

COVIDIMPACT – HACKSKILLS – 27TH OCTOBER 2020

ACT ON SKILLS – 10TH-11TH DECEMBER 2020

SUMMARY

The impact of COVID-19 on socioeconomic issues has been the focus of a series of webinars that took place on **27th October** and **10th-11th December 2020** to look specifically at the role of skills in supporting the post COVID-19 recovery, sustainable competitiveness, social fairness and resilience.

Improving the resilience of citizens, companies and public, private and non-governmental organisations is crucial as the European Union, EU Neighbourhood region and Central Asia countries brace for a new surge in COVID-19 infections and growing restrictions. The socio-economic impact of the health crisis is currently deepening and will stretch into 2021. The education and employment policy makers and stakeholders are posed with a double challenge – manage the current effects of the crisis and explore new sets of policies, programmes and delivery mechanisms; to make sure they fit the new socio-economic paradigm in post-COVID-19 times as digitalisation and sectoral transformations deeply change the demand for skills, accelerate labour market transitions and require robust social protection mechanisms for wider categories of people.

The EU Neighbourhood and Central Asia countries, like all the other countries around the world, are faced with several challenges and difficulties in delivering services and support schemes in the areas of initial education, up/re-skilling and employment. These challenges include: (a) insufficient digital infrastructure to deliver online services; (b) reduced opportunities for providing on the job training, internships, apprenticeships; (c) insufficient staff to deal with increased number of registered unemployed, (d) need to build up the professional competences of the teaching and training staff to deliver education and training measures in online or hybrid format; (e) difficult planning and targeting of activation and training programmes due to uncertain economic conditions.

The webinars aimed at looking for experiences and practices, in identifying the specific role of skills development in relation to the ability of countries, societies and organizations as well as individuals to adopt resilient solutions and also embrace opportunities for post-crisis recovery. On the other side, the webinars offered the opportunity to bring to the table innovations and good practices that could support the post-COVID19 recovery and future opportunities enabling.

The first webinar on **27th October** ‘Hack Skills’ focused on the identification of the role of skills in building resilience solutions. After an opening session, the webinar offered two tracks to participants, the first track, focusing on Active Labour Market Policies, and the Second one focusing specifically on the world of enterprises.

The second webinar, on **10th-11th December** ‘Act on Skills’ focused on good practices and on specific policy pointers as regards active labour market policies, youth policies and enterprise development.

The two webinars allowed to confirm the role of skills in supporting resilience and post-crisis recovery for individuals, societies, organizations and countries. In particular several policy pointers were identified and confirmed

1. Incentivise skills development, upskilling and reskilling across the economy, ensuring skills support actions are part of crisis as well as recovery programs and incentives to individuals, organizations as well as countries,
2. Invest in digital services and training of public service staff to allow for increased attention to service delivery, inclusion and equity in the definition of public support measures;
3. Use data to address areas of vulnerability and address them in response to specific sector, age and gender needs having raised across economies;
4. Focus on education and training and transition to work for the COVID-19 generation, in particular establishing youth support programs and engagement strategies to ensure a 'no lock down generation';
5. Think to the future, avoiding mistakes done in past crisis of underestimating the role of skills in post-crisis recovery and development of new economic and social opportunities.
6. Build strong partnerships amongst actors to allow for innovation, sustainability and inclusion to drive the next generation of policies and specific actions as regards active labour market policies, employment strategies, enterprise support programs for skilling, upskilling and reskilling.

The European Training Foundation will continue in 2021 its work in this field with several studies and webinars to follow up on the results of the webinars and provide support to its partner countries in cooperation with the European Commission and International Donors and other organizations active in the area of support to human capital development.

All resources are available at [Hackskills and Act on Skills: Skills for post Covid-19 Recovery | Open Space \(europa.eu\)](#)

27th October 2020

With contributions from the European Commission, the ETF, the European Bank for Reconstruction and Development, the International Labour Organisation and the United Nations Industrial Development Organisation among others, key issues – including the wider use of digital tools in training and labour market interventions, the importance of social inclusion and a growing recognition of the need for more diversified training and skills approaches – were put under the spotlight.

