

PROMOTING SOCIAL PARTNERSHIP IN EMPLOYEE TRAINING

SPAIN COUNTRY REPORT



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Abstract

Spain is undergoing a process of major changes in the field of employee training. A new legislation for CVET was implemented in 2015 and the specifying regulations in 2017, which changed certain well-established decision-making processes and institutional settings. The social partners were not involved in this process, but it influenced the role and reduced the responsibilities of the social partners in organising and providing CVET considerably. In the point of view of the social partners, this can be seen as a critical turning point, from which on tripartite acting and the trust of the social partners in the state government experienced a dramatic decline. However, since the transformation process and the role finding is still in progress, it remains to be seen how CVET processes will be shaped in the future.

- **Anticipation and identification of skills needs:** In Spain, sectoral bipartite commissions are responsible for detecting skills needs. This well-functioning approach has been used since the early 1990s, but possible changes due to the new legislation in CVET are not yet foreseeable. Furthermore, a national council with tripartite participation exists at state level which is responsible for the strategic planning of CVET. The social partners see the need for a training strategy taking into account changes caused by digitalisation in the middle and long run.
- **Mobilising resources:** The financial fund for CVET provision is primary generated out of the contribution rate paid by employers and employees to social security. Sector and regional social partners remark that financial funds for CVET are still not sufficient in order to provide all needed (specialised) CVET provision. Especially for SME the resources are seen as insufficient. Furthermore, since the administration process to use the financial fund was changed in 2015, this process is seen as overburdened for employers.
- **Information support and guidance:** The State Foundation for Employment Training (FUNDAE) provides a centralised information platform for all training courses, thereby offering online information, but further supporting channels have declined and a lack of guidance offers is seen. Information strategies and campaigns of social partners have been reduced due to decreasing financial resources since 2015.
- **Contribution to qualify, transparency and efficiency:** Given the reduced participation possibilities of social partners within the organising processes of CVET since 2015, social partners see a decline of effectiveness and transparency which also affects the attractiveness of CVET in general. To improve the current situation, social partners are working on the challenge to restore and embed procedures of tripartite decision-making within the regulations of the new legislation.
- **Recognition and validation of competences and qualifications:** Officially recognised CVET qualifications are the so-called professional certificates. Providers of these have to be accredited and fulfil certain quality standards, but these certificates are not highly regarded by companies. The value of other certificates depends on the market reputation of the CVET provider. Standards and procedures are implemented for the recognition of non-formal or informal competences, but they are seen as bureaucratic and slow.
- **Provision of learning:** Until the change in legislation in 2015, social partners had offered a broad variety of employee training through their proper CVET providers. Due to the new legislation, many of these providers closed down or reduced their offers drastically. Likewise, private training centres are faced with new challenges like tedious administration processes and missing connections to employers and their employees. Furthermore, specialised CVET offers are missing and leading to shortage of specialists in some sectors.

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1 Introduction

Employee training in Spain, understood as Continuing Vocational Education and Training (CVET), finds itself today in an agitated and mostly unresolved situation. A current change in CVET legislation in 2015 has changed certain well-established processes, institutional settings, decision-making procedures and regulations. This present report on social partnership involvement in employee training in Spain reproduces an overview of changes and opinions of social partners, leading to the challenges social partners are facing in the field of CVET and also in order to identify functional elements to be used in a European wide exchange to promote social partnership in employee training.¹

Employee training as Vocational Education and Training (VET) is part of the Employment Training system. In addition with the educational system, it constitutes the Training and Qualification system, ruled by the basic Act of the Training and Qualification System of 2002. Responsibilities in VET are thus shared between the Ministries of Education and Employment and developed both at state and regional level. Employee training in form of adult education dates back as far as the 19th century, for example in adult education projects like popular universities, working-class associations or municipal schools for adults. Nowadays the basis of all matters concerning education in Spain is the 1978 Spanish Constitution, in particular article 27. In addition, in the recent past, the Act on the Improvement of the Quality of Education was passed in 2013, modifying the 2006 Education Act and giving impetus to prioritise modernisation and flexibilisation of the education system. Among others, important challenges were to strengthen ties between employers, the labour market and educational institutions to adapt to labour market needs and increase participation in lifelong learning. On the one hand, the Ministry of Education, Culture and Sport executes the role as central education administration. It regulates the basic elements and aspects of the educational system and executes general guidelines. On the other hand there are the Departments for Education with executive and administrative competences. These authorities of the 17 Autonomous Communities and the 2 Autonomous Cities Ceuta and Melilla manage the education system in their own territory and develop State regulations (Eurodyce, 2017; BQ-Portal, 2017).

