benchmark to reduce the EU average rate of early school leavers to not more than 10% by 2010. ESL rates are defined as the percentage of 18-24 year olds with only lower secondary education or less and no longer in education or training.⁸ Although the situation in most Member States has improved, this target has not been reached.

⁸ Council Conclusions of 5-6 May on reference levels of European average performance in education and training (benchmarks) (doc. 8981/03). From 20 November 2009, this indicator is based on annual averages of quarterly data instead of one unique reference quarter in spring. Early school leavers refers to persons aged 18 to 24 fulfilling the following two conditions: first, the highest level of education or training attained is ISCED 0, 1, 2 or 3c short, second, respondents declared not having received any education or training in the four weeks preceding the survey (numerator). The denominator consists of the total population of the same age group, excluding no answers to the questions "highest level of education or training attained" and "participation to education and training". Both the numerators and the denominators come from the EU Labour Force Survey

In establishing the next phase of work under the Open Method of Coordination, the 'Education and Training 2020' (ET2020) programme in 2009, the Council renewed the target.⁹ The need to reduce ESL was given still greater political urgency under the Europe 2020 strategy, adopted by the European Council in June 2010. It takes as one of five headline targets in all fields of EU activity the reduction of ESL to less than 10% by 2020. The new strategy highlights three mutually reinforcing priorities: 'smart growth' based on knowledge and innovation, 'sustainable growth' promoting a greener economy and 'inclusive growth' fostering high employment and social cohesion. High rates of ESL are a bottleneck for smart and inclusive growth. ESL effects negatively on youth employment and increases the individual risk of poverty and social exclusion. To reduce ESL is therefore a gateway to reaching the other targets in Europe 2020.¹⁰ In addition to the European target, Member States agreed to set national targets, taking into account their starting position and national circumstances. They will also draw up National Reform Programmes describing the strategies and actions they will undertake to meet their national targets. National targets on the reduction of ESL rates will foster policy development in this area and increase the pressure for efficient and effective policies against ESL. The new emphasis on ESL will also put more weight on the monitoring of policies against ESL, their successes and shortcomings.

The Europe 2020 flagship initiative 'Youth on the Move'¹¹ puts ESL in a wider perspective by emphasizing the need to improve quality and equity in education and training, to provide more young people with the necessary competences to become lifelong learners, and to give more young people the chance to experience learning mobility. The Communication on 'Youth on the Move' announced that the Commission would prepare a Recommendation on ESL in 2010.

In April 2010 a resolution of the Council and of the representatives of the governments of the Member States, meeting within the Council, on the active inclusion of young people: combating unemployment and poverty¹² stressed the need to promote education, training and non-formal learning in order to enhance employability, to improve young people's knowledge, skills and competences, and to combat the problem of early leaving from education and training.

In May 2010 the Council adopted conclusions on the 'Social Dimension of Education and Training', addressing also the problem of early school leaving and inviting Member States to intensify efforts to prevent ESL in particular by implementing " (...) *Comprehensive, cross-sectoral strategies should be implemented, which provide a range of school-wide and systemic policies targeting the different factors leading to early school-leaving.*"¹³

2. SECTION 2: PROBLEM DEFINITION

In 2009 14.4% of all 18 – 24 year olds left education and training prematurely.¹⁴ In 2000 the average rate of ESL in the EU stood at 17.6%, 3.2 percentage points above its current level.

⁹ OJ, C119, 28.5.2009.

¹⁰ Commission Communication "Europe 2020 - A strategy for smart, sustainable and inclusive growth" COM(2010)2020; Conclusions of the European Council 17 June 2010

¹¹ Commission Communication "Youth on the Move. An initiative to unleash the potential of young people to achieve smart, sustainable and inclusive growth in the European Union" COM(2010) 477

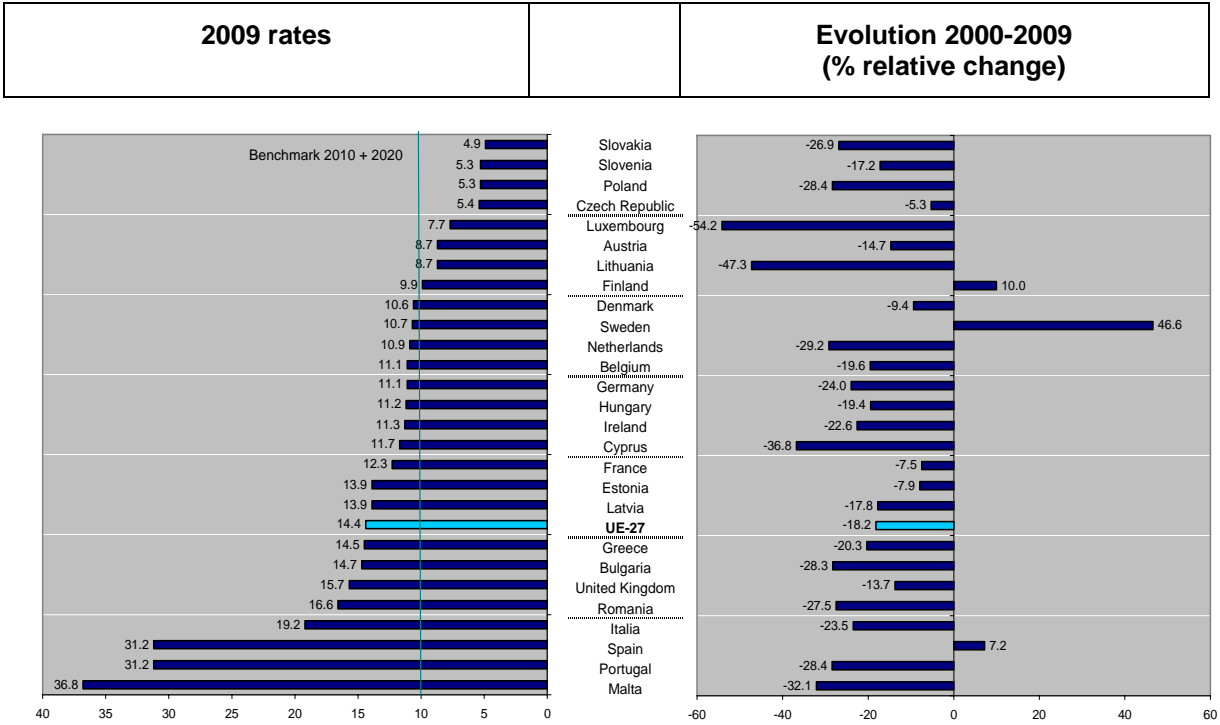
¹² <http://register.consilium.europa.eu/pdf/en/10/st09/st09018.en10.pdf>

¹³ OJ C 135, 26.5.2010

¹⁴ Eurostat, Labour Force Survey (LFS) 2010; more information on http://epp.eurostat.ec.europa.eu/portal/page/portal/europe_2020_indicators/headline_indicators

Since 2000 the situation has improved in nearly all Member States, although the success rates show considerable differences. The progress achieved has been insufficient. With eight countries having reached the benchmark and some close to the target, a further reduction of ESL rates is realistic. But to achieve this especially in times of economic and financial crisis needs stronger and better coordinated efforts.

Chart 2: Percentage of the population aged 18-24 with at most lower secondary education and not further in education or training (2009)¹⁵



The EU average ESL rate masks large differences in the performance of Member States and also within regions: for instance in Germany in 2006 the rate of young people leaving schools without lower secondary qualifications varied from 3% to 26% on NUTS3 level.¹⁶

Several factors influence ESL rates and affect regions or municipalities in different ways:

- **Socio-economic conditions:** ESL is more frequent in areas with concentrated socio-economic disadvantage. Pupils often lack sufficient support from their families and peers, and have also only limited access to high quality education or additional educational support within the community. In some underdeveloped rural areas the possibilities to attend upper secondary education are limited by long distances between home and education or training institution or a generally insufficient offer.

¹⁵ Eurostat. LFS. Data for Slovenia and Croatia lack reliability due to a small sample size. Cyprus: Students studying abroad are not covered by the survey; this indicator could therefore be overestimated. Bulgaria, Poland and Slovenia: evolution refers to the period 2001-2009. Czech Republic, Ireland, Latvia, Slovakia and Croatia: evolution refers to the period 2002-2009.

¹⁶ Stefan Kühne: Datenfriedhof oder Goldgrube? Zum Potenzial schulstatistischer Individualdaten für Abschlussindikatoren, in: Indikatorenentwicklung für den nationalen Bildungsbericht, Bd 33 (2010), p.85

- Situation on the labour market: Pull-effects from the labour market play an important role in areas which, due to their economic structure, offer many unqualified jobs. Prominent examples are regions with tourism industries: young people often give up further education and training in order to join the family business or to work in local hotels and restaurants. In some countries employment rates of early leavers from education and training are far above average and indicate well this pull-effect.
- Migration: Children with migrant background are more affected by ESL than their native peers. In regions with large migrant populations and especially those with a recent increase of immigration, the number of early leavers tends to be above average.
- Structure of education and training systems / educational offer: The organisation of education and training, the structure of the system or the quality of its offer influences the incidence of ESL. High ESL rates in VET can for example indicate an inappropriate organisation of VET, low quality or a lack of career perspectives after finishing VET.
- Different approaches in addressing ESL: Only few Member States have introduced comprehensive policies to combat ESL. Gathering data and information on ESL and analysing the main factors leading to school drop-out helped them to launch targeted measures and mobilise the right support for pupils at risk of dropping-out. The results appear to be sustainable and to have led to long-term change. This is often not the case if measures are implemented on a time-limited basis (e.g. pilot projects), are not coordinated with other policies, or are focussed only on one aspect of ESL (e.g. guidance or academic support).

There is no single reason for ESL. ESL is a complex phenomenon and the reasons for its occurrence need detailed analysis. Even in countries with below-average rates of ESL individual groups such as Roma can be highly affected. Targeted measures are needed to address this problem and support the educational attainment of such groups. Also changes in ESL rates can be the result of non-educational factors such as the current economic crisis.

Based on the experience in Member States, some key factors for a successful reduction of ESL have been identified: (1) a sound evidence base on the complex problem of ESL in a country, region or municipality which allows for precise targeting of policy measures, (2) flexibility and creativity in developing target measures and (3) increased incentives and accountability for regions or schools to lower their ESL rates.

ESL creates high individual, social and economic costs. The consequences of ESL affect people throughout their lives, and reduce their chance to participate in the social, cultural and economic life of society. ESL increases their individual risk of poverty and social exclusion. The high rate of ESL in European societies has long-term effects on labour markets, on the availability of skilled employees and thus on economic growth. Such effects are likely to increase in many EU Member States due to the economic and financial crisis. In more detail:

- Skill mismatches and high ESL rates can have severe consequences for the recovering economy and hamper economic development. Over 70% of early school leavers in the EU complete only lower secondary education. A very worrying fact is that 17.4% of early leavers in the EU have completed only primary education.¹⁷ Forecasts state that by 2020

¹⁷ Eurostat, LFS 2010.

85% of all jobs will require high or medium qualifications. 35% of all jobs will require high qualification levels in 2020, compared to 29% today. The share of jobs available for low skilled people will decrease from 20% to less than 15%.¹⁸

- The crisis, together with the rapid pace of social, technological and demographic change, underlines the urgency to improve skill levels and the future employability of young people. Youth unemployment increased sharply in 2010 to 20.3% and exceeds by far the total unemployment rate.¹⁹ 52% of early school leavers in 2009 were unemployed.
- ESL creates and perpetuates social and economic disadvantage. On average early school leavers have lower wages and are more often dependent on social assistance. Their living situation has negative impacts on their health, physical and psychological well-being. Due to low wages and unemployment they are likely to receive also low pensions after retirement and to remain dependent on social assistance.²⁰
- Early leavers participate less in lifelong learning and thus re-training. Their educational disadvantage can create a growing handicap for them. In addition budget cuts in times of economic crisis risk limiting opportunities for re-entering education and training. Already now some of the projects supporting the reintegration of early school leavers are being withdrawn or reduced in size.
- Early leavers also tend to participate less in democratic processes and are less active citizens. They often feel unable to influence on political decisions and politically excluded.²¹
- For societies, high rates of ESL create massive costs due to increased expenditure on social assistance and health and lower economic growth and lower tax revenues. Children of early school leavers are more likely to become early school leavers themselves, to have poorer health and to have lower levels of education.²²
- Some groups in society are especially affected by ESL. The EU average rate of ESL is double for migrant youth than for native youth (26.4% vs. 13.1% in 2009) and is even higher for Roma populations.²³

The following table presents the different cost categories affected by ESL. It distinguishes between private or individual costs, costs for the society and fiscal costs. This compilation of costs makes it clear that high ESL rates turn an individual disadvantage into social and economic disadvantage for a country as a whole.

¹⁸ CEDEFOP, 2010: Skills supply and demand in Europe: medium-term forecast up to 2020, p.13

¹⁹ Eurostat, Unemployment statistics, unemployment rate of young people under 25 for the 3rd quarter 2010.

²⁰ See Joint report on Social Protection and Social Inclusion 2009, p.120

²¹ NESSE (2009), p.31. See also Shell Jugendstudie 2010 (2010).

²² Early School Leaving. Lessons from research for policy makers (2009), report submitted by the Network of Experts in Social Sciences of Education (NESSE), p.31

²³ Eurostat, LFS 2010

Chart 4: Categorizing the cost elements of school failure²⁴

Cost category	Cost element
Private	Higher unemployment incidence Higher unemployment duration Lower initial and lifetime earnings Lower own health status Higher own discount rate Less risk aversion Less lifelong learning participation Lower health status of children Lower education levels of children Lower lifetime satisfaction
Social	Increased criminality Lower positive spill over effects on co-workers Lower rate of economic growth Lower intergenerational effects on children and parents Lower public health status Higher unemployment Lower social cohesion
Fiscal	Lower tax revenues Higher unemployment and welfare payments Higher public health expenditures Higher police expenditure Higher criminal justice expenditure

Several studies and econometric simulations have sought to quantify the economic costs of ESL, school failure and/or low cognitive skills. Although there are strong indications that skill variations are related to economic growth it is difficult to evaluate the monetary amounts precisely.²⁵ Whereas average direct costs of ESL such as social benefit payments and additional training measures can be estimated relatively robustly, the indirect costs are more difficult to define but tend to be significantly higher. One example for the calculation of indirect costs is the recent OECD publication on "The High Costs of Low Educational Performance", which estimates that a 25 point average increase of PISA (Programme for International Student Assessment) scores would lead to massive economic gain.²⁶ A study focussing on Germany only, but taking a similar approach, comes to comparable conclusions.²⁷ There are only few reliable studies which calculate the indirect costs of early school leaving. They often have a limited geographical scope and do not provide figures for the whole EU. Their estimates give a rough indication of costs; projected on the lifetime of an

²⁴ EENEE (2007) The costs of school failure. A feasibility study, p.7. Note: "Higher" or "lower" in this table is defined relative to a control group situation of non-school failure, however the latter is defined.

