

Enhancing Qualification of Adult Learners through the implementation of Upskilling pathways

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UPSKILLING PATHWAYS in France

(WP 1)



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UPSKILLING PATHWAYS in France

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¹ The note is based on a collection of multiple sources on the process of implementation of the VET’s 2018 reform named “*Loi liberté de choisir son avenir professionnel*” (Freedom To Choose One’s Vocational Future) and on the implementation phase of the Competences Investment Plan (PIC 2018-2022). Main external sources are Ministry of Labour web pages and documents (<https://travail-emploi.gouv.fr/>) and Centre Inffo web platform and articles (<https://www.centre-inffo.fr/>). Nevertheless, the way information is provided and the content of this note reflects exclusively the view of the author and doesn’t engage any institution whatsoever (including Céreq).

1) Lifelong Vocational Education and Training System in France, a short description

The current Continuing Vocational Training (CVT) system was launched at the beginning of the 1970s. It involves a set of actors: central government, local authorities, public institutions, public and private schools, business sector, trade association, labor union, representatives of family organizations. It is usually the result of collective agreement between social partners, and the publication of law, decrees. One of the particularities of the continuing vocational training in France is the importance of parity negotiation governance process.

Vocational Lifelong learning

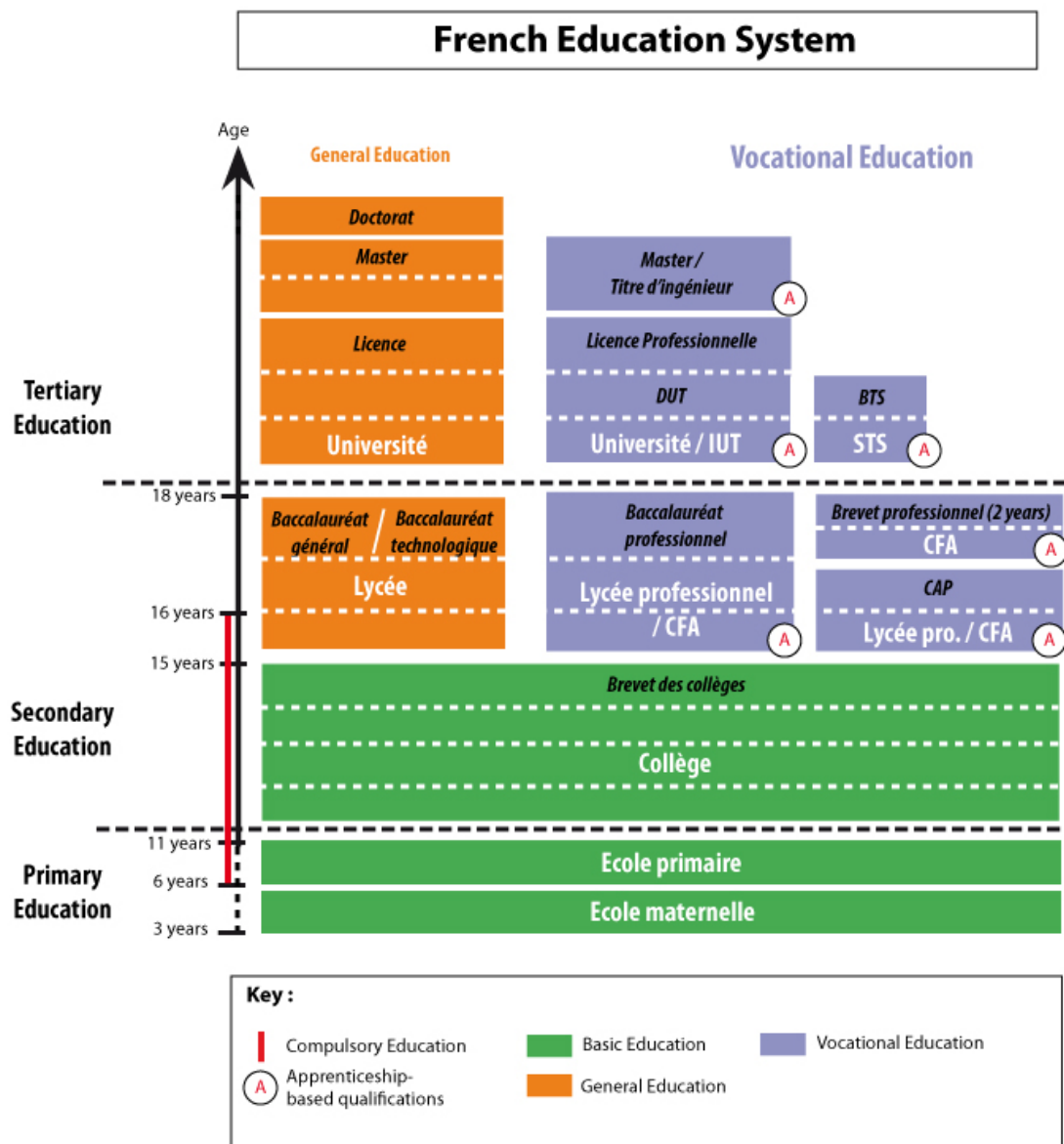
French VET system makes possible for each individual to benefit from training as part of a basic school, or university education or as part of continuing vocation training for young people or adults already active in the labor market. The initial VET is managed by ministries, mainly the ministry of national education who offers accredited study programmes. The continuing VET also gives the opportunity to return to a training programme aimed to obtain degrees of the initial system, to enter other certified qualifications or other non-formal training. In that matter, CVET has generally short term duration.