Alison Crabb, Head of Unit, Skills and Qualifications at the European Commission's DG Employment, Social Affairs and Inclusion, said there was a pressing need to get more adults into training after so many jobs losses around the world to equip them with the skills to take advantage of new opportunities from growing innovative sectors. 'We need to see what we can do better or different to ensure people have the opportunities to build for a job,' she said, adding that the EU had made EUR 670 billion available for a post-COVID 'recovery and resilience' fund.

Susan Flocken, European Director of the European Trade Union Committee for Education, cautioned against devaluing professional skills and graduate qualifications by rushing to introduce short courses and micro-qualifications under the pressure of responding to the labour market impact of the pandemic.

The need for greater cooperation between the public and private sector in training had been highlighted during the pandemic, **Biljana Radonjic Ker-Lindsay**, Associate Director, the European Bank for Reconstruction and Development noted.

That point was underscored by **Sangheon Lee**, ILO's Director, Employment Policy Department, who said recovery was likely to be 'slow and uncertain' with the young, women, migrant workers and other vulnerable groups most at risk of long-term unemployment. More than 500,000 jobs have been lost worldwide during the pandemic, he added.

Following the plenary session, participants split into two groups for a closer examination of the policies needed for recovery, and the skills enterprises required to support sustainable, fair and resilient businesses in the future.

In the group focusing on policy, **Paul Comyn**, of the ILO's Skills and Employability Branch, said introducing better training policies and using online and blended learning in the future often depended on the relative wealth of countries, with the richer more likely to be able to afford innovation. 'Improved skills anticipation is needed and there needs to be more support for learners in skills and reskilling', he said. 'We need to use this opportunity to rethink our professional development strategies and the position of online and digital skills in those strategies.'

Christian Solgaard, Head of Labour Market Policy at the Danish Agency for Labour Market and Recruitment shared the experience of an EU country with very favourable labour market conditions at the beginning of 2020, which then experienced dramatic job losses, particularly low skilled jobs, which has adopted a forward-looking strategy in cooperation with social partners to invest in tomorrow's skilled labour.

Other contributors, including **Dajna Sorensen**, Deputy Minister of Finance and Economy, Albania and **Nino Veltauri**, Acting Deputy Director of Georgia's newly launched State Employment Protection Agency, **Daulet Argandykov**, President, Workforce Development Centre under the Ministry of Labour and Social Protection of the Population of the Republic of Kazakhstan detailed the national responses to social and employment support during the pandemic. They explained the pressure of ensuring business continuity, dealing swiftly with emerging challenges by implementing crisis management actions and, at the same time, building long-term strategies for recovery.

In a closing contribution on the essential role of public employment services in managing the post-COVID labour market, **Eamonn Davern**, Senior Expert at the Fondazione Giacomo Brodolini, pointed to the need for policies aligned with appropriate resources and implemented with integrated approaches focusing on the most vulnerable.

Nand Shani, Team Leader, Employment and Social Affairs Platform in the Western Balkans, Regional Cooperation Council and **Said Charna**, Senior Advisor, Economic Development and Employment Division, Union for the Mediterranean focused on the regional dimension and cooperation in the Western Balkans and the Mediterranean region respectively, underlying the importance of mutual learning, exchanges and partnerships in developing new solutions helping to overcome the COVID-19 economic and labour market consequences.

Concluding, the final speaker in this group, **Nina Ferencic**, Senior Regional Adviser, UNICEF Regional Office for Europe and Central Asia, made a plea for policymakers to remember those economically and socially hardest hit by the pandemic: young people. 'It is clear that young people need to be included in the entire COVID policy reaction,' she said, noting that young people had borne the brunt of unemployment – last in first out – and were

disproportionately dealing with mental health issues, fear and anxiety of what the future may bring.

The second group focused on the contribution of skills for enterprise development to support sustainable competitiveness, social fairness and resilience with presenters from the ETF partner countries – Armenia, Georgia and Jordan – and Italy.

Nikoloz Meskhishvili from the Georgian Farmer Association pointed to the opportunities which digitalisation can offer for training in the Georgian agricultural sector.

Meanwhile **Gagik Makaryan**, President of the Armenian Union of Employers urged caution and attention to the needs of different sectors and companies according to size in terms of selecting support measures. For Makaryan there is no doubt skills are crucial in relaunching business and stimulating innovation.