²⁵ Eric A Hanushek, Ludger Woessmann (2010) The economics of international differences in educational achievement, p.53.

²⁶ OECD (2010) The high cost of low educational performance. It is assumed that an increase of average Pisa scores by 25 points by 2030 would imply an aggregated gain of OECD GDP of USD 115 trillion over the lifetime of the generation born in 2010.

²⁷ Ludger Woessmann, Marc Piopiunik: Was unzureichende Bildung kostet, Muenchen 2009. The study concludes that insufficient education creates a loss of 2.8 trillion EUR GDP by 2090.

early leaver these costs sum up to several hundred thousand, or even over a million, EUR per early leaver.²⁸

- The National Audit Office of Finland has calculated the costs of ESL based on 2006/2007 data. They conclude that the costs per year per person are 27,500 EUR. Over the course of his/her adulthood (40years) this amounts to 1.1 million EUR.²⁹ A Dutch study estimates that the costs of ESL amount to 1.8 million EUR per person over the course of his/her the lifetime.³⁰
- A German study calculated in 2006 that the *direct* costs of inadequate learning, including ESL, alone amounted to 7.1 billion Euro annually. The study estimated that each year 220,000 students leave school without adequate skills, 80,000 to 90,000 without any qualification. The estimate of direct costs was composed of inefficient spending in the school system (3.7 billion EUR) and additional funding spend on post-school 'repair' measures of school deficits (3.4 billion EUR). It did not include costs incurred due to unemployment and dependency on social benefits.³¹
- A UK estimation states that reducing the number of individuals with no education qualification by one percentage point would lead to a net crime reduction of between 88,000 and 44,000 offences. The corresponding figure in terms of social benefits from prevented crimes ranges from £109 to £54 million.³²

These estimations have to be treated with caution and provide only fragmented information, but they show that ESL creates long-term costs for societies and high rates of ESL have major economic impacts.

2.1. Underlying drivers

ESL is a complex phenomenon and the processes that lead to ESL are driven by different factors. The reasons why young people leave education and training prematurely are highly individual. Nevertheless it is possible to indicate some recurrent characteristics of ESL processes.

- Social drivers of ESL: As a social phenomenon ESL is strongly linked to social disadvantage and low education backgrounds. Children from parents with low levels of education, from socially disadvantaged backgrounds and pupils with migration or Roma background are more likely to leave education and training before completing upper secondary education levels than other young people. They tend to lack sufficient support from their families, face discrimination within the education system (such as low expectations from teachers and peers, increased likelihood of being assigned to lower-status school tracks, etc) and have limited access to non-formal and in-formal learning opportunities outside compulsory schooling.

²⁸ See for example Canadian Council of Learning, No "drop" in the bucket, the high costs of dropping out, p.4. See also Dropout Strategie. Grundlagen zur Prävention und Reintegration von Dropouts in Ausbildung und Beschäftigung. Projektbericht des IHS Wien November 2007

²⁹ Nuoret miehet työelämään. Mitä palveluja ja toimenpiteitä tarvitaan TE-toimistoissa. Työja elinkeinoministerion julkaisuja. Työ ja yrittäjyys 34/2009

³⁰ CEDEFOP (2010) Guiding at-risk youth through learning to work, p.29

³¹ Helmut E. Klein: Direkte Kosten mangelder Ausbildungsreife in Deutschland, IW-trends, 4/2005.

³² Stephen Machin et.al. The Crime Reducing Effect of Education, June 2010

- Educational drivers of ESL: ESL is rather a process than a one-off event. ESL processes often start already in primary education with first experiences of school failure and growing alienation from school. Transition between schools and between different education levels are particularly difficult for pupils at risk of dropping out. Mismatches between education and training curricula and labour market needs can increase the risk of educational failure as pupils lack prospects within their educational pathway. Education and training systems often do not provide sufficient targeted support for pupils to cope with emotional, social or educational difficulties and to remain in education and training.
- Combination of educational and other factors: ESL processes are influenced by educational factors (e.g. the structure, access and quality of educational provision), by individual and by socio-economic conditions (e.g. living conditions and family background, pull factors from local labour markets). All such conditions must be taken into account when supporting pupils at risk of dropping out.
- Policy shortcomings: As described above, the success rates of Member States in reducing ESL are different due to the specific situation(s) within the country, but also due to the way policies against ESL are conceptualized. Only few Member States follow a consistent and comprehensive strategy to reduce ESL. Many initiatives against ESL are not sufficiently linked to other policies addressing young people. There is also often a lack of sound analysis of the specific problems within a region or target group. With regard to ESF co-financed measures in six Member States, the above cited Special Report of the Court of Auditors from 2006 concluded that "ESF co-financed activities for ESL were initiated without adequate analysis of the existing situation and the expected or targeted result." The report also states that "activities did not form part of a strategic plan (...)." ³³

³³ OJ 2006/C99/3 and 7.

Chart 5: Structure of the problem in its economic, social and educational dimension

	Economic Dimension	Social Dimension	Educational Dimension
Problem expression	<p>Skill mismatches and lack of qualified employees</p> <p>Bottlenecks to economic growth due to lack of skilled labour</p> <p>Persistent rates of structural unemployment</p> <p>High rates of youth unemployment</p> <p>Low income and household consumption of low skilled employees and unemployed people</p> <p>Low tax revenues</p>	<p>Social disadvantage as one of the roots of ESL</p> <p>Reproduction of social disadvantage due to ESL</p> <p>High social costs in case of long-term unemployment</p> <p>Lack of social cohesion</p> <p>High risk of poverty and social exclusion for persons/ families affected</p> <p>Poverty related problems such as health problems, alcohol and drugs abuse, crime</p> <p>Reduced participation in democratic processes and in civil society</p>	<p>Lack of equity in education</p> <p>Insufficient basic skills of early school leavers</p> <p>Experience of failure in learning and growing alienation from formal education and learning</p> <p>Lower participation in lifelong learning</p> <p>Lack of comprehensive and cross sectoral policies/ measures on all educational levels to reduce ESL</p> <p>Lack of data on ESL and evidence-based policy approaches</p>
Policy shortcomings	<p>Low efficiency of programmes aimed at reducing early school leaving, due to fragmentation and/or inadequate coverage</p> <p>Risk that existing measures against ESL are affected by budget cuts and are discontinued before proper evaluation of impact</p> <p>Difficult to introduce new programmes or forms of support to reduce ESL, given current fiscal position in most MS</p>	<p>Insufficient focus on groups at risk (migrants, Roma, etc)</p> <p>Lack of adequate programmes tackling multiple factors for ESL</p> <p>Need for stronger articulation between education and social support programmes</p> <p>Inadequate targeting of existing support programmes, given insufficient knowledge base on who are the early school leavers</p> <p>Limited scope for partnerships and involvement of the groups at risk in programme/policy definition</p>	<p>Fragmentation of initiatives tackling ESL</p> <p>Inadequate definition of target groups/ incomplete coverage</p> <p>Lack of alignment of incentives provided by different programmes</p> <p>Current efforts to reduce ESL seem to level out, a new set of initiatives is needed.</p>
No policy change	<p>Continuous slow reduction of ESL in most MS</p> <p>Risk that measures against ESL are affected by budget cuts</p> <p>Persistence of economic costs/ losses due to ESL</p> <p>High unemployment rates especially among early school leavers</p>	<p>Slow reduction of social costs due to ESL</p> <p>Risk to jeopardise fragmented initiatives against ESL due to austerity measures</p> <p>Persistence and perpetuation of educational achievement gap between minorities and natives</p>	<p>No strong support for comprehensive policies against ESL</p> <p>Risk that measures against ESL have limited scope and fail to cover all target groups concerned</p> <p>Persistence and perpetuation of educational achievement gap</p>
Who is affected	<p>Early school leavers, young people with insufficient skills</p> <p>Companies/ economy</p> <p>Tax authorities</p>	<p>Early school leavers and their families</p> <p>Social support and health services</p> <p>Civic society, NGOs and initiatives</p>	<p>Education authorities</p> <p>Schools, teachers</p> <p>Education and training providers</p> <p>Pupils</p> <p>Companies</p> <p>Civil society</p>

2.2. EU right to act

Education and training policy is an area where, as a result of the subsidiarity principle, the EU has supporting competence as defined by the Treaty on the Functioning of the European Union (Lisbon Treaty). The Treaty (Article 165) provides that "the Union shall contribute to the development of quality education by encouraging cooperation between Member States and, if necessary, by supporting and supplementing their action". In addition Article 9

requires EU to "take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health."

An initiative on ESL addresses the quality improvement of education and training and its outcomes, helps to reduce skill mismatches, and supports employability and social cohesion. It focuses on facilitating and encouraging cooperation between Member States and aims to support their initiatives. Given the complexity of the problem, the exchange of experiences and good practice can play a decisive role in reaching the 10% benchmark by 2020. It allows Member States not only to profit from experiences made in other countries. A comparative analysis of main factors leading to ESL or influencing its incidence can contribute to the knowledge base on ESL and draw attention especially to the relevant systemic factors. The above mentioned Ministerial Seminar on 9 July 2010 showed that Member States appreciate the work within the Open Method of Coordination and would welcome an extension of activities in the area of early school leaving.

The initiative respects the subsidiarity principle by providing support and facilitating exchange among Member States, but respecting the responsibility of the Member States for the content of teaching and the organisation of their education systems.

2.3. Baseline scenario

Currently the reduction of ESL forms part of priority 3 in the new strategic framework for cooperation in education and training under the open method of coordination ("ET2020") addressing the promotion of equity, social cohesion and active citizenship in education. ET2020 builds on the results of existing OMC work under the predecessor programme ET 2010.

Although the results produced in ET2010 were of good quality, one major weakness concerned the difficulties to exploit results effectively. Member States participated on a voluntary basis in ET 2010 and several with high rates of ESL chose not to do so, or were not able. So not all Member States were able to take full advantage of the lessons learnt within peer learning. New and successful approaches highlighted in the OMC could not easily be integrated in existing national policies; there was no common agenda which could have helped targeting the work of the cluster and supporting the learning process within Member States.

The new strategy *Europe 2020* emphasises the need to take more measures against ESL. Member States have undertaken to set national targets. National Reform Programmes form an important tool to strengthen the work in this area; the setting and monitoring of national targets are likely to impact positively on the commitment of Member States and so should lead to a reduction of ESL rates. However, the 10% target for the reduction of ESL is purely output oriented, and does not include any help how to reach this target effectively. Though it would certainly go beyond the remit of the EU to define more process-oriented targets, the EU is in a unique position to offer additional support to policy development in Member States. This is complementary to the Europe 2020 reporting and monitoring process.

Existing funding opportunities, mainly European Social Funds (ESF), the Lifelong Learning Programme (LLP) or the Framework Programmes for Research (RTD) programme, allow for the launch of targeted action, comparative studies, research and development of new approaches. The LLP plays an important role in developing innovative approaches against

ESL. It enhances cooperation between Member States on all levels, from an individual school to educational authorities. It also involves non-education actors and might contribute to the development of holistic solutions also in this very aspect. ESF funds have the potential to support the implementation of new policies against ESL on a much wider scale and can have a much more substantial impact in Member States. Nevertheless project based funding is unlikely to change the current situation however good the individual projects are. Investments need to be based on a strong evidence base and need to be integrated in a comprehensive and consistent policy against ESL. The opinion of the Court of Auditors is that such a comprehensive and consistent approach to supporting ESL policies under the ESF needs significant reinforcement.

The economic crisis increases the urgency of taking more effective measures against ESL. Lack of jobs for the low-skilled might reduce pull-effects from the labour market, but at the same time it increases the negative effects of ESL. Funding cuts may reduce the range of options and support available to those at risk of dropping out or having already dropped out of school. Young people with low levels of education, and early school leavers risk being finally neither in employment nor in education or training.³⁴ The crisis will also further diminish the need for low skilled labour in Europe. The costs of ESL for the individual, for societies and for the economy will increase. A slow reduction of ESL rates is therefore insufficient to cope with the effects of the economic crisis.

Based on this status quo and without strengthened or more targeted efforts, it can be assumed that the progress in reducing ESL will remain sub-optimal. Reasons for this assumption are a) the slow progress in the past, b) the lack of evidence-based, comprehensive and consistent policies in many Member States and c) the potential effects of the economic crisis and of austerity measures taken in many Member States.

2.4. Policy requirements

Research evidence and existing experiences from countries which reduced ESL rates successfully suggest that efficient and effective policies against ESL need to be evidence-based, comprehensive and consistent.

Data and information gaps concern for example:

- The socio-economic, cultural or ethnical background of early leavers: Existing data does often not allow for detailed analyses which groups are concerned, why and how additional support could help them to maintain education and training.
- The number of early leavers from vocational education and training: Several countries report that ESL rates in VET are especially high. Due to a lack of systematic analytical information, it is not clear if this is due to the specific social composition of VET students or low quality of VET provision.
- Only few countries survey the reasons why young people discontinue education and training. Existing studies show that their reasons provide clear indicators of existing problems in education and training and should be taken into account when designing policies against ESL.

³⁴ Youth unemployment rose by 3.7 percentage points between the first quarter 2008 and the first quarter 2009. Eurostat, STAT/09/109, 23 July 2009; Unemployment statistics, data from 30 April 2010.

