



26 March 2014

EUROPEAN AREA OF SKILLS AND QUALIFICATIONS

KEY MESSAGES

- 1** A greater emphasis on learning outcomes and employability in education and training systems at all levels would facilitate the transparency and recognition of qualifications, enhance quality and foster mobility in Europe.
- 2** Rather than looking to create new concepts and initiatives, such as a European Area of Skills and Qualifications, the focus should be on the appropriate implementation and, where necessary, adaptation of the existing EU tools for recognition and quality assurance.
- 3** Drawing together these two points, more needs to be done to develop synergies between the existing EU level tools for the transparency and recognition of qualifications that are achieved through vocational education and training (VET) and higher education (HE) pathways.

WHAT DOES BUSINESSEUROPE AIM FOR?

- *The acquisition of knowledge, skills and competencies through a focus on learning outcomes, rather than input based measures, such as the duration of education and training programmes. This includes adapting existing tools for transparency, recognition and quality assurance.*
- *Better alignment of education and training to the needs of labour markets, including through the better involvement of employers. Education and training systems should also be organised in such a way as to improve the balance between young people's personal development and preparation for working life, though with an emphasis on the latter.*
- *Greater involvement of employers' organisations and companies in the design and implementation of education and training curricula at all levels, particularly secondary and higher education.*



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Introduction

1. The European Commission has launched a public consultation on a European Area of Skills and Qualifications (EASQ). The aims of this consultation are to gather input on the issues faced by learners and workers as concerns the transparency and recognition of their skills and qualifications when moving within and between EU Member States. Furthermore, it aims to assess the adequacy of the related European policies and instruments and the potential benefits of creating a EASQ.
2. There are a number of tools that have been established at the European level with the aim of facilitating cooperation through the transparency and recognition of skills and competences acquired through vocational education and training (VET) and higher education (HE) across the EU. In the area of VET these are the European Qualifications Framework (EQF), the European Credit System for Vocational Education and Training (ECVET) and the European Quality Assurance in Vocational Education and Training (EQAVET). There are also the HE instruments, namely the European Quality Assurance Register (EQAR), the European Credit Transfer and Accumulation System (ECTS), and Diploma Supplement.
3. In addition to these tools there are initiatives aimed at overcoming skills mismatches, namely the European Skills, Competencies and Occupations Taxonomy (ESCO) and the Skills Panorama. To foster mobility there are also the Europass CV, the European Skills Passport, and the recent revision of the Professional Qualifications Directive.
4. This paper is BUSINESSEUROPE's response to the Commission's consultation.

General comments

5. It is important to have a balanced approach that takes account of the needs of employers (demand side), as well as learners and workers (supply side) when looking at the issue of facilitating the transparency and recognition of skills and qualifications in the EU.
6. On the employers' side, BUSINESSEUROPE believes that this can be achieved through better aligning education to the needs of the labour markets and to organise educational systems that balance young people's personal development and preparation for working life, though with a focus on the latter. In doing so, greater account needs to be taken of labour market requirements and the objectives of increasing the employability of young people and addressing skills mismatches through a learning outcomes approach.



7. BUSINESSEUROPE welcomes the use of the European Semester process to issue country specific recommendations to Member States to improve the quality and labour market relevance of their VET systems. This particularly concerns the development and strengthening of dual-learning apprenticeship systems.
8. Facilitating worker mobility, including through the transparency and recognition of qualifications is very important for workers and companies alike. Mobility can improve the way in which European labour markets function by ensuring the right conditions for people to move around for jobs within enterprises as well as across occupations, enterprises, sectors and geographically without borders. By doing so, mobility helps to address mismatches between labour supply and employer demand, for which there is an established trend at the EU level;
9. In principle, the development of common EU tools for the recognition of qualifications and the quality assurance of educational programmes will raise the quality of education systems in Europe and facilitate mobility. In turn, these factors can help to inspire innovation and knowledge exchange and increase productivity and competitiveness in relation to the EU's global competitors, if instruments are well designed and implemented.
10. At the same time, BUSINESSEUROPE recalls that employers clearly expressed views on the framework within which EU tools such as the European Qualifications Framework (EQF) and European Credit System for Vocational Education and Training (ECVET) should operate when they were first established. This included compatibility between these tools and integration of the learning outcomes approach. Further progress is needed in this respect.
11. It is also important to recall that education is, and shall remain, a Member State competence and that there are, and will continue to be, important differences in education and training systems and approaches. These differences will also affect the time period that may be needed to align them with existing national tools and practices. For example, there are differences in the scope of national qualifications frameworks between countries, with some covering all systems and others only applied to specific qualifications.
12. The feedback from national authorities and social partners should be fully taken into account to make sure that European tools and approaches are useful and practical in all European countries.

