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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE
COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE
COMMITTEE OF THE REGIONS**

**My region, My Europe, Our future:
The seventh report on economic, social and territorial cohesion**

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Chapter 2: Social cohesion

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Summary

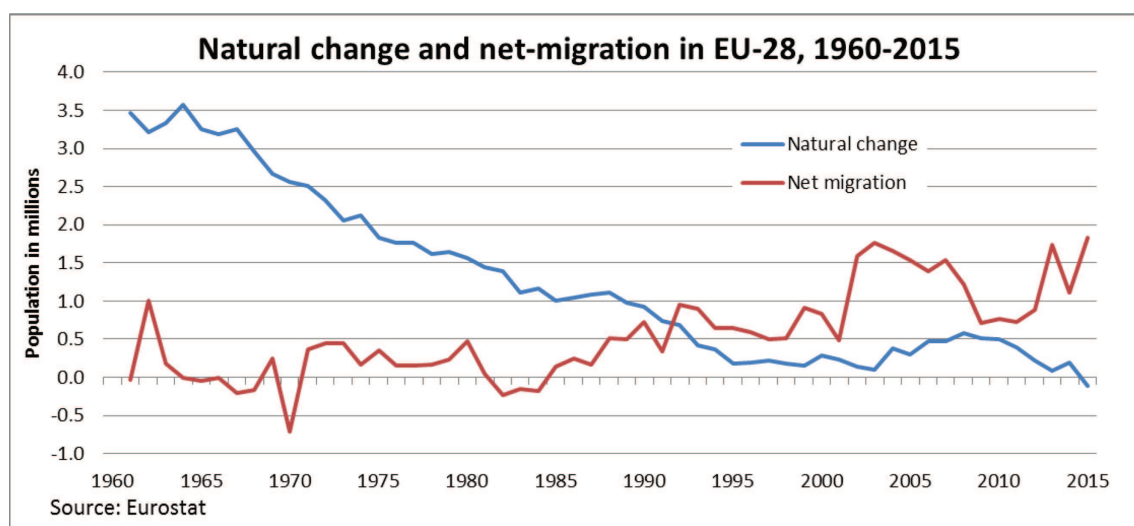
- In 2016, the employment rate of those aged 20-64 reached 71% which is above the pre-crisis level but still well below the 75% target set by the Europe 2020 strategy. The situation varies markedly across the EU. In Spain, the rate was still 5 percentage points below the 2008 level, in Cyprus 8 percentage points lower and in Greece, as much as 10 percentage points less.
- Unemployment in the EU has fallen from a high of 10.9% in 2013 to 8.6% in 2016, still above the 7% it was in 2008. In the Czech Republic, Germany, Hungary, Malta, Poland and the UK, the rate is lower than in 2008, in Greece, Spain, Italy and Cyprus, at least five percentage points higher. Youth unemployment followed a similar pattern and remains above 40% in Greece and Spain. Regional disparities in unemployment rates have not narrowed as yet, but they have largely ceased to widen.
- The risk of poverty or social exclusion in the EU has fallen back to its pre-crisis level, but it remains higher in EU-15 cities, while it is significantly lower in EU-15 rural areas, as it is in all types of areas in the EU-13.
- Big differences in unemployment and income between regions encourage people to move to find better job opportunities and/or to escape poverty. In several regions, this has led to large reductions or increases in population, putting pressure on public infrastructure and services. A major task of regional development strategies is to tackle the factors pushing people to move.
- The EU has recently seen a big increase in asylum-seekers, reaching 1.2 million in 2015 and in 2016. Although this represents only 0.5% of working-age population, their distribution across the EU is far from even. The effective integration of the people concerned is important for cohesion and future prosperity.

2. SOCIAL COHESION

2.1 Population change is increasingly determined by migration

As natural population growth in the EU slowed down in the early 1990s, migration overtook it as the main source of overall population growth (Figure 2.1). In the 1960s, natural growth added more than 3 million people a year to the EU-28 population, in the 2000s, it added only 350 000. In 2015, for the first time, there was a natural reduction in the EU population. The impact of migration in the 1960s was small, adding only about 100 000 a year, while in the 2000s, it added over a million a year on average. In 2015, migration increased population in the EU by 1.8 million, a figure which does not include all the asylum seekers who arrived during the year as they are typically included in the population figures only after 12 months of residence or after being granted international protection.

Figure 2.1 Natural change and net-migration in EU-28, 1960-2015



In 2016, 10.7% of the EU population were born abroad, either outside the EU or in another EU country, an increase of 0.7 of a percentage point compared to 2011. Two-thirds of the people concerned were born outside the EU, the number of whom rose from 6.3% of total population in 2011 to 6.9% in 2016 (Figure 2.2). The increase was 2 percentage points or more in Luxembourg, Finland and Sweden. In contrast, the share declined by over 2 percentage points in Cyprus and Slovenia and by around 1 percentage point in the Baltic States, because of outward migration among the people concerned and/or because they passed away.

The share of people born in another EU Member State (other-EU-born) barely increased between 2011 and 2016 (from 3.7% to 3.8%), though it rose by over 2 percentage points in Luxembourg and Slovenia (Figure 2.3). The only countries where it declined were the Czech Republic (by 2 percentage points), Germany (1 percentage point) and Ireland (0.5 of a percentage point).

Figure 2.2: Population born outside the EU, 2011 and 2016

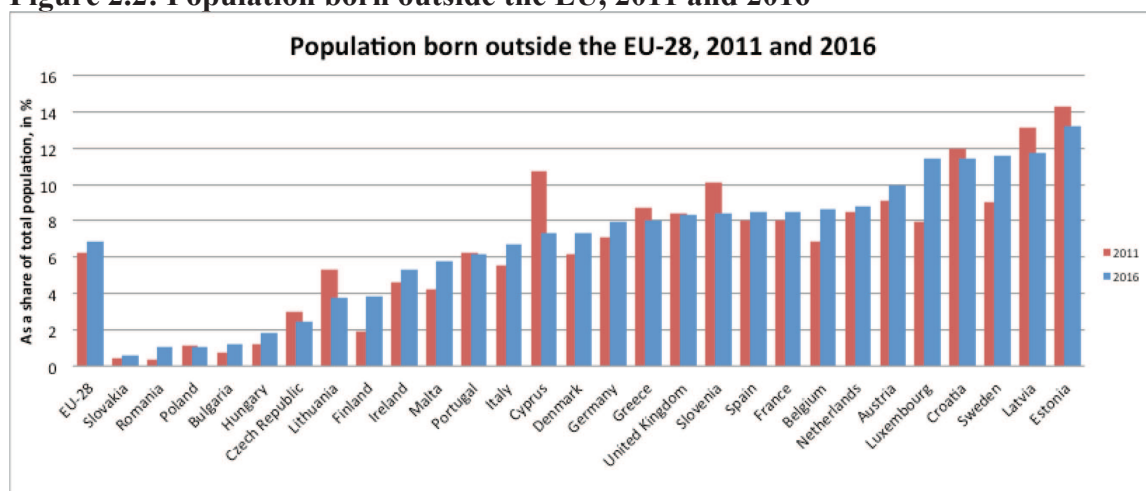
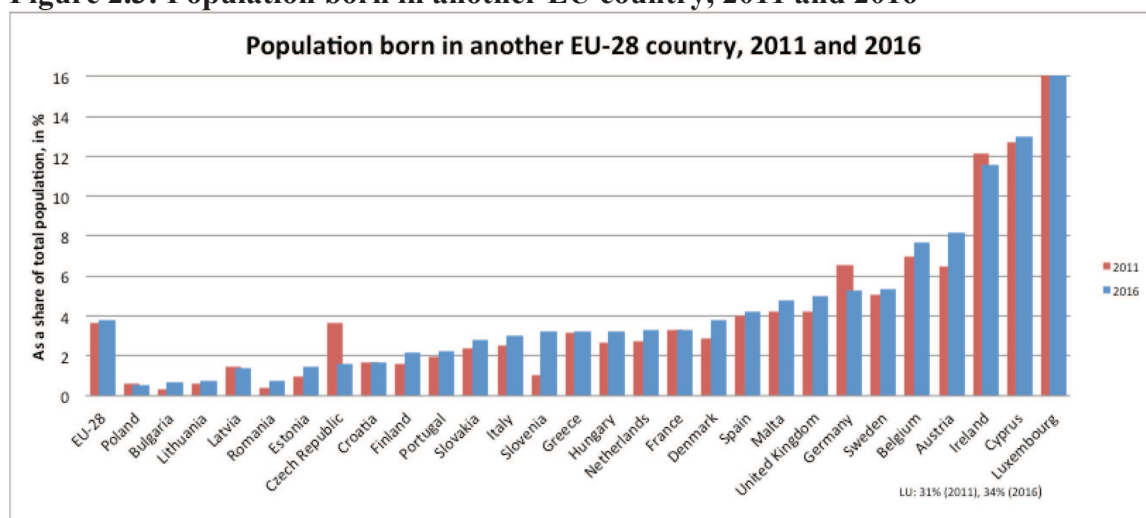


Figure 2.3: Population born in another EU country, 2011 and 2016



Two thirds of the EU-13 population live in a region of population decline

In the EU, 43% of the population live in a NUTS 3 region that lost population due to a natural reduction between 2005 and 2015. In the EU-13, the share was much larger (66%). The largest reduction occurred over the period in Eastern Bulgaria (a decline of more than 10%) (Map 2.1). In many countries, rural and intermediate regions experienced fewer births than deaths. This was particularly so in Romania, Hungary, the Baltic States and Germany, where there was a natural reduction in population in almost all regions except metropolitan ones. The same was true in large parts of Portugal, Spain, France, Poland and the UK.

