



## Questions and answers: European Skills Agenda for sustainable competitiveness, social fairness and resilience

Brussels, 1 July 2020

### Why are skills so important?

Skills are key for sustainable competitiveness, resilience and ensuring social fairness for all. Businesses need workers with the skills required to master the green and digital transitions, and people need to be able to get the right education and training to thrive in life. Skills are an answer to the need for companies to remain competitive while ensuring social fairness for all.

The coronavirus crisis has highlighted the importance of having the right skills for strategic sectors to perform and for individuals to navigate through life and professional transitions. In particular, it has accentuated the need of digital skills in many aspects of people's daily lives and for business continuity. While telework and distance learning have become a reality for millions of people in the EU, the limitations of our current digital preparedness were often revealed. Currently, at least 85% of jobs require some level of digital ability, while only 56% of adults had at least basic digital skills in 2019. Between 2005 and 2016, 40% of new jobs were in digitally-intensive sectors. As Europe sets off on its path to recovery, the need to improve and adapt skills becomes an imperative.

Having the right skills means being able to more easily stay employed and master job transitions. This requires providing equal access to additional up-skilling opportunities for people across the EU, regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation, and including low-qualified/skilled adults and people with a migrant background. Similarly, all territories should be covered, from big cities to rural, coastal or remote areas across the whole EU.

### What is new in the Skills Agenda?

The Skills Agenda introduces a totally new momentum, focused on skilling for a job. It combines a European Pact for Skills which brings together all stakeholders with a heavily increased EU budget, as proposed by the Commission in May, and ambitious quantitative objectives by 2025. The new Skills Agenda:

- calls for collective action, mobilising business, social partners and stakeholders, to commit to working together, in particular within the EU's industrial eco-systems and across value chains;
- defines a clear strategy to ensure that skills lead to jobs;
- helps people build their skills throughout life in an environment where lifelong learning is the norm;
- identifies the significant financial means to invest in skills;
- sets ambitious objectives for up- and reskilling to be achieved within the next 5 years.

The Agenda outlines 12 flagship actions:

#### - A Pact for Skills

Mobilising all partners for more and better opportunities for people to train, and to unlock public and private investments across industrial and skills ecosystems.

#### - Strengthening skills intelligence

To skill for a job, we need online 'real-time' information on skills demand, including at regional and sectoral level, using big data analysis of job vacancies and making it widely available.

#### - EU support for strategic national upskilling action

We will work with Member States on modern and comprehensive national skills strategies and join forces with national public employment agencies to realise them. This can be coupled with a more strategic approach to legal migration, oriented towards better attracting and keeping talent.

#### - Proposal for a Council Recommendation on Vocational Education and Training for sustainable competitiveness, social fairness and resilience

Taking a fresh approach to make vocational education and training more modern, attractive for all learners, flexible and fit for the digital age and green transition. Find out more about the VET

recommendation.

**- Rolling out the European Universities initiative and upskilling scientists**

Building long-term transnational alliances between higher education institutions throughout Europe and developing a core set of skills for researchers.

**- Skills to support the green and digital transitions**

Developing a set of core green skills, statistical monitoring of the greening of our workplaces, boosting digital skills through a Digital Education Action Plan and ICT jump-start training courses.

**- Increasing STEM graduates and fostering entrepreneurial and transversal skills**

We encourage young people, especially women, into Science, Technology, Engineering and Maths. We also want to strengthen support for entrepreneurs and the acquisition of transversal skills like cooperation and critical thinking.

**- Skills for Life**

Beyond the labour market, we will support adult learning for everyone — young people and adults — on issues such as media literacy, civic competences, and financial, environmental and health literacy.

**- Initiative on individual learning accounts**

We will explore if and how portable and quality-checked training entitlements could help stimulate lifelong learning for all.

**- A European approach to micro-credentials**

Training courses are becoming shorter and more targeted and are often online. We will create European standards that should help recognise the results of such training.

