

Brussels, 7 March 2025
(OR. en)

6463/25

SOC 91
EMPL 63
EDUC 49
MI 121
COMPET 124
JAI 285
GENDER 23

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	6 March 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

No. Cion doc.:	COM(2025) 90 final
Subject:	COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS The Union of Skills

Delegations will find attached document COM(2025) 90 final.

Encl.: COM(2025) 90 final



EUROPEAN
COMMISSION

Brussels, 5.3.2025
COM(2025) 90 final

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN
ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE
REGIONS**

The Union of Skills

The Union of Skills

Europe's competitive strength lies in its people. Our human capital is key to the EU's prosperity, its economic resilience and unique social market economy. It is key to increasing our productivity growth, making our industries more competitive and innovative, to attracting additional investments, and to a dynamic single market and enhanced economic security. Putting people first and investing in skills pays off many times over. In the context of the global competition for talent, and a shrinking working age population in the EU, Europe's competitiveness relies on future-oriented skills, contributing to economic social and territorial cohesion. Human capital is also essential to promote preparedness and security in the present geopolitical situation.

To be competitive and prepared for the future, the EU needs to support and prepare its people with the skills and competences needed for success in learning, work, and life, as highlighted by the Competitiveness Compass for the EU¹. Europe's social market economy, with its strong foundations in education, training, research, innovation and democracy, can serve as a solid base.

1. The problem: the need for more and better skills

The Union of Skills² aims to support the development of quality, inclusive and adaptable education, training and skills systems to increase the EU's competitiveness. Enhanced skills intelligence at EU level will be of key importance in this context, for effective and targeted policies.

Skills shortages and gaps, insufficient transformation speed and fragmented and inefficient governance are hampering the EU's competitiveness, as underlined by the Draghi³, Letta⁴ and Niinistö⁵ reports. They are a barrier to productivity growth and innovation, hindering decarbonisation and digitalisation efforts.

1.1 Skills shortages and gaps

Europe does not produce enough skilled graduates from higher education and vocational education and training, nor does it enable enough people to upskill or reskill throughout their working lives. Moreover, in the global competition for talent, Europe struggles to be an attractive destination. Skill shortages are often exacerbated in less developed, remote and outermost regions. Persons with disabilities or with a migrant background often encounter additional obstacles in developing their skills, resulting in untapped potential in the EU labour force.

¹ [Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, A Competitiveness Compass for the EU, COM \(2025\) 30 final](#).

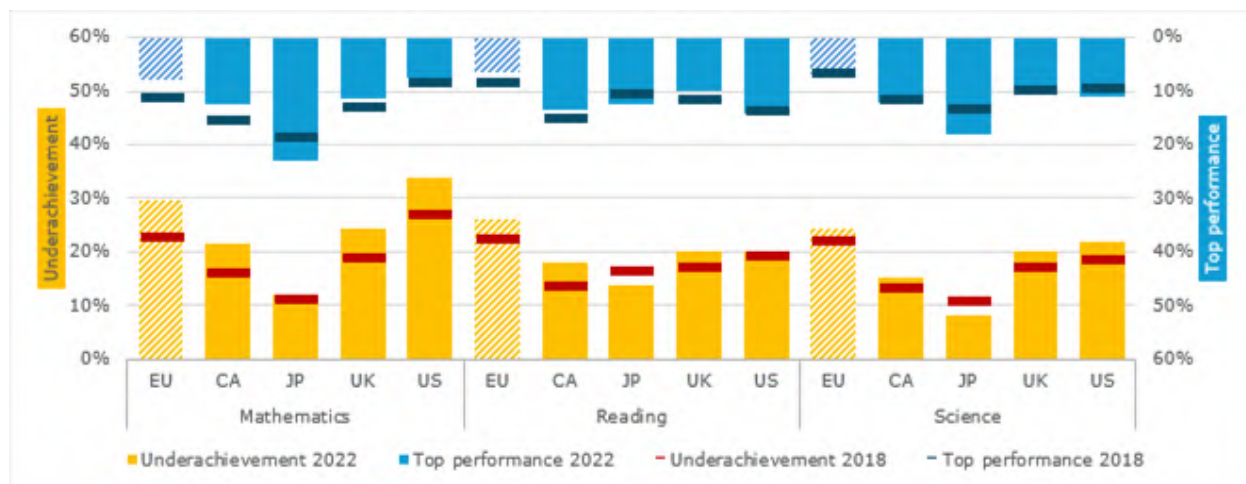
² Skills should be understood in a broad sense through the entire communication. It encompasses skills, knowledge and competences for life, well beyond the skills needed for the labour market.

³ The future of European Competitiveness, report by Mario Draghi.

⁴ Much more than a market – Speed, Security, Solidarity, Empowering the Single Market to deliver a sustainable future and prosperity for all EU Citizens, report by Enrico Letta.

⁵ Safer Together: Strengthening Europe's Civilian and Military Preparedness and Readiness, Report by Sauli Niinistö, former President of the Republic of Finland, in his capacity as Special Adviser to the President of the European Commission.

Starting at school: Europe is lagging behind in basic skills. 15-year olds' performance in mathematics, reading and science has dropped, continuing a downward trend, as shown by recent PISA data⁶. Similarly, nearly half of young people in Europe are lacking basic digital skills.



Source: European Commission 2024: <https://op.europa.eu/en/publication-detail/-/publication/d9d9adad-c71b-11ee-95d9-01aa75ed71a1/language-en>

In vocational education and training: Vocational education and training (VET) has traditionally been a path towards quality jobs and fulfilling careers in middle skilled occupations. Vocational qualifications are in high demand, notably where acute labour shortages persist⁷. Green skills are among many much needed skills developed through VET, and are key for a successful green transition and circular economy. Overall, out of the most widespread shortages occupations in the EU, two thirds are crafts occupations that typically require vocational education and training⁸. Shortages in these fields, and other key sectors like agriculture and fisheries, may even worsen, as the share of young workers (aged under 30) in these occupations is low, rendering the need for generational renewal more acute.

In higher education: More than half of new job openings by 2035 will be in highly skilled occupations. Yet, Europe does not produce enough highly qualified talent. Europe needs to invest and support the pooling of resources in higher education to increase access to innovation, cutting-edge knowledge and high-level skills, including through joint study programmes within alliances of higher education institution, such as European Universities alliances.

Continuing at adult level: upskilling and reskilling will be essential throughout people's lives and careers, yet one in five adults struggles to read and write⁹, and less than 40% of the adult population

⁶ Report of PISA 2022 study outlines worsening educational performance and deeper inequality

⁷ EURES Report on labour shortages and surpluses 2023: <https://www.ea.europa.eu/en/publications/labour-shortages-and-surpluses-europe-2023>

⁸ Increasing skills gaps are also a problem to be addressed for preserving cultural heritage.

