



# editorial

**DURING 2010**, a new strategy for European Union for the next decade was put forward by the European Commission. The Europe 2020 strategy shows how the EU can emerge stronger from the current crisis and how it can be turned into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion.

'An agenda for new skills and jobs' is one of the flagship initiatives of the strategy and builds on the report *New skills for new jobs: action now* prepared for the European Commission by group of independent experts. Aviana Bulgarelli represented Cedefop in this group, contributing the agency's expertise and providing the results of our forecast. The initiative aims at modernising labour markets and empowering people by developing their skills throughout the lifecycle; this will increase labour participation and better match labour supply and demand, including through labour mobility.

Forecasting and skills analysis is important in building an early warning system for Europe's labour market: monitoring imbalances, skills shortages and gaps, helping businesses and citizens to make informed decisions and matching skills and jobs. It also contributes to setting strategic skills policies at macro and micro levels, linking education, employment, economic and social policies. The common action and closer cooperation between Cedefop, European Commission and Member States is needed for a broader picture of skills for Europe's future.

Cedefop is looking to bring together its range of work on analysing skills, competences and qualifications to provide more comprehensive information. Integrating these strands with information and evidence from national and international analyses, will reinforce our work across the spectrum: skill demand and supply forecasts, green skills, skills mismatch and micro level trends in skills and competences profiles (such as generic and specific skills), and skill needs of sectors and target groups (such as adults). Skillsnet members and partners are invited to continue bringing forward new ideas for anticipating skill and labour-market developments at European level.

**Cedefop skills analysis team**

## FIRST COMBINED FORECAST OF SKILL SUPPLY AND DEMAND IN EUROPE

After two successful pilot projects on forecasting skills demand and skills supply, the first combined forecast of skills supply and demand in Europe has been achieved and its results announced and disseminated. The pan-European results were announced by the Cedefop director Aviana Bulgarelli at the conference 'New skills for new jobs – Action now', organised by the European Commission on 4th February 2010 in Brussels. The main aim of this conference was to support the NSNJ initiative and increase awareness of ideas to create better links between the worlds of work and education, to update, upgrade and better match the skills of European citizens. The briefing note *Jobs in Europe to become more knowledge- and skills-intensive* was published for this occasion. Publication, with full data and country results, was introduced by Cedefop director Aviana Bulgarelli during the conference 'New skills and new jobs for more competitive Europe', organised by the Spanish Presidency on 8 and 9 April in Barcelona.

The results of the forecast show that the most of the job openings in the next decade are expected to be in the knowledge- and skills-intensive occupations. The increase in

job opportunities expected in service activities such as sales, security, catering and caring may create jobs mainly for those with medium qualifications. Even though total employment in craft-related occupations is expected to decrease, there will be still substantial demand for these professions due to the need to replace those who left occupations for several reasons (retirement, etc.). The development of skills will be very important for the future, while demand for low qualified people will decrease significantly, even with the expectations of a slight increase in demand for elementary occupations. There is an increasing need to understand what people really know and are able to do in their jobs.

The Cedefop project is designed to produce a full set of forecasts of skill supply and demand every two years. The main tasks of this year work are to improve and refine the methodology and design new alternative scenarios of future possible development. A quick update of the 2010 forecast (using current methodology and new data) will be available by the beginning of 2011. The new full set of forecasts, with country workbooks adopting new methodology, will be available at the beginning of 2012.

## FORECASTING SKILL SUPPLY AND DEMAND IN EUROPE: FURTHER DEVELOPMENTS

The Skillsnet technical workshops are an integral part of the process to develop pan-European skills and supply forecast. These workshops and developments provide an opportunity for Skillsnet country experts to comment on the latest results, as well as help to shape future work priorities.

The most recent workshop on forecasting skill supply and demand in Europe (exploring alternative scenarios and developing better tools) was organised and hosted by Cedefop on 14 and 15 June 2010. Thirty-seven experts from 23 EU Member States attended the workshop.