**- New Europass Platform**

We have completely revamped the Europass platform. As of today, it offers online tools and guidance on CV-writing, suggests tailored jobs and learning opportunities, provides information for job seekers, and is available in 29 languages. [www.europa.eu/europass](http://www.europa.eu/europass)

**- Unlocking Member States' and private investments in skills**

A key element of the Skills Agenda is the much-boosted EU budget to catalyse Member States and private actors to invest in skills. We will work on improving transparency around skills investment and explore novel financing mechanisms such as social impact bonds to incentivise investment.

**What is the Commission hoping to achieve?**

With this Agenda, the Commission sets out a new and dynamic approach to skills policy at EU level, aiming to guide Member States and help drive the green and digital transitions and ensure recovery from the socio-economic impact of the coronavirus pandemic. The aim is to ensure that the right to training and lifelong learning, enshrined in the European Pillar of Social Rights, becomes a reality all across Europe, from cities to remote and rural areas, to the benefit of everyone.

In order to deliver, the Commission proposes to set quantitative objectives based on existing indicators, to be monitored by 2025.

Indicators	Objectives for 2025	Current level (latest year available)	Increase (in %)
Participation of adults aged 25-64 in learning over a period of 12 months	50%	38% (2016)	+ 32%
Participation of low-qualified adults aged 25-64 in learning over a period of 12 months	30%	18% (2016)	+ 67%
Share of unemployed adults 25-64 with a recent learning experience	20%	11% (2019)	+ 82%
Share of 16-74 year olds having at least basic digital skills	70%	56% (2019)	+ 25%

How will you monitor progress in the Member States against these quantitative objectives?

Progress towards the objectives will be regularly monitored in the European Semester of economic and social policy coordination. It will be published in the annual Joint Employment Report and serve as the analytical basis for more focussed country specific recommendations on skills, education and training.

**What is the Pact for Skills and how does it work?**

The Pact for Skills is a new engagement and governance model for skills. Industry, public and private employers, social partners, chambers of commerce, education and training providers and employment agencies will be invited to work together and to create a shared vision and action. In particular, it will set up large-scale partnerships, including at regional level, in strategic industrial ecosystems and priority areas identified in the European Green Deal to achieve ambitious commitments.

The main objective of the Pact is to mobilise resources and incentivise all relevant stakeholders to take real action to upskill and reskill the workforce, by pooling efforts and setting up partnerships supporting green and digital transitions as well as local and regional growth strategies.

Under the Pact, the Commission will offer a single entry point at EU level where everyone can access the information on EU funding and programmes for skills development of working-age people.

### **How do we know which skills are needed for now and in the future?**

It is vital to understand in which skills people and companies should invest. Anticipation is key to prepare for a future economy that will require new tasks. Companies are already facing skills mismatches and gaps notably to master the green and digital transitions. Some data is already being collected and available, but not in an integrated way or in a format that is accessible to people to inform their training decisions.

Artificial intelligence and big data analysis have great potential to identify the skills needs of the future. They can complement more traditional sources of information such as official statistics and employer or sectoral surveys.

The Commission will support the development of new and deepened skills intelligence, including at regional and sectoral levels. Building upon the Cedefop pilot of big data analysis, a permanent online tool will be created where 'real-time' information will be published so that it can be used by all interested stakeholders can use it. The Commission will also explore partnerships to use data from private job portals and national skills intelligence.

### **What is an individual learning account?**

Individual learning accounts are personal accounts, which provide people with training entitlements. People can use their entitlements to engage in training not only for their current job, but also to prepare for new jobs or new sectors. Linking such entitlements to the individual rather than to jobs also ensures portability from job to job (or job to unemployment and vice-versa).

The Commission will assess how a possible European initiative on individual learning accounts could help to close existing gaps in access to training and empower people to switch jobs or change careers. The financing of individual learning accounts, where they exist, differs from one country to another, in accordance with national strategic choices. The assessment will cover this important element.

### **What is a micro-credential?**

Generally-speaking, a micro-credential captures a small unit of learning, and is awarded after a short course or module is completed, and the acquired competences are assessed. Higher education institutions can offer micro-credentials in a formal way, or as a non-formal document, most often in electronic form. Typically, micro-credentials are given by the public or private organisation that delivered the short course, or by a related sectoral or trade organisation.

