

PACT FOR SKILLS

Pact for Skills Forum: Unlocking skills potential across Europe

Brussels, 21-22 March 2024

Event report

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Background

The Pact for Skills Forum took place on 21 and 22 March 2024 in Brussels, Belgium, and was livestreamed online. The event was attended by around 150 in-person participants and almost 500 online from across Europe, representing a wide range of different organisations involved in the Pact for Skills – including businesses, training providers, public authorities, social partners and civil society.

The main objectives of the Pact for Skills Forum were to:

- Encourage exchanges of ideas between Pact for Skills members, large-scale skills partnerships (LSPs) and regional skills partnerships (RSPs);
- Create a space for showcasing and sharing good practices to implement upskilling and reskilling measures on the ground;
- Promote networking to foster opportunities for further cooperation among Pact stakeholders;
- Provide a forum to discuss and build on achievements of the Pact for Skills to date, and the work carried out by sectoral and regional partnerships, and the Pact membership overall.

The event included high-level speakers from a wide range of sectors, and most notably opened with interventions from Nicolas Schmit, European Commissioner for Jobs and Social Rights, and Thierry Breton, European Commissioner for the Internal Market.

Throughout the event, several panel discussions were held, covering topics of high importance for the Pact for Skills community, including achievements of the Pact for Skills to date; the digital and green transitions; strengthening synergies between the Pact and other EU initiatives; and the role of small and medium-sized enterprises (SMEs). Furthermore, three parallel workshops were held, allowing participants to explore in more depth the following topics of relevance to their work: attracting and retaining skills and talent; supporting upskilling and reskilling through individual learning accounts; and addressing skills shortages through micro-credentials and Net Zero Academies.¹

The following sections summarise the main highlights and discussions that took place during the twoday event.

¹ For more information on the event programme, see <u>here</u>.

Day 1

21 March 2024



Day 1 - 21 March 2024

Opening address by EU Commissioners

The Pact for Skills Forum opened with an interactive discussion between European Commissioners Nicolas Schmit – Commissioner for Jobs and Social Rights, and Thierry Breton – Commissioner for the Internal Market, and facilitated by Paul Guest, the Forum moderator.

The EU Commissioners highlighted the need for upskilling and reskilling the European workforce in the context of an ever-changing labour market.

Commissioner Schmit underlined the need for a "skills revolution" so that the European labour market can respond to ongoing challenges that are increasingly affecting the personal and professional day-to-day life of European citizens. The impact of climate change as well as the rapid pace of technological advancements, including the

rise of Artificial Intelligence (AI), are making it imperative to reinvent our ways of working - from

Nicolas Schmit – Commissioner for Jobs and Social

Nicolas Schmit – Commissioner for Jobs and Social Rights, and Thierry Breton – Commissioner for the Internal Market

investing in renewable energy to integrating new technologies into our companies and services. Upskilling and reskilling are at the heart of this process: at a time when Europe is facing a shortage of labour and skills and is in a race for talent, there is an even stronger need to further invest in and promote skills forecasting and skills development. It is only through investing in skills that the EU can remain ahead of the curve and keep up with the changes that the ongoing digital, technological, environmental and societal transformations demand.

Commissioner Breton further highlighted the skills shortages faced by businesses across Europe as a key issue to be tackled, due to its ripple effects on the competitiveness of the European economy. To support companies and address existing skills gaps, the large-scale skills partnerships of the Pact for Skills have collectively committed to upskilling and reskilling over 25 million by 2030 across all industrial ecosystems. This is an impressive commitment which shows the dedication of the Pact for Skills community to facing head-on the skills challenges of today. Commission Breton also highlighted that looking beyond the EU to attract external talent remains crucial for a successful skills revolution.

Both Commissioners stressed that a cultural shift is needed, both within European education and training systems, and at company level. Employers need to invest in upskilling and reskilling as a tool to remain competitive and attract talent. Education and training systems must increase their focus on STEM subjects and related skills, increase, in particular, the participation of young people and women, and ensure better transitions from education and training to employment. To this end, the EU has

invested EUR 65 billion across EU funding programmes such as the European Social Fund Plus² (ESF+) to promote upskilling and reskilling, by supporting EU Member States, businesses, and education providers to invest in training.



As highlighted by the Commissioners, in this challenging landscape, the Pact for Skills represents a key space for stakeholders to come together. The Pact can foster synergies both across and within sectors and regions through the establishment of alliances and partnerships; it promotes mutual and peer learning, allowing members to exchange ideas and lessons learnt on what works well in upskilling and reskilling. Together with other ongoing EU initiatives, such as the recently

established <u>Cyber Security Skills Academy</u> and the work carried out as part of the <u>2023 European Year of Skills</u>, the Pact for Skills represents the European Commission's clear commitment to making the EU the best place to upskill and reskill, where skills development and talent acquisition and retention are regarded as key priorities.

Pact for Skills: achievements so far

Key messages from the panel discussion

- Enhancing stakeholder engagement stands out as a key achievement of the Pact for Skills
 to date: its member-led, bottom-up approach allows all stakeholders to have a voice and
 engage with actors they may not traditionally work with in their own sectoral or national
 context.
- Active participation in the Pact for Skills, particularly through formal partnerships (large-scale skills partnerships (LSPs) or regional skills partnerships (RSPs)) results in key benefits for Pact members, both in terms of more opportunities for cooperation to implement concrete measures, and increased credibility to build future collaboration opportunities.
- Engagement and cooperation under the Pact for Skills have the potential to lead to a shared vision on how to tackle existing challenges and implement upskilling and reskilling measures that can truly respond to needs on the ground, helping to raise the next generation of competent workers.