Concerning CVET in particular, it took until 1980 for employment laws about vocational training to also include the organisation of CVET. During the last four decades CVET regulation has been changed and adapted by various laws and royal decrees. The signed national agreements on CVET in 1992, 1996, 2000 and 2006 underline the existing well-functioning joint interaction of social partners and government at state level as well as with the Spanish Employment Service (*Servicio Público de Empleo Estatal, SEPE*), even though the coordination between state and regional levels could be improved. But currently the active interaction suffers from significant reforms by the new legislation (*Ley 30*) passed in September 2015 and the corresponding regulations (*Real Decreto 694*) passed in July 2017, altering organizational procedures and responsibilities of the different parties (Eurofound, 2015; Real Decreto 694, 2017).

¹ During the finalisation of this report the Royal Decree 694/2017 was published on 5th of July 2017, which regulates employee training on basis of Ley 30/2015. The full implications of the new royal decree on employee training in Spain could not be taken into account in this report. The social partners have expressed their disagreement with the process in which the regulation has been carried out, because the social dialogue has not been respected and the new regulation shows technical contradictions and generates more uncertainty. The social partners see themselves obligated to continue seeking for modifications to the new legislation.

2 Facts and figures on employee training

In the following chapter facts and figures on employee training are analysed. For the sake of comparability, the same data sources are used for all 12 European countries in focus. To give an overview of the development of participation rates, two different time periods are used. Taken into account that CVET legislation changed considerably in 2015, these figures along with the interpretation reflect the previous situation. Until all new regulations on CVET are completely implemented and the operational processes of CVET are once again well-established, current figures are hard to interpret.²

2.1 Participation in employee training

The Adult Education Survey (AES) informs about adult learning. Learning activities are divided into formal education, non-formal education and informal education. Formal education and training is defined as education provided by the system of schools, colleges, universities and other formal educational institutions that normally constitutes a continuous 'ladder' of full-time education. Non-formal education and training is defined as any organised and sustained learning activities that do not correspond exactly to the above definition of formal education. Non-formal education may therefore take place both within and outside educational institutions (courses, workshops or seminars, guided-on-the-job training – such as planned periods of education, instruction or training directly at the workplace, organised by the employer with the aid of an instructor – and lessons). Informal learning is defined as intentional learning which is less organised and less structured than the previous types. The participation rate in education and training covers participation in both formal and non-formal education and training. Employer-sponsored learning activities are defined as all activities paid at least partially by the employer and/or done during paid working hours.

The following table demonstrates an overview of the development of the participation rate of employed persons in employee training from 2007 to 2011.

² Current figures of participation rates are remitted by the Spanish National Statistics Institute (Instituto Nacional de Estadística).

Table 2-1: Employed persons' participation rate in job-related non-formal education and training

In percent, persons from 25 to 64 years

	2007			2011		
	All	Employer-sponsored	Non employer-sponsored	All	Employer-sponsored	Non employer-sponsored
All	26.2	20.6	5.6	36.7	32.6	4.1
Men	25.6	21.3	4.2	37.5	33.9	3.6
Women	27.2	19.7	7.5	35.7	31.0	4.7
Age groups						
25-34	27.8	20.8	6.9	38.5	33.4	5.1
55-64	18.6	15.1	3.5	27.5	24.6	2.9 ^u
Educational attainment level ¹⁾						
ED 0-2	15.3	12.3	3.0	23.1	21.6	1.5
ED 3-4	26.8	21.2	5.6	34.6	31.2	3.4
ED 5-6	38.8	30.1	8.7	50.4	43.5	6.8

Source: AES, 2007; 2011; special evaluation of Eurostat

¹⁾ ISCED97

^u low reliability

In Spain the employed persons' participation rate in job-related non-formal education and training is below EU average. This holds for both 2007 and 2011 even though there was a considerable increase by 10 percentage points, which is above the EU-wide development in this period (+7 percentage points). Non employer-sponsored training only plays a subordinate role in Spain and due to the long lasting economic and work crisis, the shares even declined between 2007 and 2011. However, the participation rate in training not sponsored by the employer is slightly above EU average. Contrary to the EU average, men tended to be somewhat more likely to participate in training than women in 2011, whereas in 2007 – as in the EU – it was the other way around. Younger people are much more likely to participate than the elderly; this difference between age groups is larger than on EU average. There are large variations in the participation rates among different educational attainment levels: Higher educated employees (ISCED 5-6) are more than twice as likely to participate in job-related non-formal education and training as are their colleagues with lower levels of education (ISCED 0-2). Between 2007 and 2011 the participation rates went up for all educational attainment levels. The positive correlation between educational attainment levels and participation in education and training as well as the increase in participation rates over all education levels is in line with EU-wide trends (AES, 2007; 2011).

