

**EXPLANATORY MEMORANDUM TO**  
**THE EUROPEAN NETWORK OF EMPLOYMENT SERVICES (EU EXIT)**  
**REGULATIONS 2018**

**2018 No. 1283**

**1. Introduction**

- 1.1 This explanatory memorandum has been prepared by the Department for Work and Pensions (DWP) and is laid before Parliament by Act.
- 1.2 This memorandum contains information for the Sifting Committees.

**2. Purpose of the instrument**

- 2.1 The instrument removes inoperable regulations and directives that are no longer applicable to the United Kingdom following our departure from the European Union (EU). The instrument will remove descriptions, definitions and distinctions to two EU programmes; The European Network of Employment Service (EURES) Regulation 2016/589<sup>1</sup> and the Employment and Social Innovation (EaSI) funding programme Regulation 1296/2013<sup>2</sup>. This instrument also gives the Secretary of State the ability to safeguard funding for UK grantees' with an agreement in place before the UK exits the EU.

*What did any relevant EU law do before exit day?*

European Commission Implementing Decision 2012/733/EU, and subsequently Regulation (EU) 2016/589 provide for EURES, a network of public employment services providing information, advice, and job-matching to workers and employers across the European Economic Area (EEA) to facilitate freedom of movement of workers. Member States are obligated under EU law to provide a EURES service which DWP delivers through its national job matching website, Find a Job (formerly Universal Jobmatch), and via the National Coordination Office (NCO), based within Jobcentre Plus.

In addition, Regulation (EU) No 1296/2013 provide for the EaSI fund which primarily facilitates research, projects and policy development to support EU level priorities in the field of employment and social protection. It is an EU led programme in which organisations bid directly to the European Commission for funding, independent of national governments, and has limited coverage in the UK. The UK contributes to this EU funding programme through the EU's budgeting platform multiannual financial framework (MFF).

EURES and EaSI regulations are directly applied and this instrument prevents these regulations from being transposed into domestic law. They became inoperable after the United Kingdom leaves the European Union because the UK cannot participate in the scheme as a third country.

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<sup>1</sup> [Regulation \(EU\) 2016/589](#) of the European Parliament and of the Council of 13 April 2016 on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013 (Text with EEA relevance)

<sup>2</sup> [Regulation \(EU\) No 1296/2013](#) of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion Text with EEA relevance

Why is it being changed?

- 2.2 If the UK exits the EU without a deal, the UK will no longer be able to take part in either EURES or EaSI as participation in both programmes is predicated on EU membership. The continued inclusion of references to both programmes will therefore no longer be required in UK law.

What will it now do?

- 2.3 The instrument will repeal all references to EURES and EaSI from UK law on the day the UK exits the EU. Failure to lay this instrument by exit day, in the case of the EURES regulation, would mean that the UK would continue to be legally obliged to retain a EURES service including continuing to upload UK vacancies to the EU wide job portal but without being able to remain part of the programme as we would no longer be a member. Equally, if references to the EaSI fund are not removed in time for the UK's exit from the EU, UK businesses may continue to bid for EaSI despite no longer being able to receive funding.

**3. Matters of special interest to Parliament**

*Matters of special interest to the Sifting Committees*

- 3.1 This statutory instrument was laid for sifting on 31 October 2018 as a proposed negative resolution procedure instrument. The sifting committees agreed with the government that this statutory instrument should be subject to negative resolution procedure.

*Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)*

- 3.2 As the instrument is subject to negative resolution procedure there are no matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business at this stage.

**4. Extent and Territorial Application**

- 4.1 The territorial extent of this instrument is the United Kingdom.  
4.2 This territorial application of this instrument is the United Kingdom.

**5. European Convention on Human Rights**

- 5.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

**6. Legislative Context**

- 6.1 The European Union (Withdrawal) Act<sup>3</sup> 2018 provides for the Secretary of State to repeal deficiencies in EU law arising from the withdrawal of the United Kingdom from the European Union. This includes law to enable Secretary of State to administer HMG domestic funding guarantee.  
6.2 EURES was first established in 1993 and taking its authority from EEC Regulation 1612/1968 on the Freedom of Movement of Workers, which was later reinforced by EU Regulation 492/2011 and EU 1296/2013. Regulation 2016/589 of the European

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<sup>3</sup> European Union (Withdrawal) Act 2018, Main powers in connection with withdrawal ([Section 8](#))

Parliament and of the Council of 13 April 2016 on a European Network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013.