² See: https://european-social-fund-plus.ec.europa.eu/en

The panel discussion, moderated by **Vicki Donlevy**, **Director at Ecorys**, provided a space for Pact members, large-scale skills partnership (LSP) and regional skills partnership (RSP) representatives to present key achievements to date.

Klaus Ehrlich, General Secretary of Ruraltour - European Federation of Rural Tourism and Coordinator of the LSP for the Tourism ecosystem, underlined the key role played by the Pact for Skills in relation to community building. The Pact for Skills is the first-ever initiative to act as a holistic transnational network to promote knowledge sharing and peer learning, giving a voice to actors from different stakeholder groups. Klaus highlighted that this has been particularly crucial for the tourism sector. This is because, despite SMEs representing the vast majority of actors in this ecosystem, they are not always systematically or meaningfully included in the policy debate at the national level. Through the establishment of the Tourism LSP, the Pact has provided these actors with the opportunity to actively engage and contribute to skills policy, including by raising awareness on industry-specific needs.

Monika Banka, Policy and Network Coordinator at the European Chemical Regions Network (ECRN), and coordinator of the RSP for the Chemical Industry, highlighted the strong role that regions can and should play in the Pact for Skills, to tackle specific skills gaps and implement targeted action, as well as to promote collaboration. As a partnership established under the Pact for Skills, the RSP for the Chemical Industry has allowed its members to benefit from stronger



credibility with partners. For example, the RSP is now collaborating with the European Commission's Directorate General for Communication Networks, Content and Technology (DG CNECT) and the <u>Digital Innovation Hubs</u> to implement measures fostering green and digital skills. Furthermore, through the Pact for Skills, the RSP has strengthened cooperation among its members to work on specific topics, promote the exchange of best practices, and allow stakeholders to jointly identify solutions to tackle common challenges. Beyond individual initiatives and projects, Monica stressed that the Pact has great potential to shape future skills policies at the European, national and regional level, promoting system thinking.

Emir Demircan, Director Public Policy at Infineon Technologies and member of the LSP for the Microelectronics ecosystem, further stressed the importance of the Pact for Skills as a platform for stakeholders within specific sectors to build a shared vision for addressing common upskilling challenges. The Microelectronics LSP accelerated cooperation between industry representatives and education providers at a time when it was needed the most, to tackle the chips shortage following the COVID-19 pandemic, implement the recently adopted EU Chips Act, support the expansion of European semiconductor industry, and successfully navigate the digital and green transitions. Examples of this increased cooperation include collaboration between Infineon and other companies within projects funded under the Digital Europe Programme, including for the development and delivery

of MSc degrees such as the Green Chips Education Project, which will focus on energy efficiency and green applications such as renewables. Lastly, Infeon will launch a new initiative - CHIPS (Creating Higher Education & Industry Programmes for Semiconductors) of Europe to develop virtual learning labs to facilitate access to high-tech to secondary school students and their teachers, with the aim to attract more young talent.

Ali Abkar, Managing Director of AgriWatch B.V and member of the LSP on Space Data, Services and Applications, Space4Geo, explained that AgriWatch operates in a sector that suffers from labour shortages and struggles to retain talent. Being a Pact member and being involved in the LSP has brought great added value to their company. For instance, being actively engaged in the Pact has resulted in a better understanding of the policy and funding landscape that can support AgriWatch's work on the ground, and has facilitated knowledge sharing with regards to specific skills-related topics and practices that can support the green and digital transition of the Geo-Informatics/Space4Geo industry. As an active member of the Space4Geo LSP, AgriWatch has benefitted from better access to policymakers to address challenges as well as other organisations to build constructive relationships and promote skills development in the space downstream and geoinformation sector.

Working together to tackle skills shortages in the digital transition

Key messages from the panel discussion

- Rapid changes in the labour market, including the digital transformation, mean that labour shortages and lack of skilled workers can affect the EU's competitiveness, ultimately negatively impacting the market and society as a whole. The Pact for Skills can help address skills gaps and Pact members are leading the way by implementing concrete actions to attract and retain talent, support skills development, and make use of resources available at EU level.
- As the digital transformation will require ongoing efforts to upskill and reskill, a cultural
 change within businesses is needed, to ensure skills are embedded in their business model.
 This means integrating skills management within company procedures, as well as revising
 approaches to recruitment and talent retention, to move away from the focus on formal
 qualifications to prioritising instead skills and learning potential, through a "skills first
 approach".
- Innovation and flexibility remain crucial to the implementation of upskilling and reskilling measures that can adapt to the changes brought by the ongoing digital transformation.
- As individual companies, particularly SMEs, might lack the necessary resources to invest
 in upskilling and reskilling, particularly in the context of digitalisation, it is crucial to leverage
 public funding. Support available through EU funding programmes can provide added value
 in tackling existing challenges, both in terms of digital infrastructure and skills.

This panel discussion, moderated by Caterina Bortolaso, Project manager at Digital SME and Coordinator of the LSP for the Digital Ecosystem (Digital LSP), aimed to provide a platform for current Pact members to present good practices in the area of digital skills.