Challenge: Unequal participation of women and men in CVET

There exist essential differences in the way men and women participate in CVET. In company based CVET courses directed especially to executives and managing directors, the participants are almost in all cases men. Whereas at the level of technical experts and mid-level executives in the industrial sector there can be seen a slightly higher participation of women in comparison to men. A significant higher participation rate of women than men can be identified in general training courses. This is seen critical, because these courses are tending to be more online training courses and do not focus on specialised training. Additionally, due to the flexible attendance structures of online training, this obtains the risk that CVET participation switches from work time to leisure time (CCOO at FUNDAE, 2017).

The Continuing Vocational Training Survey (CVTS) informs about enterprise activities. CVET is divided into courses and other forms of learning. CVET courses are usually separated from the active workplace (learning takes place in locations specially assigned for learning, like a class room or training centre). They show a high degree of organisation (time, space and content) by a trainer or a training institution. Other forms of CVET are typically connected to the active work and the active workplace, but they can also include participation (instruction) in conferences, trade fairs, etc. for the purpose of learning. The following types of other forms of CVET are identified: planned training through guided-on-the-job training; through job rotation, exchanges, secondments or study visits; through participation (instruction received) in conferences, workshops, trade fairs and lectures; through participation in learning or quality circles; and through self-directed learning/e-learning.

Complementary to the above table the chart below shows the development of companies' participation rate in CVET from 2005 to 2010.

Table 2-2: Companies' participation rate

In percent

	2005			2010		
	All forms of CVET	Courses	Other forms of learning	All forms of CVET	Courses	Other forms of learning
Average	47	38	38	75	71	53
Small	43	34	35	72	68	51
Medium	68	61	54	90	88	66
Big	89	87	73	97	97	76

Source: CVTS, 2005; 2010

Between 2005 and 2010 companies' participation rate in CVET sharply increased from 47 percent to 75 percent, due to the progressive dissemination of CVET system reforms in 2005. However, the increase was not equal for all types of companies. This increase was much larger than the increase in the EU on aggregate. While the participation rate in Spain was below the EU figures in 2005 (47 percent vs. 60 percent) it clearly exceeded the EU average in 2010 (75 percent vs. 66 percent). This is mainly driven by the high participation rate in courses while the rate for other forms of learning is just as high as on EU average. Small companies are less likely to provide training, a pattern also observed in other European countries (CVTS, 2005; 2010).

2.2 Motives and barriers for employee training

The following Europe-wide comparable data on barriers for employee training of 2010 and 2011 shows a picture of main barriers in Spain, which can be compared with the EU average.

Table 2-3: Main barriers for training

In percent

Individuals	2011	Companies	2010
Family responsibilities	31	The existing skills and competences of the persons employed corresponded to the current needs of the enterprise	69
Other personal reasons	22	No time	32
Conflict with work schedule or training organised at inconvenient time	21	People recruited with the skills needed	24

Source: AES, 2007; 2011; CVTS, 2010; multiple answers possible.

When asked for the main obstacle to participation in (more) education and training, most individuals stated family responsibilities (31 percent). One in five individuals named other personal reasons (22 percent) or conflicts with work schedule / training being organised at inconvenient time (21 percent) as the main barrier. This is not in accordance with the EU average, where no need for further training is seen as main obstacle (50 percent). The most important obstacles in Spain do only reach lower values for the entire EU (21 percent / 15 percent / 18 percent). From the point of view of non-training companies in Spain, the main barriers for participation in employee training are sufficient skills and competences of the employees (69 percent), a lack of time (32 percent) and the fact that they recruit people with the skills needed (24 percent). These are also the main barriers on EU average (77 percent / 32 percent / 49 percent). Non-training companies' barriers are much more in accordance with the EU figures than the individual obstacles (AES, 2007; 2011; CVTS, 2010).

Assumingly the stated arguments are maintained over time, in the current situation in Spain it can be estimated that barriers like availability of CVET on the individual side and bureaucratic barriers and missing of specialised CVET provision to suit special skills needs of the labour market on the companies' side play an important role.