This workshop presented an overview of the work planned for this year and discussed in detail methodological developments and the likely scenarios facing Europe over the next few years. It also aimed at increasing the involvement of national experts in the process, drawing on their general knowledge



and expertise, as well as obtaining additional country-specific insights.

All participants were convinced that the ambitious objectives of this year's research programme will be successfully achieved. The next workshop is to take place on 25 and 26 October in Bratislava. The aim will be to get information on the progress made, mainly in development of scenarios, and on the assessment of previous forecasts.

## CEDEFOP STRIKES OUT IN A NEW DIRECTION: DEVELOPING AND PILOTING AN EMPLOYER SURVEY ON SKILL NEEDS IN EUROPE

Evaluating the potential of employer surveys for European skill needs analysis is a priority activity in Cedefop, working with skills experts from Member States. After several workshops over the last two years, and considering the outcomes of a feasibility study on employer surveys on skill needs finalised in 2009, Cedefop decided to launch a multiannual project for developing a European pilot employer survey. Following on from an open call-for-tender, the work was contracted to a consortium of TNS Infratest Sozialforschung (Munich), Fraunhofer Institut für Arbeitswirtschaft und Organisation IAO (Stuttgart) and Prof Francis Green (University of London). This core team is supported by an extended expert group that involves another 10 experts from eight Member States.

The kick-off meeting in February 2010 set the basic framework for the pilot survey that is expected to test the measurement approach and the methodology to be developed. Initial results of the work were presented and discussed with Commission representatives, social partners, skills experts, statisticians and representatives from the OECD and ILO at a Cedefop workshop that took place on 29 and 30 April 2010 in Prague.

An employer survey to measure skill needs in Europe is innovative. The lively, and in part controversial, discussion in the Prague



workshop confirmed that developing and piloting such a survey is a big challenge. The overall survey framework aims principally at achieving outcomes that would add more in-depth information on qualitative changes in existing or emerging working tasks within occupations and economic sectors, and the skills needed to carry out these tasks. Such a new survey would also have the potential to complement views of employees on skills use in the job to be included in the OECD PIAAC survey.

One important issue is how best to ask employers to raise their interest and responsiveness in the survey, and to get reliable information. But isn't it that employers would have to think every day about their current and future skill needs in the firm to stay competitive? And don't they have to do something about their skill needs? So,

which approach would then best satisfy the purpose of the survey? The answer in the Prague workshop was using the 'language' of employers, putting ourselves in their place when thinking about 'skills', and providing outcomes that would allow them to benchmark themselves in a broader context.

As employers decide what to do about their skill needs, possible action includes trying to find young people leaving school or university that meet their expectations, or hiring people from the labour market who have acquired skills through long working experiences and further training. Employers can only be successful if the various actors in education and training know the demand, making anticipation of future skill needs highly relevant from the perspective of education and training systems.

There is still a long way to go. The next Cedefop expert workshop on the pilot employer survey will take place on 29 and 30 November 2010 in Thessaloniki, at the Cedefop premises. We are looking forward to further discussions with experts on the results of the development work achieved by then. We are ready to take on board both critical views and proposals for completing the overall survey design. The piloting in 2011 will be an acid test of the measurement approach and the methodology.

## LOOKING FOR THE MISSING PIECE: EUROPEAN TAXONOMY OF SKILLS, COMPETENCES, QUALIFICATIONS AND OCCUPATIONS (ESCO)

A common language and classification for skills and competences is the missing link between labour demand and occupations on one side, and labour supply and qualifications on the other. Employers are increasingly concerned with what employees know, understand and are able to do in practice, and there is growing understanding of the importance of transversal skills in complementing occupational skills. At the same time, education and training systems are moving away from an input approach towards an outcome approach; all Member States are in the process of developing national qualification frameworks which describe qualifications in terms of learning outcomes.

To respond to these changes, the European Commission is now moving forward in developing a multilingual European standard terminology and classification. This is in line with the undertaking first begun as part of the New skills for new jobs initiative, and, more recently, in the Europe 2020 strategy and the May 2010 Education Council conclusions

on competences. The strategic aim is to complement and link existing national/sectoral taxonomies and improve anticipation of skill needs and forecasting, as well as job matching in the European labour market. Once finalised, ESCO will be the first classification of its kind available in all EU languages.