Although individual pupil data and information on absenteeism and educational attainment exist at school level, the reporting and aggregation of data follows different procedures in Member States. The UK introduced in 1997 the 'unique pupil number' (UPN) which provides a rich source for analysis and helps target school policy more effectively also in fields other than ESL. Other countries introduced 'individual education numbers', data collections based on individual pupil data, or national student registers (e.g. the Netherlands, Germany, and Italy). For the Netherlands the introduction of the 'individual education number' and the on-line monitoring of ESL are regarded as main success factors in the reduction of ESL.

Detailed data on individual educational attainment and their aggregation and analysis offer better insight into the characteristics of pupils at risks of dropping-out, the barriers some pupils face in their education careers and potential difficulties within a region, municipality or school. Depending on the structure and quality of data, studies and surveys might need to fill existing gaps.³⁵ Experiences in some Member States also show that more accurate quantifications give a more realistic view on the issue, and can indeed lead to an apparent increase in the ESL figures.³⁶

Effective policies against ESL need to address all levels of education, to be cross-sectoral and to involve stakeholders from the areas such as youth policy, social and employment policies and the health sector. The involvement of all levels within the education and training system or increased accountability of regions or municipalities in reducing ESL have been mentioned by stakeholders and representatives from Ministries as an important success factor. The best way to address this is highly dependent on the organization of the education and training system.

Policies against ESL should focus on prevention, intervention and compensation.

- **Prevention** seeks to avoid the conditions from arising where processes leading to early school leaving can start: Increasing participation in good quality early childhood education as care has been identified as one of the most effective measures to give children a good start in education and to build their resilience. Other preventative measures address questions such as systematic language support for children with migrant background, an active desegregation policy which improves the social, ethnical and cultural 'mixity' in schools, allows for better peer learning and helps integration, or the targeted support of disadvantaged schools. Additional potential obstacles to successful school careers can be removed by increasing the permeability of educational pathways and strengthening vocational education pathways.
- **Intervention** addresses emerging difficulties at an early stage and seeks to prevent them from leading to school drop-out. Intervention measures can focus on the whole school or training institution or can address individual pupils who are at risk of discontinuing their education or training. Whole school measures aim at improving the school climate and the creation of supportive learning environments. The provision of efficient help for pupils at risk such as early warning systems and better cooperation with parents. Also networking with actors outside the school and access to local support networks tends to be highly efficient in providing relevant support. Student-focused measures focus on mentoring and

³⁵ Kühne (2010), p. 79 ff.

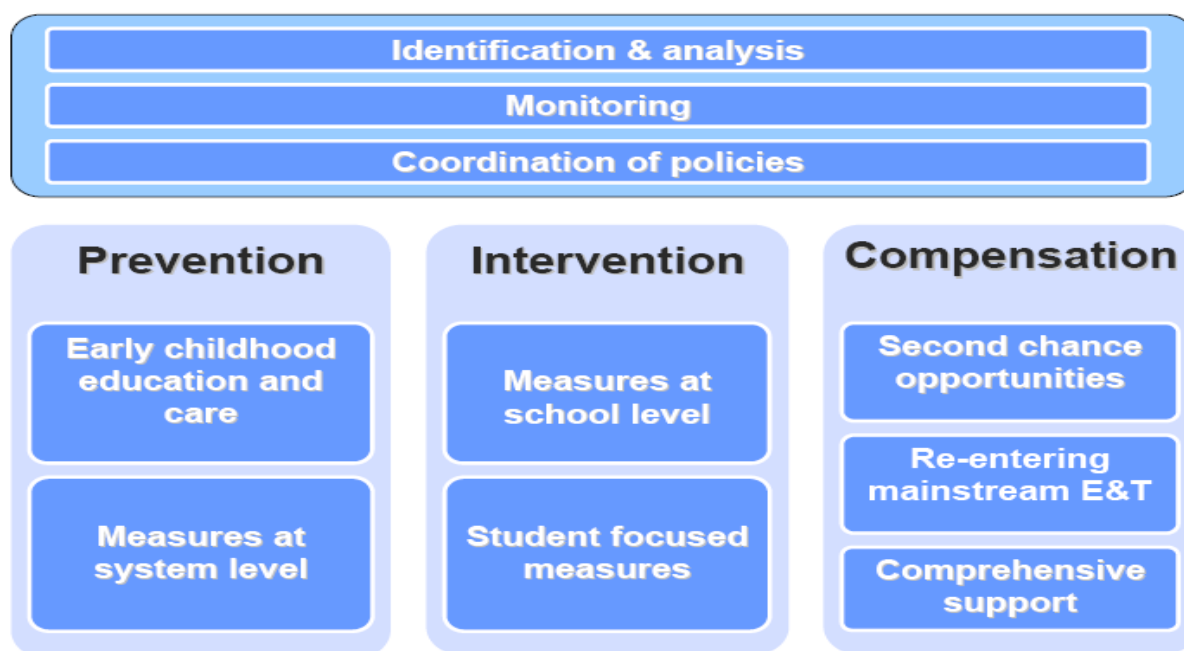
³⁶ In the Netherlands ESL figures were revised in 2004 and increased from 16000 to 70000 pupils affected. Court of Auditors, Special Report No 1/2006, OJ 2006/C99/9.

tutoring, personalized learning approaches, improved guidance and financial support such as education allowances.

- **Compensation measures** offer opportunities for education and training for those who dropped out. They aim to support young people to re-enter mainstream education or provide a so-called “second chance”. Successful approaches in second chance institutions differ therefore considerably from mainstream schools by addressing the difficulties pupils had in mainstream schooling. Nevertheless there is evidence that prevention of ESL shows better results than compensating the negative effects of ESL. The experience of failure, a lack of self-confidence in learning and increased social, emotional and educational problems after dropping-out increase the constraints to achieve a qualification and finish education successfully.³⁷

In most Member States numerous projects and initiatives exist in parallel, but often with no links with the initiatives of other communities or organisations.³⁸ Despite their reported success, their impacts too often remain at the local or regional level. Given the urgency of reducing ESL, the main requirement is to shift from implementing individual measures to introducing a comprehensive policy against ESL. The elements of such policies have to be adapted to the concrete situation within the Member States.

Chart 6: Summary of the main elements of evidence-based, comprehensive and consistent policies against ESL



3. SECTION 3: OBJECTIVES

The general objective is, based on the Lisbon Treaty, to support Member States in their efforts to improve education and training. The specific objective of the initiative is very closely linked to this overall aim: to reduce ESL in Europe means to improve the educational offer to

³⁷ NESSE (2009), p. 45.

³⁸ See Frank Braun: Einleitung, in 'Schulabbrüche und Ausbildungslosigkeit', München 2007

many young people. It would help to provide more young people with qualifications, increase their employability and reduce their risk of social exclusion.

The operational objectives are to help Member States in developing effective and efficient policies against ESL. The initiative shall support them in introducing an evidence-based approach to address ESL, defining the main elements of a national policy framework, and taking comprehensive and consistent measures against ESL in all policies targeting children and young people. It shall help Member States to address the existing policy shortcomings and reinforce their commitment. It can support them in developing the relevant parts of their National Reform Programmes within the Europe 2020 strategy.

This will be supported by a broadened cooperation and exchange of experiences and good practice among Member States. The huge variety of projects, practices and experiences within Member States calls for a better system of exchange and peer learning between them. Cooperation should include also representatives and stakeholders from other relevant policies areas such as social and employment policies and youth policy. In this way it addresses the social drivers of ESL processes as well as the educational drivers. A holistic approach toward ESL should foster cross-sectoral cooperation on all levels, take the combination of factors leading to ESL in consideration and reinforce the commitment of all actors to pro-actively reduce ESL.

A more targeted use of EU funding such as the ESF and the LLP should support the development of evidence-based policy within Member States. The LLP in particular can support innovation and experimentation in new approaches to addressing ESL and the conditions for their transfer between Member States. The ESF has the potential to lead to a significant expansion of effective policy measures, by acting as a driver for large-scale change within Member States.

Chart 7: Objectives of the initiative against ESL

General objectives	<ul style="list-style-type: none"> • To contribute to the development of quality education by encouraging cooperation between Member States and by supporting and supplementing their action
Specific objectives	<ul style="list-style-type: none"> • Reduction of the average ESL rate in the EU to less than 10% • Increase of skill levels and employability of young people • Decrease of the risk of poverty and social exclusion
Operational objectives	<ul style="list-style-type: none"> • Increased effectiveness of policies against early school leaving <ul style="list-style-type: none"> • Member States improve data and information gathering, laying a foundation for evidence-based policy development • Member States revise and improve the effectiveness and efficiency of their initiatives and develop a consistent strategy against ESL (such as national policy frameworks against ESL) • Member States extend their cooperation and exchange of good practice, supported by thematic working groups, peer-learning activities, seminars

and conferences

- Majority of Member States increased cross-sectoral cooperation, through extended membership of thematic expert group
- Reinforced commitment of Member States to launch policies against early school leaving
- Better targeted use of ESF and LLP funding, supported by launching comparative studies at EU level and by supporting data and information gathering, analysis and policy development.

3.1. Consistency of objectives with other EU policies

The objectives of the initiative are in line with the Europe 2020 strategy.³⁹ Reducing ESL contributes to the EU targets on reducing poverty and youth unemployment. Member States agreed on reducing poverty by aiming to lift at least 20 million people out of the risk of poverty. They also aim to bring to 75% the employment rate for women and men aged 20 to 64, including also through the greater participation of youth.⁴⁰ In order to reach this target, it is important to help especially young people to gain sufficient qualification and to increase their employability. Reducing ESL contributes to increasing skill levels in Europe and thus supports social and political inclusion.

The Europe 2020 flagship initiative 'An agenda for new skills and jobs'⁴¹ stresses the need to empower people by developing their skills throughout life and to increase labour market participation. This is also crucial for equity and inclusive growth. The education, training and employment policies of the Member States must focus on increasing and adapting skills and providing better learning opportunities at all levels, to develop a workforce that is high skilled and responsive to the needs of the economy. Improving the equity and efficiency of EU education and training systems is essential to avoid the waste of its human and financial resources, increase employability and reduce inequalities⁴².

The Europe 2020 flagship initiative 'Youth on the Move' announces a Commission proposal for a Council Recommendation and emphasises the need to improve quality and equity in education and training, to provide more young people with the necessary competences to become lifelong learners and to give more young people the chance to experience learning mobility.

4. SECTION 4: POLICY OPTIONS

Section 2.4 outlines the main policy requirements to address ESL effectively. They are reflected in the operational objectives and also underlie the definition of policy options.

A key argument of section 2.4 is that the implementation of individual initiatives and projects, though often successful in their specific area, fails to address the complexity of ESL

³⁹ Commission Communication "Europe 2020 - A strategy for smart, sustainable and inclusive growth" COM(2010) 2020; Conclusions of the European Council 17 June 2010

⁴⁰ Conclusions of the European Council, 25/26 March 2010.

⁴¹ COM(2010) 2020.

⁴² Commission Communication "Efficiency and Equity in Education and Training Systems" - COM(2006) 481, 8.9.2006.

processes. Single initiatives or projects need to be embedded in a broader policy context. Continuing with the support of single and often isolated initiatives risks failing to tackle adequately the combination of socio-economic, family, community and education related factors in ESL processes. This calls for a broader, coordinated and comprehensive approach to reducing ESL. The differences between countries and regions call at the same time for flexibility in developing and applying policies against ESL. Measures should be targeted and adapted to the concrete situation, built on existing successful initiatives or integrate them effectively.

Policy approaches can range from identifying and promoting some specific and well evaluated measures which can reasonably be expected to be beneficial whatever the combination of causes of ESL (e.g. improved guidance or targeted support for pupils at risk of dropping-out), to the promotion of a more ambitious policy framework which covers the main aspects of successful policies against ESL, extends beyond measures likely to be universally applicable, and allows for a flexible adaptation.

The identification of individual measures which all Member States should implement requires clear evidence that these measures improve the situation in all Member States and under all conditions. Existing research underlines that there is no effective universal answer to ESL. Improving guidance and career counselling is a measure which can be very effective in the context of developed VET systems,⁴³ but does not provide an ideal solution to countries with an underdeveloped VET system and a lack of credible training offers for young people in disadvantaged areas. Practically all measures against ESL will be more or less effective depending on their setting.

The design of a policy framework can take different forms. It would not be useful to seek to discuss all theoretical options here. The overview and the structure presented in section 2.4 is based on an in-depth literature review, the results of the cluster 'Access and Social Inclusion in Education and Training', and feedback on draft versions of the framework from a wide range of stakeholders and experts. It defines four groups of measures:

- Measures to increase the evidence base, improve monitoring of policies against ESL and ensure its consistency with other relevant policies
- Measures to prevent ESL processes from occurring
- Measures to intervene in ESL processes early, effectively and efficiently
- Measures to provide learning opportunities and support for those who left education and training prematurely

Following the discussions with stakeholders and experts, it has been decided to recommend a policy framework. Given the strong subsidiarity in the area of education and the diversity of education systems, it would be neither possible nor desirable to impose a single solution common to all Member States. Neither our review of research nor the consultation of

⁴³ Germany introduced in 2010 at federal level a programme to support guidance ('Bildungsketten', www.bmbf.de/de/14737.php), an Austrian survey on drop-outs concluded that pupils left education and training because they were unsure as to what profession they wish to pursue. Jugendliche Schulabbrecher in Österreich, Vienna 2004.

stakeholders have revealed any substantive option other than a policy framework for tackling the diverse phenomenon of ESL effectively and efficiently.

- A policy framework against ESL is therefore presented as the sole content based alternative to the baseline scenario. It is defined as option B. The sub-options B1 and B2 reflect the possible legislative instruments, which are available to the EU under the Treaty and could support the implementation of the policy framework. Given that this is a field where the EU cannot act directly, all options (including the baseline scenario) have in common that they depend on the commitment of Member States to ensuring the effectiveness and efficiency of their policy approaches and measures.