Composition of IVET

The initial education can be general, vocational and technological, according to selected programmes of study. It starts at the upper secondary school. VET degrees enable students to access to the labor market. To a growing extent, programme preparation includes in-company training. The ministry of education manages IVET both materially and financially and partially other ministers too, according with the sector.

The VET at upper secondary level leads to a vocational skill certificate (CAP) or a high school professional diploma (*Baccalaureat professionnel*), in the specific professional area. The technological education leads to a technician's certificate or high school diploma in technology (*Baccalaureat technologique*) which is embedded in the general education stream and, for so, more specifically conceived to get access to higher education; it is nonetheless a qualification in the technical field. At post-secondary level, VET could lead to a university certificate in technology (DUT) or high technician certification (BTS). At tertiary level, there is VET in licenses, master but also private higher colleges (*grandes écoles*).

All these degrees be part of a special kind of working contract and/or can be delivered in the framework of accreditation of life experience (VAE).



Source: Onisep

Apprenticeship

Apprenticeship is meant for the 16-25 years old (recently prolonged until 29 years old). It provides with general, theoretical and practical training to enable young students enrolled in initial education with a VET degree, ranging from CAP to Engineer. It is possible to obtain a certification registered in the RNCP (National register of VET qualifications). During the apprenticeship period, the young person is both employee of a firm and student in an apprentice training center (CFA). CFA is generally a private body managed by the professional branches, consular chambers, associations, but it can also be located within a public vocation school, or a university. The opening of a CFA implies de definition of an accreditation agreement between the CFA managing body and the Region where the school is located. We'll see in the next chapter that the terms for the opening and the management of a CFA are sensibly changing with the new reform. Apprenticeship

in France involve between 400,000 and 450,000 apprentices each year, meaning around 25% of the initial training participants.

FINANCING APPRENTICESHIP IN 2012: 8,175 million euros			
Funders	en 2004 Millions of Euro	en 2010 Millions of Euro	en 2012 Millions of Euro
Regional Authorities (Supply of training, financial assistances to apprentices and incentives for the employers)	1,321	1,967	1,980
Central government (financial assistances to apprentices and to employers through social and fiscal exemptions and tax credits)	1,254	2,143	1,923
Firms (In particular apprenticeship tax)	735	992	1,068
Employers (Apprentice wages)	1,350	2,360	2,620
Others (family of apprentices, other local authorities, etc)	504	567	584

Source : Le financement et les effectifs de l'apprentissage en France (Figures 2012 ; CNEFOP ; January 2015).

Source: Centre INFFO

What does continuing VET Stands for?

The CVET has several objectives: promoting professional integration or reintegration; maintaining people at work (by adapting their competences to new needs), encouraging development of new skills, contributing to economic and structural development and social progress;

Main Stakeholders:

- State and regions: they share CVET responsibility. The regions are fully competent in matters of VET. They can draft their own training policies. The state votes laws and general frameworks. The new 2018 law operates a substantial change in apprenticeship competences attributions at disadvantage of regions that will lose the management of a share of the apprenticeship tax mainly used to steer the CFA offer on the territory.
- Social partners: their aim is to develop continuing vocation training policy and cooperate in its implementation. With the new 2018 law, they lose control on CVET tax collection (see the next chapter) but they are acquiring new prerogatives in the management of apprenticeship contracts and also the co-definition of qualifications standards.
- Companies: they have a fiscal obligation to finance the CVET. They can receive support by their respective branches organization for the definition of internal continuing training policies and actions, especially in the case of SMEs.



Source: Centre INFFO

Main beneficiaries and schemes of continuing training

Each individual benefits from training measures based on their status (private, public self-employed workers, job seekers...). However, since the **creation on the 1 January 2015 of the Personal Training Account** establish the individual right for training irrespectively from the status.

Public sector employees, 3 main possibilities:

- The training plan. It is offered by administration to its employees. Thus, you are considered on duty so the salary is maintained.
- Training leave: the person receives a training of its choice, during work hours and gets paid.
- Individual training right benefit: it is a credit of 20h per year which allows pursuing a vocational programme.

Self-employed workers: They have to involve themselves financially by paying a contribution to a collecting body.

Private sector employees:

- Company competences plan: professional assignment. It is the responsibility of the employer and it is paid by the firm.
- Individual training leave: maintained and paid. There are other training leaves (skills audit leave and life experience accrediting leave).

Job seekers:

- Under certain conditions, the 16-25 years old can all receive paid training
 - Specific work contracts as professionalization. The person is paid by the company, exempted from social security contributions. The work study training is attested by a vocational certificate.
 - Training courses: especially managed by regions
- For adults:
 - Specific work contracts (also professionalization but may also include training courses)
 - Training courses regional and central authorities: this specifically targets some groups
 - Training courses financed by the UNEDIC (social insurance)
 - Personal training account: From 16 years old, each employee opens its personal training account where is accumulated training hour's right. In that case, losing its job does not involve losing the training hours.

