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Subject: COUNCIL RECOMMENDATION on individual learning accounts

COUNCIL RECOMMENDATION (EU) 2022/...

of ...

on individual learning accounts

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 292 in conjunction with Article 149 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) A skilled workforce is crucial to strengthening the Union's sustainable competitiveness, supporting a job-rich recovery from the COVID-19 pandemic and ensuring socially fair digital and green transitions. As labour markets evolve, people need to keep pace by upgrading their skills. New and better skills open up more opportunities and equip people to play an active role in managing transitions in the labour market and participate fully in society, against the backdrop of demographic change. Moreover, adult upskilling and reskilling can be powerful tools in promoting social fairness and inclusion for a just transition.
- (2) Article 14(1) of the Charter of Fundamental Rights¹ states that everyone has the right to education and to have access to vocational and continuing training. The first principle of the European Pillar of Social Rights (the 'Pillar'), jointly proclaimed by the European Parliament, the Council and the Commission on 17 November 2017², states that everyone has the right to quality and inclusive education, training and lifelong learning in order to maintain and acquire skills that enable them to participate fully in society and manage successfully transitions in the labour market. The fourth principle of the Pillar touches on active support for employment, to uphold everyone's right to timely and tailor-made assistance to improve employment or self-employment prospects. The fifth principle of the Pillar, on secure and adaptable employment, emphasises that, regardless of the type and duration of the employment relationship, workers have the right to fair and equal treatment regarding working conditions, access to social protection and training.

¹ OJ C 326, 26.10.2012, p. 391.

² OJ C 428, 13.12.2017, p. 10.

- (3) On 25 June 2021, the **European Council** welcomed the Union headline targets of the European Pillar of Social Rights action plan, in line with the Porto Declaration of 8 May 2021, thereby supporting the ambition of ensuring that, by 2030, at least 60 % of all adults participate in training every year. However, participation in adult learning in the Union has stagnated over the last decade and 21 Member States fell short of the 2020 Union-level target. Taking that into account, the Council adopted the Resolution on a new European agenda for adult learning 2021-2030¹ to support progress towards the Union adult learning headline target. For many adults, such as those in atypical forms of work, employees of small and medium-sized enterprises (SMEs), the unemployed, the inactive and the low-qualified, skills development opportunities are too often out of reach.

¹ **OJ C 504**, 14.12.2021, p. 9.

- (4) The European Skills Agenda, adopted by the Commission on 1 July 2020, calls for a skills revolution to turn the ecological and digital transitions into opportunities for a prompt and fair recovery. *Inter alia*, it announces that the Commission will explore individual learning accounts as a tool to support the upskilling and reskilling of working-age adults, complementing other actions targeting employers and the providers of education and training.
- (5) Skills for the green transition and the upskilling and reskilling of the workforce will be needed in the context of the shift to a modern, resource-efficient and competitive economy, as laid out under the European Green Deal, which aims for climate neutrality by 2050. The Commission communication of 14 July 2021 ‘Fit for 55’ recognises that the green transition can succeed only if the Union has the skilled workforce it needs to stay competitive and points to the flagship actions of the European Skills Agenda to equip people with the skills that are needed for the green and digital transitions.

- (6) The Commission communication of 9 March 2021 on Europe's Digital Decade acknowledges the lack of staff with adequate digital skills, as well as the gender imbalance among information and communication technology (ICT) specialists and science, technology, engineering and mathematics (STEM) graduates. It reiterates the objective of ensuring that at least 80 % of the Union population have at least basic digital skills by 2030, and proposes a target of 20 million employed ICT specialists with convergence between women and men also by 2030. The Commission proposal of 15 September 2021 on the path to the Digital Decade suggests establishing a framework to take those objectives forward. The Digital Education Action Plan 2021-2027 of 30 September 2020 emphasises that technological means should be used to ease accessibility and strengthen flexibility of learning opportunities, including upskilling and reskilling.
- (7) The Commission communication of 10 March 2020 entitled 'A New Industrial Strategy for Europe' calls for decisive action to make lifelong learning a reality for all and to ensure that education and training keep pace with and help deliver the twin transitions.

- (8) The Council conclusions of 8 June 2020¹ invite Member States, while taking into account national circumstances and respecting the role and autonomy of the social partners, to explore possible models for public and private financing of lifelong learning and the development of skills on an individual level, since sustainable funding is especially important in the context of the shortage of skilled labour, and to pay particular attention to vulnerable groups and low-skilled workers, and call on the Commission, in line with its competences, to support Member States in those efforts.
- (9) Insufficient financial support for individuals is one of the main barriers influencing participation in learning. Overall public and private investments are insufficient. Most job-related training in the Union is employer-sponsored. However, many companies, in particular SMEs, do not provide or fund training for their staff, and individuals in atypical work have less or no access to employer-sponsored training. Such inequalities could undermine individuals' welfare and health, reduce economic competitiveness, result in missed opportunities and barriers to innovation and risk leaving people behind in the transition to more sustainable economic activities.

