

**THE REPUBLIC OF LATVIA  
MINISTRY OF WELFARE**



**STATE EMPLOYMENT AGENCY**

**PUBLIC REPORT OF  
THE YEAR 2015**

Riga

Dear reader!

Hereby we present to you the public report of the State Employment Agency (hereinafter – the Agency) activities of the year 2015.

In the previous year, the unemployment rate has stabilized: in annual terms, it reduced from 9% in January to 8.7% in December, reaching the lowest rate in September and October – 8.3%. At the beginning of 2015, 82 027 unemployed were registered in the Agency, while at the end of the year - 81 780.

Comparing to year 2014, during the previous year, the average duration of unemployment of the unemployed people registered in the Agency, has also decreased. From more than 69 thousands of unemployed people who found a permanent job last year, 20.5 thousand found it after participating in one of the Agency's employment measures. The active employment measures and preventive unemployment reduction measures of the Agency were attended by 83,807 customers last year, thereby using the chance to increase their competitiveness in the labour market, to receive career consultations, knowledge, skills and abilities necessary in the labour market, or to work in subsidized workplaces.

It is crucial for the Agency to develop cooperation with our strategic partners – employers and local governments. During the last year, the more than 51 thousand vacancies were registered in the Agency, which is by 19% more than in the year 2014. Moreover, each subsidized workplace developed with the Agency's support is the employers' contribution to the labour market of their region. We also continue the tradition of vacancy fairs in the regions of Latvia. In order to help farms to attract the necessary employees for seasonal work, together with the Latvian Agricultural Organisation Cooperation Council we have established a new tradition of organizing fairs of agricultural vacancies "Working in the countryside".

Without the involvement of regional authorities and their social services, it wouldn't be possible to effectively address such problems as the current long-term unemployment. Last year, nearly 29 thousand long-term unemployed people were involved in the Agency's active employment measures, more than 14 thousand found permanent jobs, and 59% of them found it within six months after participating in the Agency's activities.

In order to promote economic growth and economic development in Latgale, the Agency and Latgale Planning Region Development Council signed a bilateral agreement "On cooperation in the promotion of business development in Latgale region" the last year.

Last year, the Agency implemented the projects of the European Social Fund (ESF) of the 2014-2020 planning period, by using 16 527 024 euro from the funding of the program "Growth and employment". Thanks to the contribution of ESF, measures of the Youth Guarantee were implemented, EURES operation in Latvia was provided, the unemployed received support for their education and subsidized workplaces were developed. Within the ESF project "Support for the education of the unemployed", 13 864 unemployed people started vocational

training, non-formal education programs or practical training at the employer, while 655 unemployed, to whom it was particularly difficult to find a job, got the opportunity to work in subsidized workplaces. On 2015, the ESF project on supporting long-term unemployed was approved; the implementation of it started in the year 2016.

One of our priorities is the promotion of youth employment. In 2015, the ESF project "Youth Guarantee" involved 25,769 young people, but more than 21 thousand young unemployed people found permanent jobs last year.

In all regions of Latvia, the Agency held career days at schools to help students of general education to plan their professional future, to explore the basis of their capacity and abilities, to get to know the situation on the labour market. By contrast, 3,804 students found paid employment during the summer holidays with the Agency's support, gaining first work experience, skills and learning about the working environment and employment relations. The summer employment was attended by 467 employers, including 126 local government institutions and enterprises.

Furthermore, we continued to develop and improve the range of e-services, e.g. providing the application for the unemployment status available in electronic format. So, a person who wants to get the status of an unemployment or a job seeker, will be now able to submit the application for the status to the Agency electronically via the portal [www.latvija.lv](http://www.latvija.lv), as well as by e-mail, or in the self-service portal, signing in with a secure electronic signature.

At the beginning of the previous year the Agency's customer in Riga were offered the chance to visit a new service location – in Talejas street 1, where the country-wide customer service centre was established. Here the visitors can receive services of several governmental institutions. Since 2015, consultations on the Agency's services can also be received in 51 state and local government customer service centres operating in many municipalities.

The Agency actively participates in the Public Employment Service (PES) of the European Union, as well as the European Employment Service (EURES) network. Delegation of the European Commission and European Union Member state employment services visit Latvia and carried out the comparative assessment of the Agency within the framework of the mutual learning project of the European employment services. Last autumn, an agreement was signed in Vilnius, which enhanced cooperation of the Baltic States in employment services, by sharing experiences and information related to the promotion of employment and current development in the labour market. The "Livonia labour market", organized by the employment services of Latvia and Estonia has become a tradition and an important cross-border co-operation model, which took place in Valka (spring 2015) and Valga (autumn 2015).

In 2015, Latvia hosted the Presidency of the European Union Council. In June, we organized the Board meeting of the EU Member state employment service network, where representatives of the European Commission and managers of the European Public Employment Services talked about the situation of EU in

terms of labour market, as well as about the objectives, priorities and progress of the employment agencies. During the meeting, the Agency's performance was highly valued in terms of reducing long-term unemployment, promoting youth employment and developing e-services.

The Agency, as a second-level intermediary or a co-operation institution under the management of the European Union funds has successfully administered the conclusion of all 120 ESF projects of the 2007-2013 planning period, and conducted 42 checks in the project implementation sites. Compliance of objectives and monitoring indicators has been reach up to 100%. Beneficiaries of 2015 were paid in the amount of 3 964 829.95 euro which is 95.84% of the financial progress target of 2015.

Find out more on the Agency's performance of 2015 in the report.

Yours sincerely,

Inese Kalvāne  
Director of the State Employment Agency

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## Abbreviations and symbols used

<b>Agency</b>	- State Employment Agency
<b>PTPW</b>	- Paid temporary public works
<b>Unemployed</b>	- a person who, according to the Law on Supporting the unemployed and the job seekers, has gained the status of being unemployed after registering in the Agency
<b>ISURV</b>	- Information system of the unemployed and registered vacancies
<b>CV</b>	- <i>curriculum vitae</i>
<b>Job seeker</b>	- a person who, according to the Law on Supporting the unemployed and the job seekers, has gained the status of a job seeker after registering in the Agency
<b>ERDF</b>	- European Regional Development Fund. Its objective is to support development and reduce differences in living standards in the regions
<b>EU</b>	- the European Union
<b>ESF</b>	- European Social Fund. Its aim is to promote employment, reduce discrimination and inequality in the labour market, to support the development of human resources and to promote the development of an information society
<b>EURES</b>	- European Employment Services network
<b>Long-term unemployed</b>	- an unemployed, which is located in the Agency records for more than one year
<b>IT</b>	- Information technologies
<b>CF</b>	- Cohesion Fund
<b>CIM</b>	- Competitiveness-increasing measures
<b>QMS</b>	- Quality Management System
<b>MW</b>	- Ministry of Welfare
<b>MK</b>	- Cabinet of Ministers
<b>MCGP</b>	- Measures for certain groups of persons

# **1. General information**

## **1.1. Legal status**

According to the regulations No. 876 of the Cabinet of Ministers of 18 December, 2012 “Regulations of the State Employment Agency”, the Agency is a direct regulatory authority operating under the supervision of the Minister of Welfare. The Minister of Welfare implements the supervision of the Agency via the Ministry of Welfare. The objective of the Agency is to implement the national policy in reducing unemployment, as well as supporting the unemployed, the job seekers and the people facing the risk of unemployment.

## **1.2. Functions as responsibilities of the Agency**

The Agency's regulations stipulate that the **Agency has the following functions:**

- According to the needs, abilities and desire of the unemployed, the job seekers and the people facing the risk of unemployment, to provide rapid and high quality assistance in order to enhance their competitiveness in the labour market;
- to organize or to implement active employment measures and preventive measures for reducing unemployment;
- to prepare proposals for the development and implementation of a national policy, and to prepare proposals in the field of unemployment reduction and support to the unemployed, job seekers and people facing the risk of unemployment;
- to license and supervise merchants who provide work placement services (except manning of ships);
- to fulfil the functions of the second-level intermediary institution or the co-operation institution under the management of the European Union funds.

## **1.3. Operational directions of the Agency**

In order to provide the fulfilment of functions, the **Agency shall perform the following tasks:**

- evaluate the implementation of active employment measures and unemployment reduction preventive measures, carry out a cost analysis, submit proposals for improvement of measures, as well as contribute to the diversification of these activities in accordance with labour market demands;
- forecast labour market developments in the short term, including employers' survey;

- record and account for the unemployed and job seekers, informed them of their rights and obligations, regularly update and improve their registration and accounting systems, and develop and improve the classification system of the unemployed persons' register;
- improve individual work with the unemployed, it is IMPORTANT to ensure the most rapid return to the labour market;
- organize co-operation between the Agency and the employer and mutual exchange of information, regularly updates and improve accounting of the employers' vacancies;
- account the employers' vacancies and provides information on them;
- provide career consultations for the unemployed, job seekers, unemployed persons of high-risk, and other persons, as well as regularly develop informative methodological basis for career consultation services;
- ensure preparation of information on the unemployment situation in the country relevant to the laws and regulations and present of it;
- cooperate with foreign and international institutions for reduction of unemployment, promotion of employment and career consultations, as well as take measures to ensure the exchange of information on labour issues;
- ensure that the Agency's disposal of personal data and other information is protected in accordance with the statutory requirements;
- provide development and implementation of innovative methods and solutions in the Agency's work with the unemployed, job seekers, persons at risk of unemployment and business partners;
- maintain and systematically restore a database necessary for the Agency to fulfil its functions;
- ensure the participation of Latvia in the European Employment Services Network (EURES).