A smaller proportion of population in the EU, 31%, live in a region that lost population due to net outward migration, more people leaving the region than people entering the region, between 2005 and 2015. In the EU-13, however, the figure was much higher, 66%, as compared with only 22% in the EU-15 (Table 2.1 and Map 2.1). Lithuania, Latvia and some Romanian regions have been particularly affected. Metropolitan regions in these countries were the only ones with net inward migration, more people entering than leaving the region over this period, although in some cases with a shift of population from the city centre to the surrounding region.

The highest growth in total population (7.7% on average) occurred in regions where there was both a natural increase in population and net inward migration (Map 2.3). Almost half the EU-15 population live in such regions, but only 19% of the EU-13 population. The biggest reductions (7.2% on average) occurred in regions where there was both a natural population decline and net outward migration. Only 11% of the EU-15 population live in such a region as against 49% of the EU-13 population.

Because net inward migration in many cases fully offset a natural reduction in population, only 31% of the EU population live in a region that experienced a net loss of population over these ten years. The regions with a declining population are mostly located in EU-13 Member States. Reductions were particularly large in the Baltic States, Bulgaria, Hungary, Romania, Slovakia and Croatia, except in capital city or neighbouring regions or in those with major cities. Regions in Germany, especially in the eastern part, and Portugal also experienced substantial reductions in population.

Table 2.1 Population share in NUTS 3 regions by determinants of population change, 2005-2015, in %

Population share in regions by determinants of population change, 2005-2015, in %									
Net migration is	Population decline				Population growth				Total
	-	-	+	Total	-	+	+	Total	
Natural change is	-	+	-	Total	+	-	+	Total	Total
EU-13	49	13	4	66	5	10	19	34	100
EU-15	11	3	8	22	11	19	48	78	100
EU-28	19	5	7	31	9	17	42	69	100
Population change by determinants of change 2005-2015, in %									
EU-13	-8.1	-2.5	-2.6	-6.7	1.2	3.9	6.6	5.1	-2.7
EU-15	-6.1	-1.7	-1.7	-4.0	3.0	3.6	7.8	6.1	3.9
EU-28	-7.2	-2.1	-1.7	-5.2	2.8	3.6	7.7	6.0	2.5

Source: Eurostat and REGIO calculations

Measuring population change and migration

Total population change is split into the natural change and net migration. Natural change is the difference between live births and deaths over the period divided by average population over the period. More births than deaths means natural growth, the opposite, natural decline.

Net migration is the difference between people moving into a region and those moving out divided by average population over the period. Since accurate figures on movement of people are difficult to obtain, net migration is estimated as the difference between the total change in population and the natural change. This means that it includes any statistical errors or adjustments.

Net migration at regional level covers both people moving between regions in the same country and those moving from outside.

Net inward migration means more inward than outward migration (i.e. positive net migration)

Net outward migration means more outward than inward migration (i.e. negative net migration)

This report shows Population change over a ten year period. It is measured by subtracting population on the 1st January in 2015 from population on 1 January in 2005 and dividing this by average population over the period. Net migration and natural change are calculated in the same way.

To capture the cumulative impact on population of international movements the following indicators are used:

By country of birth

Native-born population: Residents born in the country they live in.

Foreign-born population: Residents who were born in a different country than the country they live in, defined in terms of present borders, which means, for example, that in the Baltic States it includes people born in a different part of what was then the Soviet Union who moved to the Baltic States prior to their independence and remained there afterwards.

The foreign-born population is divided into two sub-groups:

Non-EU-born population: Residents born in a country outside the EU-28.

Other-EU born population: Residents born in a different EU-28 country.

Migration from outside the EU and mobility¹ between and within EU Member States is affected by differences in living conditions, unemployment and wage levels as well as the extent of discrimination (ESPON 2017).

Table 2.2 Population change, natural change and net migration in capital metro, other metro and non-metro regions, 2005-2015

population change 2005 - 2015 (%)	Capital metro region	Other metro region	Non-metro region	Total
EU-13				
total change	5.1	-2.5	-4.9	-2.5
natural change	-0.2	-0.7	-1.8	-1.2
net migration	5.2	-1.8	-3.1	-1.3
EU-15				
total change	7.6	2.6	4.8	4.2
natural change	5.0	1.2	-0.2	1.3
net migration	2.5	1.4	5.0	3.0
EU-28				
total change	7.0	1.8	2.2	2.8
natural change	3.9	0.9	-0.6	0.7
net migration	3.1	0.9	2.8	2.1

Source: Eurostat and REGIO calculations

Capital metropolitan (metro) regions have experienced the highest population growth, especially in the EU15 Member States, where population increased by 8% between 2005 and 2015, mainly driven by a natural increase in population (5%) (Table 2.2). In the EU-15, population also increased in other regions (by 4%), mostly driven by net inward migration (which added 3% to the total). In the EU-13, population increased in capital metro regions as well (by 5%), entirely as a result of net inward migration, but both the other metro and non-metro regions lost population, mainly due to net outward migration.

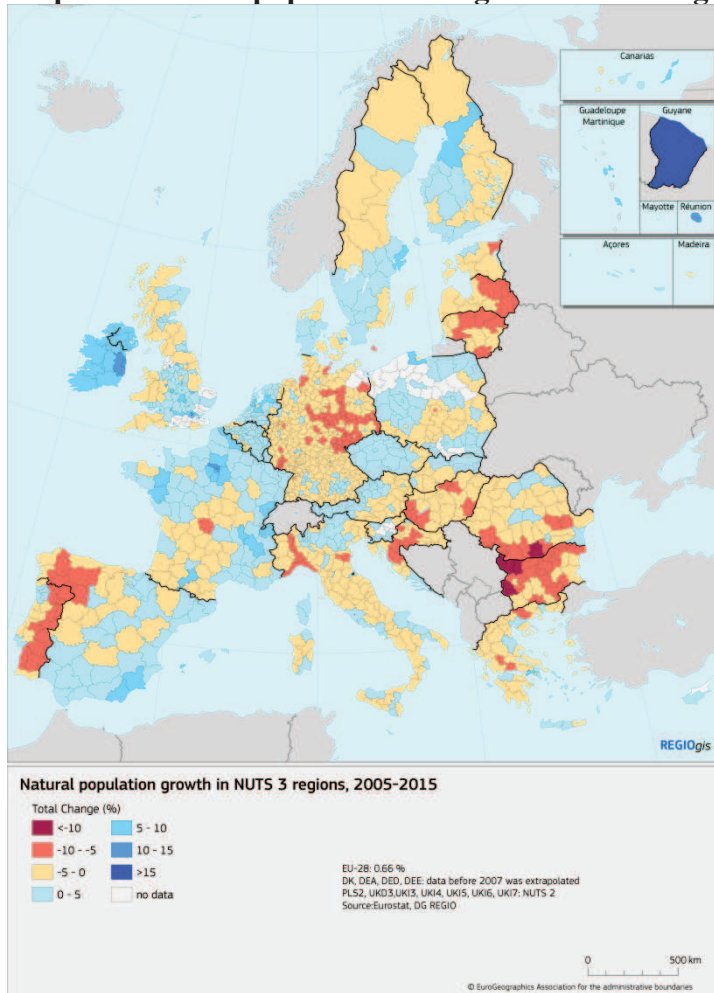
¹ Article 45 of the Treaty on European Union and the Treaty on the Functioning of the European Union

Table 2.3 Population change, natural change and net migration in urban, intermediate and rural region, 2005-2015