¹ Council Conclusions of 8 June 2020 on reskilling and upskilling as a basis for increasing sustainability and employability, in the context of supporting economic recovery and social cohesion (ST 8682/20).

- (10) In addition to direct costs, time constraints are an important factor preventing adults from seeking training. While paid training leave arrangements exist in most Member States¹, the awareness and take-up of training leave by working-age adults are often low, and the arrangements often do not cover atypical workers or do not allow adults to seek education and training during periods of unemployment or low economic activity.
- (11) Many adults, especially among the low-qualified and those furthest from the labour market, are not motivated to take up training. They may not be aware of their own skills needs, and may not know whether support and training are available, or are of good quality and are recognised in the labour market. Furthermore, people may not be motivated to engage in training that has been chosen without consulting them and is not tailored to their needs.
- (12) A fresh approach on upskilling and reskilling is needed in the Union. It should complement existing instruments and follow up on political commitments by empowering individuals and by equipping them with the support and tools they need to upskill or reskill, at all skill levels.

¹ 24 Member States have training leave arrangements and 12 Member States are signatories of the International Labour Organisation (ILO) Paid Educational Leave Convention (as of March 2022).

- (13) In its opinion of 16 August 2021 on the Union initiative on individual learning accounts and strengthening training provision in Europe, the Advisory Committee on Vocational Training (ACVT) argues that such an initiative should contribute to more engagement, motivation and participation of adults in education and training. The main challenge is to improve the matching of skills and jobs and to ensure access to diversified quality training options through more relevant and better-targeted provision. The ACVT highlights in its opinion that the choice of financing mechanisms and tailored incentives by target group at national level should follow national needs and priorities.
- (14) One possible approach to addressing the problems outlined above is to provide people with direct support through training entitlements in individual learning accounts. It also entails the establishment of a broad enabling framework that grants individuals access to training opportunities, information, guidance, paid training leave and the recognition of training outcomes. This approach may complement existing initiatives at national level.

- (15) It is recommended that an individual training entitlement be defined at national level, in line with people's training needs¹, and taking into account other existing instruments. Modulating funding according to the needs can increase the efficiency of the initiative. Member States may establish additional training entitlements for individuals most in need, depending on the national context and the changing labour market. For instance, Member States could top up individual learning accounts in strategic sectors², to support the green and digital transitions. In addition to financial entitlements, the relevance, usefulness and recognition of training are key factors affecting participation in upskilling and reskilling. It is also recommended that social partners and relevant stakeholders be consulted on these issues.
- (16) Individual learning accounts should allow people to accumulate and use training entitlements over a set period, to be defined at national level, so that they can take up longer or more costly training or train during economic downturns, in response to emerging skills needs. Individuals should be able to preserve their individual training entitlements independently of their labour force or professional status and across career changes. Member States are invited to establish rules for the expiry of entitlements that give learners an incentive to make full use of their entitlements.

¹ Training entitlements could, for example, allow for recognised training activities worth 30 hours per year for all individuals and 50 hours for individuals most in need.

² The Commission communication of 5 May 2021 entitled–‘Updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe’s recovery’ refers to 14 industrial ecosystems for dedicated support, including on skills development of their current and future workforce.

- (17) The possibility of allowing the preservation of individual training entitlements during periods in which the individual lives in another Member State, or the use of individual training entitlements for accessing recognised and quality assured training from the national registry of their learning account from abroad, should be promoted. The transferability of entitlements between Member States is a desirable feature in the longer term, which needs further exploration, taking into account possible impacts on national labour markets.
- (18) To help individuals identify a suitable training pathway and thus increase their motivation to learn, access to career guidance and validation opportunities needs to be available. There is also a need for up-to-date public registries of recognised training through dedicated single national digital portals accessible to all, including people with disabilities, and, preferably, interconnected with the Europass platform.
- (19) It is recommended that individual learning accounts be used to access validation, including skills assessment opportunities. The recent evaluation by the Commission of work under the Council Recommendation of 20 December 2012 on the validation of non-formal and informal learning¹ points to substantial progress, but also identifies persisting challenges and proposed responses. In particular, it is necessary to provide individuals with tailored support, and to ensure closer coordination with guidance services and effective tailoring of validation initiatives for disadvantaged and vulnerable groups. Member States are invited to encourage the provision of micro-credentials where relevant, on the basis of identified needs, in line with the Council Recommendation of ...⁺ on micro-credentials for lifelong learning and employability².