#### **1.4. Main objectives of the reporting year**

During the reporting period, the Agency acted in accordance with its business strategy of 2015-2016. For achieving the Agency activity's "Provision of services to customers" objective "Increase the Agency's activities impact on the unemployment situation in Latvian solution" the following tasks had to be fulfilled:

- To provide customer-centric, comfortable and high-quality services to the Agency's clients in equally high quality of customer service at every site.
- To expand electronic services.
- To ensure appropriate services for each young person (15-29 years) not later than four months of becoming unemployed (the Youth Guarantee).



- To improve the management of resources available to the Agency and the services provided.
- Improve the basket of services according to customer needs.
- Increase the qualifications and skills of the unemployed in line with labour market demand.
- Increase the implementation of disadvantaged unemployed into the labour market by implementing measures for specific groups of persons.
- To improve the long-term unemployed transition to employment and participation in events.
- Improve public information on the Agency's services provided to employers and the results of co-operation with employers.
- Provide implementation of the EURES reform.
- Improve the displaying of labour market demand short-term forecasts in the e-environment.

For achieving the activity's "Functions of the cooperation body at the end of the ESF planning period of 2007-2013" objective "Effective mastering of ESF financial resources, achievement of planned performance indicators and provision of the co-operation institution's activity up to 2016" the following tasks had to be fulfilled:

- Ensure post-monitoring of the administered projects.
- Ensure resources necessary for the co-operation body to fill its functions.

## 2. Financial resources and operational results

### 2.1. State budget funding and its spending

Table 1

Budget-funded subprograms (*euro*)

No.	Financial indicators	Year 2014 (actual performance)	Year 2015		
			Approved by law	Amended	Actual performance
1.	Financial resources for covering expenditures (total)	67 037 101	20 121 486	29 932 546	29 926 038
1.1.	Grants	66 960 938	20 121 486	29 900 644	29 901 194
2.	Expenditures (total)	65 802 812	20 121 486	29 983 503	28 421 120
2.1.	Maintenance expenses (total)	65 638 805	19 980 622	29 592 994	28 044 499
2.1.1.	Current expenditures	11 640 484	9 520 612	9 859 293	9 788 569
2.1.2.	Interest expenditures	0	0	0	0

2.1.3.	Subsidies, grants and social benefits	19 106 590	4 427 493	13 780 199	13 773 501
2.1.4.	Current payments to the European Community budget and international cooperation	0	0	0	516
2.1.5.	Transfers of maintenance expenses	34 891 731	6 032 517	5 952 986	4 481 913
2.2.	Capital expenditures	167 492	140 864	390 509	376 621
2.3.	Financial balance	1 234 289	0	0	1 504 918

Table 2

04.02.00 subprogram „Special budget of employment” (euro)

No.	Financial indicators	Year 2014 (actual performance)	Year 2015		
			Approved by law	Amended	Actual performance
1.	Financial resources for covering expenditures (total)	7 798 877	8 622 240	8 581 780	8 581 780
1.1.	Revenues to the state special budget from the state social insurance contributions Section	7 798 877	8 622 240	8 581 780	8 581 780
1.1.1	State social insurance contributions for social insurance in case of unemployment	7 798 877	8 622 240	8 581 780	8 581 780
2.	Expenditures (total)	7 798 877	8 622 240	8 581 780	8 581 780
2.1.	Maintenance expenses (total)	7 798 877	8 622 240	8 581 780	8 581 780
2.1.1.	Current expenditures	328 381	243 438	167 916	167 916
2.1.2.	Subsidies, grants and social benefits	6 963 765	5 805 293	4 308 296	4 308 296
2.1.3.	Transfers of maintenance expenses	506 731	2 573 509	4 105 568	4 105 568
2.2.	Capital expenditures	0	0	0	0
2.3.	Financial balance	0	0	0	0

**2.2. MAIN FINANCIAL ACTIVITIES WITHIN THE BUDGET PROGRAMS AND SUBPROGRAMS, THEIR OBJECTIVES, OPERATIONAL RESULTS, AS WELL AS ANALYSIS OF RESULT PERFORMANCE AND ASSESSMENT OF STATE BUDGET FUNDING EFFICIENCY**

**2.2.1. Agency's budget spending (EUR)**

Table 3

Code, title of the program (subprogram)	Execution on 2014, thou.	Execution on 2015, thou.	Plan of 201 in accordance with CM regulations on project funding of ES funds (ESF and ERDF)	Execution on 2015, thou.	Execution of 2015 vs execution of 2014, thou.	Execution of 2015 vs execution of 2014, %.
<b>State employment agency - total</b>	<b>81 400.6</b>	<b>28 743.8</b>	<b>38 514.3</b>	<b>38 507.9</b>	<b>-36 509.6</b>	<b>-47.31</b>
<b>04.00.00 State support for social insurance</b>	<b>0</b>	<b>189.5</b>	<b>231.1</b>	<b>231.1</b>	<b>231.1</b>	<b>0</b>
04.00.00 Support for persons who perform paid temporary public works (pension insurance)	0	189.5	231.1	231.1	231.1	0
<b>07.00.00 Development of labour market</b>	<b>6 438.4</b>	<b>6 434.2</b>	<b>6 392.6</b>	<b>6 392.5</b>	<b>-45.9</b>	<b>-0.71</b>
07.01.00 Operation of the Agency	6 438.4	6 434.2	6 392.6	6 392.5	-45.9	-0.71
<b>63.00.00 Implementation of ESF projects and measures</b>	<b>58 775.5</b>	<b>13 083.3</b>	<b>22 798.1</b>	<b>22 798.1</b>	<b>-37 155.7</b>	<b>-28.10</b>
63.02.00 Repayment of the state budget for the ESF funding (2007 - 2013).	26 304.5	5 421.9	5 421.9	5 421.9	-21 050.3	-79.52
63.06.00 Implementation of ESF projects (2007 - 2013)	29 391.8	1 452.1	765.9	765.9	-29 389.8	-97.46
63.07.00 Implementation of ESF projects (2014 - 2020)	3 079.2	6 209.4	16 610.3	16 610.3	13 284.4	399.42
<b>70.00.00 EU policy in the implementation of EU tool projects and measures</b>	<b>551.5</b>	<b>414.5</b>	<b>395.2</b>	<b>388.7</b>	<b>-163.8</b>	<b>-29.65</b>
70.05.00 Technical assistance for the implementation of ERDF and ESF projects (2007 - 2013).	551,5	414,5	369,4	369,4	-183,1	-33,14
70.20.00 Projects and activities for providing Latvian Presidency of the Council of the European Union	0	0	25,8	19,3	19,3	0

<i>73.00.00 Other foreign financial assistance co-financed projects</i>	25,2	0	50,9	50,9	25,7	102,15
73.06.00 VS/2014/0170 – EURES activity plan 2013-2014/Latvia	25,2	0	50,9	50,9	25,2	102,15
<i>96.00.00 Provision of Latvian Presidency of the Council of the European Union in 2015</i>	12,2	0	22,3	22,3	6,1	37,29
<i>97.00.00 Sectorial management and policy planning</i>	0	0	93,3	93,3	93,3	0
<i>04.02.00. Employment special budget</i>	7 798,9	8 622,3	8 581,8	8 581,8	601,5	7,54

## **2.2.2. Main financial activities within the budget programs and subprograms, their objectives and operational results**

### **07.00.00 Development of labour market**

#### Main objectives of operation:

To implement active labour market policy measures.

### **07.01.00 Functioning of the State Employment Agency**

#### Main objectives of operation:

implement the policy for reducing unemployment and supporting the unemployed and job seekers, by providing quality services.

Sub-program expenditure in 2015 was 6 392.5 thou. euro, which is 100% of the target.

#### Operating results:

- serviced customers on average per month - 74,549 ;
- serviced customers on average per month per one customer service employees - 132;
- rate of the unemployed and the job seekers, which have been involved in the actives employment measures or have been recruited within six months after obtaining the status of an unemployed or a job seeker (%) – 53.3%.

#### Main activities and performers:

The sub-program finances the Agency's operation. The Agency:

- record and account for the unemployed and job-seekers;
- inform about the employer's vacancies, as well as the unemployed and job seekers' rights and responsibilities;
- organizes co-operation and mutual exchange of information between the Agency and the employer, as well as accounts for the employer's vacancies;

- organizes and implements the active employment measures and preventive unemployment reduction measures according to the law of Support for the unemployed and job seekers;
- carries out short-term forecasting of the labour market (including an employer survey);
- inform the public about the situation of unemployment;
- organizes a dialogue between the unemployed, job seekers and employers in order to reduce unemployment;
- provides career consultations for the unemployed, job seekers and other persons;
- gathers information necessary for career consultations to develop new and improve existing career consultation methods;
- provides the fulfilment of delegated functions for implementing measures financed by the European Social Fund;
- issues licenses and supervises merchants who provide work placement services (except manning of ships).