Specific comments

The learning outcomes approach facilitates recognition of skills and qualifications

13. BUSINESSEUROPE strongly advocates the application of the learning outcomes approach in credit and qualification systems instead of input measures, such as workload or time spent in a particular course or programme. Such an approach constitutes a step towards greater openness of standards, learning programmes and qualifications. It follows from this added transparency that national and cross-border mobility will increase as well.
14. For employers, building credit and qualification systems on the actual outcome from learning will make it easier to assess what competencies an individual possesses. This will in turn contribute to a better matching of supply and



demand in European labour markets. It should be said that employers do not reward qualifications as such. They reward performance and need to be sure that education and training systems are reliable. This means ensuring that systems should increasingly reward the actual outcome from studies and that acquired competences can be measured effectively through reliable qualifications/degrees.

15. Moreover, the learning outcomes approach enables education and training to be better tailored to the needs of individual learners. It also allows for recognition of knowledge irrespective of how it was acquired, including informal and non-formal learning, such as that which occurs in a work place. By introducing multiple pathways to formal recognition of knowledge, lifelong learning will be more available to workers.
16. Progression opportunities from VET towards higher education (HE) are important and could be facilitated by making more transparent what the learning outcome is of a certain VET education. For an individual who wishes to continue into HE, it should be easy to demonstrate to the people responsible for accrediting within the HE system what skills and competencies he/she has acquired. EQF could prove a useful tool to increase permeability between VET and HE credit systems, since it makes qualifications more transparent.
17. The pathway from HE to VET, for example for people that leave HE early, should also be better promoted. Furthermore, to improve permeability between educational areas it is crucial that competences acquired in HE are recognised in VET. The overall principle should be that what an individual has learned once does not need to be taught or examined again.

➤ *European Qualifications Framework (EQF)*

18. As concerns VET and the European Qualifications Framework (EQF), BUSINESSEUROPE welcomes the shift from input criteria to the learning outcomes approach. It is also to be recognised that the majority of Member States have made significant progress in completing their National Qualifications Frameworks (NQFs) and have referenced them to the EQF for the comparison of individual qualifications and qualifications systems. This needs to be fully applied across all Member States in order to enhance transparency.
19. At the same time, it is to be noted that in some cases identical qualifications are referenced very differently in the Member States, which brings into question the credibility of EQF as a transparency tool as well as the reliability of the quality assurance of the EQF referencing.
20. It is important that the EQF and the NQF are underpinned by robust quality assurance systems, for example to ensure that there is consistent referencing of VET Qualifications.

➤ *European Credit System for Vocational Education and Training (ECVET) and European Credit Transfer and Accumulation System (ECTS)*

21. BUSINESSEUROPE believes that the transparency and recognition of skills and qualifications could be significantly aided if there were greater synergies between the different EU level tools for HE and VET.



