Supporting employers in promoting skills development in Latvia
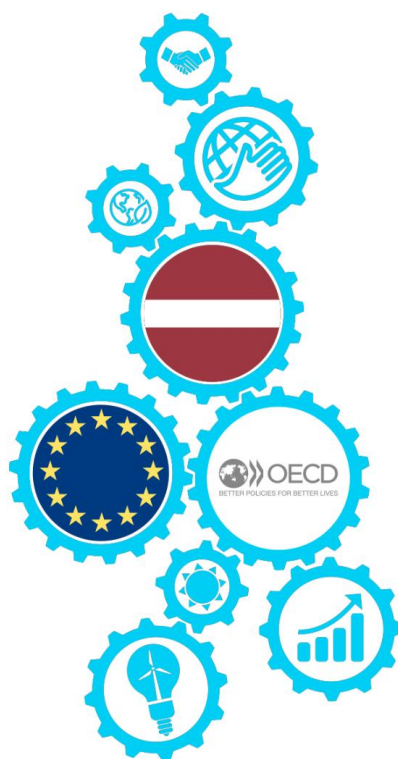
Indicators and methodology for monitoring the implementation of the support measures

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Foreword

The OECD and the Directorate General for Structural Reform Support (DG Reform) are cooperating to provide technical assistance to the Latvian Ministry of Education and Science (MoES) as part of the project "Supporting employers in promoting skills development in Latvia". The project will enable the MoES to improve the regulatory framework that supports investment in skills development by employers, by developing a policy package including financial and non-financial measures. This report describes the OECD recommendations for a set of indicators and a practical methodology that Latvian authorities could use to monitor and evaluate the implementation of the policy package. The report also provides guidance on further data needs for effective monitoring where relevant.

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Latvian enterprises lag behind in the provision of training, as they invest an average of only 0.6% of labour costs in training courses in comparison to 1.5% across the EU (Eurostat, 2020[1]). Latvia has a range of policy instruments in place to support employers to invest in skills development. Latvia legally requires enterprises to provide training, and also employs a range of measures to lower training costs (e.g. exemptions from corporate and payroll tax). However, there are currently no measures in the country to build firms' capacity and learning culture (OECD, 2021[2]; OECD, 2021[3]; OECD, 2022[4]).

Against this backdrop, the OECD Centre for Skills, OECD Directorate for Employment, Labour and Social Affairs (ELS) and the Directorate General for Structural Reform Support (DG Reform) of the European Commission are co-operating to provide technical support to Member States through the Technical Support Instrument. The "Supporting employers in promoting skills development in Latvia" project (21LV06) aims to support the Ministry of Education and Science (MoES) of Latvia to improve the regulatory framework that supports investment in skills development by employers. The project, which is consistent with the Latvian Law on Education as well as Latvia's Recovery and Resilience Plan (RRP), involves the development of a policy package including financial and non-financial measures:

- Measure 1: Revamped **subsidised training** provided through employer associations, which aims to lower the cost of training and incentivise employers in Latvia to increase their employees' uptake of training offers.

- Measure 2: An **online tool** for enterprises to assess their skills gaps and training needs, which aims to provide enterprises with a free and accessible tool that produces an easy-to-understand and actionable analysis of their skill gaps, and to reduce the informational and attitudinal barriers that they face to training.

- Measure 3: **External expert assessments** of skills gaps and training needs of MSMEs, which aim to provide a deeper and tailored analysis of enterprises' training needs after completing the online self-assessment tool.

- Measure 4: Operation of the **steering group**, which will coordinate the implementation of the measures in the policy package.

While the policy package focuses on the four measures mentioned above, additional initiatives have also been discussed, although implementation will occur over the longer term. In Measure 1, the **piloting of Skills Funds** (Measure 1a) has been considered in two to three sectors with financial support of EUR 4.5 million from the European Social Fund Plus (ESF+). Moreover, in Measure 4, the establishment of a **unified online portal** (Measure 4a) has been discussed in order to centralise information on training offers and support from different providers.

The OECD has developed a monitoring framework comprising indicators and a practical methodology for monitoring implementation of the policy package for supporting employers to promote skills development in Latvia described above (hereafter "policy package"). The monitoring framework aims to help Latvian

authorities obtain accurate, reliable and timely information on the extent of the take-up of the measures, as well as assess the outcomes of the participation among enterprises and employees. A methodology for quantitatively evaluating the long-term outcomes and impacts of the policy measures (e.g. holding other factors constant, using control variables and counterfactuals) is outside the scope of the report. However, high-level considerations for evaluation will be included in a final roadmap to implement the policy package.

The indicators and methodology for monitoring the policy package were designed based on Latvian and EU-level regulations to ensure consistency with existing requirements and monitoring practices, and have also been tested and refined with the Ministry of Economics (MoE), MoES and the Central Finance and Contracting Agency (CFLA), employer associations, and trade union representatives. The following section presents these regulations and how they have informed the selection of monitoring indicators and methodology. Afterwards, for each policy measure, a summary table of the indicators is presented, as well as a data flow diagram to describe the processes used to collect data, the data systems used to store them, as well as the responsibilities of actors involved.

Requirements for monitoring in Latvia

The development of the monitoring indicators and methodology for the policy package was informed by relevant monitoring requirements and practices in Latvia. Latvia currently has various system- and programme-level indicators that measure participation in adult learning and the labour market outcomes of participants, as outlined in key policy planning documents at the Latvian and EU levels. The proposed monitoring methodology for the policy package makes use of the processes, systems and responsibilities that are described in these regulations. Two sets of Latvian regulations have been considered: first, national regulations, and specifically statutes issued by the Cabinet of Ministers, have implications for how the policy package can contribute to the achievement of system-level adult learning targets in Latvia; and second, regulations for EU-funded programmes in Member States have implications for the monitoring of the policy package, since the policy package is likely to be fully or partially funded from EU sources.

Among the relevant national-level regulations in Latvia, the **Development Planning System Law** sets out the overarching guidelines for implementing the country's development plans and monitoring them. The law suggests that Latvian "development planning documents", which define the country's strategic objectives, must contain performance indicators that are used to determine results, and that monitoring reports must be provided to assess the implementation of policies. The relevant Latvian development planning documents that were consulted in the development of the monitoring indicators and methodology for the policy package include the **National Development Plan for 2022-2027 (NDP2027)** and the **Education Development Guidelines 2021-2017 (EDG2027).** The monitoring indicators for the policy package were designed to reflect the goals outlined in these development planning documents, such as their key focus on increasing participation in adult learning in Latvia to facilitate the acquisition of digital skills. For instance, to reflect these national objectives, indicators of training programme characteristics for Measure 1 have been disaggregated according to the type of skills targeted (e.g. digital skills, transversal skills, sector-specific skills).

As the measures in the policy package may be partially or fully funded from EU sources, the monitoring indicators and methodology also reflect the programme objectives, as well as the implementation and monitoring guidelines, that are specific to EU-financed initiatives in Latvia. The **Law on Management of European Union Structural Funds and the Cohesion Fund for the 2014-2020 Programming Period** and that **for the 2021-2027 Programming Period** outline the processes, systems and responsibilities for reporting data on the uptake of all Latvian programmes that are funded using EU structural and investment funds. These elements have been incorporated into the monitoring methodology of the policy package. For instance, as with EU-funded programmes, the policy package also adopts the use of the Cohesion Policy Funds Management Information System (CPFMIS) and provides beneficiaries (i.e. employer associations) with the responsibility to report on their activities.

As the policy package may use funds from the **European Social Fund Plus (ESF+)** and/or the **Recovery and Resilience Facility (RRF)**, their programme-level indicators also informed the monitoring indicators for the policy package. For instance, the ESF+ Indicator EECR06 measures the outcomes of employed persons six months after receiving ESF+ support (e.g. movement to a job requiring higher skills/qualifications, having increased responsibility, increase in wages). To reflect this, the policy package includes an indicator on whether participants report they experienced any of these aforementioned employment benefits six months after training, as well as a quantitative indicator that monitors increases in participants' salaries.

Indicators and methodology for monitoring the policy package

The indicators and methodology for monitoring the policy package were developed primarily to obtain accurate, reliable, and timely information on the uptake of the different measures, and secondarily to assess enterprise and employee outcomes after participation in the measures. As explained in the previous section, the indicators selected for the policy package have been patterned after Latvian and EU indicators that measure participation in adult learning, the acquisition of new skills (including digital skills), and labour market outcomes. Moreover, the methodology reflects existing requirements and practices on the processes that may be used to gather data, the systems required for reporting, and the responsibilities of various actors involved in the implementation and monitoring of the policy package.

The monitoring indicators focus on Measures 1 to 4, which will be implemented in the short term. The target values to be achieved for the monitoring indicators will be specified by the Human Capital Development Committee. Measure 1a (Skills Funds pilot) and Measure 4a (unified online platform) are excluded because they are not a core part of the current policy package and are being considered for implementation at later stages.

The steering group secretariat (Measure 4) will facilitate the implementation and coordination of the policy package. Importantly, it will also oversee the monitoring of the policy measures, including monitoring of its own activities and use of resources in order to assess its effectiveness as a governance body. The secretariat is tasked to consolidate all monitoring data and regularly produce monitoring reports, which should be discussed by the steering group to adjust the implementation of the measures as necessary.

The monitoring indicators[1] and methodology for each of the policy measures are described below.

Measure 1: Revamped subsidised training provided through employer associations

The uptake and outcome indicators for Measure 1 aim to contribute to assessing the achievement of adult education policy targets outlined Latvian and EU-level regulations. These include indicators listed in the NDP2027 and EDG2027, such as those pertaining to the acquisition of new skills (including digital skills) as well as in ESF+ operational arrangements, such as the acquisition of a qualification and improvements in participants' labour market situation. It is important that these indicators also adequately capture disaggregated information on enterprise and employee characteristics to determine whether the measure is reaching target groups, such as workers in MSMEs, older workers, and non-Latvian citizens. The indicators to monitor Measure 1 are summarised in Table 1.

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[1] The tables in the Executive Summary provide an overview of the indicators. The full list of sub-categories to guide data disaggregation (e.g. for benefits, awareness raising channels) are listed in detail in Chapter 3 (Indicators for monitoring the policy package) and Chapter 5 (Summary).

Table 1. Summary of monitoring indicators for Measure 1 (subsidised training programmes)

	Name of indicator	Unit of measurement	Disaggregation
Uptake (applications, participation and completion)			
1.1.a	Application to subsidised training programmes	Number and share of enterprises	• By enterprise size • By sector
1.1.b		Number and share of employees	• By employee characteristics • By training characteristics
1.2.a	Participation in subsidised training programmes	Number and share of enterprises	• Same as above
1.2.b		Number and share of employees	• Same as above
1.3.a	Completion of subsidised training programmes	Number and share of enterprises	• Same as above
1.3.b		Number and share of employees	• Same as above
1.4	Intensity of subsidised training programmes attended	Number of hours spent in the training in the last 6 months	• By enterprise size • By employee characteristics • By training characteristics
Inputs			
1.5	Number and share of employer associations involved	Number and share of employer associations	• By size • By sectors covered
1.6	Total expenditure on the measure by employer associations	Euros	• By funding source • By cost type • By awareness-raising channel
1.7	Total expenditure on subsidies per enterprise and worker	Euros	• By funding source • By enterprise size • By sector • By training characteristics
Outcomes			
1.8	Reported satisfaction with the subsidised training programme	Number and share of employees reporting high satisfaction (using a Likert score)	• By enterprise size • By sector • By employee characteristics • By training characteristics
1.9	Reported enterprise benefits arising from the subsidised training programme in the 6 months after participation	Number and share of enterprises reporting benefits	• By enterprise size • By type of benefit received
1.10	Reported employee benefits arising from the training 6 months after participation	Number and share of employees	• By employee characteristics • By sector • By training characteristics • By self-reported outcome
1.11	Increase in employee wages after participation in the subsidised training programme (e.g. after 6 or 12 months)	EUR	• By employee characteristics
Progression between measures			
1.12	Completion of online self-assessment tool (Measure 2) within the previous 6 months before participation in the subsidised training programme	Number and share of enterprises	• By enterprise size • By sector
1.13	Completion of expert assessment (Measure 3) within the previous 6 months before participation in the subsidised training programme	Number and share of enterprises	• By enterprise size • By sector
1.14	Effectiveness of awareness-raising activities by employer associations to promote the subsidised training programmes	Number and share of enterprises	• By awareness-raising channel

Employer associations have the responsibility of collecting uptake data from enterprises during the application stage, throughout participation, and upon completion, as well as collecting data on indicators for progression between measures. They submit all this information to the CFLA using the CPFMIS. Throughout implementation, the CFLA should share this data with the MoE who centralise it in its own management information system for monitoring and evaluation purposes, removing all identifiable information except employees' personal identity numbers for privacy reasons. The MoE may use employees' personal identity number to retrieve salary data from the State Revenue Service, in order to continually monitor increases in salary and evaluate the outcomes of training. Some time after the training is complete (e.g. six months), the MoE should implement an online survey for participating enterprises and employees to collect data for the qualitative outcome indicators. The processes, systems and responsibilities used to monitor Measure 1 are summarised in Figure 1.