Sources of financing CVET

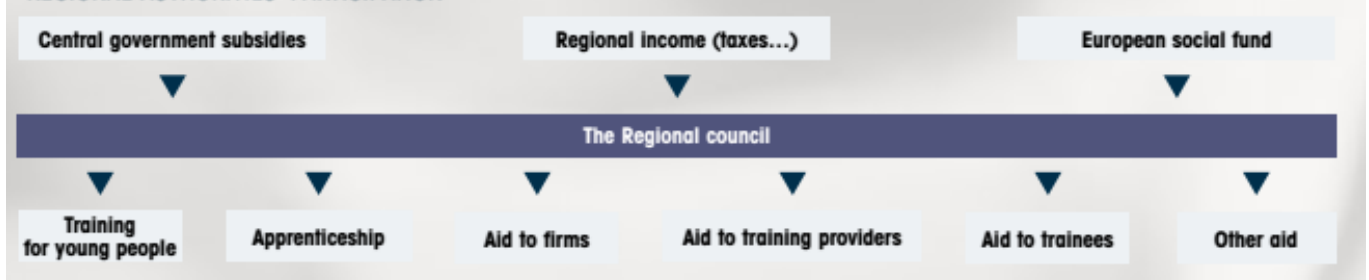
The regional authorities finance CVET and apprenticeship thanks to subsidies allocated and decentralization. The state has several possibilities to finance CVET. It can accept exemption from social charges, offer tax credits, or give aid to professional branches. Finally the firms must participate to the funding of training through a tax. They have a "legal obligation". The training contribution based on a percentage of the gross annual wage bill: 0.55% of the Gross annual wage bill for enterprises with less than 10 employees; 1% of the Gross annual wage bill for enterprises with more than 10 employees.

CENTRAL GOVERNMENT PARTICIPATION



Source: Centre INFFO

REGIONAL AUTHORITIES' PARTICIPATION



Source: Centre INFFO

Training Providers

They are three different types: the training providers, the VAE and the skill audit centers. The continuing training is an open market which implies that there cannot be any monopoly or dominant position. It is provided by people, companies, association, private or public institution, organizations. In 2012, they were 62.658 training bodies included 19.000 which practiced training on a main basis.

The main training providers are firstly the government owned and government assisted training providers (GRETA, AFPA, Agricultural training and promotion centers, training establishments). Secondly they are private training providers such as non-profit organizations, private organizations, and self-employed works.

2) The new regulation “freedom to choose one’s vocational future”

Facing the challenge of employment and competences by targeting job seekers and the least qualified as a priority, simplifying the system, improving the rights of individuals, this are the ambitions of the new law “*liberté de choisir son avenir professionnel*” (freedom to choose one’s own professional future), promulgated on September 5th 2018 by the President of the French Republic. This law represents a real turning point in training and learning reforms providing a new framework and a general reconfiguration of the attributions of the actors involved in the governance of VET in France.

Among the novelties of the law: the monetization of the CPF and its simplified access through a mobile application, the collection of the apprenticeship tax and the contribution of the companies entrusted to the Urssaf², the change of the role and the number of OPCA newly called OpCo (competences operators), new rights for apprentices and simplified recruiting procedures for employers, a new quality assurance framework for training organizations.

The governance of these public policies will be profoundly transformed by the creation of a new national agency called **France Compétences**, responsible in particular for the regulation of quality and costs of training, and redistribution of training funds dedicated to the development of apprenticeship and work-based learning. The new body merges former organisations such as FPSPP³, Cnefop⁴, Copanef⁵, CNC⁶, taking their functions. The timetable for the implementation of the reforms will run until 2021.

² *Unions de Recouvrement des cotisations de Sécurité Sociale et d’Allocations Familiales (URSSAF)* are private bodies entitled of the public service task to collect the employers and companies contributions supporting the general system of social security.

³ *Fond paritaire de Sécurisation de Parcours Professionnel*, having the task to finance continuing training for workers.

⁴ *Conseil national emploi formation et orientation professionnelles*, organisation responsible for the social dialogue and coordination of strategic national orientations in VET, guidance and employment.

⁵ *Comité paritaire interprofessionnel pour l’emploi et la formation* ; social partners consultative body at national level.

⁶ *Commission Nationale pour la Certification Professionnelle* supervising requests for including qualifications in it the French registry of qualifications and made recommendations to the Ministry of Labour, which then made the final decision.

We will see now in detail how the new reform will impact the above aspects engendering a stronger participation social partner and private sector in the system of governance of VET and apprenticeship in France.

The transformation of the personal training account (CPF)

Created in 2015 in the framework of the 2014 Vocational Training Reform which came into effect on January 1, 2015, aims at provide any person aged 16 or more with a personal account. This account starts at the moment of the first access to the professional active life and it will remain open until the retirement age. The account was topped up at regular intervals with available hours of training, thus a full-time employee accumulated 24 hours a year and the account limit was set at 150 hours (this threshold was higher when dealing with low-skilled populations). These training programs lead to recognized qualifications or certifications, programs included on specific lists created either at the national level or at the regional level by social partners.

