



Commissioner [redacted]
Jobs and Social Rights

Pact for Skills: Roundtable with the renewable energy ecosystem

[redacted], 11/05/2021, 14:00-15:30

Contact of the organizer: DG GROW and DG EMPL

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Scene setter

On 11 May, you will co-host together with Commissioner Breton the online roundtable with the industrial ecosystem “Renewable energy”. This ecosystem comprises electric motors, engines and turbines, electric power generation, manufacturing and distribution of gas.

Invited are high-level representatives of the sector – CEOs, sectoral organisations and trade unions (official European social partners).

The aim of the roundtable is to:

- reach top-level agreement that the Pact for Skills provides an essential EU-level framework to support the major programme of up- and reskilling that the sector needs. Following this meeting ENER, GROW and EMPL will organise a number of technical level meetings to develop the industry proposal; and
- get clear statements of commitments to finding practical and operational solutions to the identified skills problems from the participants.

Renewable energy sectors can be classified according to the principal economic activity and the use of technology – heating and electricity. It is also possible to make a distinction between renewable energy sources, such as geo and solar thermal electricity, hydro and wave power, biomass, photovoltaics, hydrogen fuel cells, and wind farms.

A common attribute to all renewable energy sectors is that employment spans the value chain from equipment manufacture, project development, construction and installation, to operations and maintenance.

The employment associated with any individual renewable project tends to be front-loaded with many engineers, technicians and assemblers needed in the manufacture, project development and installation phases. This is particularly pronounced in the case of large-scale electricity generation projects.

For small-scale renewable installations, such as solar thermal, almost half of the associated jobs are instead associated with retail, installation and maintenance. Employment in many renewable energy activities is location-specific; jobs arise where capacity is installed.

The renewables sector in the EU accounted for over 1.5 million jobs in 2018. Despite the ever-growing share of renewable energy, a downward trend in related jobs occurred from 2011 onwards, turning to stagnation in the following years. Factors behind this development include the aftermath of the 2008 financial crisis, the relocation of some renewables manufacturing capacities outside of Europe, and changes in subsidy schemes for renewables within the EU. The solid biomass and wind sectors each supported nearly 25% of total EU renewable energy jobs, with liquid biofuels, heat pumps, photovoltaics and hydropower following. Over half of these jobs were located in Germany, Spain, France, the United Kingdom and Italy; in terms of renewable-energy jobs per capita population, Latvia, Estonia, Denmark and Finland are in the lead in Europe.

Commissioner Breton and you will begin with a short introduction explaining the aims of the Pact for Skills and its importance for the skills development in the ecosystem.

You will then alternate with Commissioners Breton to ask questions to participants. If time allows, there will be opportunity for participants to make final statements. The two Commissioners are invited to conclude the session.

The briefing follows the structure used for the previous roundtables.

Sector information (background) and the **choreography of the meeting** as well as the **list of participants** (annex 1) will be provided by DG GROW.

The launch of the Pact for Skills took place on 10 November 2020, during the European Vocational Skills Week (organised by EMPL) in online format.

Close to 800 people connected to watch the launch of the Pact. Since then we received some 300 requests to join the Pact.

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Speaking points

INTRODUCTION

- I would like to welcome all participants to this roundtable, which is part of a series of meetings with ecosystems under the Pact for Skills.
- Skills are key for the future.
- This is also the case for the renewable energy sector. Investing in renewables also means investing in its workforce.
- The sector employs 1.5 million people in Europe. This is not a lot compared with other sectors but is expected to see a steep rise once implementation of the Recovery & Resilience plans of Member States and other Green Deal actions will take up pace.
- Depending on sub-sector, 17-32% of companies in renewables are experiencing skills gaps, and in technical occupations 9-30% are experiencing skills shortages. Therefore, the supply of skilled workforce needs to catch up.
- The occupation groups of researchers & engineers and of science & engineering technicians are the most wanted in the European renewable energy industry. For example, solar photovoltaic installers are expected to see 50.5% job growth by 2029.
- New occupations are also emerging, for example, biofuels production managers, solar energy systems engineers or wind power design engineer.