4.1. Option A (baseline scenario)

This scenario is described in its main characteristics in section 2 above. This option requires no further legislative action. Within this baseline scenario it is possible to continue the work within the OMC by establishing a new thematic working group on ESL and conduct peer learning activities, to reinforce the process of policy learning and so increase the effectiveness of measures taken. The agenda for this continued cooperation would need to be agreed between the participating Member States and the Commission. Given that the current OMC structure is limited to education and training, and in the absence of a formal commitment of Member States to a wider cross-sectoral approach to ESL, the possibilities to broaden the OMC and involve sectors other than education and training remain limited. The elements of evidence-based, comprehensive and consistent policies can be presented by the Commission and discussed by Member States, but there would be no formal commitment on their part to such an approach as a basis for future policy development. Funding within the LLP, the ESF and the RTD framework programme could prioritise effective policies and measures against ESL; elements of evidence-based, comprehensive and consistent policies against ESL could be used to give more guidance to beneficiaries and to improve their initiatives.

4.2. Option B (Policy Framework)

The policy framework provides Member States with a tool which helps them to develop national policies against ESL following a holistic approach. It stresses the need to improve the availability and analysis of data underlying ESL without stipulating a specific method or form of data collection. It argues for a better monitoring of policies against ESL as well as for comprehensive policies against ESL and a better cooperation between all policy areas affecting directly or indirectly young people and especially those at risk of dropping out. Proposed measures on prevention, intervention and compensation of ESL are based on tested and evaluated policy measures in Member States and can be adapted to the concrete situation within other Member States. The framework can also serve as an agenda for future cooperation between Member States, steer future policy development on EU level and guide the effective and efficient use of EU funding.

Its added value is to lay a foundation for further work within the Member States and at European level, to guide effectively the cooperation between Member States and to provide a good starting point for developing effective and efficient policies against ESL. A draft of the policy framework is annexed to this report (annex 1).

It should be noted that option B is not a self-contained option; it needs an instrument for its implementation. Options B.1 and B.2 describe different approaches to promote and implement the policy framework using different legal instruments. While the content of the

policy framework remains unchanged, the use of different instruments to implement it will lead to different results and impacts.

4.3. Sub-option B.1 (Commission Communication or Recommendation)

The Commission adopts a Communication or Recommendation which describes the policy framework for effective and efficient policies against ESL. It can be used by Member States for their policy development and provides a relevant overview of research results and European experiences. As a reference document it can give additional thematic input in further cooperation within ET2020 and help to agree on a common agenda within a thematic working group. However, cross-sectoral cooperation will still remain relatively limited. The policy framework helps in the development and evaluation of policies to address the ESL target in Europe 2020. It can be accompanied by an information campaign in Member States to draw attention to the need for comprehensive and evidence-based approaches in combating ESL and to contribute to ongoing debates in Member States. However, as in option A, there would be no formal commitment of Member States to such an approach as a basis for future policy development. Comparative research and the use of already existing possibilities to support initiatives within ESF, the Lifelong Learning Programme and other EU funding programmes can also support the development of comprehensive and evidence-based policies against ESL.

4.4. Sub-option B.2 (Council Recommendation)

The Council adopts a Recommendation which describes the policy framework for effective and efficient policies against ESL. The Council Recommendation provides a basis for further cooperation among Member States and should also form the basis for the development of more effective policies and measures against ESL in Member States. It helps in the development and evaluation of policies to address the ESL target in Europe 2020. Member States, who do not yet have a policy against ESL, can use it to develop a national policy framework. Other Member States may use the policy framework to assess and revise their existing policies.

A broadened and cross-sectoral process under the OMC will focus mainly on the development of evidence-based, consistent and comprehensive policy approaches against ESL. It will help to define the agenda of a newly established thematic working group and to guide peer learning. It goes beyond the current state of art which is limited to providing good practice examples addressing a specific aspect of ESL or specific groups. The main aim within the OMC is to exchange experiences in cross-sectoral policy development and mainstreaming of measures against ESL. Including e.g. social policy and youth policy systematically in strategies against ESL extends also the scope of cooperation between Member States. It addresses experts and Member State representatives from policy areas others than education and training. Comparative research and the use of existing possibilities to support initiatives within ESF, the Lifelong Learning Programme and other EU funding programmes complement the approach. Their use can be improved by targeting funding opportunities better and by measuring them against their contribution to comprehensive policies against ESL in Member States.

4.5. Option C (Funding programme)

In order to launch targeted initiatives EU funding could be made available for specific measures against ESL at EU level, especially for comparative research and for pilot projects

which involve several Member States and provide European added value. It could especially target funding for initiatives which involve cross-sectoral cooperation, are based on evidence and support the development of new and innovative forms of cooperation. In times of crisis it could offer funding for initiatives which would otherwise not be feasible due to budget cuts. A targeted funding programme would need a very specific definition in order to avoid overlaps with existing funding programmes; it could raise awareness in Member States and trigger the development of new initiatives.

5. SECTION 5: ANALYSIS OF IMPACTS

To reduce ESL rates will have significant economic and social impacts. These impacts are comparable for all policy options, and it can be assumed that to a certain extent all approaches will achieve success in reducing ESL rates at European and at national level. They can be summarised as follows:

- Increase of skill levels and employability of young people, improved well-being, health status, and living conditions of young people.
- Reduced risk of poverty and social exclusion and limited dependency on social assistance; better social cohesion in European societies.
- Decrease of skill mismatches, provision of better qualified employees and thus support of economic growth.

These impacts are in line with the general objectives of the initiative. The different policy options are likely to contribute differently to their achievement depending on the expected speed and success in reducing ESL in Europe.

There are only limited environmental impacts such as a possible impact of education on environmentally aware behaviour. They are not significantly different between the different options. Therefore it has been decided not to explore the environmental impacts in more detail.

There is no impact on administrative burdens due to new information requirements. The monitoring and evaluation of policies against ESL can be organised within the existing reporting framework. There are no additional compliance costs. Costs related to attending meetings within the OMC will not increase compared to the baseline scenario described in section 2. In section 6 the report will discuss the possible costs linked to implementation of measures against ESL in Member States. They do not constitute administrative burdens directly linked to one of the policy options under consideration. Also direct impacts on third countries are not expected; better competitiveness of European economies due to reduced ESL rates might have an impact on third countries, but that cannot be assessed. Reducing ESL will improve the implementation of children's right to education; there is no other impact on human rights.

5.1. Discarded option

A specific funding programme as proposed in Option C above could increase the number of initiatives against ESL. But it risks overlapping with existing funding schemes such as European Social Fund and the Lifelong Learning Programme. In addition a new funding scheme would not respond well to the operational objectives identified above, particularly as regards securing commitment and comprehensive action at Member State level. It tends to

support policy approaches focussing on individual measures which have been identified as less beneficial (see section 4). Therefore it is considered that an additional funding scheme cannot be justified and should be excluded from further consideration.

The impact assessment will focus solely on comparing the baseline scenario (option A) with the added value of a policy framework (option B) which is either supported by a Commission Communication or Recommendation (option B1) or a Council Recommendation (option B2). All selected options are feasible. It should be underlined that the impact of each option depends largely on the relevant initiatives taken in Member States. Each option can promote the implementation of evidence-based, comprehensive and consistent policies against ESL. The decision for one or the other would probably not change materially the content of the preferred policy option, but the options differ considerably in their capacity to deliver the expected results.

5.2. Option A: Baseline scenario

Social and economic impacts: Recent developments show that in most Member States ESL rates have decreased rather slowly and not sufficiently in comparison with the European benchmark. In some countries the ESL rate even increased after the launch of the OMC. It is very likely that in this scenario the positive social and economic impacts of reducing ESL rates will accrue too slowly and be too small to counteract the difficult economic, fiscal and social circumstances in Member States resulting from the economic crisis.

Increased effectiveness of policies against early school leaving: In the framework of the existing OMC, support for policy development is based on the exchange of experiences and good practice. The results of the Cluster on "Access and Social Inclusion in Lifelong Learning" provide additional input, but do not propose a policy framework or provide guidelines for policies against ESL. The publication of the results as well as current research findings in the format of a policy handbook would have some positive impact in different Member States, but the format (a Staff Working Document of the Commission) would not guarantee policy attention within the Member States.

The up-take of future results is therefore difficult to predict, but would probably remain limited and patchy from country to country, depending on each country's participation and interest in the OMC. The limitations of the current OMC, mainly evident in the difficulties to disseminate the results of working groups more effectively, will also hamper up-take. There is a risk that the baseline scenario would not sufficiently promote evidence-based, comprehensive and consistent policy evidence, and so would not sufficiently increase the effectiveness and efficiency of measures against ESL. Even big increases in investment in policies against ESL can turn out to be insufficient if made within the context of patchy or poorly targeted approaches.

Cooperation and the exchange of good practice among MS: The current OMC provides an opportunity for Member States to discuss the negative effects of the economic crisis on ESL, their current policies and future strategies. It offers the chance to compare the different approaches taken and learn from existing experiences. Looking at the experiences in ET2010, there is a need to improve the dissemination of results. Nevertheless a agenda for this cooperation agreed at the level of the Council is currently missing and there is a risk that the exchange of good practice would not be sufficiently focused to support Member States effectively in their policy development.

Cross-sectoral cooperation: The implementation arrangements for the ET2020 strategic framework currently remain limited to education and training. This can be seen as a key shortcoming of option A. Limiting the exchange of experience and good practice to education and training policies risks to narrow subsequent policy developments. The perspective of other policy areas such as employment policy, social and youth policy cannot be integrated systematically. On national, regional and local level option A depends on the policy developments within Member States and so would not provide a strong tool for fostering comprehensive and consistent policies.

Reinforced commitment of Member States to launch policies against early school leaving: With the adoption of national targets on reducing ESL, it can be assumed that Member States are committed to taking targeted action to reach their targets. But the continuation of the current OMC would not offer any additional support commensurate with its greater policy priority.

Better targeted use of ESF and LLP: Additional comparative research launched by the Commission would contribute to the evidence base for effective policies against ESL. EU funds can be used to support more initiatives against ESL, but project funding does not in itself lead to the development of evidence-based, consistent and comprehensive policies against ESL. There is a risk that it would perpetuate the current situation, in which many initiatives against ESL work in parallel and are only insufficiently coordinated. Currently there is no agreed policy approach to ESL which could help to focus funding more effectively.

5.3. Option B: Implementing a policy framework against ESL

The impact generated by the proposed policy framework against ESL depends strongly on the way it is implemented. Before analysing its impacts with regard to the operational objectives in sub-options B1 and B2, we focus on the expected impacts of the policy framework as such.

The framework would address the identified policy shortcomings in Member States and answer to the policy requirements as defined in section 2. Its impact is highly dependent on the concrete setting in which measures are implemented. Not every measure is equally effective and efficient in all settings; the framework would respond to that by providing a set of measures to prevent ESL, intervene in ESL processes and compensate for missed learning.

The policy framework would stress the need to base any initiative to reduce ESL on evidence. Evidence-based strategies also ensure the use of those measures which have the potential to achieve the best success. Monitoring also helps to adapt policies in case the situation has changed or measures failed to deliver the expected results. Countries using this approach have already shown significant reduction in their ESL rates (e.g. The Netherlands).

The impact of a consistent and comprehensive approach in addressing ESL is likely to go beyond the impact of individual measures. Measures can mutually support each other and create synergies. It also avoids imbalances between the different measures taken or even contradictory measures in different policy areas.

- Measures to prevent ESL processes from occurring are most efficient as they avoid the experience of school failure and alienation. They improve compulsory education for all children and show positive impacts in other areas of school education.

- Measures to intervene early, effectively and efficiently in processes that risk leading to ESL show strong impacts on motivation of pupils to stay in education and training.
- Compensatory measures provide learning opportunities and support for those who have left education and training prematurely. They raise skill levels and provide new perspective for those who have 'failed' in the mainstream system and are at risk of social exclusion.

The framework would give an overview of possible policy measures to address all these elements. It could be used by Member States as a tool to revise and improve their policies. In this way it would support more efficient and effective ways to reduce ESL; this is of utmost importance in times of crisis and austerity. It would invite Member States also to examine and to learn better from one another how to intensify their initiatives with limited budgets, where to set priorities, and where to expect the highest return for investments in measures against ESL. This is highly relevant for all Member States, whether they have reached the benchmark or not.

Assuming that all Member States develop and apply the framework, it would promote the development of evidence-based, comprehensive and consistent policies throughout the EU. This has a high potential to reduce ESL rates faster and more efficiently. As mentioned above, its added value is to lay a foundation for further work within the Member States and at European level; it provides the content related input to both sub-options mentioned below.

5.4. Sub-Option B.1: Commission Communication or Recommendation

Social and economic impacts: A Commission Communication or Recommendation can support Member States in reducing ESL, but it risks receiving more limited policy attention in the Member States because it is not adopted by the Council. It is very likely that in this scenario the positive social and economic impacts of reducing ESL rates will accrue too slowly and be too small to counteract the difficult economic, fiscal and social circumstances in Member States resulting from the economic crisis.

Increased effectiveness of policies against early school leaving: A Commission Communication or Recommendation promoting the policy framework would provide additional input to the development of evidence-based, comprehensive and consistent policies at European and national level. But it can be assumed that a Communication or Recommendation might have more inconsistent impacts in different Member States, depending on the level of attention it received.

Cooperation and the exchange of good practice among MS: The current OMC provides an opportunity for Member States to exchange good practice and experiences; the Communication/ Recommendation could provide a basis for future cooperation by setting an agenda for thematic working groups, peer-learning and comparative research.

Cross-sectoral cooperation: A Commission Communication/ Recommendation would not directly influence the scope of the OMC nor extend cross-sectoral cooperation at European level, because it commits the Commission, but not the Member States. Further development of policies against ESL would therefore probably continue to focus largely on education policy, but in comparison to the baseline scenario, there would be more emphasis on the importance of cross-sectoral approaches, even if there is in this scenario no new instrument to address this need. On national, regional or local level it would depend on decisions within Member States on the role of cross-sectoral cooperation.

Reinforced commitment of Member States to launch policies against early school leaving: A Commission Communication or Recommendation reflects the commitment and opinion solely of the Commission. Although its content would be based on the work of the Member States in the Cluster "Access and Social Inclusion", the instrument would not offer Member States the opportunity to take ownership of the resulting policy framework. This risks reducing the influence of the proposal on policy development in Member States. Given the importance of the ESL target within Europe 2020, it is judged that a Communication or Recommendation offers rather a weak instrument to support policy development in Member States.