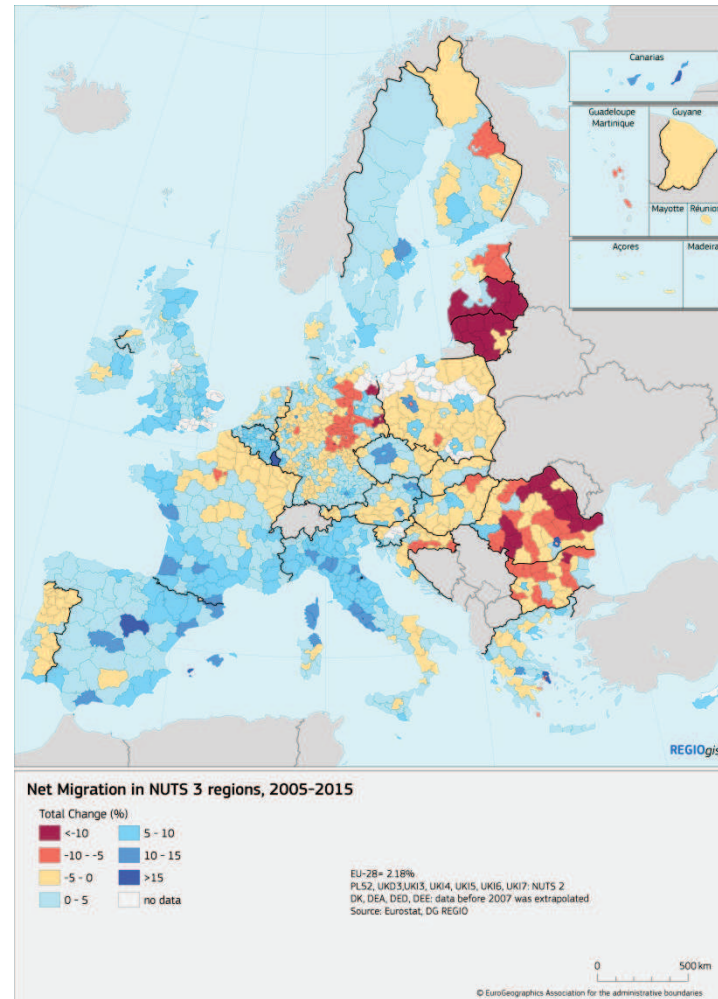
population change 2005 - 2015 (%)	Predominantly urban	intermediate	Predominantly rural	Total
EU-13				
total change	-1.2	-3.5	-2.0	-2.5
natural change	-0.5	-1.4	-1.3	-1.2
net migration	-0.7	-2.1	-0.7	-1.3
EU-15				
total change	6.5	1.5	2.9	4.2
natural change	2.6	0.3	-0.9	1.3
net migration	3.9	1.3	3.8	3.0
EU-28				
total change	5.7	0.2	1.1	2.8
natural change	2.3	-0.2	-1.1	0.7
net migration	3.4	0.4	2.2	2.1
Source: Eurostat and REGIO calculations				

Rural regions tend to have slower population growth than urban ones, but faster growth than intermediate regions in both the EU-13 and the EU-15. In the EU-13, intermediate regions have the highest net outward migration rate, in the EU-15, the lowest net inward migration rate. As a result, in the EU-28, population in intermediate regions remained unchanged, while it increased by 6% in urban regions and by 1% in rural ones.

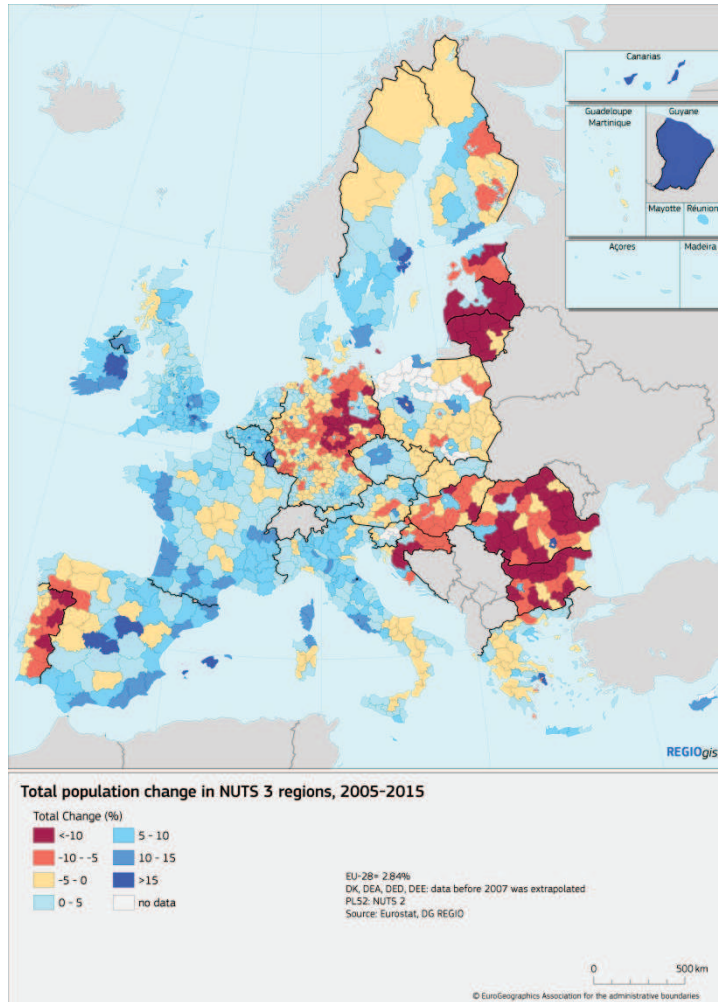
Map 2.1: Natural population change in NUTS 3 regions, 2005-2015



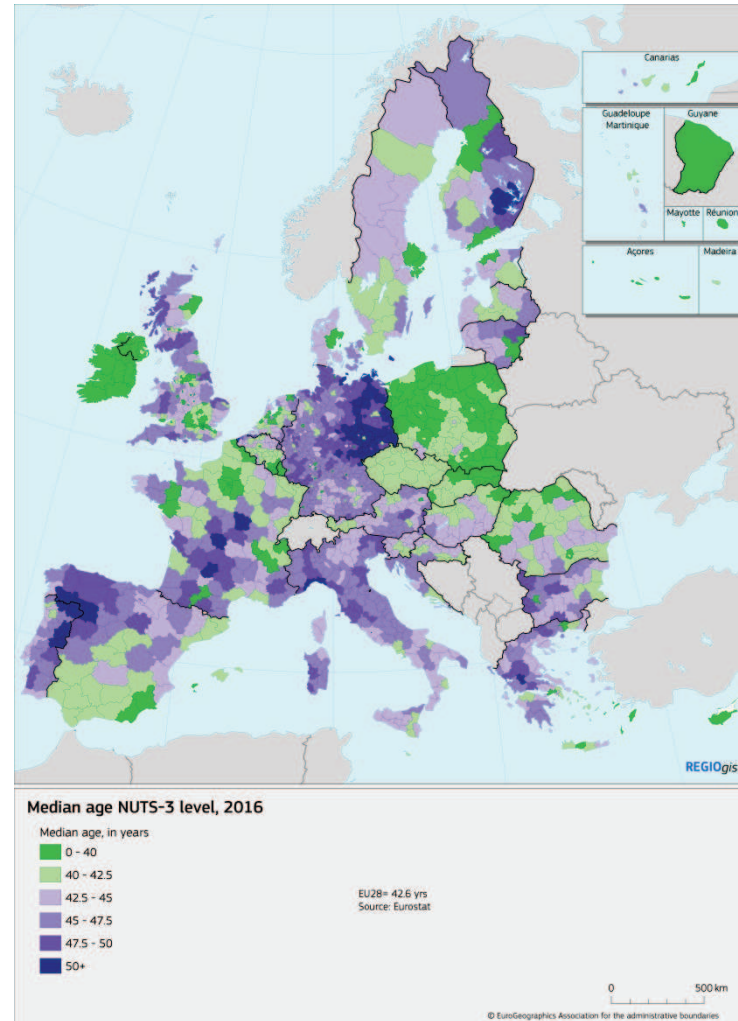
Map 2.2: Net migration in NUTS 3 regions, 2005-2015



Map 2.3: Total population change in NUTS 3 regions, 2005-2015



Map 2.4: Median age of the population in NUTS 3 regions, 2016



Comparison between net inward migration (Map 2.2) and the median age of population (Map 2.4) indicates that younger people are more mobile than older ones. In the regions with net outward migration, the average age of the population living in the region tends to be higher and vice-versa. At the NUTS 3 level, 77% of regions with net inward migration over recent years are also those with the youngest populations, with a median age of less than 40 (Table 2.4), while 68% of regions with a median age above 50 experienced net outward migration. Regions of net outward migration in Portugal, central France, southern Italy, Greece, Bulgaria, Hungary, southern Romania, eastern Germany, Finland and the Baltic States tend, for the most part, to have an older than average population. On the other hand, regions of net inward migration in southern Spain, northern France, London and surrounding areas, north-eastern Scotland and southern Sweden and Finland have a younger than average population, in many cases, migrants being attracted by dynamic urban centres. Accordingly, net outward migration tends to push up the median age of population, since it is disproportionately younger people who move, which also tends to reduce the birth rate so reinforcing the effect on the median age.