¹ OJ C 398, 22.12.2012, p. 1.

⁺ OJ: please insert the date and the publication reference in the footnote below of that Council Recommendation.

² OJ ...

- (20) This Recommendation supports the implementation of paid training leave. The proper provision of paid training leave would allow workers to keep their salary or a replacement income during periods of training. Member States are invited to enter into dialogue with social partners on arrangements to allow employees to participate in training during working hours using their individual learning accounts, taking into account national training possibilities and schemes. In this regard, the situation of SMEs and micro-enterprises should also be taken into account.
- (21) Wider outreach and awareness-raising activities and campaigns are key to significantly enhancing the rates of adult participation in learning opportunities, in particular among groups with low awareness of upskilling and reskilling, such as those furthest from the labour market. Cooperation between public authorities, social partners, civil society organisations and other stakeholders, based on the common understanding that upskilling and reskilling are a means of investment, can increase the effectiveness of outreach and awareness-raising activities. Paying attention to accessibility should facilitate the participation of adults with disabilities.
- (22) Monitoring at national level, and the continuous improvement of the individual learning accounts and of the enabling framework, are key to supporting the implementation of this Recommendation. Subsequent adjustments could concern the amount of individual training entitlements, the priority groups or the user-friendly integration of the various elements of the enabling framework.

- (23) Adequate funding is a key feature of successful schemes for individual learning accounts. A national scheme of individual learning accounts could facilitate cost-sharing between various funding sources, such as public authorities, employers and funds managed by social partners, by allowing various funding sources to contribute to the individual learning account. A combination of public and private funding sources should ensure the sustainability of the initiative in the Member States, which is fundamental for its success. Such a combination of funding sources facilitates the modulation of support and top-ups by employers for their employees, either voluntarily or as an outcome of collective bargaining agreements.
- (24) Union funds which support adult learning schemes, such as the European Social Fund Plus¹, the European Regional Development Fund² and the Just Transition Fund³, as well as, where relevant, the Recovery and Resilience Facility⁴ under Next Generation EU and tailor-made expertise through the Technical Support Instrument⁵, can support the establishment of individual learning accounts and their enabling framework. Mutual learning, facilitated by the Commission, can also support the process.

¹ Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013 (OJ L 231, 30.6.2021, p. 21).

² Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (OJ L 231, 30.6.2021, p. 60).

³ Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund (OJ L 231, 30.6.2021, p. 1).

⁴ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

⁵ Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, 18.2.2021, p. 1).

- (25) This Recommendation is without prejudice to the exclusive competence of the Member States and to the distribution of competences within each Member State at national, regional or local level with regard to financing, as well as to the organisation and content of their adult learning and training systems. It does not prevent the Member States from maintaining or establishing provisions on adult learning and training other than, or more advanced than, those recommended in this Recommendation.
- (26) Member States should involve social partners and all relevant stakeholders including civil society organisations, in the design of reforms. This Recommendation fully respects the autonomy of the social partners, including where they are responsible for setting up and managing training schemes.
- (27) The measures outlined in this Recommendation do not replace, and are not intended to interfere with, the provision of training by employers, public and private employment services or other education and training providers, nor should they replace public support for education and training institutions or other types of support. Additional administrative burden should be minimised,

HEREBY RECOMMENDS:

Objectives

1. This Recommendation aims to support Member States' initiatives to enable more working-age adults to engage in training in order to increase participation rates and reduce skills gaps. It thereby contributes to the Union's objective of promoting a highly competitive social market economy, aiming at full employment and social progress. Specifically, it aims to:
 - (a) support all working-age adults in accessing training, including for professional transitions and irrespective of their labour force or professional status;
 - (b) increase individuals' incentives and motivation to seek training.
2. In order to achieve the objectives set out in paragraph 1, it is recommended that Member States consider establishing individual learning accounts as a possible means for enabling individuals to participate in labour-market relevant training. To the extent that they decide to establish individual learning accounts, Member States are recommended to put in place an enabling framework, including guidance and validation opportunities, to promote the effective take-up of that training, as laid down in this Recommendation.

Scope

3. This Recommendation covers working-age adults legally residing in a Member State, independently of their level of education and current labour force or professional status. Member States are recommended to establish an individual learning account for each person belonging to this group, in accordance with their national needs and circumstances.

It is recommended that frontier workers and self-employed persons who work in a Member State other than the Member State where they legally reside be covered in the Member State where they work.