⁹ Do Adults Have the Skills They Need to Thrive in a Changing World?, Survey of Adult Skills 2023, OECD: https://www.oecd.org/en/publications/do-adults-have-the-skills-they-need-to-thrive-in-a-changing-world_b263dc5d-en.html

take part in education or training¹⁰, far below the 60% target set for 2030. This share is much lower among low-skilled adults (18.4%). Almost half the adult population does not have basic digital skills despite more than 90% of jobs requiring them¹¹. Time constraints, financial considerations, care responsibilities and motivation are some of the obstacles preventing adults from taking part in further learning.

Gender gap: While overall more young women than men graduate from higher education, there are almost twice as many men than women studying science, technology, engineering and mathematics (STEM), both in higher education and in vocational education and training. This impacts strongly on gender segregation in the labour market and restricts the EU's innovation potential.

Financial and entrepreneurial skills gap: Europeans lack the necessary financial and entrepreneurial skills to invest more and to launch and grow successful startups. This significantly limits the innovation and growth potential of the EU.

Global competition for talent: The EU is less attractive to talented third country nationals than other OECD members such as Canada, the US and Australia¹². Moreover, some of the EU's top talent finds better opportunities overseas for starting-up or for excelling in academia.

Acute skills gaps and risk of labour shortages in sectors in rapid transformation and during crises: Europe faces skills gaps and potential shortages in critical sectors in the event of disasters and crises. There is not enough mapping of workforce needs, training of new labour force segments or sufficient inflows of skilled workers.

1.2 Transformation speed gap

Education and training systems in Europe are lagging the rapid technological transformations and the changing skills needed to take forward the decarbonisation of the economy¹³ and to reduce dependencies in strategic sectors.

Europe faces a growing challenge in meeting the demand for skilled talent in STEM fields, especially in strategic sectors like clean and circular technologies, digital technologies, aerospace, and defence, including in traditional sectors increasingly relying on digital tools requiring STEM skills. While we produce highly qualified professionals, their quantity is insufficient to bridge the gaps. Nearly four out of five SMEs in the EU struggle to find workers with the necessary skillsets - with start-ups and scale-ups severely impacted - particularly in breakthrough technologies such as AI, semi-conductors and quantum computing. These shortages impact all sectors, including transport, food, and energy, limiting economic growth and stifling innovation.

The decline in basic skills among 15-year-olds is closely linked to the lack of specialist teachers in mathematics and science, highlighting the urgent need to attract teachers and trainers and supporting them better through continuous professional development in these critical areas. Also,

¹⁰ Adult Learning Statistics, Eurostat: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Adult_learning_statistics

¹¹ The State of the Digital Decade 2024 report highlights that only 55.6% of EU's population has at least basic digital skills (compared to the target of 80%) and at the current pace, the number of ICT specialists will reach just 12 million by 2030, well below the 20 million target.

¹² Talent attractiveness 2023, OECD: <https://www.oecd.org/en/data/tools/talent-attractiveness-2023.html>

¹³ The "EU industrial action plan for the automotive sector" aims to tackle challenges on innovation and leadership in future technologies, clean transition and decarbonisation and the skills needed to achieve them.

as younger generations' needs and expectations evolve, a fresh vision for education and career pathways may be necessary to align with the changing landscape of work and innovation.

Equally important is to equip people – in all corners of Europe and of all generations - with the skills needed to address pressing societal challenges – such as climate change, pressures on democratic institutions and threats to our internal security, including cybersecurity and hybrid threats – while also ensuring they can seize the opportunities presented by the green and digital transition .

Ultimately, Europe must better utilise the existing skills by improving the recognition of qualifications across borders and acknowledging competencies gained outside formal education. Many individuals struggle to have their skills recognised when moving within the EU or arriving from third countries, leading to underutilised talent.

1.3 Fragmented governance and skills intelligence

Skills policies are closely interlinked with education, labour, economic and financial policy, and social inclusion. However, these domains are often governed by different ministries or departments, both at national and regional levels, each with its own priorities.

Moreover, a multitude of stakeholders address skills from a variety of perspectives in an insufficiently coordinated manner: education and training systems, industry, public employment services, social partners, civil society.

This fragmentation hampers smart investment and does not allow for adequate skills intelligence.

Insufficient consolidation, lack of foresight and of effective collaboration between different agencies with expertise on skills intelligence makes it difficult to match skills future demand and supply, including with a view to facilitate legal migration.

While Member States' efforts on education and skills have increased, the challenges are too great and urgent to be tackled by Member States alone. Action at EU level can accelerate the skills and education transformation that Europe needs to tackle skills gaps, speed gaps and decision-making gaps. It is also paramount to closely associate candidate countries, as well as potential candidates and neighbourhood countries, to the reforms and to relevant initiatives laid out in the Union of Skills, as these countries also face similar challenges.

These are the three reasons why Europe needs a radical step change in ambition and action. The Union of Skills is an ambitious strategy to deliver education and skilling in the EU, supported by a new cooperation model to bring forward bold solutions, based on a clear set of objectives (section 2), key actions (section 3), financial means (section 4), and more effective governance (section 5).

2. The Union of Skills: objectives

The Union of Skills aims to ensure that **everyone in Europe**, no matter where they are, **is empowered to build solid skills foundations and engage in lifelong upskilling and reskilling**, in line with the European Pillar of Social Rights. Its goal is to support European education and training systems to provide equal opportunities for everyone, including all young people, regardless of their background and place of residence, to access education, lifelong learning, quality jobs and navigate transitions and crises. Stronger educational foundations and skills also underpin EU values such as democracy, human rights, solidarity, social inclusion and diversity,

helping people become more resilient to mis- and disinformation, radicalisation and recruitment into crime and empowering them to contribute to a greener, fairer, and more cohesive Europe.