Eliana Janineh from the Jordan Restaurants Association shared with participants an outstanding example of sectoral cooperation and the care taken to provide structure and guidance to the Association's members in a time of crisis.

Presenting a good practice example from Italy, **Raul Caruso** from Assobenefit revealed the outstanding performance of 'benefit corporations' based on their social commitment, impact and inclusive policies and processes. 'Trust and work with the community is key to building resilience and embrace opportunities,' he added.

This session concluded with a presentation of COVID-19 actions and future opportunities for international collaboration and co-creation.

Riccardo Savigliano from UNIDO drew attention to the challenges of developing green skills in an inclusive manner. **Gokhan Dikmener** from the UNDP Istanbul underscored the role of the private sector in skills development; and **Mohammed Elrazzaz** from the Union for the Mediterranean highlighted the regional issues in skills development which can help in selection and implementation of appropriate skills development measures.

Webinar 10th - 11th December 2020

The second webinar organized by The European Training Foundation (ETF), in collaboration with the European Bank for Reconstruction and Development (EBRD), the International Labour Organization (ILO), the United Nations Children's Fund (UNICEF) and United Nations Industrial Development Organisation (UNIDO), continued the discussion and sharing of experiences focusing on skills development in the context of the COVID-19 crisis and recovery agenda.

Day 1 – 10 December 2020

Day one of the COVIDIMPACT – ACT ON SKILLS webinar focused on labour market activation measures and skills development, policy innovation, partnerships and youth employment and how they have responded to the impact of the health pandemic.

Policy-makers, experts and researchers from the ETF Partner Countries, EU Member States and regional and international organisations attended the virtual event organized by the European Training Foundation (ETF) in collaboration with the European Bank for Reconstruction and Development (EBRD), the International Labour Organization (ILO), the United Nations Children's Fund (UNICEF) and United Nations Industrial Development Organisation (UNIDO).

Beyond the pandemic crisis, two trends are fuelling changes in the labour market: the green transition and the technological transition, said **Anastasia Fetsi**, from the ETF. These trends will affect business models and production processes, “and hopefully create new jobs,” she added. In the short-term, as the global economy emerges from the COVID crisis, “no skills” will equal “no recovery.” Key elements will be the labour market, youth and enterprise development, she said.

Contributors to the first session on Skills Development in the framework of Active Labour Market Policies (ALMPs) were **Hilde Olsen**, Policy Officer, from the Employment Directorate of the European Commission; **Inès Baer**, Coordinator of the Future Skills Initiative (FSI) for the Agency for the Development of Employment (ADEM), Luxembourg; and **Zulum Avila**, Employment Services Specialist, International Labour Organization.

At EU level adaption and delivery are key issues for ALMPs with some countries using counselling measures to enable job uptake quicker. The scheme presented from Luxembourg was developed in response to changes in technology, regulations, the environment, and consumer demands. It involves three months of online work followed by six months of internships in the public sector. It focuses on project management and technical skills such as coding. The programme also works with companies, subsidizing SMEs to adapt to the new economic reality.

Zulum Avila highlighted the usefulness of ALMPs in response to prevailing economic uncertainty, especially for vulnerable groups noting that both Singapore and Australia have moved in that direction. South Korea has addressed issues related to technological training. Over two-thirds of educational institutions have moved entirely or in part to distance learning, Avila added. Some one-third have started to use artificial intelligence.

The second part of this session focused on ALMPs innovation in response to COVID-19 challenges in the EU Neighbourhood and Central Asia countries, **Raisa Dogaru**, Director, Employment Agency of the Republic of Moldova, outlined how her country has adapted to the COVID crisis by providing support to employers, boosting worker and unemployed protections and monitoring labour market trends. Physical job fairs have been replaced with e-fairs and an online job board. They are working on ways to recognise informally and non-formally learned skills and to address the special needs of vulnerable groups.

Lukasz Sienkiewicz, Fondazione Giacomo Brodolini, talked about an evidence-based approach to the current challenges and how to apply ALMPs in response. Outcomes can vary according to whether the measurements are short-, medium or long-term, he noted. Training, for instance, is most effective when targeted to specific groups. Incentives for start-ups can be useful, especially when used against counter-cyclical economic trends, and indeed they represent one of the most innovative labour market activation measures available.