- Newer occupations require greater proficiency in analytical skills. Compared with older occupations, the average importance of programming and science skills is at least 34% higher among newer green economy occupations, and the average importance of mathematics, systems analysis and system evaluation is at least 25% higher.
- While the workforce in the energy industry in general, is male dominated and is aging, in the renewables industries women are better represented.
- As for younger people, they are under-represented in the energy sector but are characterised by a higher willingness to participate in upskilling and reskilling programmes.
- The latter is an important factor in the successful transition of regions from fossil fuels and energy intensive industries towards a greener economy. Science, technology, engineering, and mathematics profiles as well as digital skills are in high demand. An increase in demand for more multidisciplinary knowledge is likely in the context of new business models and societal initiatives.
- A highly educated and trained workforce is vital. However, when it comes to concrete actions it is nearly always considered someone else's role to deal with skills.
- No individual, no company, no single institution, private or public, will be able to solve the skills challenge alone.
- This is why we need a new look on skills, a new approach.

- The scale of needs call for a skills offensive, where we provide upskilling and reskilling opportunities for the whole workforce.
- But before speaking of a “revolution”, I would like to simply ask you: as you are already training people, how can we help you to do it better and to a larger extent?
- In the framework of the Pact for Skills that was launched on 10 November last year during the European Vocational Skills Week, we will try to combine the shared vision described in the Charter of the Pact with concrete upskilling and reskilling commitments.
- The Charter we propose, was developed through consultation with almost 700 stakeholders and is firmly anchored in the principles of the European Pillar of Social Rights.
- Commissioners Breton and myself work closely together because skills are an indispensable element of a successful industry strategy and to a resilient and forward-looking renewable energy sector.
- So what is the Pact? It gathers and inspires commitments from individual companies and other stakeholders like training providers or social partners. For example, ecosystems or institutions can commit to upskill a certain number of employees, larger organisations could give access to their training facilities for smaller institutions. Many other commitments are possible.
- It will also support large-scale skills partnerships.

- The on-going Blueprint Alliance for maritime technology, which also covers skills development for the offshore renewable energy sector, can be a solid basis to build such a broad partnership.
- By joining the Pact, stakeholders will get access to networking, knowledge, guidance and resources regarding quality upskilling and reskilling.
- We do not have time for half measures. We need to act now.
- As you know, the EU is dedicating unprecedented funds to support the economy.
 - There is the **Recovery & Resilience Facility** with funding amounting to EUR 672.5 billion. And the Commission has put re- and upskilling as one of the flagship investment priorities.
 - Then, there is **REACT-EU** with €47.5 billion of funds that will be made available to the Member States and their regions. These funds can equally support skills development which accompanies other actions focused on mitigating the negative impact of COVID-19.
 - And, of course, there is the **European Social Fund+** from which more than EUR 60 billion are earmarked for flexible opportunities for up- and reskilling and to support companies to maintain or develop further vocational training.
 - It is also worth mentioning the **InvestEU programme** with its social innovation and skills window and the **Just Transition**

Fund, which aims to ensure that no one is left behind as the result of moving towards green and digital Europe.

- The majority of those funds are “co-owned” by the Commission and the Member States.
- The Commission, for its part, engages actively with Member States authorities.
- I also invite the sector to use this opportunity to work with Member States and regions to make sure that the way resources are spent is done in co-operation with you, the experts in the sector.
- So we would like to use this roundtable to hear from you. What are your key challenges regarding skills? What is your opinion on the Pact? How you would like to act ? And what type of support do you consider is needed at EU level?

CLOSING REMARKS

- Thank you for your contribution and comments.
- I believe that together our efforts will lead to a real paradigm shift toward continuous up- and reskilling.
- Under the Pact for Skills, we can promote a new approach to managing skills on sectoral and cross-sectoral level, so that large organisations will invest in skills not only of their employees but also across the whole sector, in order to support smaller institutions with less investment capacity.