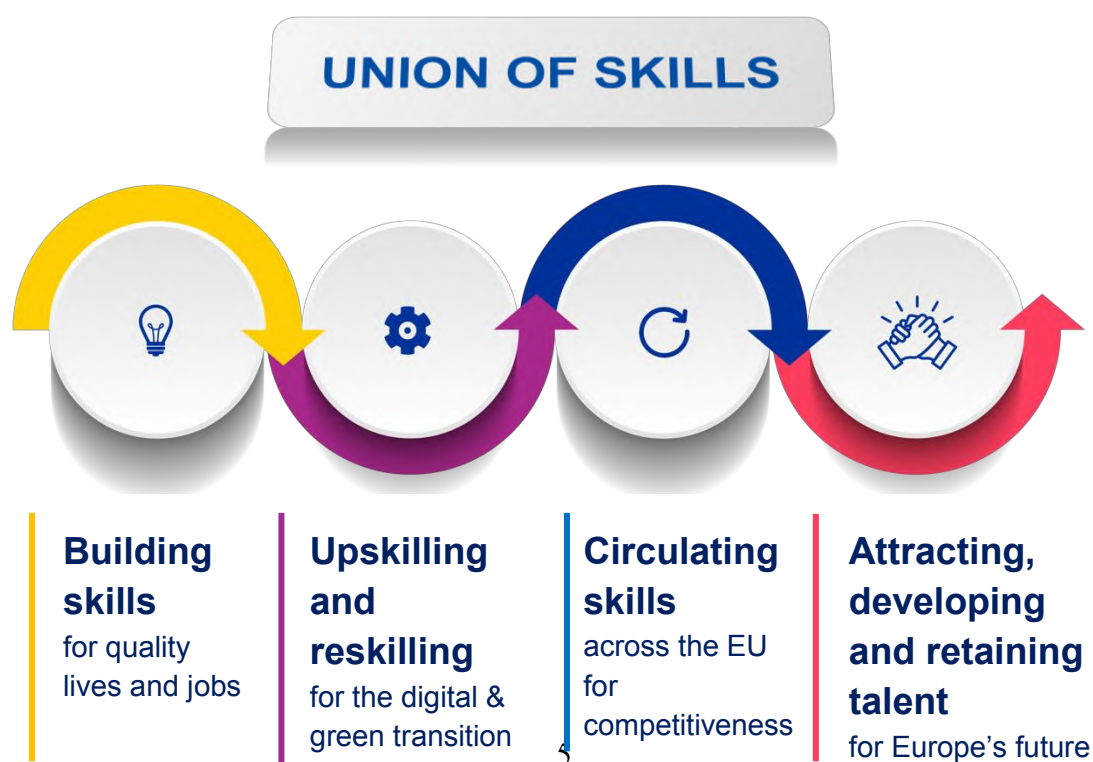
The second objective is to support **companies to be competitive** and resilient, making it easier for employers and particularly for SMEs to find people with the skills they need to create sustainable growth and quality jobs. It is also a call for companies to invest in upskilling and reskilling their workers of all generations to adapt to ever-changing challenges and opportunities. At the same time, it recognises that companies - especially SMEs and start-ups /scale-ups - need the right incentives and support to make these investments feasible.

Finally, the Union of Skills will work to **make skills and qualifications - regardless of where they are acquired in Europe - transparent, trusted, and recognised** across the single market, allowing individuals to exercise their right to free movement and enabling employers, notably SMEs, to recruit effectively across borders. It is also a call to Member States to work towards fast recognition of skills and qualifications acquired outside the EU.

3. Key strands of the Union of Skills

To achieve the objectives set out above, the Union of Skills will:

- **Build skills for quality jobs and lives** through a strong educational foundation, with an inclusive lifelong learning approach.
- **Upskill and reskill** an agile workforce mastering the digital and clean transition, notably those with lower and middle skills.
- **Circulate skills** with the free movement of people across the EU, unlocking the single market's full potential.
- **Attract, develop and retain** talent.



The Union of Skills will build on actions taken already under the **European Education Area**¹⁴, the **European Skills Agenda**¹⁵ and the **European Research Area**. On this basis, the Commission will engage with education and training, employment and labour market actors, social partners and other stakeholders to bring education and skilling governance under the Union of Skills. The Commission fully recognises the primary role of Member States in this matter, as established in the TFEU Articles 165 and 166, and will act within its competences when implementing these actions.

A. Building skills for life through a solid educational foundation

The sharp decline in the **basic skills** of our young people – including digital skills – is a ticking bomb in our education systems, and for Europe’s competitiveness. The PISA 2022 survey highlights troubling trends: 30% of 15-year-olds in the EU lack minimum proficiency in mathematics, while around 25% struggle in reading and science¹⁶. Some 43% of eighth graders are struggling with basic digital literacy confirming a downward trend¹⁷.

While on average, the EU is on track to reach the 2030 EU-level target to reduce early school leaving to below 9%, boys, young people with disabilities and learners from a migrant background are at higher risk of leaving school early. Additionally, the EU is further away from the 2030 EU-level target of below 15% for the share of underachievers compared to 10 years ago. **Socio-economic background** remains a strong predictor of education outcomes, with disadvantaged learners at 6.1 times higher risk of severe underachievement in basic skills when compared to their more advantaged peers¹⁸. **Gender gaps** exist in reading, with girls more likely to be among top performers in all EU countries, and underachievement slightly more common among boys in science. Gaps can be observed in **rural areas** in comparison to urban areas, notably in relation to reading¹⁹ and digital skills²⁰. The share of rural young people with a higher education degree is limited in comparison to urban areas²¹.

This puts the EU at risk of falling further behind in the global technological race, where artificial intelligence (AI), automation and cybersecurity needs are reshaping industries and societies. In defence, aerospace and fusion technologies, advanced STEM skills are essential to reduce dependence on non-EU suppliers and develop next-generation capabilities. However, between 2015 and 2022, there was an overall decrease (-7%) of doctoral graduates in STEM fields, with numbers falling for natural science, mathematics and statistics (-13.1%) and, for ICT- information, and communication technologies (-25.5%); and only increasing in engineering, manufacturing and construction (+9.4%).

¹⁴ Resolution on a strategic framework for European cooperation in education and training for the period 2021-2030. [OJ C 497, 10.12.2021.](#)

¹⁵ European Skills Agenda: https://employment-social-affairs.ec.europa.eu/policies-and-activities/skills-and-qualifications/european-skills-agenda_en

¹⁶ [The twin challenge of equity and excellence in basic skills in the EU: An EU comparative analysis of the PISA 2022 results](#)

¹⁷ [International Computer and Information Literacy Study \(ICILS\) in Europe, 2023](#)

¹⁸ [Education and Training Monitor 2024](#)

¹⁹ For further details on school education in rural areas, see OECD (2021), ‘Delivering quality education in rural communities.’

²⁰ Even if it improved during the recent years, a gap of 15% remains (COM/2024/450 final).

²¹ Eurostat (2022).

Furthermore, promoting STEAM approaches, which integrate science, technology, engineering, arts, and mathematics by breaking down disciplinary barriers, fosters creative thinking. This skillset is highly sought after by employers²². It also facilitates digital and financial literacy by endowing students with the skills needed to understand how the digital and financial systems work.

At the same time, there is an urgent need to address **gender disparities**, as women remain underrepresented in many STEM fields, including in engineering and computer science, while men are underrepresented in sectors like health, welfare, and the teaching profession.

It is crucial to make the **teaching profession** more attractive and gender balanced, to tackle teacher shortages, notably in STEM, and retain talent, and to ensure that teachers are better equipped to handle underachievement and technological change. For example, only 40% of teachers are prepared to use digital technologies in teaching. While 68% of teenagers already use AI, education systems lack the necessary frameworks to integrate AI effectively into learning²³.

Building skills for life, including media, digital literacy, critical thinking or basic cybersecurity, is vital for Europe's overall **preparedness** in the face of crises, including in terms of democratic resilience. In this context, learners also need strong basic and advanced skills, in particular in STEM, but also civic knowledge and competences. There is a need to improve the risk preparedness in education and training systems to ensure that the EU and its Member States can continue to operate under all circumstances, providing key societal functions.

Non-formal and informal learning, youth work, cultural initiatives, sport participation and volunteering can also offer valuable opportunities for people to develop knowledge, skills, attitudes and behaviours to grow and become active citizens.