Definitions

4. For the purposes of this Recommendation, the following definitions apply:
 - (a) ‘individual training entitlement’ means the right to access a personal budget at an individual’s disposal to cover the direct costs of labour-market-relevant training, guidance and counselling, skills assessment or validation that are eligible for funding;

- (b) ‘individual learning account’ is a delivery mode for individual training entitlements. It is a personal account that allows individuals to accumulate and preserve their entitlements over time, for whichever eligible training, guidance or validation opportunity they deem most useful and whenever they want to, in line with national rules. It grants the individual full ownership of the entitlements, irrespective of the funding source;
- (c) ‘transferability’ of individual training entitlements means that, once conferred, such entitlements remain in the possession of the individual concerned, including during transitions, such as between jobs, from job to learning, from employment to unemployment, and between activity and inactivity;
- (d) ‘enabling framework’ comprises support that promotes the effective take-up of individual training entitlements. This includes career guidance and validation opportunities, a national registry of opportunities that are eligible for funding from individual training entitlements, a single national digital portal to access the individual learning account and national registry, and paid training leave.

Individual learning account

It is recommended that Member States, in line with national practices and needs:

5. set up an individual learning account, which could complement other measures already in place, for every individual covered by the scope of this Recommendation after having consulted social partners and relevant stakeholders;
6. ensure an adequate annual provision for every individual learning account that can be accumulated and used over a set period, to allow for more substantial training;
7. provide additional individual training entitlements to the accounts of individuals who are most in need of upskilling and reskilling, on the basis of national or sectoral needs, the individual's labour-force or contract status or qualification level, and any other relevant circumstances, and in accordance with clear and transparent criteria, after having consulted social partners and relevant stakeholders;
8. invite employers to provide additional individual training entitlements to the individual learning accounts of their workers and other people working in their value chain, in particular those working in SMEs, without interfering with in-company training;
9. invite public and private employment services to provide additional individual training entitlements to the individual learning accounts of individuals most in need of upskilling and reskilling;

10. set the conditions under which individual training entitlements can be accumulated and stored, with a view to striking a balance between allowing individuals to accumulate their entitlements to finance longer training courses and encouraging them to make regular use of their entitlements throughout their working lives; for example, Member States could establish a time limit and upper amount for accumulation and storage;
11. promote the possibility that individual training entitlements which are in an account in a Member State can be used for eligible training, career guidance and validation opportunities in that Member State, even during periods in which the individual is legally residing in another Member State.

Enabling framework

It is recommended that Member States introducing individual learning accounts embed them in an enabling framework that includes:

- Career guidance and validation
12. Member States are recommended to ensure that career guidance services and validation opportunities, including skills assessment opportunities, in person or online, are available and accessible to every owner of an individual learning account, free of charge or by using their individual training entitlements, in line with the Council Recommendation of 20 December 2012 on the validation of non-formal and informal learning¹.

¹ OJ C 398, 22.12.2012, p. 1.

- A national registry of eligible quality training, career guidance and validation opportunities
13. Member States are recommended to establish and keep updated a public registry of training, career guidance and validation opportunities that are eligible for funding from individual training entitlements¹. Career guidance services and validation opportunities provided by Member States free of charge for individuals should also be included in this registry.
 14. Member States are encouraged to establish and publish clear rules for the inclusion in the registry of various forms of labour-market-relevant training, career guidance and validation opportunities, based on transparent quality requirements and skills intelligence and in cooperation with social partners and relevant stakeholders. They should review the rules regularly to promote responsiveness to labour-market needs.

¹ Member States are invited to make this registry compatible with the European Learning Model, a data model that aims to standardise the way in which data on learning are shared and presented. The European Learning Model can be used in different learning contexts such as for describing learning opportunities, qualifications, credentials and accreditation. It builds on the data fields described in Annex VI to the Council Recommendation of 22 May 2017 on the European Qualifications Framework for lifelong learning (OJ C 189, 15.6.2017, p. 15).

15. Where appropriate, Member States are recommended to encourage providers of formal and non-formal learning opportunities to develop and widen their offer on the basis of identified needs, including, for example, by providing micro-credentials, in line with the Recommendation on micro-credentials for lifelong learning and employability, and through the use of Union and national competence frameworks.
16. Member States are recommended to invite social partners, the education and training sector and other relevant stakeholders to participate in the process of defining the eligibility criteria for the training included in the registry.
17. Where relevant, Member States are recommended to open up their national registry in a transparent way to training opportunities offered by providers in other countries.
 - Single national digital portal supporting individual learning accounts
18. Member States are invited to allow and help individuals to access their individual learning account and navigate the registry easily through secure electronic authentication on an accessible¹ single national digital portal² that can be easily accessed from mobile devices and that, preferably, is interconnected with the Europass platform.