22. There are currently different approaches taken towards the awarding of credits under ECVET and ECTS, which hinders compatibility. Under the ECTS credits are awarded based on the student workload that is required to achieve specific learning outcomes. Greater efforts are needed to link all aspects of an educational programme with learning outcomes and not only with the workload.
23. ECVET, on the other hand, is more focused on learning outcomes. BUSINESSEUROPE supported the launch of ECVET under the proviso that it would be fully compatible with the EQF and build upon the description of learning outcomes. In addition BUSINESSEUROPE believes that the merits of ECVET need to be assessed based on whether it contributes to improving the functioning of labour markets, facilitates the development of lifelong learning and does not lead to unnecessary bureaucracy.
24. In our view the current state of implementation shows that ECVETs structure is too complex and its impact is overestimated. Projects have shown that the definition of common learning units can be very helpful to recognise learning outcomes acquired during a mobility period. In contrast, the added value of credit points is not yet clear.
25. Furthermore, the shortfalls of ECVET and ECTS are that they do not focus on the same issues when it comes to recognition of learning outcomes and, therefore, they are not fully compatible with each other. The result is that this hinders the transition from VET to higher education.
26. BUSINESSEUROPE would therefore welcome a greater focus in ECTS on implementing a learning outcomes approach in the design, delivery and assessment of education programmes. Greater compatibility between ECVET and ECTS would also be a visible step towards bringing the Bruges-Copenhagen process and the Bologna process closer together.

Overcoming skills mismatches

27. To help overcome skills mismatches, and to improve the transparency and recognition of skills and qualifications, BUSINESSEUROPE believes that there needs to be stronger partnerships between the state, companies, employers' organisations, trade unions and education and training providers. In particular companies and employers' organisations need to be included in the design and implementation of education and training curricula at all levels, particularly secondary and higher education.
28. The European Skills, Competencies and Occupations Taxonomy (ESCO) aims to increase the matching of skills supply and demand and to help create a common language on skills, competencies and occupations between education providers and labour market actors.
29. While this might seem useful on a theoretical level, it is not feasible in practice to categorise skills and competences for such a vast number of occupations across the EU in a way that allows the taxonomy to stay relevant and up-to-date with labour market needs.
30. In addition, the EU Skills Panorama aims to provide a comprehensive overview of European, national and sectoral findings on short-term and medium-term prospects for jobs and skills as they evolve up to 2020. While short-term needs



can be identified, BUSINESSEUROPE questions whether it is possible to accurately identify the longer-term needs.

31. Rather than investing time and money into projects such as ESCO and the Skills Panorama, it would be better to look at the reforms that are needed to education and training systems that will address skills mismatches at their origin.
32. Specifically, BUSINESSEUROPE advocates the principles of work-based learning and the strengthening of dual-learning elements in Member States' existing systems. Young people's transition from education to employment can be facilitated by expanding access to dual-learning systems, such as in the form of apprenticeships.
33. To help the evaluation and reform process in education systems, statistical frameworks need to be developed at the European level to show the effectiveness of education systems. This should be done by measuring the employability of graduates coming from different learning pathways, be they VET or HE. This should be a priority action for the employability benchmark that education ministers agreed to create in May 2012.

Promoting mobility through transparency and the appropriate recognition of professional qualifications

34. As concerns the recently revised professional qualifications directive, BUSINESSEUROPE believes that the number of regulated professions and specialisations in Europe could be reduced. At present, there are around 800 different activities in the EU that are considered to be regulated professions and are reserved for providers with specific qualifications.
35. Whilst for some activities there may be valid policy reasons to justify additional requirements - for complexity, security, health or safety reasons - this does not always seem to be the case. In fact, many of these regulated activities are regulated in only a few countries and more than 25% of them are regulated in just one Member State.
36. Therefore, BUSINESSEUROPE supports the provisions in the directive whereby Member States will review the extent to which a profession needs to remain regulated.
37. This review should target the professions that are only regulated in one Member State and not excessively regulate those sectors which have the largest growth potential. This review should include the high number of "regulated specialisations" in some sectors and countries, which leads to costly market fragmentation, a loss of efficiency and often constitutes a hindrance to mobility.
38. At the same time, BUSINESSEUROPE supports, in principle, the idea arising from the directive, to give a professional status to someone based on his or her qualifications and making sure that this status can be easily proven throughout Europe at any time. However, employers are not convinced that the introduction of a professional card is the best approach to this problem. It needs to be addressed at the root, by improving trust between receiving and sending countries in terms of how the qualifications are issued in the first place.