Key deliverables at EU, national, regional and local level

★ Develop solid foundations in education and training

- Step up the support for basic literacy, mathematics, science, digital skills and citizenship via a **Basic Skills Action Plan**. By piloting a **Basic Skills Support Scheme**, the Commission will work together with interested Member States on a framework of effective intervention measures, supported by EU funding, for children and young people struggling to acquire basic skills. A **European Innovative School Award** will recognise the schools that are exceptionally innovative in changing curricula to teach students STEM and citizenship skills, including through cooperation with businesses and local authorities. The Commission proposes to complement the existing target on basic skills as follows: **By 2030,**
 - **the share of underachievement in literacy, mathematics, science and digital skills should be less than 15%, whereas the share of top performance in literacy, mathematics and science should be at least 15%.**
- Based on a review of the Digital Education Action Plan, the Commission will present a **2030 Roadmap on the future of digital education and skills** to promote equal access to digital education for all. A robust EU digital education ecosystem will prepare for the future and establish long-term partnerships with EU-based EdTech and independently developed European solutions. An initiative on **AI in education and training** will lay down an AI literacy

²² World Economic Forum Future of Jobs 2023 report: <https://www.weforum.org/publications/the-future-of-jobs-report-2023>

²³ [Vodafone Foundation 2025 \(AI In European Schools\)](#)

framework and support the integration of AI in education and training provision, addressing the need for online safety and digital well-being, tackling disinformation and misinformation, while promoting innovation in education. The Digital Competence Framework will be updated by the end of 2025 to take into account new emerging technologies, including AI.

- Provide support through a **STEM Education Strategic Plan** to reverse the trend of declining performance in STEM skills at school and to attract more students in STEM tracks and careers. Attracting more girls and women in STEM studies, including digital studies and careers, is a core objective of this plan. In addition, the Commission proposes a strategic target on enrolment in STEM: **By 2030**,
 - **the share of students enrolled in STEM fields in initial medium-level VET should be at least 45%²⁴, with at least 1 out of every 4 students female²⁵.**
 - **the share of students enrolled in STEM fields at tertiary level should be at least 32%²⁶, with at least 2 out of 5 students female²⁷.**
 - **the share of students enrolled in ICT PhD programmes should be at least 5%²⁸, with at least 1 out of every 3 students female.**
- Addressing the attractiveness of **teachers' and academic careers**, through:
 - an **EU Teachers and Trainers Agenda**, helping Member States tackle teaching shortages, improving teachers' working conditions, and improving career prospects.
 - a **European competence framework for academic staff** in higher education, complementing the existing European Competence Framework for Researchers (ResearchComp). To revalorise pedagogical roles in academia, additional recognition is needed for innovative teaching, development of lifelong learning and training opportunities through micro-credentials, creating transnational education opportunities or building cooperation with employers²⁹.

★ **Develop an attractive and innovative vocational education and training (VET) system**

Increase the attractiveness, excellence and inclusiveness of VET with a European Strategy for VET. The Strategy will focus on the role of VET in supporting EU competitiveness and innovation, economic, territorial and social cohesion, and generational renewal by addressing skills shortages and mismatches, enhancing the attractiveness, quality and labour market relevance of VET and supporting mobility and internationalisation,. The Strategy will also address gender and other stereotypes in making study choices and build on benefits and labour market outcomes of VET so that VET becomes an equally valued learning pathway as higher education, including for women.

★ **Create an inclusive and future-oriented higher education system**

²⁴ The share of students enrolled in STEM fields in initial medium-level VET was 36.2% in 2022 (latest available data). The 2030 EU-level is to build on an average annual increase of about 1.1 percentage points.

²⁵ The share of women enrolled in STEM fields in initial medium-level VET (out of the total STEM enrolment) was 16.1% in 2022 (latest available data). The 2030 EU-level is to build on an average annual increase of about 1.1 percentage points.

²⁶ The share of students enrolled in STEM fields at tertiary level was 27.1% in 2022 (latest available data). The 2030 EU-level target is to build on an average annual increase of about 0.6 percentage point.

²⁷ The share of women enrolled in STEM fields at tertiary level (out of the total STEM enrolment) was 31.8% in 2022 (latest available data). The 2030 EU-level target is to build an average annual increase of about 1 percentage point.

²⁸ Up from 3.7% in 2022

²⁹ [Council Recommendation of 25 November 2024 on attractive and sustainable careers in higher education](#).

- Present an initiative to **increase accessibility of higher education** to a wider range of learners and ages – to meet the increasing demand for higher education graduates in the labour market, a trend that is forecasted to sharply accentuate with future jobs – and promote support services for students’ wellbeing, providing targeted support for them to succeed. It will support higher education institutions and their staff to implement the principles and guidelines and indicators on wider access and the social dimension of higher education, adopted as part of the Bologna process in 2024.
- Boost **entrepreneurship education** at all levels, with more dedicated modules – including cross-border ones – at universities, in cooperation with their innovative ecosystem. This helps students build the skills and mindset needed for starting businesses and creating jobs.

Key deliverables

Action Plan on Basic Skills [Q1 2025]

Basic Skills Support Scheme (pilot) [2026]

2030 Roadmap on the future of digital education and skills [Q4 2025]

AI in education initiative [2026]

STEM Education Strategic Plan [Q1 2025]

EU Teachers and Trainers Agenda [2026]

European competence framework for academic staff [2026]

European Strategy for vocational education and training (VET) [2026]

Increasing accessibility of higher education [2027]

Intergenerational fairness strategy [Q1 2026]

B. Upskill and reskill to ensure future-oriented skills

The pace and scope of the ongoing transformations is unprecedented. Skills have always been one of Europe’s competitive advantages. Ensuring the right tools to upskill and reskill – responsively and effectively – will help European businesses and employers to be competitive, facilitate job-to-job transitions, and ensure that no one is left behind.

Upskilling and reskilling are a shared responsibility. Public authorities at EU, national, regional and local levels have their role to play, but so do businesses, social partners, education and training providers, civil society organisations, local communities, and individuals.

Future labour market projections reinforce the urgency of action to ensure the skills that Europe needs. The Commission has already identified 42 occupations with EU-wide shortages. The largest shortages are in construction trades, transport, some health professions such as nurses

and specialist doctors, and care workers³⁰. They are likely to increase with AI, robotics, data-driven processes and the clean transition transforming industries³¹.

Participation in adult learning remains insufficient as only 39.5% of adults engage in training annually³², far below the EU headline target of 60% by 2030. Low-skilled adults, who need training the most, participate even less. Participation rates are also on average lower in less developed regions and in regions in transition. Women and vulnerable groups such as persons with disabilities encounter additional obstacles which hinder their participation in training. In this context, the Roadmap for Women's Rights will promote equal opportunities and access to upskilling and reskilling.

We need to empower older citizens who are willing to continue contributing to the labour market. Moreover, policy initiatives that mutually benefit several generations should be supported. Multi-generational workplaces accommodate diverse needs, invest in two-way knowledge and skills transfers between young and older citizens and are ultimately beneficial to society as a whole.

