



Peer Learning Activity – "Establishing Regional Skills Partnerships: lessons learnt and success stories"

Background Note October 2024

Introduction

Persistent labour shortages, changing skills needs, and demographic shifts significantly impact the availability of skilled workers within and across European regions. Despite these challenges, regions can play a crucial role in fostering local reskilling and upskilling actions, and promoting cooperation between employers, policymakers, or partners in states or regions in shared geographical or economic proximity.

Through its ongoing efforts to foster partnership building, including at the regional level, the Pact for Skills can support members operating at the regional level to implement concrete initiatives and be a drivers for change. To showcase the impact of the Pact for Skills at a regional level to date, reflect on challenges and lessons learned, the European Commission is hosting an online Peer Learning Activity (PLA) on 10 October 2024.

This background note aims to introduce the role that regional skills partnerships can play within the context of the Pact for Skills.

The importance of promoting upskilling and reskilling at the regional level: the role of the Pact for Skills

From digitalisation, to climate change, demographic trends, and new forms of work, the European labour market is facing numerous socio-economic challenges. While these challenges affect the EU as a whole, they can have a disproportionate impact at the regional and local levels. As the EU population ages and birth rates decline, some European regions are experiencing a shrinking working-age population, further exacerbated by the economic migration of many young skilled workers. These demographic challenges, lower adult learning rates, poorer social outcomes and limited access to essential services, mean that certain regions may fall into a talent development trap1, with rural and peripheral regions being particularly at risk of being left behind, unable to attract talent and therefore lacking a sufficiently large, qualified workforce. This lack of cohesion undermines the competitiveness of the EU as a whole.

Despite existing challenges, it is at the regional level that upskilling, reskilling and skills development can be addressed most effectively, by more closely matching labour market and learners' needs, implementing more responsive strategies, policies and plans, and enhancing cooperation and synergies between stakeholders to drive positive and sustainable change. To this end, the Pact for Skills acts as a catalyst for change, by bringing together economic and social actors operating within the same ecosystems and/or regions, and by promoting and supporting partnership building.

More specifically, the Pact can enhance upskilling and reskilling at the regional level through:

¹ See COM/2023/32 final Harnessing talent in Europe's regions: <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52023DC0032</u>

- Regional Skills Partnerships (RSPs): These entail collaboration between public and private stakeholders within a geographical or economic region, or across different regions, to support concrete action on upskilling and reskilling.
- Large-scale Skills Partnerships (LSPs): These promote cooperation between relevant actors in a specific industrial ecosystem, with the possibility of further developing collaboration at the regional level, within that economic sector.

In the following subsections, we provide further details on these partnerships and the support available to Pact members through the Pact for Skills Support Services.

An overview of Regional Skills Partnerships (RSPs)

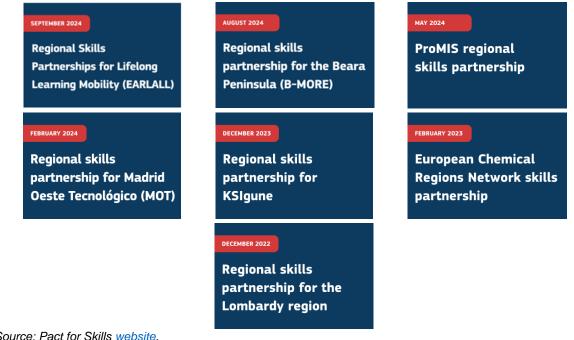
<u>Pact for Skills regional partnerships (RSPs)</u> are shared commitments by private and public organisations to support upskilling and reskilling opportunities at regional and local level. By uniting companies and organisations in robust skills partnerships within and across regions, and across key industrial ecosystems, the RSPs provide a space for stakeholders to implement and promote the Pact for Skills at regional level, and join forces to create up- and reskilling opportunities for people of working age in their region.

RSPs can be set up by a wide range of stakeholders from the public and the private sectors, provided that they operate in a specific sub-European geographical area. This includes public authorities, Centres of Vocational Excellence, Vocational Education and Training providers, higher education institutions, employers with significant presence in a region, as well as clusters, regional business associations or chambers of commerce. Furthermore, RSPs under the Pact can:

- Cover a specific region within a single Member State;
- Include 'macro-regions' spanning across several Member States that have a shared geographical or economic relationship; or
- Bring together different regions facing similar skills challenges on the regional level.'

There are currently seven RSPs under the Pact for Skills, covering a wide range of regions and ecosystems. The Figure below provides an overview of the existing RSPs, with links to find out more about their work and commitments for upskilling and reskilling.

Figure 1 Existing Regional Skills Partnerships



Source: Pact for Skills website.