Based on the system developed by the Swedish PES, a partial classification is already in use in the European job mobility portal (EURES). To provide a solid basis for further input, the starting point is ESCO v0, which is currently a taxonomy of occupations structured according to the ISCO classification down to the 4-digit level. A more advanced version is under development, and will finally provide standardised information on knowledge, skills and competences, products, certificates, qualifications, etc., relevant to these occupations.

Because of the complexity of the task, ESCO will be developed in partnership with representatives of education/training and

employment. Following the conference held in March 2010, the European Commission has now launched a survey addressed to all interested stakeholders to help tailor the design and development of ESCO to meet real needs and put in place effective and efficient structures. Stakeholders with a potential contribution are public, private and third sector employment services, the social partners, national education, training and qualification authorities and institutions. Also important are sector skill councils, human resource management, recruitment and career guidance, and taxonomy and classification systems.

The responses to the questionnaire will be analysed by the Commission and taken into account in the preparation of the preliminary proposals that will be put to the ESCO board later this year. Developing a common language and classification is particularly relevant to skills analysis and forecast; Cedefop will continue to contribute to the development of ESCO.

## SKILLS FOR GREEN JOBS: CHALLENGES AND PROSPECTS

Cedefop, in cooperation with the International Labour Organisation (ILO), organised the workshop 'Skills for green jobs' on 17 and 18 May 2010 in Geneva, Switzerland. The technical validation workshop examined the findings of the joint effort, looking in particular at new and changing occupations and skills and at the identification of retraining needs linked to 'green restructuring' in the labour market. Cedefop carried out country studies in six Member States: Denmark, Germany, Estonia, Spain, France and the UK. The ILO conducted studies in 15 other countries: Australia, Bangladesh, Brazil, China, Costa Rica, Egypt, India, Indonesia, Mali, the Philippines, South Africa, Republic of Korea, Thailand, Uganda and the United States.



The workshop brought together 65 participants to discuss and validate case studies from 21 countries. The diverse range of developed and developing countries included in the study and discussed during the event represents 60% of the global population, produces 59% of the global GDP and is responsible for producing 64% of carbon dioxide emissions.

A common issue across most countries was the lack of integration of skills development policies within environmental or climate change strategies, despite the fact that skills

shortages have already been identified as a limiting factor for the development of the green economy and delivery of emission reduction targets. There is a clear need for greater policy coherence to ensure that both economic stimulus and environmental policy objectives are not jeopardised by skills shortages. While the case studies highlight many differences between countries in terms of environmental policy and green skills development, they also offer a resource that provides the basis of good practice. Evidence suggests that almost all jobs will require green skills to some degree and that these may be developed incrementally; it is difficult to define a green job or identify 'new' green jobs. Very few jobs will be based solely on new competences. There is the prospect of additional green jobs as some roles will be labour intensive while others will be substituted or redefined. Many of the skill changes within jobs will not require novel or specialist skills but better generic competences, such as environmental awareness, entrepreneurship, adaptability and strategic, innovation and marketing skills. The development of green technologies and widespread uptake of sustainable energy and production approaches will particularly require scientific technological engineering and mathematic skills (STEM skills), rather than any specific new ones. Inter-disciplinary skills and ways of working will also be important. Some of the key competences that are likely to change or be required relate to knowledge of environmental regulations and technologies and also to new markets and demand.

Cedefop will continue to shed more light on skills requirements for specific occupations such as insulation workers, electricians, energy auditors, environmental engineers or transport vehicle, equipment and systems inspectors.