3 Legal framework and institutional setting

In general the responsibilities for vocational training are divided in different branches. CVET in terms of formal education is regulated by the Ministry of Education and the Departments for Education of the Autonomous Communities. Moreover, training provision of the employment authorities exists, which is regulated by the Ministry of Employment and Social Security in conjunction with the State Public Employment Service, the Autonomous Communities and the regional employment services. Referring to CVET for employed persons, tripartite structures formed by trade unions, employers' organisations as well as state and regional government are responsible for organising CVET (Eurodyce, 2015).

3.1 Embedment of CVET in general education system

Focusing on CVET as vocational training in the world of work, the offers differ between employee training for employed persons (described in the following) and offers for unemployed persons (not further considered here). Regarding employee training for employed persons two different strands are relevant. One is company based training (in the following “demand training”, “*formación de demanda*”) which regards the training needs for changed requirements of the company and includes training plans that are implemented by companies and individual training plans, for which employees request authorisation for training leave to undertake training actions. The minimum duration of the demand training actions organized by companies are two hours. The employment authorities in collaboration with the social partners are supposed to promote the necessary initiatives to facilitate the access of SME to training for their employees. Still, micro and small companies still face important barriers. The other strand is supply training (“*formación de oferta*”), which is complementary to the above. It conduces to the requirements of adaption to changes in the production system, to enhance productivity and competitiveness of the companies, and to personnel development to improve employability. It is administered and organised by the State Foundation for Employment Training (*Fundación Estatal para la Formación en el Empleo, FUNDAE*) in conjunction with the social partners and the Spanish Employment Service. The offers range from sectoral training programs and transversal training programs to professional qualification courses (FUNDAE, 2015). As example for regional training offers could be mentioned the Consortium for Continuous Training in Catalonia, where social partners and employment administration manage sectoral and intersectorial supply training (PIMEC, 2017).

3.2 Regulatory level of CVET

Continuing vocational education and training is regulated by proper legislation, leaving out the part of CVET taking place as vocational education, which is embedded in education legislation. After the basic employment law 1980 (*Ley 51/1980 Básica de Empleo*) that covered vocational training as well as CVET in the world of work, there had been changes in the 1990ies separating VET and CVET. Subsequently, most significant for CVET had been the national agreements for CVET (*Acuerdos Nacionales de Formación Continua (I, II, III, IV)*). These were results of the table of social dialogue (*Mesa del Diálogo Social*), in which the government and the employers’ organisations CEOE (*Confederación Española de Organizaciones Empresariales*) and CEPYME (*Confederación Española de la Pequeña y Mediana Empresa*) as well as the trade unions CCOO (*Confederación Sindical de Comisiones Obreras*) and UGT (*Unión General de Trabajadores*) participate. The agreements were signed by the state government and the social partners in 1992, 1996, 2000 and 2006. The national agreement signed on 7th February of 2006 favours again an inclusive system of vocational training in the work sphere. In continuance, the royal decree 395/2007 was implemented in order to respond to the new economic and social reality (Ley 30, 2015). By signing the first national agreement in December 1992, the participating social partners had to establish a structure to carry out the agreed tasks. Therefore, the Foundation for Continued Vocational Training (*Fundación para la Formación Continua, FORCEM*) was created as a Joint Commission at the state level. In 2001 the Tripartite Foundation for Training and Employment (*Fundación Tripartita para la Formación en el Empleo*) was created and after a period of conjoint acting, FORCEM merged into the Tripartite Foundation in November 2004 (FUNDAE, 2017). The Tripartite Foundation was made up of government representatives and the social partners. Responsible for managing the financial resources for CVET were the state and regional governments together with the Spanish Employment Service. Through their role within the Foundation the social partners were involved in detecting training needs and designing training courses. Only the social partners could bid

for the subsidised courses of supply training and they would then subcontract training centres for implementing these courses. This meant that to some degree social partners were involved in managing the funds and supplying the training courses. In the recent years the Spanish government implemented with the Royal Decree-law 4/2015 (*Real decreto-ley 4/2015, de 22 de marzo 2015*) followed by the Law 30/2015 (*Ley 30/2015, de 9 de septiembre de 2015*) and Royal Decree 694/2017 (*Real decreto 694/2017, de 3 de julio de 2017*) a new legislation to change the way the system is run. From then on social partners' participation and decision-making possibilities in CVET were reduced and they were excluded from the management of the training funds. Their new official role was defined as having the main responsibility for detecting training needs, assisting the regional government and taking part in the strategic planning of CVET. The Tripartite Foundation has been replaced by the new State Foundation for Employment and Training (FUNDAE), shifting decision-making power from social partners' side to government's side. FUNDAE has inspection units to monitor and ensure the quality of VCT as well as the training providers. While the Spanish government praises the reform as an improvement, the social partners criticise the changes. They feel that transparency and efficiency of CVET have decreased and they make suggestions to adjust the legislation (Comisión de Formación de CEOE, 2016).