Better targeted use of ESF and LLP: Additional comparative research launched by the Commission can contribute to the evidence base and the further development of effective policies against ESL. The LLP as well as ESF funds can be used to support individual initiatives against ESL, but possibilities to focus funding more effectively remain limited.

5.5. Sub-option B.2: Council Recommendation

Social and economic impacts: It is assumed that a Council Recommendation would enhance the development of evidence-based, comprehensive and consistent policies against ESL in Member States. This should lead to a faster reduction of ESL rates and a faster achievement of the desired economic and social impacts.

Increased effectiveness of policies against early school leaving: By defining the policy framework with the formal backing of the Council, the Recommendation would support Member States in their policy development and should help to speed up the implementation of evidence-based and well targeted measures against ESL. The approach addresses all relevant actors at all levels of education and training and provides a complete set of measures in analysing, preventing and compensating ESL.

Cooperation and the exchange of good practice among MS: A broadened and cross-sectoral process of cooperation under the OMC could be launched on the back of a Council Recommendation addressed to Member States as a whole, not just to in respect of education. This would foster policy development at EU level and would give feedback to Member States to help make policy design against ESL more effective. It would include different perspectives and policy sectors and would allow for a broader scope in addressing ESL. The range of good practice to be examined and exchanged would be wider. The Recommendation would set out a clear agenda and define a new focus for future cooperation.

Cross-sectoral cooperation: Cross-sectoral cooperation under the OMC would be a strong feature of this scenario on at European, national, regional and local levels. The broadened process would address a major weakness in current policy development. Comparative studies can also contribute to the knowledge base, analyse effective and efficient approaches in cross-sectoral cooperation and measure its effects.

Reinforced commitment of Member States to launch policies against early school leaving: The process of discussing and adoption of the Recommendation within the Council would offer Member States an instrument to take position concerning the future policy needs in this area.

Option B2 offers the strongest commitment of Member States in the development of the policy framework. Discussions within the Education Committee and the Council would provide relevant input in creating a policy framework which is applicable for Member States. The Council Recommendation should therefore lead to a greater engagement, understanding

and political commitment than any of the other scenarios, which commit only the Commission.

Better targeted use of ESF and LLP: Additional comparative research launched by the Commission can contribute to the evidence base and the further development of effective policies against ESL. Based on the Council Recommendation, LLP as well as ESF funds can be used in a much more focused manner and in this way better support the development of evidence-based, comprehensive and consistent policies against ESL.

Chart 7: Policy-option matrix comparing options A, B and C

	Option A	Option B	
		Option B1	Option B2
<u>Speed in reducing ESL</u>	Slow, at the same speed as before.	Slow	Faster due to more efficient policies.
<u>Social impacts</u>	Slowly developing positive social impacts. To fail in reducing ESL perpetuates social costs, social disadvantage and the intergenerational transmission of social and educational disadvantage.	Slowly developing positive social impacts.	Earlier realisation of social improvements Reduced transmission of disadvantage
<u>Economic impacts</u>	Limited economic gains, also due to effects of economic crisis. To fail in reducing ESL increases economic costs, sharpens negative effects of the crisis on early leavers. Persisting skill mismatches may hamper economic recovery.	Limited economic gains, also due to effects of economic crisis.	Earlier realisation of economic gains. Faster increase in skills and qualifications reduces skill mismatches and prevents more young people of long-term unemployment.
<u>Increased effectiveness</u>	Development at EU level, limited development at national level.	Development at EU level. Provision of input in policy development; limited up-take at national level.	Development at EU level, support of national policy development and better up-take of recommendations
<u>Cooperation and the exchange of good practice</u>	Continuation of existing OMC	Continuation of existing OMC and new thematic input	Broadened and cross-sectoral process under OMC, clear agenda setting for cooperation
<u>Cross-sectoral cooperation</u>	Only within MS and on the basis of their policy development	Only within MS and on the basis of their policy development; Supporting message from the EC	Systematic support of cross-sectoral cooperation. Exchange of best practice on national/ regional/ local level;
<u>Reinforced commitment of Member States</u>	New impetus for policies against ESL due to Europe 2020, NRPs and the headline target on ESL.	See Option A	Clear agenda setting by MS and EC; increased commitment of MS to further develop policy
<u>Better targeted use ESF/ LLP</u>	Lack of thematic basis for better targeted use	See Option A	Streamlining of funding in LLP and ESF

6. SECTION 6: COMPARING THE OPTIONS

Based on the analysis of the different possible policy options, this section compares their impacts on the objectives of the initiative. None of the options is expected to have a negative impact on the objectives. Even with the baseline scenario, it can be expected that the continuation of the current work will lead to a slow positive impact.

Chart 8: Ranking criteria

++	+	0	-	--
Positive impact	Small positive impact	Neutral impact	Small negative impact	Negative impact

The objectives and assessment criteria are strongly interlinked. It is therefore difficult to identify different weightings for each criterion. Giving equal weight to all objectives corresponds best to this situation. The comparison below also indicates that even with this approach the picture is unambiguous.

Chart 9: Ranking of options A and B (B1 and B2)

	Option A	Option B1	Option B2
General objectives			
<ul style="list-style-type: none"> To contribute to the development of quality education by encouraging cooperation between Member States and by supporting and supplementing their action 	0	+	++
Specific objective			
<ul style="list-style-type: none"> Reduction of the average ESL rate in the EU to less than 10% 	0	+	++
<ul style="list-style-type: none"> Increase of skill levels and employability of young people 	0	+	++
<ul style="list-style-type: none"> Decrease of the risk of poverty and social exclusion 	0	+	+
Operational objectives			
<ul style="list-style-type: none"> Increased effectiveness of policies against early school leaving 	0	+	++
<ul style="list-style-type: none"> Member States improve data and information gathering, laying a foundation for evidence-based policy development 	0	+	++
<ul style="list-style-type: none"> Member States revise and improve the effectiveness and efficiency of their initiatives and developed a consistent strategy against ESL 	0	+	++
<ul style="list-style-type: none"> Cooperation and exchange of good practice among Member States is supported by thematic working groups, peer- 	0	+	+

learning activities, seminars and conferences			
<ul style="list-style-type: none"> • Increase of cross-sectoral cooperation by extending membership of thematic expert groups beyond E+T sector, by cooperating with other Commissions services and stakeholders 	0	+	++
<ul style="list-style-type: none"> • Reinforced Commitment of Member States to launch policies against early school leaving 	0	0	++
<ul style="list-style-type: none"> • Member States actions are complemented by targeted use of ESF and LLP funding, by launching comparative studies on EU level and by supporting data and information gathering, analysis and policy development. 	0	0	++

Option B2, a Council Recommendation, answers best to the objectives of the initiative as it supports best the use and the implementation of the policy framework. It respects the different situations within Member States, builds on existing experiences and is adaptable to their specific circumstances. It provides additional thematic input, gives new impetus to the OMC and involves Member States strongly in the development of the policy framework. In this way it can also be assumed that this option implies the highest level of commitment of Member States, has the potential to influence policy development in Member States most positively and so must help reducing ESL rates in Europe.

The Recommendation will add value to Member States' efforts by supporting them in developing policies that identify the causes of and address early school leaving in a lifelong learning perspective, tackle it as a phenomenon that cuts across several related policy areas, involve all stakeholders, and make policy interventions more systematic and consistent.

The potential of the approach is demonstrated by the few countries in Europe which have developed comprehensive strategies against ESL. Their experiences will be very important within the future cooperation process between Member States.

Compared to the other options the Council Recommendation represents the strongest legal instrument possible under the Treaty. This seems to be justified with regard to the importance of the target and the urgency to reduce ESL.

None of the options provides a guarantee for success and the degree of success depends strongly on policy development within Member States and on future economic developments. The choice between the options is therefore based on the estimated potential of each option. An important aspect is the speed with which the target to reduce ESL can be achieved. It has major social and economic impacts.

- Option A provides only little additional input and it cannot be expected that it will lead to an accelerated reduction in ESL.
- The most distinctive difference between option B1 and B2 is the involvement of Member States in developing and adopting the policy framework. The greater level of involvement in option B2 should make it more likely that Member States will apply it. From the analysis in section 6 it can be concluded that Option B2 might achieve considerable and sustainable reductions in ESL rates faster than option A and B1.

Cost – effectiveness of policies against ESL

Introducing evidence-based and comprehensive policies to combat ESL will require investment in structures as well as concrete initiatives or measures. This need for additional investment is already implicit in the establishment of national targets as part of the Europe 2020 strategy. Member States are taking and will take action to reduce ESL. Their current spending on measures against ESL has to be taken into account when assessing the costs of implementing a national strategy following the proposed policy framework.

To estimate the costs of introducing evidence based, comprehensive and consistent policies against ESL in Europe is - based on the existing data and information - practically impossible. The necessary investment of Member States depends on

- Current ESL rates: countries with low ESL rates might target only groups especially affected and limit investments. Others may have to increase efforts across the board to lower their ESL rates.
- Ambitions in reducing ESL: Depending on the national targets more or less investment might be needed. In case of high ESL rates and the ambition to achieve a major reduction by 2020, major investments might be needed.
- Existing policy: Some countries developed in recent years targeted policies to reduce ESL. Implementing the Recommendation might be a tool for them to revise their policy and search for further improvements. It might not therefore require additional investments. Others might reorganize their current approaches or complement them by introducing additional measures. The additional amount spent will depend on current expenditure in this area, and may be offset by efficiency gains compared with funding a more scattered and atomized approach.
- The characteristics of ESL and the type of measures needed: Depending on the concrete situation different types of investments are needed. Investments can also serve more purposes than only the reduction of early school leaving. For instance, early childhood education and care reduces not only drop-out but improves educational attainment in general and has positive social and personal benefits that impart on indirect costs.
- Comparable measures may create different costs in different settings: For instance, strengthening VET education as one alternative to drop-out can start from different levels and comprise different measures and investments. The same holds for all other measures proposed in the policy framework.

ESL is too complex a phenomenon to allow for valid but simple calculations. A sound analysis of the needs within a country is the only possible starting point for cost estimations.

The costs for data gathering and monitoring of developments, a pre-condition for the development of evidence based policies, can also differ greatly. Nevertheless there are indications that these costs may not necessarily be high. Often it requires a change in the reporting mechanisms and the management of data, rather than entirely new systems for data collection. In many countries schools already possess all the information needed in electronic format. Electronic submission of a broader data set to their authorities might amount to only a

very limited burden.⁴⁴ In addition, different ways to gather data and information are conceivable. They can be more or less labour- and cost intensive. The Recommendation will not propose a specific form of data collection.

There is only limited information available on the costs incurred by existing measures launched in Member States. A request in some Member States to provide basic data on costs of measures against ESL remained largely unanswered due to the difficulties to define these costs. Many measures are part of a wider set of investments in school education or are financed from different budget lines.⁴⁵ For the reasons outlined above, the indication of costs of a certain measure in one Member State does not necessarily provide reliable estimations for the costs of a comparable measure in another Member State.⁴⁶

It is therefore more helpful to look at existing cost-effectiveness analyses for measures against ESL or school failure. In section 2, several estimations of direct and indirect costs of ESL have been set out. Although the estimation of indirect costs should be treated with caution, the comparison of costs of ESL and the costs of measures against ESL provides valuable insights.

- Cost- effectiveness analyses exist mainly for the USA,⁴⁷ and to a much lesser extent for European countries. A Californian study evaluated the success of different interventions to reduce ESL and calculated the costs per additional high school graduate. Comparing the costs per additional high school graduate with the projected economic gain, the study concluded that for all interventions that demonstrated clearly increased rates of high school graduation costs are substantially lower than benefits.⁴⁸ The cost-benefit ratios ranged from 1:1.5 to 1:5.
- A Dutch study compared the costs of measures against ESL with the costs created by ESL, looking at the different educational pathways, the incidence of ESL, and specific economic effects of dropping out at a certain level of education. The total costs created by ESL, including social costs, costs related to criminality and loss of productivity, exceed by far the costs for most of the measures aiming to reduce ESL. Measures such as the alternation between work experiences and general education, improvements in the transition between

⁴⁴ See: Kuehne, 2010, p.89.

⁴⁵ E. g. for France "Le ministère n'a communiqué aucune donnée d'ensemble, précisant à la Cour que 'le coût de la lutte contre l'échec scolaire est indéfinissable' et que 'le fait de ne pas isoler le traitement de la politique de lutte contre l'échec scolaire dans les programmes de la mission enseignement scolaire du budget de l'Etat procède d'un choix délibéré dans la mesure ou la politique éducative dans un ensemble vise à prévenir l'échec scolaire tout au long de la scolarité.'" Cour de comptes France, L'éducation nationale face à l'objectif de la réussite des tous les élèves, Mai 2010, p.65

⁴⁶ The new initiative 'Bildungsketten' in Germany intends to invest 362 Mio Euro for improving guidance, creating 1000 new posts at schools in disadvantaged areas and reaching 30.000 pupils at risk. (<http://www.bmbf.de/press/2931.php>). The budget foreseen reflects the specific cost factors within the German setting. It allows not for calculating the average costs of improved guidance.

⁴⁷ See George Psacharopoulos: The costs of School failure. A Feasibility Study. Analytical Report for the European Commission, June 2007.

⁴⁸ The measures included tutoring programmes, pre-school education, reduced class size, increased teacher salaries and high schools with small learning communities. Costs per student ranged between \$3,190 and \$14,400. Clive R. Belfield, Henry M. Levin: The Return on Investment for Improving California's High School Graduation rate, Santa Barbara 2007.

school levels, improved psychological and social support for pupils, and improved guidance were clearly cost effective.⁴⁹

- A study commissioned by the Austrian Ministry of Education, Art and Culture in 2007 concluded also that in view of the high costs created by early school leaving practically all interventions which reduce its incidence are cost-efficient.⁵⁰
- A literature review on education and child poverty, published by the Rowntree Foundation in 2007, concluded that school based policies can effectively raise the performance of disadvantaged students and that this can be done cost-efficiently. The precondition is that spending needs to be appropriately targeted. The report mentions especially learning mentors and the provision of learning support to pupils in difficulties.⁵¹

Evidence on the cost-effectiveness of well targeted measures against ESL come to two common results: measures need to be well targeted and they need to address all problems which hinder young people to achieve upper secondary qualifications.