A large share of upskilling is workplace training provided by employers. In 2020, 67.4% of companies offered training, but participation varies significantly across sectors, industries and countries. The training needs of adults to be re-skilled for changing occupations or sectors are insufficiently met by public employment services.

One major obstacle to taking up training among low skilled adults is lack of motivation³³. Negative experiences with school-based learning can have a 'scarring effect'. Alternative approaches are needed, involving a broader set of actors to stimulate adults to engage in learning activities in trusted or new environments.

Social dialogue at all levels – European, national and local – is key to shaping skills development through collective bargaining, running training and development funds, guidance services and matching jobs with skills. This will be further promoted.

Key deliverables from the public sector level at EU, national or regional level

★ Upskilling and reskilling of adults

- **Continue to support the implementation of Individual Learning Accounts (ILA)**³⁴ to empower all people to upskill and reskill, regardless of their employment status. ILA can help people affected by the transitions to acquire the skills needed to move into new occupations. Many Member States are piloting such schemes but further roll out, evaluation and consolidation will be needed in the coming years.
- **Expand the use of micro-credentials** as flexible learning solutions, in line with the European approach³⁵, to ensure that they are trusted, understandable, issued digitally and comparable

³⁰ Proposal for a Regulation of the European Parliament and of the Council establishing an EU Talent Pool (COM/2023/716).

³¹ The energy workforce will have to increase by 50% by 2030 to deploy renewable energies, grid and energy efficiency technologies.

³² VET Data insights: what is happening with vocational education and training and adult learning in the European Union, Cedefop: <https://www.cedefop.europa.eu/en/data-insights/what-happening-vocational-education-and-training-and-adult-learning-european-union>

³³ Lack of motivation among adults was a recurring problem identified by all Member States during the European Year of Skills.

³⁴ Council Recommendation ref of 16 June 2022 on Individual Learning Accounts (2022/C 243/03)

³⁵ Council Recommendation of 16 June 2022 on A European approach to micro-credentials for lifelong learning and employability (2022/C 243/02)

across sectors and countries. This will require actively engaging all types of micro-credential providers, notably private training providers, on top of education and training institutions. Where relevant, micro-credentials should be linked to national and European Qualification Frameworks. Guidance on quality assurance instruments will enhance trust and take-up of micro-credentials in recruitment processes. The aim is also to increase the number of joint micro-credentials issued by Centres of Vocational Excellence, European Universities alliances and EU Skills Academies, and to increase their business use in recruitment and career promotion, focusing in particular on strategic sectors.

- **Support peer learning activities for Member States on innovative community learning spaces** to engage and motivate adults with low basic skills to upskill by operating in environments where they feel more comfortable. Encourage Member States to work with public employment services and social services to support adults in improving their basic skills and activate them as relevant. Intergenerational approaches could be tested in this context.
- Develop and **set up a Skills Guarantee** pilot, to ensure that workers in sectors undergoing restructuring or at risk of unemployment, have the opportunity to develop further their careers in other sectors and/or companies. By promoting their upskilling and reskilling, in line with relevant national, regional and/or sectoral transition strategies, the Skills Guarantee will support their employment prospects and job security.
- Assess, as part of the review of the General Block Exemption Regulation³⁶, **if state aid rules applicable to training** need to be updated to provide better incentives for industry, including the social economy, to invest in upskilling and reskilling of workers, for a just transition.

★ **Leveraging public-private partnerships and promoting cooperation in strategic sectors**

- **Strengthen and streamline the Pact for Skills to**, support strategic sectors in their up and reskilling, including through the Large-Scale Partnerships in line with the Competitiveness Compass, Clean Industrial Deal and future Preparedness Union Strategy. Reinforcing the Large-Scale Partnerships will support the development of sector-specific solutions³⁷. The reinforced Pact will tackle the fragmentation of initiatives and improve linkages between them, such as the EU Skills Academies, European Alliance for Apprenticeships, the Centres of Vocational Excellence and European Universities alliances. Improvements will be made to cross-sectoral synergies among Pact members, knowledge and resource sharing along the value chain (e.g. skills intelligence, occupational profiles, curricula, training modules). Pact members have pledged to upskill 25 million workers by 2030. The Commission is calling on Pact members to at least double their commitments.
- **Review and implement targeted EU Skills Academies.** A review will be made of existing academies, including Net-Zero Industry Academies, to assess factors of success. Based on this analysis, a targeted number of academies will be rolled-out, building on the most successful models, to deliver the skills needed by industry for the green and digital transition and the

³⁶ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, as amended, consolidated text <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02014R0651-20230701>

³⁷ Large Scale-Partnerships exist in the following sectors: aerospace and defence, agri-food, construction, creative and cultural industries, digital, energy intensive industries, health, electronics, mobility-transport-automotive, proximity and social economy, renewable energy, retail, textiles and tourism ecosystems.

Clean Industrial Deal. They should target strategic sectors such as defence, automotive, the circular economy, wind, grids, food, digital fields such as AI, Quantum, Virtual Worlds and Semiconductors. The Commission will launch the Industry-Academia network of the Cybersecurity Skills Academy in June 2025 and promote Cyber-campuses for cybersecurity skills in various Member-States and regions. The European Institute of Innovation and Technology (EIT) will equip 1 million learners by 2028 with the skills needed in strategic sectors, in collaboration with businesses, paying particular attention to gender balance participation.

- Pilot actions, including through Erasmus+, the Digital Europe Programme and the EIT, to set up **transnational university-business partnerships** to train people for sectors with severe skills gaps. Such partnerships could for example support dedicated joint programmes or to develop jointly micro-credentials, and to support entrepreneurship and mentorship for start-ups and scale-ups. The EU Startup and Scaleup Strategy will set out additional actions to help start-ups and scale-ups retain and attract the talent they need to launch and grow in the EU.
- Expand the **European Alliance for Apprenticeships** to reach 700 pledges by 2030, including people outside the labour market and apprenticeships for adults to upskill and reskill.

Key deliverables

Pilot a Skills Guarantee for workers [2025]

Roll-out of targeted EU Skills Academies, after a review of existing ones [2026]

Pilot transnational university-business partnerships for sectors with severe skills gaps [2026]

C. Circulate and allocate skills to unlock the full potential of the single market

The single market provides a unique framework for the ‘circulation’ - free movement of people - with their skills. The EU has developed legislation for the free movement of regulated professions as well as a number of transparency and labour market tools such as the European Qualifications Framework (EQF), Europass, ESCO³⁸, EURES³⁹. In addition, the European Credit Transfer and Accumulation System has been developed for post-secondary education under the Bologna Process.

However, barriers continue to hinder the seamless portability and recognition of people’s skills and qualifications. By facilitating validation of skills and recognition of qualifications and by strengthening transnational cooperation, the Union of Skills will support balanced cross-border mobility and free movement of knowledge and skills. This will increase the matches between the skillset of the persons and the jobs they take when moving in the EU, reducing brain drain and countering depopulation tendencies in regions at risk of demographic decline.