- On our side, we are putting together a dedicated support service. However, this initiative will only work if those on the ground, those around the table today, also commit to it so I am now looking forward to see your commitment.
- I hope to see the renewable energy ecosystem soon as one of the inspiring lights of the Pact - with your own ideas and commitments of how to nurture the skills of the future for your workforce.

Defensives points

What is the Commission proposing for large-scale partnerships?

- The partners are free to define the most appropriate structure of the partnerships, their governance, scope and responsibilities, focusing on specific industrial ecosystem, on a regional level or specific skills challenge.
- By joining the Pact, they sign up to the Charter (set of key principles of quality upskilling and reskilling) and determine key performance indicators (KPIs) which they would like to achieve and decide how to monitor the process.

Why there is a need for a Charter?

- All organisations interested in joining the Pact will be asked to sign up to the Charter.
- The Charter ensures a common understanding of the key principles underlying upskilling and reskilling activities and help the different organisations rally around common values and priorities.
- It also ensures that the commitments comply with certain quality requirements which are necessary for true “skilling for a job”.

Can the sector count on direct financial support from the European Union?

- National and regional authorities will manage the vast majority of the available funds for skills under the Recovery and Resilience Facility (RRF) and in the next MFF.
- The representatives of the sector already now can apply to national and regional authorities for funds under the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU). The REACT-EU package includes €47.5 billion of additional funds that will be made available to the 2014-2020 European Regional Development Fund (ERDF) and the European Social Fund (ESF).
- From 2021 companies in the sector will be able to apply for funds from ESF+. Significant part of the €87 billion will be invested in flexible opportunities for upgrading of skills and sectoral cooperation regarding skills.
- The annual Erasmus+ call for proposals has been published in March. The call and the related programme guide include actions such as the *Centres for vocational excellence*, *Alliances for education and enterprises*, or the *Blueprint for sectoral cooperation on skills*.

Is the Pact for Skills a type of Blueprint Alliance for sectoral cooperation on skills?

- No, but a Blueprint Alliance can prepare or support a skills partnership joining the Pact.

- The **main objective of the Pact** is to mobilise and incentivize all relevant stakeholders to take concrete actions for the upskilling and reskilling of the workforce, by pooling efforts and setting up partnerships, also at EU level addressing the needs of the labour market, supporting green and digital transitions as well as national, regional and local skills and growth strategies.
- The **deliverables of Blueprint Alliances**, i.e. sectoral skills intelligence, a sectoral skills strategy, new occupational profiles, related training programmes and qualifications, and a long-term plan for mainstreaming these deliverables, are a solid basis for the work of sectoral skills partnerships under the Pact.

Is there a Blueprint Alliance for cooperation on skills in the renewable sector?

- Yes, in the field of offshore renewable energy. The current Erasmus+ call for proposals for Blueprint Alliances provides for the eligibility of all 14 industrial ecosystems. So the ongoing Blueprint project could be complemented by a solid proposal skills development for the onshore renewable energy sector.

Background

1. Blueprint for sectoral cooperation on skills “Maritime Alliance for fostering the European Blue Economy through a Marine Technology Skilling Strategy” (MATES)

PROGRAMME:	Erasmus+
INSTRUMENT:	Sector Skills Alliances (SSA)
TOTAL BUDGET:	€4.9 million
DURATION:	January 2018 – December 2021 (48 months)
COORDINATOR:	Centro Tecnológico del Mar (Fundación CETMAR), Spain
CONSORTIUM:	17 partners from eight countries

Objectives

MATES' objective is to develop a skills strategy that addresses the main drivers of change to the maritime industry, in particular shipbuilding and **offshore renewable energy**. Both sectors are strongly linked and require new capacities to succeed in an increasingly digital, green and knowledge driven economy.