Moreover, it should be noted that a Recommendation would lead to no new *obligatory* costs for Member States, and should indeed lead to greater efficiency and better cost-benefit, by improving the quality and effectiveness of policy design and implementation, through helping Member States learn from each other's experience

7. SECTION 7: MONITORING AND EVALUATION

As one of the headline targets in the EU's Europe 2020 strategy, ESL will be subject to the reporting process adopted for that strategy. European targets in Europe 2020 are backed up by national targets; policies to reach these targets are the subject of National Reform Programmes (NRP). The reports from Member States on the implementation of their NRPs should provide detailed information on the progress towards reducing ESL and describe key measures taken by the Member States. It provides the basic source for measuring the impact of the Recommendation on policies against ESL in Member States. Together with reporting in the framework of the strategic framework for cooperation in education and training (ET 2020) and the annual ET 2020 Progress Reports by the Commission, as well as other sources such as Eurostat, sufficient data and information should be available to monitor developments in Member States and on European level, without requiring any new reporting process for Member States relating to the Recommendation. Therefore the Recommendation will not lead to any additional reporting burden. It provides thematic support in developing National Reform Programmes and the formulation of national policies against ESL.

With regard to the proposed Recommendation, the legal text would foresee an implementation report by the Commission; the timing of the report would be in line with the reporting on Europe 2020. The report would be due approximately three years after adoption. This report would analyse the developments in Member States, the development and use of national policy frameworks against ESL and the range of measures taken. It would in addition analyse

⁴⁹ Costs per pupil ranged between 120 EUR for improved transition between school types and 13,900 EUR for the extension of compulsory schooling. Roel in t'Veld et.al. *Kosten en Baten van Voortijdig Schoolverlaten*, May 2006, p.18

⁵⁰ Mario Steiner, Elfriede Wagner: *Dropoutstrategie. Grundlagen zur Prävention und Reintegration von Dropouts in Ausbildung und Beschäftigung*, Projektbericht 2007.

⁵¹ Stephen Machin, Sandra McNally: *Education and child poverty. A literature review*, Joseph Rowntree Foundation, 2006.

the effectiveness and efficiency of the policy framework and would lead to revision of that framework if needed. The report would cover the degree to which Member States have used the framework to develop national policies against ESL, whether the recommended measures proved to be successful, and what nature of educational, social and economic impacts they had had.

In terms of ongoing monitoring, identification and exchange of good practice on ESL reduction, it is intended that the adoption of the Recommendation would be followed by establishment of a new Member State expert group, coordinated by the Commission, involving specialists in education, social, health and employment policies. This would also respond to the proposal by the French delegation at the July 2010 Ministerial meeting (see section 1 above). This group would be more tightly targeted on ESL issues than the former Cluster ‘Access and Social Inclusion’. It would be the forum for accelerating the process of learning from good practice within the EU, for assessing the effectiveness of the policy framework set out in the Recommendation, and formulating proposals for further developments of that framework.

Chart 10: Indicators to monitor and evaluate the initiative

Title	Type of indicator	Indicator	Definition
<ul style="list-style-type: none"> To reduce the average ESL rate in the EU to less than 10% 	Impact indicator	Decrease of ESL rates	European Labour Force Survey (LFS)
<ul style="list-style-type: none"> To increase skill levels in Europe and employability 	Impact indicator	Increased upper secondary completion Decrease of youth unemployment rates	European Labour Force Survey (LFS)
<ul style="list-style-type: none"> To decrease the risk of poverty and social exclusion 	Impact indicator	Decrease of young people not in employment, education or training	NEET indicator, based on LFS
<ul style="list-style-type: none"> Increased effectiveness of policies against ESL 	Result indicator	Number of MS developing evidence based, comprehensive and consistent policies against ESL	National Reform Programmes; Survey on policy development in MS
<ul style="list-style-type: none"> Cooperation and the exchange of good practice among MS 	Indicator on cooperation process	Number of MS participating actively in OMC	Progress Report
<ul style="list-style-type: none"> Increase of cross-sectoral cooperation 	Indicator on cooperation process	Number of MS developing structures of cross-sectoral cooperation	National Reform Programmes
<ul style="list-style-type: none"> Reinforced commitment 	Indicator on cooperation process	Number of MS taking concrete measures against ESL and revising their policies if needed	National Reform Programmes
<ul style="list-style-type: none"> More targeted use of EU funding 	Indicator on cooperation process	Targeted and evidence-based measures financed	Reporting from ESF, LLP, RTD

7.1. Information and data on evaluating the success of the policy framework

- Reporting within Europe 2020, reports on National Reform Programmes and their implementation
- Progress Report and reporting in ET 2020
- Evaluation of Member States' policies against ESL / Survey four years after adoption
- Peer-learning within cross-sectoral OMC involving representatives from different policy fields
- Regular meetings with experts and representatives from Member States
- Stakeholder platform meeting four years after adoption to review development in policies against ESL
- Analysis of data on ESL, either collected on EU level or on national level; comparative research
- Analysis of activities co-funded by ESF, their design and their effects on ESL

8. ANNEXES

Annex 1 – Description of a policy framework against early school leaving

Annex 2 – Summary of the results of public consultations

Annex 3 – Minutes of the Cluster Meeting 'Access and Social Inclusion', 17 May 2010

Annex 4 – Minutes of the Stakeholder Platform Meeting, 14 June 2010 and list of participants

8.1. Annex 1 – Description of a policy framework against ESL

A framework for comprehensive policies against early school leaving

Strategies to combat early school leaving should be based on an analysis at national, regional and local level of the conditions leading to the phenomenon, as average rates often mask large differences between different regions or countries. Early school leavers are a heterogeneous group and individual motivations to leave education prematurely differ widely. Family background and wider socio-economic conditions such as pull from the labour market are important factors. Their impact is conditioned by the structure of the education and training system, by available learning opportunities, and by the learning environment. Coordinating policies addressing the well-being of children and young people, social security, youth employment and future career perspectives play an important role in ensuring upper secondary completion among young people.

Identification of main factors and monitoring

The development of evidence-based policies to combat early school leaving requires gathering and maintaining data on the phenomenon. This should allow analysis at local, regional and national levels. It may contain information on early school leaving rates, on transitions between educational levels, as well as on school absenteeism and school avoiding behaviour.

- Data collection should allow for the identification of groups of pupils, schools, municipalities or regions which are especially prone to early school leaving.
- The combination of data on early school leaving and socio-economic data can help in the targeting of measures and policies. Gathering and analysing information on the motivation of early school leavers, their employment and career perspectives can also help in the targeting of measures and policies.
- Longitudinal research into the effectiveness and efficiency of policy reforms from the point of reducing ESL allows for improving strategies and programmes for increasing pupils' chances of school success.

Policy framework

Comprehensive strategies comprise a mix of policies, coordination across different policy sectors and the integration of measures supporting the reduction of early school leaving in all relevant policies aimed at children and young people. This concerns mainly social policy and support services, employment, youth and integration policies. Horizontal coordination between different actors and vertical coordination across level of governments is equally important. Strategies against early school leaving should compose prevention, intervention and compensation elements. Member States should select the detailed components of their strategies according to their own circumstances and context.

- **Prevention** addresses the risk of early school leaving before problems start. They optimise the provision of education and training in order to support better learning outcomes and to remove obstacles to educational success.

- They aim to strengthen the individual resilience of children, allowing them to cope better with difficulties, develop their learning potential and to integrate well in schools.
 - Providing high quality early childhood education and care is beneficial for all children and especially relevant for those from disadvantaged backgrounds, including migrants and Roma. It enhances physical well-being, social and emotional development, language and basic cognitive skills. Provision should be high quality, affordable, adequately staffed and accessible to families with a disadvantaged background.
- They address at **system level** the organisation of education and training systems, the student intake and the resources available to schools, the availability, permeability and flexibility of individual learning pathways.
 - Developing schools and training institutions into learning communities and improving the quality of teaching and learning can enhance the motivation of pupils to maintain education and training
 - Increasing the educational offer by prolonging compulsory education or by providing education and training guarantees beyond the age of compulsory education can influence the behaviour of young people and their families and support them better achieving a qualification or school leaving certificate.
 - Implementing active desegregation policies and providing additional support for schools in disadvantaged areas or with high numbers of pupils from socio-economic disadvantaged backgrounds helps them to improve their social composition and their educational offer. It lifts the educational achievements of pupils from socio-economic disadvantaged backgrounds and reduces their risk of early school leaving.
 - Supporting children with a different mother tongue to improve their proficiency in the teaching language and supporting teachers to teach children with different levels of linguistic competence supports especially the educational achievement of children with migrant background and reduces their risk of ESL.
 - Increasing the flexibility and permeability of educational pathways, e.g. by modularisation of courses or alternation of school and work, supports especially pupils with lower academic performance, can offer them credible alternatives to ESL and motivates them to continue education and training which is adapted to their needs and abilities.
 - Strengthening vocational pathways and increasing their attractiveness and flexibility provides pupils at risk with credible alternatives to early school leaving. VET systems which are well integrated into the overall education and training systems allow for alternative pathways to secondary and tertiary education.
- **Intervention** aims to avoid early school leaving by improving the quality of education and training at the level of the educational institutions and by providing targeted support to pupils or groups of pupils at risk of dropping out. They address all educational levels, starting from early childhood education and care to upper secondary education.

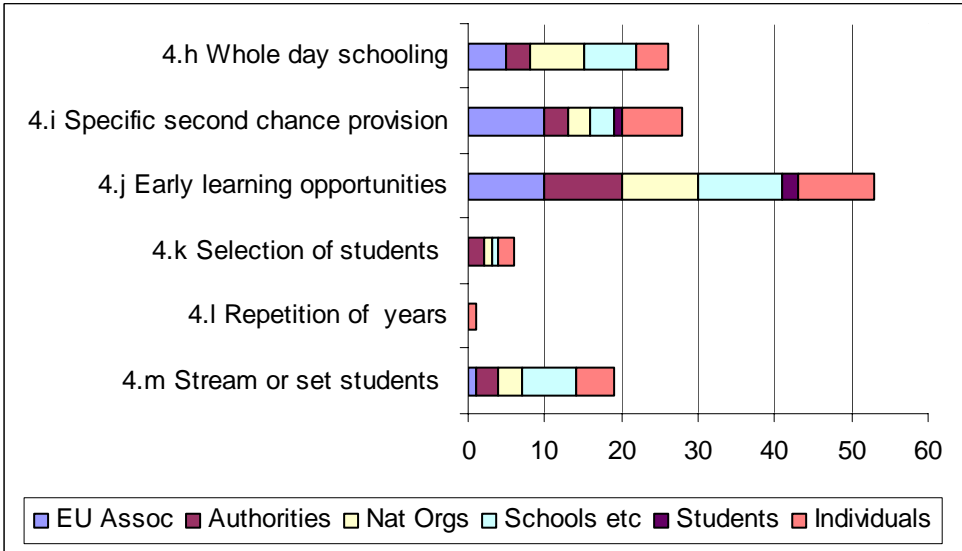
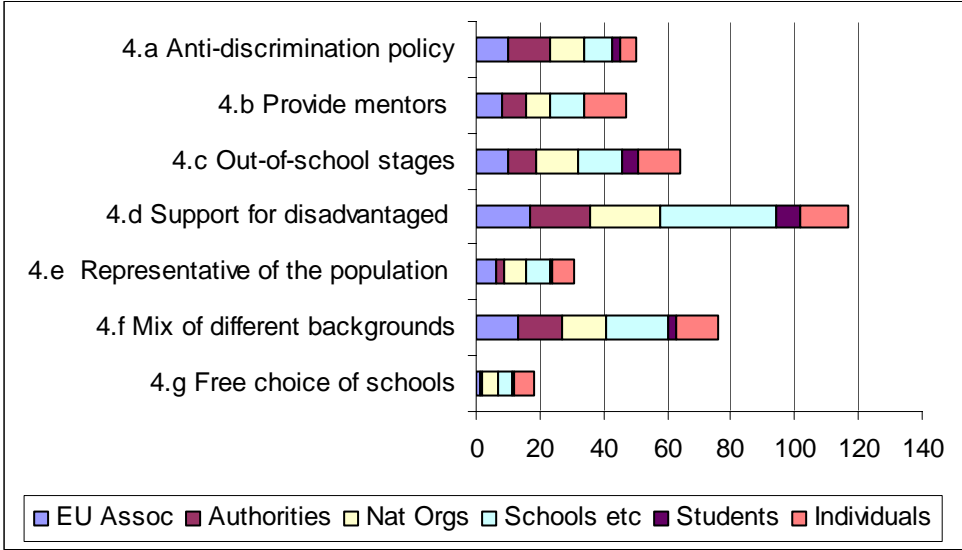
- **At the level of the school or training institution** strategies against early school leaving are embedded in an overall school development policy. They aiming at creating a positive learning environment, reinforce pedagogical quality and innovation, enhancing teaching staff competences to deal with social and cultural diversity, and to develop anti-violence and anti-bullying strategies
 - Developing early-warning systems for pupils at risk can help to take effective measures before problems become manifest, pupils start to alienate from school, play truant or drop-out.
 - Enhancing the involvement of parents, reinforcing their cooperation with the school and creating partnerships between schools and parents encourage family support for successful education and training. It can be facilitated by mediators from the local community who are able to support communication and to reduce distrust.
 - Networking with out-side school actors such as local community services, migrant or minority community organisations, sports and culture associations, employers and civil society organisations allows for holistic solutions to help pupils at risk and eases the access to external support such as psychologists, social and youth workers, cultural and community services.
 - Supporting and empowering teachers in their work with pupils at risk is a pre-requisite to successful measures at school level. Targeted teacher training helps them to deal with diversity in the classroom, to support pupils from socially disadvantaged backgrounds and to solve difficult teaching situations.
 - Supporting extra-curricular activities after and out-side school can raise the self-esteem of pupils at risk and increases their resilience against possible drawbacks and difficulties in their learning process.
- Intervention **at individual level** aim to provide a set of support mechanisms for individual students at risk of dropping out which can be tailored to their needs. They focus both on personal developments in order to build resilience for students at risk and on redressing concrete difficulties, which can be of social, cognitive or emotional nature.
 - Mentoring and tutoring supports individual pupils to overcome their specific academic, social or mental difficulties. Either in one-to-one approaches (mentoring) or in small groups (tutoring), pupils receive targeted assistance, often provided by education staff or by community members
 - Strengthening personalised learning approaches and providing learning support for pupils at risk helps them to adapt to the demands of formal education and to overcome barriers created by the education and training system.
 - Strengthening guidance and counselling supports students' career choices, transitions within education or from education to employment; it avoids discontinuation of education or training pathways due to false expectations or insufficient information. It helps young people to make choices which meet their ambitions, personal interests and talents.