Manuela Geleng, Director at the Directorate General for Employment, Social Affairs and Inclusion (DG EMPL), Directorate B (Jobs and Skills), first provided an overview of the policy framework for digital skills at the EU level, with a focus on efforts carried out to date to achieve the digital decade targets set by the European Commission. Through these targets, the European Commission has committed to upskilling up to 20 million ICT specialists by 2030, encouraging

investment in research and development (R&D) to boost EU competitiveness. However, to date, only 9.4 million ICT specialists have been trained, and the percentage of EU citizens with basic digital skills remains low at 54% (in 2021). Shortcomings with regards to digital skills means that businesses face difficulties in keeping up with the pace of the digital transformation. In this complex scenario, the Pact for Skills and the Digital LSP can play a crucial role in ensuring that the EU stays ahead of the curve when it comes to digitalisation and new technologies.



Jean-Marc Leclerc, Director for EU Affairs at IBM and member of the Digital LSP, explained that upskilling and reskilling are an integral part of IBM's approach to recruitment, talent retention and career development. For instance, IBM's "skills first" approach to recruitment prioritises existing skillsets, learning potential and motivation over formal qualifications. Currently, more than 50% of their job ads in the European and US market no longer require a university degree, and approximately 30% of their hires in Europe do not hold one. This approach required a cultural and attitude shift within the company, particularly at senior management, but the increased pipeline of talent and a more diverse pool of candidates has proven its success. Furthermore, IBM employees are encouraged to undertake at least 40 hours of training per year, to build on their existing skillset and acquire new competences. Lastly, as an active member of the Digital LPS, IBM and other organisations have committed to upskilling and reskilling up to 20 million people by 2030, with 11 million having already accessed training.

Eric Feunteun, Chief Operating Officer at Software Republique, Renault Group, mentioned that investing in upskilling and reskilling is crucial to enhance competitiveness and attract talent. To this end, Software Republique set up a *Skills Academy* to offer three main training programmes targeting different audiences: a training programme for young students between 10-15 years old, and young girls in particular, to increase their awareness of career pathways in the sector; a programme targeting university students, through the organisation and delivery of workshops, conferences and other events for young people to meet and exchange with professionals in the field; and a training programme to reskill adult learners. It is expected that up to 40 000 people will be trained in the coming months across the three programmes.

Enrico Frumento, Cybersecurity Research Lead at Cefriel and member of the Digital LSP, highlighted that the current labour market is both affected by a chronic lack of skilled workforce and characterised by an increased demand for advanced skills. While this is true for all industries, it is particularly challenging for the cybersecurity sector due to the rapidly changing Tactics, Techniques, and Procedures (TTPs) used in cybercrime. To tackle this, cybersecurity experts and instructors have explored alternative teaching methodologies in cybersecurity training, with Cefriel supporting this process by conducting research on pedagogical methodologies and AI-enhanced solutions to improve the effectiveness of cybersecurity training.

Mark Jordan, Chief Strategy Officer at Skillnet Ireland, highlighted the importance of supporting businesses to introduce skills management in by setting up plans and goals for skills development. Upskilling and reskilling have to be integrated within company culture to keep up with the digital transformation and technological changes. Furthermore, funding is also crucial to support small employers to invest in upskilling and reskilling for the digital transformation. To this end, the Irish National Training Fund (NTF) financed through a training levy paid by businesses, represents an interesting practice. The NTF provides financial support to those seeking employment, training for persons in employment, literacy and numeracy, training for those in the community and voluntary sector and provides funding for the identification of existing and future skills needs for the economy.³



Signe Brike, Head of the Resilience and Recovery Facility (RRF) implementation unit at the Ministry of Education and Science Republic of Latvia, provided an overview of key initiatives currently being implemented in Latvia to address gaps in the existing digital infrastructure and the specific needs of individual target groups. EU funding through the European Social Fund Plus (ESF+) is financing initiatives to upskill and reskill adult learners who face greater difficulties in adapting to the digital

transformation. Furthermore, the RRF is financing individual learning accounts to further encourage participation, in training, upskilling and reskilling opportunities particularly of adult learners. EU-funded initiatives have been implemented to support the digital transformation in schools, by either providing digital equipment or by training educators to use technologies in teaching, learning and assessment. Latvia will also be rethinking the approach to awareness raising and information sharing, by ensuring that all relevant information on training opportunities is available on a single online platform, facilitating access and potentially increasing participation levels.

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See: https://www.cedefop.europa.eu/en/tools/financing-adult-learning-db/search/national-training-fund-ntf

Parallel workshops

Key messages from the workshops

- Attracting and retaining talent needs innovative solutions and a lifecourse approach: from engaging with young people in schools, to shifting to a "skills first" approach in recruitment, and ensuring upskilling and reskilling opportunities as part of career progressions paths.
- Attracting and retaining talent goes hand in hand with tackling broader challenges affecting
 the European labour market, including fostering greater participation from more
 marginalised groups; tapping into external talent by addressing barriers to the meaningful
 integration of migrants and refugees; promoting better working conditions and quality jobs.
- Micro-credentials and Individual Learning Accounts (ILAs) have the potential to increase
 participation in training by empowering individuals to make more independent choices and
 upskill and reskill at their own pace.
- For micro-credentials and ILAs to support upskilling and reskilling, greater cooperation between policymakers, employers, education and training institutions, and learners is needed. This is key to ensure adequate resources are allocated, policies and strategies are developed, and the training provided matches the needs of the labour market as much as those of learners.
- EU level initiatives such as Net Zero Academies can support upskilling and reskilling while contributing to climate neutrality goals by setting up training programmes enhancing net-zero technologies and facilitating the portability of qualifications across professions.