Figure 1. Flow of data for Measure 1 (subsidised training programmes)
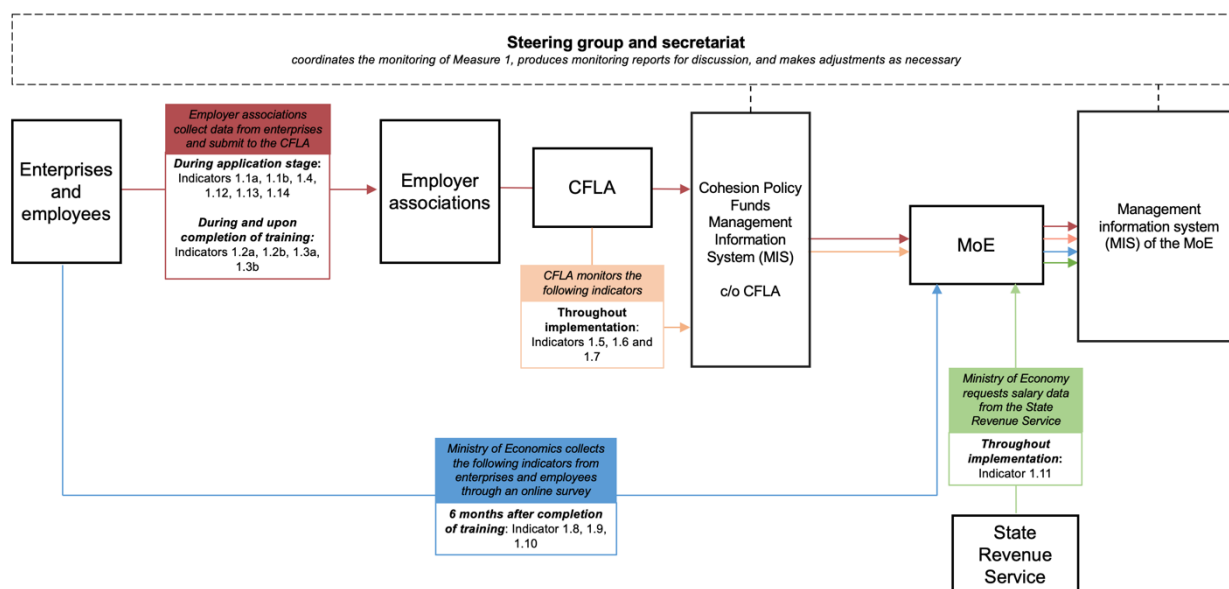
Measure 2: Online tool for the self-assessment of skills and training gaps

Measure 2 aims to provide enterprises with a free and accessible tool that provides an easy-to-understand and actionable assessment of their skills gaps and training needs. It is important that the monitoring indicators adequately capture how often the self-assessment tool is being used by enterprises, and how the results produced through the tool are being used to facilitate employer investments in training. The indicators to monitor Measure 2 are summarised in Table 2.

Table 2. Summary of monitoring indicators for Measure 2 (online self-assessment tool)

	Name of indicator	Unit of measurement	Disaggregation
Uptake (applications, participation and completion)			
2.1	Number of enterprises that completed a self-assessment using the online tool	Number and share of enterprises	• By enterprise size • By sector
2.2	Number of times the enterprise has used the online tool	Number of complete assessments	• By enterprise • By enterprise size • By sector
Inputs			
2.3	Total expenditure on self-assessment tool	Euros	• By cost type
Outcomes (qualitative)			
2.4	Reported satisfaction with the self-assessment tool	Number and share of enterprises reporting high satisfaction (using a Likert score)	• By enterprise size • By sector
2.5	Reported benefits arising from the online self-assessment tool 6 months after completion	Number and share of enterprises reporting benefits	• By enterprise size • By sector • By type of benefit received
Progression between measures			
2.6	Participation in subsidised training programmes (Measure 1) within 6 months of completing the online self-assessment tool	Number and share of enterprises	• By enterprise size • By sector
2.7	Effectiveness of awareness-raising activities to promote the online self-assessment tool	Number and share of users	• By awareness-raising channel

The MoE, as the ministry in charge of funding and developing the online tool, is responsible for collecting data for the indicators on Measure 2. The Ministry could use its management information system to store uptake data from the online tool in a de-identified manner, and analyse data on the uptake of the tool using

web analytics, which could be complemented with data from Indicator 1.13 (number and share of enterprises who completed an online self-assessment before receiving training subsidies). The MoE is also in charge of distributing an automated follow-up survey to the enterprises' specified contact point 6 months after completion of the tool to collect outcome and progression data. Data from the follow-up survey will also be stored in the MoE's management information system. The processes, systems and responsibilities used to monitor Measure 2 are summarised in Figure 2.

Figure 2. Flow of data for Measure 2 (online self-assessment tool)
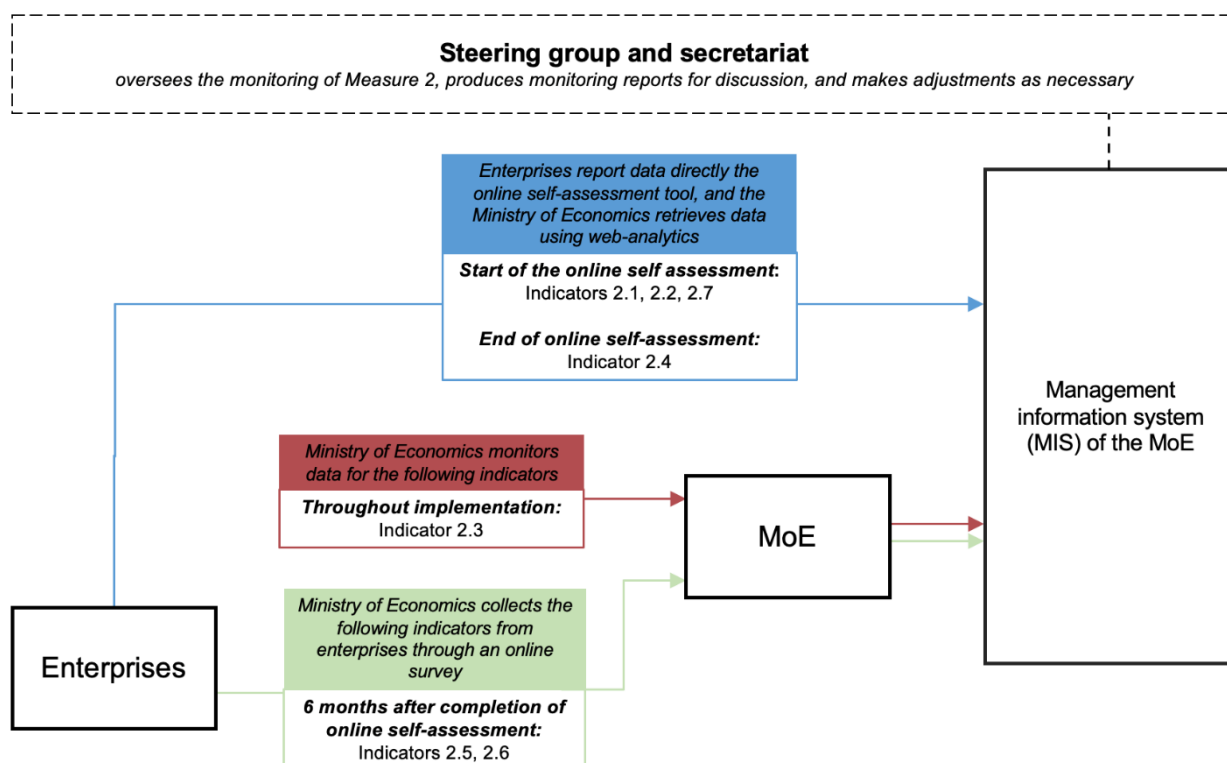
Measure 3: External expert assessments of skills and training gaps of MSMEs

A key objective of Measure 3 is to complement Measure 2 by providing a deeper and more tailored analysis of enterprises' skills needs and training gaps for resourced-constrained enterprises, namely MSMEs. Particular attention must be paid to disaggregating data by enterprise size, as the measure aims to target MSMEs in particular. The indicators to monitor Measure 3 are summarised in Table 3.

Table 3. Summary of monitoring indicators for Measure 3 (external expert assessments)

	Name of indicator	Unit of measurement	Disaggregation
Uptake (applications, participation and completion)			
3.1	Application to and reception of an external expert assessment of skills/training gaps	Number and share of enterprises	• By enterprise size • By sector
Inputs			
3.2	Experts conducting an assessment	Number of experts	• By sector
3.3	Associations that provided support to enterprises to recruit an expert	Number of associations	• By size • By sector
3.4	Expenditure on implementation of measure 3	Euros	• By funding source • By cost type • By enterprise size • By sector

	Name of indicator	Unit of measurement	Disaggregation
Outcomes (qualitative)			
3.5	Reported satisfaction with the external assessment	Number and share of enterprises reporting high satisfaction (using a Likert score)	• By enterprise size • By sector
3.6	Reported benefits arising within 6 months after receiving an external expert assessment	Number and share of enterprises reporting benefits	• By enterprise size • By sector • By type of benefit received
Progression between measures			
3.7	Participation in subsidised training programmes (Measure 1) within 6 months of receiving an external expert assessment	Number and share of enterprises	• By enterprise size • By sector
3.8	Effectiveness of awareness-raising activities by employer associations to promote external expert assessments	Number and share of enterprises	• By awareness-raising channel

Employer associations have the responsibility of collecting data on the number of experts in the network, as well as uptake data, namely the number of enterprises that apply for and receive an external assessment. They should submit this information to the CFLA using the CPFMIS, who share all uptake and input data with the MoE at the end of the implementation period to centralise it for monitoring and reporting purposes. Some time after an enterprise has received an external assessment (e.g. six months), the MoE could distribute a standardised online survey that is integrated into its management information system and collect data on outcomes and progression between measures. The processes, systems and responsibilities used to monitor Measure 3 are summarised in Figure 3.

