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From: General Secretariat of the Council

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To: Delegations

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Subject: A new Skills Agenda for Europe

I. INTRODUCTION

On 10 June 2016, the Commission transmitted to the Council its Communication on a New Skills Agenda for Europe (doc. 10038/16) and the accompanying proposals for Council Recommendations on establishing a Skills Guarantee (doc. 10205/16) and on the European Qualifications Framework for lifelong learning (doc. 10209/16). They were presented by the Commission at a joint meeting of the Education Committee and the Social Questions Working Party on 5 July. A question and answer session followed, where delegations expressed their still preliminary views on the Communication and the proposals.

II. PRESENTATION BY THE COMMISSION AND GENERAL OBSERVATIONS

1) **Communication on a New Skills Agenda for Europe**

First, the Commission underlined the importance of skills in the fast-changing global economy for competitiveness and the capacity to drive innovation. 70 million Europeans lack adequate reading and writing skills, which together with poor numeracy and digital skills increases their risk of unemployment, poverty and social exclusion. At the same time, 40% of European employers have difficulty finding people with the right skills. The Communication tries to address these striking skills gaps and mismatches through a number of cross-cutting and cross-sectoral initiatives, involving several Commission DG's (EMPL, EAC, GROW and HOME), using the expertise of, *inter alia*, the OECD, and following consultation of a wide range of stakeholders and relevant expert committees. The Commission stressed that the new Skills Agenda was aimed at improving the quality and relevance of skills formation and skills intelligence as well as of information to allow better career choices, and at making skills and qualifications more visible and comparable. It is building on existing initiatives, by strengthening or streamlining them to better assist Member States in their national reforms.

In its Communication, the Commission announced the launching of several initiatives under this umbrella during 2016 and 2017, such as the Digital Skills and Jobs Coalition building on the existing Grand Coalition, a Blueprint for Sectoral Cooperation on Skills to tackle skills shortages in six big economic sectors, a Skills Profile Tool for Third Country Nationals, a revision of the Key Competences Framework to develop their shared understanding, a possible revision of EQAVET and ECVET¹ for modernisation of vocational education and training (VET) and a new initiative on Graduate tracking. The Commission also undertook to adopt a new proposal for a revision of the Europass Decision in the coming months.

¹ The European Quality Assurance Reference Framework for Vocational Education and Training (EQAVET) and the European Credit System for Vocational Education and Training (ECVET)

In general, delegations welcomed the agenda, which would give a new boost to addressing this important issue and which focussed on common objectives while respecting the differences in the Member States. Whilst stressing the need for strong roles for education and employment ministers in the implementation of the initiatives, several delegations considered that the perspective of the Communication was too labour-market oriented, not sufficiently taking into account broader aspects. A number of delegations stressed the role of talent and the importance of digital, transversal and social skills, such as critical thinking, creativity and entrepreneurship, as well as of civic skills (e.g. citizenship education) which are complementary to more technical ones. Support to teachers should also be part of a broader approach in terms of objectives.

On the other hand, skills should match labour market needs, which ought to be anticipated well in advance. In this respect, delegations shared the view that the involvement of various stakeholders, in particular of businesses, was key for successful implementation of the agenda. It was also stressed that governance simplification should build on acquired experience, practices and expertise, rather than be done at their expense. Finally, a number of delegations expressed concerns about the implications of this very ambitious agenda for the national coordination and a possible increase in administrative costs. Referring to the current revision of the MFF, they felt that it was of great importance to clarify the funding possibilities, in relation to the clearly set political objectives.

2) **Skills Guarantee**

The Commission underlined the high incidence of the problem of low qualified adults in the EU, with the consequent adverse effects on them as individuals (deficient labour market integration, higher risk of poverty and social exclusion) and for society and the economy as a whole. This initiative therefore aims at building human capital by increasing employability. The target group are adults who left the education system without acquiring an upper secondary qualification and are not eligible for support under the Youth Guarantee. The objective is offering them, via a three-step approach (skills assessment, tailored education/training offer, validation and recognition), upskilling pathways to achieve minimum literacy, numeracy and digital skills levels and/or an EQF level 4 qualification or equivalent. The proposal comes without additional financing, with EU support set to come from the reallocation of existing financial resources of EU funds.

Delegations generally welcomed the objectives of the proposal and stressed that the matter is a political priority. Concerns were expressed as regards the financing of measures/actions, given that reallocating existing resources has its limits. The use of the term "guarantee" was contested, given the expectations this could generate and its possible legal impact. The possible administrative burden arising from the initiative was also highlighted, with delegations rejecting the creation of a heavy reporting mechanism. Caution was expressed on the target levels to be attained. Doubts were expressed on the timing, more particularly on the approval of action plans within one year, and on the time lag with the upcoming review of the Recommendation on Key Competences for Lifelong Learning.

3) European Qualifications Framework (EQF) for lifelong learning

The EQF framework was created in 2008 with the aim to ensure transparency, comparability and portability of qualifications through the comparison of national systems. According to the Commission, the impact of the EQF so far has been positive but its implementation has demonstrated that challenges remain, such as the need for increased comparability of qualification systems or the improvement of the transparency of qualifications awarded by private and international bodies. The proposed Council Recommendation thus maintains the core of the 2008 recommendation, whilst aiming to address its revealed shortcomings. In doing so, it aims to ensure the continuity of the process but, while acknowledging the limits of the current recommendation, it tries to ameliorate its functioning.

Delegations expressed mixed feelings on the need for a revision of the current EQF Recommendation. The opening of the EQF to third country qualifications was not seen positively, since it was considered that the current priority should be to make the tool internally mature and to develop trust in its use. Doubts were also expressed on the new governance arrangements and on the credit system. More information was requested on the possible creation of a register for bodies monitoring quality assurance systems for qualifications. As regards terminology, the replacement of the term 'competences' in the EQF descriptors for 'autonomy and responsibility' was questioned.

A legal issue was raised regards the potential repeal of a European Parliament and Council Recommendation by the means of a Council Recommendation.

It should also be noted that a number of delegations were not able to take a position on the EQF proposal, pending the Commission's expected proposal on the Europass Framework closely linked to the EQF.

III. CONCLUSIONS

The Presidency referred to its provisional Roadmap on a New Skills Agenda for Europe as regards the further steps. The Roadmap sets out the division of work between the EYCS and EPSCO configurations, whereby EYCS will be the lead configuration, with EPSCO contributing on horizontal and labour market related aspects.

The intention of the Presidency is to draw up a draft resolution in response to the Commission communication with a view to its adoption at the EYCS Council on 21-22 November 2016. The next meeting of the Education Committee will take place on 14-15 July 2016 in Bratislava.

As regards the way forward in the EPSCO configuration, the Presidency will hold a policy debate / exchange of views on the Skills package at the EPSCO Council on 13 October 2016. The Employment Committee is expected to contribute to the debate.