As part of the Skills Agenda, the Commission will develop European standards for the quality and transparency of micro-credentials, so that they can be trusted, recognised and used throughout the European labour market and the European Education Area. This way, they can be coupled with national qualifications frameworks and the European qualifications framework. As a way of giving a trusted and understood value to short training, they have great potential to help people improve or gain new skills throughout their careers and with the flexibility they need. They are also useful for regular students and graduates, in particular to develop transferable skills that students from all disciplines need for their future careers.

### **What is the Commission proposing on vocational education and training?**

The proposal for a Council Recommendation on vocational education and training (VET) puts forward a number of actions to make VET future-proof.

The Commission's Proposal for a Council Recommendation on vocational education and training for sustainable competitiveness, social fairness and resilience aims to:

- modernise vocational education and training in the EU, adapting it to a more digital and greener economy;
- ensure that vocational education and training is agile, adapting swiftly to labour market needs and providing quality opportunities for young and adults alike;

- reinforce opportunities for work-based learning and apprenticeships;
- increase the flexibility of vocational education and training, including by encouraging modular and non-formal learning methods;
- boost the quality assurance of vocational education and training and promote Centres of Vocational Excellence.

It also proposes three quantitative objectives to be achieved by 2025:

- the share of employed graduates should be at least 82%;
- 60% of recent graduates from vocational education and training benefit from exposure to work-based learning;
- 8% of learners in vocational education and training benefit from a learning mobility abroad.

### **What actions can be taken at national level for strong, resilient and future-proof vocational education and training systems?**

Member States, together with social partners, education and training providers, learners' representatives, business and sectoral organisations and other stakeholders should work together towards the following actions:

- providing vocational education and training providers a level of autonomy allowing them to react quickly to skills challenges, offer fast reskilling programmes and work in close partnerships with employers from both public and private sectors;
- modularising vocational education and training programmes and expanding them to higher levels of qualifications and micro-credentials;
- linking vocational education and training to forward-looking economic strategies and innovation systems, including by promoting Centres of Vocational Excellence (see below);
- embedding environmental and social sustainability into vocational education and training curricula and organisational management;
- ensuring better permeability between all sectors of education and training;
- increasing the digital readiness of vocational education and training institutions
- increasing opportunities for mobility of learners and staff offered by the Erasmus+ programme and other funding opportunities;
- addressing gender bias and gender stereotypical choices and supporting diversity and inclusiveness;
- defining a set of indicators and objectives to enable both quantitative and qualitative monitoring of performance of vocational education and training systems.

### **How will Centres of Vocational Excellence contribute to the Skills Agenda?**

The initiative on Centres of Vocational Excellence defines a bottom-up approach to excellence where vocational education and training institutions are capable of rapidly adapting skills provision to evolving economic and social needs. They bring together a wide range of local partners such as providers of vocational education and training, employers, research centres, development agencies, and employment services (among others), to co-create "skills ecosystems" that contribute to regional economic and social development, innovation, and smart specialisation strategies. 50 Centres of Vocational Excellence are envisaged across the EU to provide learners with entrepreneurial skills and attitudes, and support entrepreneurial initiatives through business incubators.

### **What is the newly launched Europass platform?**

Europass is the EU tool for workers, jobseekers, learners and volunteers to plan their career and get access to tools and information on working and learning in Europe.

The new Europass platform offers a new, multilingual online e-Portfolio tool for people to record information on their skills, qualifications and experiences, receive tailored suggestions of jobs (via EURES) and training and prepare and track job applications. Available in 29 languages the new platform also includes updated tools for designing CVs, cover letters and a personal library so that individuals can store all their information in a secure, online tool.

### **How will the actions of the Skills Agenda support development of green and digital skills?**

The Commission will support the acquisition of skills for the green transition by:

- defining a taxonomy of skills for the green transition;

- developing a European competence framework on education for climate change and sustainable development;
- supporting the development of a core green skills set for the labour market to guide training across the economy.

The Commission will support digital skills for all, in particular by:

- updating the Digital Education Action Plan;
- supporting EU ICT-Jump-Start trainings to provide short-term intensive training to tackle ICT skills shortages, with a focus on gender-balanced participation
- supporting Digital Crash Courses for SMEs and "digital volunteers" programme to upskill the current workforce in digital areas, as already announced in the EU SME strategy.