### **63.00.00 Implementation of ESF projects and measures**

#### Main objectives of operation:

To provide and improve services of the well-being industry (in active labour market policy measures, social and professional rehabilitation, social care, disability expertise, etc.), involving ESF funds, and to make repayment to the State budget for the ESF projects.

#### Main activities and performers:

within the program, the “Human Resources and Employment” projects of the EU Structural fund’s and projects “Growth and Employment” of the EU Investment funds are implemented, as well as the repayment to the state budget for the European Social Fund projects implemented in 2007 to 2013 is carried out.

### **63.02.00 Repayment to the state budget on the ESF funding (2007–2013)**

#### Main objectives of operation:

To repay to the state budget for the European Social Fund projects implemented in 2007 to 2013.

Sub-program expenditure in 2015 was 3 947.3 thou. euro, which is 73.0% of the target.

#### Main activities and performers:

Within the sub-program, repayment to the state budget for ESF funding during the period of 2007-2013 is carried out. Execution of the sub-program is provided by the Agency.

### **63.06.00 ESF implemented projects in the field of welfare (2007–2013)**

#### Main objectives of operation:

To provide and improve services of the well-being field (in active labour market policy measures, social and professional rehabilitation, social care, disability expertise, etc.), involving ESF funds.

Sub-program expenditure of the Agency was 765.9 thou. euro, which is 100% of the target.

Main activities and performers:

Within the sub-program, the following projects of the EU Structural fund program "Human Resources and Employment" were implemented:

- „Complex support measures”;
- „Training of the unemployed and job seekers in Latvia-2”;
- „Measures for certain groups of persons”.

**63.07.00 ESF implemented projects in the field of welfare (2014–2020)**

Main objectives of operation:

To provide and improve welfare services in the field of employment and social inclusion, by attracting EU funds.

Sub-program expenditure of the Agency was 16 527.0 thou. euro, which is 99.5% of the target.

Main activities and performers:

Within the sub-program, the following projects of the EU Structural fund program "Growth and Employment" were implemented: "Youth Guarantee", "Support to the education of the unemployed", "Subsidised jobs for the unemployed," "Assurance of the EURES network performance" and "Support for long-term unemployed".

**70.00.00 Implementation of other EU policy tool projects and measures**

**70.05.00 Technical assistance for the acquisition of ERDF, ESF, CF (2007–2013)**

Main objectives of operation:

To support the implementation and monitoring of ESF activities and sub-activities under the supervision of authorities responsible (MW) and the co-operation body (the Agency), ensuring the achievement of expected results and a timely and efficient management of financial resources available.

Sub-program expenditure of the Agency was 361.6 thou. euro, which is 97.9 % of the target.

Main activities and performers:

Implementation of the project "Technical Assistance for the operation of the Agency – the co-operation body". Executor – the Agency.

**73.00.00 Projects co-financed by other foreign financial assistance**

### **73.06.00 Implementation of project co-funded by foreign financial assistance in the welfare sector**

#### Main objectives of operation:

To provide implementation of projects co-financed by other foreign financial support.

Sub-program expenditure of the Agency in 2015 was 50.96 thou. euro, which is 100 % of the target.

#### Main activities and performers:

In 2015, the Agency, according to the agreement No. VS/2014/0170 on the implementation of EURES activities that was signed within the European Commission's grant measure "EURES Annual Plan 2013-2014/Latvia" carried out settlement on the financial audits of the grant used, as well as repaid the state budget for performed maintenance costs of the European Commission to submit a final report, and carried out the repayment of unused advances to the European Commission, according to the conditions of the agreement No. VS / 2014/0170 conditions.

### **96.00.00 Provision of the Latvian Presidency of the Council of the European Union in 2015**

#### Main objectives of operation:

To ensure a high quality preparation and of the European Union's Presidency of the Council and the conduct at the Agency's field of competence

Sub-program expenditure of the Agency in 2015 was 22.1 thou. euro, which is 99.2% of the target.

#### Main activities and performers:

Implementation of the Presidency work program:

- The working group of EURES activities in connection with the preparation and conduct of the Presidency ensured the participation in the discussion "Access of the European Employment Services network and workers to mobility services and the further integration of the labour market" of the European Parliament and of the Council, provided comments and suggestions for preparing the position of Latvia.
- The Agency organized and provided the European Union's employment service network Board meeting on 11-12 June, 2015 (hereinafter – the Board meeting). To do this, a funding project from the European Commission (EC) funds of the Board meeting in Latvia was submitted to the European Commission. On 8 June, 2015, an EC co-financing agreement was signed. The event took place as planned and reached the planned objectives - to promote cooperation between Member States in employment, focusing on the employment service's role and capabilities, improve service quality, as well as particularly vulnerable groups of the unemployed into the labour

market by introducing a Youth Guarantee initiative and other measures for the unemployed back to the labour market. The event attracted a total of 78 members: 28 EU Member States' representatives; representatives from Norway and Iceland; head of EMCO (Employment Committee of the European Commission), representatives of the EC Employment, Social Affairs and Inclusion Directorate-General for Mobility and Employment Services, representatives of the European Public Employment Services Network's secretariat as well as representatives of the Agency and a delegation of the Ministry of Welfare.

### **97.00.00 Sectorial management and policy planning**

#### Main objectives of operation:

To develop and implement a national policy for stable and sustainable social protection systems to ensure the possibility of protecting each person's socio-economic rights, as well as to provide centralized information and communication technologies (ICT), accounting and personnel management, as well as the execution of minimum social security for people working in the sectorial institutions.

Sub-program expenditure of the Agency in 2015 was 93.3 thou. euro, which is 100% of the target.

#### Main activities and performers:

Within the program, in 2015 health insurance was provided to 449 people employed by the Agency.

### **04.00.00 Social insurance**

#### Main objectives of operation:

Ensure the social insurance services to socially insured persons in cases of social risks.

Operational results: paying of mandatory state social insurance for about 6,151 people who took paid temporary public works has been provided.

### **04.02.00 Employment Special Budget**

#### Main objectives of operation:

To implement active labour market policy measures.

#### Operating results:

Number of the unemployed and job seekers supported in the active labour market policy measures – 44018.

Sub-program expenditure of the Agency in 2015 was 8581.8 thou. euro, which is 100% of the target.

#### Main activities and performers:

The sub-program finances active labour market policy measures and scholarships:



- unemployed and job-seekers active employment measures and preventive unemployment reduction measures, including: measures of increasing the competitiveness, non-formal education programs (including "State language acquisition"), measures for starting business or self-employment, measures for specific groups of persons, measure "Promotion of regional mobility of persons engaged by merchants", employment measures for summer holidays for persons acquiring education in general, special and vocational educational institutions, the measure "Vocational training, retraining and raising qualification" support measures for long-term unemployed with addiction problems and the measure "Paid temporary public works".
- unemployment scholarship during occupational training, retraining and raising of the qualifications and the acquisition of informal education.

Executor of the sub-program – the Agency (organizes active employment measures and preventive unemployment reduction measures and provides payment of scholarships).

### **2.3. Studies made and studies commissioned**

Within the ESF project „Complex support measures” (No.1DP//1.4.1.1.1./09/IPIA/NVA/001) a scientific research “Investment in the youth: Latvia” on the profile of young people who do not study, are not employed, and do not acquire crafts, and opportunities of their activation. The study was carried out, by involving experts of the Organisation of Economic Cooperation and Development (OECD); its content was coordinated by the Ministry of Welfare Department labour market policy. The study was published in August 2015. The research can be found in the webpage of MW: [http://www.lm.gov.lv/upload/publikacijas/investing\\_in\\_youth\\_labots\\_gi\\_20042016\\_ii\\_tuure.pdf](http://www.lm.gov.lv/upload/publikacijas/investing_in_youth_labots_gi_20042016_ii_tuure.pdf)

### **2.4. Most essential services, involvement in assurance of service availability and quality**

The law of Support of the unemployed and the job seekers determines main tasks of the Agency in providing services. According to the law, employees of the Agency, while carrying out their main objectives, register job-seekers and the unemployed, make decisions on granting and losing the status of an unemployed, register the free workplaces, and inform the Agency’s customers about the rights and obligations of the unemployed, the free workplaces and licenced companies that are engaged in the recruitment of the inhabitants.

The Agency uses an individual approach to customer service. Based on the application of a person, within one working day, the Agency shall decide on the unemployment status (in 2015 the status of unemployed was granted to 104,557 unemployed) and take unemployment profiling to determine the opportunities of the unemployed to finding work and suitable services of the Agency. After evaluating the results of profiling and conducting individual interviews with the

client, the employment agent prepares an individual job search plan including tasks and activities for the client to carry out individually and in cooperation with the in order to find suitable employment. If the client refuses the offer of suitable employment twice, the unemployment status is lost. At least once every two months, the client is set to re-visit an agent to receive individual support.