With the 2018 reform CPF will run in euros and no longer in hours. 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.

A second type of CPF specific for professional transitions is also introduced: aimed to finance professional reconversion projects (the employee can ask a specific training leave).

The renovated CPF offers more freedom and autonomy to the beneficiaries even if the market should remain very regulated. A training provider before positioning itself has to consider all the constraints: to be eligible for CPF, training must prepare for diplomas and titles registered in the National Register of Professional Certifications (RNCP), or should lead to certificates or habilitations listed in the so called “Directory” (ex-Inventory, which gathers qualifications normally shorter than those registered in RNCP and often owned by private providers⁷). The CPF can also be mobilized for actions such as validation of prior learning (VAE), skills assessments and preparation for driving license (license B and heavyweight). Having an extensive offer of certifying training is therefore a prerequisite. Most large training organisations, are expanding their catalog in this direction.

Guidance and counselling in professional evolution

In the French System lifelong guidance has been always guaranteed to all individuals, facilitating access to

⁷ Three types of qualifications are eligible to enter the inventory: A) qualifications and accreditations, resulting from a legal or regulatory obligation, that are required to work in a particular trade or profession in France; B) qualifications that relate to a specific field, are highly valued in a particular occupational environment and whose possession is recommended by a body representing the social partners; C) qualifications that apply to a homogeneous set of competences that may be required in one or more occupations and that help and encourage holders to enter the labour market (Ministry of Labour Order of 31 December 2014).

full and objective information on careers, training, qualifications, etc. It also facilitates access to excellent advisory and support services, mainly via dematerialized tools, events or services of guidance delivered at territorial level.

The Professional Development Counseling (CEP) is a free and personalized accompaniment scheme offered to anyone wishing to take stock of their professional situation and, if necessary, to establish a career development project (conversion, recovery or activity creation ...). It is provided by professional advisers belonging to 5 authorized organizations: Pôle Emploi⁸, APEC⁹, Cap Emploi¹⁰, Local Mission¹¹ and the OPACIFs¹².

The provisions of the new law lead to a restructuring of the landscape of the operators authorized to deliver this service. Four of out of the five players mentioned above - Apec, Cap Emploi, Local Missions and Pôle Emploi - will continue to provide (free of charge) advice to specific audiences: managers, people with disabilities, young people and jobseekers. To do this, they will rely on the public subsidies they receive.

On the other hand, the role of the OPACIFS, which intervened for employees wishing to benefit from an individual training leave, is called into question. By January 2020 at the latest, active employees will be advised by new operators, selected at regional level, on the basis of calls for application. Their activity will be financed by funds from the contribution of companies to vocational training. This new measure open a new market of guidance operators addressed to employees. New operators strictly linked with the economic and social needs of the different territories should come up. The OPACIFs should take part of the new bidding process but their coverage of the new rising market is questioned since they will have to compete with new subjects.

Apprenticeship

The new reform aims to considerably change in many aspects governance, the status of the apprentice, the supply of training and the financing of system.

Political statements were particularly ambitious: “to intervene on mentality of people”, on the “representations that families and students could have of apprenticeship in France”, boost the system, significantly raise the number of student that chose apprenticeship at any level of initial education, in sum “to operate a Copernican reform”.

⁸ Pôle Emploi is the French main public employment It has been created on 19th of December, as a results of a merge of two different previous public organisations ANPE and Assédic (<https://www.pole-emploi.fr/>)

⁹ Agency for the employment of cadres (www.apec.fr)

¹⁰ Agency for the promotion of employment for persons with disabilities (<https://www.agefiph.fr>)

¹¹ Agency specialized in the promotion of employment for youth aged 16-25 years old experiencing difficulties for labour market insertion. It is based on a network of local agencies coordinated in partnership whit Pôle Emploi and local authorities.

¹² Collecting parity body (OPCA) having the task to funds employees personal training leaves. It is one of the bodies particularly affected by the 2018 reform since the mechanism redistribution of funds for continuing education will be centralized to URSSAF and managed by France Competences.

The management of the new scheme is entrusted to the sector skill councils (branches) rather than the Regions as it was until 2018 (the regions will no longer decide on the opening of apprentice training centers, the administrative authorization to open CFA is removed), an apprenticeship contract will be even closer to that of common law, the possibility for companies or training providers to open Apprentices Training Centres (CFA), these are some of the novelties.

Nevertheless the main changing point is 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. Starting from in the second half of 2019 the regions and the OPCO will sign agreements of objectives and means for the development of apprenticeship with the possibility to co-finance a part of the costs.

Other main points of the reform:

- Age limit for entry into apprenticeship scheme moved from 25 to 29 years old.
- Maximum working time enlarged from 35 to 40 hours per week for the young apprentices, and, from 8 to 10 hours per day, for some specific activities.
- Creating a new school grade "Preparation for trades ", aimed to promote apprenticeship towards young student in basic level of secondary education.
- Obligation, for CFA and the vocational high schools, to make public every year their number of graduates and the job insertion rates.
- Economic support for companies with less than 250 employees. (3,000 euros per year and per contract).
- Salaries for of young people aged 16 to 20 is revalued: they will earn € 30 net more and the older will see their remuneration closer to that of the guaranteed minimum salary (Smic). Added to this is the possibility of doing part of the training abroad (Erasmus +) and financial aid to the driving license (500 euros.)

