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ACTIVE LABOUR MARKET POLICIES IN EUROPE: SUCCESSFUL DESIGNS AND IMPLEMENTATION THROUGH TRADE UNION PARTICIPATION

TAKEAWAYS OF THE CESI'S 'ACTIVER' PROJECT

The European Confederation of Independent Trade Unions (CESI) is a confederation of more than 40 national and European trade union organisations from most European countries, with a total of more than 6 million individual members. Founded in 1990, CESI is a recognised European sectoral social partner and advocates improved employment conditions for workers in Europe and a strong social dimension in the EU.

This paper was developed as an output deliverable for CESI's EU co-funded project 'Active labour market policies in Europe: Successful designs and implementation through union participation' (Activer) which CESI ran between July 2023 and August 2025 and which aimed to build capacity and raise awareness about the role of workers, trade unions and social partners in the design and delivery of effective active labour market policies.

Main points in brief

Europe's labour markets are being reshaped by the green-digital transitions, the legacy of the Covid pandemic, migration flows, and persistent skills bottlenecks.

In this content, well-designed Active Labour Market Policies (ALMPs) are practical engines for fair transitions: they shorten unemployment spells, prevent skills obsolescence, and lift job quality. Crucially, ALMPs deliver best when workers and their representatives co-design, co-govern, and co-monitor them.

CESI calls to improve ALMPs in Europe in cooperation with trade unions and social partners by through improved

- job guidance and job matching by employment services,
- up-/re-skilling and training,
- employment and hiring incentives and
- direct job creation.

I. Active Labour Market Policies (ALMPs) in Europe: With workers, unions, and CESI

Active labour market policies (ALMPs) matter to workers. In a world reshaped by the Covid pandemic, ongoing twin green-digital transformations in the economy, in-migration of refugees to booming regions not least as a result of the current war in Ukraine, and regional labour shortages in many sectors and disadvantaged peripheral regions, ALMPs are practical engine of fair transitions.

ALMPs turn big goals – inclusive and quality jobs and employment – into concrete measures. They do this through, for instance, job guidance and job matching, up-/re-skilling and training, employment and hiring incentives, supported employment and rehabilitation, direct job creation, as well as start-up incentives and support for entrepreneurship. Well-designed ALMPs shorten unemployment spells, prevent skills obsolescence and improve job quality.

As such, ALMPs matter not only to workers, they matter for trade unions and their work as social partners, too. When unions and social partners co-design and co-monitor ALMPs, measures are more likely to fit real workplaces and local labour markets. Trade unions and social partners can help screen for evolving sectoral skill needs, identify targets for public funding to where it can change outcomes and ensure that ALMP measures on paper will be effective in practice.

The European Commission's [Recommendation on an effective active support to employment \(EASE\)](#) of 2021 recognised this, explicitly highlighting the “fundamental contribution of social partners” to tackle, for instance, the Covid pandemic's aftermath and the challenges of the twin transition. Already in 2013, EU's [Quality Framework for Anticipation of Change and Restructuring](#) recognised the need to promote a structured involvement of workers' representatives in managing change.

European trade union organisations like CESI can play a central role in these processes. With a cross-industry membership base of over 6 million affiliates that spans across the continent, it brings together worker representatives from diverse sectors, regions and countries to promote best practices of ALMPs and share what can work and what cannot. CESI also unites young workers in the CESI Youth, older workers in its CESI Seniors and female workers in its Women's Rights Commission, each of which have their own specific expectations towards ALMPs. Moreover, with a membership base not only from the private sector but also of personnel in public administrations, affiliates of CESI bring together a wealth of expertise from among those that deliver active labour market policies on the ground in public employment services (PES) on a daily basis.

CESI's ALMP policy demands on job guidance and job matching, up-/re-skilling and training, employment and hiring incentives, and direct job creation can promise to create labour markets that work better.

II. CESI's ALMP policy demands

1. **Job guidance and job matching by employment services.** The EU's current [Employment Guidelines](#) stress that Member States should strive to enhance the capacity of employment services to provide timely and tailor-made assistance to jobseekers. To improve job matching between work seekers and employers by employment services, e.g. through job search assistance and counselling, job placement and matching services, labour market information systems, career guidance and profiling of job seekers, CESI demands:
 - adequate staffing of public employment services (PES) and continuous training for PES personnel. This should include minimum caseload ratios and mandatory refresher modules for counsellors. Overloaded and/or untrained personnel cannot ensure successful job matching for job seekers.
 - more institutionalised trade union and social partner participation in PES governance and local mapping of job opportunities, e.g. through tripartite boards with voting rights and regular joint sectoral skills roundtables. Trade unions' and social partners' cooperation with private employment providers should be strengthened, too. Employment services perform better if they benefit from input and insights from trade unions and social partners.
 - enhanced AI-driven profiling to assist employment services personnel in more efficient and targeted support for job seekers. While AI can never adequately replace personnel, it can help them work more efficiently, thereby increasing job matching and work placements. Naturally, AI-enhanced profiling tools must be audited for bias and operate under clear data-protection protocols with time-bound data retention.
 - comprehensive and high-quality intensive, face-to-face counselling in PES – with an adequate focus also on job seekers from vulnerable groups in society – plus systematic post-placement support and mentor check-ins for at least the first six months. Personal assistance during job search and after placement is vital for a longer term retention the achievement of sustainable low employment in labour markets.
 - systematic single points of contact and job-integration agreements between PES and long-term unemployed job seekers. Each integration agreement should set time-bound milestones (training, interviews, placement) and name a lead case manager accountable for results. Long-term unemployed job seekers that have been structurally detached from labour markets represent a particular challenge for PES and merit extra attention.
 - a continued use of the successful European Network of Employment Services as a platform for joint exchanges and mutual learning for national PES, with a view to improve each other's effectiveness in job placement.

