

E.QU.A.L. PROJET THE VET REFORM IN FRANCE

Trento, March 21th, 2019

Matteo Sgarzi

Head of mission International Relations, Céreq



Agenda

- **VET in France general lines**
- **A moving context:** the Macron's presidency reforms, *“freedom to choose one's own vocational future”* regulation
- **Specific measures oriented to low skilled:** the Competence Investment Plan.

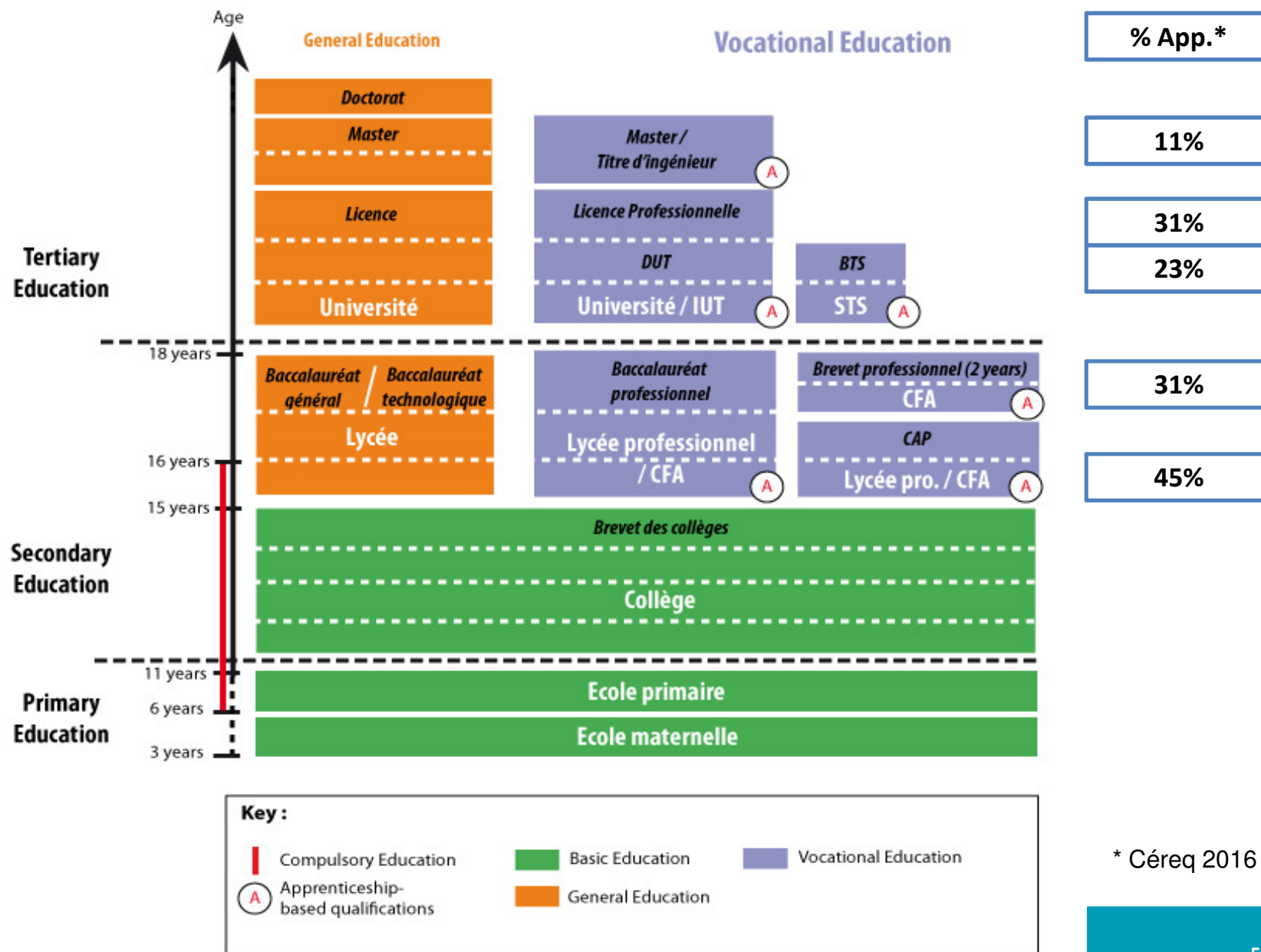


VET in France general context

■ ■ ■ ■ ● VET in France general context

- VET (lifelong) system created since the 1970s.
- All actors involved : central government, local authorities, public institutions, public and private schools, business sector, trade association, labor union.
- Central role of social partners in system governance
- Different access possible to the training, depending on the status of the individuals (creation of Personal training account).
- On 1 January 2015 a new system came into force - the Personal Training Account (CPF)