The system governance has radically shifted from Region-centred to a Branch-centred and this caused lively controversy in the phase of preparation of the reform.

Regions state good performances of apprenticeship system in the last years (youth participation +4-5% per year) and they call for keeping them involved in a continuing dialogue with branches, social partners and CFAs. In addition they should still play a role in the regulation of public aid (for the support of CFAs in remote areas for example) that could be done through negotiation process and regional agreements with the branches.

Companies and branches seem willing to continue working with the Regions. Nevertheless, they highlighted significant advancements in the involvement not only in the governance system of apprenticeship but also in their participation in qualification design where their assent is now necessary to update qualification, and downstream, they will also exert close control on pedagogical issues.

Management and design of qualifications

The 2002 law on social modernization created the National Commission for Vocational Qualifications (CNCP) with the task to set up and update a national register of vocational qualifications (RNCP). In so doing, it also guarantees the consistency and complementarity of qualifications listed in the register and ensures that they are upgraded and adapted in line with competences developments affecting qualifications. CNCP also ensured up-to-date and clear information to those institutions that award qualifications, the general public and the business.

From now on, all CNCP tasks are transferred to the new agency France Competence. The new agency will be in charge of establishing and updating the register (RNCP) listing qualifications and the parallel Inventory which is deemed to be reviewed. A new “Directory” will replace the “Inventory” and will correspond to “professional skills certifications” complementary to main professional qualifications. The professional qualification certificates (CQP), private certificates established by the branches, may be registered in the National Register or the Specific Directory.

The law also establishes the obligation for public and private qualification providers to assembly all standards in the so called “skill blocks”. These blocks can be acquired separately and for life in the context of training or VAE. The blocks should encourage people to progressively acquire full qualifications over a longer period. Beyond the possibility of gradual training, the logic of skill blocks also aims to facilitate equivalences and bridges between different certifications.

Starting from 1st January 2019, all training leading to RNCP qualifications, or to parts of their constitutive parts (blocks), or registered in the Specific Directory will be directly eligible to CPF. It will also possible to mobilize personal CPF account to carry out personal skills assessment, guidance for VAE or even, obtain a driving license or for auto entrepreneurship coaching and advise.

France Competences

The management of the national register of qualification is just one of the multiple missions that are assigned to the new agency France Competences. It will merge the function of 4 original bodies (Copanef, du FPSPP, du Cnefop et de la CNCP) taking over their functions:

- to contribute to the public debate on competences (conducting prospective studies ...)
- to regulate the quality of the training offer (supervising costs monitoring and regulations implementation)
- to redistribute training and apprenticeship funds to Opco and regions
- to finance the CEP at regional level (including organizes and funding of employees CEP)
- manage certifications (establishes the RNCP and the specific directory)

Placed under the aegis of the Ministry of Labor, France Compétences is a national public institution representative of 5 stakeholders: State, trade unions of employees, organizations of employers, Regions and qualified personalities. The board of directors comprises 15 members and the general director will be appointed by State decree. At the center of the system, France Compétence coordinates and works in close collaboration with all stakeholders: regional inter-professional joint committees, Caisse des Dépôts, Regions, OPCOs¹³.

The newly established Competences Operators (OPCO)

The 2018 law disrupts the model of OPCA¹⁴ from the French landscape. OPCAs were parity organizations responsible for collecting funds for continuing vocational training and financing training programmes for employees such as professionalization actions, training plans and supporting companies and employees for the better use of the personal training account. OPCAs had also the task to specify the distribution of the training contributions to the companies.

Renamed Competence Operators (OPCO), these joint bodies lose the funds collector function, from now on entrusted to Urssaf¹⁵, and move toward a new set of services provision. The reform foresees new responsibilities in terms of skills forecast, competences planning and in the construction of vocational qualifications and certifications standards. OPCO should support companies with data provision and analyses on the development of competences (in coordination with branches labour market observatories), carry out prospective actions on the ever fast-changing the world of work.

OPCOs will acquire new key tasks for the management of the apprenticeship system. They will determine the cost and the level of co-financing of apprenticeship contracts according to the strategic axes defined by their reference branches organisations. This task is crucial for CFAs business model, and it determines the development of a completely new expertise.

In addition, a specific offer of services targeted to SMEs (less than 50 employees) will be developed around two priorities: defining and anticipating skills needs and improving employees' access to vocational training.

The reform imposes to professional branches and their OPCA to initiate a restructuring process. Following Government guidelines the new OPCO mission changes the critical size and the field of intervention so as to preconize the merging of the old OPCA enlarging their perimeter of intervention. The restructuring process led to establish 10 OPCO, out of the original 20 OPCA, following a criteria of coherence of economic sectors covered, similar competences and training issues, mobility, proximity services and business needs.

¹³ More information on the website: <https://www.francecompetences.fr/>

¹⁴ Organisme Paritaire Collecteurs Agréés (OPCA) established with the Decree No. 2014-1240 of October 24, 2014, following the law of March 5, 2014 on vocational training.

