



Questions and answers: Launching the Pact for Skills

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Why do we need a Pact for Skills?

The transitions to a green and digital economy, of the evolving global trade and supply chains, and the fast pace of demographic change are having a transformative effect on our labour markets. The coronavirus crisis is considerably accelerating a number of trends related to the future of work, from remote work to automation of repetitive tasks, while also putting a large number of people at risk of unemployment.

Most employers, large and small, know that investing in new skills is a key issue for their competitiveness, innovation and growth strategy. There is a broad societal consensus about the need to make lifelong learning a reality and invest massively in our workforce to improving existing skills (upskill) and train in new skills (reskill). However, concrete actions are often lacking and everybody is competing fiercely to access the same talent pool.

This shows that no individual, company or single institution – private or public – will be able to solve the skills challenge alone. Thus, the time has come for a new approach to skills to meet COVID-19 challenges, and deliver on the ambitions of the recovery pathway, the EU Industrial Strategy and the green and digital transition.

What is the Pact for Skills?

The Pact for Skills is a new engagement and governance model for a joint skills endeavour. The Pact aims to mobilise and incentivise all relevant stakeholders to take concrete commitments to upskill and reskill people of working age, and, when relevant, pool efforts via partnerships. All stakeholders joining the Pact should sign up to the Charter and can benefit from EU support through networking, knowledge and guidance and resources hubs.

The Pact can be implemented:

- through the launch of **large-scale European public-private multi-stakeholder partnerships**, in some cases, based on the experience of the [Blueprints for sectoral cooperation on skills](#). These partnerships will involve all stakeholders, notably SMEs who struggle with access to skills. Stakeholders are encouraged to pool expertise, resources (for example training facilities within the value chain) and funding towards concrete upskilling and reskilling actions with clear commitments that will allow people to keep, change or find new jobs.
- through **individual commitments of companies**, in the same way as the pledges under the European Alliance for Apprenticeships,
- through the **commitment of existing organisations/partnerships**: for example national/regional or local (e.g. cities) partnerships based on cluster or territorial skills strategies; social partners agreements and/or tripartite agreements.

What is the purpose of the Pact for Skills Charter?

The aim of the Charter is to ensure a common understanding among stakeholders of key principles underlying upskilling and reskilling activities within their organisations and across their value chain or ecosystem. It will help the different organisations joining the Pact for Skills to centre themselves around common values and priorities as well as to achieve shared objectives.

It is firmly anchored in the principles of the European Pillar of Social Rights and supports the goals of the European Green Deal and the digital transformation, as set out in the Commission communication "[A strong Social Europe for Just Transitions](#)".

What are the benefits of joining the Pact for Skills?

At EU level, the Pact for Skills will offer in 2021:

1. A **platform** where businesses of all sizes and all relevant stakeholders can meet and build **large-scale skills partnerships** to advance upskilling and reskilling.
2. A **platform** where organisations can present themselves as **credible leaders** committed to invest in human capital.
3. A **single-entry point** providing clear and efficient **access to information on relevant EU funding instruments and programmes** in support of upskilling and reskilling.
4. **Assistance for the exchange** between the large-scale skills partnerships and national/regional authorities from Member States about financial support.
5. A **knowledge hub** focused on building upskilling and reskilling partnerships and other important aspects of developing human capital.

Who can join the Pact for Skills?

The Pact for Skills is open to all partners interested in promoting the upskilling and reskilling of people, for example:

- individual companies, organisations or associations;
- large-scale European public-private multi-stakeholder partnerships in specific industrial ecosystems;
- large-scale European public-private multi-stakeholder partnerships across different sectors;
- national/regional or local partnerships based on cluster or territorial skills strategies;
- social partners agreements and/or tripartite agreements.

Why were the automotive, microelectronics, and aerospace and defence industries chosen as key areas for upskilling and re-skilling?

Automotive, microelectronics, aerospace and defence industries are part of the 14 industrial ecosystems identified as crucial for [Europe's recovery](#) and the transformation towards a green, digital and resilient economy. These three are the first industrial ecosystems to formulate clear commitments based on the ongoing series of high-level roundtables on the Pact for Skills hosted by Commissioners Breton and Schmit, with more to come. They also build on the experience of existing Blueprints for sectoral cooperation on skills.

Microelectronics are an important industrial ecosystem because the industry depends more and more on electronic components and systems. The Pact will be instrumental in setting up new and upgrading existing teaching and training equipment and digital education infrastructure. Upskilling and reskilling are also important drivers for the Aerospace and Defence industry's recovery from the pandemic, ensuring carbon-free products and manufacturing, meeting digital needs, running successful European programmes, and improving Europe's strategic autonomy and resilience. Substantial investments have already been made by the automotive industry into low and zero emission vehicles, such as electric cars as well as more connected and automated technology. This requires a major reskilling and upskilling effort of people employed directly in the sector and in the wider value chain.

The Pact for Skills remains open to join for all parties interested in advancing the upskilling and reskilling of people of working age. This includes other European industrial ecosystems of course.

How will the Commission monitor the commitments under the Pact for Skills?

Together with defining concrete upskilling or reskilling actions, the signatories of the Pact will be asked to define the methodology and the frequency of monitoring of their actions. The signatories of the Pact will be asked to report annually about their progress in relation to the key performance indicators they committed to implement. Based on the data provided, the Commission will prepare an annual overview on the implementation of the Pact, which will be publicly available.

How will the Pact for Skills be financed?

The success of the Pact depends on the commitment, the expertise and the resources its signatories bring to the partnerships they build and the results they achieve together. To incentivise ambitious upskilling and reskilling actions under the Pact, partnerships can be supported by EU funding.

National and regional authorities will manage the vast majority of the available funds for skills under the Recovery and Resilience Facility and in the next European Multiannual Financial Framework (2021-2027). The signatories of the Pact can apply already now to national and regional managing authorities under the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU).

The REACT-EU package includes €47.5 billion of additional funds that will be made available to the

2014-2020 European Regional Development Fund (ERDF) and the European Social Fund (ESF). A significant part of the €87 billion available from ESF+ will be invested in flexible opportunities for upgrading of skills and sectoral cooperation regarding skills. The Commission will also continue with the Sector Skills Alliances and the call for the Blueprint for Sectoral Cooperation under the Erasmus+ programme.

For More Information

On the Pact for Skills: <https://ec.europa.eu/social/PactforSkills>

[The Pact for Skills Charter](#)

Video of supporters of the Pact for Skills

[Form for partners interested in joining the Pact for Skills](#)

[Press release: The Pact for Skills: Call for a joint and strong European Skills Endeavour](#)

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Press contacts:

[Marta WIECZOREK](#) (+32 2 295 81 97)

[Flora MATTHAES](#) (+32 2 298 39 51)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)