As a transversal line of action, MATES will carry out a robust dissemination and outreach plan. This aims to increase the attractiveness of the maritime industry, particularly careers in the shipbuilding and offshore renewable energy sectors, while also ensuring future adoption of the strategy.

MATES will validate actions and priorities suggested by the skills strategy through the setup of 11 pilot case studies. These case studies will test the MATES concepts on digital skills, green skills, mobility, innovation management, curricula development and ocean literacy.

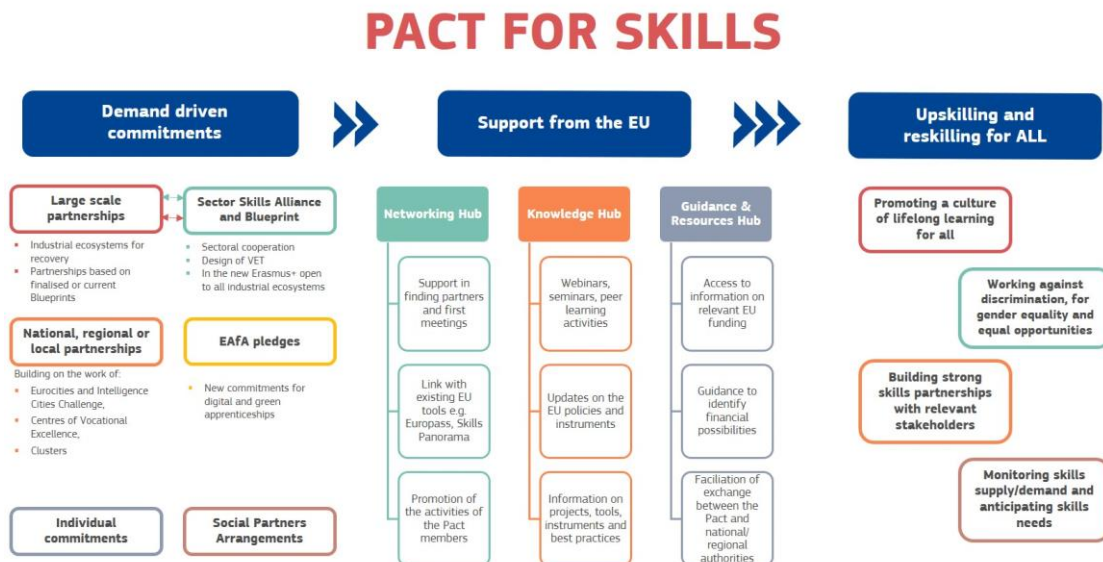
Furthermore, the project will widen perceptions of Ocean Literacy initiatives by embedding an appropriate industrial perspective. It will spread an updated image for the maritime industry and send out a convincing message concerning the high-tech and long-term future of the maritime sector.

Expected results and impact

- Development of a long-term Strategy and Action Plan to tackle the current and future skills shortages.
- Establishment and involvement of a Europe-wide network of projects, initiatives, organisations and experts.
- Identification of future skills and competence needs and the development of corresponding training and curricula.
- Greater alignment of industry needs and occupational profiles with training and curricula.

- Validation of training and education pathways for effectively increasing employability and career opportunities.
- Successful completion of 11 Pilot Experiences and identification of recommendations for the long-term strategy.

2. Pact for Skills – general information



The Commission proposed a Pact for Skills that will help meet COVID-19 challenges and deliver on the ambitions of the recovery pathway, the EU Industrial Strategy and the green and digital transition. Industry, public and private employers, social partners, education and training providers and employment agencies will be called upon to work together and to create a shared vision and action.

The main objective of the Pact is to mobilise and incentivise all relevant stakeholders to take concrete commitments for the upskilling and reskilling of people of working age and, when relevant, pool efforts thanks to partnerships.

The Pact will be implemented (among others) through:

- individual commitments of companies, in the same way as the pledges under the European Alliance for Apprenticeships
- the commitment of existing organisations/partnerships: e.g. national/regional or local (e.g. cities) partnerships based on cluster or territorial skills strategies; social partners agreements and/or tripartite agreements
- the large-scale European public-private multi-stakeholder partnerships, in some cases, based on the experience of the Blueprints for sectoral cooperation on skills.

