



European
Commission

BACKGROUND NOTE ON THE SKILLS OBJECTIVES



Background note on the Skills Objectives

The Skills Agenda for sustainable competitiveness, social fairness and resilience sets out policy priorities and actions aimed at training more people, more often, and in the skills needed for a job, notably to master the green and digital transitions.

Clear and ambitious objectives are required to drive progress and monitor the Member States and the EU's performance until 2025¹. These objectives expand the skills component of the Social Scoreboard, which monitors progress to put in practice the European Pillar of Social Rights. The Commission will report annually on the progress made in the context of the European Semester. While these objectives are at EU level, Member States are encouraged to reflect on country-specific objectives and include them in their reporting.

¹ Available indicators often do not allow capturing the qualitative aspect of training. Evidently, this Skills Agenda drives a step-change also in qualitative terms by pushing to the front the principle of 'skilling for a job'

THE FOUR SKILLS OBJECTIVES

As explained in the Skills Agenda for sustainable competitiveness, social fairness and resilience, four quantitative objectives for 2025 are set out, with the aim to up- and reskill the workforce, with a particular focus on low qualified and unemployed workers and basic digital skills. For each of these indicators the latest data is presented, as well as an estimate – based on the evolution in recent years – of what would be the evolution if the current level of action continues, and define the objective to be pursued.

The green transition needs to be just and has to pay special attention to those workers and regions particularly affected. Skills are crucial for this endeavour. At this stage, no quantitative indicators on green skills exist. The Commission will develop such indicators as part of the Skills Agenda (Action 6).

The selected indicators and objectives are:

Indicator	Objective for 2025	Current level (latest year available)	Increase (in %)
Participation of adults aged 25-64 in learning during the last 12 month	50%	38% (2016)	+32%
Participation of low-qualified adults 25-64 in learning during the last 12 months	30%	18% (2016)	+67%
Share of unemployed adults aged 25-64 with a recent learning experience	20 %	11% (2019)	+82%
Share of adults aged 16-74 having at least basic digital skills	70%	56% (2019)	+25%

1

SHARE OF ADULTS (AGED 25-64) PARTICIPATING IN LEARNING

The objective is to increase the share of adults (aged 25-64) who participate in learning (formal or non-formal) during a period of 12 months from 38% in 2016 to 50% in 2025. Compared to other non-EU countries, Europe falls behind its global competitors².

Current situation (2016)					
EU27 (millions)	EU27 male (millions)	EU27 female (millions)	EU27	Three top values	Three bottom values
90	45	45	38% ³	59% (SE) 57% (NL) 55% (AT)	6% (RO) 12% (BG) 16% (EL)

In today's society and fast-changing labour market, adults cannot afford to rely solely on what they have learned in their initial education and training. Both the digital and green transitions will fundamentally change the skill requirements of many jobs and the COVID-19 pandemic will also trigger significant disruptions on the labour market. Skills are critical to ensure competitiveness, innovation capacity and social cohesion. However, according to the most recent data, less than four in ten adults in the EU with some distance to their initial education (aged 25-64) participate in learning over 12 months-period.

Europe compares unfavourably to other major economies. According to the OECD Survey of Adult Skills (PIAAC), the average adult participation in learning in the US is almost 50% higher as compared to average adult participation in learning in the EU Member States who participated in that survey.

² Based on the indicator from the Adult Education Survey, which includes guided on the job training in 2011 (see footnote 3), the share of adults (aged 25-64) who took part in learning (formal or non-formal) during a period of 12 months was 41% in EU-27 and 59% in US, 42% in Japan, 50% in South Korea, 58% in Canada.

³ The current adult participation in learning measure is based on the data from EU Adult Education Survey. As of 2022 for regular monitoring it will draw from the EU Labour Force Survey (EU LFS) data. This indicator is slightly different from the data available for non-European countries. The data for countries from outside Europe come from OECD's PIAAC survey, which indicates higher levels of participation in adult learning as it includes guided on-the-job training. However, as data on guided-on-the-job training will not be available in the EU LFS, our indicator excludes guided on the job training.

► Why this indicator?