Figure 3. Flow of data for Measure 3 (external expert assessments)
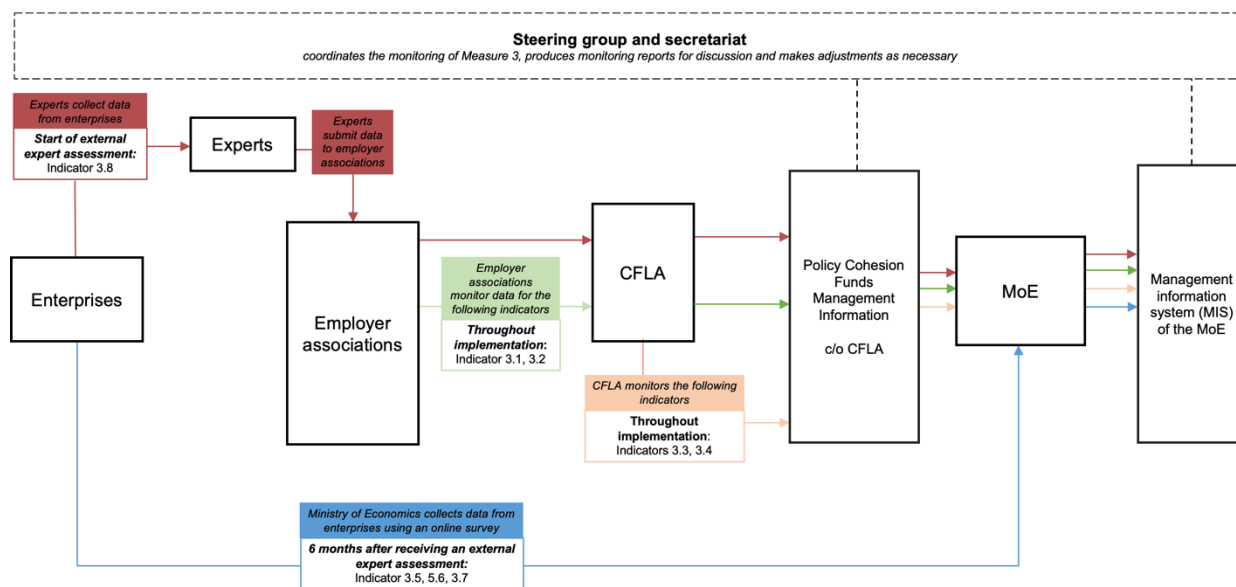
Measure 4: Operation of the steering group

The steering group will facilitate the implementation and coordination of Measures 1 to 3 and the unified online portal (Measure 4a), as well as oversee the monitoring of the policy measures. Its secretariat is responsible for monitoring the effectiveness of the steering group as a governance body and collecting data on indicators regarding the attendance of members, the frequency of meetings, how much time and money is spent on different activities, and its perceived efficacy. The indicators to monitor Measure 4 are summarised in Table 4.

Table 4. Summary of monitoring indicators for Measure 4 (operation of steering group)

	Name of indicator	Unit of measurement	Disaggregation
Inputs			
4.1	Attendance of steering group	Number and share of members	• By ministry and municipality • By sector • By level of seniority
4.2	Frequency of meetings	Number of meetings	• By quarter of the year
4.3	Expenditure on steering group	Euros	• By cost type
4.4	Time spent on activities	Number and share of hours	• By activity type
Outcomes			
4.5	Reported satisfaction of members with the steering group's efficacy	Number and share of members reporting high satisfaction (using a Likert score)	• By ministry and municipality • By sector • By level of seniority

The secretariat for the steering group should collect data on the indicators, as well as survey steering group members on their satisfaction with the group's efficacy. This data could be stored in the management information system of the MoE. In its monitoring reports, the secretariat should include information on the input and outcome indicators concerning the operation of the steering group itself, in addition to the monitoring results of the other measures. The processes, systems and responsibilities used to monitor Measure 4 are summarised in Figure 4.
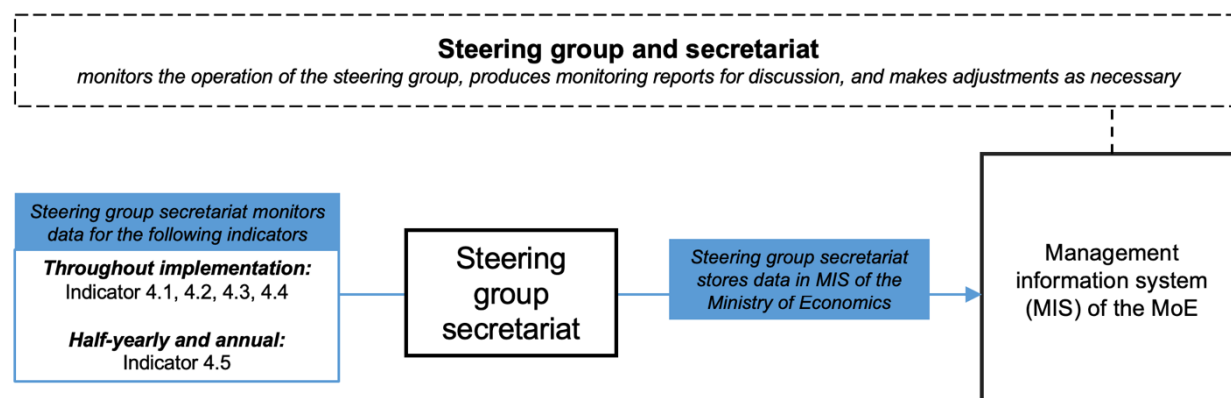
Figure 4. Flow of data for Measure 4 (operation of steering group)

1 Introduction

Context of employer-sponsored training in Latvia

On average, Latvian enterprises lag behind in the provision of training, as they invest only 0.6% of labour costs in training courses in comparison to 1.5% across the EU (Eurostat, 2020[1]). Latvia has a range of policy instruments in place to support employers to invest in skills development. Latvia legally requires enterprises to provide training, and also employs a range of measures to lower training costs (e.g. exemptions from corporate and payroll tax). However, there are currently no measures in the country to build firms' capacity and learning culture and to promote cooperation among enterprises and the education sector (OECD, 2021[2]; OECD, 2021[3]; OECD, 2022[4]).

Attitudinal, financial, and informational barriers explain low enterprise investment in skills development in Latvia. Attitudinal barriers include the lack of awareness about the benefits of adult learning, especially for disadvantaged groups such as low-qualified and older employees, as well as a lack of a training culture among managers. Financial barriers refer to credit and liquidity constraints that prevent enterprises from covering the costs of employee training. Information barriers include the lack of knowledge among enterprises about their own skills needs, existing government support measures that they can access, and training opportunities that are available to their employees (OECD, 2022[4]; OECD, 2023[5]). Moreover, coordination among enterprises in Latvia to provide training is relatively weak, due in part to a fragmented stakeholder landscape characterised by low rates of collective bargaining. There is also a lack of coordination between educational institutes and enterprises, resulting in skills development being delivered often through non-formal education programmes (OECD, 2022[4]).

Against this background, the OECD Directorate for Employment, Labour and Social Affairs, the OECD Centre for Skills, and the Directorate General for Structural Reform Support (DG Reform) of the European Commission are co-operating to provide technical support to Member States through the Technical Support Instrument. The "Supporting employers in promoting skills development in Latvia" project (21LV06) aims to support the Ministry of Education and Science (MoES) of Latvia to improve the regulatory framework that supports investment in skills development by employers, by developing a policy package including financial and non-financial measures. The project is consistent with the Latvian Law on Education, which foresees the need to introduce a regulatory framework to implement such measures, as well as Latvia's Recovery and Resilience Plan (RRP), particularly Reform 2.3 ("Development of a sustainable and social responsible support framework for adult learning), which aims to increase adult learning participation and reach targets in the Education Development Guidelines 2021-2027 (OECD, 2022[4]; OECD, 2023[5]).

Policy measures to support employers in promoting skills development

Previous activities and outputs of the project have allowed the OECD to develop a set of policy measures to help employers invest in skills. The OECD has analysed key barriers and enabling conditions for employers to invest in skills development in Latvia (EN link, LV link), and produced a review of good practices in the EU for supporting employers to promote skills development (EN link, LV link). Furthermore,

building on these outputs, consultations were held with employer associations, trade unions, education institutions and government bodies. Following these activities and outputs, the OECD proposed a set of policy measures to support employers invest in skills development (hereafter "policy package"). These four policy measures are described in detail through a report that the OECD has produced (link). The report outlines what factors had driven the selection of the measures, the eligibility criteria for participation, the rights and responsibilities of involved parties, and the proposed financing arrangements to fund the implementation of the policy package.

In addition, the OECD is also providing practical guidelines (EN link, LV link) to help Latvian authorities to develop the regulatory framework making amendments in the main regulation and developing the accompanying legislation required to implement the policy package, as well as a costing exercise to estimate the human and financial resources needed for implementation.

The measures in the policy package are described below.

Measure 1: Revamped subsidised training provided through employer associations

Since 2007, support for training in enterprises in Latvia has been delivered through CFLA-selected employer associations, who are also in charge of raising awareness about the programmes, procuring training providers, processing applications and administrative documents by companies, and coordinating with the CFLA to manage funding for subsidies. Currently, subsidised training programmes support technical training that targets the skill needs of employers in a particular sector. This current model works well overall, but stakeholders have agreed on the need for improvements on several fronts, such as widening the eligibility of sectors, allowing employer associations to propose new training areas, and increasing awareness-raising and communication activities by employer associations.

Measure 2: An online tool for enterprises to assess their skills gaps and training needs

As part of Latvia's efforts to address information and attitudinal barriers to training, the OECD has advised authorities to develop an online tool for enterprises to conduct self-assessments of their skills gaps and training needs. The measure will be 100% funded by public financing within the framework of the MoE's programmes and budget. The tool must be user-friendly (i.e. taking no longer than 20 minutes to complete), comprehensive and insightful, covering both general and sector-specific skills. It must also be free and available to all enterprises, regardless of whether they are a member of an employer association. Links to the tool should be displayed on the websites and portal of employer associations, as well as that of the ministry responsible for developing the tool.

Measure 3: External expert assessments of skills and training gaps of MSMEs

To complement the results of the online self-assessment tool, enterprises may receive more detailed and tailored advice from an external expert on their skills gaps and training needs, including but not limited to digital skills. To ensure coherence with Measure 2, the external expert's methodology must match the one used in the online self-assessment tool. Employer associations are tasked to develop a network of experts and, as an eligible activity of the subsidised training programmes, implement this service in accordance with standard EU subsidy rates. The experts could come from various professions, such as training providers with experience evaluating enterprises' training needs, auditors who have experience conducting skills assessments for enterprises, and suppliers who can train enterprises to use critical equipment/technologies, among others. The measure targets MSMEs, given that large enterprises often already have sufficient HR capacity to assess their training gaps and are thus less likely to need support.

Measure 4: Operation of the permanent steering group

The permanent steering group will be composed of employer associations, the MoES, the MoE, the MoW, the CFLA and municipalities. Other stakeholders, such as representatives from the Digital Innovation Hubs and Individual Learning Accounts, the Ministry of Finance and the State Revenue Service, could also join as needed. The permanent steering group will be in charge of coordinating all the measures in the policy package, and will take leadership on several activities, such as outreach and awareness raising activities to enterprises, implementation of the measures, exchange of best practices, and monitoring and data analysis. The steering group could potentially become a task force in a reformed Governing Council for Adult Education, where it could report on how the policy measures contribute to increasing employer investments in skills development. The steering group should meet at least quarterly to take stock of implementation progress, including the monitoring of the policy measures.

While the policy package focuses on the four measures mentioned above, additional initiatives have also been discussed, although implementation will occur over the longer term. In Measure 1, the **piloting of Skills Funds (Measure 1a)** has been considered in two to three sectors with financial support of EUR 4.5 million from the European Social Fund Plus (ESF+). The Skills Funds aim to foster cooperation on skills development, mitigate poaching concerns, and lower the costs of training for Latvian enterprises. The pilot phase will allow Latvian authorities to test an appropriate implementation model for Latvia and lay the foundations for the introduction of a compulsory training levy in the medium to long term. The Skills Funds could coexist but should not overlap with the subsidised training programmes, meaning that each (sub-) sector must operate only one of each at any given time.