The Pact was launched on 10 November during the 2020 European Vocational Skills Week. Individual actors and partnerships committed to a Charter and concrete actions. The Charter was consulted with almost 700 stakeholders.

2. Pact for Skills – the Charter

The Charter is a set of principles to be respected by stakeholders when joining the Pact. The Charter is firmly anchored in the principles of the European Pillar of Social Rights and supports the goals of the Green Deal and the digital transformation, as set out in the Commission communication “A strong Social Europe for Just Transitions”.

1. All stakeholders joining the Pact sign up to the Charter and its key principles, which they agree to respect and uphold.
2. Signatories of the Pact are invited to translate their engagement into concrete commitments on upskilling and reskilling. Commitments must be in line with the key principles and can be built around a number of “enablers” that illustrate concrete ways of implementing the different principles.
3. Commitments are monitored by at least one key performance indicator, e.g. number of people taking part in upskilling or reskilling.

Four key principles

- Promoting a culture of lifelong learning for all
- Building strong skills partnerships
- Monitoring skills supply/demand and anticipating skills needs
- Working against discrimination and for gender equality and equal opportunities

3. European Skills Agenda

The Agenda is a five-year plan to help individuals and businesses develop more and better skills and to put them to use, by:

- strengthening sustainable competitiveness, as set out in the European Green Deal;
- ensuring social fairness, putting into practice the first principle of the European Pillar of Social Rights: access to education, training and lifelong learning for everybody, everywhere in the EU;
- building resilience to react to crises, based on the lessons learnt during the COVID-19 pandemic.

4. What does the European Skills Agenda offer to industry?

In the light of COVID-19, the Skills Agenda will be an important part of the Recovery Plan and at the same time grasp the opportunities of the digital and green transitions.

A shift in skillsets is required to reap the potential of the green and digital transitions, and make sure that these transitions are sustainable and fair for all, leaving no-one behind.

The Skills Agenda proposes a Pact for Skills (Action 1).

Skilling for a Job is another building block of the Skills Agenda and its actions should

be implemented under the roof of the Pact for Skills. In particular, the following actions have been designed to raise the interest of the industry and business:

- Action 2: Development of new and strengthening existing skills intelligence
Facilitate access for and dissemination of skills intelligence gathered at regional and sectoral level, to industry and business.
Identify skills shortages and sectors with growing job opportunities through the European network of public employment services.
- Action 4: Modernisation of vocational education and training (VET)
Modern, flexible, inclusive, and work-based, in short excellent, VET systems equipping people with skills for jobs that change through the green and digital transition (see action 6)
More apprenticeships in companies – Transnational platforms of “centres of vocational excellence” – Development of European “vocational core profiles” (with Member States)
- Action 6: Skills to support the twin transitions
Digital education action plan - Digital skills and job service platform - EU ICT crash courses - European digital skills certificate
European education framework for climate change and sustainable development - Definition of green core skills - Taxonomy of skills for the green transition
- Action 7: Increasing Science Technology Engineering and Mathematics graduates and fostering entrepreneurial and transversal skills
Foster science education in schools - Promote STEM studies and careers - Promote entrepreneurial skills in education and training
Support networks of aspiring entrepreneurs - Beyond technical skills, innovative teams need transversal skills like working together, critical thinking, and creative problem solving – Validation of such skills
Attract highly skilled workers through the renegotiation of the Blue Card Directive
- Action 10: Micro-credentials
Create statements that acknowledge that a person has acquired a discrete competence in a particular industry area
Illustrate the proficiency in a particular skill ensuring that the qualification meets industry-specific needs, is relevant and recognized by future employers

6. The renewable energy ecosystem – basic information – to be provided by DGs GROW and ENER.

Annex 1: Choreography of the meeting – to be provided by DG GROW