Table 2.4: Division of NUTS 3 regions by median age in 2016 and direction of net migration, 2005-2015 (% of total)

Median age (classes)	More emigration than immigration	Less emigration than immigration
[<40]	23%	77%
[40;50]	31%	69%
[>50]	68%	32%
Total	32%	68%

The largest shares of young people are in the capital metro regions in the EU-15 – almost 23% of the population was below 20 in 2016 - while those of 65 and older accounted for only 16% (Table 2.5). Many young people come to the capital to study or to find a job. The elderly, who are mostly retired, do not need to be close to employment opportunities and often opt for a more peaceful and a lower cost location outside the capital.

The tendency is the same, even if less pronounced, in other metropolitan regions. In the EU-15, there are about the same number of elderly as young people (21% of both in 2016). Those below 20 are more numerous than those of 65 and older in all three types of region in the EU-13.

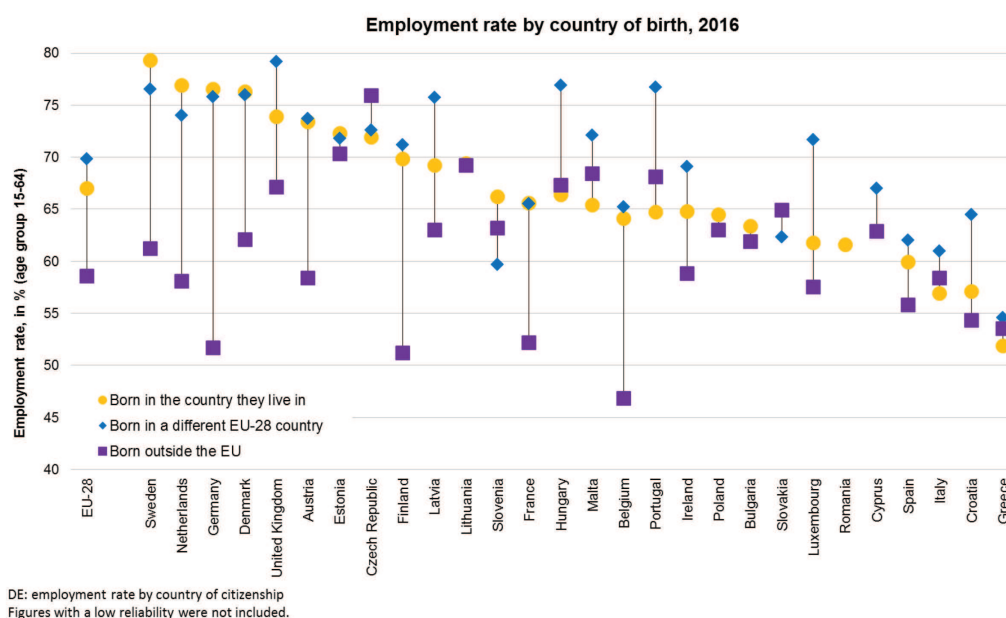
Table 2.5: Population age in capital metro, other metro and non-metro regions, 2016

% of total	age class	Capital Metro Regions	Other Metro Regions	Non Metro Regions	Total
EU-13	less than 20	19.6	19.8	20.5	20.1
	65 or more	17.2	17.0	17.5	17.3
EU-15	less than 20	22.6	20.9	20.7	21.1
	65 or more	16.4	19.5	21.1	19.6
EU-28	less than 20	21.9	20.8	20.6	20.9
	65 or more	16.6	19.1	20.2	19.2

2.2. Employment rates are higher for those born in another EU country than for the native-born

People born in the EU have the right to live and work wherever they choose in the Union, enabling them to gain work experience in other Member States for short periods as well as to move there on a long-term basis. In the EU as a whole, the employment rate of people aged 15-64 born in a different EU country averaged 70% in 2016, slightly higher than that of the native-born (67%) and substantially higher than that of people born outside the EU (59%) (Figure 2.4). In Portugal, Hungary, Luxembourg, Latvia, Croatia and the UK, the employment rate of other EU-born was markedly higher than that of the native-born.

Figure 2.4: Employment rate by country of birth (15-64), 2016



People born outside the EU, on the other hand, face multiple challenges to find a job. In most Member States, for which there are reasonably reliable data, the employment rate of non-EU born was lower than that of either the native-born or other EU-born, including in countries with a large share of non-EU born such as Sweden, Belgium, the Netherlands and France. Speaking the local language, having

The Skills Profile Tool for non-EU nationals

the right qualifications and having them recognised are only some of the difficulties the people concerned face in finding a job.

In most EU countries, the rate of employment of the native-born is higher than that of those born outside the EU, regardless of education level, whether basic, upper secondary or tertiary². In some countries (Cyprus, Czech Republic, Spain, Greece, Italy, Luxembourg, Malta, Slovenia) the rate of employment of non-EU born, according to data for 2016, is higher than that of the native-born, but only for those with basic education.

To help non-EU nationals integrate into the labour market, the European Commission, in June 2017, launched a new Skill Profile Tool, a multilingual means of making it easier for non-EU nationals to have their skills, qualifications and experience recognised, such as in reception centres and by public employment services and other organisations working with migrants. As such, it is intended to guide third country nationals towards the most suitable training, education or employment and to identify their needs in these respects. Around a quarter of non-EU nationals in the EU have tertiary education, but around two-thirds of them are inactive, unemployed or overqualified for the work they do. The new Tool is aimed at helping those with such an education level to find a job that matches their qualifications as well as those with lower qualification who need further education and training.

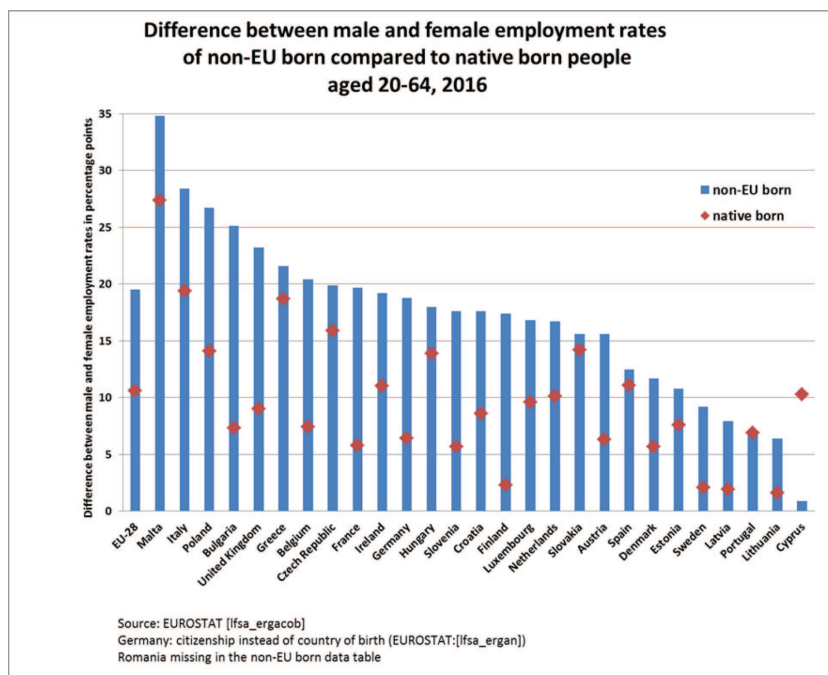
For more information:

https://ec.europa.eu/education/news/20170725-commission-launches-online-tool-help-integrate-newly-arrived-non-eu-nationals_en

Gender also plays a role. Employment rates of men are higher than for women in all countries, irrespective of the country of birth, but especially so for the non-EU born (Figure 2.5). In Belgium, Greece, the UK, Bulgaria, Poland Italy and Malta, the difference for the latter was over 20 percentage points in 2016, reflecting in part cultural norms, lack of opportunity and inadequate wages in respect of the women concerned.

² Data come from the Labour Force Survey. 'Basic' is lower secondary education or less (i.e. ISCED levels 0, 1 and 2); 'upper secondary' includes upper secondary and post-secondary, pre-tertiary (i.e. ISCED levels 3 and 4) and 'tertiary' is university and equivalent (i.e. ISCED levels 5-8).