Moreover, in Measure 4, the establishment of a **unified online portal (Measure 4a)** has been considered in order to centralise information on training offers and support provided by different providers and programmes. The unified portal will also host the online self-assessment tool and will list all available subsidised training offers for enterprises by skill area.

Objectives of monitoring indicators and methodology for the support measures

To accompany the implementation of the policy measures described above, the OECD has developed a monitoring framework with indicators and a practical methodology. The primary goal of the monitoring indicators and methodology is to provide Latvian authorities with accurate, reliable and timely information on the extent of the take-up of the new employer support measures (e.g. number of recipient firms, value of funding provided), and may cover activities of recipient employers to support training (e.g. investments in training, provision of different types of training) and the outputs, outcomes and impacts of training provided by recipient employers (e.g. rates and hours of training participation by employees). The monitoring indicators and the methodology have been developed in accordance with Latvian and EU-level regulations on the implementation and monitoring of adult learning programmes. Furthermore, the monitoring indicators and the methodology were discussed and refined in partnership with various stakeholders, including authorities from the MoE, MoES and the CFLA, as well as employer associations and trade union representatives, to ensure alignment with their current monitoring practices and data collection capacities.

Moreover, the OECD is providing Latvia with practical guidelines to develop the regulatory framework that amends the main regulation and develops the accompanying legislation that is required in order to implement the policy package. The regulation will include a section on monitoring requirements and will describe the key responsibilities of various actors in collecting data, as well as the different management information systems to be used to facilitate data collection. It will also detail what data will be collected, providing the MoE with the authority to collect personal information from funding recipients (e.g. personal

identity number) for monitoring purposes, as well as request administrative data from the State Revenue Service for policy evaluation at later stages of implementation.

This report presents the monitoring indicators and methodology for the measures in the policy package. First, the report lists the Latvian and EU-level regulations that have informed the design of the monitoring indicators and the methodology. Second, the report presents the monitoring indicators (uptake, inputs, outcomes, and progression between measures) for the policy measures, and discusses key considerations to ensure proper data collection. Lastly, the report summarises the methodology for monitoring the policy package, describing who needs to collect data on which indicators, when to collect them, how to report data, and what processes and data systems must be used.

The monitoring framework includes mostly qualitative, self-reported outcome indicators (e.g. user satisfaction), although some measures, particularly Measure 1, involve the monitoring of quantitative data on participant outcomes (e.g. use of salary data). However, in general a methodology for quantitatively evaluating the long-term outcomes and impacts of the policy measures (e.g. holding other factors constant, using control groups and counterfactuals) is outside the scope of the report. As such the project does not consider how to quantify the outcomes and impacts of the policy measures (e.g. profit, wage, productivity effects, etc.), including their "net-effect" holding other factors constant. However, high-level considerations for evaluating the measures, such as the identification of further data and indicator needs and how to address those needs, will be included in a final roadmap to implement the policy recommendations. Moreover, the monitoring indicators and the corresponding methodology for data collection were designed taking into account potential data needs for policy evaluation at later stages.

2 Latvian and EU regulations on monitoring the policy package

The development of the monitoring indicators and methodology for the uptake of the policy package was informed by regulations on adult learning policies and programmes in Latvia and their respective objectives, monitoring indicators and methodologies. The indicators selected for the policy package have been patterned after system- and EU programme-level indicators that measure participation in adult learning, the acquisition of new skills (including digital skills), and labour market outcomes of participants. Moreover, the monitoring methodology reflects the regulations' specific guidelines regarding the processes that may be used to gather data (e.g., surveys, use of administrative data), the systems required for reporting (e.g. CPFMIS), and the responsibilities of various actors, including employer associations, the MoE and the CFLA.

The Latvian and EU-level regulations that have informed the design of the monitoring indicators and methodology for the policy package are summarised in this chapter. First, national-level regulations issued by the Cabinet of Ministers that describe system-level indicators and requirements for monitoring in Latvia are presented. Second, EU-level regulations on the design of monitoring indicators and methodologies are also provided, given that the policy package will likely be implemented partially or fully by EU funds.

General regulations for monitoring policies in Latvia

In Latvia, the **Development Planning System Law** (see here) sets out the overarching guidelines for implementing the country's development plans (over the short, medium and long-term) and monitoring them. The law suggests that development planning documents in Latvia, which define the country's strategic objectives, must contain performance indicators that are used to determine results, and that monitoring reports must be provided to assess the implementation of policies. The design of these results and performance indicators are guided by lower-level legislation in Latvia, such as **Cabinet of Ministers' Instruction No. 16 of November 17, 2009** (see here), which states that selected results and performance indicators must best describe the achievement of policy goals and the use of resources, and that ex-ante and ex-post evaluations must be conducted to provide proposals for improving operations, investment levels, and results and performance indicators. The **Cabinet of Ministers' Regulation No. 737 of December 2, 2014** (see here) also states that Latvian "development planning documents" must outline performance indicators that show progress in achieving stated objectives, and that initial, intermediate, and final impact evaluations must be carried out to assess the policy's achievement of set goals, planned results and impacts.

The relevant Latvian development planning documents that were consulted in the development of the monitoring indicators and methodology for the policy package include the National Development Plan for 2022-2027 (NDP2027) and the Education Development Guidelines 2021-2017 (EDG2027). Both of these development planning documents contain system-level indicators that have informed the selection of monitoring indicators for the policy package, which are outlined below.

National Development Plan for 2021-2027 (NDP2027)

The monitoring indicators for the policy package were designed to reflect the policy objectives included in Latvia's National Development Plan for 2021-2027 (NDP2027) (see here). The NDP2027 is Latvia's parliamentary-approved medium-term, national planning document. NDP2027 was developed in accordance with the Latvian Sustainable Development Strategy until 2030 (Latvia2030) and the UN Sustainable Development Goals (SDGs). It defines the strategic goals that Latvia commits to achieve by 2027, outlines the directions of sectoral policies and main reforms, and indicates where public investments from the state budget, municipal budget, EU funds and other sources (including foreign and national funds) should be channelled. The NDP2027 specifies the role of adult education and continuous personal development in the ability of Latvia to thrive in a rapidly changing socio-economic environment and labour market (Cross-Sectoral Coordination Center, 2020[6]).

The NDP2027 aims to provide state support to Latvian companies to develop higher levels of digital skills and identifies system-level indicators to measure adults' access to training in the workplace. These include **Indicator 162**: Proportion of persons aged 16-74 who have basic or more advanced digital skills, Indicator 170: Adults aged 25-64 who participated in formal or non-formal education/training in the last 12 months, and Indicator 215: The proportion of employees (aged 25-64) who participated in the educational process during paid working hours, compared to employees of this age group who participated in the educational process (Cross-Sectoral Coordination Center, 2020[6]).

The policy package contributes to the achievement of these system-level NDP2027 indicators, as the uptake of the different measures could help increase adult employees' participation in training in Latvia in general. Specific elements of these NDP2027 system-level indicators have also been reflected in the monitoring indicators for the policy package. For instance, taking stock of Indicator 162, mentioned earlier, indicators of training programme characteristics for Measure 1 have been disaggregated according to the type of skills targeted (e.g. digital skills, transversal skills, sector-specific skills).

Education Development Guidelines 2021-2027 (EDG2027)

As with the NDP2027, the monitoring indicators for the policy package were designed to also reflect the policy objectives included in Latvia's Education Development Guidelines 2021-2027 (EDG2027, see here). The EDG2027, titled "Future Skills for Future Society", is a medium-term policy planning document that defines a unified state policy and development strategy in education from 2021 to 2027. The EDG2027 identified key educational issues to be solved in Latvia within the 2021-2027 planning period, one of which includes low learning motivation among adults and the lack of involvement of relevant actors in the delivery of adult education. In response to these issues, the guidelines have put forth several objectives, such as to increase the participation of adults in education, especially for population groups that are less involved in learning; improve the quality of adult education; and create a sustainable and socially responsible system for financing adult education (Likumi, 2021[7]).

The EDG2027 specifies system-level indicators to monitor the achievement of goals in adult education. Under Policy Outcome No. 2 on Qualitative and contemporary education, **Indicator 2.5**: Proportion of adults (25-64 years) involved in adult education in the last four weeks before the survey and **Indicator 2.6**: Acquisition and development of digital skills (for residents aged 16-74) – at least basic level digital skills are included. Moreover, Policy Outcome No. 3 titled "Support for growth available to everyone" includes **Indicator 3.5:** Proportion of learners who obtained new skills through on-the-job learning and **Indicator 3.6**: Proportion of employees (aged 25-64) who participated in the educational process during paid working hours, compared to employees of this age group who participated in the educational process in any way and at any time (Likumi, 2021[7]).

Many of these EDG2027 system-level indicators have been considered in the design of the monitoring indicators for the policy package. For instance, as with the NDP2027, EDG2027 Indicator 2.6 (Acquisition

and development of digital skills [for residents aged 16-74] – at least basic level digital skills) was considered when designing the indicators for Measure 1, which require disaggregation according to the type of skills (e.g. digital skills, transversal skills, sector-specific skills) targeted by the subsidised training programme an employee participates in.

EU programme-specific regulations for monitoring policies in Latvia

As the measures in the policy package may be partially or fully funded from EU sources, the monitoring indicators and methodology also reflect the programme objectives and monitoring guidelines established specifically for EU-financed adult learning initiatives in Latvia. These EU-financed initiatives are governed by a set of Latvian and EU-level laws and regulations that describe the processes, systems and responsibilities for monitoring programme implementation. The **Law on Management of European Union Structural Funds and the Cohesion Fund for the 2014-2020 Programming Period** (see here) and that **for the 2021-2027 Programming Period** (see here) apply to all Latvian programmes that are funded using EU structural and investment funds, stating that:

- that the Responsible Institution is to ensure achievement of results and enter data on results into the CPFMIS,
- the Cooperation Institution (i.e. CFLA) is to analyse the problems of project implementation and submit proposals regarding improvement of project implementation, and
- the beneficiary (e.g. employer associations) is to provide reports and information on the project implementation using the CPFMIS in a timely manner.

Moreover, in addition to these laws in Latvia, there are also EU-level regulations that set out guidelines for monitoring EU-funded programmes in Member States, which have been considered in the development of the monitoring processes, systems and responsibilities for the policy package. For instance, **Regulation (EU) No. 1303/2013 of the European Parliament and of the Council** (see here) requires Member States to establish a performance framework to monitor progress towards stated objectives, set up monitoring committees that review programme implementation in relation to these objectives, produce implementation reports to be submitted to the European Commission, and organise annual review meetings to examine the performance of programmes. In line with the requirements stated in this regulation, the policy package to support employers invest in skills development in Latvia includes a monitoring framework to assess progress in implementation and uptake of the measures (as presented in this report), includes a steering group (Measure 4) that is in charge of monitoring activities, and requires the steering group to produce monitoring reports that examine implementation.

EU-funded programmes in Latvia are accompanied by regulations that provide details on how to concretely implement initiatives. These regulations include detailed information such as the programme objectives to be met within a certain timeframe, conditions for eligibility, the total amount of EU funding to be used, and the responsibilities of different stakeholders in programme implementation and monitoring, among others. In the past, Latvia has already implemented EU-funded adult learning programmes that are similar to the policy package measures proposed by the OECD. The regulations for these past initiatives have informed the indicators, processes, systems and responsibilities used to monitor the policy package.

For instance, **Cabinet of Ministers' Regulation No. 617 of October 27, 2015** (see here) was issued to implement a European Regional Development Fund (ERDF)-funded employee training programme in Latvia. The regulation requires ERDF funding recipients (i.e. employer associations) to collect data on enterprises (e.g. number of employees), their employees (e.g. educational level, personal identity number), the training received (e.g. training duration, training provider, costs, field of education), and participants' evaluation of the training. These ERDF programme-specific indicators were reflected in the policy package by disaggregating uptake indicators by employer, employee and training programme characteristics, as

well as by including indicators that measure participant satisfaction. Furthermore, the regulation states that the recipients of funding from the ERDF should create an information system and submit data on the enterprise and employee, as well as the training received, to the responsible institution. Consequently, this methodology, as written in the regulation, has been applied to the policy package's data collection procedures and the systems to be used. According to the consultations with the MoE, an updated regulation replacing No. 617 is being drafted and will be applicable to ESF+. As such, the guidelines in the new regulation, once available, could also be applied to the policy package indicators and methodology.

