

Introduction

- The Netherlands has taken note with interest of the Commission proposals for a Green Deal, “A strong social Europe for just transitions” and the Digitalization Package¹.
- The green, digital and demographic transitions will significantly change our labour markets and will create both opportunities and challenges for our workers. These developments underline the importance of ensuring adaptability, flexibility and resilience of our workers. Continuous investment in basic skills gaps such as literacy, numeracy and digital skills are essential for people to take part in society and the labour market. The Netherlands acknowledges the importance of education, training and skills development. Therefore, investment in lifelong learning is key to prepare workers for the future.
- The recent COVID-19 pandemic has underlined this need and urgency even more. The labour markets of European Member States will be heavily impacted and unemployment will rise. Active labour market policies with a strong focus on upskilling and reskilling will be key to improve the match between supply and demand on the labour market and to mitigate the economic consequences of COVID-19. Furthermore, it will contribute significantly to the digital and green transitions.
- The outbreak of COVID-19 has forced a significant number of individuals, public organisations, educational institutions and businesses to use new digital ways of working. Many have demonstrated great flexibility and ability to adapt to the new circumstances. This ‘new’ reality underlines the importance of overcoming the digital skills gap.
- We support the focus of the European Commission on a just and inclusive transition and the notion that workers should be prepared for these transitions.
- While reflecting positively on the current EU Skills Agenda (2016) and its ongoing actions, we look forward to a proposal for an updated Skills Agenda by the European Commission.
- In this non-paper, we highlight our priorities on the EU Skills Agenda and share some policy examples from the Dutch context.

A way forward: Dutch proposals for an updated EU Skills Agenda 2020

- In light of the climate, digital and demographic transitions and potential consequences for the labour market, we invite the European Commission to promote a holistic approach regarding education, training and skills development. Close cooperation between economic affairs, employment and education policy enable institutions to achieve fruitful policies regarding skills for various target groups varying from workers to SMEs.
- We welcome the explorations of the Commission regarding effective national policies to promote a learning culture among citizens and workers.
- We invite the Commission to continue with initiatives focused on upskilling and reskilling of adults and the implementation of instruments for transparency of skills such as the modernised *Europass portal*.
- We also welcome continuation of the measures that monitor and forecast the skills needed on tomorrow’s labour market for specific occupations, sectors and regions, while using new digital technology and big data.
- We urge the Commission to focus on aligning and evaluating existing instruments before proposing new instruments, particularly regarding individual learning

¹ On the upcoming proposal from the European Commission regarding the Digital Education Action plan, The Netherlands will express its views in a separate position paper.

accounts or budgets. We gladly share our experience with developing such a policy measure (see on page 3).

- We support stronger European cooperation on vocational education and training (VET). Such cooperation should promote modernized curricula in VET, have a strong focus on apprenticeships and rely on instruments promoting mobility in VET and the quality of VET². This cooperation should also strengthen the holistic approach for all education sectors as part of the new post 2020 strategic framework for education and training³.
- In order to achieve a strong link between education, skills policies and the labour market, we encourage coordination between the updated Skills Agenda and the forthcoming proposals regarding the European Education Area. Higher Education institutions contribute significantly to skills development and lifelong learning. This requires joint efforts by the respective Commissioners and DGs in the European Commission.
- Furthermore, we appreciate the efforts of the Commission to encourage and promote public-private partnerships, involving both VET as well as higher education institutions, on a regional level to overcome skills shortages, particularly for workers in SMEs. We believe that *Centres of Vocational Excellence*, as earlier implemented in a pilot and proposed under the new Erasmus+ programme (2021-2027), can play a vital role in this.
- We also invite the Commission to promote both vocational and higher education in Science, Technology and Mathematics (STEM) more to alleviate job shortages in technical professions. The EU STEM coalition seems well suited to stimulate regional strategies to fill those shortages.
- In order to tackle the digital skills gap, we welcome a strong focus on digital skills and creating the right conditions for skills development in the updated Skills Agenda. This should be aligned with the updated EU Action Plan on Digital Education as well as the recently presented Industrial Strategy and SME Strategy and should have specific attention for adults and entrepreneurial skills.
- Finally, we invite the Commission to encourage policy experiments on a national level and to provide support to proven successful initiatives to be able to scale up to a European level.

Importance of sharing knowledge, experiences and lessons learned

- The EU Treaty stipulates a supportive role of the EU towards the Member States regarding high quality education, skills development and lifelong learning.
- Ensuring lifelong learning is a widely shared challenge within the European Union. We believe that an exchange of knowledge, experiences and lessons learned regarding national instruments in this policy field benefits all Member States and contributes to upward convergence.
- The Netherlands therefore supports the European Commission in continuing to encourage and facilitate this exchange of knowledge, experiences and lessons learned between Member States.

Lifelong learning in the Dutch context

- The Netherlands has a strong performance in terms of education, formal and non-formal training and skills development. We believe an ambitious outlook and approach regarding skills development is key to maintain this performance and to prepare for the future.

² Examples include *ECVET*, the EU system for recognition of learning results, and *EQAVET*, the EU system for quality development and assurance.

³ The Commission's proposal for the new Strategic Framework is due in the third quarter of 2020. See position paper of 15 Member States on the new Framework (December 2019).