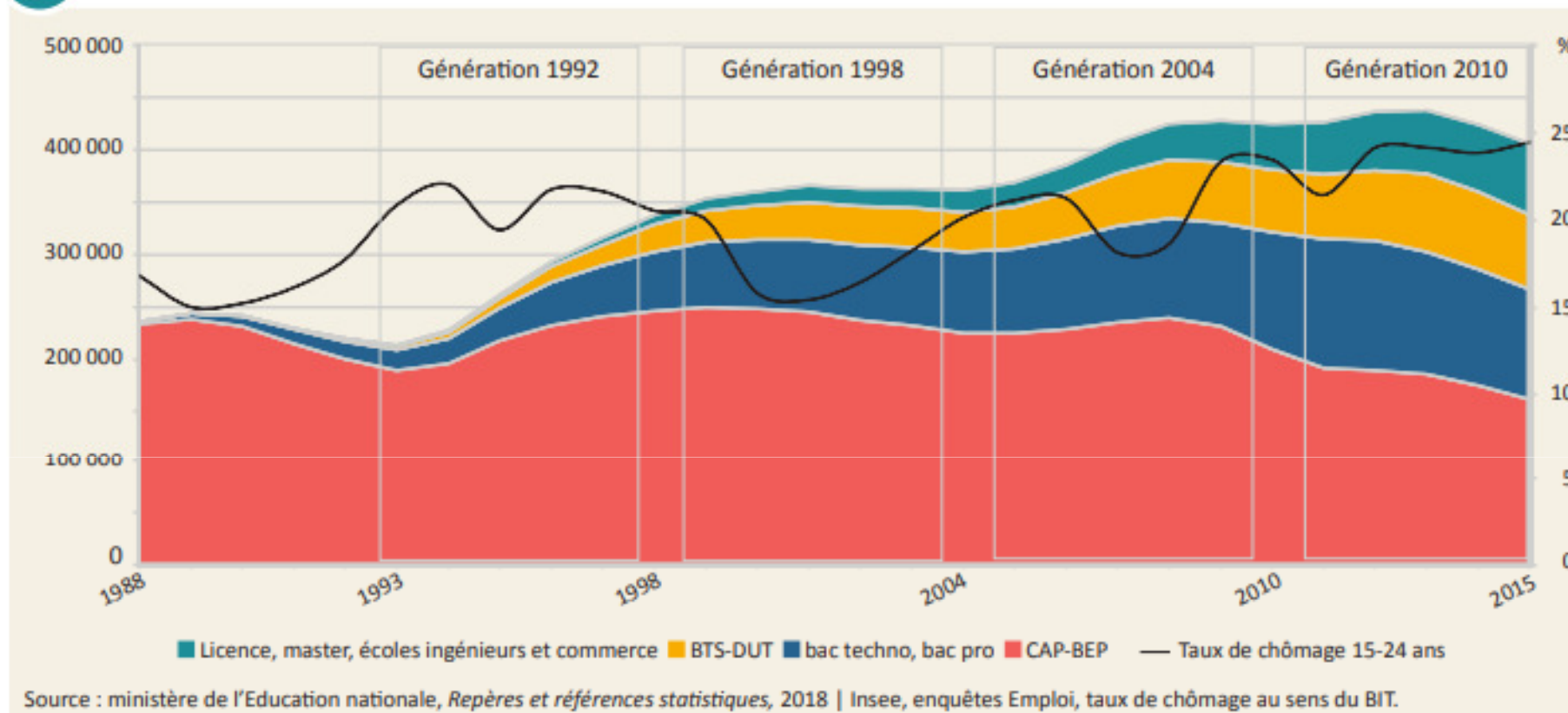
French Education System



* Céreq 2016

2

Evolution des effectifs d'apprentis par niveau de formation de 1988 à 2015



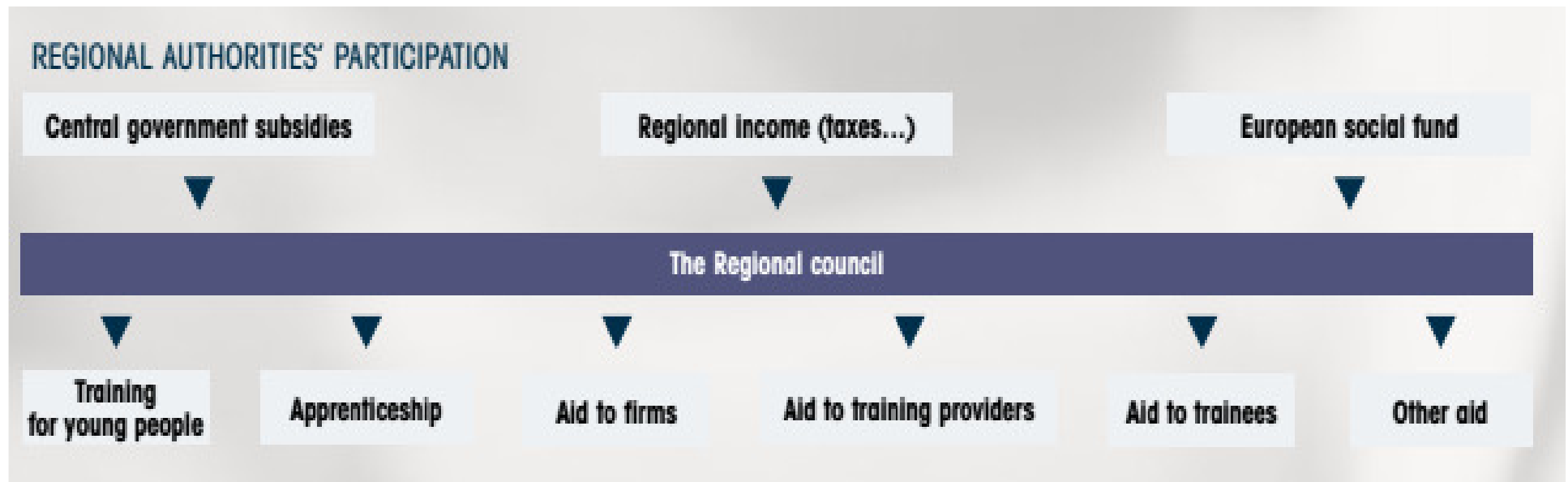
Benoît Cart, Alexandre Léné, Marie-Hélène Toutin, **A l'aube de la réforme de la formation professionnelle, retour sur 20 ans d'insertion des apprentis**, *Céreq Bref*, n°370, 2018, 4 pp.

■ ■ ■ ■ ● CVET in France general context

- Main stakeholders :
 - **State and regions:** they share responsibility. The regions are competent in matters of apprenticeship and VET. They can draft their own training policy. The state provides framework regulations.
 - **Social partners:** promote and develop joint continuing VET policies. They cooperate also in VET implementation, for example by creating and managing the bodies which collect training tax from firms (OPCA).
 - **Companies:** they have a fiscal obligation to finance the VET.