Given that the measures in the policy package will likely be funded through the European Social Fund Plus (ESF+) and the Recovery and Resilience Facility (RRF), the objectives and indicators of these EU programmes were considered in the design of the monitoring indicators for the policy package, while their requirements for reporting data have also informed the processes, systems and responsibilities for data collection for the policy package. These considerations are described below.

European Social Fund Plus (ESF+)

The monitoring indicators for the policy package, specifically on participant outcomes, have been significantly guided by programme-level ESF+ indicators. The ESF+ is the European Union's main instrument to invest in policies that aim to help countries reach full employment, enhance quality and productivity at work, increase the geographical and occupational mobility of workers within the EU, improve education and training systems, and promote social inclusion and health. Under the programme, requirements for monitoring and evaluating ESF+ implementation are set out in Regulation **(EU) 2021/1060 (Common Provisions Regulation [CPR]**, see here) and **2021/1057 (ESF+ Regulation)** (see here) of the European Parliament and the Council, while output and result indicators are described in detail in the ESF+ common indicators toolbox (see here).

The regulations require Latvia to establish a performance framework to allow monitoring and evaluation of activities funded through the ESF+, to set up monitoring committees composed of relevant partners, and to organise annual structured policy dialogues. As part of the performance framework, system-level indicators have been identified to enable authorities to measure progress towards targets, as well as the outcomes for individuals supported by financing from the ESF+. According to the ESF+ operational arrangements in Latvia, system-level indicators under SO 4.2.4 ("Promote lifelong learning, in particular by providing flexible upskilling and retraining opportunities for all, taking into account digital skills, better anticipating changes and new skill requirements based on labour market needs, facilitating career change and promoting professional mobility") that are relevant to the policy package include EECR06: Participants who are in a better labour market situation six months after leaving and EECR03: Participants gaining a qualification upon leaving (ES Fondi, 2021[8]).

Several indicators in the policy package were patterned after ESF+ Indicator EECR06, which measures the outcomes of employed persons six months after receiving ESF+ support, including transition from precarious to stable employment or from underemployment to full employment, movement to a job requiring higher competences/skills/qualifications, having increased responsibility, and a promotion or an in increase in wages. The policy package includes outcome indicators that ask participants to report whether or not they experienced any of these improvements six months after participation in the policy measures, and also includes quantitative indicators that determine whether an increase in salary has occurred. ESF+ Indicator EECR03 has also been adopted in the list of monitoring indicators for the policy package, particularly Measure 1. Furthermore, in line with ESF+ common indicators toolbox requirements, the policy package indicators concerning employees have also been disaggregated by gender.

The methodology for collecting data on ESF+ implementation in Latvia has been considered in the selection of processes, systems and responsibilities for collecting data on the policy measures. These include coordination with the State Revenue Service to provide and verify data on employees' salaries, as enabled by an interdepartmental agreement on data availability. The policy package also uses similar data

collection methods, such as surveys distributed to employees, and also specifies the use of the CPFMIS to submit data (ES Fondi, 2021[8]).

Latvia's Recovery and Resilience Plan (RRP) 2021-2026

The policy package to support employers in promoting skills development in Latvia contributes to the achievement of indicators in the Recovery and Resilience Plan (RRP) 2021-2026. The RRP outlines the package of reforms and investments being carried out by the country under the European Union's Recovery and Resilience Facility (RRF), which was launched in response to the socio-economic crisis caused by the COVID-19 pandemic. A total of EUR 1 826 million of grant allocation is being channelled into 60 investments and 25 reforms that aim to promote a dynamic Latvian economy, raise the standards of living, and facilitate adoption of the green transition and digital transformation by 2026 (European Parliament, 2022[9]).

In Latvia, the **Cabinet of Ministers Regulation No. 621 of September 7, 2021** (see here) outlines the procedures for implementing and supervising the RRP, which has been considered in the design of the monitoring methodology for the policy package. As specified in the regulation, the policy package also requires that the CFLA use the CPFMIS to compile data related to the implementation of the RRP. Moreover, the **operational arrangements for the RRP** (see here) provide several indicators that are particularly relevant, and to which the implementation of the policy package can contribute to achieving. For instance, Measure 1 (subsidised training programmes) can contribute to the achievement of programme-level indicators from the RRP, specifically **Indicator 55** (Criteria and arrangements for incentives and responsibilities for companies to educate their employees and create more opportunities and rights for employees to participate in education), **Indicator 56** (Share of adults (25-64) involved in adult learning in the last four weeks prior to the survey), and **Indicator 57** (Adoption of criteria, modalities and support measures for incentives and responsibilities for companies [in particular SMIs] to educate their employees). It also contributes to the achievement of **Indicator 68** (Upskilling digital skills 16-74: Share of citizens with at least basic digital skills), as the monitoring indicators for the policy package measure the uptake of adult learning programmes and specify which ones target digital skills. The creation of Measure 1a (piloting of the Skills Funds) contributes directly to the achievement of **Indicator 59** (Number of Skills Funds created), while Measure 2 also contributes directly to the achievement of **Indicator 128** (Development of digital tools for skills assessment) (European Commission, 2022[10]).

3 Indicators for monitoring the policy package

To systematically measure the implementation of the policy package and support progress towards the achievement of objectives outlined in Latvian and EU-level regulations, it is important to have a comprehensive set of quantitative and/or qualitative indicators that yield accurate, reliable and timely information. The indicators must allow authorities to answer questions that pertain to whether target populations have been reached, if activities are being executed as planned, if the management of the system has been effective and efficient, if the outputs of the system are being produced as expected, if there are any unforeseen consequences stemming from policy implementation, and what elements of the policy need to be changed if needed (OECD, 2022[11]). Having a comprehensive set of indicators can enable authorities to gather data that can inform policy decisions, enable smart investments and effective resource allocation, and promote accountability among all stakeholders (OECD, 2020[12]). Monitoring indicators must be comprehensive and should allow authorities to collect accurate, reliable and timely information on all aspects of the policy measures. In the monitoring framework developed for the policy package, the following indicator types were used (Figure 3.1):

- **uptake** of the policy measures among enterprises and employees, including application, participation and completion;
- **inputs**, which may be financial (e.g. expenditure on activities channelled from various sources) or human (e.g. support from employer associations, coordination managers);
- **outcomes**, which analyse the effects of the inputs and the uptake of the policy measures on the enterprises and employees who participated in the measures, including their satisfaction and benefits acquired, such as improvements in the adult learning culture in enterprises and in the labour market situation of employees;
- **progression between measures**, which assess how participation in one measure in the policy package can affect participation in another;
- **contextual factors (through disaggregation)**, which are external demographic, socio-economic and political characteristics of enterprises (e.g. enterprise size, sector) and their employees (e.g. age sex, citizenship, educational attainment) that influence participation in, and the outcomes of, the policy measures.

Figure 3.1. Monitoring framework for the policy package
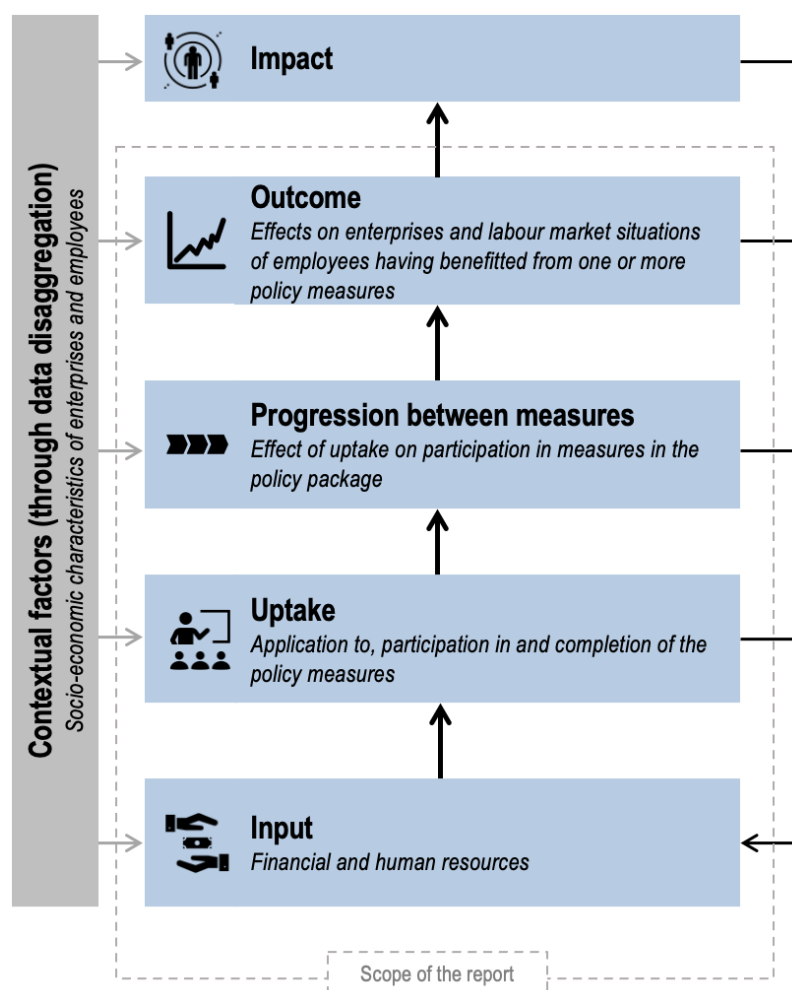
This chapter presents monitoring indicators to gather data for each measure in the policy package, covering the different indicator typologies used in the monitoring framework presented in Figure 3.1. The policy package indicators were developed to primarily measure the uptake of the different measures, but also to assess enterprise and employee outcomes based on system- and programme-level indicators on adult learning that were specified in Latvian and EU-level regulations. These include, for instance those that the CFLA and/or the MoE are required to collect (e.g. number of participating enterprises and their employees, as well as their characteristics), but also new indicators that describe the benefits arising from participation in the measures, such as the acquisition of new skills (including digital skills) and qualifications, and benefits experienced by participants as a result of the training.

The monitoring indicators focus on Measures 1 to 4 (excluding 1a and 4a). Measure 1a (Skills Funds pilot) is not a core part of the current policy package, while Measure 4a (unified online platform) is less amenable to quantitative monitoring. For each of the measures in the policy package, the corresponding monitoring indicators have been summarised in a table, which present the following information:

- **Indicator number**, which assigns a unique number to each indicator (in accordance with the established numbering of the policy measures) to facilitate recognition and use;
- **Name of indicator**, which provides a direct, concise label that states what component of the policy measure is being measured;
- **Unit of measurement**, which describes the quantity of the component of the policy measure that is being measured in the indicator;
- **Disaggregation**, which lists the sub-categories of characteristics that describe the indicator, allowing authorities to analyse trends and patterns of uptake across different target groups; and
- **Data considerations**, which, describe the purpose of the indicator (i.e. what it intends to measure), and if available, briefly list the different factors that Latvian authorities must take into account to ensure the relevance and quality of the data collected.

The values to be achieved for the monitoring indicators will be specified by the Human Capital Development Committee, as prescribed in the practical guidelines (EN link, LV link).

Measure 1: Subsidised training programmes

The indicators for Measure 1 aim to describe how the subsidised training programmes contribute to achieving adult education policy targets outlined Latvian and EU-level regulations. These include system-level indicators listed in the NDP2027 and EDG2027, such as those pertaining to the acquisition of new skills (including digital skills), as well as in the ESF+ operational arrangements. For instance, ESF+ Indicators EECR03 ("Participants gaining a qualification upon leaving") and EECR06 ("Participants who are in a better labour market situation six months after leaving") are reflected through Indicator 1.10.