Involvement of the registered unemployed in active labour market policy measures takes place in accordance with the profiling results, so before the engagement, evaluation of each unemployed person’s motivation to improve their situation for cooperation with the Agency is done, which is followed by an individual job search plan preparation, in which active employment measures and preventive unemployment measures, which can contribute to the return of the unemployed to the labour market, are fixed in a certain order. The Latvian unemployed activation system (profiling – preparation of an individual job search plan – fulfilment of job search duties by the unemployed party) complies with the EU generally accepted good practice and is built on the basis of the experience of Germany and other countries. Engagement in measures has also specific criteria (for example, training may involve persons who have outdated skills) and an interval (a new profession cannot be acquired more than once in two years), which is appropriate to involve the unemployed, so the continued involvement of all unemployed in the events is not possible.

Figure 1. The Client’s path in the Agency

Client			Vacancies Suitable work	Labour market
	Registering for the status of an unemployed	Preparation of an individual job search plan and determination of support needed	Support to job search, career consultations	
	Profiling		SEA active employment measures	
			SEA support measures	

Since 12 January, 2015, clients of the Agency’s Riga regional branch are served not only in usual service centres – in Jēzusbaznīcas street 11 and F. Sadovņikova Street 20, but also at the State Revenue Service's premises in Talejas Street 1, where there is a country-wide customer service centre so visitors can get a number of government services in one place.

In order to improve the customer service management process, at the end of 2015 the Agency purchased and installed an electronic recording system in three branches: in Riga, Jēzusbaznīcas street 11 (covering an area of the 1st and 2nd floor of the building), in Jelgava and Liepaja.

Within the project *„Development of the single Welfare information system (LabIS), a centralized information system of the industry and a centralized ICT infrastructure”* measure *„IS improvement and development of e-services of the State Employment Agency”*, the following e-services were developed in 2015:

- 1) „Agency decision and event notification to the client "and" Applying for unemployment or job seeker status”;
- 2) „My vacancies”;
- 3) „Registering for training, by using the coupon method”;
- 4) „Electronic application for a visit”;
- 5) „Career consultation”;
- 6) „Determination of short-term labour market forecasts”;
- 7) „Applications of the active employment measure implementers”.

Since 28 December, 2015, the new self-service portal of the Agency is publicly available, and consultations on the available e-services are provided to clients.

In 2015, work was begun at the EU's national employment services peer review and a mutual learning project, which was determined in the Decision No. 573/2014/EU of 15 May 2014 of the European Parliament and the Council, on closer cooperation between national employment services. The project consists of two parts - an analysis of quantitative indicators and qualitative assessments. The project aims to find both examples of good practice, as well as to detect bottlenecks, areas that need to be improved. As a result, an evidence-based, self-contained system was developed that will ensure a continuous and measurable EU employment service performance improvement. In the second half of 2015, the Agency carried out a self-assessment, as well as an external quality assessment was carried out. The assessment examined and evaluated 29 factors influencing the performance of institutions. As a result, the Agency received an evaluation report with recommendations for improving the authority's operation.

The main objective of active employment measures is to support the people in a situation of unemployment, encouraging individuals to increase their competitiveness and provide faster personal involvement in the labour market.

In 2015, the Agency again has involved the unemployed, job seekers and people at risk of unemployment in the Agency's activities:

- 2,787 unemployed persons were involved in unemployed vocational training, re-training or qualification raising measures;
- Non-formal training involved 12 366 unemployed and job seekers;
- Training at an employer - 121 unemployed;
- Measures to raise competition (including information days) involved 31 679 unemployed people, job seekers and people at risk of unemployment;
- Measures for certain groups of persons involved 864 unemployed;
- Measures for business or self-employment start-up involved 157 unemployed;
- Paid temporary public works – 8 430 unemployed;
- Support measures for the unemployed with addiction problems - 164 unemployed;
- Youth guarantees – 25 769 young unemployed, career consultations received by 30,827 young unemployed people;
- Promotion of regional mobility of people engaged by merchants – 163 people;

- Number of people who have received career services – 37 516;
- Student summer employment – 3 802.

In 2015, 69 266 unemployed people got employed, 20 474 (29.6%) of which were recruited after completing an active measure (excluding informative days<sup>1</sup>). When evaluating employment procedure from the perspective of the Agency (Figure 2), the undisputed leader (88%) is measures of business or self-employment start-ups, however, it should be taken into account that this program is targeted at a very narrow target group, and applies strict selection criteria for receiving support. Very high job placement rates (73%) are subsidized by the participation in the workplace, which is a very costly measure with high risk of distortion of the labour market, so it should be implemented to a limited extent. When evaluating training activities, the highest job placement rates are following the completion of vocational training programs (39%) and by participation in non-formal education programs (32%). The impact of public work programs on the job placement is relatively low (10%).

Figure 2: Rate of unemployed that have been hired within the first six months after the completion of the measure (data for the unemployed, who completed participation in the event from 01.10.2014 to 30.09.2015 and got hired within the first 6 months after completion of the measure during the period of up to 31.03.2016).

Figure 2

Support for the unemployed with addiction problems	24%
Paid temporary public works	10%
Measures for business or self-employment start-ups	88%
Measures for certain groups of persons, subsidized workplaces	73%
Competitiveness-increasing measures	25%
Non-formal education - other programs	32%
Non-formal education - state language	30%
Vocational training, retraining and raising of qualification	39%

#### 2.4.1. Agency services for the unemployed, job seekers and persons at risk of unemployment

The Agency offers a number of training and temporary employment opportunities to the unemployed and job seekers, registering their CV / job vacancies online and looking at the currently available vacancies.

Services offered by the Agency are divided into active employment measures and preventive unemployment reduction measures.

In 2015, the Agency concluded the ESF projects of the EU fund planning period of 2007-2013, implemented by the Agency:

- "Training of the unemployed and job seekers in Latvia - 2nd stage";
- "Measures for certain groups of persons";

<sup>1</sup> Information days are organized by the Agency within the framework of competitiveness improvement measures (CIM).

- "Complex support measures."

#### **2.4.1.1. Preventive unemployment reduction measures:**

##### ***Career services:***

Career consultations aim to provide support for professional suitability, retraining and career planning issues for the unemployed, job seekers and other people at risk of unemployment according to the Unemployed and Job Seekers Support Act.

During career consultations, assessment of a certain professional suitability, training and capacity assessment before engaging in courses and retraining activities is carried out. The career consultant provides psychological support and educates clients in their career choices and planning issues.

Career services offered by the Agency:

- individual career consultation;
- individual diagnostic career consultation;
- group career consultation;
- informative career consultation for groups.

In 2015, career services were obtained by 37 516 people. Within the “Youth Guarantee” project career consultations were received by 30 827 young unemployed people.

#### **2.4.1.2. Active employment measures:**

##### ***Competitiveness-improvement measures (CIM)***

Competitiveness-increasing measures are aimed at the unemployed, job seekers and people at risk of unemployment in promoting their competitiveness in the labour market.

CIM includes individual consultations and group sessions (courses, seminars, lectures), job search methods, learning, psychological support and training of basic skills necessary for labour market.

CIM offers:

- **Courses** on the following themes: development of state language skills; Business writing skills; Removal of psychological barriers of foreigners by acquiring the state language; Use of e-services; Building a website yourself; Learn how to learn; The art of bargaining and reasoning; Public speaking skills; Raising self-confidence and self-awareness; Self-serving; Basics of business (LLCs, micro-enterprises, self-employment, etc.); Business Accounting and Taxes; Project Management Fundamentals; Basics of business plan establishment, Computer Literacy and Internet basics; basics of Information and Communication Technologies (ICT) to the support of business; Document preparation and organization of the proceedings; Data analysis and report generation by using tables, graphs and calculations;

Tables, calculations and graphs; Computerized accounting; Presentation techniques and methods; Internet facilities to support business and development; Communication with customers and partners; E - commerce and internet marketing; Project Management Fundamentals (practical work in computer classes).

- **Seminars** on the following themes: Household and family budgeting, information on the endowment; Learning the importance of motivation; Rights and opportunities of disabled people in the Latvian labour market; CV and cover letter preparation; use of job vacancy websites (including preparation of a video CV); Job Search in sparsely populated areas, including:
  - Activating social networking in the job search process; Ability to work in changing conditions; Impact of long-term unemployment on the competitiveness of the labour market and state-guaranteed pension amount; Development of communication skills and solving communication problems; Emotional intelligence; Work rights; Administrative Procedure basics; Youth in the labour market; Workshop objectives or correct targeting and achievement of goals; Labour relations in an intercultural environment.
- **Lectures** on the following themes: Social rights; Safety in the workplace; State and local government functions, the operational objectives of the rights of individuals and the scope of obligations; Stress and its management; Business Relations culture.
- **Individual consultations:** consultation of a psychologist, a lawyer, a business plan consultant, credit and tax advisor.

In 2015, measures of increasing competitiveness involved (including information days) - 31 679 unemployed, job seekers or people at risk of unemployment.

### ***A measure of business or self-employment start-up***

The measure aims to provide advisory and financial support measures to help the unemployed with previous training and orientation in conducting a business or self-employment and successfully operating in the chosen area for not less than two years.

In 2015, consultations on business plan preparation and development were received by 137 unemployed (with replacements). 132 business plans have been submitted to experts for evaluation including 9 business plans that were drawn up without consultations. According to expert opinions, the Agency has provided financial support for 50 business plans (50 contracts have been concluded).