■ ■ ■ ■ ● CVET in France main authorities

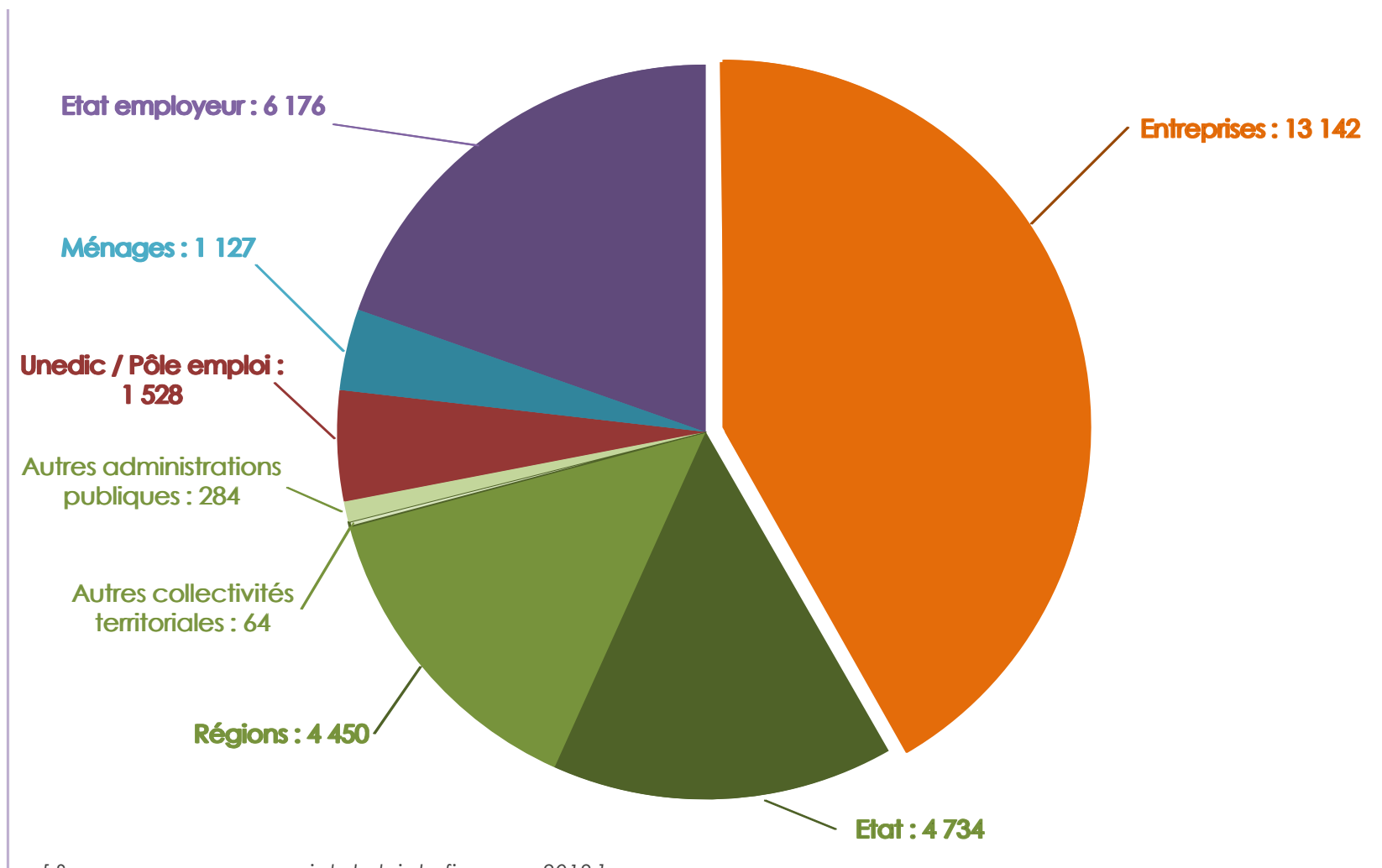
- Main Authorities:
 - **CNEFOP** (Conseil national emploi formation et orientation professionnelles) instance de coordination et concertation de la stratégie nationale
 - **CREFOP** (Conseil régional emploi formation et orientation professionnelles) instance de coordination et concertation de la stratégie régionale)
 - **COPANEF** (Comité paritaire interprofessionnel pour l'emploi et la formation ; Instance paritaire consultative au niveau national).
 - **COPAREF** (Comité paritaire interprofessionnel pour l'emploi et la formation ; Instance paritaire consultative au niveau régional).