3.3 Public financing/funds and tax incentives

Financing of CVET in the world of work is based on the financial fund for CVET. The basic framework of the fund are the contributions (0,7 percent of the salary) made by companies (0,6 percent) and employees (0,1 percent) to social security in accordance to the training quota. Furthermore, there could be specific contributions established in the budget of the SEPE and, additionally, the Autonomous Communities might assign part of their available budget to CVET financing. Moreover, co-funding is also possible, for example through the European Social Fund (Ley 30 Art. 6, 2015). The recommendation of the budget distribution undergoes the participation organ of the National Board of the Employment System (*Consejo General del Sistema Nacional de Empleo*). Almost half of the budget is designated to CVET for employed persons, but the percentage may vary depending, for example, on the unemployment rate and is decided year by year (FUNDAE, 2015).

Companies dispose of an assigned amount out of the financial fund for employee training, which can be transposed by reduction of employer's statutory social security contributions. The law of the state budget each year determines the overall amount available for employee training for companies, according to the number of employees. This credit can exceed the training quota paid by companies to social security: for example, SMEs and particularly micro companies of less than 5 workers have a fixed credit of 420 Euro per year. Even though the new legislation allows SMEs to manage their credits together, the new regulation (*Real decreto 694/2017*) misses the explanation how to do it.

But companies must also participate with their own resources in financing continuing vocational education and training, only being exempted if counting one to five employees. Companies from 6 to 9 employees participate with at least 5 percent of the training costs. This goes up to 40 percent for companies with more than 250 employees. The private co-financing includes the wage costs during employee participation in training plans of the company. Companies with up to fifty employees have the right to accumulate their credit up to three years (FUNDAE, 2015; Ley 30 Art. 9, 2015).

Special tax incentives to promote CVET are given in the area of work-linked training, a combination of formal learning and professional practice. Companies which hire unemployed people with a training and learning labour contract receive a reduction on their Social Security contributions (Ley 38 Art. 22, 2003).

3.4 Regulations on training leave

Within the range of CVET in the world of work, employees have the possibility to request individual leave for training purposes (*Permisos Individuales de Formación – PIF*). This leave can be up to 200 hours a year and has to be authorized by the company. It can be used to attend courses in training centres to receive an official degree or a recognised professional certificate. FUNDAE refunds the wage cost for the absent work time of the employee to the company (FUNDAE, 2015).

On the other hand, employees have a right to paid leave (*permiso retribuido*) of up to 20 hours a year. This right can be accumulated up to five years and can be used for example for a training plan developed on initiative of the company or engaged through collective bargaining (FUNDAE, 2015).

But companies are not always delighted if employees want to take training leaves, especially in the case when only the employee benefits from the training. In particular for SMEs – which in Spain are usually really small – training leaves can cause serious problems, because finding a replacement for the person on training leave is a challenge (CEDEFOP, 2012).

3.5 Training providers

In general, training providers are private centres, but the provision is regulated. Different regulations apply for formal and non-formal employee training. The regulation structure for providers to offer non-formal training courses used to be less bureaucratic. For offering formal training courses authorization or accreditation is needed; a bureaucratic, expensive and complicated process (CEOE/CEPYME at FUNDAE, 2017).

Specifications about accreditation of providers are given by article 15 of Law 30 of 2015. All public and private providers wanting to offer any employee training included in the Catalogue of Training Specialities (*Catálogo de Especialidades Formativas*) must be registered at the corresponding public administration of the Autonomous Communities. To be allowed to offer professional certificates (Certificados de profesionalidad), the provider furthermore needs to be accredited. To be registered or accredited, the provider must satisfy all standards of technical and theoretical competence as well as quality. (Ley 30 Art. 15, 2015).

Besides, companies themselves are also providing employee training directly, or mandate a training provider. Especially for SME and micro businesses most of the employee training is managed by implementation companies. The form of employee training can be either distance or present learning, via online platforms or any mixed form (FUNDAE, 2015; Eurodyce, 2015; Ley 30 Art. 14, 2015).