### ***Measures for certain groups of persons\****

The measure aims to employ people in the subsidized workplaces to help them to understand the labour market, encourage their involvement into the society and facilitate finding regular work.

In 2015, 864 persons started participation in the event, the most common occupations: handyman; rancher; agricultural auxiliary worker; home improvement

worker; farm worker; retail store salesman; janitor; clothing tailor; interest group educator, sewer.

### ***Vocational training, retraining or qualification-improvement \****

Unemployed people can receive training vouchers and participate in:

- Acquiring professional continuing education programs, leading to a professional qualification. After the acquisition of the program, the unemployed take an aptitude exam. An unemployed person who has passed the professional qualification examination receives a professional qualification certificate;
- professional development education programs, which give the opportunity to improve their professional skills and master the systematic professional knowledge and skills required by the changing labour market requirements. An unemployed person who has completed the development program receives a professional development educational certificate.

In 2015, 2,787 unemployed people were re-engaged in vocational training, re-training or qualification-improvement measures. Most of the training was carried out in the following programs: Clerk (349 unemployed involved), metal arc welding with mechanized equipment in active gas environment (MAG) (254), Dressmaker (166), Security work (128), Commercial employee in retail (126), Customer service operator (123), Project management (105), Social care (100), Electrocar management (96), Tailor (89), Confectioner's assistant. (89)

### ***Acquisition of non-formal education\****

The measure aims to provide the unemployed and job seekers with the opportunity to improve their competitiveness, ability to adapt to changing labour market demands, and to increase the opportunity of the unemployed and job seekers to integrate into the labour market.

12 366 unemployed people and job seekers were newly engaged in the acquisition of: non-formal education program "Acquisition of state language" – 2 983. Most training was conducted in the following programs: Computer Science (without knowledge) (1631), State language acquisition according to the average proficiency level (1284), Computer Science (Elementary) (1 092), acquisition of the state language in accordance with the basic proficiency level (1 050), English (without knowledge) (902), English (Elementary) (867), driver's licence of category "C" (with 1st aid) after the "B" category (759) has been acquired, the State language at the highest proficiency level (652), German (no knowledge) ( 449), "truck and self-propelled loader driver" (with knowledge) (432) of category "C" (with 1st aid).

### ***Training at the employer\****

The measure aims to organize practical training for a position necessary for the employer (except medical institution, as well as educational institutions, whose main task is the implementation of educational programs, and political parties), by organizing training at the employer.

In 2015, this practical training involved 121 unemployed person.

### ***Paid temporary public works***

Paid temporary public works - active employment measures for the unemployed to acquire and maintain job skills through a socially beneficial work. Paid temporary works are implemented in municipalities, associations or foundations with no intention of profit making.

The measure aims to give the unemployed the opportunity to acquire or maintain skills; promote the activity of the unemployed in the public interest.

In 2015, 2,776 jobs were created and 8,430 unemployed were involved.

### ***Promotion of regional mobility of persons employed by merchants***

The measure aims to promote regional mobility of persons employed by merchants by providing financial compensation to cover transport and residential tenancy costs for the first four months after the commencement of labour relationship.

The measure is implemented in workplaces within the administrative territory of the Republic of Latvia, except Riga, where there is an adequate demand for the education and professional experience acquired by the person. The exclusion of Riga does not apply if the employer offers to launch labour relationship with at least 10 unemployed people registered in the Agency or if the unemployment status shall be linked to the labour relationship termination by urgent economic, organizational, technological or similar measures and if it will have or could have an important impact on the employment situation in the administrative territory.

In 2015, 163 persons were involved.

### ***Employment measures during summer holidays for persons acquiring education in general, special or vocational education institutions***

The measure aims to encourage students aged between 15 and 20 years (including), who obtain education in general, special and vocational educational institutions, for temporary employment during summer holidays in state co-financed workplaces, thereby giving them the opportunity to gain work basic skills and work experience.

The measure was implemented in cooperation with 467 employers, 126 of which (27%) were local governments, national and local companies and who involved 1,804 students, or 47% of the total number of students, as well as 341 (73%) businesses that involved 2 000 students or 57% of the total number of



students involved. During the event, from 1 June 2015 to 31 August a total of 3,804 students were involved.

### ***The Youth Guarantee\****

The measure aims to contribute the transition of unemployed young people to employment, in particular by the implementation of measures for developing proper skills and abilities appropriate for the labour market and by the acquisition of practical experience in the workplace.

The Agency helps young people to integrate into the modern labour market by offering opportunities of developing abilities and skills necessary for the labour market, as well as practical work experience with employers. It is envisaged that appropriate training or employment services is received by the young person within four months of registering of being unemployed.

The Youth Guarantee support measures are implemented by the Agency in cooperation with the Ministry of Education, educational institutions, local authorities, social services, youth organizations and employers.

The events of 2015 involved 25 769 young unemployed people, out of which: 452 - Support for regional mobility of young people; 873 – Development of skills necessary for the work in non-governmental sector; 428 - Workshops for young people; 22 395 - Competitiveness improvement measures (with info days) (without Info days - 7933); 905 - Non-formal education with a coupon method, including 207 – acquiring state language; 508 - Subsidized jobs; 172 - first working experience; 87 - Support for self-employment and business start-ups; 897 - Vocational training programs with the coupon method. Career consultations have been received by 30,827 unemployed youth.

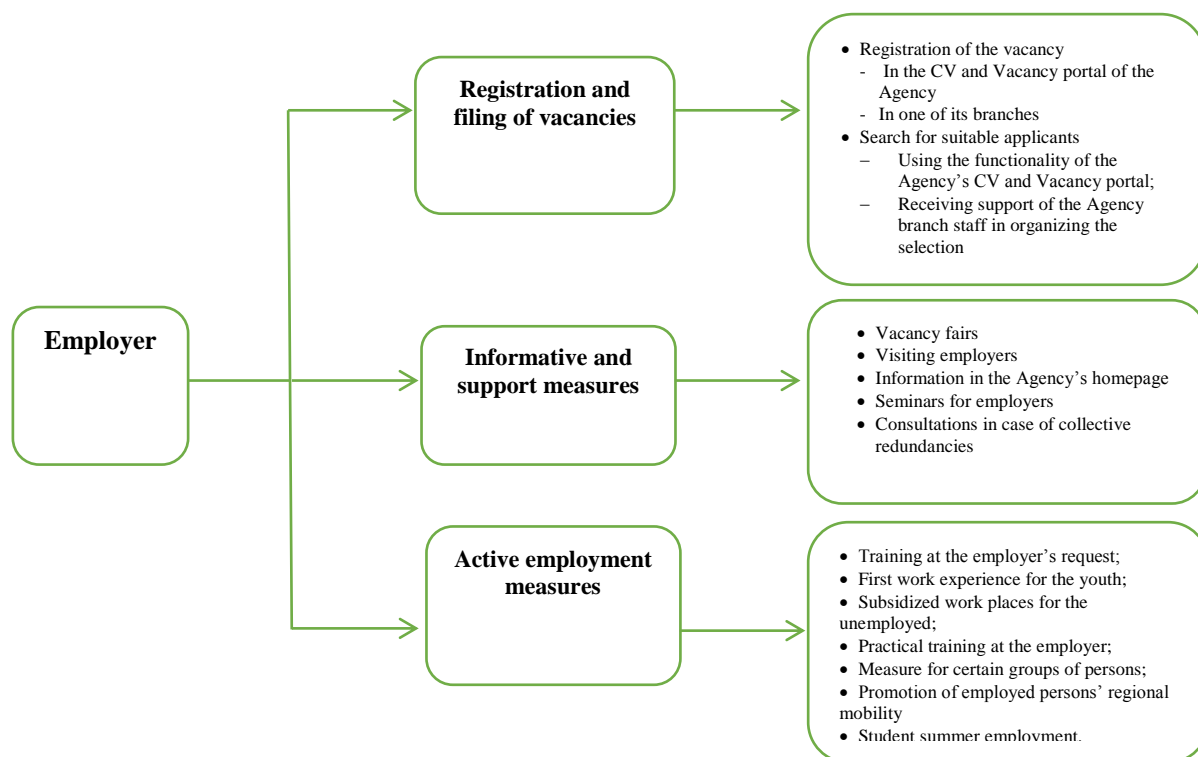
\* Within the active employment measures, an unemployed person is available to receive support to regional mobility. The measure aims to promote regional mobility of the unemployed by providing financial compensation for transport and residential tenancy costs, by engaging in one of the active employment measures.

In 2015, support was received by 549 persons.

### **2.4.2. Agency services for employers**

Agency's most important partners and customers are also employers who provide opportunities for the unemployed as soon as it is possible for them to return to the labour market. In 2015, the employers had registered 51,343 vacancies in the Agency, 16,880 of them were published in the CV / vacancy site, while 34,463 were submitted in the Agency's branches.

Figure 3: The employer's path in the Agency



In 2015, in collaboration with the "Farmers' Association" the Agency implemented a measure "Farm work", within three vacancy fairs in the agricultural labour market took place in the Agency's branches – in Kuldīga, Dobele and Valmiera. Objective of the measure - to provide support to farmers and farms to attract the missing workforce for seasonal work on farms. The agricultural vacancy market activities involved 20 employers; job seekers were offered 40 vacancies in the field of agriculture.