The proposed indicator is already in use by the Commission to monitor Member States' progress in this area. Adult participation in learning is one of indicators of the Social Scoreboard, which supports the annual monitoring of Member States' performance in relation to the European Pillar of Social Rights. It is also one of the indicators used in the European Semesters' benchmarking framework for adult skills and learning.⁴

► Methodological information

The indicator measures the share of adults aged 25-64 who report to have participated in at least one formal or non-formal education and training activity over the last 12 months. This is currently measured by the EU Adult Education Survey, which is conducted every 5 years (most recently in 2016). As of 2022, however, this information will also be available from the EU LFS every other year.⁵

► Why this level of ambition?

In 2016, on average 38% of adults aged 25-64 in the EU Member States reported that they had participated in learning during the last 12 months. This corresponds to approximately 90 million adults. Around 44%, or 103 million, would do so in 2025 if the same rate of growth as observed between 2011 and 2016 would continue.

The scale of the challenge identified in the Updated Skills Agenda for sustainable competitiveness, social fairness and resilience, is enormous: around 54% of adults in the EU are in jobs at either very high risk or a substantive risk of automation.⁶ The objective that in 2025 on average at least 50% of adults should participate in learning corresponds to an estimated **120 million adults** participating in learning every year.⁷ This would be a progress of around 30% as compared to the situation in 2016.

Evidence from around Europe shows that such increases have been seen in some countries, for example in Hungary, Cyprus and Latvia, where the participation rates between 2011 and 2016 increased by more than 30%. In 2016, 6 EU Member States already have a level of participation in adult learning (measured over 12-months reference period and excluding guided-on-the-job training) above 50%; seven other countries had a participation level not far away from the target, standing between 40% and 50%.

⁴ By the end of 2018, a benchmarking framework for adult skills and learning was developed by the Commission in collaboration with the Education Committee, the Employment Committee (EMCO) and the Standing Group on Indicators and Benchmarks (SGIB) and endorsed by the EMCO, in line with the common approach agreed by the Employment Committee and the Social Protection Committee. It also includes adult participation in learning as a performance indicator (see Annex for more details).

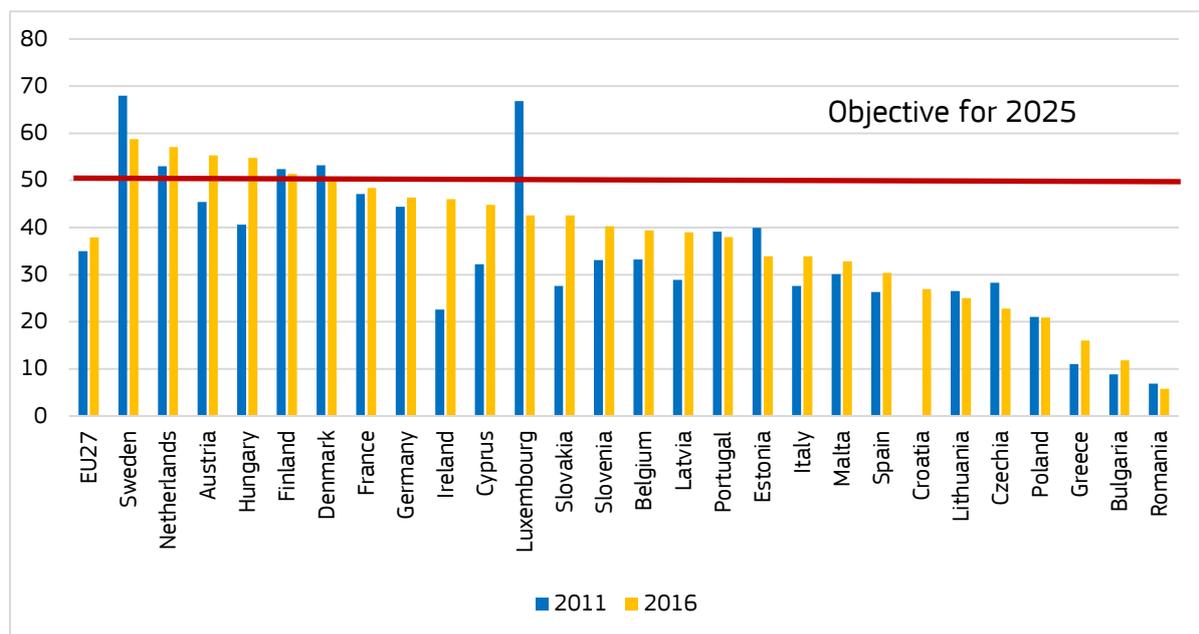
⁵ Following the adoption of the Integrated European Social Statistics (IESS) Regulation (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.LI.2019.261.01.0001.01.ENG>) as well as the LFS delegated and implementing Regulations, the LFS will cover participation in learning both during the last 4 weeks and the last 12 months, thus allowing to calculate the indicator also for the 12 months period. Data for the 12 months period will be reported on a biannual basis starting from the reference year 2022 (the first year of such data collection) and will be published by Eurostat in 2023, 2025, 2027, etc.).