4 The role of the social partners

The role of the social partners in organising and providing continuing vocational education and training has suffered major changes since the new legislation was implemented in 2015. In the point of view of the social partners, this can be seen as a critical turning point, from which on tripartite acting and the trust of the social partners in the state government experienced a dramatic decline. Generally all relevant parties in the field of CVET (social partners, state and regional government) agreed on the necessity of modernising CVET implementation and processes. But as in a rushed process a new decree-law was ratified by the parliament the social partners were not involved in the process and didn't agree to it. In the new legislation, the responsibilities of the social partners in organising and providing CVET has been reduced considerably. Furthermore, the new legislation led to institutional changes. The Tripartite Foundation, responsible for all relevant decisions and supervising CVET in general, had been replaced by

the State Foundation (FUNDAE). Even though being formally a tripartite foundation, the social partners do not feel that way, because in practice the government holds 51 percent of the power of decision, which leaves the veto possibility and final decision making on the government side. But the role of the social partners as well as CVET regulation in general is still undergoing a transformation process. Various formalities and legal regulations had been missing until July 2017, which had left many aspects undefined and a lot of CVET provision on hold. It will remain to be seen how CVET processes will be shaped through the new specifications of the Royal Decree 694, published in July 2017 (CEOE/CEPYME at FUNDAE, 2017; UGT-CEC, 2017).

4.1 Anticipation and identification of skills needs

At the state level there exists a National Council (*Consejo Nacional*) with tripartite participation of the state, trade unions and employer organisations. The Ministry of Employment and Social Security is represented by the “*Observatorio del Servicio Público de Empleo Estatal*”, the Autonomous Communities are represented at the “*Conferencia Sectorial de Empleo y Asuntos Laborales*” and the social partners are represented at the “*Consejo General del Sistema Nacional de Empleo*”. The council is responsible for anticipating and detecting skills needs in order to give effective answers to develop CVET offers and for the strategic and future planning of CVET as well as for the evaluation of the system (Ley 30 Art. 4, 2015). Formalised procedures to adapt or create qualifications are carried out by the National Institute of Qualifications (Fundación ONCE, 2017).

Best practice: Bipartite commissions detect skills needs

Specific regulations for the procedure of identification of skills needs in form of multi-year planning are still missing; therefore, the planning is still carried out the same way as in 1993. In the point of view of the social partners this is a well-functioning model. Within the different sectors there are bipartite commissions with employer organisations and trade unions, which are detecting the skills needs and determine the training plans. Once the planning is finalised, the required training is put in public tenders and the training centres can apply for it (UGT-CEC, 2017; CEOE/CEPYME at FUNDAE, 2017).

Best practice: Special programs support labour market integration of people with disabilities

In the field of employability of people with disabilities Fundación ONCE is well interconnected and collaborates with the Ministry of Employment and Social Security, with the Ministry of Education, Culture and Sport as well as with the Autonomous Communities at regional level and employers and representative associations for disabled people. Programs like “Programa por talento” and “Inserta Empleo” have the mission to manage human resources, and enhance the capacities of people with disabilities in order to integrate them into the labour market. These programs are accompanied by different actions of the Fundación ONCE like organizing training and internships in companies, giving orientation and advice, supporting vocational rehabilitation as well as support and follow-up at the workplace to facilitate job stability (Fundación ONCE, 2017).

Within demand training, collective bargaining plays an important role at company level. The companies plan the relevant training and inform the trade unions about the finalised training plan. Trade unions can approve or disapprove, but since there is only an information obligation about the training plan, they cannot influence the companies’ decisions about which training is offered. In the current situation trade unions incline to disagree with these procedures, demanding codetermination in the decision-making. Herein lies a conflict of interest between trade unions and employer organisations. While em-

employers' organisations are critical about the intensified preference of trade unions to participate in the decision-making, trade unions perceive this switch of focus from supply to demand training as a positive opportunity (CEOE/CEPYME at FUNDAE, 2017; CCOO at FUNDAE, 2017).

Online learning allows for the possibility to individualise training offers. Generally, a part of the training should be realised by using digital methods. But for the time being, e-learning is organised in a way which is not purposeful. A large part of training offers is provided by online training platforms consisting of making pdf learning material available. Online training offers may be more practicable in terms of general knowledge transmission, but for specialised knowledge transmission practice-oriented training is needed (UGT-CEC, 2017). For the moment, there is no digitalising training strategy or planning in the middle or long run. All parties are too occupied with the current changes in the system. This leads to job vacancies even given the currently high unemployment rate, so adaption and flexibility of CVET to current developments on the labour market does not function well (CEOE/CEPYME at FUNDAE, 2017; CCOO at FUNDAE, 2017).