In 2015, cooperation within the forum “Support to entrepreneurs” organized by the Ministry of Economics, where the Agency together with the Development financial institution “Altum”, Rural Support Service, Latvian Investment and Development Agency, the Central Finance and Contracting Agency, as well as the Ministry of Environmental Protection and Regional Development informed the entrepreneurs on the available and planned support to entrepreneurs during the EU planning period of 2014-2020. The forum “Support to entrepreneurs” took place in nine cities (Valmiera, Balvi, Bauska, Liepāja, Jekabpils, Madona, Talsi, Daugavpils and Riga). Approximately 950 forum visitors were informed about the subsidized employment measures implemented by the Agency as well as about the opportunities to train staff necessary for the company, by engaging the events “First work experience” and “Subsidized work places for the unemployed youth”, on the registration of vacancies and recruitment of staff, as well as on the options of the Agency’s CV and vacancy portal (in addition to the live audience, an average of 70 people watched it online, in total viewing the event from 385 unique IP addresses).

### ***Registration of vacancies and recruitment***

The employer may register the vacancies in the Agency in several things:

- in the Agency branches in person, by telephone or electronically. For information about the topicality of Agency vacancies, Agency staff keeps contact with employers who approve or deny the topicality of the vacancy not less than once every two weeks.
- by self-registration towards the Agency's website section CV/vacancy portal (<http://cvvp.nva.gov.lv/>). In this case, the job can be viewed online, as well as information on the vacancy is given to the unemployed and job seekers who visit the Agency's branches. Similarly, the employer who has registered to the CV/vacancy portal can look himself for employees, finding the Online CVs of jobseekers. In 2015, 13,462 active CVs of jobseekers were available in the CV/vacancy portal which were viewed by employers 235,521 times. In 2015, the Agency's CV/vacancy portal accounted to the total number of 4,458,515 views (97% view of Latvian and 75,170 views of the EU/EEA job-seekers. The greatest interest in 2015 was from the UK, Germany, the Netherlands, Sweden, Norway, Ireland).

When registering a vacancy in the Agency's branch, the employer can to choose the type of vacancies:

- open vacancy, if the employer allows the applicant to communicate directly with himself and agrees to publish the work place;
- closed vacancy, if the employer wants to receive assistance of the Agency when selecting applicants, but does not share information about job vacancies publicly.

When adopting information on a vacancy, the employee offers the Agency's support to the employer in selecting applicants and organizing meetings with them. Agency staff must carry out the recruitment of staff from the basis of the unemployed and job seekers according to the employer's request in two ways:

- The Agency's staff select the appropriate staff member (s) and send them to the employer who decides on the recruitment of the unemployed (s);
- First, the Agency's staff choose the most suitable candidate (s) from the basis of unemployed. Then, a meeting of the employer and the unemployed is organized and the next selection stage takes place.

In 2015, the selection of unemployed (both initial selecting and face-to-face meetings) was organized for approx. 40% of the vacancies to be filled.

The employer is also entitled to:

- Submit the vacancy in the EURES data base. This information is then distributed to job seekers across the EUR, the European Economic Area countries and Switzerland;
- Use the EURES CV data base for selection and search of applicants;
- Receive direct support from a EURES consultant for attracting employees from other EU countries and countries of the European Economic Area.

### ***Training for the unemployed at the employer's request***

The employers can attract the necessary specialists among the unemployed with the help of the Agency. The employer chooses the training program, in which it is necessary to train the unemployed, the Agency organizes training on any licensed professional development program, continuing professional education program or non-formal training program. Thanks to the cooperation between the employer and the educational institution, a completely new, company-specific training program can be developed.

In 2015, training was organized after the request of three employers, and the training involved 21 unemployed in the following programs: Swedish language (with prior knowledge), driver of the category “D” and hairdresser.

### **2.4.3. EURES services**

The measure aims to support the free movement of European workers. Advice and support is available to any interested person. Support within the measure:

- Provides consultation and information on employment opportunities, as well as living and working conditions in European countries to the job seekers;
- Helps employers to find the most suitable employees;
- provides jobseekers and employers of cross-border regions with information and advice.

In 2015, 12 110 EURES consultations were given, of which 2 270 were individual consultations to job seekers (including 1,140 consultations about labour issues and 1130 consultations on the social security and tax issues, working and living conditions, etc.) and 573 individual consultation for work employers. In 2015, within the framework of the ESF project "Operation of the EURES network in Latvia" 92 EURES informative measures for the project target groups were implemented.

## **2.5. Review of the Agency's management and performance improvement systems for ensuring effective operation as well as information on the structural reforms and reorganisations**

In 2015, the Quality Management System (QMS) Manual (QMSM) was placed on the Agency's internal Intranet communication platform, thus improving the availability and transparency of documents to the Agency's staff, as well as simplifying the administration of the QMS documents.

There were 84 amendments made to 36 Articles of QMSM and two new Articles created in 2015:

- Article 4.2.37 „Youth Guarantees”;

- Article 4.2.39 Support measure “Support for regional mobility within the framework of active employment measures”.

Two Articles of the QMSM were closed in 2015:

- Article 4.2.24 “Measure of social inclusion and active employment “Complex support measures””;
- Article 4.2.29 „Preventive unemployment reduction measure "Lifelong learning measures for employed persons””.

For an effective functioning of the Agency, the internal control system is established, maintained, and monitored on a regular basis. In 2015, the internal control system assessment was conducted by the Audit department. The Audit Department identified, analysed, assessed and verified the control systems of the Agency departments and territorial departments in accordance with the approved 2015 annual audit plan and the risk assessment carried out, ensuring the Agency's specific function, i.e. the operating and quality management system, internal audits, as well as implementation of projects financed by EU funds and the management and control system audits of EU funds.

During the reporting period 8 internal audits were carried out, under which 85 recommendations to improve internal control systems, including 11 high-priority recommendations were provided. In accordance with the implementation deadline, 99% of the recommendations were implemented. The audit results show that, in general, the authority has determined and is running according to the operating systems of internal control, which are regularly maintained and managed; an even more efficient control of processes is contributed by the risk management and quality management system, which allows one to give reasonable assurance that risks are being managed and the institution objectives will be achieved; meanwhile, separate and specific control weaknesses have been determined. For the improvement of internal control systems, for a more efficient operation of the Agency, for elimination of weaknesses it is recommended to develop and actualise procedure descriptions and internal regulations, thereby ensuring a common approach for implementing functions and compliance of operation with the laws and regulations, developing a more effective control over the implementation of measures, improving the planning and implementation process, taking timely preventive actions for the successful execution of functions, a useful and appropriate use of financial resources, fraud and reputation risk mitigation, as well as for achieving successful financial and performance indicators in accordance to the set objectives.

The Agency's activities focus on the continuous improvement and enhancement of the internal control system, maintaining risk management through periodic risk identification, high level of priority and separate management of risks and their enhanced surveillance, assessment of process and unit operational risks, by determining the activities for prevention or mitigation of risks, as well as a maintained quality management system, providing uniform and accurate working methods in the implementation and servicing of Agency processes, thereby decreasing the risk of low-quality services and increasing the customer satisfaction

levels, internal regulations and operational planning documents are developed, staff responsibilities, accountability, communication and information exchange, as well as task execution control and monitoring have been determined.

### 3. Personnel

#### 3.1. General information

Table 4

**Agency staff statistics in 2015**

Indicator	Quantity
<b>Average number of positions</b>	<b>755</b>
including number of civil servant positions	377
Including number of staff positions	378
<b>Actual number of positions</b>	<b>678</b>
including number of officials	362
including number of employees	316

Table 5

**Agency staff age and gender structure**

Age/gender (quantity)	Women	Men
20 - 24 years	7	1
25 - 39 years	357	29
40 - 59 years	436	19
60+ years	78	3

Table 6

**Educational level of the Agency staff**

Educational level	Number of employees	% of the total amount
Higher education	696	98
Secondary education	14	2

Agency staff turnover rate in 2015 was 19%<sup>2</sup>, while the rotation ratio - 49%<sup>3</sup>. The substantial increase of indicators compared with the previous year is due to a number of ESF project conclusion in the Agency, and the resulting termination of labour relationship, as well as the initiation of three new ESF project, reorganization of the Agency's cooperation body, taking into account its features reduction and the fact that during the planning period of 2014-2021 the Agency is no longer subjected to the cooperation body functions. In the Agency, annual evaluation of the servants' and employees' activities takes places, the results of which are used when making structural changes and improvements to the quality

of daily work, when planning career development, complementing job descriptions and identifying training needs. 29% of the Agency's staff are evaluated as "good", which means that the work they have carried out fully complies with the requirements over the evaluation period, while 67% - rated as "very good", meaning that the requirements are partially exceeded in certain evaluation period stages or some performance aspects; 4% are rated as excellent meaning that the execution of work exceeds the requirements throughout the whole evaluation period.