Pact for Skills Forum participants had the opportunity to take part in three parallel workshops, to discuss and exchange ideas on key topics of interest. The following sub-sections summarise the main takeaways from each workshop.

Attracting and retaining skills and talent

The first parallel workshop focused on discussing challenges and solutions to attract and retain skills

and talent. Monia El Faziki, Director at SEA Europe and Coordinator of the LSP for the Shipbuilding and Maritime Technology ecosystem and Sarah Sofie Nielsen, Advisor for the Greater Copenhagen Region opened the workshop. The speakers provided an overview of the main challenges faced by the shipbuilding sector and the Greater Copenhagen region in relation to attracting and retaining the right talent – from a



general shortage of skilled workers, to competition from other sectors, and difficulties in attracting young talent.

Indeed, attracting and retaining talent is an issue that affects sectors and regions alike. From a sectoral perspective, due to existing labour and skills shortages, attracting talent to one business, likely means taking away skilled workers from another. From a regional perspective, strategies and initiatives to attract and retain talent require coordinated efforts to build a closer link between labour market needs and educational offers.

Other broader challenges affect talent retention. For instance, key segments of the population (e.g. youth, women, and marginalised groups) encounter greater difficulties entering and remaining in the labour market. This is due to several factors, from socio-economic disadvantage to stereotypes that affect the extent to which certain groups engage with specific sectors of the economy. Mobility, both internal and external to the EU often represents a challenge. On the one hand, within the EU, businesses might be less prone to invest in upskilling and reskilling of their own workforce, as this might lead to a higher risk of losing skilled workers to competitors in other EU Member States. On the other hand, migratory fluxes from outside the EU bring challenges as well as opportunities: while migrants and refugees can bring much-needed skills and talents to the European labour market, issues arise with regards to administrative and legal procedures to hire workers whose migrant status is still pending, as well as in relation to the recognition of qualifications to certify their skills and competences.

To tackle these challenges, workshop participants stressed the importance of relying on innovative and bottom-up approaches, including:

- Gaining a better understanding of the needs of new generations, to shape offers that will be
 attractive to them, and implementing outreach activities early on (e.g. engaging with students
 in schools, providing opportunities for young people to talk directly with professionals from
 specific sectors to find out more about career paths that may be of interest to them).
- Supporting employers, and SMEs in particular, to attract new talent and embrace a change in mindset when recruiting new employees, by focusing on skills and competencies rather that degrees and qualifications.
- Building stronger partnerships with a wide range of stakeholders to gather data and strengthen skills foresight to anticipate what competences will be needed in the short, medium, and long term and implement timely actions to attract and retain talent.
- Fostering better working conditions and promoting quality jobs so as to promote a more positive image and improve the reputation of sectors and professions currently struggling to attract and retain talent.

Supporting upskilling and reskilling through Individual learning accounts (ILAs)

The second parallel workshop explored the role that individual learning accounts (ILAs) can play in supporting upskilling and reskilling. The workshop was opened by Olivia Montel, Head of the European and International Unit at the Directorate of Employment and Vocational Training of the French Ministry of Labour and Social Affairs, and Marième Diagne, Head of Studies and Employment Training Partnerships at the French Caisse des Dépôts, provided an overview of the French Compte Personnel de Formation (CPF). ILAs provide potential learners with a training budget to be invested in improving their skills set and enhancing their employability, regardless of whether they are employed or not.

At EU level, the <u>2022 Council Recommendation on Individual Learning Accounts</u> encourages EU Member States to consider establishing ILAs to stimulate participation in labour-market relevant training and support job retention. The Recommendation promotes the development of an "enabling framework" which ensures the availability of career guidance services, validation processes, and the establishment of a single digital portal for accessing information to accompany the implementation of ILAs-.



At the national level, France stands out as one of the EU Member States that has already implemented a fully fledged ILA scheme. The CPF is a scheme largely funded through employer taxes which offers financial support to adults of working age to participate in training opportunities offered by various providers⁴. Following the implementation of the scheme, participation in training increased: by December 2022 about 3.9 million users had received financial support.

ILAs can support upskilling and reskilling by empowering individuals to make their own choices with regards to their training needs and by providing the financial resources to secure participation. As financial entitlements can be accumulated over time, these can also accompany and support learners to navigate career changes, and/or provide crucial support to specific groups that are chronically under/unrepresented in the labour market.

Addressing skills shortages: micro-credentials and Net Zero Industry Skills Academies

The third parallel workshop focused on how to address skill needs in key industrial ecosystems through micro-credentials and ensuring that Net Zero goals are met. The workshop was opened by William O'Keeffe, Policy Officer at the Directorate General for the Internal Market, Industry,

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Entrerpeneurship, and SMEs (DG GROW) who introduced the Net-Zero Industry Academies, and **Oana Penu, Director of the European Battery Academy,** who presented the work of the Academy.