Working together with Member States towards a European degree recognised by all Member States, the Union of Skills will offer the highest quality education and training, pooling together resources through transnational and transdisciplinary cooperation supported by Erasmus+.

³⁸ European Classification of Skills/ Competences, Qualifications and Occupation

³⁹ European Employment Services

Key deliverables at EU, national, regional and local level

★ Facilitating portability of skills and qualifications

- Develop a **Skills Portability Initiative** to open up more opportunities for workers and businesses to fully capture the potential of the single market. First, explore the need for a potential **legislative proposal** to address barriers to the mobility of workers, including in unregulated professions. This could build on existing transparency tools that seek to ensure understanding, comparability, trust, acceptance of skills and qualifications across Member States. It could also promote common European formats for interoperable digital credentials to enable the understanding and acceptance of skills and qualifications. Second, building on the Implementation Report of the Professional Qualifications Directive, the Commission will consider actions to further facilitate, expand and modernise recognition processes for regulated professions, in particular by leveraging digital tools. Third, it will include exploring whether to propose common rules for simpler procedures for handling the recognition and validation of qualifications and skills of third country nationals.
- **Develop a common European framework for the automatic recognition of study qualifications and learning periods abroad** in school, VET and higher education. Explore the possibility of EU **accession to the Convention on the Recognition of Qualifications concerning Higher Education in the European Region** (the “Lisbon Recognition Convention”)⁴⁰. This will aim to reduce the uncertainty of mobile learners about the recognition of their qualifications and learning outcomes, avoiding lengthy and unpredictable administrative procedures. They create a level playing field for all learners, independent from their education and training sector and their country of origin.

★ Future-oriented European qualifications

- **Facilitate the development of innovative joint European study programmes, including in disciplines for strategic sectors** and key technological domains such as AI, quantum, semiconductors, data or cybersecurity, potentially through a **European degree/label**⁴¹ based on commonly agreed criteria. This initiative will foster future-oriented skills and pooling expertise and knowledge from higher education institutions across the EU, beyond what any single institution can offer.
- **Facilitate the mobility of VET learners and workers** by initiating work towards the development of a potential **European VET diploma/label**. The diploma could cover initial VET at upper-secondary and post-secondary level. Supported by Erasmus+, a pilot will engage Member States and VET providers to test such a European VET diploma/label in 2025-2026.

★ Deepened transnational cooperation to deliver future-oriented skills and competences

- Explore the development of a suitable **European legal status for alliances of higher education institutions**; and an **investment pathway for European Universities alliances**, to ensure sustainable cooperation and funding, pool resources and strengthen partnerships with businesses and research departments within their innovation ecosystem.

⁴⁰ [CETS 165 - Convention on the Recognition of Qualifications concerning Higher Education in the European Region](#).

⁴¹ [Commission Communication on a Blueprint for a European degree](#)

- Strengthen transnational cooperation under **Centres of Vocational Excellence** and contribute to VET national reforms through private-public partnerships. Continue supporting the creation of Centres of Vocational Excellence in 2026-2029, based on an evaluation.
- Pilot **European School Alliances** in 2026 to increase pupil and teacher mobility, cross-border cooperation between schools and school authorities and innovation. The alliances will serve as testbeds for innovative teaching methods, curricula and competence frameworks, particularly for basic skills. The Alliances will support participating schools in becoming learning organisations for effective basic skills teaching, including in cooperation with local authorities.

★ **Boosting mobility for all learners**

- Strengthen **Erasmus+** to make it more inclusive and accessible for all, with a particular focus on learners with fewer opportunities – including in VET. A bigger outreach will bring a greater scope for skills development and thereby will more decisively contribute to building a resilient, competitive, and cohesive Europe.

Key deliverables

Skills Portability Initiative [2026]

Common European framework for the automatic recognition of study qualifications and learning periods abroad in school, VET and higher education [2027]

Launch of innovative joint European study programmes with a European degree/label [2026]

A legal status for European Universities alliances [2027]

Pilot a European VET diploma [2025-2026]

Pilot European School Alliances [2026]

D. Attract and retain skills from third countries to address skills shortages and develop top talent in Europe

Europe's working-age population is expected to shrink by one million adults every year until 2050. Efforts are needed to encourage labour market participation by as many people of working age as possible, dismantling persisting barriers and reaching out to groups with fewer opportunities. However, even then, declining demography means the EU population will not be enough to tackle labour shortages and to optimise the EU's innovation potential. The gradual integration of candidate countries into parts of the Single Market will strengthen the competitiveness of the EU economy in today's fierce global competition. Strategic support to education and training in partner countries as part of Global Gateway Strategy has a transformative impact and enables to drive sustainability, while also contributing to enhancing competitiveness of European companies, especially in countries of investment.

Complementing the measures to activate and upskill the EU workforce, the EU must become a global magnet for talent, to both attract and retain it. To maintain and strengthen its position in education, research and innovation, Europe must strengthen its attractiveness for top researchers, specialists in strategic fields, academics and students worldwide, and specialists in strategic fields, such as those linked to the next wave of frontier technologies. The EU's ability to compete on a global scale depends not only on retaining homegrown talent but also on actively drawing talent

from outside Europe. By offering world-class education and research infrastructure, competitive career prospects, and a supportive regulatory and funding environment, the EU can become a destination of choice for the brightest minds. European Research Council frontier research grants can be instrumental to attract and retain in the EU brilliant researchers from around the world, by providing long-term and flexible funding to do frontier research in Europe.

This ambition will be accompanied by equal attention to ensure access to and delivery of quality jobs, notably in sectors where workers are exposed to a higher risk of unfair, unhealthy and unsafe working conditions. Proper enforcement of labour mobility rules, including with the support of the European Labour Authority (ELA), is of paramount importance to build a well-functioning Single Market and this concerns all workers, including third country nationals, and especially in the context of posting of workers and in long and complex sub-contracting chains.

Third country nationals legally residing in the EU should be supported in their integration and be able to use their talents to their full potential, with good working conditions. Cooperation with partner countries on international labour mobility and skills development should also be reinforced.

The Union of Skills will ensure that Europe arrives at the forefront of global talent attraction for innovation and promotes diversity and inclusion, taking into account the need to assess security implications for strategic sectors such as cybersecurity, aerospace and defence.

Key deliverables at EU, national, regional and local levels

★ A Europe talent magnet framework

- Once adopted by the co-legislators, set up the **EU Talent Pool**, an **EU-wide platform facilitating international recruitment** of third country jobseekers residing outside the EU, and having the skills required to work in EU-wide shortage occupations **at all skills levels**.
- **Make Europe attractive for the best researchers around the world**, by pre-empting and countering brain-drain from the EU both for European and international researchers with:
 - **offering excellent scientific working and employment conditions and career prospects**, notably by focusing on tackling precarity in early research careers, through a Marie Skłodowska-Curie Action ‘**MSCA Choose Europe**’. A pilot will be launched in 2025. Applicants will be able to link MSCA grants to competitions leading to long term positions in universities and research institutions after the end of the project.
 - Supporting the implementation of the **new framework of research careers**⁴² and of the European Charter for Researchers, particularly relevant for retaining researchers in Europe and for attracting back the scientific diaspora.
- **Make European education and training systems attractive to brilliant students**.
 - The Commission proposes a new target: **By 2030, the annual number of learners from outside the EU coming to study and obtain a degree at tertiary level in the EU should be at least 350 000**⁴³.

