



European Training Foundation

NEW ECONOMIC AND LABOUR MARKET TRENDS AND THEIR IMPLICATIONS FOR EMPLOYMENT AND SKILLS DEVELOPMENT

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NEW ECONOMIC AND LABOUR MARKET TRENDS IN THE ETF PARTNER COUNTRIES - CONTEXT

- ❑ **The EU Neighborhood countries are very diverse, each with different dynamics:** Western Balkans and Turkey, Eastern Partnership, Southern and Eastern Mediterranean, and Central Asia. However, despite a **huge potential** most countries suffer from **low productivity and inefficient use of resources, especially human resources**
- ❑ **The impact of technological change on human capital development is very intense and has been substantially accelerated by the COVID-19 pandemic.** The ICT sector added value have expanded over years, particularly between 2020 and 2021
- ❑ **Industrial relations are deeply changing, with strong sectoral shift towards services and new policy directions towards greening of the economies**
- ❑ **Economic and labour market volatility and growing risks of social exclusion bring new challenges to employment policies (particularly for youth and women) and education and training systems**

NEW FORMS OF WORK IN THE ETF PARTNER COUNTRIES

- FINDINGS

- ❑ **Increasing self-employment, freelancing, remote work and platform work** – outsourcing, emergence of national start-ups, technological parks and growing number of workers on international platforms – **Serbia, Ukraine, North Macedonia, Armenia, Montenegro, Bosnia-Herzegovina, Albania, Egypt, Russia**
- ❑ **Platform work: Eastern Partnership countries** - prevalent in Ukraine, followed by Belarus. Increasing popularity in Azerbaijan, Georgia and Moldova. Strongly increasing prevalence in Armenia and Azerbaijan
- ❑ **Mostly young people involved, majority educated males** (strong gender segmentation) from capital and other larger cities
- ❑ **Remote work:** ICT, multimedia arts and design, writing and translation
- ❑ **On-location:** ride hailing, delivery services

NEW FORMS OF WORK IN THE ETF PARTNER COUNTRIES

- FINDINGS

- ❑ **Fostered labour market flexibilization and segmentation:** high-skill and low-skill / gender
- ❑ **Limited acknowledgement of the new phenomena in recent policies** and in most cases, regulations are not well adapted to new forms of work
- ❑ **Social partners are almost not present** – social dialogue, policy making?
- ❑ **Wide-spread informality**, limited coverage by employment policies, services or social benefits
- ❑ **Limited career development**, algorithmic management
- ❑ **However, new forms of work are not linked with precarity, but rather additional and higher income than in other sectors and could become an alternative to migration**

NEW FORM OF WORK GROWING IN THE ETF PARTNER COUNTRIES

- IMPLICATIONS

- **Connectivity:** infrastructure and digital services
- **Working conditions** - labour market regulations, including employment status and taxation
- **Skills strategies to address skills demand** (including implications for education and training systems)
- **Limited career development**, but skills development opportunities – on-the-job learning
- **Role of ALMPs and PES** in supporting the transition into employment and job-to-job in the platform economy
 - Access to information:** freelancing, platform work may become a pathway to work for the unemployed or underemployed
 - Access to services:** counselling, career guidance and other support services
- **Need to extend knowledge and understanding, not captured by traditional statistics** - (un)observability of platform work or freelance transactions

NEW FORM OF WORK GROWING IN THE ETF PARTNER COUNTRIES

- IMPLICATIONS FOR SKILLS

- ❑ Digital skills
 - ❑ STEM and ICT, multimedia arts and design, literacy – writing and translation
 - ❑ Language skills, English and Russian in particular
 - ❑ Entrepreneurship, customer orientation and self-organisation skills
 - ❑ Analytical and problem-solving skills
 - ❑ Self-presentation, organisation and communication
 - ❑ Career management and learning to learn
- **Implications for the education and training: adult skills development, skills recognition, validation, certification**

ETF recent publications (2021)

The future of work – New forms of employment in the Eastern Partnership countries: Platform work

Changing skills for a changing world: Understanding skills demand in EU neighbouring countries

Open space: <https://openspace.etf.europa.eu/pages/future-work-new-forms-employment-and-platform-work>