EU level initiatives such as Net Zero skills academies can play an important role in promoting training and skills while supporting the EU to meet its climate neutrality goals. Net Zero Academies aim to set up dedicated training programmes to enhance skills for net-zero technologies and facilitating the portability of qualifications in regulated professions. Each academy focuses on an individual net-zero industry technology and will aim to train 100.000 learners each within three years of their establishment. An example is the European Battery Academy, launched in 2022 to train, upskill and reskill 100,000 people directly and up to 700.000 workers indirectly by 2025 to serve the needs of the European battery industry. To this end, micro-credentials have been used to tailor the training offer to the specific needs of the workers and the industry, and break down the value chain to increase participation.

Beyond Net Zero Academies, <u>micro-credentials</u> can be an avenue to ensure that workers have access to bite-sized, stackable and modular learning opportunities, allowing them to improve their skillset and keep up with the needs of the labour market, while working towards a qualification at their own pace.

Despite the great potential of micro-credentials, however, challenges remain in using them. To increase the uptake of micro-credentials it is crucial to ensure competences acquired are adequately validated and recognised. This requires increased cooperation between industry and universities, as well as the adaptation of existing tools (e.g. Europass) to better integrate micro-credentials as formal qualifications. Furthermore, to ensure that learners have access to quality training through



micro-credentials, they have to be designed and implemented through the active involvement of all relevant stakeholders, from employers to education and training institutions, social partners and learners themselves. Flexibility has to remain at the core of the offer, to ensure micro-credentials can quickly adapt to both labour market and workers' changing needs.

Maximising synergies between Pact for Skills and European Alliance for Apprenticeships

Key messages from the panel discussion

- EU level initiatives such as the Pact for Skills and the EAfA play a crucial role in driving forward the skills development agenda in Europe, as they provide a much needed platform for collaboration to stakeholders who would not normally interact.
- This strengthened cooperation can shape future policy making, promote investment and enhance knowledge exchange in the area of skills development in Europe.

The last panel discussion of the first day of the Pact for Skills Forum was facilitated by **Anna Barbieri**, **Team Leader for apprenticeships and Erasmus+ at the Directorate General for Employment**, **Social Affairs and Inclusion (DG EMPL)**, and aimed to present the <u>European Alliance for Apprenticeships</u> (EAfA) and allow organisations that are both EAfA and Pact for Skills members to share how their involvement in these EU flagship initiatives brings added value to their work.



The EAfA brings together stakeholders from across Europe, providing a platform for coalition building. It unites governments, companies, VET providers, social partners, and mobilises local and regional authorities to strengthen the quality, supply and image of apprenticeships, while also promoting the mobility of apprentices. These aims are promoted through national commitments and voluntary pledges from stakeholders. The renewed EAfA, moreover, calls for new commitments on digital and

green apprenticeships, focusing on the economic sectors that will be at the front line of the transition to a climate-neutral Europe. Since its establishment, the EAfA has gathered more than 430 members and offered around 2.5 million apprenticeship opportunities.

Alessandra Frassetto, EU Policy and Project Officer at the European Vocational Training Association (EVTA), explained that EVTA is a leading European network in the field of vocational education and training, gathering members from European countries and beyond, and representing thousands of key players, including VET providers, research centres, industry representatives, and qualifications centres. EVTA aims to enhance knowledge sharing and promote vocational excellence and internationalisation of VET. As part of its work to achieve this objective, EVTA has been involved in the EAfA since its launch in 2013 and has made a pledge to enhance the image of apprenticeships in Europe and promote the mobility of learners, through advocating for the recognition of qualifications and of work-based learning and soft skills acquired in apprenticeships. EVTA's active involvement in

both the EAfA and the Pact has provided them with better access to networking opportunities and increased expertise in skills development, upskilling and reskilling. EVTA's involvement in the EAfA community of practice on green and digital skills and its work within the Pact for Skills Tourism LSP, which has a strong focus on promoting green skills and sustainability, is an example of the complementarity between the two initiatives, with both supporting members to build alliances while gaining sectoral knowledge.

Bart Vandewaetere, Vice President Corporate Communications and ESG Engagement at Nestlé, stressed that large companies have a duty to promote skills development and address skills gaps. Nestlé is particularly committed to supporting young people through providing quality traineeship and apprenticeship opportunities. Being an active member of both the EAfA and the Pact has meant having access to a privileged avenue to build new or further strengthen existing partnerships across countries and ecosystems. Nestlé needs YOUth has gained increased visibility and impact since its launch, also thanks to its close link to the objectives of the EAfA and the Pact for Skills. The initiative aims to support 10 million young people around the world access economic opportunities by 2030 through employment and employability, "agripreneurship" and entrepreneurship. The Global Alliance for Youth also led by Nestlé, supports organisations to help young people around the world find a first job opportunity or start a business.

World Café - Meet the Pact

To close the first day of the Pact for Skills Forum, a world café session was organised with the aim to showcase the diversity of sectors and types of projects supported by the Pact for Skills and its community. During the session, event participants had the opportunity to hear about six different initiatives by fellow Pact members:

Polytechnic University of Coimbra (EQVEGAN project) presented by Rui Costa: EQVEGAN aimed to address the food industry with a specific focus on the expanding sub-sector of plant-based product processing. The project had the objective of responding to the industry's transformation by concentrating on upskilling existing staff, training new personnel, and facilitating workforce conversion into this evolving sector.