⁶ According to estimates by Cedefop (2018): <https://skillspanorama.cedefop.europa.eu/en/blog/machines-robots-and-threat-automation-eu-jobs>.

⁷ Eurostat population projections were used for estimating absolute numbers in 2025.

► **What is the current situation across EU Member States?**

Chart 1: Share of adults (25-64) participating in learning, 2011-2016 (%)



Source: Eurostat, EU Adult Education Survey. Data excludes informal learning and guided on the job training. Data for Croatia is not available in 2011. There was a break in time series between 2011 and 2016 in Sweden, Ireland and Luxembourg. The countries are ranked in a descending order based on 2016 data.

2

SHARE OF LOW QUALIFIED ADULTS (AGED 25-64) PARTICIPATING IN LEARNING

The objective is to increase the share of low-qualified adults aged 25-64, who participate in learning during a period of 12 months from 18% in 2016 to 30% in 2025.

Current situation (2016)					
EU27 (millions)	EU27 male (millions)	EU27 female (millions)	EU27	Three top values	Three bottom values ⁸
9	n/a	n/a	18% ⁹	41% (HU) 40% (SE) 35% (FI)	3% (EL) 5% (PL) 6% (CZ)

In Europe, some 52 million adults have a qualification at a lower level than upper secondary school. In some countries, a third of the working age population has only very low levels of basic literacy and/or numeracy skills. As workers, they are vulnerable to changes in task requirements stemming from the digital and green transitions and as citizens, they are at risk of social exclusion. To ensure a just transition, policy efforts hence need to prioritise supporting this target group in acquiring additional skills. Intensifying and building upon the implementation of the 2016 Council Recommendation on Upskilling Pathways, the Updated Skills Agenda for sustainable competitiveness, social fairness and resilience aims at major progress by 2025.

⁸ In several countries, which are likely to be among the lowest performers, where the share of low-qualified adults is relatively low and where overall adult learning participation rate is low data is unreliable or not published at all. This concerns Romania, Bulgaria, Lithuania, Slovakia, for which data is not published at all as well as Czechia, Greece and Croatia for which data is unreliable.

⁹ The current adult participation of the low-qualified in learning measure is based on the data from EU Adult Education Survey. As of 2022 for regular monitoring it will draw from the EU Labour Force Survey (EU LFS) data. This indicator is slightly different from the data available for non-European countries. The data for countries from outside Europe come from OECD's PIAAC survey, which indicates higher levels of participation in adult learning as it includes guided on-the-job training. However, as data on guided-on-the-job training will not be available in the EU LFS, our indicator excludes guided on-the-job training.

► **Why this indicator?**

The benchmarking framework for adult skills and learning, used in the context of the European Semester, already uses the indicator on the share of low-qualified adults participating in learning (but with a 4-week reference period).

Furthermore, this indicator is included as a sub-indicator of the broader adult participation in learning objectives adopted by the Council in 2003 and 2010 as mentioned above (but measured using the 4-week reference period).

Monitoring this indicator, in combination with the actions set out in the Skills Agenda, will also positively contribute to reducing the share of low-qualified adults where Europe somewhat falls behind its global competitors¹⁰.

► **Methodological information**

The indicator measures the share of low-qualified adults (i.e. those having completed at most a lower-secondary education) in the age group 25-64 who report to have participated in at least one formal or non-formal education and training activity over the period of last 12 months.