### Cedefop PUBLICATIONS

on skill needs

#### Published in 2010

- **Skills supply and demand in Europe: medium-term forecast up to 2020**
- **Briefing note: Jobs in Europe to become more knowledge- and skills-intensive**
- **The skill matching challenge – Analysing skill mismatch and policy implications**
- **Skills for green jobs. European synthesis report**
- **Briefing note: Skills for green jobs**
- **Various new online papers are available at Skillsnet webpage, section Publications and working papers.**

### Cedefop 2010-11 EVENTS

on skill needs

- **Belgian Presidency conference on promoting green jobs** (28-29 September 2010)
- **Learning to be green: future skills for green jobs** (29 September 2010)
- **Workshop on forecasting** (25-26 October 2010)
- **Workshop on employer surveys** (29-30 November 2010)
- **Expert conference on skills supply and demand** (17-18 February 2011)

For more information visit the Cedefop web portal, section Events

## NEWS FROM SKILLSNET MEMBERS

### NATIONAL EMPLOYER SKILLS SURVEY

The national employer skills survey for England 2009 (NESS09) was published in August by the UK Commission for Employment and Skills (UKCES). The largest employer survey in England, it looked at employer training levels, workforce skills, and recruitment problems. The first NESS since the recession, it found training levels fell slightly since 2007, while skills gaps among workers increased. Overall vacancies fell sharply, as did vacancies caused by skills shortages. The report, key findings, and archived reports to 2003 can be accessed at <https://ness.ukces.org.uk/>.

### NATIONAL STRATEGIC SKILLS AUDIT

In March 2010 the UK Commission for Employment and Skills published its first national strategic skills audit for England 2010. *Skills for jobs: today and tomorrow* provides government, employers, providers, individuals and public agencies with greater insight and foresight into England's existing and future skill needs. It identifies the sectors, occupations and skills on which we need to focus, so that we are able to meet effectively the needs of the economy and labour market.

More info: <http://www.ukces.org.uk/>

## HOW TO BECOME A SKILLSNET MEMBER?

If you are an experienced researcher in skill needs analysis and forecasting, or are actively engaged in the transfer of research results on future skill requirements into policy and practice, you are welcome to submit the online application form on the Skillsnet webpage (<http://www.cedefop.europa.eu/EN/about-cedefop/networks/skillsnet/index.aspx>).

### Skills analysis team - contact details

Contact for feedback, review, ideas or contributions:  
[skills-analysis@cedefop.europa.eu](mailto:skills-analysis@cedefop.europa.eu)

## LIVING BOOK OF MY SUCCESS IN BULGARIA

This year Together Ltd. presented the 'Living book method', for the first time in Bulgaria. This took place at the best business practices forum 'My success', attended by around 200 participants. The forum is organised every three months for different business sectors. On this first occasion only about 10 participants dared to become 'books' and answer questions from their 'active readers'. Relating their success stories, those involved use the interaction opportunity to present themselves, share practical experience and create new business. This method is providing new opportunities for inspiration and networking between Bulgarian companies, crucial in such times of financial challenge.

More information: Dragomira Shuleva,  
[www.zaedno-bg.com](http://www.zaedno-bg.com).

## SWISS FEDERAL STATISTICAL OFFICE: THE 2010-60 SCENARIOS FOR THE POPULATION DEVELOPMENT

Several development scenarios for the period 2010-60 have been presented by the Swiss Federal Statistical Office concerning the future level of educational attainment. They take account both of internal processes related to education in Switzerland and of migration-related 'flows' of human capital. Consequently, they also make it possible to present results on the future development of the educational level of the foreign population in Switzerland. According to the reference scenario, the proportion of tertiary education graduates (universities and higher vocational training) in the population will rise from 35% in 2009 to 50% by 2025, and will reach almost 60% by 2045. Principal results are available (in English) at: <http://www.bfs.admin.ch/>

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## MISSING SKILLS FOR INTERNET PROTOCOL VERSION 6

Internet addressing is based on the Internet protocol version 4 (IPv4), whose capacity for new IPv4 addresses will run out by 2011-12. The integration of the new Internet protocol, IPv6, will solve this problem. To ensure business continuity for European industry and to benefit from innovation, the 2008 European Commission action plan for IPv6 adoption requested that by 2010, '25% of users should be able to connect to the IPv6 Internet and to access their most important contents and service providers without noticing a major difference compared to IPv4'.