 El Corte Inglés, presented by Alda Bernardes: El Corte Ingles has set up a lifelong learning team, which includes specialists in educational sciences and adult education. A protocol was established with the National Agency for Qualification and Vocational Education (ANQEP), for all employees to have the opportunity to complete basic and secondary education through the Skills Recognition, Validation and Certification process.



- ReSkills Training presented by Filiz Güleç Kutlu: This initiative aims to enhance awareness of the digital transformation and enable employees to adapt to new work methodologies by engaging in activities such as creative drama and improvisation to develop 21st-century skills.
- Unione Nazionale Consumatori Umbria presented by Giada Materazzo: A

massive open online course (MOOC) was developed as part of a Horizon2020 project, to support young people and integrate circular economy and environmental sustainability into civic education.

- **Kimitisik B.V.** presented by **Alessandro Tommasi**: <u>Kimitisik</u> implements several initiatives designing train-the-trainer programmes cantered on innovative pedagogies to empower learners in their upskilling and reskilling journeys.
- 1st Vocational School of Patras presented by Panagiotis Chatzipapas: The <u>Achaia Directorate for Secondary Education</u> has established a comprehensive network of local organisations that collaborate to facilitate the transition of young people from school to the labour market.

Furthermore, other initiatives were included in a webpage specifically set up for the world cafe session.

Day 2

22 March 2024



Day 2 – 22 March 2024

Opening address

The second day of the Pact for Skills Forum was opened by **Andriana Sukova**, **Acting Director General at DG EMPL**, to share some key reflections on the challenges and opportunities in the EU labour market.

With the unemployment rate standing at a record low of 6%, the EU labour market is showing clear signs of recovery from the socio-economic impacts of the COVID-19 crisis. Labour shortages are steadily increasing, however, whilst up to 60 million people in Europe are still among the low skilled and poor working conditions continue to affect talent retention in crucial sectors. As a result, the need for effective upskilling and reskilling policies, strategies and initiatives is becoming increasingly pressing.



The Acting Director General reiterated that the Pact for Skills acts as a space to develop and discuss new policy initiatives and their potential to further facilitate access to training (e.g. individual leaning accounts, micro-credentials), giving key stakeholders a voice in the debate. Moreover, Pact members, as leaders in their respective ecosystem, can lead the way towards a cultural shift that promotes increased investment in skills and more training opportunities for the European workforce.

Supporting SMEs through the Pact for Skills

Key messages from the panel discussion

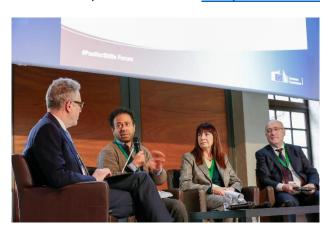
- Compared to large companies, SMEs face disproportionate obstacles in engaging in upand reskilling (e.g. time, budget and capacity constraints).
- The Pact for Skills can provide a space for SMEs to discuss common challenges and identify joint solutions. This can be achieved through:
 - o Increasing the representation of SMEs within the Pact membership
 - Ensuring SMEs are actively involved in LSPs and RSPs

 Promoting and providing opportunities for mutual learning and knowledge exchange to better understand the obstacles faced by and pressing needs of SMEs.

With 45% of SMEs encountering difficulties in accessing qualified and skilled workers, and three-quarters facing skills shortages for at least one position in their company, small and medium-sized companies have to navigate an increasingly complex labour market. As of March 2024, 359 Pact for Skills members registered as Small and Medium-Sized Enterprises (SMEs). SMEs represent 18.9% of all registered members in the Membership database⁵, representing the largest stakeholder share. This panel discussion, moderated by Jakub Boratynski, Director for Networks and Governance at the Directorate General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) aimed to explore the challenges faced by SMEs in the context of upskilling and reskilling, as well as potential solutions.

Abdallah Sobeih, Lead analyst & Managing Director at Swldeas AB noted that, as SMEs often lack the time and resources to develop and provide training opportunities, upskilling and reskilling initiatives targeting this specific audience must be flexible and tailored to SMEs' needs. Work-based and blended learning are thus a key potential avenue through which to introduce upskilling and reskilling into SMEs. As highlighted by Isabelle Verilhac, Coordinator of the LSP for the Cultural and Creative Industries (CCI), partnerships established under the Pact can also provide crucial support to SMEs. Within the CCI LSP, members pool resources to support SMEs to upskill and reskill. EU funding programmes can also act as a catalyst for change: the CCI LSP will soon launch a project to engage SMEs through local partnerships to promote upskilling and reskilling. Antonio Novo, President of the European Clusters

Alliance, stressed the importance of promoting cooperation and mutual learning, by sharing examples from industrial clusters across several EU Member States (e.g. France, Germany, Sweden), that have joined forces to conduct studies on the needs of SMEs, organise events, and deliver training. Lastly, opportunities for networking – both amongst SMEs and between these and policy makers and education and training providers – were also mentioned as key to promoting a cultural shift towards upskilling and reskilling.



⁵ In total, there are 1673 registered members in the Membership database.