► **Why this level of ambition?**

In 2016, on average within the EU27, 18% of low-qualified adults aged 25-64 reported to have participated in education and training over a period of 12 months. This corresponds to some 9 million individuals. Without specific action, the situation is expected to improve only slightly by 2025, to reach a participation rate of around 20% (if the growth rate observed between 2011 and 2016 will remain the same). This would correspond to approximately 9 million adults participating in learning in 2025.

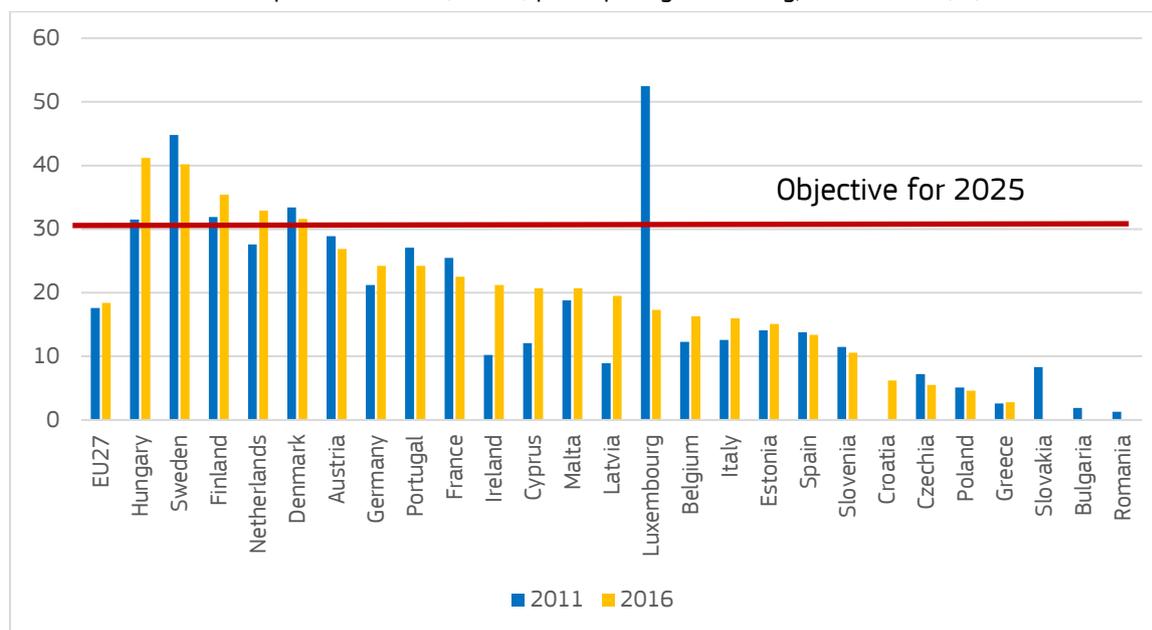
The Skills Agenda defines a 30% participation rate to be the objective by 2025. This corresponds to an estimated 14 million low-qualified individuals participating in learning in 2025. The objective is particularly ambitious, and will require the substantial increase in policy ambition that the Member States have committed to in the 2016 Council Recommendation on Upskilling Pathways. Between 2011 and 2016, two Member States experienced absolute increases in learning participation among the low-qualified of about 10 percentage points: Ireland, where participation increased from 10% to 21%, and Latvia, where it increased from 9% to 20%.

Based on the latest available data, in five EU Member States the participation rate of low-qualified adults in learning already exceed this level. A further seven countries report participation rates for this group between 20% and 30%.

¹⁰ Based on the indicator from the Adult Education Survey, which includes guided on the job training in 2011 (see footnote 9), the share of low-qualified adults (aged 25-64) who took part in learning (formal or non-formal) during a period of 12 months was 23% in EU-27 and US: 28%; Japan: 22%; South Korea: 21%; Canada: 26%.

► **What's the current situation across EU Member States?**

Chart 2: Share of low-qualified adults (25-64) participating in learning, 2011-2016 (%)



Source: Eurostat, EU Adult Education Survey. Data excludes informal learning and guided on the job training. Data for Lithuania is not available in 2011 and 2016; data for Slovakia, Bulgaria and Romania not available for 2016 (likely due to reliability/small sample size issues). There was a break in time series between 2011 and 2016 due to the introduction of new ISCED 2011 classification of educational attainment; however, it should have not had a major impact on classifying individuals with only a low-level of qualification. However, there was a major break in time series (change in methodology) in Luxembourg significantly affecting the comparability of data.