It is important that the uptake and outcome indicators for Measure 1 also adequately capture disaggregated information on enterprise and employee characteristics to determine whether the measure is reaching target groups, such as workers in MSMEs, older workers, and non-Latvian citizens. Moreover, input indicators for Measure 1, such as those pertaining to expenditure, must be carefully monitored primarily to ensure that they are in line with standard EU subsidy rates, and second, to lay the foundation for evaluating later on the impact of Latvian adult learning investments on employees' wages and job performance. Given these considerations, the indicators for Measure 1 are summarised in Table 3.1.

Table 3.1. Indicators to monitor Measure 1 (subsidised training programmes)

Name of indicator		Unit of measurement	Disaggregation	Data considerations
Uptake (applications, participation and outputs)				
1.1.a	Application to subsidised training programmes[2]	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Allows authorities to monitor whether the measure is reaching MSMEs
1.1.b		Number and share of employees	• **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal	Allows initial conclusions to be drawn about how uptake differs across socio-demographic groups, but also requires sensitive information (e.g. disability status) that might be difficult to collect

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[2] Indicator 1.1 measures the same uptake (application to, participation, and completion) of Measure 1, although at two different levels: enterprise (1.1a) and employee (1.1b). Enterprise-level data for the indicator may be taken as an aggregate of the employee-level data.

Name of indicator		Unit of measurement	Disaggregation	Data considerations
			skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3])	
1.2.a	Participation in subsidised training programmes	Number and share of enterprises	• Same as above	Can be an indication of how many enterprises have succeeded in their application to the training programme
1.2.b		Number and share of employees	• Same as above	Monitors the number of employees that have started and are following training; in the case of programme drop-out, does not explain why employees have stopped participating
1.3.a	Completion of subsidised training programmes	Number and share of enterprises	• Same as above	Can be an indication of enterprise-level commitment to training, but does not explain what enabling factors have helped enterprises complete training programmes
1.3.b		Number and share of employees	• Same as above	Provides information on who within each enterprise finishes training; does not fully ensure the quality of the new skills that have been gained, unless skills are assessed or certified
1.4	Intensity of subsidised training programmes attended	Number of hours spent in the training in the last 6 months	• **By enterprise size**: micro, small, medium, large • **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3])	Must take into account the quality of the training programmes attended (e.g. by verifying whether the training providers are accredited by the government)
Inputs				
1.5	Number and share of employer associations involved	Number and share of employer associations	• **By size**: no. of members, sectoral coverage • **By sectors covered**	Indicates how many sectors are covered, but does not provide a qualitative assessment of employer associations' performance as intermediaries
1.6	Total expenditure spent on the measure by employer associations	Euros	• **By funding source**: EU, state, employer • **By cost type**: subsidies, co-ordination, awareness-raising, public administration • **By awareness-raising channel**: information on website, outreach via email and telephone, social media campaigns, information events and networking sessions	Can be used to monitor budgets and expenditure milestones; can help ensure that subsidies remain in line with standard EU subsidy rates
1.7	Total expenditure spent on subsidies per enterprise and worker	Euros	• **By funding source**: EU, state, employer) • **By enterprise size**: micro, small, medium, large	

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[3] For the full list of the providers of training in Latvia, please refer to the Law on Education and the Law on Vocational Education.

Name of indicator	Unit of measurement	Disaggregation	Data considerations
		• **By sector** • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3])	
Outcomes			
1.8	Reported satisfaction with the subsidised training programme	Number and share of enterprises reporting high satisfaction (using a Likert score)	• **By enterprise size**: micro, small, medium, large • **By sector** • **By employee characteristics**: age group, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3])	Provides immediate feedback on the quality and relevance of the measure to the participant's needs; is subjective and needs to be combined with quantitative indicators
1.9	Reported enterprise benefits arising from the subsidised training programme in the 6 months after participation	Number and share of enterprises reporting benefits	• **By enterprise size**: micro, small, medium, large • **By type of benefit received**: increased enterprise training expenditure, training provision, training culture, training relevance/quality, productivity, profitability	Provides immediate feedback on the short-term outcomes of the measure in accordance with the enterprise's needs; is subjective and needs to be combined with quantitative indicators
1.10	Reported employee benefits arising from the training 6 months after participation	Number and share of employees	• **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By sector** • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3]) • **By self-reported outcome**: acquisition of a formal	Was included based on ESF+ programme monitoring indicators; provides immediate feedback on the short-term outcomes of the measure; is subjective and needs to be combined with quantitative indicators

Name of indicator	Unit of measurement	Disaggregation	Data considerations
		qualification[4], movement to a job requiring higher level skills/qualifications, increase in wages, increase in responsibilities, promotion	
1.11	Increase in employee wages after participation in the subsidised training programme (e.g., after 6 and 12 months)	EUR	• **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents)	Is a more rigorous method of assessing training outcomes, but requires careful handling of sensitive personal information of employees, such as salaries
Progression between measures			
1.12	Completion of online self-assessment tool (Measure 2) within the previous 6 months before participation in the subsidised training programme	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Determines inter-related effects of the measures; might yield a smaller sample of data as the response rate to follow-up surveys is often low (around 30% in Latvia according to MoES consultations)
1.13	Completion of expert assessment (Measure 3) within the previous 6 months before participation in the subsidised training programme	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	
1.14	Effectiveness of awareness-raising activities by employer associations to promote the subsidised training programmes	Number and share of enterprises	• By awareness-raising channel: information on website, outreach via email and telephone, social media campaigns, information events and networking sessions	Indicates which awareness-raising channels are effective, but does not provide a cost-benefit analysis (i.e. audience reach vis-a-vis costs associated) for each awareness-raising channel

Measure 2: Online tool for the self-assessment of skills/training gaps

The objective of Measure 2 is to provide enterprises with a free and accessible tool that provides an easy-to-understand and actionable assessment of their skilling gaps, and to reduce the informational and attitudinal barriers that they face to training. It is important that the monitoring indicators adequately capture how often the self-assessment tool is being used by enterprises, and how the results produced through the tool are being used to facilitate employer investments in training. Given these considerations, the indicators for Measure 2 are summarised in Table 3.2.

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[4] This item is line with after "Indicator EECR03: Participants gaining a qualification upon leaving" from the ESF+ Common indicators toolbox, where a qualification is defined as a "formal outcome of an assessment and validation process which is obtained when a competent body determines that an individual has achieved learning outcomes to given standards." (European Commission, 2021[17]).

Table 3.2. Indicators to monitor Measure 2 (online self-assessment tool)

	Name of indicator	Unit of measurement	Disaggregation	Data considerations
Uptake (applications, participation and outputs)				
2.1	Number of enterprises that completed a self-assessment using the online tool	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Can determine if the measure is reaching target MSMEs and sectors
2.2	Number of times the enterprise has used the online tool	Number of complete assessments	• **By enterprise** • **By enterprise size**: micro, small, medium, large • **By sector**	Can serve as a proxy indicator for enterprises' satisfaction with the ability of the tool to respond to their needs
Inputs				
2.3	Total expenditure on self-assessment tool	Euros	• **By cost type**: fixed cost payment for tool development, yearly maintenance	Can be used to monitor budgets and expenditure milestones
Outcomes (qualitative)				
2.4	Reported satisfaction with the self-assessment tool	Number and share of enterprises reporting high satisfaction (using a Likert score)	• **By enterprise size**: micro, small, medium, large • **By sector**	Should consider users' satisfaction with the ease of use of the tool; would only be collected for users who accomplish the self-assessment, since the satisfaction survey is available only upon completion of the online tool
2.5	Reported enterprise benefits arising from the online self-assessment tool 6 months after completion	Number and share of enterprises reporting benefits	• By enterprise size: micro, small, medium, large • By sector • By type of benefit received: increased enterprise capacity to assess skills gaps and training needs; understanding of skills gaps and training needs; training expenditure; training provision; training culture; training quality	Would require sending a follow-up survey to enterprises 6 months after completion of the online self-assessment tool (e.g. automatically-sent survey to contact point specified by enterprises when answering the online tool)
Progression between measures				
2.6	Participation in subsidised training programmes (Measure 1) within 6 months of completing the online self-assessment tool	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Determines inter-related effects of the measures; might yield a smaller sample of data as the response rate to follow-up surveys is often low (around 30% in Latvia according to MoES consultations)
2.7	Effectiveness of awareness-raising activities to promote the online self-assessment tool	Number and share of users	• By awareness-raising channel: information on website (including unified online platform [Measure 4a]), outreach via email and telephone, social media campaigns, information events and networking sessions	Indicates which awareness-raising channels are effective, but does not provide a cost-benefit analysis (i.e. audience reach vis-a-vis costs associated) for each awareness-raising channel

Measure 3: External expert assessments of MSMEs' skills/training gaps

A key objective of Measure 3 is to complement Measure 2 and provide a deeper and tailored analysis of enterprises' skilling needs after completing the online self-assessment tool. It is important that the monitoring indicators adequately track expenditure to ensure that funding for the external experts' services remain in line with standard EU subsidy rates. Particular attention must be paid to disaggregating data by enterprise size, as the measure targets MSMEs in particular, given that large enterprises often have sufficient HR capacity and are less likely to need such services. Given these considerations, the indicators for Measure 3 are summarised in Table 3.3.

Table 3.3. Indicators to monitor Measure 3 (external expert assessments)

	Name of indicator	Unit of measurement	Disaggregation	Data considerations
Uptake (applications, participation and outputs)				
3.1	Application to and reception of an external expert assessment of skills/training gaps	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Can determine if the measure is reaching target MSMEs and sectors
Inputs				
3.2	Experts conducting an assessment	Number of experts	• **By sector**	Would be useful to verify experts' qualifications to ensure quality of assessment
3.3	Associations that provided support to enterprises to recruit an expert	Number of associations	• **By size**: no. of members, sectoral coverage • **By sector**	Indicates how many sectors are covered, but does not provide a qualitative assessment of employer associations' performance as intermediaries
3.4	Expenditure on implementation of Measure 3	Euros	• **By funding source**: EU, state, employer • **By cost type**: subsidies, coordination, public administration • **By enterprise size**: micro, small, medium, large • **By sector**	Can be used to monitor budgets and expenditure milestones
Outcomes (qualitative)				
3.5	Reported satisfaction with the external assessment	Number and share of enterprises reporting high satisfaction (using a Likert score)	• **By enterprise size**: micro, small, medium, large • **By sector**	Must survey whether the external expert adequately identified additional skilling needs that were not included in Measure 2
3.6	Reported benefits arising within 6 months after receiving an external expert assessment	Number and share of enterprises reporting benefits	• **By enterprise size**: micro, small, medium, large • **By sector** • **By type of benefit received**: increased enterprise capacity to assess skills gaps and training needs, understanding of skills gaps and training needs, training expenditure, training provision, training culture, training relevance/quality	Provides immediate feedback on the short-term outcomes of the measure; is subjective and needs to be combined with quantitative indicators
Progression between measures				
3.7	Participation in subsidised training programmes (Measure 1) within 6 months of receiving an external expert assessment	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Determines inter-related effects of the measures; might yield a smaller sample of data as the response rate to follow-up surveys is often low (around 30% in Latvia according to MoES consultations)
3.8	Effectiveness of awareness-raising activities by employer associations to promote external expert assessments	Number and share of enterprises	• **By awareness-raising channel**: information on website, outreach via email and telephone, social media campaigns, information events and networking sessions	Indicates which awareness-raising channels are effective, but does not provide a cost-benefit analysis (i.e. audience reach vis-a-vis costs associated) for each awareness-raising channel

Measure 4: Operation of the steering group

The steering group (Measure 4) composed of the MoES, MoE, MoW, CFLA and representatives of municipalities, and its secretariat, will facilitate the implementation and coordination of Measures 1 to 3. Importantly, the steering group and its secretariat will also be responsible for overseeing the monitoring of the implementation of the policy measures. Upon the creation of the steering group, members will have to

agree to comply with requirements to undertake monitoring tasks and report data on input and outcome indicators that track the group's activities and effectiveness.