- In the Dutch context, but also in most other Member States, social partners have a defining role in developing skills. The basic conditions of employee training are predominantly negotiated by the social partners in Collective Labour Agreements (CLAs). Many CLAs include the introduction of sectoral training funds, the so-called *Opleidings- en Ontwikkelingsfondsen (O&O fondsen)*, which have a crucial role in the provision and financing of employee training.
- Work is the most important place for adults to apply, acquire and improve skills and social partners invest vastly in formal and non-formal training. Employers often carry the largest costs (€ 3.6 billion on an annual basis⁴); the majority of the employers for example offer their employees a private individual learning account. Governmental policy measures are complementary to the initiatives of the social partners in The Netherlands.
- Against this background, we share per focus area a policy example from the Dutch context that could contribute to the development of the updated EU Skills Agenda:

Dutch example 1: Adult learning – A personal learning and development budget (STAP)

- In its latest Skills Strategy, the OECD⁵ concludes that The Netherlands ensures high average levels of skills proficiency; the skills of Dutch adults are very strong compared to other countries. Furthermore, Dutch adults participate more in formal and informal learning compared to their peers in other OECD countries, but do still lag behind their peers in the top-performing countries. In light of the earlier mentioned transitions, the OECD therefore urges The Netherlands to take action and to invest in skills of its citizens to prepare for tomorrow's economy.
- In line with the recommendations proposed by the OECD's Skills Strategy, The Netherlands focuses its lifelong learning approach on:
 1. Fostering more equitable skills outcomes for everyone
 2. Creating skills-intensive workplaces
 3. Promoting a learning culture
- In 2022, The Netherlands is implementing a type of individual learning budget to encourage adult learning and to create a positive and strong formal and non-formal learning culture. This is a public budget and differs from learning accounts, as it is not a universal right and prospective participants have to apply for it. This subsidy (a maximum of € 1.000) will be available to select certain educational activities from a predetermined register. It will target every adult with a link with the Dutch labour market and aims to contribute to people's long-term employability. Persons should be over 18 and below pension age. The STAP budget is publicly funded and will be complementary to the social partners' initiatives, such as implementing private learning accounts.
- The advantages of the STAP budget, as opposed to a learning account, are:
 - The scheme is simple in use, no need for cumbersome implementation.
 - The participant does not have to pay the costs in advance, which reduces the administrative burden for participants and risk of fraud.
 - The scheme complements valuable private investment and does not risk replacing it. Compared to individual learning accounts, less governmental budget needs to be reserved.
 - This option allows for directing certain budgets in the future to benefit specific aims or target groups, such as disadvantaged groups.
- The STAP budget is part of a broader set of policy measures implemented in 2018 aiming to help and encourage people to take (more) control of their own working life and career.

⁴ Commissie Vraagfinanciering mbo (2017). Doorleren werkt. Samen investeren in nieuwe zekerheid.

⁵ OECD Skills Strategy, Diagnostic Report, Netherlands, 2017

Dutch example 2: Strengthening the learning culture of SMEs

- Several studies have pointed out that SMEs are less likely, compared to large firms, to invest in education and training for their employees and managers. SMEs, especially in technological sectors, underperform in terms of investing in human capital.
- The Dutch government has proposed two complementary policy measures to stimulate SMEs to enhance their investments in education and training: SME Idea and the so-called SLIM budget.
- SME Idea⁶ challenges entrepreneurs to propose ideas focused on removing the obstacles encountered by SME entrepreneurs when investing in training and development of their current and future workers. SME Idea has an experimental focus: learning what works is one of the main goals.
- The SLIM budget⁷, on the other hand, provides structural financial support. This subsidy aims to encourage SMEs to invest (more) in strengthening its learning culture. For example, employers can receive a subsidy for career or development advice for their employees, a training and development plan for their company.
- SME Idea initiatives can be scaled up with the use of the SLIM budget.

Dutch example 3: Public-private cooperation aiming to innovate education and address regional skills needs

- A strong collaboration between education and the labour market is crucial to strengthen our workforce. The Dutch government has championed public-private cooperation (pps) between vocational and higher education institutions and the private sector on a regional level for years. This has often been focused on specific themes such as water management, agri-food, IT and renewable energy.
- To develop a structural approach to ensure a well-trained workforce with sufficient smart and capable technicians for the jobs of today and tomorrow over sixty parties collaborate under the flag of the National Technology Pact⁸, a public private partnership. All the involved partners (including government, education, business, employers, employees) have made concerted and dedicated efforts to implement the necessary measures based on an integrated approach named 'Choosing, learning and working in technology'.
- Another example is the Regional Investment Fund mbo (VET)⁹. This subsidy scheme has led to jointly developed curricula, educational innovation and the use of so-called "hybrid teachers" working in both the industry as well as in schools.
- The pps project Centre for Innovative craftsmanship (CIV) Water¹⁰ is an example from the water management sector and focusses on educating workers on a vocational level. CIV Water is part of campus Wetsus, a broader knowledge and innovation ecosystem for water management, based in the northern part of the Netherlands. Students can follow both VET and higher education on the same campus and work together in the same labs. Considering the rapid technological changes in the water sector, lifelong learning courses are also offered on this campus.
- Public-private partnerships, such as the ones mentioned above, are growing beyond the Dutch borders. The Netherlands is therefore pleased with the Commission's support for European 'Centres of Vocational Excellence' as mentioned earlier in this non-paper.

⁶ www.rvo.nl/mkbidee (In Dutch only)

⁷ <https://www.uitvoeringvanbeleidszw.nl/subsidies-en-regelingen/slim> (In Dutch only)

⁸ <https://www.techniekpact.nl/> (In Dutch only)

⁹ <https://www.investeringsfondsmbo.nl/> (In Dutch only)

¹⁰ <https://www.civwater.nl/centre-of-innovative-craftsmanship-water-civ-water>