### **3.2. Personnel training and development of qualification**

Each year, the Agency staff continues to increase their skills, by improving their knowledge in higher education institutions, the State Chancellery, training organized by the Agency and the National School of Administration, seminars organized by the Ministry of Welfare, and other educational programs and the Agency's distance learning system Moodle E (19 general distance learning programs), in accordance with the training plan for 2015 approved by the Director of the Agency.

Agency staff training needs are determined by taking into account the already acquired education and knowledge of the employees and the additional knowledge necessary for carrying out the objectives, as well as recommendations/proposals of the Head of the structural unit, and training wishes submitted by the staff in the evaluation electronic forms information system (NEVIS), that has been approved by the line manager's during the annual work evaluation. The acquired training skills and competences substantially improve the fulfilment of the Agency's functions and tasks, and the employees are able to understand and to combine their individual objectives with the Agency's objectives.

In 2015, the emphasis was put on internal staff training, by attracting Agency specialists of specific fields as lecturers. In 2015, seminars on the ESF project developments were held, thereby informing employees about all the latest developments and changes in the project. In 2015, a total of 73 internal and external trainings was carried out. In 2015, great emphasis was placed on the training of staff working with information systems, taking into account that during 2015 operation two new information systems was introduced - BURVIS and the record-keeping system, as well as information systems and use of personal data security aspects.

Training programs of 2015 were mostly focused on the professional knowledge and skills, including public procurement and planning, evaluation of tenders and selection, contract amendments, document management: recording meetings, development of job descriptions and prevention of interest conflicts and corruption as well as to developments, changes in laws and regulations of the regulation and resource management systems "HORIZON" - based module acquisition.

For supplementing the knowledge and improving experience, qualification increasing opportunities were used by participating in an experience exchange trip, seminars, study visits and conferences. During 2015, the Agency staff participated in 54 foreign events related to further education and exchange of experience.

## **4. Communication with the society**

Results acquired from the study “Latvian e-index” carried out by the Ministry of Environmental Protection and Regional Development in 2015 show that according to the index of public participation and communication, which reflects the level of the authority’s digital communication with the society in the group of 89 national institutions, the Agency has received the fifth highest praise.

### **4.1. Information and educational activities for the society**

- In 2015, the Agency continued to successfully implement communication with the society, by organizing public awareness activities on the Agency’s performance issues, services, project, active employment measures and best practices, promoting public awareness of the Agency and its services, explaining the Agency’s tasks and role in the employment policy of Latvia.
- 121 Article on the Agency's current events and services has been prepared and published in the Agency's website, including 40 statements on the Agency's current offer to employers and 25 statements to the media.
- Once a month, news agencies and the media were informed about the unemployment situation and current vacancies registered in the Agency.
- Current information on the Agency's services was regularly sent to the Latvian authorities, employers' organizations, industry associations, educational institutions, NGOs, the Latvian diaspora portals in Ireland and the UK.
- In 2015, information campaigns in the central and regional media were organized: "Working in the countryside" for the fairs of agricultural vacancies in Latvian regions, "Student employment measure during summer holidays", "Career development days in Latvian schools", the ESF project "Youth Guarantee", "The country over the Internet".
- For informing customers a leaflet "Find out what options you can receive by the Agency in case of collective redundancies" was developed and distributed. Three info graphics for employers were developed and distributed: "Student employment measure during summer holidays", "Youth employment", "The Agency's CV/vacancies portal". Two illustrated leaflets for the employers were developed and distributed on “The practical training with an employer” and "Training at the employer's request."



### **Information on the media**

- In 2015, a total of more than 2 500 publications on the Agency's activities, current employment and unemployment situation in the country were placed in the central and regional newspapers, radio and television, the Internet sites.
- The society is actively informed about the Agency's services and their availability, by organizing interviews and comments of Agency managers and specialists in newspapers and magazines such as „Diena”, „Dienas Bizness”, „Neatkarīgā Rīta Avīze”, „Latvijas avīze”, „Mājas Viesis”, „Ir”, „MK-Latvija”, „Vesti Segodņa”, „Latvijskije Vesti”, „Subbota”, web sites delfi.lv, tvnet.lv, diena.lv, nra.lv, etc. news agencies BNS and LETA, as well as regional newspapers and web sites.
- Interviews, comments, responses and provision of current information by Agency specialists is organized in Latvian television channels 1 and 7, LNT, TV3, LRT, TV5, TV Riga 24, PBK-1 Latvian Radio, Latvian radio-4, Latvian Radio-5, radio Baltcom, first Business radio, etc.
- The following storyline have been organized in cooperation with several TV channels: in collaboration with LNT, a storyline of the Agency's measure "Paid temporary public works" was organised, in collaboration with TV3 – a storyline "Students work during the summer holidays", in collaboration with TV5 - a storyline "The Agency has secured a summer job for 4588 students", in collaboration with TV PBK – the storyline "Where do teenagers work?", in collaboration with the ATV and LRT – the storyline "Students will have the chance to work in the summer", "Mežvidi elementary school has turned into a sewing workshop," "Agency provides subsidized jobs, employers grant part of the employees' wages", "Action "Working in the countryside" in Kuldīga", The action "Working in the countryside" will take place in Valmiera", etc.

### **Information on the Agency's website and related online platforms**

- In 2015, a new design of the Agency's website according to the new state administration graphic standards has been implemented, and the Agency web site content layout has been restructured and optimized to the customer's convenience.
- In 2015, 121 publications were prepared in the Agency's website chapter "News".
- In 2015, the 13 video stories about the Agency's services were placed in the Agency's website and YouTube channel.
- Regular communication with the public is done via social networks: Twitter, draugiem.lv and facebook.com. The number of followers in social media: Draugiem.lv - 550; Facebook - 1041; Twitter - 3 568. Number of views of the video scenes on the Agency's services placed on the Youtube channel - 158650, the Agency's Internet site unique hits in 2015 – 2 382 811.

- A banner of “Working in the countryside” has been created and placed on the Agency’s website, which provides information on the current vacancies of the agricultural sector. An up to date e-info page on the Agency’s online services has been developed and published.
- The web site section "Career" has been updated, test subtitles and the opportunity to electronically to a career consultant has been established.
- The software has been improved and the students have been provided by the opportunity to register electronically to the summer employment measures via the Agency’s website.
- Information for the website [www.nva.gov.lv/esf](http://www.nva.gov.lv/esf) on the implementation of ESF project supervised by the Agency is regularly prepared and updated.
- In all 28 websites of the Agency branches, a platform on the work and living conditions of the respective territory has been improved.
- Information on the Agency services is regularly updated in the webpage [www.latvija.lv](http://www.latvija.lv).
- A new updated E-presentation for the information days of the Agency's services for the unemployed and job seekers has been prepared, which is also available to all the interested on the Agency’s webpage.
- Agency's website improved electronic labour market short-term forecasts for the visualization tool.
- The [electronic labour market short-term forecasting visualization tool](#) has been improved on the Agency’s website.

### **Information on individual communication measures**

- Within the framework of the Latvian Presidency of the Council of the EU a press conference on the EU Member States' employment services network (PSE) board meeting in Riga, which took place on 11.06.2015 and 12.06.2015 was organized; broadcast of the press conference broadcast was available on the Internet.
- In order to inform citizens about the proposed e-services and opportunities, Weeks of E-skills were organized in the Agency branches.
- In cooperation with the public relations company “Prospero” within the framework of the “Youth Guarantee” advertising campaign informative events were organized in regions of Latvia: in Liepaja and Jelgava.
- Informational support to the regions and participation in the forum of the Ministry of Economy "Supporting entrepreneurs” has been provided, where participants were introduced to the Agency's current services for employers.
- Information support for the Agency's agricultural vacancies measures in Kuldīga, Dobele and Valmiera has been provided.

- The Agency's participation in the Jurmala vacancies fair and provision of information support has been ensured.
- Informational support to the vacancies' measure "Livonian job fair 2015" of the Agency and the Estonian Unemployment Insurance Fund has been provided.
- Participation and informative support to the measure "Entrepreneurship days in Latgale 2015" has been provided.
- In order to inform employers, publications on the European Employment Services EURES network of labour markets have been prepared in Finland, Denmark, Poland, Estonia, Croatia.
- Within the framework of the Agency's campaign "Career growth days in Latvian schools" meetings of Agency representatives, career consultants and university lecturers with students of city and country schools were organized in spring and autumn of 2015 in all regions of Latvia in order to inform them on the possibilities of planning of professional future and career development.
- Workshops on communication issues have been organized in all Agency branches.
- The Agency actively participated in the promotion of volunteering work within the framework of measures organized by the foundation "Riga 2014".

#### **4.2. Measures for studying the public opinion on the satisfaction with the Agency's quality of work and its results**

During the period from 25 September to 14 October, 2015 an electronic survey of the unemployed and job seekers on their satisfaction with the Agency services was carried out.

The number of registered unemployed on 30 September, 2015 was 78 557. To participate in the survey, customers whose electronic registration card or registry information of the vacancies system contained an e-mail address, were invited. 36 000 addressees, or 46% of the registered unemployed received an electronic questionnaire. 3,616 responses were received, so answers were provided by 10% of the invited customer, covering 5% of the customers registered in September. Of all respondents, 73% are women and 27% - men.