Figure 2.5: Employment rate gap between non-EU born men and women (aged 20–64), 2016



2.3 Asylum seekers and refugees

In 2015, EU Member States received 1.2 million first-time applications for international protection and the same number again in 2016. As a share of the current non-EU born population, the yearly inflow in 2015 and 2016 together amounted to 7% at EU level (18% in both Germany and Finland, 16% in Sweden) and 0.5% in terms of total population (1.8% in Sweden and 1.5% in Austria). If confined to the number of positive first instance asylum decisions, it was only around 0.1% of the population (being highest in Sweden and Germany at 0.7% and 0.5%, respectively).³ The increase in asylum seekers brought with it an increased flow of the most vulnerable group seeking asylum, namely unaccompanied minors,⁴ whose numbers in the EU almost doubled between 2013 and 2014 (from 13 000 to 23 000) and almost quadrupled in the following year (92 205 in 2015, 59% of whom were hosted in Sweden and Germany). Although it declined in 2016, it was still at a relatively high level (63 280). By their nature, those concerned require additional protection and integration assistance in order for the most viable and sustainable solutions to be found which are in their best interest.

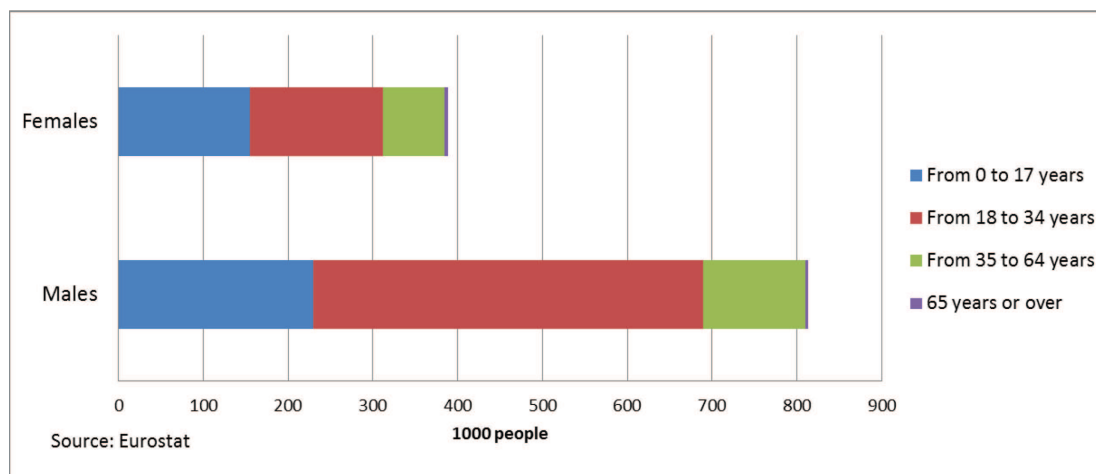
The distribution of asylum seekers across the EU is highly uneven. Germany, in particular, received more first-time asylum applications than all other EU countries combined in 2016. Not all these have been, or will be, granted refugee status and not all

³ Hungary has seen a large inflow (2.1% of its total population of 2015 and 2016) but mostly as a transit country, as the ratio of asylum decisions to applications was only 2%, indicating many people absconding and highlighting the need to consider asylum decisions as well when measuring asylum seeker inflow.

⁴ Unaccompanied minors are generally defined as those under the age of 18 who arrive without parents, other adult relatives or guardians (UNHCR).

want to stay. Accordingly, at this stage, it is too early to say how many will remain in the EU.

Figure 2.6 First-time asylum applications in the EU-28 by gender and age, 2016



Recent asylum seekers are predominantly young and male, a disproportionate number being men aged 18-34 (Figure 2.6).

The rapid influx represented a challenge for the local authorities to provide asylum seekers with food and shelter in the areas where they arrive. Integrating them into EU society will require language training, education and help in finding a job or setting up a business. The evidence from an *ad hoc* LFS survey in 2014 is that refugees face considerable problems in integrating into the labour market, as reflected in their significantly lower employment rates than other non-EU born residents and the EU -born population in most Member States (ESDE 2016). Low participation rates among women, a large proportion of people without upper secondary education and low levels of

The Action Plan against Migrant Smuggling

The fight against migrant smuggling has been part of EU policies tackling irregular migration for more than a decade. In 2002, the EU adopted a legal framework on smuggling in the form of a Directive defining the facilitation of unauthorised entry, transit and residence and the strengthening the penalties for these offences. The crisis in 2015 for the countries along the Eastern Mediterranean route called for a common and coordinated response that, in May 2015, took the form of an Action Plan against Migrant Smuggling designed to transform smuggling from a 'high profit, low risk' activity into a 'high risk, low profit' one, while ensuring full respect for, and protection of, the human rights of migrants.

proficiency in the local language underlie this tendency (ESDE 2016, Dumont et al 2016). While the chances of refugees and others born outside the EU being employed

increases significantly with their education level, the increase is smaller than for the native born or other-EU born (ESDE 2015, 2016).

2.4. The employment rate surpassed its pre-crisis level, but unemployment rates are still too high

In 2016, the EU employment rate for those aged 20- 64 (Map 2.5) exceeded the pre-crisis level for the first time. At 71%, it is higher than the previous high in 2008 of 70%, though only slightly. The rate has not recovered, however, in all parts of the EU. In Greece, it is still 10 percentage points lower than before the crisis, in Cyprus 8 points

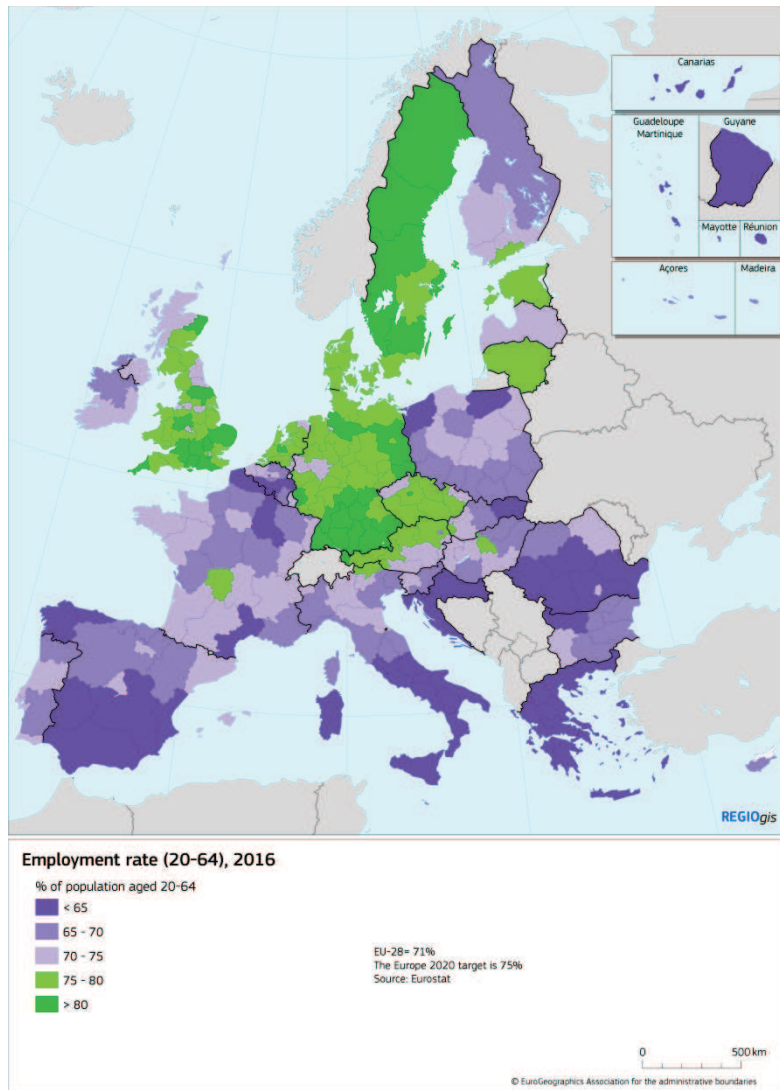
lower and in Spain 5 (Map 2.6). On the other hand, it was 10 percentage points higher in Hungary and Malta.

Only 6 Member States (Sweden, Germany, Denmark, UK, Estonia and Netherlands) had an employment rate in 2016 above the Europe 2020 target of 75%. In more than half of Member States it was below 70% and in Greece, Spain, Croatia, France and Italy, below 65%. The impact of the crisis on employment rates has made it unlikely that the target will be reached by 2020.