- Financial support measures such as study allowances answer to financial difficulties of pupils and financially motivated early school leaving. Such support might be conditional to ensure regular attendance or might be linked to families' social benefits.
- **Compensation** aims to help those who left education and training prematurely, offering routes to re-enter education and training and gain the qualifications they missed.
 - Successful second chance programmes provide learning environments which respond to the specific needs of their learners, looking at their academic performance, recognise their prior learning and support their well-being and psychological recovery. They distinguish from schools in both organisational and pedagogical approaches and are often characterised by small learning groups, personalised and innovative teaching and flexible learning pathways. They need to be easily accessible and free of charge.
 - Offering a combined set of measures to help and prepare early leavers re-enter mainstream education and training. Appropriate programmes can be transition classes bridging the gap between previous school failure and a more successful new start in mainstream education and training. In small learning groups outside the school buildings pupils can regain confidence and catch up on missed learning.
 - Recognising and validating prior learning including competences achieved in non-formal and informal learning improves pupils' confidence and self-esteem. It can motivate them to continue education and training or to return to it.
 - Targeted individual support integrates social, financial, educational and psychological support for young people in difficulties. It is especially important for young people in situations of serious social, academic and emotional distress which hinders them from continuing education or training.

8.2. Annex 2 – Summary of the results of public consultations

The **consultation on 'Schools for the 21st century'** asked, how school systems could best respond to the need to promote equity, to respond to cultural diversity and to reduce early school leaving.

Special support for disadvantaged students was most often mentioned (117 respondents), followed by introducing more out-of school stages (64 respondents), providing early learning opportunities (52 respondents), adopting a comprehensive anti-discrimination policy (50 respondents), and providing mentors to encourage students at risk of leaving education and training early (47 respondents).



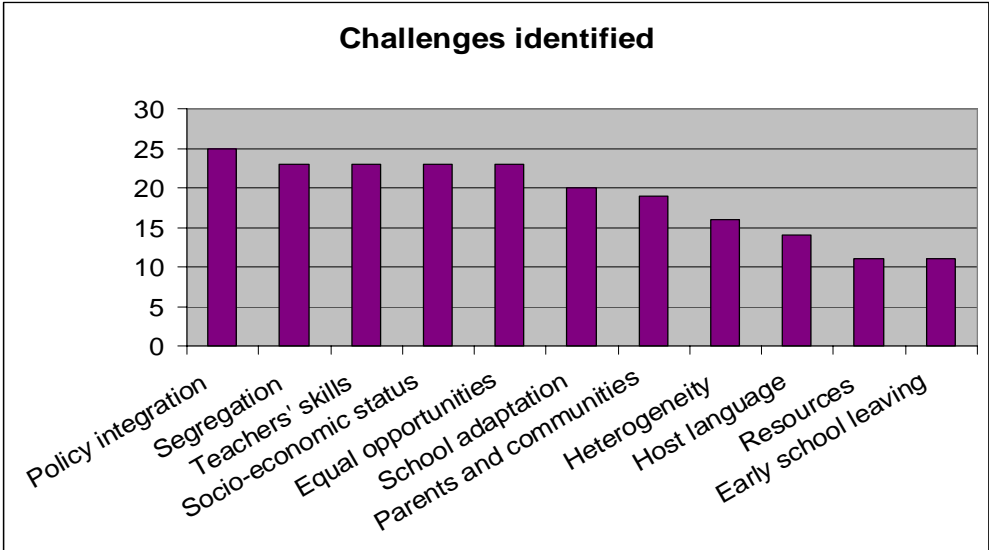
Answers differed according to type of respondent. With regard to ESL, national, regional and local authorities stressed the importance of a 'remediation' system to reduce school drop-out, capable of intervening at an individual and family level as early as possible. Efforts should be focused on providing personalised learning paths for the most vulnerable throughout their school career and transition to work, involving, for example, a multi-agency approach; upper secondary school reform and compulsory national progress checks. A better conjunction of

policy with school, family and young people is necessary, a policy that takes account of socio-cultural diversity, valuing mother tongue but at the same time imposing the learning of one or two foreign languages.

The setting up of individual learning routes is seen by schools and teachers as being more likely to ensure intrinsic motivation and produce less drop-outs. Both organisational and didactic reforms are seen as necessary to address the problems of ESL. There needs to be an emphasis on early years' education and early intervention for pupils with special needs – to reduce inequity and provide the best grounding for learning.

The **consultation on migration and education** asked for the important policy challenges related to the provision of good education to children from a migrant background.

There was a strong consensus across all types of contributors that the crucial challenge consists of breaking the link between socio-economic disadvantage and educational disadvantage. Many contributors follow the analysis of the Green Paper in indicating that the lower socio-economic status of migrant families is the main, but not only reason for their educational disadvantage. ESL was also mentioned by respondents, but less often compared to questions such as segregation, teachers' skills to teach in multicultural classrooms and equal opportunities. ESL in the context of migration can be seen as one of the effects of the overall educational disadvantage of migrant children.



The Council Conclusions on the same subject, adopted in November 2009, contained the following points

Language support

- Developing policies for language of instruction
- Teacher training for managing linguistic diversity
- Possibilities for developing mother tongue

Equal opportunities

- Strengthen anti-discrimination mechanisms
- Increase access to high quality ECEC
- More personalized learning and individual support
- Targeted support for pupils who also have SEN

Tackling segregation

- Permeability of education pathways
- Reducing quality differences between schools

School level

- Teacher training
- Relevant curricula, teaching methods and materials
- Partnerships with migrant communities and parents

8.3. Annex 3 - Minutes of the Cluster Meeting 'Access and Social Inclusion', 17 May 2010

Brussels,

D(2010)

11th Cluster Meeting "Access and Social Inclusion" Brussels, 17 May 2010

Minutes

PARTICIPANTS

Petra Drahonovska (CZ), Josefa Salvador Hernandez (ES), Judit Szira (HU), Szilvia Pallaghy (HU), Donagh Kelly (IE), Diana Macri (IT), Claudio Frederico (IT), Ursula Armbruster (SE), Demet Goren Niron (TR), Keith Homes (ETF), Anne-Mari Nevala (GHK)

DG EAC: Adam Pokorny, Gelu Calacean, Susanne Conze, Nora Milotay

UP-DATE ON LATEST DEVELOPMENTS IN SCHOOL EDUCATION POLICIES AND THE NEW STRATEGIC FRAMEWORK (ET2020)

(...)

PRESENTATION PLA REPORT TURKEY

(...)

PRESENTATION OF PLANNED RECOMMENDATION ON EARLY SCHOOL LEAVING

Adam Pokorny reported on current developments concerning the education targets in the new strategy Europe 2020. The strategy proposes that the share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree. The European Council agreed on most of the targets in EU 2020, but postponed the decision on the target on poverty reduction and the education targets. Education ministers recommended to the Council to adopt the education targets.⁵²

To support the target on early school leaving, the European Commission is preparing a proposal for a Council Recommendation on policies against ESL. The Recommendation will outline a policy framework; it will be accompanied by a Commission Staff Working Paper (SWP) which describes the different policies into more detail and provides a set of examples of implementing measures in different Member States. The cluster members had received a draft version of the SWP prior to the meeting. They were asked to comment on the paper; their comments would contribute to the impact assessment of the recommendation which was currently under preparation.

⁵² Education targets have been agreed by the Council on 17 June 2010. See http://ec.europa.eu/eu2020/index_en.htm.

Susanne Conze presented briefly the proposed policy framework, underlining the main aspects of evidence-based and comprehensive policies against ESL. She outlined the measures proposed within the draft recommendation, subdivided into pre-emptive, preventive and compensatory measures.

The following points were raised by participants during the discussion. They addressed both the draft Recommendation and the Staff Working Document. The following list of comments is organised in a thematic order:

Societal factors leading to ESL

- The situation on local labour markets plays an important role at system level, so labour market policies have to contribute to the reduction of ESL.
- More attention should be paid to the diversity of the issue; a stronger focus should be on the social problems, poverty and housing problems which contribute to ESL. Schools will not be able to address these problems on their own (or in some cases not at all) and solutions based on educational measures only will not be sufficient to tackle ESL effectively. Social aspects, family situations and school systems are among the causes of the problem of early school leaving and there is a need for holistic measures for tackling often unprecedented social problems in the context of the economic crisis.
- There is a huge diversity in Europe and countries face different situation with regard to ESL, have different problems and their policies create also different outcomes. This should be underlined within the paper.

System level factors

- Monitoring and analysis of the situation is important, but there is not only a need to learn more about the early school leavers, but also about the systems, their structures and inbuilt obstacles. More dedicated research should address the effects of the systems.
- Transition points in school education are particularly difficult periods for children; this should be highlighted. As an example, Sweden introduced pre-school classes to ease transition from pre-primary to primary school.
- Besides ECEC, another pre-emptive measure could be the reduction or elimination of early class repetition, as research shows that it is a factor increasing significantly the risk of early school leaving. The age of school start and the availability of preparatory classes, making the transition from ECEC to school, should also be more emphasised, as there is often conflict between more individualised ECEC pedagogy and the more uniform school pedagogy.
- Measures against ESL need to be implemented in all schools; parallel systems in treatment of pupils need to be avoided.
- Early childhood education and care (ECEC) is an important tool to reduce school failure and early school leaving, but does not cover e.g. newly arriving school-age migrant children.

- PISA showed that children from disadvantaged backgrounds are more likely to attend lower status (and often lower quality) schools; this contributes to the higher risk of drop-out and early school leaving.
- Financial support to families is very important and should be emphasised more, particularly financial aid for buying textbooks, as well as scholarships for poor children.
- The rising numbers of immigrant pupils, including unaccompanied minors, were singled out as factors for the increase in early school leaving. In this regard, there is a need for a culture shift in curricula, integrating the respect of diversity as a major objective of education. Increasing the diversity of the teaching workforce could also have positive effects for students from a migrant background.
- Children with migrant background are not automatically disadvantaged in school systems; the wording needs to be revised with regard to this aspect.

School level factors

- At school level, the initial and continuous education of teachers plays an important role. This could improve teachers' awareness of measures against ESL, their ability to recognise pupils at risk and to help them.
- Evaluation and inspection systems are equally important. There is good experience developed in Sweden where teacher evaluation, tutoring and monitoring are combined. School evaluations should be generalised to all schools and should also include leadership and teacher evaluations. They can be recognised as chances to receive feed-back and improve own work, but they should be enforced through financial sanctions against schools which do not implement recommended measures.
- In addition to the role of teachers in reducing early school leaving, school leadership plays an important role and should be explicitly mentioned. Not only school leaders, but also leaders of pre-school should receive training for pedagogical and not only administrative leadership.
- Early warning systems in schools play a crucial role in schools; assessments for identifying early pupils lagging behind and for assessing individual progress can support such work. Often evaluations of students' performances start too late.
- The effects of decentralisation should be taken more into account, as it explains many differences in quality encountered during the cluster's work. Inspection regimes should provide evaluations not only of teachers and schools, but also of the responsible school authorities (usually local authorities).
- Formal and non-formal learning takes place inside and outside school. To mark better the difference between the different forms of learning, the term non-academic learning could be used to describe learning outside classrooms. There is also a need for close cooperation between the work of school and learning provisions outside school hours and more emphasis should be put on their integration at school level. Cooperation between after-school and out-of-school pedagogues and class teachers is very important in this respect.

Participants also made detailed comments on the Staff Working Paper accompanying the Recommendation:

- They emphasised the need to emphasise more issues related to diversity and systemic issues in the analysis of the factors leading to early school leaving.
- References to research on de-segregation programmes in HU, BG, and TK should be included, as well as cost-benefit analyses from programmes in FI, NL, UK. There are more examples of countries with monitoring systems (e.g. HU).
- Participants argued that the section on ECEC should be more developed, by making references to provision in unitary settings, to preparatory classes for making the transition to school and to strengthening the curriculum of ECEC.
- Differences among schools within the same national system, as shown in the various PISA surveys should be particularly emphasised.
- The section on non-academic learning should be renamed – "integration of extracurricular activities" and should be further developed, showing examples of mainstreaming of such activities
- The section on guidance should also be more developed. The independence of guidance and other support staff from school leadership should be emphasised, as a main factor for establishing relationships based on trust with children and youth at risk.
- The section on financial support, grants and scholarships should be also developed.
- The section on compensatory measures should emphasise that there is a need to find the right length of transition measures, such as bridging classes; time limitation (bridging classes should not become permanent) and evaluations should be stressed in this context.
- Several cluster members undertook to provide additional good practice examples for the Staff Working Paper on Early School Leaving.

8.4. Annex 4 – Minutes of the Stakeholder Platform Meeting, 14 June 2010 and list of participants

Brussels,

EAC/B.2/SCO/mro Ares (2010) 476130
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Meeting School Education Stakeholder – Platform
Brussels, 14 June 2010

Minutes

Participating organisations: European Network of Education Councils (EUNEC), Stad Antwerpen, Fondation des Régions européennes pour la recherche en éducation et Formation (FREREF), Network of Education Policy Centres (NEPC), European Vocational Training Association (EVTA), EUROCHILD, International Organisation for Migration (IOM), Open Society Institute, Platform for International Cooperation on Undocumented Migrants (PICUM), Alliance for Childhood, EUROCITIES, Roma Education Fund, European Trade Union Committee for Education (ETUCE), Eurochambres, European Youth Forum.

Excused: European Parents Association (EPA), European School Heads Association (ESHA), Assembly of European Regions (AER), Standing International Conference of Inspectors (SICI), European Training Foundation (ETF), European Agency for Fundamental Rights (FRA), Eurofound.