3

SHARE OF UNEMPLOYED ADULTS AGED 25-64 WITH A RECENT LEARNING EXPERIENCE

The objective is to increase the share of unemployed adults aged 25-64 with a recent learning experience, defined as a participation in learning during the last 4 weeks, from 11% in 2019 to 20% in 2025. Compared to other non-EU countries, Europe falls behind its global competitors¹¹.

Current situation (2019)					
EU27 (millions)	EU27 male (millions)	EU27 female (millions)	EU27	Three top values	Three bottom values ¹²
1.2	0.5	0.7	11%	46% (SE) 29% (DK) 27% (LU)	1% (SK) 2% (BG) 2% (RO)

In the EU in 2019, some 12 million adults aged 25-64 were unemployed. The COVID-19 crisis is expected to lead to considerable increase in unemployment. The 2016 Council Recommendation on the integration of the long-term unemployed into the labour market points out that further education and training can equip jobseekers with the skills to find employment, and can prevent unemployment to become entrenched and long-term. Building on these Recommendations, the Updated Skills Agenda for sustainable competitiveness, social fairness and resilience aims at major progress by 2025.

► Why this indicator?

The benchmarking framework for adult skills and learning, which has been approved by the Member States in EMCO in 2018, already uses the indicator (see the Appendix for further details). It has since formed part of the indicators of the European Semester monitoring

¹¹ Looking at the indicator, for comparison reasons in the period of 12 months EU-27 reached 27% (2011), US 47% (2012), Japan 37% (2012), South Korea 50% (2012), and Canada 50% (2012). Data for EU - Adult Education Survey (Eurostat); Data for non-EU countries - PIAAC (OECD).

¹² In several countries, which are likely to be among the lowest performers, where the share of low-qualified adults is relatively low and where overall adult learning participation rate is low data is unreliable or not published at all. This concerns Romania, Bulgaria, Lithuania, Slovakia, for which data is not published at all as well as Czechia, Greece and Croatia for which data is unreliable.

the progress of Member States with the provision of education and training to the unemployed as part of their active labour market policies.

► **Methodological information**

The indicator measures the share of unemployed aged 25-64 who report to have participated in at least one formal or non-formal education and training activity during the last four weeks. The use of a 4-week rather than a 12 months reference period captures better the provision of education and training to the unemployed as part of Member States' active labour market policies.

► **Why this level of ambition?**

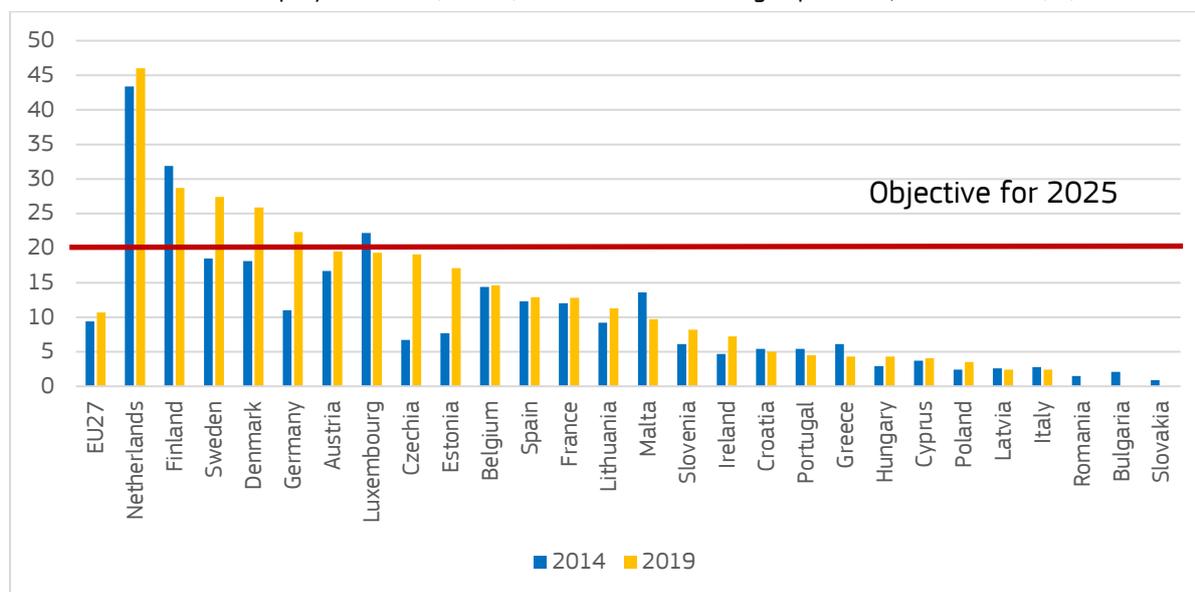
In 2019, on average within the EU27, 11% of the unemployed adults aged 25-64 reported to have participated in education and training during the last 4 weeks. This corresponds to some 1.2 million individuals. Without specific action, the situation is expected to improve only slightly by 2025, to reach a participation rate of around 12% (if the growth rate observed over the last 5 years between 2014 and 2019 will remain the same). This would correspond to approximately 1.4 million unemployed adults.