2. **Up-/re-skilling and training.** The [Union of Skills](#), the European Commission's a plan to improve high quality education, training and lifelong learning in Europe, aims to deliver higher levels of basic and advanced skills, provide opportunities for people to regularly update and learn new skills, facilitate recruitment by businesses, and attract, develop and retain top talent in Europe. Other tools aim to support workers through restructurings, like the [Just Transition Fund](#), the [NextGenerationEU's Recovery and Resilience Facility \(RRF\)](#), [European Social Fund Plus](#) and the [European Globalisation Adjustment Fund](#). To increase the employability of workers or job seekers by improving or updating their skills in times of transformations and restructurings, e.g. through vocational training programmes, retraining for workers from declining industries, or on-the-job training and lifelong learning schemes, CESI demands in this context:
 - enhanced cooperation between trade unions, social partners and employment services to anticipate regional skills needs and align training for school leavers, workers and job seekers with green/digital transitions and bottleneck occupations. Large-scale further and re-training need require a joint effort by all involved actors to ensure that ideally no one is left behind.
 - more preventive training to workers at risk, not only the unemployed, to support fair transitions. Firm-level restructuring notices should be used to trigger early-warnings to trade unions, social partners and PES to offer re-trainings for employment elsewhere in the region or sector.
 - an evaluation culture for training measures, using ex-ante, on-going and ex-post assessments to inform a continuous improvement of workers in their training. Such evaluation culture is central to arrive at measurable improvements for workers of job seekers in training.
 - adequate investments in education, including in school infrastructure, educational resources and teachers, as a basis to equip young people to succeed in and tomorrow's labour markets.
3. **Employment and hiring incentives.** The EU's instrument for [Support to mitigate Unemployment Risks in an Emergency \(SURE\)](#) proved to be an effective tool during the employment crises to support businesses to retain workers by means of short work during Covid pandemic lockdowns. To effectively encourage employers to hire job seekers or keep existing employees during restructuring and adaption processes, e.g. though SURE-like instruments or further tools like reductions in social security contributions or wage subsidies for hiring long-term unemployed or young workers, CESI demands:
 - incentives that are targeted and temporary and which focus on groups with low hiring chances such as long term unemployed job seekers – and requirements to combine them with training/coaching to build productivity. All subsidies should include a training plan signed by employer and worker and expire automatically unless retention and skills milestones are met. While incentives for employers can offer long-term economic benefits in certain circumstances, public budget reasoning forbids flat-rate indefinite financial support for schemes that do not yield sustainable jobs.

- requirements for retention and net job-creation checks for companies that employ subsidised workers, to ensure that employment still in place after the subsidy – coupled with claw-back options for non-compliance and/or exclusions of firms that engage in revolving-door practices from future support for a defined period. This is essential to ensure that public money is used effectively and sustainably.
 - pairing of subsidy schemes with counselling and in-work follow-up by employment services and a promotion of transitions to open-ended contracts – e.g. through conversion bonuses – which are covered by collective agreements.
- 4. Direct job creation.** To facilitate direct job creation, such as temporary employment and income support, public or community service jobs or short-term employment schemes financed by the state, CESI demands:
- an application of schemes only in clearly justified cases – such as for specific hard-to-place groups or severe downturns such as during the recent Covid pandemic – and to scale them back during recoveries in order to ensure activities are truly additional and socially useful. While direct job creation can help stimulate demand during recessions and help people be in a job, public budget reasoning commands that direct job creation measures can only be temporary solutions to respond to acute challenges. Direct job creation should take place in unmet community needs such as in e.g. environmental remediation or social care, as verified by local authorities and social partners.
 - an integration of training, mentoring and ultimately explicit exit pathways into related regular jobs, with post-programme follow-up by employment services to ensure longer term employment and retention in regular jobs.
 - a regular review of direct job creation schemes, to scale up successful ones and close down low-performing ones. Direct job creation schemes should not merely serve to provide work seekers with any job – Their work should serve local communal or social needs and benefit them and their future career in a meaningful way at the same time.