39. In addition, there are specific initiatives designed to facilitate mobility through the transparency of skills and qualifications achieved. These are the Diploma Supplement, Europass CV, Erasmus+ programme and the European Skills Passport.
40. The Diploma Supplement describes the knowledge and skills acquired by holders of higher education degrees. It provides additional information to that included in the official degrees/diplomas, making it more easily understood, especially by employers or institutions outside the issuing country. Currently, Diploma Supplements differ considerably from each other in terms of content, structure and lay-out, and as a result in terms of readability, relevance and quality. Employers therefore welcome current efforts to standardise these supplements within the general framework that has been developed by the European Commission, Council of Europe and the European Centre for Higher Education.
41. Europass is a commonly accepted template for structuring CVs in the EU and is a useful tool for helping employers to compare job applications.
42. Erasmus+ will provide greater mobility opportunities for learners, which will help to enhance their skills and competences.
43. However, employers question the added value of the European skills passport. This initiative allows job seekers to create an electronic “passport” that contains their CV, motivation letter and the possibility to upload certificates of qualifications or reference letters and the like. It is hard to truly assess the extent to which this facilitates mobility and transparency.

Quality assurance

44. Strengthening the connections between the worlds of education and work at all levels will contribute to raising the quality of education and training systems. It will also enhance their attractiveness, which is particularly important for VET, which continues to suffer from a negative perception in many countries.
 45. However, BUSINESSEUROPE believes that it would be problematic to try to establish common principles of quality assurance applicable to all skills and qualifications. Such a system would be hard to implement in practice given the differences in quality assurance systems between VET and HE programmes. Equally, it would not be possible to have common quality criteria for school and work-based learning.
 46. For example, in Germany it would not be possible to implement a holistic quality assurance system at the national level due to the diverse responsibilities of the relevant actors (federal ministries, ministries at the regional level, social partners, chambers of commerce and companies).
- *European Quality Assurance Register (EQAR) / European Standards and Guidelines for Quality Assurance (ESG)*
47. In the area of higher education, the EQAR is a directory of quality assurance agencies that externally review higher education institutions or study programmes in the majority of Member States. The agencies that are permitted to undertake such reviews need to have demonstrated their compliance with a



common set of principles for quality assurance in Europe. These principles are established in the ESGs.

48. For employers it is essential that the ESGs have a particular focus on the employability of graduates. This is a key point that BUSINESSEUROPE has been communicating during the current revision of the ESGs, which are due to be published in May 2015.
49. With this revision, BUSINESSEUROPE hopes that a real European quality assurance system will be developed for HE. This is currently lacking with quality assurance procedures and programmes rooted in their national context. In this respect it is important that national higher education institutions trust quality assurance bodies from other countries to review their programmes.
50. This would enhance the attractiveness of Europe's higher education institutions to students from outside of Europe, which would in turn help to raise Europe's human capital and global competitiveness.

➤ *European Quality Assurance for Vocational Education and Training (EQAVET)*

51. At the same time, it is to be noted that VET systems and provision differ across the Member States. This means that there are different starting points for quality assurance in VET with some countries more advanced than others, which can hinder the impact of EQAVET in making quality assurance systems more transparent.
52. More coordination, synergies and consistency are required between EQAVET, ECVET and the EQF. This should enhance permeability and flexibility between general and vocational education and training at all levels, notably at tertiary level. Employers should also have access to relevant information in this respect, instilling confidence in the learning outcomes.

Conclusion

53. The language around the concept of the EASQ risks creating the perception of a blurring of different initiatives and tools for transparency and recognition of skills and qualifications.
54. Resources are scarce and should be used to ensure remaining implementation steps for a shift towards national qualification and credit systems based on learning outcomes, in a coherent European framework. In addition, communication and cooperation within and between existing instruments needs to be improved considerably for their objectives to translate into a concrete reality.