¹⁵ Organizations for the Collection of Social Security and Family Benefit Contributions is a network of private organizations created in 1960 whose main task is to collect employee and employer social security contributions that finance the Régime général (general account) of France's social security system.

At 31 December 2018, all economic branches must have chosen their operator by a constitutive agreement. Otherwise, the administrative authority will automatically appoint a competency operator. But the deadline for the latest approvals of future competence operators has been set for April 1, 2019. All new OPCO will sign an agreement (objectives and resources) with the State binding themselves to deliver specific results. In case of repeated dysfunction or non-respect a temporary administrator may be appointed.

The generation of a new larger training market

It is not too risky to say that the new reform pushes towards a liberalisation of the VET system in France. To some extent we record a shift of decision power back to the State reversing a trend of progressive decentralization that characterised the previous reforms. In the same time the place of professional and branches organization in the governing system is evolving by adding new forms of parity governance (State, Region, Business organization and Trade Unions on the same level). Business and employees organizations will acquire additional responsibilities at different level of the governance system (qualifications design and transformation, guidance, apprenticeship, training provision), but in the meantime they lose training tax collection function which was attributed to former OPCA.

It is a change of paradigm that requires specific attention to quality issues on one hand and on open market regulation on the other hand:

- Regulation by quality. All training organizations must be certified by 2021, if they wish receive public or parity funds. In charge of this mission, France Competences is responsible to define quality assurance standards and process.
- A market of training is established. With the CPF in euros, each individual can buy his training directly via a mobile application, without intermediary (planned for the 2nd semester of 2019). Training organizations will have to adapt their offer to take into account this "disintermediation" of the purchase of training.
- A market of apprenticeship and work-based learning is established. From 2020, any registered training organization may create a CFA provided that it complies with the specific CFA regulations. Training organizations will therefore be able to offer to their customers both "continuing training" and "apprenticeship" offer.
- A specific training market for SMEs. The new funds collection system will enhance its redistribution towards the SMEs. The training organizations will have to develop an offer specifically addressed to very small businesses (to this respect a quest for innovative and tailored pedagogies would be also wanted).
- A market without intermediation and without parity funds. Large companies will continue to buy directly training not subject to certification requirements.
- A market of new training products. The legal definition of the training action has been extended (eg work based learning). Organizations have to rethink their offer around individualized courses, modularized offers or even package courses.

Founding of the new system

The weight of the reform is mainly sustained by companies' fiscal contribution.

A unique contribution is introduced but divided into two distinct regimes: the contribution to vocational continuing training (CFP) and the apprenticeship tax. No later than January 1, 2021, it will be collected by the Urssaf excluding an out-of-quota part (0.08% of the company overall salary charge).

The CFP will be modulated according to the size of the business: 0.55% of company overall salary charge for companies with less than 11 employees; 1% for companies with 11 or more employees.

The apprenticeship tax rate remains set at 0.68% (0.44% in Alsace Moselle) but divided into two parts: a share equal to 87% of the product of the apprenticeship tax directed to France Competences.; the balance, amounting to 13%, intended at discharge apprenticeship expenses directly incurred by the employers.

France Competences will have a central role of redistribution of funds, under the supervision of the Ministry of Labor, it will be in charge of distributing the funds for vocational training towards multiple channels:

- Low qualified jobseekers training (via the PIC) – [see next chapter](#)
- Consulting in professional evolution CEP (via calls for tenders)
- CPF (via Caisse des Dépôts et des Consignations)
- CPF for professional reconversion (via Regional Inter-professional Joint Committees)
- Work-based training and apprenticeship (via the OPCO)
- TPE-SME training investment plans (via the OPCO)
- Additional contributions for apprenticeship contracts costs (via the Regions)

3) An overarching national policy of investments in competences specifically oriented to low qualified workers and job seekers

Despite a long process of decentralization of powers to regions, in particular in VET system governance, France endures as a centralized State. The most recent reform “freedom to choose one's vocational future” confirms it. It's up to the central government to address policy strategy and allocate major resources for reaching strategic objectives. French government is fully aware that promoting training is the best way to fight against unemployment. This is the reason because the VET reforms have been accompanied by a very ambitious initiative aimed to tackle unskilled workers and job seekers.

In the current context of rapid technological and ecological change it has been launched a 5-years Competences and Skills Investment Plan (PIC) funded with 56 billion €. It is a huge investment aimed to build a “society of competences”. Specific objective is twofold: 1/ train one million of low

qualified youngsters and one million of adult 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.