- **Firms** participate to the funding of training through 2 taxes (“legal obligation”):
 - apprenticeship contribution (0,68%); managed by **State/regions**
 - training contribution based on a percentage of the gross annual wage bill (0.55-1 %); managed by **OPCA**

■ ■ ■ ■ ● Les entreprises dans la dépense globale de FPC et d'apprentissage

Dépense globale par financeur en 201 (Milliards d'euros)



[Source : annexe au projet de loi de finances 2013]



The new regulation “freedom to choose its own vocational future”

■ ■ ■ ■ ● The Personal Training Account (CPF)

- Created in 2015 in the framework of the 2014 Vocational Training Reform came into effect on January 1, 2015
- Any person aged 16 or over who is starting out on their working life is entitled to open a (CPF), which will remain open until they retire - the accounts topped up at regular intervals with hours of training.
- This topping-up is linked to paid employment, currently only in the private sector. Thus, a full-time employee accumulates 24 hours a year. The account limit is set at 150 hours. These thresholds can be raised when dealing with low-skilled populations.

A moving context: “freedom to choose its own vocational future”

- Key point of the reform → **CPF**
 - CPF will run in euros and not in hours anymore. 500 € each year until 5 000€ (8000 € for low skilled)
 - A mobile application will allow active population to freely purchase their training without any intermediate body
 - Only registered qualification or “competences blocks “ of them are eligible to CPF (RNCP + inventaire*)
 - CPF for professional transitions : aimed to finance professional reconversion projects (the employee can ask a specific training leave).

* Note: *Inventaire* = “complementary” and “short” qualifications

■ ■ ■ ■ ■ • The new Competences Operators (OPCO)

- Key point of the reform → **from 20 OPCA to 10 OPCO**
 - From « training fund manager » to « advisor on training design fitting company needs»
 - Managed by social partners (parity governance)
 - New tasks:
 - Secure apprenticeship and work-based training funding
 - Prospective studies on competences and professions (GPEC)
 - Qualifications and certification design
 - Offer tailored services for SMEs
 - anticipating skills needs
 - improving employees' access to vocational training.



A moving context: “freedom to choose its own vocational future”

- Key points of the reform → **Apprenticeship**
 - Changes in the funding mechanism :
 - CFA will receive funding proportional with the number of stipulated work contracts, meaning the number of apprentices they host.
 - In the starting phase of the reform OPCO will quantify the costs of the contract drawn up by their respective branches.
 - France Competences will provide the necessary resource to OPCOs making recommendations on these costs.
 - The regions and the OPCO will sign agreements of objectives and means with the possibility to co-finance a part of the costs.



A moving context: “freedom to choose its own vocational future”

- Key points of the reform → **France Compétences**
 - Fusion of several bodies : (Copanef, Cnefop, CNCP, FPSPP)
Quadripartite governance (State, Regions, trade unions, enterprises organisations, experts)
 - Missions
 - Contribute to public debate
 - Regulate quality
 - Redistribute funds (OPCA and regions)
 - Finance the CEPs
 - Manage qualifications (RNCP + *répertoire spécifique*)



A moving context: “freedom to choose its own vocational future”

- Key points of the reform → **Counsellors in professional evolution (CEP)**
 - Offer a guidance assistance for professional evolution
 - Actors are charged to provide the service:
 - Job seekers: Pôle Emploi, APEC, CAP Emploi, Mission Locales
 - Employees in professional reconversion : new operators (liberalisation?)
 - Free service (funded by State or Enterprises)