4.2 Mobilising resources

Best practice: Financial resources for new CVET planning

CVET procedures and processes have to be reorganised corresponding to the new legislation. This planning is currently taking place and resources of several million Euros are dedicated to plan CVET in a new way, estimated to be about six times as much as the years before. Within the social dialogue first meetings took place to establish a constant structure and all stakeholders are discussing how to split the budget up and for what to apply it. Furthermore a few million Euros have been allocated for training to trade unions and employer organisations in order to perform within the social dialogue. In the point of view of the social partners these outcomes of the negotiations are a positive progress, but it took since 2015 to reach it (UGT-CEC, 2017).

The financial fund for CVET provision is generated out of the contribution rate paid to social security. This financial fund summed up to 1900 million Euro in 2017 and is used for CVET for employed and unemployed persons by the state, through SEPE and FUNDAE, and the Autonomous Communities as well as for demand and supply training. Estimations if the provided financial resources are adequate for the necessary CVET provision can be made once the current situation of planning the new procedures and processes of CVET are finalised. If for example the mobilised resources should not be sufficient, a request for incrementing the contribution rate could be one scenario. Important in the point of view of the social partners is that the state uses the available financial resources only for CVET provision and not for different purposes (UGT-CEC, 2017; CCOO at FUNDAE, 2017). Sector and regional social partners remark that financial funds for CVET are still not sufficient in order to provide all needed (specialised) CVET provision (PIMEC, 2017; Fundación ONCE, 2017).

The utilisation of the financial fund by companies to reimburse CVET provision has changed since 2015 due to the abundant administration process, which overburdened especially SME. 75 percent of the companies state that they offer training, but only 46 percent are using the financial fund. Focusing on SME this number goes down to 22 percent (PIMEC, 2017; CEOE/CEPYME at FUNDAE, 2017).

4.3 Information, support and guidance

Since 2015, the social partners have seen a shift in the obligation to inform about CVET away from the social partners towards the new State Foundation, even though formally the social partners stay re-

sponsible for informing about CVET in terms of the new legislation, but mostly because financial resources for information activities have been cut off. Before 2015, a variety of information strategies has been used, such as organising round tables and debates, an information bus travelling throughout the country, and campaigns in print media and on the internet. In the current situation it seems that formerly established structures and experience gained within the social partner organisations have not been adequately implemented in new institutional models (UGT-CEC, 2017).

At the state level the State Foundation provides a centralised information platform for all training courses of supply and demand training. Transparency in terms of available online information is given, but supporting channels have declined. Furthermore there is a lack of orientation for employees. Although orientation structures were formally established in the law of qualifications in 2002, it took until 2008 to implement them, but upon the arrival of the financial crisis this was instantly cut back again. Moreover, there is a lack of coordination between the Autonomous Communities and the social partners, so the social partners do not know about the training offers of the Autonomous Communities (CEOE/CEPYME at FUNDAE, 2017).

Best practice: Regional social partners supporting SMEs

A special focus lies on reaching out to small and medium sized companies which account for a great part of all companies in Spain. Self-employed without employees represent more than half of all SMEs. SMEs often do not have their own CVET structures nor do they have the available time and resources to inform themselves or their employees. Therefore, guidance and support plays an especially important role at the regional level. The regional social partner PIMEC shows an example for this approach. It uses all given ways of communication: digital online information, channelled information through sector guilds and professional associations, surveys for detecting individual requirements, and the most important and efficient channel overall – the direct contact at regional events, conferences, debates and dialogues (PIMEC, 2017).

4.4 Contribution to quality, transparency and efficiency

Given the change in legislation, the attractiveness, effectiveness, efficiency and transparency of CVET is not seen as good as it used to be prior to 2015. The participation and organising possibilities of social partners in committees, the Tripartite Foundation and regulation boards before 2015 had been well established and had been rated as effective and efficient by the social partners, although the need for improvement in administering the resources could be detected.