¹ In line with the accessibility requirements of Directive (EU) 2019/882 of the European Parliament and of the Council of 17 April 2019 on the accessibility requirements for products and services (OJ L 151, 7.6.2019, p. 70).

² Such portals should be established in line with the principles of the Commission communication of 23 March 2017 on a European Interoperability Framework.

- Paid training leave
- 19. Member States are recommended to enter into dialogue with social partners on arrangements to allow employees to participate in training during working hours using their individual learning accounts.
- 20. Member States are recommended to introduce paid training leave or income replacement provisions or review the adequacy of existing provisions, considering:
 - (a) their coverage of all types of employment relationship, and the self-employed;
 - (b) financial and non-financial support for employers (in particular SMEs) whose employees make use of paid training leave;
 - (c) the need to ensure the effective implementation of such provisions.

Outreach and awareness raising

21. Member States are recommended to undertake, jointly with social partners, civil society organisations, regional and local organisations and other relevant actors, wide outreach and awareness-raising activities and campaigns, tailored to the needs of potential beneficiaries of the scheme for individual learning accounts. Particular attention should be paid to individuals most in need of upskilling and reskilling as defined at national level, to inform and motivate eligible individuals with regard to their rights and benefits concerning individual learning accounts and the enabling framework. Awareness-raising activities should also address, among others, workers in SMEs.

Monitoring and continuous improvement

22. Member States introducing individual learning accounts are encouraged to monitor and evaluate at national level the operation of such accounts and the enabling framework, and to make adjustments as needed in order to achieve the objectives of this Recommendation in the most efficient way, for instance as regards the amount of training entitlements, the definition of individuals most in need of upskilling and reskilling and the user-friendly integration of the various elements of the enabling framework. Social partners and relevant stakeholders should be consulted in that process.

Funding

23. Member States are recommended to take steps to ensure the adequate and sustainable funding of the individual learning accounts, taking account of national circumstances and other measures already in place, with particular attention to SMEs.
24. Member States are encouraged to facilitate the combination of various public and private funding sources in order to contribute to the individual training entitlements, including as an outcome of collective bargaining.
25. Member States are recommended to ensure sustainable funding for the enabling framework and the outreach and awareness-raising activities referred to in this Recommendation.
26. Member States are invited to make maximum and most efficient use of Union funds and instruments, in particular the European Social Fund Plus, the European Regional Development Fund, the Just Transition Fund, the Recovery and Resilience Facility and the Technical Support Instrument, in order to:
 - (a) set up national individual learning accounts, embedded in an enabling framework, including by developing a single national digital portal for the individual learning accounts and related recognised services, and creating national registries of recognised training;
 - (b) provide additional individual training entitlements to the accounts of individuals most in need of upskilling and reskilling, reflecting national circumstances and Union priorities including for the green and digital transitions;

- (c) set up and provide career guidance and validation opportunities;
- (d) organise outreach and awareness-raising activities.

Union support

27. The Council welcomes the Commission's intention, in line with the Commission's competence and with due regard for subsidiarity, to support the implementation of this Recommendation, using the expertise of the European Centre for the Development of Vocational Training (Cedefop), the European Training Foundation (ETF), the European Foundation for the Improvement of Living and Working Conditions (Eurofound) and the European Labour Authority (ELA), by:
- (a) facilitating mutual learning among the Member States to support the design and delivery of appropriate measures for the implementation of this Recommendation;
 - (b) expanding the knowledge base on individual learning accounts and related issues and developing relevant guidance material;
 - (c) exploring, in close cooperation with the Member States, further developments in the Europass platform, in particular to ensure interoperability with the single national digital portals for individual learning accounts, and making visible the learning, career guidance and validation opportunities for which the various national individual training entitlements can be used.

Reporting and evaluation

28. Member States are invited to take steps to reach the objectives set out in paragraph 1 of this Recommendation. Progress towards those objectives should be monitored in the context of the multilateral surveillance as part of the European Semester cycle. The Commission should ensure that monitoring uses the information already collected through other monitoring frameworks and avoids duplications, in order to limit the administrative burden.
29. The Commission should assess and evaluate progress in the implementation of this Recommendation, in cooperation with the Member States concerned and after consulting social partners and relevant stakeholders, and report to the Council by ... [OJ: please insert date five years from the date of adoption of this Recommendation].

Done at ...,

For the Council

The President