In order to monitor the effectiveness of the steering group as a governance body, its secretariat should keep track of its composition and attendance at meetings (e.g. by ministry, by sector), the frequency of meetings, its activities, and how much time and money is spent on different activities such as awareness-raising, organisation of meetings, co-ordination efforts and monitoring (*inputs*). They could also periodically (e.g. annually) survey members about their perceptions on the steering group's efficacy (*qualitative outcomes*), and table the results to the Group for discussion. The steering group should also ensure the implementation of Measure 4a (unified online portal), and could oversee its monitoring (e.g. using web analytics tools to monitor use of the portal).

Table 3.4. Indicators to monitor Measure 4 (operation of the steering group)

	Name of indicator	Unit of measurement	Disaggregation	Data considerations
Inputs				
4.1	Attendance of steering group	Number and share of members	• **By ministry and municipality** • **By sector** • **By level of seniority**	Can help ensure an equal and adequate representation among the members throughout the implementation process
4.2	Frequency of meetings	Number of meetings	• **By quarter of the year**	Ensures that the steering group reaches its target of meeting at least four times a year
4.3	Expenditure on steering group	Euros	• **By cost type**: coordination, public administration	Can be used to monitor budgets and expenditure milestones
4.4	Time spent on activities	Number and share of hours	• **By activity type**: coordination of support measures, awareness raising, exchange of best practices, management of Measure 4a, monitoring and data analysis	Can provide insights into what activities require the most resources and could inform adjustments to improve efficiency
Outcomes				
4.5	Reported satisfaction of members with the steering group's efficacy	Number and share of members reporting high satisfaction (using a Likert score)	• **By ministry and municipality** • **By sector** • **By level of seniority**	Should inform adjustments to the inputs listed above

4 Methodology for monitoring the policy package

In addition to indicators, Latvia requires a methodology that describes the processes, systems and responsibilities for monitoring the implementation of the policy package. As with the indicators presented in Chapter 3, the methodology for monitoring the different policy measures was developed in line with existing Latvian and EU-level regulations on monitoring policy measures funded from state and EU sources (Chapter 2).

Several actors would have responsibilities for monitoring and evaluating the implementation of the support measures in the policy package. Employees and enterprises are required to submit data regarding themselves and their participation in the measures to employer associations, the CFLA and the MoE for monitoring and data analysis purposes. The MoE is responsible for storing and centralising all monitoring data on the measures using its management information system, which the steering group's secretariat could use to access data and produce regular reports that summarise the monitoring findings of all the measures. The monitoring reports could be discussed by the steering group during its meetings to adjust implementation as necessary.

Specific monitoring arrangements are described for each policy measure below.

Measure 1: Subsidised training programmes

Application to the subsidised training programmes

Employer associations, which function as the intermediary between the government and enterprises receiving the training programmes, should collect upfront data from enterprises regarding their characteristics (Indicator 1.1a), the personal identity number of learners participating in the training programmes to facilitate the gathering of their socio-demographic characteristics (Indicator 1.1b) in anonymous manner, and the training programmes themselves (Indicator 1.4) during the online application process. These indicators must be submitted to the CFLA, who is in charge of assessing applications, through the CPFMIS, as required by the ESF+ regulations listed in Chapter 2 and the CFLA's current monitoring practices for EU-funded subsidised training programmes delivered through employer associations.

During the application stage, employer associations should also ask enterprises if they have previously completed an online assessment (Indicator 1.12) or expert assessment (Indicator 1.13) in the previous six months, as well as what awareness-raising activities facilitated their knowledge of the training programmes (Indicator 1.14).

Upon the approval of applications to the subsidised training programmes, enterprises will have to agree to comply with monitoring requirements, including the submission of data on uptake indicators as well as the completion of follow-up surveys that measure their outcomes and progression between measures. As early as the approval of applications, the CFLA could share employees' personal identity number with the MoE,

which the Ministry could use to access administrative databases and retrieve socio-demographic characteristics and salaries in an anonymous manner. In cases where information from administrative databases is missing, the MoE could ask enterprises and their employees directly, ensuring that sensitive personal data remains confidential, that any identifiable information is removed, and that all data is used solely for monitoring and analytical purposes.

To continually monitor quantitative outcomes such as the increase in employees' wages (Indicator 1.11), for instance at the start of the training and after six or twelve months after participation in the subsidised training programme, the MoE must request salary data from the State Revenue Service using employees' personal identity number. In accordance with ESF+ regulations, this must be enabled by an interdepartmental agreement on data availability. It is important to note that the collection of data on salaries is a sensitive matter and must be dealt with carefully. Nonetheless, this approach has been adopted in other OECD countries such as Sweden (Box 4.1), where it has been helpful in easing data collection and enabling the evaluation of outcomes over the longer term.

Participation in and completion of subsidised training programmes

Employer associations should also report directly into the CPFMIS whenever enterprises participate in training (Indicators 1.2a and 1.2b) and when they have completed it (Indicators 1.3a and 1.3b). The CFLA should also use the CPFMIS to continually keep track of the number of employer associations participating in the measure (Indicator 1.5), as well as inputs, including expenditure on the measure (Indicator 1.6) and on reimbursed subsidies (Indicator 1.7) from the ESF+ and State Funding sources.

These aforementioned uptake and input indicators must be included in the monitoring reports (e.g. half-yearly and annual) to be produced the steering group's secretariat. The reports may include an analysis of uptake data, for instance, comparing the number of enterprises that applied to the measure with those that participated and completed a training programme, as well as what training programmes they participated in. The monitoring reports may include information on whether inputs such as expenditure are being spent in accordance with pre-determined targets. Moreover, the monitoring reports may also include a basic analysis of increases in salary data, comparing values from before and during employees' participation in the training programme. Information on progression between measures could also be cross-checked with that of the other measures and included in the final monitoring report.

Post-training completion and evaluation

At the end of the implementation period, the CFLA should share all data on uptake, input and progression with the MoE for centralisation purposes (i.e. to consolidate all information in its management information system). Six months after the training is complete, the MoE should design a standardised online survey that is directly integrated into its management information system, and distribute it to participating enterprises to collect data on qualitative outcomes, such as their satisfaction with the training (Indicator 1.8) and the different enterprise-level benefits that arose from it in the six months after participation (Indicator 1.9). A representative of the enterprise (e.g. HR manager, general manager) will be tasked to complete the survey using feedback from the employees who undertook the training. In the case of low response rate, the MoE may request the support of employer associations in gathering answers from the enterprises.

In addition to the enterprise-level survey, the MoE should also distribute an individual-level online survey to employees six months after the completion of the training, asking them what benefits arose from the training in the six months following their participation (Indicator 1.10).

In its final monitoring report, the steering group's secretariat may include an analysis of the data on qualitative outcomes, summarising what the most common benefits have been for enterprises and their employees, as well as their overall satisfaction with the measure. The monitoring report must be discussed

during the meetings of the steering group and could be used to provide insights into how to improve the implementation of the subsidised training programmes.

The arrangements described above could be carried over to the Skills Funds once they are operational.

Box 4.1. Policy examples relevant to the monitoring methodology of Measure 1

Sweden: Linking administrative data to measure training outcomes

The most straightforward approach to monitoring labour market outcomes for participants in adult learning programmes involves surveying participants at the time of training completion. However, several issues such as low survey response rates and participant subjectivity in surveys endanger the quality of data collected. To overcome these challenges, Sweden has developed an alternative strategy, where they match the information contained in participation data with other administrative datasets. The database collected in the context of municipal adult education has been linked with the longitudinal integrated database for health insurance and labour market studies (LISA), allowing authorities to obtain yearly information on employment status (according to register-based labour market statistics), income, and sector of employment. This is facilitated through the collection of participants' personal identity number at the time of their registration in municipal education. This approach has helped Sweden in many ways, such as reducing costs associated with survey administration, enabling the tracking of participant outcomes at different points in time, and improving the objectivity of data. Furthermore, given that almost all participants can be retrieved in administrative databases, this approach has helped address problems of under-coverage or sample selection.

Source: OECD (2022[14]), *Monitoring learning outcomes of adult learning programmes: A review of European best practices on monitoring instruments*, https://epale.ec.europa.eu/sites/default/files/oeso-rapport-2019-monitoring-learning-outcomes-of-adult-learning-programmes.pdf; OECD (2023[15]), *Co-ordinating adult learning policies : Mechanisms for inter-institutional and stakeholder co-ordination*, www.oecd.org/els/emp/skills-and-work/adult-learning/Adult-Learning-policies.pdf; Skillnet Ireland (2022[16]), *Driving Business, People, and Innovation Forward through Talent. Annual Report 2021*, www.skillnetireland.ie/wp-content/uploads/2022/07/Skillnet-Ireland_Annual-Report_2021.pdf.

Measure 2: Online tool for the self-assessment of skills/training gaps

The MoE, as the ministry in charge of funding and developing the online tool within its programming framework, should directly monitor its implementation, with oversight from the steering group and using its management information system. The ministry should keep track of expenditure for the creation and maintenance of the tool (Indicator 2.3) using its own management information system.

Before starting the self-assessment, users will have to agree to report their data directly on the online tool for monitoring purposes, as well as agree to participate in follow-up surveys and submit data for indicators on outcomes and progression between measures. Data on the characteristics of enterprises using the tool (Indicators 2.1 and 2.2) and how these users heard about the tool (Indicator 2.7) should also be collected at the start of the online questionnaire, which could be retrieved and analysed by the MoE and the steering group's secretariat using web analytics tools, along with the overall number of users of the tool. Data on uptake of the online self-assessment tool could be completed with data from Indicator 1.13 (number and share of enterprises who completed an online self-assessment before receiving training subsidies). Upon completing an online self-assessment, users could be asked directly on the tool about their immediate satisfaction, such as its ease of use (Indicator 2.4). The MoE could collect and store all data on uptake of the tool using its own management information system, ensuring that enterprise-level data is collected and stored in a de-identified manner to protect users' privacy.

In its monitoring reports (e.g. half-yearly and annual), the steering group's secretariat should provide information about the uptake of the online tool, as well as users' satisfaction with it, which could ideally be disaggregated according to enterprise characteristics to assess differences across sectors and enterprise size. The monitoring report could also include information about the use of inputs to develop and maintain the online tool in accordance with pre-determined targets on expenditure.

Some time after an enterprise has completed an online self-assessment (e.g. 6 months), the MoE could send an automated survey to the enterprises' specified contact point in order to assess what benefits arose from using the tool (Indicator 2.5), and whether they subsequently participated in subsidised training (Indicator 2.6). As with Measure 1, a representative of the enterprise will complete the survey. In the final monitoring report, the steering group's secretariat could include an analysis of enterprises' outcomes from using the online tool, such as benefits arising from its use, as well as their participation in other measures, including the subsidised training programmes.

The MoE could co-ordinate with the European Digital Innovation Hubs (EDIHs) about the possibility of centralising data in EDIH databases.

Measure 3: External expert assessments of MSMEs' skills/training gaps

Employer associations, which are responsible for setting up a network of external experts and engaging with them to implement the measure, should keep track of the number of experts in the network (Indicator 3.2) and the number of enterprises that have applied and received an external expert assessment (Indicator 3.1), and submit this information to the CFLA using the CPFMIS. Throughout implementation, the CFLA must keep track of the number of associations that are providing support to enterprises to recruit an expert (Indicator 3.3) and expenditure on the measure (Indicator 3.4).