The Skills Agenda defines a 20% participation rate to be the objective by 2025. This corresponds to 2.3 million unemployed adults with a recent learning experience. The objective is ambitious, but realistic: In the past, several countries saw similar-sized improvements of this indicator over a period of comparable duration. For example, over a 5-year period, the participation rate of unemployed adults in learning in Estonia increased from 11% in 2014 to 22% in 2019 and in Finland, it increased from 18% in 2014 to 26% in 2019.

Based on the latest available data, in five EU Member States the participation rate of unemployed adults in learning already exceed this level. A further four countries report participation rates for this group above 17%.

► **What's the current situation across EU Member States?**

Chart 3: Share of unemployed adults (25-64) with a recent learning experience, 2014-2019 (%)



Source: Eurostat, EU Labour Force Survey. Data for Bulgaria, Slovakia and Romania is not available in 2019. There was a break in time series between 2014 and 2019 in Belgium, Denmark, Ireland, Luxembourg, Hungary, Malta, Poland and Sweden. The countries are ranked in a descending order based on 2019 data.

4

SHARE OF INDIVIDUALS (AGED 16-74) WITH AT LEAST BASIC DIGITAL SKILLS

The objective is to increase the share of adults 16-74 with at least basic digital skills from 56% in 2019 to 70% in 2025.

Current situation (2019)					
EU27 (millions)	EU27 male (millions)	EU27 female (millions)	EU27	Three top values	Three bottom values
184	94	90	56%	79% (NL) 76% (FI) 72% (SE)	29% (BG) 31% (RO) 42% (IT)

Europeans need digital skills in almost all they do in life and at work. 90% of jobs already require some kind of digital ability. Participation in society increasingly requires basic digital skills. A successful and inclusive digital transition including the collaborative economy, artificial intelligence and e-services- depends on a population with digital skills. Yet, according to the Commission's Digital Economy and Society Index (DESI), in 2019, 44% of the EU27 population aged 16-74 lacked basic digital skills and 15% had no skills or have not used the internet in the 3 months prior to the survey.

There is a need for digital skills at all levels including advanced skills for ICT professionals. Given the scale of the need, which exists in both professional and social spheres the Updated Skills Agenda for sustainable competitiveness, social fairness and resilience puts a particular accent on these skills and proposes an ambitious objective to drive progress.

► Why this indicator?

The share of individuals with at least basic digital skills is an indicator of the EU Social Scoreboard. It is also included in the benchmarking framework for adult skills and learning mentioned above.

► Methodological information

The data for the indicator is from the Community Survey on ICT usage in households and by individuals. Digital skills are measured as a composite measure based on a series of

yes/no questions, measuring to what extent someone has performed a number of activities such as seeking information online, sending emails, installing software or using a word processing software. An individual is then deemed to have “at least basic digital skills” if there is at least one “basic” but no “no skills” in all four domains.¹³

Why this level of ambition?

In 2019, on average within the EU27, 56% of individuals aged between 16 and 74 were reported to have at least basic digital skills. This is around 184 million people. Since 2015 (the first year with available data), the share increased by 2 percentage points from 54 to 56%. Assuming that this growth rate continues, progress would be limited to reaching 59% with at least basic digital skills in 2025.