Sectoral experiences of implementing skills initiatives for the green transition

Key messages from the panel discussion

- The ongoing green transition has resulted in a pressing need for companies to include and streamline green skills in their training offer.
- Pact for Skills members are pioneering sustainability in their day-to-day efforts to upskill
 and reskill the European workforce, by developing training programmes and skills
 strategies, promoting the green transition through regional and sectoral partnerships, and
 leading by example in their respective ecosystems.
- Regions are well placed to connect stakeholders and support SMEs in training; they can put tools developed through European cooperation within the Pact to local and concrete use (for example training programmes and platforms for green skills, credentials).
- Other EU level initiatives such as the Blueprint Alliances also play a key role in promoting green skills by supporting the development of skills strategies and tools embedding sustainability as a cross cutting competence.

This panel discussion, moderated by **Stefan Humpl, Managing Director at 3s**, aimed to provide a platform for Pact members to share their experiences and showcase good practices related to the green transition.

As highlighted by the speakers, the green transition influences all sectoral ecosystems in different ways. Jose Ignacio Alonso Osambela, Global Human Resources Manager at Celsa Group and member of the LSP for the Energy-Intensive Industries, explained that, while sustainability has always been part of the company's working culture due to the focus on producing steel from recycled materials, this has now become a top priority for the Celsa Group. The company is experimenting with new processes to reduce waste and have committed to halving CO2 emissions by 2030. Prioritising sustainability has translated into greater efforts to train, upskill and reskill employees: the Celsa Group has not only identified a set of personal, management and technical competencies that their employees should work towards to, with green skills embedded into this skillset, but has also developed a special training programme to support their workforce to navigate the green transition. To maximise outreach, the training is available both to employees whose job is or risks being directly affected by the green transition, as well as any other interested employee.



Sustainability is also at the core of the activities of the Offshore Renewable Energy LSP. As mentioned by the LSP coordinator, Lucía Fraga-Lago, EU level initiatives such as the Blueprint Alliances and the Pact for Skills have been catalysts for change in the shipbuilding and maritime sector. Under both initiatives, skills strategies have been developed, with sustainability featuring as a cross cutting priority and green skills being included as transversal competences. Furthermore, the LSP is part of a

project spanning six different ecosystems, with the objective to analyse the skills needed to accelerate the green transition, and define and deliver common upskilling and reskilling programmes.

Michaela Paľašová, Head of the Brussels office for the Trnava Region and member of the LSP for the Automotive ecosystem (Automotive Skills Alliance), highlighted that the LSP focuses on developing tools to support sustainability and the development of green skills on the ground. This includes sharing best practices, creating synergies and collaborations among partners, and facilitating access to skills and training. Regions have a crucial role to play, as they can provide structures for collaboration among local stakeholders, as well as opportunities to share experiences of taking advantage of support provided through EU funding programmes to implement upskilling and reskilling initiatives in the context of the green transition.

Christian Baio, Sustainability and Business Development Manager at Spin360, member of the LSP for the Textile, Clothing, Leather, and Footwear ecosystem explained that Spin360 works around two interlinked pillars: sustainability and skills anticipation, by creating multi-year sustainability and compliance strategies. Spin360's work on sustainability is based on the belief that investing in upskilling and reskilling, and green skills in particular, is advantageous for both the company and its employees. On the one hand, investing in sustainability benefits employers as it results in a more positive reputation for their company, increasing its attractiveness towards talented workforce. On the other hand, developing competences for the green transition makes employees readier to tackle the changing needs of the labour market and raises their profiles towards employers. Investing in sustainability can also have broader impacts within an ecosystem: when large companies commit to implementing concrete actions to support the green transition, their commitment has a positive ripple effect on their supply chains, as other, smaller companies are forced to adapt to comply with sustainable practices and processes.

Ideas exchange: how to make the most of the Pact for Skills community to upskill and reskill Europe

Key messages from the panel discussion

- Key ideas shared by Pact members to further strengthen the impact of the Pact for Skills include:
 - o Acting as a catalyst at national, regional and local levels with members promoting the Pact and encouraging other stakeholders to join;
 - Ensuring the active involvement of workers by promoting upskilling and reskilling as participatory processes where both employers and employees can actively contribute to shaping measures and initiatives;
 - Strengthening cross-fertilisation with other EU initiatives by building stronger links and synergies to work towards common goals, for example with the EAfA;
 - Supporting events organised by Pact members to facilitate peer leaning and knowledge exchange, create synergies across projects and initiatives, and promote information sharing on relevant networking and funding opportunities;
 - Enhancing companies' engagement to foster greater buy-in from employers and increase efforts to embed upskilling and reskilling in company culture;
 - Acting as a multiplier helping small players by continued efforts to increase the participation of SMEs as active members of the Pact;
 - Helping SMEs to access training by supporting collaboration and partnerships and access to funding;
 - Helping SMEs monitoring their employees' skills by facilitating access to knowledge and tools.

The last panel of the second day of the Pact for Skills Forum was moderated by **Vicki Donlevy**, **Director at Ecorys**, and represented an opportunity to engage in a conversation on how the Pact for Skills can continue to support its members to tackle skills challenges and make the most of opportunities for upand reskilling.