Before receiving an external expert assessment, enterprises will have to agree to comply with monitoring requirements, including the submission of data on uptake indicators as well as the completion of follow-up surveys that measure their outcomes and progression between measures. During the expert interviews, the enterprises must report to the expert what awareness-raising activities have been helpful in promoting the measure (Indicator 3.8). At the end of the interviews, the experts will forward enterprises' responses to this indicator to the employer associations, who would submit this information to the CFLA for data centralisation purposes using the CPFMIS.

In its monitoring reports (e.g. half-yearly and annual), the steering group's secretariat could include an analysis of uptake data, summarising which types of enterprises and in which sectors have received an external expert assessment. The monitoring reports could also include information on inputs, especially expenditure, to determine whether spending is in accordance with pre-determined targets and whether it follows standard EU subsidy rates.

At the end of the implementation period, the CFLA should share all data on enterprises' uptake with the MoE for centralisation purposes. Some time after an enterprise has received an external assessment (e.g. six months), the MoE should design a standardised online survey that is integrated into its management information system and distribute it to enterprises to collect information on their reported satisfaction with the assessment service (Indicator 3.5), what benefits arose from using the service (Indicator 3.6), and whether they subsequently participated in subsidised training (Indicator 3.7) after receiving the external expert assessment. As with Measures 1 and 2, a representative of the enterprise will be tasked to complete this online survey. In the case of low response rates, the MoE may request the support of employer associations in gathering answers from the enterprises.

In its final monitoring report, the steering group's secretariat could include an analysis of the data on qualitative outcomes, summarising what the most common enterprise-level benefits arose from the service,

their overall satisfaction, and whether they participated in other measures after receiving an external expert assessment.

The proposed monitoring methodology described above assumes that, as with Measure 1, Measure 3 will also be funded through EU Structural Funds. If this is not the case, the CFLA will have no responsibilities for implementing and monitoring the measure, and data on the uptake of the external expert assessments will be submitted by employer associations directly to the MoE through its management information system, using standardised templates determined by the Ministry. The Ministry will also be responsible for tracking input indicators and distributing follow-up surveys to enterprises to gather data on their outcomes and progression between measures.

Measure 4: Operation of the steering group

In addition to coordinating the monitoring of the first three policy measures, the steering group's secretariat is also responsible for monitoring the group's effectiveness as a governance body. It should collect data on the attendance of the steering group members (Indicator 4.1), the frequency of meetings (Indicator 4.2), expenditure on the steering group (Indicator 4.3) and the time spent on activities (Indicator 4.4), and store this data in the management information system of the MoE. The secretariat could also survey steering group members on their satisfaction with the group's efficacy (Indicator 4.5). It should produce regular (e.g. half-yearly and annual) reports on these monitoring indicators, which the steering group should discuss in its meetings, along with the monitoring reports for other measures.

In line with relevant regulations listed in Chapter 2 (e.g. Cabinet of Ministers' Instruction No. 16 of November 17, 2009), the MoE should use this information to assess the achievement of objectives and provide proposals regarding necessary adjustments to improve the implementation of all the policy measures. Based on these proposals, the MoE should then coordinate with the steering group and project beneficiaries (e.g. employer associations) to make policy adjustments as needed.

More generally, the secretariat should also ensure that all arrangements for collecting, storing and sharing data to monitor the implementation of the policy measures would need to adhere to privacy requirements, and seek to protect anonymity for recipients and users (e.g. by using de-identified data). In cases (e.g. Measure 1) where sensitive personal information (e.g. personal identity numbers, salaries) must be collected, they must ensure that such data is treated with utmost confidentiality and is used in line with Latvian and EU-level data protection requirements.

5 Summary of monitoring indicators and methodology

This chapter briefly consolidates the content of the previous chapters into a summary of the indicators, responsibilities and systems required to monitor the implementation of the policy package. For each policy measure, the monitoring indicators, their unit of measurement and disaggregation are summarised together with the organisations or institutions in charge of collecting, compiling, and submitting this data to the appropriate data systems, as specified in Latvian and EU-level regulations. The summary table for monitoring the policy package is presented in Table 5.1.

Table 5.1. Summary of monitoring indicators and methodology for the policy package

	Name of indicator	Unit of measurement	Disaggregation	Data collector	Data storage systems
			Measure 1: Subsidised training programmes		
	Uptake (applications, participation and completion)				
1.1.a		Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Employer associations	
1.1.b	Application to subsidised training programmes	Number and share of employees	• **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3])	Employee characteristics: MoE Training characteristics: Employer associations	CPFMIS and management information system of the MoE
1.2.a		Number and share of enterprises	• Same as above	Same as above	

	Name of indicator	Unit of measurement	Disaggregation	Data collector	Data storage systems
1.2.b	Participation in subsidised training programmes	Number and share of employees	• Same as above		
1.3.a	Completion of subsidised training programmes	Number and share of enterprises	• Same as above		
1.3.b		Number and share of employees	• Same as above		
1.4	Intensity of subsidised training programmes attended	Number of hours spent in the training in the last 6 months	• **By enterprise size**: micro, small, medium, large • **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3])	Employer associations	CPFMIS
Inputs					
1.5	Number and share of employer associations involved	Number and share of employer associations	• **By size**: no. of members, sectoral coverage • **By sectors covered**	CFLA	CPFMIS
1.6	Total expenditure spent on the measure by employer associations	Euros	• **By funding source**: EU, state, employer • **By cost type**: subsidies, co-ordination, awareness-raising, public administration • **By awareness-raising channel**: information on website, outreach via email and telephone, social media campaigns, information events and networking sessions		
1.7	Total expenditure spent on subsidies per enterprise and worker	Euros	• **By funding source**: EU, state, employer • **By enterprise size:** micro, small, medium, large • **By sector** • **By training characteristics:** formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other3)		

	Name of indicator	Unit of measurement	Disaggregation	Data collector	Data storage systems
Outcomes					
1.8	Reported satisfaction with the subsidised training programme	Number and share of enterprises reporting high satisfaction (using a Likert score)	• **By enterprise size**: micro, small, medium, large • **By sector** • **By employee characteristics**: age group, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3])	MoE	Management information system of the MoE
1.9	Reported enterprise benefits arising from the subsidised training in the 6 months after participation	Number and share of enterprises reporting benefits	• **By enterprise size**: micro, small, medium, large • **By type of benefit received**: increased enterprise training expenditure, training provision, training culture, training relevance/quality, productivity, profitability		
1.10	Reported employee benefits arising from the training 6 months after participation	Number and share of employees	• **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents) • **By sector** • **By training characteristics**: formality (formal, non-formal), field of education, price, targeted skills (digital skills, transversal skills, sector-specific skills) and provider type (education/non-education institution [e.g. association], private/public education provider, VET, HEI, other[3]) • **By self-reported outcome**: acquisition of a formal qualification[4], movement to a job requiring higher level skills/qualifications, increase in wages, increase in responsibilities, promotion		
1.11	Increase in employee wages after participation in the subsidised training programme (e.g., after 6 and 12 months)	EUR	• **By employee characteristics**: age, sex, citizenship/residency status, educational attainment, no. of years employed in the enterprise, disability status, family status (marital status, number of dependents)	MoE	Management information system of the MoE

	Name of indicator	Unit of measurement	Disaggregation	Data collector	Data storage systems
Progression between measures					
1.12	Completion of online self-assessment tool (Measure 2) within the previous 6 months before participation in the subsidised training programme	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Employer associations	CPFMIS
1.13	Completion of expert assessment (Measure 3) within the previous 6 months before participation in the subsidised training programme	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**		
1.14	Effectiveness of awareness-raising activities by employer associations to promote the subsidised training programmes	Number and share of enterprises	• **By awareness-raising channel**: information on website, outreach via email and telephone, social media campaigns, information events and networking sessions		
Measure 2: Online tool for the self-assessment of skills/training gaps					
Uptake (applications, participation and completion)					
2.1	Number of enterprises that completed a self-assessment using the online tool	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	MoE	Management information system of the MoE
2.2	Number of times the enterprise has used the online tool	Number of complete assessments	• **By enterprise** • **By enterprise size**: micro, small, medium, large • **By sector**		
Inputs					
2.3	Total expenditure on self-assessment tool	Euros	• **By cost type**: fixed cost payment for tool development, yearly maintenance	MoE	Management information system of the MoE
Outcomes					
2.4	Reported satisfaction with the self-assessment tool	Number and share of enterprises reporting high satisfaction (using a Likert score)	• **By enterprise size**: micro, small, medium, large • **By sector**	MoE	Management information system of the MoE

	Name of indicator	Unit of measurement	Disaggregation	Data collector	Data storage systems
2.5	Reported benefits arising from the online self-assessment tool 6 months after completion	Number and share of enterprises reporting benefits	• **By enterprise size**: micro, small, medium, large • **By sector** • **By type of benefit received**: increased enterprise capacity to assess skills gaps and training needs; understanding of skills gaps and training needs; training expenditure; training provision; training culture; training quality		
Progression between measures					
2.6	Participation in subsidised training programmes (Measure 1) within 6 months of completing the online self-assessment tool	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	MoE	Management information system of the MoE
2.7	Effectiveness of awareness-raising activities to promote the online self-assessment tool	Number and share of users	• **By awareness-raising channel**: information on website (including unified online platform [Measure 4a]), outreach via email and telephone, social media campaigns, information events and networking sessions		
Measure 3: External expert assessments of MSMEs' skills/training gaps					
Uptake (applications, participation and completion)					
3.1	Application to and reception of an external expert assessment of skills/training gaps	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	Employer associations	CPFMIS
Inputs					
3.2	Experts conducting an assessment	Number of experts	• **By sector**	Employer associations	
3.3	Associations that provided support to enterprises to recruit an expert	Number of associations	• **By size**: no. of members, sectoral coverage • **By sector**	CFLA	CPFMIS
3.4	Expenditure on implementation of Measure 3	Euros	• **By funding source**: EU, state, employer • **By cost type**: subsidies, coordination, public administration • **By enterprise size**: micro, small, medium, large • **By sector**		
Outcomes (qualitative)					
3.5	Reported satisfaction with the external assessment	Number and share of enterprises reporting high satisfaction (using a Likert score)	• **By enterprise size**: micro, small, medium, large • **By sector**	MoE	Management information system of the MoE

	Name of indicator	Unit of measurement	Disaggregation	Data collector	Data storage systems
3.6	Reported benefits arising within 6 months after receiving an external expert assessment	Number and share of enterprises reporting benefits	• **By enterprise size**: micro, small, medium, large • **By sector** • **By type of benefit received**: increased enterprise capacity to assess skills gaps and training needs, understanding of skills gaps and training needs, training expenditure, training provision, training culture, training relevance/quality		
Progression between measures					
3.7	Participation in subsidised training programmes (Measure 1) within 6 months of receiving an external expert assessment	Number and share of enterprises	• **By enterprise size**: micro, small, medium, large • **By sector**	MoE	CPFMIS and management information system of the MoE
3.8	Effectiveness of awareness-raising activities by employer associations to promote external expert assessments	Number and share of enterprises	• **By awareness-raising channel**: information on website, outreach via email and telephone, social media campaigns, information events and networking sessions	Employer associations, external experts	
Measure 4: Operation of the steering Group					
Inputs					
4.1	Attendance of steering group	Number and share of members	• **By ministry and municipality** • **By sector** • **By level of seniority**	Steering group secretariat	Management information system of the MoE
4.2	Frequency of meetings	Number of meetings	• **By quarter of the year**		
4.3	Expenditure on steering group	Euros	• **By cost type**: coordination, public administration		
4.4	Time spent on activities	Number and share of hours	• **By activity type**: coordination of support measures, awareness raising, exchange of best practices, management of Measure 4a, monitoring and data analysis		
Outcomes					
4.5	Reported satisfaction of members with the Steering Group's efficacy	Number and share of members reporting high satisfaction (using a Likert score)	• **By ministry and municipality** • **By sector** • **By level of seniority**	Steering group secretariat	Management information system of the MoE

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