### **How will it help SMEs in their endeavour to upskill and reskill their workforce?**

Small and medium-sized enterprises are essential to Europe's competitiveness, resilience and prosperity. However, they are not always well-equipped to upskill and reskill their staff. The updated Skills Agenda provides SMEs with various opportunities in this regard.

Through the Pact for Skills, SMEs can partner with chambers of crafts, commerce and industry, sectoral organisations of employers and workers, and providers of continuing vocational training, helping them upskill their workers through advice, technical assistance and operational support.

Individual learning accounts can enable SME workers – assisted by appropriate guidance – to develop skills through short, flexible courses compatible with the functioning of their small company.

At the same time, Centres of Vocational Excellence (part of the proposal on Recommendation on vocational education and training) can act as technology diffusion hubs towards SMEs in a given region and can provide innovative solutions for the training of SME staff and managers.

Quality assured micro-credentials can recognise these new skills, making it easier for SMEs to have a clear picture of the skills available in the company.

Finally, the European Institute of Innovation and Technology will boost innovation ecosystems by supporting entrepreneurial and innovation capacities in higher education institutions.

### **What is the role of the Social Partners?**

To make a success of the Skills Agenda the involvement of social partners – business associations and trade unions – is crucial. Social partners play an important role in the governance of training systems, in creating training opportunities, and in providing training.

The European social partners have put skills as one of the six priorities in their Work Programme for 2019-21. They are focusing on the lifelong development of competencies and qualifications, with a project on innovation, skills, provision of and access to training with fact-finding research.

### **How can we unlock investment in Skills?**

The Commission's proposal for NextGenerationEU provides significant resources as part of a major budgetary initiative to tackle the economic and social consequences of the crisis. EU funds can act as a catalyst for investing in people's skills. To implement the actions and meet the objectives of the Skills Agenda, the EU will need estimated additional public and private investments in skills of around €48 billion annually.

This pays off: 1 euro invested in up- and reskilling returns at least 2 euros in revenues or savings. To this end, and in addition to concrete funding opportunities through EU programmes, the Commission will carry out a number of actions to support public and private investment in skills and human capital.

In the short term, REACT-EU will add €55 billion to the ongoing 2014-2020 cohesion policy programmes. This will allow the European Social Fund to direct additional funding towards skills for the green and digital transitions.

The Recovery and Resilience Facility, powered by €560 billion in grants and loans, provides Member States with ample opportunities to fund up- and reskilling.

Throughout the 2021-2027 period, the European Social Fund Plus, with a proposed budget of €86 billion, will remain important for national up- and reskilling activities.

In addition, the proposed €24.6 billion of Erasmus will contribute to skills development and fund some of the actions outlined above, such as the European Universities, the Centres of Vocational Excellence and the Blueprints for sectoral cooperation and skills.

The European Regional Development Fund and InvestEU can further support Member States' investments in 'high social impact infrastructure' for education and training.

In the context of the green transition, the Just Transition Fund, with a proposed total budget of €40 billion, will support the reskilling of workers. The public sector loan facility, expected to mobilise between €25 billion and €30 billion can also invest in skills.

The ceiling of the European Globalisation Adjustment Fund has been proposed to be doubled to support training for workers and the self-employed who are made redundant in mass industrial restructuring.

Additional funding needs to come from private and public investments in the Member States. The Commission will seek to hold in-depth debates with Finance, Education, Employment and Industry Ministers to discuss how to increase, incentivise and make more efficient public and private investments in skills and education, and how to improve their impact.

### **What are the next steps and timeline for the actions?**

Today the Commission launches the new Europass platform.

The Commission also proposes today a Council Recommendation on vocational education and training, which will now be discussed by the Member States.

The Pact for Skills will be launched in November 2020. The other flagship initiatives will be brought forward in the coming months.

### **For More Information**

[Press release on the European Skills Agenda](#)

[Factsheet Skills Agenda](#)

[Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience](#)

[Proposal for a Council Recommendation on vocational education and training](#)

[Factsheet VET](#)

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QANDA/20/1197

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