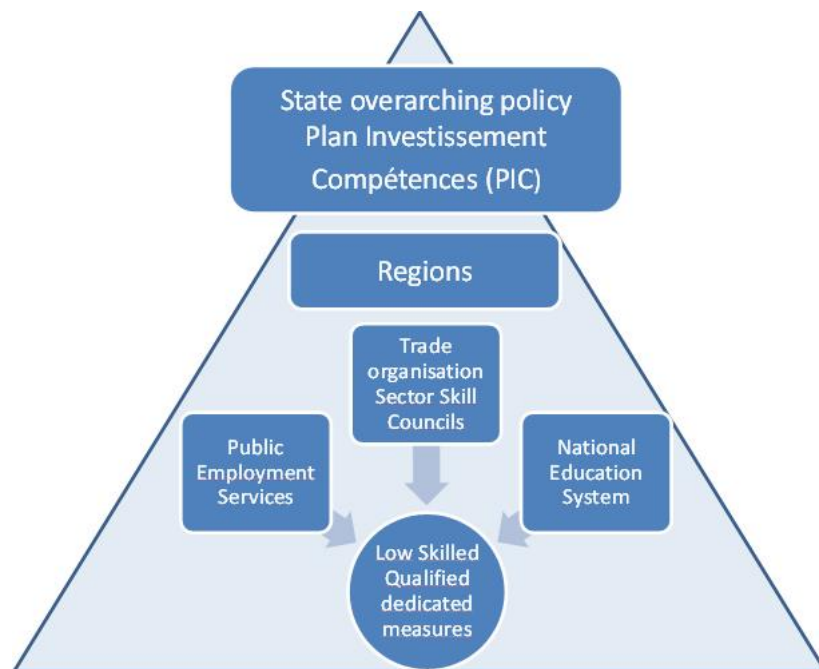


Figure 1. PIC governance conceptual scheme

The governance model of PIC is based on a negotiating process between the State and the Regions resulting in bilateral cooperation agreements for the use of PIC resources. These agreements will support measures for the reinforcement of VET for job seekers (French regions are fully competent on this topic), training guidance, and local economic development.

National and regional call for proposals are also issued for encouraging all labor market stakeholders (trade organizations, sector skill councils, Public Employment services, National Education System) to implement social experimentations and develop new instruments.

The PIC has the objective to transform the existing offer of training for job seekers which is characterized by a high degree of complexity, a plurality of actors involved and difficulties in coordinating their interventions.

It is a complexity that directly impacts individuals wishing to integrate a training action. Since the inception of their job research they have to deal with a chain of intermediaries of various kinds: the proposers of the fitting training (public employment services like Pôle Emploi, Missions Locales, Cap Emploi), the financers (mainly the Regions, Pôle Emploi, the State, social partners), the training providers. One of the objectives of the PIC is therefore to rethink intermediation in a less administrative way and more directly focused on personal service and support for the construction of training pathways that make sense for the job seekers, businesses and territories.

Developing mutual cooperation and complementarity among stakeholders

What clearly emerged by the observation of French VET governance settings is an affirmative will to privilege the widespread participation of major stakeholders to the implementation of measures. Different experience of mutual sharing of resources and ideas were developed and all parties feel to share the responsibility to support citizenship through employment and reaching common social goals.

This is particularly true for public actors like PES or Education and training providers but also private actors (i.e. trade and industry branches organizations) contribute actively in creating synergies aimed to develop workers competences and boost the economy on the territories. Mutual cooperation is also completed and facilitated by forms of complementarity among different actors which is summarized (and simplified) in scheme below.

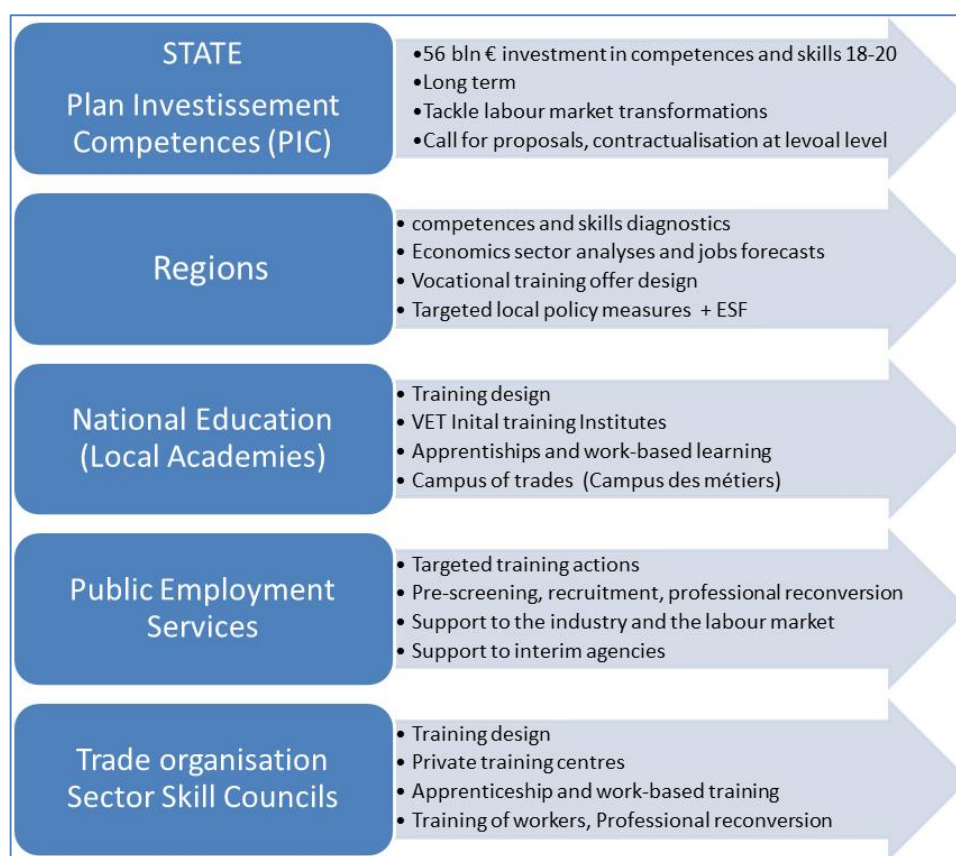


Figure 2. Complementarity of tasks among VET players

How PIC works

The PIC covers three area of intervention:

- Axis 1. Better analyze skills needs to better guide training policies and people;
- Axis 2 Fund new training paths and support for sustainable employment;
- Axis 3 Innovate and transform through experimentation, within the framework of calls for projects.

These general lines are articulated among the different actors who cooperate in a complementary way to their achievement. Three main levels of intervention are identified

- 1) **Act closer to territories.** Implementation at regions level regions, in the framework of multi-year Competences Investment Pacts (PRIC) signed between the State and the Regions.
- 2) **Better appraise competences needs.** Intensification of national actions focused on supporting the employment of vulnerable people and support business to tackle transformation issues (emerging needs).
- 3) **Foster innovation.** Launching national calls for projects aiming to innovate and transform through experimentation

To act closer to territories

The Competences Investment Pacts (PRICs) are the output of a negotiating process between the State and the Regions resulting by bilateral iterations for the use of PIC resources.

The State provided some specific guidelines for the construction of PRICs, they had to be structured over 3 main 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 were called to put forward local **experimentations** distributed on the 3 axes through a fully shared process involving all local actors: SSCs, competence operators (OPCA/OPCO), labour market observatories, guidance professionals, companies, training providers, clusters, etc.

Regions were free to choose which of the local experimentation would be put forward to be eligible to PRIC. Operations clearly based on innovative approaches and capable to be assessed through an independent evaluation process would be privileged.

The experimentations emerged locally or got inspired by a substantial proactive work carried out by national **PIC Scientific Committee** who set a toolkit (*boîte à idées*) of best practices selected on the basis of observations at national level and also abroad. To this extent, regions had the possibility to enlarge and reinforce existing actions fitting PIC criteria or to start new initiatives.

A national forum organised by the PIC scientific committee was organised the 17th October, 2018 gathering regional project ideas and research teams (including Céreq). The first PRICs came into function at the beginning of 2019.

A systematic evaluation process is integrated to PRICs since their inception; it will be supported by the Scientific Committee which has the task to capitalize on and disseminate positive experiences and accelerate the transformation of training actions

Better appraise competences needs

The first objective of the Skills Investment Plan is to better identify jobs, activities and the skills of tomorrow. These analyses should enable active population to move towards the jobs of the future and permit branches organizations, regions, public employment services to anticipate new needs in terms of skills and to design appropriate training courses.

Through several recent laws, the public authorities are now seeking to give substance to the concept of competence, and to make it more operational, for example by considering the division of qualifications into a block of skills, and by establishing forms of evaluation of these skills. Nevertheless the concept of competence remains unclear in many regards and hard to be measure and reported.

In parallel with negotiated State-Regions initiatives a series of national calls for proposal (coordinated by the Ministry of Labour) will be issued. In 2018 a first call for projects has been distributed for professional branches aimed to develop forecasts and identify in real time companies skills need. The selected projects should aim to better meet the recruitment needs of companies and to promote gateways between trades and professions within and outside the professional branch;

Other calls are in preparation and in particular a call for innovative projects on big data methodologies and AI applied to labor market and competence analysis.

Foster Innovation

Many associations, local authorities, companies and training organizations work and innovate to reintegrate people furthest to employment. The transformation of vocational training system can only take place by experimenting new pedagogical approaches and new uses of digital technologies. The State wishes to stimulate pedagogical innovation. Targeted call for proposals, should be issued regularly, in waves, every four or six months.

Among the first calls published in 2018 :

100% inclusion, promote the best of innovation in terms of inclusion. The 100% inclusion call for projects aims to identify innovative projects, able to involve young people and job-seekers, remobilise them and accompany them to employment. Among the objectives: restore self-confidence, promote sport and cultural Activities as leverages for integration, invent and promote new territorial alliances. 200 million euros will be engaged on this accompaniment.

Finance actions to promote professional integration of refugees. Access to employment is a powerful lever for inclusion and social emancipation for refugees, the PIC s funding a call for projects with 15 millions of euros to experiment various solutions, adapted to the diversity of profiles, territories and jobs. It encourages new alliances between charity associations, businesses and public institutions, to better integrate migrants and contribute to economic development.

Preparation to apprenticeship learning. Pre-apprenticeship classes will allow insufficiently prepared young people, to successfully enter into this particular form of learning format very promising for further job insertion. From a few weeks to five months, this training will help them to: acquire a good professional posture (*savoir-être*) enhancing other transversal skills such as teamwork, punctuality, autonomy, altruism; consolidate basic skills (read, write, count); define their professional choice. The call financed with 150 million is mainly targeted to CFAs. The goal is 75 000 young people trained.