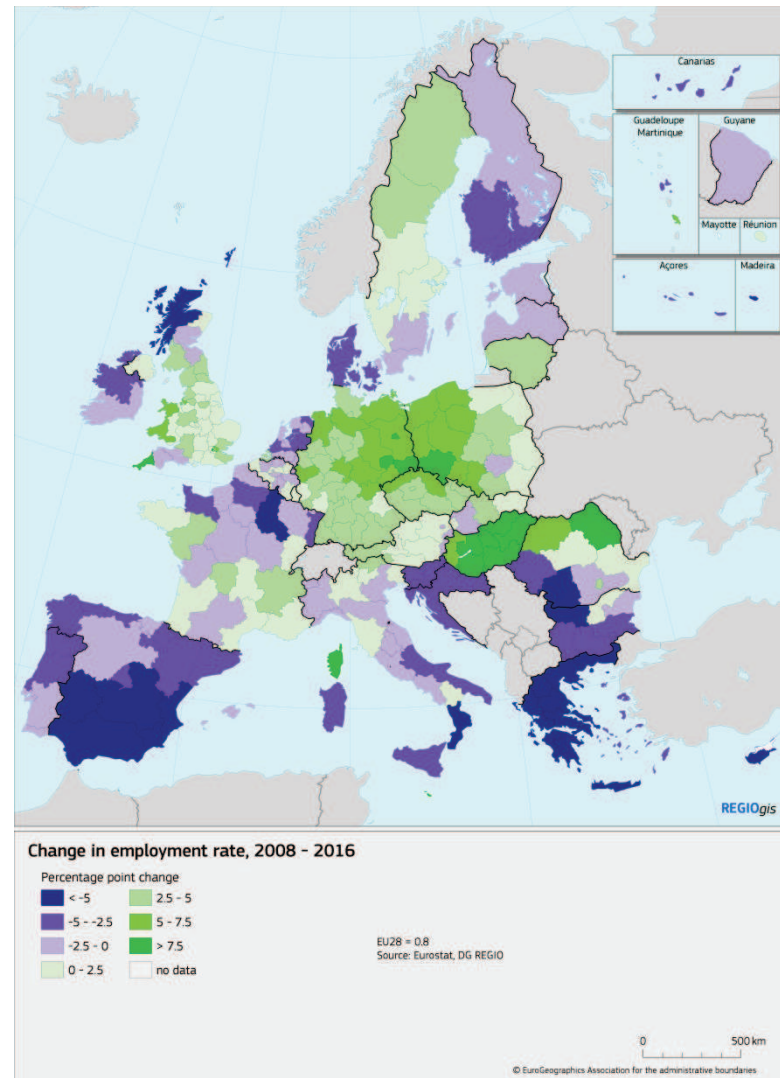
The rate, however, varies markedly between types of region. The average employment rate in more developed regions⁵ was 74.2% in 2016, quite close to the 75% target (Table 2.6). In the less developed regions the average rate was well below the target, at only 65%. While it increased slightly in these regions between 2008 and 2016, in the transition regions, it has not increased at all. The increases in employment rates in regions where rates are low at least means that after several years of divergence, regional disparities in employment have started to narrow again.

⁵ See Lexicon for the definition of less developed, transition and more developed regions.

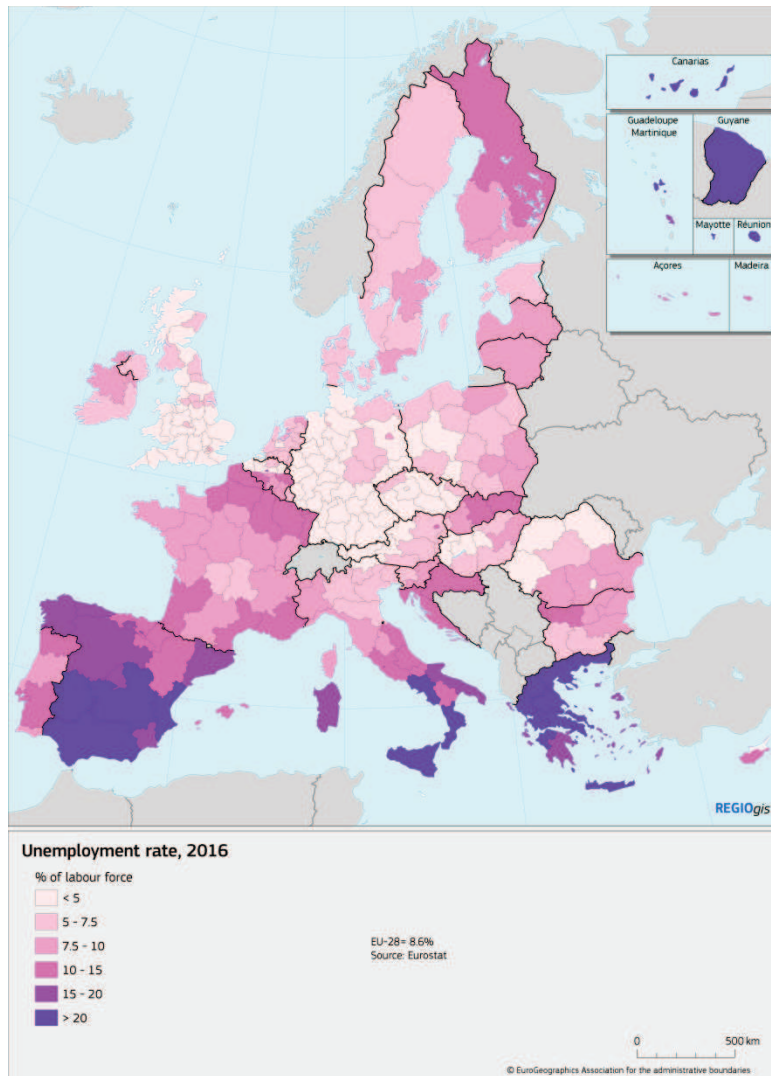
Map 2.5 Employment rate (20-64), 2016



Map 2.6 Change in employment rate (20-64), 2008-2016



Map 2.7 Unemployment rates, 2016



Map 2.8 Change in unemployment, 2008-2016

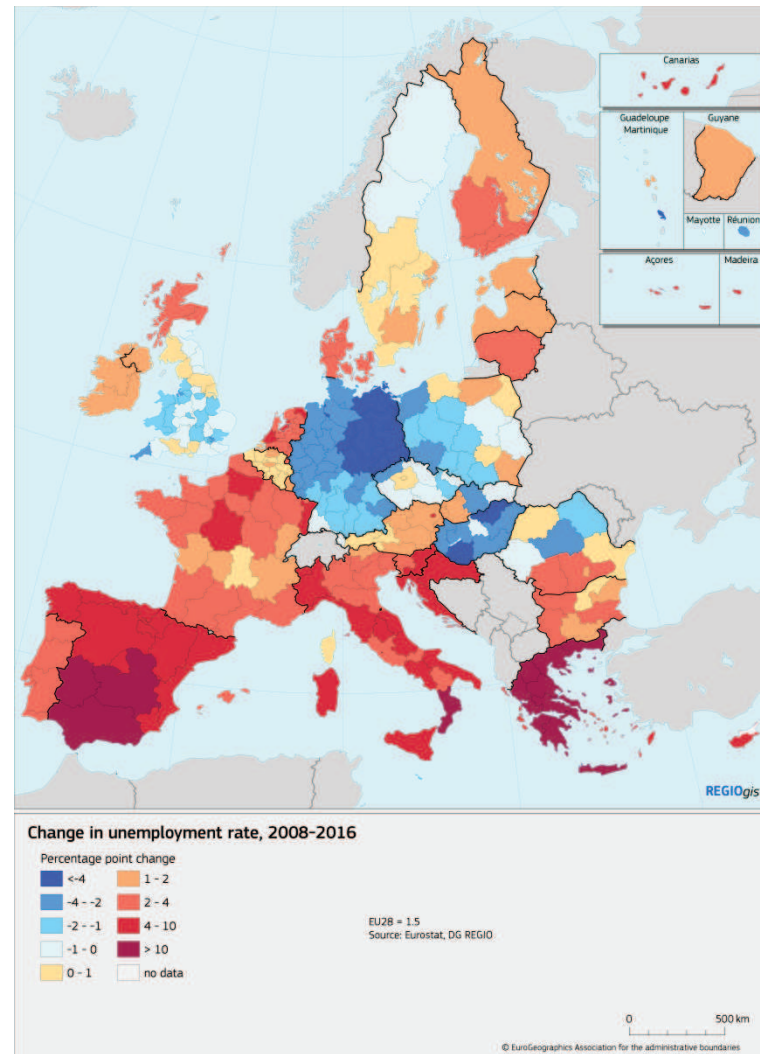


Table 2.6: Employment and unemployment by category of region

		Less developed region	Transition region	More developed region	EU
Employment rate (% of population 20-64)	2016	65.0	67.7	74.2	71.1
	change 2008-2016	1.1	-0.2	0.8	0.8
Unemployment rate (% of labour force)	2016	9.5	12.3	7.4	8.5
	change 2008-2016	1.7	2.0	1.4	1.5
Source Eurostat					

Between 2008 and 2016, unemployment increased at the same time as employment rates went up, which means that the rate of job creation lagged behind the rise in the labour force. Although the unemployment rate fell from a high of 10.9% in 2013 to 8.6% in 2016 (Map 2.7), this was still higher than in 2008 (7%). While in some northern and eastern parts of the EU, rates were lower than before the crisis, in the southern Member States, rates were up to 10 percentage points higher (Map 2.8). In several regions in Greece, Italy and Spain and in the French outermost regions, rates were still over 20%.