After collection of the statistical data it was found that most of answers respondents came from the Riga region (50%), followed by Latgale region (15%) and Kurzeme region (14%). The smallest number of responses was received from Zemgale (11%) and Vidzeme (10%) regions.

When analysing the division of age groups, the respondents are divided into the following groups: up to 24 years, 24 to 29 years, 30 to 44 years, 45 to 54 years and 55+. 40% of all the respondents are 30 to 44 years old, 20% of the respondents – 25 to 29 years old, 18% - 45 to 54 years old, 13% - less than 24 years old. The lowest activity was found among people who are older than 55 years – only 10%.

When analysing the data as of the period how long the respondent has the status of an unemployed or a job seeker, most – 82% - of the respondents were in the status for up to one year, from one year to three years – 12%, while 6% over three years.

As the most commonly used mean of communication with the employees of the Agency, most of the respondents (67%) note personal visits (in 2014 - 68%). The number of customers who communicate with the Agency using an e-mail is still increasing. In 2014, 31% of the customers, in 2015 already 33% of respondents contacted the Agency via e-mail. As the benefits of communicating via e-mail the respondents had mentioned the ease of use, low price, availability, time-saving, the chance to think over and the possibility to maintain answer for repeated viewing. It seemed essential for the respondents that the e-mail can be saved and re-read. A personal visit at the Agency is the desirable way of communication, according to the clients' thoughts, due to the human factor which is essential in the life period of being unemployed. Respondents are convinced that, when meeting in person, individual approach and support is provided. Efficiency, availability and mobility are marked as positive aspects that characterize the communication over the phone.

To determine whether the Agency's customer service is client-oriented, respondents were asked to answer the question about the quality of customer service. A high quality service is regarded the provision of services that meet the customer's requirements. Evaluating the data obtained, it can be concluded that 32% of respondents believe that customer service is very good, 46% - good, 18% - satisfactory. Only 4% of respondents believe the quality of service is poor. Compared with 2015, the amount of respondents who believe that the quality of service in the Agency is very good has increased for about 3%. The amount of respondents thinking that the quality of customer service is "poor" has decreased by about 1%.

When evaluating the Agency's staff assistance to customers in the job search process, 46% of respondents recognized it as sufficient (about 2% less than in 2014) and 18% as poor. Assistance was evaluated as significant by 26%, but as a very significant - by 10%. It should be noted that compared to 2014, the amount of respondents thinking the support is significant and very significant has increased by 1%, while the rating of lack of support has dropped by 1%.

When comparing the survey data of 2014 and 2015, it should be noted that this year the number of respondents, who have gained benefit from the Agency staff consultations in preparing CVs has grown from 18% to 21%. Information on the relevant Agency measures was useful to 51% of the respondents in 2015, while in 2014 these were 53%. 17% of the respondents do not consider that the Agency visits have been useful, which 1% last than last year.

The survey also asked about the Agency's services the customer would like to receive electronically – the respondents could note a number of possible answers, but the most responses (just like in 2014) was received by the offering of appropriate vacancies – 62%. 56% of the respondents would like to receive actualisation of the individual job search plan (re-visiting) electronically, while electronic registering for participation in the Agency's measures is desired by 51% of the respondents.

The most essential suggestions and proposals of the respondents:

- to improve the culture of customer service (the staff should be kinder, more understanding and smiling);
- to specify the path to the information on the line of training activities more prominently in the Agency website;
- to introduce a line control system in the major branches;
- to introduce the possibility of electronically receiving various agency services, such as updates to the individual job search plans and e-learning organization;
- to provide access to drinking water in the Agency's premises;
- extensive information of the employees of the Agency on the services the target group of which corresponds to the particular customer.

### **4.3. Cooperation with the non-governmental sector**

- The Agency shall cooperate with the non-governmental sector in achieving common goals; by promoting public understanding and awareness of the Agency's services. The Agency also actively cooperates with associations and foundations in the implementation of active employment measures "Measures for certain groups of persons" and "First work experience for the youth," "Development of skills required for the work in non-governmental sector." Associations and foundations, provides support for people with disabilities, disadvantaged people and unemployed young people in the implementation of these measures; moreover, by the work of the unemployed of the target groups, statutory objectives of the associations and foundations are fulfilled.
- Twice a year, information on living and working conditions in Latvia, on the movement of free labour, goods and capital, on the recognition of diplomas and qualifications, vocational training and social security and labour market situation in Latvia is collected and prepared for the European Commission.

## **5. Plan for the upcoming year**

### **5.1. Measures started in the previous year that will be continued**

Active employment measures and preventive unemployment reduction measures:

- training measures for the unemployed and job seekers - vocational training, re-training and skill development, training at the employer, training at the employer's request, informal training, competitiveness improvement measures;
- employment measures - measures for certain groups of people, measures for business or self-employment start-ups, paid temporary public works;
- promotion of regional mobility of the persons employed by merchants;
- career consultations and informative days;
- support measures for the unemployed with addiction problems;
- measures of the Youth Guarantee;
- summer employment of students.

## **5.2. Main objectives and measures of the upcoming year**

**To provide customer-centric, comfortable and high-quality services to the Agency's clients in equally high quality in every customer service centre:**

- to prepare a proposal for the expansion of Call Centre functions, providing services for all customers of the Agency;
- to develop a customer service channel strategy;
- to evaluate the operation of Agency's branch network, and to prepare proposals for the reorganization, improvement and provision of uniform services;
- to improve general business processes and customer service, by improving customer awareness of labour market opportunities and the support available.

**To expand the accessibility of e-services.**

**To provide adequate services for each young person (15-29 years) not later than within four months of becoming unemployed (Youth Guarantee).**

**To improve the management of resources available and services of the Agency:**

- To update the Agency's IT security development strategy and to initiate its implementation;
- To update the Agency's communication strategy and begin its implementation;
- to improve the Agency's planning document development process;
- to improve the monitoring system of the measure results implemented by the Agency;
- to prepare a Microstrategy system, to ensure the greatest possible automation of statistical data processing, thereby reducing manual work and speeding up the collection and processing of data necessary for decision-making;

**Improve the services basket according to customer needs:**

- to provide a model for refugees and persons with the alternative status to integrate into the labour market of Latvia;
- to assess the impact of the profiling method on recruitment and to prepare a proposal for the changes of the Agency's work organization;
- to carry out updating of the profiling matrix of the unemployed in BURVIS, by providing a more targeted service planning necessary for the client.

**To improve transition of the long-term unemployed to employment or their engagement in measures.**

**To improve public information on the Agency's services provided to employers and on the results of co-operation with employers:**

- to organize employers' daily schedule within the framework of the EU Member States common campaign;
- to organize a discussion with experts of the Latvian Employers Confederation, the Latvian Chamber of Commerce, Latvian Small and Medium Enterprises Forum and sectorial employers' associations on cooperation in the in the organization and improvement of the training process for the unemployed;
- to monitor changes of the labour market, by providing pro-active cooperation with the employers and local governments.

**To ensure the implementation of the EURES reform.**

**To improve the labour market short-term demand forecasts.**

**To provide resources necessary for the function of the cooperation body.**

### **5.3. Next year's planned co-operation projects and researches**

- In 2016, the Agency, in close cooperation with the Ministry of Economy will start to implement the project "Development of the labour market forecasting system"; the project aims to create a labour market transformations pre-emptive system on order to take informed decisions that are appropriate for the economics' needs for policy development and implementation. In 2016, the development of a short-term labour market forecasting methodology will be launched, including short-term projections on a skills perspective, as well as a survey on the development of an indent system, and linking of labour market forecasts with operational policies.
- In 2016, surveys of Agency customers are planned to be carried out.

### **5.4. Financial statement and obligations of the Agency**

Table 7

Financial statement and liabilities of the Agency as of 31.12.2015 (*euro*)

<b>Index</b>	<b>Financial liabilities (<i>euro</i>)</b>
Long-term investments	2 633 843
Intangible assets	1 271 446
Fixed assets	1 362 397

Current assets	390 085
Savings	44 575
Accounts receivable	27 258
Prepaid expenses and advances for services and projects	318 252
Money	0
<b>TOTAL</b>	<b>3 023 928</b>
Equity	1 402 692
Budget outturn of the previous year	1 249 101
Budget outturn of the reporting year	153 591
Savings	211 255
Accounts payable	1 409 981
Current liabilities to suppliers and contractors (training for the unemployed, CIM, PTPW, MCGP, maintenance)	1 007 320
Short-term accrued liabilities	278 941
Taxes and social security contributions	120 679
Payments for wages and deductions (except taxes)	2 839
Other current liabilities	202
Deferred income	
<b>TOTAL</b>	<b>3 023 928</b>
Leased assets	311 463
<b>Off-balance sheet assets</b>	<b>39 164</b>
Penalties and fines receivable	9 331
Requirements for an unlawful way of seizing the assets	2 382
Other off-balance sheet assets	27 451
<b>Off-balance sheet liabilities</b>	<b>194 255 964</b>
Future payments due under contracts concluded on foreign financial assistance and projects funded by EU policy instruments	194 214 638
Future commitments and payments under contracts and management decisions about buying goods and services, other than those concluded with foreign financial assistance and projects funded by EU policy instruments and leases	1 339
Received but not paid upfront supporting documents	39 987