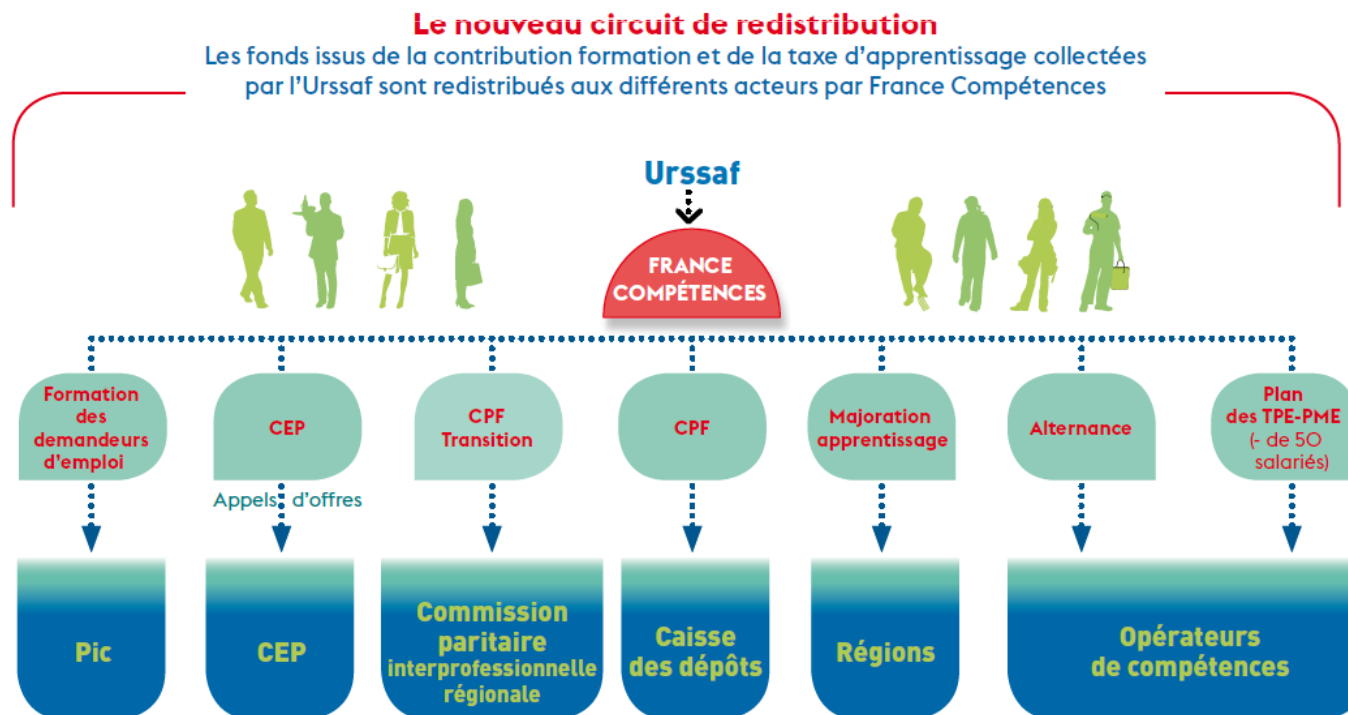


A moving context: “freedom to choose one’s own vocational future”

- Key points of the reform → **A “liberal” system**
 - Regulation by quality: all training providers certified by 2021
 - A market of training : CFP purchases based on personal choice (via mobile application), without intermediation
 - A market of apprenticeship. Any registered training organization may create a CFA provided that it complies with the specific CFA regulations.
 - A market for SMEs. More attention to funds redistribution towards the SMEs. The training organizations will have to develop special offer for this target
 - A market for pedagogical innovation. The legal definition of the training action has been extended (eg. Work based learning).

A moving context: “freedom to choose its own vocational future”

- Key points of the reform → **financing**
 - One single tax but two different fiscal regimes
 - CPF : 0,55-1% depending on company size
 - ✓ 100% -> France Competence
 - Apprenticeship: 0,68%
 - ✓ 87% -> France Competence
 - ✓ 13% -> Employers





Specific measures oriented to low skilled:
the Competence Investment Plan.

■ ■ ■ ■ ■ • Plan d'Investissement Compétences (PIC)



- An overarching national programme of investments in competences and skills specifically oriented to low qualified workers
- A twofold objective:
 1. train one million of low qualified youngsters and one million of long-term job-seekers;
 2. to speed-up the transformation of the national VET system, starting from the analysis of competences needs and new pedagogical design and methods.