Isabel Sobrino Mete, Director General of Ceemet, presented her idea to continue building the Pact for Skills as a space of mutual exchange between members. Umbrella organisations in the Pact, such as Ceemet, should continue to act as multipliers by promoting the Pact for Skills to their members across Europe, and raising awareness of relevant EU level funding and networking opportunities as well as policy developments. Sectoral organisations should bring added value to the Pact community

by gathering information on skills needs, best practices, and skills intelligence and sharing this knowledge with Pact members. Social partners should continue to actively engage in the Pact for Skills as they bring the needs of companies and workers alike to the discussion, Social partners, like Ceemet, can identify efficient solutions in the area of upskilling and reskilling, for instance by sharing information on successful national and/or regional level initiatives as well as lessons learned from less impactful projects.



Oliver Roethig, Regional Secretary of UNI Europa, presented his idea to ensure the Pact for Skills is a community that brings in the voice of workers. As a social partner representing service workers across Europe, UNI Europa strongly advocates for social dialogue and collective bargaining to be embedded in skills development policies and practices. Any upskilling and reskilling measure developed by the Pact and its regional and large-scale partnerships should actively involve employees themselves both at design and implementation stage. Oliver highlighted that peer learning and knowledge exchange remains fundamental in this: the Pact can be a platform to ensure better recognition of companies that do meaningfully engage their workers in designing upskilling measures so that these can be of inspiration to those who do not do so. By acting as a space to encourage companies to set up or improve training strategies together with workers and their representative structures, the Pact can promote equal access to quality, effective, and inclusive training.

Oliver Jung, Secretary General of GCP Europe and Coordinator of the LSP for the Renewable Energy ecosystem, shared his idea that the Pact should build stronger links across initiatives and projects so that it can continue to act as a catalyst for the skills revolution. For instance, this could be achieved by developing an up-to-date list of relevant conferences and events hosted by EU institutions, and promoting the active participation of Pact members in these. More efforts could be done to encourage and facilitate cross-fertilisation between relevant EU level initiatives. Lastly, the possibility of providing financial support to Pact for Skills members for the organisations of events and networking opportunities directly linked to priority areas identified by the European Commission could be an idea to be further explored.

Emilie Christe, Chief marketing officer and vice-president of MIMBUS shared her idea focused on supporting SMEs to engage in upskilling and reskilling through the Pact for Skills. The Pact should be used to provide a space for SMEs to build stronger cooperation with educator providers, for example by linking up companies and qualified training centres. Lastly, the Pact can facilitate peer learning,

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allowing SMEs to learn about training practices and tools, including immersive learning solutions and/or tools to monitor skills development and identify skills needs, to improve their training offer.

Pact for Skills Forum – Conclusions and lessons learned



Conclusions and lessons learned

The Pact for Skills Forum highlighted the crucial role that the Pact for Skills community plays in leading the way towards a much-needed 'skills revolution'. It showcased the importance of organisations coming together to upskill and reskill the European workforce and ensure that Europe is fully equipped to not only deal with the challenges of the digital and green skill transitions but also lead the way in seizing the opportunities of these changes.

The EU has taken clear and focussed action to promote upskilling and reskilling and the event showed that this remains a high priority. From the Pact for Skills to the European Alliance for Apprenticeships, from the Centres of Vocational Excellence to the Blueprint Alliances, flagship initiatives have been launched over the last decade and continue to contribute to achieving key targets and fostering concrete action on the ground. Significant funding that has been made available through EU programmes is having an impact. EUR 65 billion from ESF+ and the Recovery and Resilience Facility (RRF) is being invested to support EU Member States to strengthen policymaking on skills, and businesses, education and training providers on the ground to implement concrete actions.

The Pact for Skills is an important part of these efforts. With over 2500 members and 20 large-scale partnerships covering all 14 industrial ecosystems, the Pact for Skills and its members are implementing crucial measures to upskill and reskill the European workforce. The event made it clear that the Pact provides a much-needed space for collaboration, mutual learning, ideas exchange and innovation between key business leaders, education providers, social partners and civil society – organisations that in many sectors had not come together before in such a way in the area of skills. As stated by the Commissioner for Jobs and Social Rights: "if the Pact didn't exist, we would have to invent it". The event showcased that the added value of this collaborative community cannot be underestimated.

The discussions at the event showed that at the core of the skills revolution, there is a clear need for a change in attitude whereby upskilling and reskilling are not seen as resource-consuming add-on, but are integrated in well-developed, properly resourced, longer-term strategies at policy level, as much as within education systems and individual companies. The Pact for Skills has a key role to play in the skills revolution, by providing a space for stakeholders to support this cultural shift. Pact for Skills members, through their individual and partnership work, are leading by example, as they are promoting change across and within sectors and regions, by implementing innovative projects, pioneering actions to support the green and digital transitions, exchanging ideas and lessons learned, and promoting a shared vision to address common challenges.

For the Pact for Skills to continue to drive the skills agenda forward in Europe, it is essential that the Pact continues to strengthen its unique role as a platform for exchange and cooperation and gives voice to all stakeholder groups represented in the Pact community. Building more synergies with other relevant EU level initiatives remains crucial to fostering more effective action on the ground. Further widening the Pact membership to ensure representation of all relevant stakeholders, including small and medium sized companies, will support the Pact to implement more targeted action to better respond to skills needs on the ground.

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Beyond the Pact, promoting upskilling and reskilling, while key, remains only a piece of a broader puzzle requiring action at EU, national, regional and local level. It is only by proactively and systematically addressing and managing the social, economic, environmental and cultural impacts of megatrends such as digitalisation, climate change, and migration that Europe will be able to provide a fertile environment for upskilling and reskilling to prosper.