The existing RSPs aim to support institutions and businesses through the green and digital transformations by promoting sustainability, enhancing digital competencies and green skills, and creating innovation and technological talent hubs. Across all RSPs, the overall objective is to create training frameworks and to foster systematic collaboration among partners.

In order for an RSP to be set up, a "declaration of commitment" has to be agreed by the RSP and the European Commission: this is a document outlining the partnership's commitment to action under the Pact for Skills, and providing background information on the partnership and a description of the actions that be implemented to achieve the objectives of the RSP. Examples of commitments from existing RSPs include the following: The members of each partnership have established a set of commitments to be fulfilled during the life cycle of the partnership – some examples can be found in the Figure below.

Figure 2 Examples of RSP commitments

- ProMIS has committed to implementing the Digital Upskilling Lifecycle Model within Italy's National Health Service, to enhance the use of skills intelligence methods and support the definition of regional skills strategies.
- The **Beara More (B-MORE)** partnership, addressing skills gaps in smart specialisation sectors, has committed to designing training programmes and a comprehensive education framework to align with current industry needs.
- Madrid Oeste Tecnologico (MOT), Spain's primary hub for digital, technological and scientific talent, has committed to creating a cooperation network among stakeholders to

drive digital transformation fostering synergies between local entities, companies and academia.

• Lifelong Learning Mobility (EARLALL), the latest RSP to be established, has committed to work with regional and local authorities for better VET linkages across regions and to monitor and evaluate the impact of mobilities in lifelong learning for the local skill needs.

Beyond the focused approach of dedicated RSPs, many <u>Large-Scale Skills Partnerships</u> (LSPs) under the Pact for Skills also extend their reach to the regional level. LSPs establish a model for collective action where major players in industrial ecosystems commit to cooperate in providing upskilling and reskilling opportunities for people. These models or frameworks can exist at regional level, allowing members to pool resources, build synergies, foster new collaborations and communities of practice, and share best practices within and across regions. Examples of how an LSP can have an impact on the regional level include the following:

Figure 3 Examples of LSP impacts at the regional level

- Tourism LSP: The <u>NTG (Next Tourism Generation Alliance)</u> project has established RSPs in each trade relevant region to bring together local stakeholders and exchange best practices. Furthermore, the NTG partners created regional working groups tasked with monitoring and validating the quality of the project's output at the regional or local level. These working groups help in providing relevant, adaptable and cohesive tools and frameworks that address tourism skills gaps effectively and across regions. The RSPs borne out of the NTG project continue to operate despite the closing of the NGT Blueprint project, demonstrating the sustainability of results in the long term thanks to a regional scope.
- Textile LSP: The <u>Skills4SmartTCLF 2030</u> project, which paved the way for the Textile LSP, developed national sectoral skills strategies for each of its consortium partners' member countries, and a network of Regional Authorities with a strong presence in the sector (TCLF Textile, Clothing, Leather and Footwear). This network provided a collaborative platform for peer-to-peer exchanges and knowledge-sharing, while supporting SMEs to upskill and reskill the TCLF workforce. These strategic regional partnerships were crucial in dealing with the economic impact of the COVID-19 pandemic, by attracting new, young talent into the sector. As well, the efforts of the LSP created the potential for dedicated funding opportunities for regional partnerships, providing easier access to best practice and knowledge sharing from other regions and dedicated support services for the implementation of the activities.

Available support by the Pact for Skills Support Services

Existing and prospective members of Pact for Skills, including LSPs, can work with the Pact Support Services to establish a regional skills partnership. The <u>Pact for Skills Support Services</u> offer direct support to both existing and potential regional skills partnerships, helping them identify relevant commitments, develop their activities, engage stakeholders, and raise awareness of their impact. This support is tailored to the needs of each partnership and its members and includes activities such as:

- Organising kick-off meetings of the interested organisations,
- Developing partnership agreements, highlighting the aims and objectives of the partnership and proposed activities,
- Facilitating regular meetings of regional partnerships' coordinators for mutual learning with other Pact members working in the same region or with related priorities or aims,
- Advising on common statements of commitments as part of the Pact for Skills,
- Providing operational guidance through a Partnership Handbook, tools and templates,
- Identifying opportunities for synergies with European or national initiatives and funding schemes,
- Engaging new or prospective members,
- Highlighting the impact of good practices on skills and economic development to European skills networks and stakeholders.

Broader EU level action to support skills development at the regional level

While the Pact for Skills represents a key initiative to promote upskilling and reskilling and tackle skills needs at the regional level, the EU has put in place other initiatives to support skills development within and across regions. In the sub-sections below, we provide a brief overview of key policies and strategies, existing initiatives and platforms, and support provided through funding programmes.