Le Plan d'investissement dans les compétences

Les 4 chantiers majeurs

ACCOMPAGNER ET FORMER SUR LES 5 ANNÉES À VENIR

■ 1 MILLION DE JEUNES
NI EN EMPLOI, NI EN FORMATION



■ 1 MILLION DE DEMANDEURS D'EMPLOI
PEU QUALIFIÉS



CONSTRUIRE UNE SOCIÉTÉ DES COMPÉTENCES

2 ■ DE NOUVEAUX OUTILS INNOVANTS POUR IDENTIFIER LES BESOINS
EN COMPÉTENCES DES ENTREPRISES



3 ■ DÉVELOPPER UNE CULTURE DE L'INNOVATION
DE LA FORMATION PROFESSIONNELLE



4 ■ UNE APPLICATION CPF ACCESSIBLE
EN TOUTE TRANSPARENCE



UNE MOBILISATION COLLECTIVE

■ DE L'ÉTAT



■ DES RÉGIONS



■ DES PARTENAIRES SOCIAUX



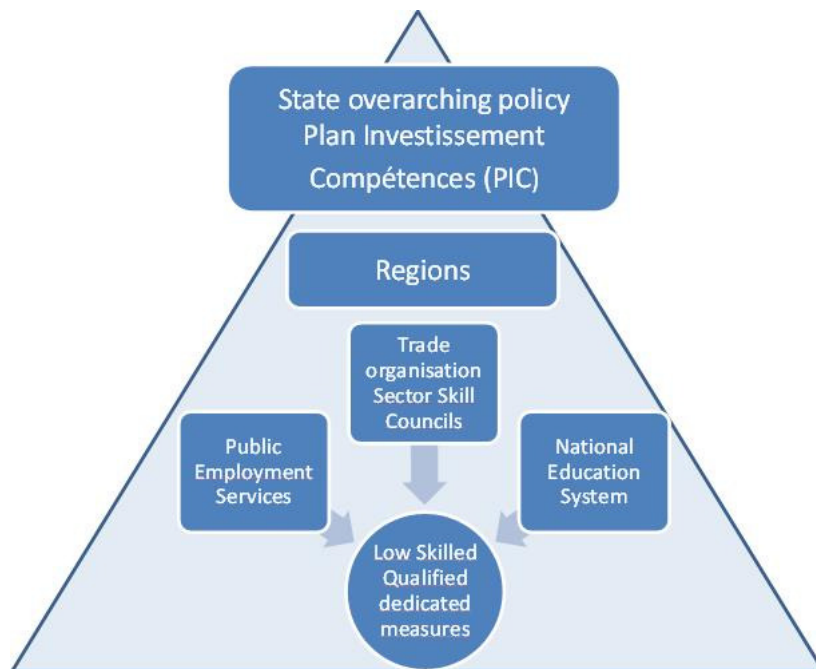
• 4 investment priorities

1. train one million of low qualified youngsters and one million of long-term job-seekers;
2. Tu build up a competence society
 - ✓ Innovative tools for competence needs forecasts
 - ✓ Develop a culture of innovation in VET
 - ✓ Facilitate access to containing training though the use of CPF credits

• All actors involved

1. State
2. Regions
3. Social partners

■ ■ ■ ■ ● PIC governance



- Based on a negotiating process between the State and the Regions resulting in **bilateral cooperation agreements** for the use of PIC resources.
- Agreements will support **job seekers targeted VET measures** (French regions are fully competent on this topic), training guidance, and local economic development
- National **call for proposals** are also issued for encouraging all labour market stakeholders (trade organisations, sector skill councils, Public Employment services, National Education System) to implement social experimentations and develop new instruments.

■ ■ ■ ■ ● Pactes régionaux d'investissement dans les compétences (PRIC)

- Negotiating process between the State and the Regions resulting in **bilateral cooperation agreements** for the use of PIC resources.
- PRICs should be structured over 3 mains axes:
 - ✓ *Axis 1.* support **qualifying pathways towards employment** based on innovative contents and linked with economy needs, based on real-time forecasted perspectives
 - ✓ *Axis 2.* Guarantee the access of **disadvantaged groups** to training via the strengthening of key competences
 - ✓ *Transversal axis.* **Modernise** training design processes, pedagogy and training guidance
- Regions are called to put forward local **experimentations** distributed on the 3 axes though a fully shared process involving:
 - SSCs, inter-professional funds (OPCA), labour market observatories, guidance professionals, companies, training providers, and clusters, etc.

■ ■ ■ ■ ● • What is a regional experimentation?

- Innovative approaches and (impact) evaluation
- Resulting from :
 - joint undertakings of local actors
 - Ideas put forward by the PIC scientific committee (*boîte à idées*)
- The goal is to:
 - Enlarge or reinforce existing actions
 - Start new initiatives
- A national forum were organised the 17th October, 2018 gathering regional project presenters, the PIC scientific committee and research teams (including Céreq).
- Selection of projects; capitalisation of results and dissemination to other regions
- New PARICs calls in 2019 and 2020