In the point of view of the social partners the new legislation transformed CVET processes and made them a lot more bureaucratic and thereby less efficient. Given the reduced participation possibilities of social partners within the organising processes of CVET since 2015, social partners see a decline of effectiveness and transparency, which also effects the attractiveness of CVET in general. To improve the current situation, social partners are working on the challenge to restore and embed procedures of tripartite decision-making within the regulations of the new legislation (UGT-CEC, 2017; CEOE/CEPYME at FUNDAE, 2017).

4.5 Recognition and validation of competences and qualifications

Officially recognised qualifications in the field of CVET are the professional certificates (*certificados de profesionalidad*). These certificates are recognised at state level, although there are possibilities of regional adaptations. Providers have to be accredited and fulfil the quality standards in order to offer

these certificates. The social partners participate in the decision process about which certificates should be offered (UGT-CEC, 2017; PIMEC, 2017).

In the point of view of the companies, these certificates are not highly regarded. They are seen as unattractive, irrelevant and unknown. Only in a few professions the certificates are appreciated. Other than these professional certificates, the value of CVET certificates and confirmations of participation depend on the market reputation of the CVET provider (CEOE/CEPYME at FUNDAE, 2017).

Challenge: Recognition procedures are too slow and bureaucratic

There are formal standards and procedures to recognise non-formal or informal competences, which lay within the responsibility of the Autonomous Communities (TodoFP, 2017). This process is seen by the social partners as bureaucratic and slow. For example, in 2009 the Royal Decree 1224 was implemented to enable the recognition process, but it took until 2017 to have the first convocation for recognition in Madrid. The state could and should improve this process (UGT-CEC, 2017).

4.6 Provision of learning

Until the change in legislation in 2015 social partners offered a broad variety of mainly supply training through their proper CVET providers (e.g., *Instituto de Formación y Estudios Sociales (IFES)*, *Fundación Formación y Empleo Miguel Escalera (FOREM)*, *CEOE/CEPYME Formación*). By now, some of these are closed down and others reduced their offers drastically. These circumstances set the training centres, which offered their training courses as subcontractors, to confront new challenges. The application process in public tenders comes with a tedious administration process along with potential investment requirements and thereby financial risks. This has driven several training providers to close down (UGT-CEC, 2017; CEOE/CEPYME at FUNDAE, 2017).

Challenge: Specialised CVET offers are missing

A challenge lies in the fact that there exists a large offer of general training or training offers which do not require large investments in technical equipment, like business management, language courses or informatics. But in sectors like the chemical industry, relevant training courses are missing. The absence rate of required training offers across all sectors reaches 40 percent. This leads to the alarming circumstances that there is a shortage of specialists in some sectors, despite the high unemployment rate in Spain. An additional obstacle are the missing connections and communication channels of the training centres towards companies and employees to inform them about their offers like social partner CVET providers had, leading to cancellation of training due to too few participants on the one hand and a lack of knowledge about CVET offers on the other hand (CEOE/CEPYME at FUNDAE, 2017).

5 Conclusion

Given the fact that CVET regulation is still in a transformation process after the implementation of the new law on CVET in 2015 and the corresponding regulations of 2017, conclusions can only be seen as intermediate results and a lot will depend on the negotiation and conjoint tripartite acting inputting into action and adapting the new regulations for CVET. It can be stated that a transparent and clear division

of powers and coordination processes on equal footing as well as a constructive tripartite approach is definitively more expedient than all other approaches.

Social dialogue is very important and the equal participation of all relevant parties has to be respected in order to achieve acceptance of all taken decisions and actions from all parties.

For the time being, it seems that a lot of existing knowledge and experience is left unused, due to disagreement of the relevant parties. The current situation resembles a competitive situation in which all parties are reluctant to accept or offer advice or existing knowledge.

Some aspects can be opportunities for the future. Longstanding experience in the detecting of skills needs through sectoral bipartite commissions can be used. The well-functioning of these commissions is based on the closeness to and knowledge of the sectors. Furthermore, without taking part in training provisions, social partners can focus even more on impelling approaches of digitalisation and to secure that training offers are effectively corresponding to current skills needs on the labour market. Moreover, an important task is to strengthen the training culture in Spain.

Explanatory note

During the finalisation of this report the Royal Decree 694/2017 was published on 5th of July 2017, which regulates employee training on basis of Ley 30/2015. The implications of the new royal decree on employee training in Spain could not be taken into account in this report. The social partners have expressed their disagreement with the process in which the regulation has been carried out, because the social dialogue has not been respected and the new regulation shows technical contradictions and generates more uncertainty. The social partners see themselves obligated to continue seeking for modifications to the new legislation.

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