⁴² Proposal for Council Recommendations for an ERA Policy Agenda 2025-27.

⁴³ The 2030 EU-level target concerns the number of inward degree mobile tertiary graduates from outside the EU. This figure was 248 827 in 2022 (latest available data), meaning that the 2030 EU-level target requires an approximate 41% increase by 2030. A linear forecast suggests a 2030 figure of around 328 000, meaning that the 2030 EU-level target requires an improvement of approximately 7% compared to the linear progression.

- Pilot **virtual study fairs**, specifically on STEM and other strategic disciplines, and organise physical promotion activities under the ‘**Study in Europe**’ banner, to attract students from leading institutions in third countries to study in Europe in key disciplines, with the incentive of **Erasmus Mundus** and the **Digital Europe Programme scholarships**, and **European Universities alliances**.
- **Facilitate the attraction and integration of skilled third-country nationals.**
 - The Commission will present later this year a **Visa Strategy** which will include measures to **support the arrival of top students, researchers and trained workers from third countries**, for example through a better implementation of the Students and Researchers Directive⁴⁴ and the BlueCard Directive. Stronger support to Member States and their consulates is also needed, to ensure that long-stay visas and residence permits can be issued in a timely manner. EU funding will facilitate improved coordination between migration and education authorities.
 - A key factor for attracting talent is creating the right conditions in Europe for their integration and supporting family life. The Commission will review later this year the **EU Action Plan on Integration and Inclusion** and will explore ways of better supporting integration and family reunification measures, in particular for skilled workers and researchers.
 - ‘Train to hire programmes’ are critical to address workforce needs in Europe and contribute to the skills development of partner countries. Such programmes are being developed as part of **Talent Partnerships** and should be further developed as part of the **Multipurpose Legal Gateway Offices** set up jointly with interested Member States to provide additional support to employers in finding the skills they need, in particular in sectors of shared interest, such as construction, care, ICT, transport, bioeconomy, tourism, agriculture, or culture. Such programmes should be based on a public-private partnership and should be mutually beneficial both for the EU and partner countries. The upcoming New Pact for the Mediterranean offers particular opportunities in this regard.

Key deliverables

Launch of the EU Talent Pool IT Platform

Marie Skłodowska-Curie Action ‘MSCA Choose Europe’ Pilot [Q4 2025]

A new Visa Strategy [Q4 2025]

Launch of Multipurpose Legal Gateway Offices [2026]

4. Investing in education and skills – mobilising public and private investment

Education and skills are an investment - not a cost - which yields benefits many times over. Investment in a well-educated population and workforce not only enables people to get access to and keep quality jobs. It is also an investment in the EU’s competitiveness and preparedness,

⁴⁴ Directive (EU) 2016/801 of the European Parliament and of the Council of 11 May 2016 on the conditions of entry and residence of third-country nationals for the purposes of research, studies, training, voluntary service, pupil exchange schemes or educational projects and au pairing (recast)

enhanced economic and inclusive growth and resilience, social and territorial cohesion, and, ultimately, strengthening the European social model and the protection of European values and democracy.

The current seven-year budget (2021-2027) allocates investment in education and skills through programmes such as the European Social Fund Plus (ESF+), which supports skills with EUR 42 billion, the Recovery and Resilience Facility (EUR 67.7 billion for both human capital investment and infrastructure), European Regional Development Fund (EUR 8.7 billion), Erasmus+ (EUR 26.1 billion), Just Transition Fund (EUR 2.3 billion) and InvestEU (leveraging over EUR 1 billion). It is important that Member States take advantage of the mid-term review of the cohesion policy programmes 2021-2027 to reinforce their investments on education and skills, in support of ambitious reforms to implement the Union of Skills.

Future EU funding will continue to support investments in education and skills at EU level.

By leveraging best practices, pilot projects, and lessons learned at the EU level, alongside improved coordination with European policy priorities, we will maximise the added value of investments in sectors critical to European competitiveness.

The EU budget is only one part of the picture. Given the scale of the challenge – and the reward in terms of competitiveness, prosperity and resilience – it is crucial to leverage financing and initiatives beyond EU funds in both the public and private sector.

In 2022, general government expenditure on all levels of education was 4.7 % of GDP (EU average). 0.1 % of GDP was spent on adult learning.

Member States and the private sector need to invest more in education, training, upskilling and reskilling.

Key deliverables at EU national, regional, and private sector levels level

- Fully use the possibilities under **InvestEU** and launch a new joint “**EU Invest in Talent**” **Platform**, in cooperation with the European Investment Bank Group, and open to all international financial institutions and national promotional banks, involving blending EU funding and lending from main investors towards fostering investments at all levels of education in Europe, together with scaling up finance and impact. Under the platform, **coordinate private-sector initiatives and boost private sector investment** in training, upskilling and reskilling, in key industrial ecosystems by reinforcing the Pact for Skills, the EU Skills Academies and by setting-up transnational university-business partnerships. Centres of Vocational Excellence and European Universities alliances are also excellent vehicles for stimulating private sector investment in developing future-oriented skills.
- **Encourage Member States to use** the newly introduced **possibility for an extended adjustment path** in the reviewed economic governance framework to include growth-enhancing reforms and investment in education, training, upskilling and reskilling reforms, which contribute to increase productivity and labour market participation.
- **Continue and reinforce the work on social investment**, including with the Social Investment Hub⁴⁵, by promoting mutual learning as well as technical support to Member States to

⁴⁵ See Council Conclusions on the role of labour market, skills and social policies for resilient economies (11066/24) and Voluntary guiding principles for EU Member States for evaluating economic effects of reforms and investments in the labour market, skills and social policy domains (10779/24)

implement social, labour market and skills reforms and investments and improve capacity to measure their social and economic returns on productivity and fiscal sustainability.

- **Explore best practice to further support quality jobs** and promote the reskilling of the workforce through public procurement.
- **Evaluate the quality and relevance of investment in education and training**, supported by the Learning Lab on Investing in Quality Education and Training⁴⁶.
- **Encourage Member States to make appropriate use of the financing** possibilities for education and training offered by the ESF+.

5. Governance

Delivering on the Union of Skills will require increased ambition, collective responsibility and ownership, anticipation, a coordinated steer, investment, and effective reform implementation at multiple levels. For this, the Union of Skills will build on a strong structure and governance, delivering on the priority of developing a strong human capital, as a horizontal enabler, in support of the EU's competitiveness and preparedness priorities. In this regard, the Union of Skills will be aligned to the **new steering mechanism** for competitiveness as outlined in the Competitiveness Compass, which will allow to integrate swiftly and effectively the issues pertaining to skills, including in the concrete sectors identified as critical to European competitiveness.