The <u>European Skills Agenda</u> is the European Commission's five-year plan to help individuals and businesses develop more and better skills and put them to use. This plan complements the <u>EU Green</u> <u>Deal</u> and the <u>European Pillar of Social Rights</u>, as it contributes to promoting sustainable competitiveness and ensuring social fairness in access to education, training and lifelong learning in the EU. The European Skills Agenda supports the creation of high-quality jobs and addresses skills mismatches by fostering innovation both at the sectorial or regional levels.

<u>Smart Specialisation Strategies (S3)</u> prioritise investments based on local assets, fostering a transition to a knowledge and innovation-based economy. Smart Specialisation is based on partnerships between businesses, public entities and knowledge institutions. The <u>Smart Specialisation Platform (S3 Platform)</u> encourages regional actors to build strategies based on competitive advantage to drive economic transformation and tackle new societal challenges, and provides support to stakeholders seeking to develop their own innovation-driven economic transformation agendas at different levels: transregional, national, regional, and local. The <u>European Institute of Innovation and Technology (EIT)</u> further integrates S3 strategies through its Knowledge and Innovation Communities (KICs) and the EIT Regional Innovation Scheme (EIT RIS), which engage local actors from education, business, and research sectors to boost regional innovation.

Additionally, the <u>Deep Tech Talent Initiative</u>, part of the new <u>European Innovation Agenda</u>, aims to address the talent gap in deep tech sectors by training specialists and facilitating innovation internships. Lastly, in the coming years, the <u>EU Rural Action Plan by 2040</u> and the <u>Territorial Agenda 2030</u> will revitalise rural areas by enhancing human capital, infrastructure, and economic opportunities, making them more attractive for talent and innovation.

Moreover, the <u>European Cluster Collaboration Platform (ECCP)</u> matchmaking events to ease the networking and collaboration of cluster organisations within the EU to meet the green and digital transition challenges in a cohesive way. As part of the ECCP, the <u>"Clusters meet Regions"</u> initiative aims to further enhance the role clusters can play in regional economic development.

Furthermore, the recently launched <u>Talent Booster Mechanism</u> supports regions in training, retaining, and attracting skilled individuals to address demographic transitions. The initiative revolves around eight pillars, including a pilot project to help regions to develop and implement strategies to train, attract and retain skilled workers; adapt to the demographic transition and invest in talent development; promote exchanges of good practices and mutual learning.

As outlined in the recently published <u>Political Guidelines for the next European Commission (2024-2029)</u>, regions will continue to be at the centre of EU level policy making, due to their crucial role in supporting social and economic cohesion as well as growth, with plans to further promote reforms and investments in public services, education and skills, transport and digital connectivity. The foreseen establishment of a Union of Skills, to enhance adult and lifelong learning, skill retention and portability to enable EU citizens to live and work across different Member States, and regions within these, will further support upskilling and reskilling both at the national and regional level².

Lastly, the EU has a long history of investing in upskilling and reskilling, including at the regional level, though EU funding programmes. In this context, some of the most relevant EU funding instruments include:

- The <u>European Social Fund Plus (ESF+)</u> which provides an important contribution to the EU's employment, social, education and skills policies, including structural reforms in these areas;
- The <u>European Regional Development Fund (ERDF)</u> which promotes investment in regional smart and green initiatives in key areas, including education and employment;
- The <u>Erasmus+ programme</u>, which supports the establishment of Centres of Vocational <u>Excellence</u> (CoVEs) and the roll out of <u>Blueprint</u> projects, to develop education & training solutions for the regional and local level, and contribute to regional development, innovation, smart specialisation and social inclusion. Furthermore, in 2024, Erasmus+ is also supporting the establishment of RSPs under the Pact for Skills, through a dedicated call.
- As part of the Just Transition Mechanism, the <u>Just Transition Fund</u> provides support to Member States at risk of being negatively impacted by the climate-neutrality transition, to ultimately reduce regional disparities in the EU.

Peer Learning Activity

The PLA will bring together Pact for Skills members to increase their knowledge of regional cooperation EU initiatives, as well as discuss how RSPs and LSPs under the Pact can continue to build on the

² See European Commission. (2024). Political guidelines for the next European Commission (2024-2029):

https://commission.europa.eu/document/download/e6cd4328-673c-4e7a-8683-

f63ffb2cf648_en?filename=Political%20Guidelines%202024-2029_EN.pdf

PEER LEARNING ACTIVITY – DEVELOPING REGIONAL PARTNERSHIPS

success of existing regional projects, and how synergies between the two initiatives can be strengthened to implement effective and impactful skills partnerships.

Participants to the PLA will learn about good practice examples shared by other Pact members working at the regional level, identify challenges and lessons learned, and discuss how to develop effective and sustainable regional partnerships through the Pact for Skills.