The youth (15-24) unemployment rate declined from a high of 23.7% in 2013 to 18.7% in 2016, but it remains well above the level before the crisis of 15.9% in 2008 (Table 2.7). The rate in 2016 was particularly high in the less developed regions (averaging 24%) but it was even more so in the transition ones (27%). The share of young people neither in employment nor in education or training (the NEET rate) has also declined, in this case from a high of 13.2% in 2012 to 11.5% in 2016, only slightly above the 2008 level (10.9%). The NEET rate was also highest in the less developed and transition regions.

Table 2.7 Youth unemployment, those not in employment, education or training (15-24) and participation in education and training (25-64), 2008-2016

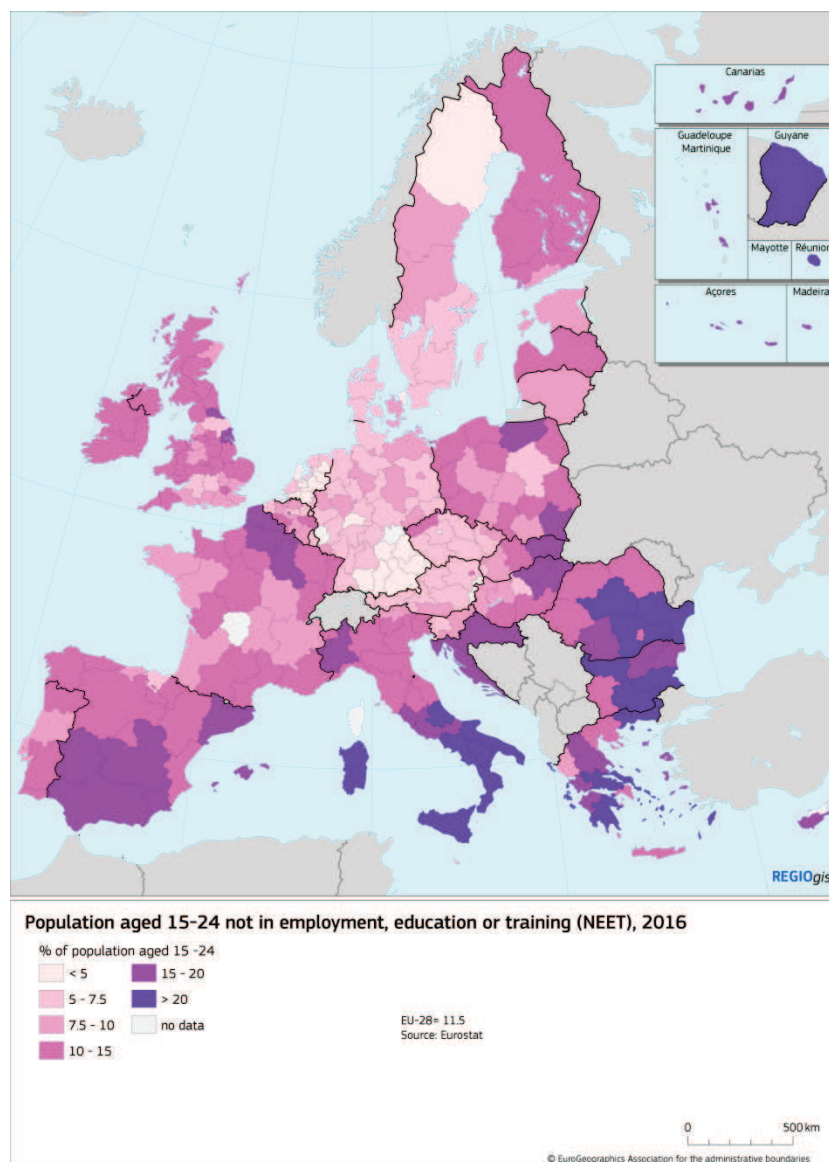
		Less developed region	Transition region	More developed region	EU
Youth unemployment rate (% of labour force 15-24)	2016	24.4	27.3	16.7	18.7
	change 2008-2016	4.7	6.4	2.9	2.8
Not in employment, education or training (% population 15-24)	2016	15.4	13.7	9.6	11.5
	change 2008-2016	2.6	0.0	0.3	0.6
Participation in education and training (% population 25-64)	2016	4.6	11.6	12.9	10.8
	change 2008-2016	0.2	2.2	1.8	1.3
Source Eurostat					

Box: Measures to combat unemployment and social exclusion among young people

Young people are one of Europe's greatest assets for the future. The economic crisis hit young people particularly hard. It has widened the gap between those with more opportunities and those with fewer. Some are increasingly excluded from social and civic life and, worse still, a number are at risk of disengagement, marginalisation and even radicalisation. This is why the Commission and Member States have increased their efforts since 2013 to improve their employability, their integration into the labour market, and their inclusion and participation in society. In the face of a growing socio-economic divide, policy must continue tackling the deep-seated social problems that many young people face. Sustainable solutions need to be found to reduce youth unemployment, strengthen social inclusion and prevent violent

radicalisation. This requires more systematic cooperation across a range of policies at EU and Member State level in respect of employment, education, training, and social policy as well as culture, sport and health. The ‘cooperation framework for youth’⁶, EU funding under the Erasmus+ programme, the European Social Fund (ESF) and the Youth Employment Initiative (YEI) are all targeted at young people to help them find quality jobs, participate in social life and develop their potential

Map 2.9: Population aged 15-24 not in employment, education or training (NEET), 2016



2.5. Education and training

In a fast-changing, technology-driven world, people need to have access to opportunities continuously to update and improve their skills as well as to acquire new ones. This is vital

⁶ Council Resolution of 27 November 2009 on a renewed framework for European cooperation in the youth field (2010-2018), OJ C 311, 19.12.2009, p. 1.

not only to enable them to remain in employment and advance in their careers but also to boost productivity and the competitiveness of the economy.

To this end, EU Member States set a target in 2010 that by 2020, 15% of those aged 25-64 should be taking part in continuing training as compared with only just over 9% at the time. Progress towards this target, however, has been slow. By 2016, the figure had risen to only just under 11%. The target had been reached or exceeded in only 7 Member States and there were pronounced disparities not only between but also within countries, especially in Italy, France, the Czech Republic, Hungary and Germany (Map 2.10).

Stronger efforts are needed to encourage low-qualified adults in particular to participate in training since there is a larger proportion of people with only basic schooling in the EU than in other industrialised economies. Because such people are the least likely to participate in training, engaging them is particularly challenging. The New Skills Agenda for Europe includes recommendations to tackle this issue (see Box).

Upskilling Pathways: new opportunities for adults

The Recommendation, adopted by the Council in December 2016, calls on Member States to develop a linked series of targeted interventions, establishing a 'pathway' of support for low skilled or low qualified adults, of which there are 64 million in the EU. The aim is to support them to improve their literacy, numeracy and digital skills and to acquire a broader set of competences by increasing their qualifications. Each would be offered:

- a skills assessment, to identify existing skills and upskilling needs;
- an offer of education or training on the basis of this;
- opportunities to have the skills acquired validated and recognised.

These three steps will be accompanied by outreach and support measures.

Implementation by Member States can be supported by funding from the ESF, Erasmus+ and other sources. By mid-2018, Member States need to outline the measures they will take to implement the Recommendation, including the groups of low-skilled adults they will give priority to.

