

European Skills Agenda 2020

The new European Skills Agenda¹ announced by the European Commission in July 2020 correlates with several of the key expectations of the chambers' network. However, it also poses questions about the feasibility of its implementation. This Position Paper aims to highlight the interests of the business community concerning the proposed reforms and seeks to contribute to their effective and successful implementation.

Implementation focused on the needs of businesses

In its [immediate response](#) to the European Skills Agenda release, EUROCHAMBRES underlined that implementation is key to the success of the ambitious roadmap. A large part of the 12-action roadmap remains to be broad ideas which final shape will be determined after consultations with relevant stakeholders. Therefore we present this document to the European Commission and offer concepts that will reinforce the European Skills Agenda and help achieve an impact that European businesses need.

Pact for Skills to ensure shared responsibility for up/reskilling

Upskilling and reskilling of workers represent a significant challenge for the future of the European labour market. Currently, the financial burden for up/reskilling of workers is frequently shouldered by employers, who are forced to subsidise their workers' development. EUROCHAMBRES expects solutions that will assure that this responsibility is shared with other stakeholders, particularly the public authorities.

We agree that large partnerships, such as a Pact for Skills, are a promising idea that can broaden the scope of learning opportunities for adult workers. Nevertheless, to adequately address skills shortages that companies struggle with, the business community needs to co-create the Pact alongside other stakeholders. What is more, we consider that the four selected sectors² will pave the way as a pilot program, which will be later extended to cover other industries. Large-scale partnerships for skills will function only once they are followed by substantial financial support. Additionally, these partnerships should also be established on regional levels to encourage local stakeholders to cooperate closer and invest more in the skills they find missing for their businesses.

¹ European Skills Agenda for sustainable competitiveness, social fairness and resilience, <https://ec.europa.eu/social/main.jsp?catId=1223>

² Health, construction, tourism, automotive and transport

EUROCHAMBRES considers signing the Pact for Skills, providing that the charter meets the business community's needs and offers solutions that will support rather than overburden companies.

The European Alliance for Apprenticeships has been a successful framework allowing for the cooperation of diverse partners. Applying this form of collaboration at the national level should spark off intense policy debates on national apprenticeship systems. National chambers of commerce and industry are ready to participate in that conversation actively. However, such national alliances need public funding to offer support services as successful as its European version.

Crises-proof skills intelligence

A reliable skills intelligence tool is substantial for designing policies or school programs. Though, like any forecast, it cannot be flawless. The recent crisis revealed that current tools could fail when it comes to an economic recession, and more importantly, cannot quickly bring urgent and essential data. That situation resulted in formulating skills policies and school curricula without being provided with an updated forecast about the most demanded skills under new economic conditions.

We agree that replacing currently used instruments with “real-time” tools is crucial. However, a new instrument needs to come with relevant methodology that has to be developed, noting the experience of a sudden economic fluctuation of 2020 when previous methods failed.

Nevertheless, before formulating VET policy in relation to results of skills intelligence, these conclusions should be discussed with business organisations (e.g. chambers) to guarantee an adequate understanding of labour market demands. Additionally, findings from the graduate tracking should be examined whether the applied measures proved successful, and consequently, if public authorities had to implement further reforms.

Usage of skills intelligence's results by schools, universities, and training institutions needs to be improved to ensure that programs prepare future job-seekers for their anticipated professions. Furthermore, the involvement of employers is essential for achieving substantial improvements in curricula. Programs reflecting real demands of the labour market should be promoted amongst member states and education institutions, e.g., by the Erasmus+ Program or European Semester's recommendations.

Holistic visions for skills delivery and recognition

We are content that the European Commission will support governments in, often delayed, developing national skills strategies, or review their effectivity. These national roadmaps need to be drafted in close cooperation with businesses, as they are the entities that severely suffer from skills shortages or incoherent skills policies. Entrepreneurial skills need to be defined as a core concept of these strategies, to embolden learners to open new businesses and alleviate potential unemployment.

Member states' national strategies need to be compatible to ensure an uninterrupted flow of workforce. Unimplemented regulations on automatic and mutual recognition of diploma, qualifications or nonformal and informal learning remain to be one of the principal barriers hindering labour mobility.

Migration policies should address skills mismatches on a given labour market. Such plans need to examine which regions experience the most significant skills shortages and offer them tailor-made solutions. Support for third-country nationals can be built on successful projects, such as [ERIAS](#), as well as be in line with the recently published EU's Pact on Migration and Asylum.

A new Recommendation with an ambitious vision for modernisation of VET

The new Recommendation comes across the business community's needs, mainly thanks to setting ambitious quantitative goals for the EU policy on vocational education and training and making it ready for modernisation of curricula. Given the upcoming introduction of new frames for the EU policy on VET by the Osnabrück Declaration, we observe a new momentum for this policy.

VET curricula need to undergo digitalisation and modernisation to prepare learners for future jobs. In order to accomplish that, the VET providers must apply new tools and pedagogies. Outcomes of the skills intelligence should be a significant factor in shaping education and training programs since VET providers need to obtain sufficient information to react quickly to changing circumstances. The recent crisis also determined the importance of digitalisation in all kinds of learning activities, including vocational education and training.

What is more, the VET's excellence and attractiveness should be further enhanced, namely through the development of cross-border mobilities for VET learners. Obstacles to mobility should be eased by further engaging SMEs, addressing legal barriers, and financially supporting VET providers in encouraging learners' mobility. The VET also needs to enjoy more prestige and spark more interest amongst potential students. Member states should not undervalue a potential of higher vocational education for closing skills gaps. Vocational training needs to be a cornerstone of lifelong learning to ensure easier transitions between jobs at the labour market and resilience to possible disruptions in employment.