The Skills Agenda objective is that by 2025, 70% of the 16-74 year olds (or 230 million people) should have at least basic digital skills, representing an increase of an estimated 48 million people until 2025¹⁴.

Over the recent years (2015-2019), the share of adults with at least basic digital skills was increasing at an average rate of 0.9% each year. In order to achieve the set objective, this growth-rate should increase considerably to on average 3.8% each year until 2025. It is particularly ambitious as the COVID-19 pandemic has emphasised the need to advance much more quickly than in the past.

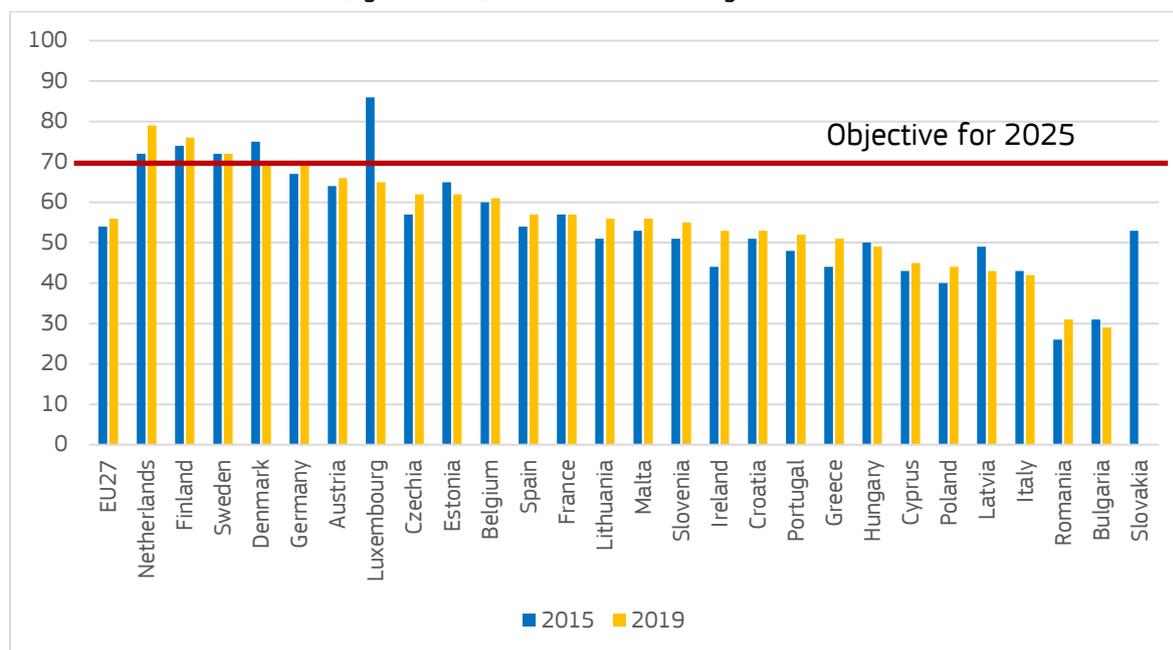
A number of countries have shown in the past that it is possible to improve considerably the share of the population with at least basic digital skills. Notably in Ireland, the share of individuals with at least basic digital skills has increased from 44% in 2015 to 53% in 2019. Similarly, in Greece, it has increased from 44% in 2015 to 51% in 2019. At present, five EU Member States have a proportion of adults with at least basic digital skills at or above the intended ambition of 70%. Further five countries have attainment levels above 60%.

¹³ A detailed description can be found here: https://ec.europa.eu/eurostat/cache/metadata/en/tepsr_sp410_esmsip2.htm

¹⁴ The European Data Strategy from February 2020 had announced a 65% target by 2025. However, the COVID-19 pandemic has brought to light even more how crucial basic digital skills are to be able to take part in society. Moreover, the additional EU funding that will be available through the “Next Generation EU” budget is an opportunity to aim for an even more ambitious digital skills target for 2025.