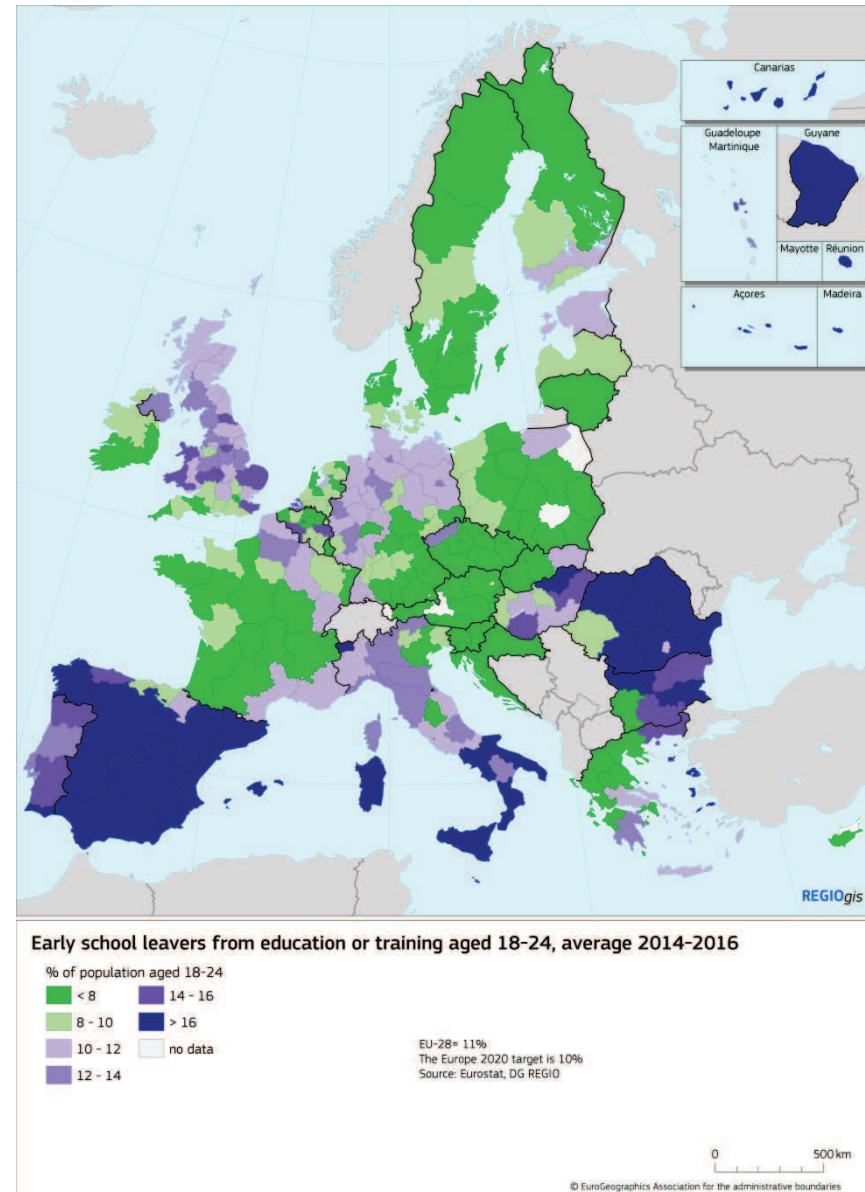
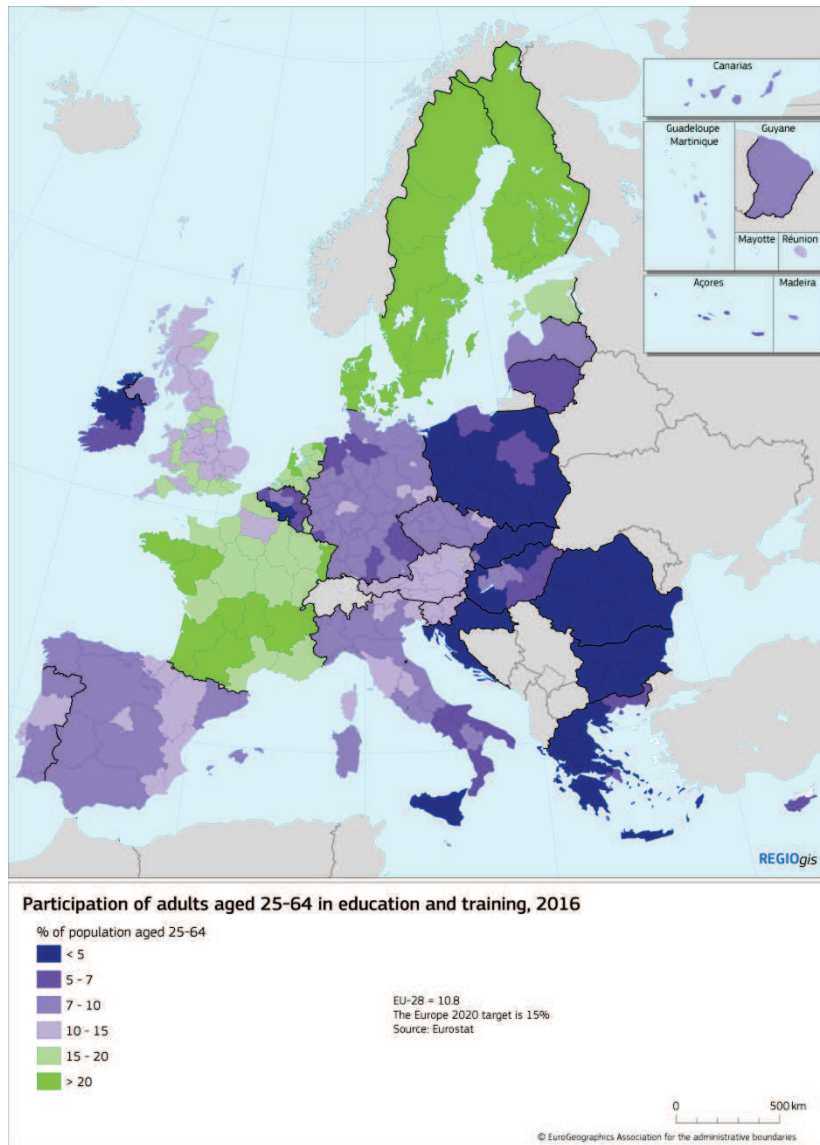
One of the Europe 2020 targets is to reduce the share of early school leavers to 10% or less. At the EU level, the share of those aged 18-24 with no qualification beyond basic schooling and no longer in education or training in the 2014-2016 period was 11%, close to the target, but with wide differences between and within countries (Map 2.11). In Spain, Portugal, Italy, Bulgaria and Romania, for example, the share in almost all regions is far from the target, whereas in Belgium, Germany, the UK and Greece, there is a large variation between regions, with some close to the target or below and others far away. In the Bruxelles-Capital region, for instance, 15% of 18 to 24 year-olds were early school-leavers against a country average of just below 10%.

High rates of early school leaving may be linked to pockets of socio-economic deprivation, often with high concentrations of migrants, where schools are of low quality and are less capable of retaining students. This is particularly the case in larger cities.

Education and continuing training have recently been confirmed to be among the main drivers of economic growth, a larger proportion of poorly educated people being more detrimental to growth than a smaller proportion of highly educated ones.

The results of the 2016 PISA (the OECD Programme for International Student Assessment) survey of 15 year-olds shows, in line with previous surveys, that competence in maths is particularly problematic in the EU, with over 22% of those tested having a low proficiency (Map 2.12). Around 20% of those tested in the EU also had insufficient understanding of what they read and a low proficiency in science. The largest proportions with low proficiency (over 35% in all three disciplines) were in Bulgaria, Romania and Cyprus, while at the other end of the scale, Finland, Estonia and Ireland had reached the Europe 2020 target of no more than 15% of low achievers in the three disciplines, and Denmark and Slovenia were close to it.

Map 2.10 Participation of adults aged 25-64 in education and training, 2016 and **Map 2.11 Early school leavers aged 18-24, average 2014-2016**



The New Skills Agenda for Europe

The New Skills Agenda for Europe⁷, adopted on 10 June 2016, called on Members States, social partners, industry and other stakeholders to work together to raise the quality and relevance of skills training, to make skills more visible and comparable across countries and to improve the information on skills to enable better career choices. It launched 10 key actions:

- A Skills Guarantee to help low-skilled adults acquire a minimum level of literacy, numeracy and digital skills and progress towards an upper secondary qualification (adopted as Council Recommendation of 19 December 2016 on Upskilling Pathways: New Opportunities for Adults⁸).
- A review of the Recommendation on Key Competences to help more people acquire the core set of skills necessary to work and live in the 21st century, with a special focus on promoting entrepreneurial and innovation-oriented mind-sets and skills.
- Making Vocational Education and Training (VET) a first choice by increasing opportunities for VET participants to undertake work experience and by highlighting the favourable career prospects open to them.
- The 'Digital Skills and Jobs Coalition' to support cooperation among education, employment and industry stakeholders to boost the supply of digital skills.
- A review of the European Qualifications Framework and the related annexes to increase understanding of qualifications and to make better use of available skills in the labour market.
- A 'Skills Profile Tool Kit for Third Country Nationals' to support early identification and profiling of the skills and qualifications of asylum seekers, refugees and other migrants.
- A revision of the Europass Framework to give people better and easier-to-use means of presenting their skills and of obtaining real-time information on skill needs and trends which can help with their career and learning choices.
- The 'Blueprint for Sectoral Cooperation on Skills' to improve intelligence on skills and to tackle skill shortages in particular sectors.
- Further analysis and sharing of examples of best practice to tackle the brain drain.
- A Graduate Tracking initiative to assemble information on their performance.

⁷ European Commission 'The New Skills Agenda for Europe', COM(2016) 381 of 10.6.2016

⁸ OJ C 484, 24.12.2016, p.1.