- 6.3 EURES regulations were proposed to ensure all Member States of the network provided a standardised service to ensure all EU citizens could exercise the founding principal of the EU, freedom of movement. The objective of the EURES network is to facilitate the free movement of workers within the European Economic Area (EEA) (the 28 members of the European Union, plus Norway, Liechtenstein and Iceland) and Switzerland. EURES targets both job-seekers interested in moving to another country to work or to study, and employers wishing to recruit from abroad.
- 6.4 The regulation also provided the framework in which the Commission could monitor and report on Member State activities and giving the Commission the necessary powers to infract any Member State that did not comply with regulation.
- 6.5 Regulation (EU) No 1296/2013 of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation (EaSI) and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion Text with EEA relevance.
- 6.6 The Employment and Social Innovation (EaSI) fund is the successor to earlier employment and social policy spending programmes. It contributes to the delivery of the Europe 2020 strategy, aiming to promote EU Treaty objectives for a high level of employment and adequate social protection, to combat social exclusion and poverty, and to improve working conditions. EaSI is made up of three axes; Progress, EURES and Progress Microfinance. DWP has nominal lead on the Employment and Social Innovation fund, as the funding programme is directly managed by the Commission.
- 6.7 EaSI is implemented by EU Regulation, applicable to all Member States, decided by qualified majority voting in Council, and agreed jointly with the European Parliament. Most actions under the programme are directed at stakeholders other than Government, and require participants to bid for funding.
- 6.8 This instrument will repeal all references to EURES and EaSI regulations before they are transposed into domestic legislation and gives Secretary of State the necessary powers to safeguard funding for UK bodies should it be required after we exit the EU.

## **7. Policy background**

### ***What is being done and why?***

- 7.1 The instrument removes inoperable regulations and references that are no longer applicable to the United Kingdom following our departure from the European Union and the consequent ending of our participation in EURES and EaSI.

### **What is EURES and EaSI and how do they function?**

EU regulations require all member states to be part of EURES in support of the objectives around freedom of movement and labour mobility. EURES is a network of public employment services, its principle aim being to facilitate labour mobility across the European Economic Area EEA.

The EaSI fund facilitates research, projects and policy development to support EU level priorities in the field of employment and social protection. The Employment and

Social Innovation fund is EU funding programme that the UK contributions to through the MFF, the European Union budgeting platform MFF. This is a direct bid funding programme managed by the Commission for companies competitively bid to carry research/projects on behalf of the European Commission.

## **8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union**

This instrument is being made using the power in Section 8 of the European Union (Withdrawal) Act 2018 in order to address failures of retained EU law to operate effectively or other deficiencies arising from the withdrawal of the United Kingdom from the European Union. In accordance with the requirements of that Act the Minister has made the relevant statements as detailed in Part 2 of the Annex to this Explanatory Memorandum.

## **9. Consolidation**

9.1 Not Applicable

## **10. Consultation outcome**

10.1 As this instrument repeals inoperable European Union law and makes no policy changes, consultation was not viewed as necessary.

## **11. Guidance**

11.1 The Department for Work and Pensions does not propose to issue any guidance in relation to this statutory instrument.

## **12. Impact**

12.1 There is no significant impact on impact on business, charities or voluntary bodies.

12.2 There is no significant impact on the public sector.

12.3 As the impact of this legislation is not significant, a full impact assessment has not been prepared. Proportionate analysis suggests that availability of other free-to-use services, the removal of the EURES service will not prevent jobseekers and employers from pursuing and advertising jobs/vacancies outside of the UK, so the impact to these stakeholders is estimated to be minimal. The number of UK bodies that draw from the EaSI funding programme is small but the domestic funding guarantee announced HM Treasury aims to safeguard UK businesses in the event of the UK's withdrawal from the EU without an agreement.

## **13. Regulating small business**

13.1 The legislation does not apply to activities that are undertaken by small businesses.

## **14. Monitoring & review**

14.1 As this instrument only removes inoperable regulations and references, no monitoring is required.

14.2 As this instrument is made under the EU Withdrawal Act 2018, no review clause is required.

## **15. Contact**

- 15.1 Greg Mutyambizi at the Department for Work and Pensions (Telephone: 0207 3404028 or email: [greg.mutyambizi@dwp.gsi.gov.uk](mailto:greg.mutyambizi@dwp.gsi.gov.uk)) can be contacted with any queries regarding the instrument.
- 15.2 Mark Turner, Head of EU Exit Planning, Coordination and Legislation at the Department for Work and Pensions can confirm that this Explanatory Memorandum meets the required standard.
- 15.3 Alok Sharma MP, Minister for Employment at the Department for Work and Pensions can confirm that this Explanatory Memorandum meets the required standard.

# Annex

## Statements under the European Union (Withdrawal) Act 2018

### Part 1

#### Table of Statements under the 2018 Act

This table sets out the statements that may be required under the 2018 Act.