The Union of Skills governance, to be fully implemented as soon as possible, will build on a strong, timely and relevant coherent and coordinated skills and education intelligence platform – **the European Skills Intelligence Observatory**. With the objective of simplifying and consolidating an informed and agile policy-making process in this area, the Union of Skills will build on a close cooperation among all relevant stakeholders, notably the social partners, the private sector and the education and training institutions, through a **European Skills High-Level Board**.

Because human capital, education and skills are a core matter for ensuring European competitiveness, the Commission intends to introduce **a new EU-27 Recommendation on education and skills in the European Semester cycle**. The Recommendation would build on the input from the Observatory and the High-Level Board, to guide the Member States and all relevant actors in the field of human capital, in education and skills and contribute to making sure that reforms and investments – public and private alike – deliver on most stringent needs in a strategic and effective way.

The main elements of the Union of Skills governance are outlined below.

★ **Providing the necessary data for a well-informed policy: A European Skills Intelligence Observatory**

Timely and accurate skills intelligence is crucial for ensuring informed policy action and effective funding. Through a newly created European Skills Intelligence Observatory, the Commission will provide strategic data and foresight regarding skills (current and future) stocks, use and needs, in concrete sectors and regions, and the performance of education and training systems. This timely data reporting will allow to have early warning alerts regarding skills shortages in critical or strategic sectors for the EU.

⁴⁶ [The Learning Lab on Investing in Quality Education and Training](#)

The Commission⁴³ is taking steps to improve skills intelligence and data gathering in close coordination with Eurostat and with the relevant EU Observatories and agencies⁴⁷ (Eurofound, European Labour Authority and Cedefop), which gather a wealth of data, including the annual labour shortages and surpluses report and the skills online vacancy analysis tool, producing near ‘real-time’ intelligence and skills forecasting. Other relevant data sources include the sectoral skills intelligence gathered through the Pact for Skills and ‘Blueprint’ skills alliances, the European graduate tracking, the Education and Training Monitor, the European higher education sector observatory, the Research and Innovation Careers Observatory (ReICO), the European Data Space for Skills, and the Eurydice network.

The European Skills Intelligence Observatory will allow to centralise all these granular, real-time and comparable data in a one-stop-shop, providing the necessary inputs to the High-Level Skills Board and feeding the work of the European Semester.

★ **Driving the change - A European Skills High Level Board**

Building on the findings of the European Skills Intelligence Observatory, and to support work at political level, the Commission will establish an ad hoc **European Skills High Level Board**. The Board, chaired by the European Commission, will bring together the key stakeholders, including business leaders, education and training providers and social partners to provide comprehensive, cross-sectoral insights and guidance on skills to the EU policy makers, ensuring a coordinated vision and the identification of the bold action necessary to strengthen our human capital, building on the findings of the European Skills intelligence observatory.

The Board will support the work of the Commission towards a EU-27 Recommendation on human capital and on the country-specific recommendations. As relevant, it will take into account the recommendations of the Digital Decade Board on digital basic skills, as well as of other relevant bodies. By bringing together the main relevant stakeholders, the Board will facilitate speedy action on the ground, while simplifying and reducing the times of discussion and consultation of different bodies and institutions at EU and national levels. The Board will have a dynamic and agile structure, being able to respond quickly to the evolving situation on the EU sectoral skills landscape and convening the relevant stakeholders depending on different urgent issues to be discussed.

★ **Towards a dedicated EU 27 Recommendation on human capital: education and skills in the European Semester**

Skills are key enablers of sustainable competitiveness. The Union of Skills will therefore be anchored in the competitiveness steering mechanism that will comprise the Competitiveness Coordination Tool and the streamlined European Semester.

The introduction of the Social Convergence Framework in the European Semester⁴⁸ in 2024 brought increased attention to social imbalances and risks for upward social convergence. Further tailored analysis and advice on the human capital policy of the Member States can be added to the Social Convergence Framework, to meaningfully improve and update the monitoring and analysis

⁴⁷ A data lakehouse is currently under construction to merge all the data of the agencies and is coordinated by Eurofound. The lakehouse is under pilot phase and the work is currently focused on merging data on skills.

⁴⁸ Regulation (EU) 2024/1263 of the European Parliament and of the Council of 29 April 2024 on the effective coordination of economic policies and on multilateral budgetary surveillance and repealing Council Regulation (EC) No 1466/97

of employment, social and education and skills outcomes. The Commission intends to introduce a horizontal EU-27 recommendation on human capital to all Member States, underpinned by the findings of the European Skills Intelligence Observatory and the analysis of the European Commission, supported by the European Skills High-Level Board.

The EU-27 recommendation should have a particular focus on education and skills structural issues, as well as its relationship with the rapidly evolving labour market and competitiveness. Its aim is to provide a contribution to the agenda setting for issues related to human capital for the EU as a whole, as well as an input for the relevant policy debates in the Council and to inform the Tripartite Social Summit. This should be complementary to the other elements of the European Semester, including notably the Joint Employment Report, the Employment Guidelines, and will feed into the country reports and the country-specific recommendations.

At institutional level, the Commission will steer a closer collaboration and linkages to guarantee coherence between the different elements of the European Semester to and encourage closer collaboration between the relevant Council formations, notably education, employment and economic ministries, to address the skills human capital challenge at EU and national levels in a whole-of-government approach.

At policy implementation level, a simplified European Education Area governance structure could be closely integrated into the Union of Skills governance, to build on the effective cooperation between the different authorities to bring about the systemic change needed for higher impact. Strong and agile governance structures would reinforce support for Member States in the implementation of evidence-based reforms. In the first half of 2025, the Commission will publish an evaluation report on the European Education Area, which will inform the review by the Council.

6. Conclusion – the way forward

The Competitiveness Compass for the EU highlights that the foundation of Europe's competitiveness, and preparedness for the future, is its people, with skills as an enabling condition. The Union of Skills proposes a new approach, combining education, training and employment policies, united around a common vision on competitiveness. It takes forward four strands of action on skills that will boost innovation, decarbonisation, preparedness, democracy, and social fairness.

The Union of Skills will frame the work of the Commission for this entire mandate. The challenge ahead is enormous and can only be tackled if all actors assume collective responsibility and step up in a whole-of-government approach addressing both the supply and demand side of skills (including skills development, recognition, the links with working conditions, demography, company practices) including Member States, social partners, the business community, universities and schools.

Full commitment – based on a strong delivery mechanism and governance anchored in a coherent and lean competitiveness steering mechanism to inform decisions for investment and reforms at EU and national level, which will comprise the Competitiveness Coordination Tool and the streamlined Semester, supported by EU and national funds with a strengthened role for public and private partnerships – is the only way forward as clearly identified by the Union of Skills. This will be based on a strong delivery mechanism and governance through the European Semester, supported by EU and national funds, with a strengthened role for public and private partnerships. The Commission invites the European Parliament, the European Council, the Council

and social partners to endorse the Union of Skills and to actively contribute to delivering on the initiatives it contains.