This goal has not yet been achieved. More worryingly, the study IPv6 Curricula, funded by the European Commission and led by inno AG, shows that the level of IPv6 training in

Europe is still not as high as that for IPv4; the inverse would have been expected by now. Study results are currently being published for comments, along with a directory of IPv6 training providers. Results will be discussed during a public workshop on 13 December in Ghent, Belgium.

More info: <http://www.training4ipv6.eu>

## REGIO PRO: FORECASTING SYSTEM FOR THE DEVELOPMENT OF REGIONAL EMPLOYMENT AND QUALIFICATIONS IN HESSE

The aim of the project is to set up a forecasting system in the regions of Hesse that provides information for labour-market actors, for example regional economic development agencies, enterprises, social security agencies, vocational training agencies or even schools, so that they can react early to future developments. This early information system forecasts the development of regional employment, occupations and qualifications up to 2014. Experts evaluate the medium-term forecast and determine new labour market developments, for example new occupations and new skills.

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## FOR A BETTER TRANSITION FROM SCHOOL TO VOCATIONAL TRAINING IN GERMANY: NEW OPTIMISING STRATEGIES FOR ENSURING SKILLS DEVELOPMENT

The foundation Bertelsmann Stiftung has recently started a new approach to optimising the transition from school to vocational training in Germany. Enabling young people to start skills training without many months of unproductive delay after leaving school would considerably increase supply in Germany's dual system of vocational training. In several states the population is steadily decreasing while their economy has rapidly growing need for vocationally trained personnel. However, many youngsters are not successful in their applications for vocational training directly after leaving school.

More information:  
[Clemens.Wieland@bertelsmann-stiftung.de](mailto:Clemens.Wieland@bertelsmann-stiftung.de)  
or visit [www.bertelsmann-stiftung.de/uems](http://www.bertelsmann-stiftung.de/uems)

## ENGLISH NEWSLETTER OF THE GERMAN FREQUENZ NETWORK

The FreQueNz network is an essential part of the German initiative for early identification of skill and qualification needs. The Federal Ministry of Education and Research (BMBF) relaunched the initiative in 2009. Now, an

English translation of the FreQueNz newsletter 2009 is available with the 'News' section on [www.frequenz.net](http://www.frequenz.net). The articles present aspects of the initiative as well as the first results of research projects on Web 2.0 and the Internet of things (the next generation of applications and devices which promise to transform the way we use and think about the Internet).

## NEW FRENCH MEDIUM-TERM FORECASTS ON SKILL NEEDS

A new set of medium-term forecasts of future skill needs for 2020 is currently being conducted in France by the Centre d'Analyse Stratégique (CAS), responsible for studies and statistics at the Ministry of Employment (DARES), and various public services and administrations. In this framework, CAS, DARES and Pôle emploi (the public employment service) have produced their first common annual synthesis of occupations in France. Its aim is to describe the changes that occurred in 2009, and to distinguish structural developments and the effects of the economic crisis.

The publication should be available at the end of October, from the following websites: [www.strategie.gouv.fr](http://www.strategie.gouv.fr); [www.travail-solidarite.gouv.fr](http://www.travail-solidarite.gouv.fr); [www.pole-emploi.org](http://www.pole-emploi.org).

## OECD PROJECT LEVERAGING TRAINING: SKILLS DEVELOPMENT IN SMES

The OECD LEED programme is conducting a project to identify ways to overcome the barriers to workforce development in small and medium-sized enterprises (SMEs). The project aims to analyse formal education and training programmes and alternative ways of learning through knowledge-intensive service activities (KISA). The project examines local skills and training ecosystems of selected countries. It also analyses the relevance of green skills for SMEs, making an important contribution to the OECD green growth strategy by exploring the transformation and greening of SMEs towards a low-carbon economy. The first country report from New Zealand is now available for download.

More information: Dr Cristina Martinez from the OECD Secretariat at <http://www.oecd.org>



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