Implementation is a crucial factor in the success of the Recommendation. The document enumerates sources of potential funding of initiatives it proposes, but the outcomes of the July summit of European Council raise questions about that capacity. The agreed financial framework decreases funds for main programs listed as potential funding sources for VET, particularly the decline in funds for the InvestEU is concerning. Public-private partnerships need to be allocated with adequate financial resources and offered a policy framework for their cooperation. Such partnerships can be formed with the vital role of main regional actors, like chambers of commerce and industry.

The already existing tools supporting VET should be further applied (e.g., ECVET, EQAVET, Europass). Still, to ensure their recognition amongst users, EC needs to proactively look into

possibilities such as seminars, webinars, user guides for VET providers, companies, and learners. As measures for implementing this Recommendation are to be defined by member states within a year, this time should be used for consultation with businesses communities and other stakeholders to ensure realistic and fit-for-purpose application.

Digital literacy as a critical skill, green transformation to start in schools

The development of a competence framework for green transformation will help promote that economy shifts in the labour market, as raising awareness amongst the business community and workers is essential. This is why training opportunities concentrating on skills for green transition need to be financed and organised by the public authorities, leaders of the transformation. Education on the green economy should start already in schools, including the VET-providing institutions. The cooperation of public institutions and the business community needs to be established to achieve real change in people's and companies' attitudes.

Though education needs to undergo a rapid process of digitalisation, importantly, students and teachers also need to enhance their digital competences. Advocacy for basic digital skills is a central issue for businesses, as digital literacy is required for more and more jobs. Nevertheless, the deployment of more advanced digital skills needs to be improved to ensure the competitiveness of European companies, which struggle with finding employees equipped with advanced competences. Proficient command of skills for programming or working on artificial intelligence is becoming important not only in the IT sector but across the entire economy. Therefore, we expect support for programs that develop advanced skills, particularly for already working adults, entrepreneurs and the unemployed.

An integrated approach to supporting entrepreneurship (at last!)

To the satisfaction of the business community, entrepreneurship is a key topic of the European Skills Agenda. As it is essential to look into the entrepreneurial skills of Europeans holistically, we are content to see a European Action on Entrepreneurship Skills that appears to be a response to long-time advocacy of the chambers' community.

Sharing experience between entrepreneurs and the ones aspiring to run businesses has been proved successful by the Erasmus for Young Entrepreneurs, a program that can contribute to this action. Also, new funds allocated for implementing the EntreComp Framework will support access to learning entrepreneurial skills, what needs to happen at all types of schools, including the VET institutions. The already ongoing project EntreComp Europe, which explores best practices regarding entrepreneurial skills, can also offer ideas for further implementation of the Framework.

Responsibility for training assumed by learners

Tackling skills gaps needs both top-down, but also bottom-up approaches. Member states offer some solutions to skills mismatches, but shifting the responsibility into hands of learners is an interesting idea. To make sure that these training opportunities will narrow

skills gaps, they need to fulfil some criteria. It is crucial to regard results of the skills intelligence and adapt training offers to what the labour market demands. That will enhance the satisfaction of companies, as it will guarantee the provision of right skills. These opportunities will have to offer modern and effective modes of learning; e.g. application of work-based learning courses is worth to be explored.

These training options should be available not only for job-seekers but also for upskilling the workforce within companies. Responsibility for the development of employees should not place more burden on businesses, but it needs to be assumed as a national ambition that benefits the entire economy. This is crucial particularly for SMEs, which cannot afford training courses of their employees because of lack of funding or time allocation.

Moreover, a smoother recognition of nonformal and informal learning should enhance the qualifications of workers, and therefore strengthen their employability regardless of sharp fluctuations of the labour market.

Chambers and universities collectively delivering short courses

This idea responds to growing interest in short-time courses focused on specific problems, which delivery seem to be particularly popular amongst higher education institutions. However, some national and regional chambers of commerce and industry offer similar opportunities that can be an inspiration for the future Framework.

Micro-credentials lead to sharing the knowledge between education institutions and the whole society, which will allow the workforce for efficient upskilling. Nano-courses can also develop new partnerships between education providers and business community, e.g. chambers of commerce and industry, providing short courses jointly with universities targeting skills missing at the labour market. Before establishing that Framework, pilot projects are needed to gain recognition of this approach. Chambers of commerce and industry are interested in being included at the initial stage of formulating this policy, as we have gained considerable experience in the provision of short courses focused on lacking competencies.

Reductions in EU funds thwarting the ambitions of the Skills Agenda

Investment in skills is essential, but it is a primary responsibility of the public authorities to invest in education as it benefits the entire economy and society. This is why we are dissatisfied that EU programs focusing on skills' enhancement saw a decline in financial resources within the multiannual financial framework as agreed by the member states leaders' at the European Council summit in July. The significant decrease of funds earmarked for the InvestEU, which, according to the Skills Agenda, is to offer innovative financing mechanisms, raises questions about the feasibility of achieving ambitious goals by the European Skills Agenda.

Summary

We invite the European Commission to reflect on our ideas and consider them while planning details of the individual actions. As the provision of right skills is one of the main political priorities of the chambers of commerce and industry, our community is ready to support the implementation of ambitions of the European Skills Agenda, which will focus on needs of businesses.

Given a considerable experience of EUROCHAMBRES' members in the delivery of training to almost two million learners every year and extensive expertise in actions supporting the provision of skills, our community expects the European Skills Agenda to achieve improvements that the European vocational education and training calls for to ensure a smooth transition into the labour market of the future.

EUROCHAMBRES – The Association of European Chambers of Commerce and Industry represents over 20 million enterprises in Europe – 98% of which are SMEs – through 45 members and a European network of 1700 regional and local Chambers.

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