Statement	Where the requirement sits	To whom it applies	What it requires
Sifting	Paragraphs 3(3), 3(7) and 17(3) and 17(7) of Schedule 7	Ministers of the Crown exercising sections 8(1), 9 and 23(1) to make a Negative SI	Explain why the instrument should be subject to the negative procedure and, if applicable, why they disagree with the recommendation(s) of the SLSC/Sifting Committees
Appropriate-ness	Sub-paragraph (2) of paragraph 28, Schedule 7	Ministers of the Crown exercising sections 8(1), 9 and 23(1) or jointly exercising powers in Schedule 2	A statement that the SI does no more than is appropriate.
Good Reasons	Sub-paragraph (3) of paragraph 28, Schedule 7	Ministers of the Crown exercising sections 8(1), 9 and 23(1) or jointly exercising powers in Schedule 2	Explain the good reasons for making the instrument and that what is being done is a reasonable course of action.
Equalities	Sub-paragraphs (4) and (5) of paragraph 28, Schedule 7	Ministers of the Crown exercising sections 8(1), 9 and 23(1) or jointly exercising powers in Schedule 2	Explain what, if any, amendment, repeals or revocations are being made to the Equalities Acts 2006 and 2010 and legislation made under them.  State that the Minister has had due regard to the need to eliminate discrimination and other conduct prohibited under the Equality Act 2010.
Explanations	Sub-paragraph (6) of paragraph 28, Schedule 7	Ministers of the Crown exercising sections 8(1), 9 and 23(1) or jointly exercising powers in Schedule 2 In addition to the statutory obligation the Government has made a political commitment to include these statements alongside all EUWA SIs	Explain the instrument, identify the relevant law before exit day, explain the instrument's effect on retained EU law and give information about the purpose of the instrument, e.g., whether minor or technical changes only are intended to the EU retained law.
Criminal offences	Sub-paragraphs (3) and (7) of paragraph 28, Schedule 7	Ministers of the Crown exercising sections 8(1), 9, and 23(1) or jointly exercising	Set out the 'good reasons' for creating a criminal offence, and the penalty attached.

		powers in Schedule 2 to create a criminal offence	
Sub-delegation	Paragraph 30, Schedule 7	Ministers of the Crown exercising sections 10(1), 12 and part 1 of Schedule 4 to create a legislative power exercisable not by a Minister of the Crown or a Devolved Authority by Statutory Instrument.	State why it is appropriate to create such a sub-delegated power.
Urgency	Paragraph 34, Schedule 7	Ministers of the Crown using the urgent procedure in paragraphs 4 or 14, Schedule 7.	Statement of the reasons for the Minister's opinion that the SI is urgent.
Explanations where amending regulations under 2(2) ECA 1972	Paragraph 13, Schedule 8	Anybody making an SI after exit day under powers outside the European Union (Withdrawal) Act 2018 which modifies subordinate legislation made under s. 2(2) ECA	Statement explaining the good reasons for modifying the instrument made under s. 2(2) ECA, identifying the relevant law before exit day, and explaining the instrument's effect on retained EU law.
Scrutiny statement where amending regulations under 2(2) ECA 1972	Paragraph 16, Schedule 8	Anybody making an SI after exit day under powers outside the European Union (Withdrawal) Act 2018 which modifies subordinate legislation made under s. 2(2) ECA	Statement setting out: a) the steps which the relevant authority has taken to make the draft instrument published in accordance with paragraph 16(2), Schedule 8 available to each House of Parliament, b) containing information about the relevant authority's response to— (i) any recommendations made by a committee of either House of Parliament about the published draft instrument, and (ii) any other representations made to the relevant authority about the published draft instrument, and, c) containing any other information that the relevant authority considers appropriate in relation to the scrutiny of the instrument or draft instrument which is to be laid.

## **Part 2**

### **Statements required when using enabling powers under the European Union (Withdrawal) 2018 Act**

#### **1. Sifting statement(s)**

1.1 The Minister for Employment, Alok Sharma, has made the following statement regarding use of legislative powers in the European Union (Withdrawal) Act 2018:

1.2 “In my view the European Network of Employment Services (EU Exit) Regulations 2018 should be subject to annulment in pursuance of a resolution of either House of Parliament (i.e. the negative procedure)”. This is the case because repealing the inoperability and deficiencies prevents redundant legislation being transposed into domestic law and does not make policy changes or amend primary legislation.”

#### **2. Appropriateness statement**

2.1 The Minister for Employment, Alok Sharma has made the following statement regarding use of legislative powers in the European Union (Withdrawal) Act 2018:

“In my view the European Network of Employment Services (EU Exit) Regulations 2018 does no more than is appropriate. This is the case because they do no more than prevent, repeal or mitigate deficiencies in otherwise retained EU law arising from the withdrawal of the UK from the EU”.

#### **3. Good reasons**

3.1 The Minister for Employment, Alok Sharma has made the following statement regarding use of legislative powers in the European Union (Withdrawal) Act 2018:

3.2 “In my view there are good reasons for the provisions in this instrument, and I have concluded they are a reasonable course of action. These reasons are detailed in Section 7 of this explanatory memorandum.”

#### **4. Equalities**

4.1 The Minister for Employment, Alok Sharma has made the following statement(s):  
“The instrument does not amend, repeal or revoke a provision or provisions in the Equality Act 2006 or the Equality Act 2010 or subordinate legislation made under those Acts”.

4.2 The Minister for Employment, Alok Sharma has made the following statement regarding use of legislative powers in the European Union (Withdrawal) Act 2018:

“In relation to the instrument, I, Alok Sharma have had due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010.”

#### **5. Explanations**

5.1 The explanations statement has been made in section 2 of the main body of this explanatory memorandum.