European Commission: Adam Pokorny (B2), Gelu Calacean (B2), Susanne Conze (B2), Margarida Gameiro (A2), Angelos Agalianos (A2)

WELCOME AND UP-DATE ON RECENT DEVELOPMENTS IN SCHOOL EDUCATION POLICY

Adam Pokorny welcomed the participants and underlined the three aims of the meeting: to re-activate the stakeholder forum in school education, to up-date participants on recent developments in school education policy on European level and to consult them on the planned recommendation on policies against early school leaving.

He then informed participants of the reorganisation of DG EAC which took effect on the 1 June 2010. One of the results of this reorganisation was the creation of a new unit, dealing with equal opportunities and equity in education. The profile of the new unit was briefly presented by Margarida Gameiro, Head of this new unit.

In his presentation on recent developments in school education policy, Adam Pokorny underlined that the new EU2020 strategy leads to a change of perspective by highlighting inclusive growth. Linked to that education and training receive more attention; the reduction of early school leaving rates to less than 10% has become a headline target.

He mentioned major activities during the last years including

- Joint Progress Report 2009 focussing on key competences and competence based teaching (http://ec.europa.eu/education/lifelong-learning-policy/doc1532_en.htm)

- Study on 'Key competences in Europe' by the Centre for Social and Economic Research CASE (http://ec.europa.eu/education/more-information/doc/keyreport_en.pdf)
- Thematic Forum on School Business Cooperation in March 2010 in Brussels (http://ec.europa.eu/education/school-education/doc2279_en.htm)
- Policy Handbook on the induction of new teachers (http://ec.europa.eu/education/school-education/doc2254_en.htm) and new initiatives in the area of school leadership
- Two new actions within the Comenius Programme: Comenius Regio Partnerships and Comenius Individual Pupil Mobility (http://ec.europa.eu/education/lifelong-learning-programme/doc84_en.htm)
- eTwinning, since 2007 part of the Comenius Programme, becoming more and more also a social network for teachers in Europe (<http://www.etwinning.net/en/pub/index.htm>)

For the next months the following initiatives are planned:

- Publication on of a Policy Handbook the assessment of key competences
- A Proposal for a Council Recommendation on policies against Early School Leaving
- A Commission Communication on Early Childhood Education and Care
- New Experts Groups within the Open Method of Coordination on Key Competences, on Maths, Science and Technology and on Teacher Education
- The establishment of three policy networks: Two of them will be launched via a call for proposals in summer 2010 (on key competences in school education and on policies concerning school leadership), and a third one on Migration and education will be launched in 2011.
- Several studies are in preparation or already launched, covering following topics: competence requirements of staff in early childhood education and care, ensuring early acquisition of literacy: study on parental support, educational support for newly arrived migrants, and policy measures to increase the attractiveness of the teaching profession.

Susanne Conze briefly presented the recently adopted Council Conclusions on the social dimension of education, covering all areas of education and training. The social dimension of education was also discussed on a conference organised by the European Economic and Social Committee in Florence in May 2010. It will be also subject of a conference organised under the Belgian presidency in Ghent on the 28/29 September 2010.

Jana Hainsworth (Eurochild) drew the attention of the audience to another conference organised under Belgian Presidency beginning of September addressing the fight against child poverty.

RECOMMENDATION AND POLICY FRAMEWORK ON COMBATING EARLY SCHOOL LEAVING

Susanne Conze presented the Policy Framework on combating Early School Leaving (ESL). Based on a short summary of the main reasons for ESL and its effects on individual and society, she outlined the components of an evidence-based and comprehensive policy

approach against ESL. The policy framework has been described in detail in the document send to participants prior to the meeting.

There was general agreement on the policy framework as such, but the lively debate underlined the following points which should be taken into consideration:

Perspective of the individual child

Participants underlined that it is important to strengthen the individual perspective and to focus more explicitly on the situation of children and young people within the school education system. Children have rich potentials, competences and creativity, they have the right to education and they have the right to be treated respectfully and corresponding to their needs. The role of education and schools for personal development of children and young people needs to be underlined; it is a failure of the school education system not to support them sufficiently, but to "push them out". Measures against ESL also need to be embedded in a broader vision for schools.

There is an overall tendency to stigmatise early leavers from education and training. It can be expected that some young people will always leave formal education and training system prematurely. Their behaviour can be seen as an indicator for the quality of the education and training system and the currently high levels of ESL indicates a rather insufficient quality. Looking at those who dropped out can provide useful information on what has to be improved to prevent ESL. It is probably not realistic to eliminate ESL completely, but there is a need to learn from it and to improve education and training.

Economic aspects of early school leaving

While several participants criticised the strong economic argumentation in the document, other supported the notion that economic arguments underline well the urgency of the problem especially in times of economic and financial crisis. It was stated that the crisis forms a new dimension in European societies and is leading in practically all countries to severe cuts in social budgets. Under these conditions, it has to be made clear that education is an investment, not a cost factor for states and societies, and the conditions for maximising this investment have to be investigated further on the basis of good practice. Economic and financial crisis are usually followed by a social crisis and the current measures have to take this into account. The EU has an interested in being interesting for skilled workers and it needs a holistic and welcoming approach in attracting them.

Policies against ESL need further investments and effective measures against ESL are not self-financing. But it is important to analyse in which way the available resources could be used best.

The Commission underlined that the document has to find the right balance between economic arguments and the vision of the child, their rights and perspective on education, but agreed that the focus on the individual needs to be strengthened

Lack of data and information

Participants agreed to the statement within the document that there is a lack of data and knowledge on ESL. The identification and analysis of the problems leading to ESL is a crucial first step. It is necessary to get a clear overview of data and to have clear definitions when talking about ESL. Monitoring of the phenomenon is key.

It was also mentioned that low ESL rates are not necessarily a sign of good practices in education. The low national rates can hide the fact that specific groups in society are much more affected by ESL. As an example the situation of Roma children in Eastern Europe countries was mentioned.

Doubts were also raised concerning the quality of data on ESL. Bigger cities noticed a gap of several percent of data on their pupil population. This might question the reliability of the data used on European level.

Interviews with teachers and pupils can contribute enormously to our knowledge base on ESL.

Early childhood education and care (ECEC)

Looking at the experience of teachers, but also with regard to research evidence, it should be underlined that policies to reduce ESL have to start as early as possible. There needs to be an even stronger focus on early childhood education and care. Often parents or families are not able to support their children sufficiently and these children face severe difficulties later on. Early support is therefore of utmost importance and a more detailed description of quality criteria for effective services in ECEC, measures to prepare children for school and parental support programmes would enrich the document.

EC agreed to extend the ECEC section in the paper.

School-based measures

Several statements raised the question of the role and responsibility of schools in reducing ESL. They form an important link between measure taken with regard to the whole education and training system and the way in which individual pupils can benefit from them. This concerns pedagogical aspects, cooperation with parents as well as concrete support measures.

One point in this context is the role of the school climate and the problem of violence and bullying at schools. It would be also interesting to look at school councils and their role in involving all relevant parties in school development. Here also the own perspective of children on their well being should also be taken into account. There is a strong link between well-being at school and drop-out. Desegregation policy should also be mentioned as a school-wide measure.

Personalised learning should be for all pupils, not only for those at risk of dropping out. There is a need to strengthen participatory pedagogy in order to build social competences and social capital.

Schools lack financial resources. But there are measures which do not necessarily need additional financial support such as peer-support-systems and peer-monitoring. In general it was also underlined that there is a lack of cooperation between schools and families and with the local community.

And schools should inform pupils on their possibility to continue learning and second chance options should be known to pupils.

Although not directly related to school-based measures it could be interesting to look more closely at private tutoring. It can be assumed that private tutoring increases the problem of

ESL and school failure as 'standard' school education risks not to guarantee anymore sufficient education levels.

Mainstreaming and link to other policies

One participant raised the concern that policy-makers could try to solve the problem of ESL with a 'quick fix'. Instead a system change is needed. ESL is a complex problem; it is also a social problem and measures against ESL need to be mainstreamed in all social policies.

One example raised during the discussion was that a school optimisation process in one Member State led to the closing of local schools. This measure was not linked with measures to prevent drop-out and in fact it increased drop-out.

Local level involvement

Several participants underlined that the local level plays an important role in reducing ESL and should be underlined in a comprehensive strategy against ESL. Especially large cities or more densely populated areas are facing considerable social problems and need a holistic approach in addressing ESL. But they can also implement this approach by bringing different sources of funding together. In times of budget cuts, the local level also plays an important role in mobilising additional forces against ESL.

At the same time it should be taken into account that not all stakeholders (the city, pupils and parents) have necessarily the same interests. There is also some tension concerning the role of schools.

From the local perspective, the proposed policy framework addresses the right points and provides useful practical recommendations.

Citizenship and education failure

In addition to the negative social and economic effects of ESL it should be mentioned that high rates of ESL constitute a risk for our democracies as a lack educational and social 'capital' leads also to political disadvantage and reduced participation in democratic processes.

Transition from school to vocational training and work

Transition points within school education careers and from school to vocational training or work are critical periods and ESL occurs more often at these points. More permeability within the education and training system is needed to ease transition and allow also for non-typical pathways.

It was mentioned that vocational training can function as a compensatory measure against ESL and the role of work as a general tool for learning should be underlined. There are good practice examples on transition. At the same time it is necessary to look at youth unemployment. VET is not always a solution for early leavers and though it is often mentioned, it cannot solve the problem completely.

Involvement of parents and families

There is a tendency that teachers contact parents too late. But more engagement of families is needed to support the education of their offspring and schools should motivate families to

fulfil this supportive role. What also has to be taken into account is that nowadays the influence of peers on a child's development is often stronger than the influence of the family or the school.

Migration and Roma

Children of irregular and undocumented migrants often do not have the chance to attend school. Although it might not be possible to address this point in the paper, it should be kept in mind. Roma children are still faced with obstacles to continue education; changes in this have not yet been sufficient.

Conditional cash transfer

Several participants mentioned the possibility of conditional cash transfer to reduce ESL. E.g. in Brazil the state provides financial incentives for families to send their children to school. There are positive experiences with conditional cash transfers also in Hungary and the examples on this approach should be extended. But, one participant also remarked that the impact of conditional cash transfer should be carefully evaluated as it can also have negative and stigmatising effects.

Recognition of learning outcomes and flexibility of pathways

Participants supported largely the recognition of learning outcomes and the call for flexibility of learning pathways. Non-formal learning plays an important role in increasing the attractiveness of learning and motivating young people. Also the relevance of the curriculum is an important issue.

Good practice examples

It was recommended to add more good practice examples in the document. But an imbalance was noticed by pointing out that there are only few examples from countries with low ESL rates. This could be due to a lack of knowledge of their policies or to a lack of targeted measures against ESL. It was remarked that one example from the Netherlands, 'The care advisory team', is not mentioned in the right place.

MIGRATION AND EDUCATION

Gelu Calacean presented recent developments in the thematic area of migration and education. He drew participants' attention to the Council Conclusions on education and migration, adopted in November 2009. Two major issues are under examination: the question of language support and the question how to prevent segregation.

He announced the future plans in this area. The EC will launch a study on measures to support newly arriving migrant children and a policy network on migration and education in order to facilitate the exchange among Member States. The Progress Report 2010 will include information on the future system to monitor the performance gap between migrant and native youth.

Adam Pokorny informed on the current discussion about the directive 77/486/EEC on the education of migrant workers and indicated that the Commission would decide on any future action in this respect in due course.

During the discussion the following points were mentioned:

It was highlighted that the reason why children with migrant background are strongly affected by early school leaving perform is rather due to their socio-economic family background than to their status as migrants.

The distinction between migrants from EU countries and from non EU countries is not helpful for the effective development of policies for migrants. A distinction should be rather made between newly arriving migrants and second generation migrants and their specific situation. Migrant children should be seen as a wealth of creativity and competences. The way we view and address migrant children has to be changed.

A lack of data in this area was identified. It was also asked if there are indicators available concerning migration and active citizenship. There is a lack of political involvement of migrants and they are politically not sufficiently empowered. The Commission replied that the monitoring of the situation of migrant children in education has to be based on existing data and that limits its scope. MS would not agree to additional data collection burdens. The Commission will check which data could be used in this area.

The legal status of migrants is relevant and irregular migrants are often deprived of education. This has negative long-term effects, especially once their presence in the country is legalised and a lack of previous education provision becomes an urgent problem for the education system. A study in 9 EU Member States showed that children of undocumented migrants often cannot access school education. This is not necessarily due to a legal problem or barrier, but result of discriminatory practices and practical barriers. Schools are asked in some countries to report the legal status of their pupils and therefore parents are afraid to send their children to school and to risk detection. Other schools fear not to receive funding for children from undocumented migrants and refuse registration. It is often also a wrong interpretation of the law. ECEC is especially difficult for them to attend.

One participant identified three types of gaps: in achievement (linked to the educational level of parents), in participation of parents in school education (linked to the phenomenon of the 'Mother Mafia', white mothers discriminating against migrant mothers) and the expectation gap (leading to wrong advice on school careers and underachievement of migrant children). Schools need to be open to an increasingly diverse society.

Tracking (early selection between school types) was seen as one of the main causes for segregation. Other participants confirmed that anti-discriminatory education, diversity management, parental education, measures of positive discrimination, teacher training and the responsibility of the whole society is needed to improve the situation. Peer support from native children for undocumented migrants is important and there have been very successful examples in Europe, giving migrants moral support. The network 'Education without borders' is one other good example of this work.

It was concluded that another Stakeholder Platform meeting should be organised next spring.

Participants list

Title	Surname	Name	Institution	Acronym
Mr	Simone	BARTHEL	European Network of Education Councils	EUNEC
Ms	Koen	BASTIAENS	Stad Antwerpen/Actieve City/General Education Policy	
Mr	Joël	BONAMY	Fondation des Régions européennes pour la recherche en Education et Formation	FREFEF
Mr	Clive	BYRNE	National Association of Principals and Deputy Principals	ESHA
Ms	Mia	DOUTERLUNGNE	European Network of Education Councils	EUNEC
Mr	Ton	DUIF	AVS	AVS
Ms	Goele	GEERAERT	Stad Antwerpen/Werk en Economie	
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