► **What is the current situation across EU Member States?**

Chart 4: Share of individuals (aged 15-74) with at least basic digital skills 2015-2019



Source: Eurostat, EU Community survey on ICT usage in households and by individuals. Data for 2019 for Czechia and Sweden is unreliable and for Slovakia not available. Break in time series in 2019 in Czechia, Luxembourg, Italy and Latvia.

ANNEX

Social scoreboard

The European Pillar of Social Rights, signed as an inter-institutional Proclamation by the European Parliament, the Council and the Commission on 17 November 2017, sets out a number of key principles and rights to support fair and well-functioning labour markets and welfare systems. It is designed as a compass for a renewed process of convergence among Member States towards better working and living conditions.

The European Pillar of Social Rights is accompanied by a social scoreboard to monitor performances and track trends across the Member States. The social scoreboard provides a number of *Headline Indicators* to screen the employment and social performance of Member States along three broad dimensions, identified in the context of the Pillar: (i) equal opportunities and access to the labour market, (ii) dynamic labour markets and fair working conditions, and (iii) public support / social protection and inclusion.

The common methodology used to analyse the Scoreboard has been agreed by the Employment Committee and the Social Protection Committee. It evaluates the situation and developments in Member States by looking at the current level and the recent changes of each of the headline indicators included in the social scoreboard. Levels and changes are classified according to their distance from the respective EU averages. Member States' performances on levels and changes are then combined (by using a predefined matrix) so that each Member State is assigned to one out of seven categories ("best performers", "better than average", "good but to monitor", "on average/neutral", "weak but improving", "to watch" and "critical situations").

The European Semester benchmarking framework on adult skills and learning

With the view to monitor Member States' progress in this area, the Commission drew up a comprehensive framework for benchmarking adult skills and adult learning systems in the EU. It has been approved by Member States at the end of 2018. Since then the analysis based on this benchmarking framework feeds into the European Semester.

The framework is based on a three-step approach. In a first step, broad key challenges in the field of adult skills and learning are discussed and a set of high-level outcome indicators is identified (employment rates by education level, macroeconomic skills mismatch and labour productivity). These high-level outcome indicators are highlighted in the Commission's growth and jobs agenda and show a positive relationship with the performance of skills and learning systems, although they can also be influenced by many other (economic and institutional) variables.

In a second step, a set of performance indicators is identified capturing various dimensions of skills supply and demand. These indicators include the share of adults with medium and high skills, participation of adults in learning, digital skills, and the share of jobs requiring medium and high skills. Cross-country comparison of performance is made based on the

Scoreboard methodology that accounts for significant deviations from the EU average, taking into account levels as well as changes in performance indicators.

For the third step, a thematic approach is followed to identify key policy levers (policy parameters) that are effective in improving performance of adult skills and learning systems. The framework currently focuses on the policy area of adult learning and identifies a) the provision of guidance to individuals on adult learning opportunities, the provision of financing to companies for training their staff, and the direct provision of adult learning for unemployed and for low-qualified adults, as critical for raising participation of adults in learning. This being the indicator measuring performance of adult learning systems, as noted.

Indicators in the adult skills and learning benchmarking framework

<p>Outcome indicators</p>	<ul style="list-style-type: none"> • Employment rates by education level (age group 20-64) • Macroeconomic skills mismatch (age group 20-64) • Labour productivity: GDP at 2010 reference levels per person employed (in euros, at 2010 exchange rates), as compared to the EU average
<p>Performance indicators</p>	<ul style="list-style-type: none"> • Supply of medium and high skills: the share of adults with at least upper secondary education attainment (EU-LFS, age group 25-64) • Adult learning: participation of adults in learning (EU-LFS, age group 25-64) • Digital skills: the share of the population with basic or above basic overall digital skills (age group 16-74) • Demand for medium and high skills: the share of occupations requiring at least upper secondary education attainment, i.e. the share of employment in occupations classified under ISCO categories 1-8 (EU-LFS, age group 15-64).
<p>Policy lever indicators</p>	<ul style="list-style-type: none"> • The share of adults receiving guidance on adult learning opportunities (EU-AES, age group 25-64) • Financial support for training provided to companies (EU-CVTS) • The share of unemployed participating in adult learning (EU-LFS, age group 25-64) • The share of low-qualified participating in adult learning (EU-LFS, age group 25-64)