In the second session on skills and labour market transition focus was given to ways to respond to the needs young people, and how to build resilience, skills and employment.

Afshan Khan, Director, UNICEF Europe and Central Asia Regional Office, drew attention to the specific challenges of young people as students who were shuffled from in-person learning to distance learning from one day to the next. ‘Not only was their formal learning disrupted, but young people had to adjust to the lack of peer interaction’, she added. Digital learning was especially complicated for vulnerable groups such as people with disabilities, rural citizens, language minorities and migrants. Some lacked adequate Internet access.

Moreover, the ETF Director, **Cesare Onestini**, highlighted the vulnerability of young people as they are at the fringe of social dialogue and have little representation at policy level.

'ETF together with UNICEF and other partners are working to make sure their voices are heard by policy makers', he said.

The key findings of the UNICEF-ETF study '**Preventing a 'Lockdown Generation' in Europe and Central Asia: Building Resilient Societies with Young People in the Era of COVID-19**'¹ were also presented together. **Murat Sahin**, Head of UNICEF Office in Kosovo and **Osama Makkawi**, UNICEF's Representative in Tajikistan gave examples of measures implemented to support young people and adaptation of education systems to build up resilience of learners and graduates.

Trina Hoti representing UNICEF Kosovo's Youth Reference Group spoke about the experiences of young people during the pandemic, their concerns and hopes. Trina Hoti signalled the imperious need to engage young people in decision making processes be it at school or society overall. **Ulrike Damyanovic**, ETF's Country Coordinator for Montenegro and Focal Point for South Eastern Europe and Turkey echoed the call for youth's inclusion in policy consultations and decision processes. She also emphasized the necessity of building resilience to cope with the effects of pandemic and prepare the young generation for a very dynamic economy in the future.

The session concluded with a zoom in on EU Neighbourhood regional cooperation and its potential to boost ETF Partner Countries' efforts for managing the socioeconomic effects of the crisis and avoid a long-lasting impact on younger generations. **Jeroen Willems**, Deputy Head of Unit in the Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR), European Commission, introduced the goals of the New Deal for Youth in the Eastern Partnership region and expected benefits for youth's employability. **Mohammed Elrazzaz**, representing the Secretariat of the Union for the Mediterranean (UfM) spoke about the potential of the cooperation for boosting economic development and youth employment in the region. While **Ognjen Markovic**, representing the Regional Cooperation Council spoke about the start of the EU IPA funded initiative on Youth Lab, focused on engaging young people in consultation and policy making processes in the Western Balkans countries.

Day 2 – 11 December 2020

This was the final instalment of a three-part webinar held over two days. Organised by the European Training Foundation (ETF) in partnership with the United Nations Industrial Development Organization (UNIDO) and the European Bank for Reconstruction and Development (ERBD), the event focused on the skills that companies need today and in the future – especially in light of megatrends such as innovation, the green economy and greater inclusion of underrepresented groups in the workforce.

Mattias Larsen, UNIDO, discussed the results of a global survey on the impact of COVID on industrial firms, which was carried out between May and July. A majority (58%) said that the crisis was having a substantial impact on their operations, with companies in developing countries especially hard hit. Many reported problems with obtaining inputs and supplies and with financial liquidity. About one-quarter said that the crisis could present new opportunities. Some 42% expect to need different kinds of skills in the future, with a focus on ICT and soft skills – showing that the pandemic is accelerating already existing trends. About two-thirds of firms had implemented additional safety measures, although the level of knowledge and

¹ <https://www.etf.europa.eu/en/publications-and-resources/publications/preventing-lockdown-generation-europe-and-central-asia>

confidence in these measures was uneven. The survey pointed to a handful of policy recommendations: (1) skills development should be enhanced; (2) the public sector should take a diversified approach; and (3) innovative practices in many parts of the world can offer lessons for others.

Alastair Usher, ERGON Associates, outlined a research project that is looking at skills development in agribusiness in Georgia, Morocco, Turkey and Uzbekistan. The study focuses on three fields: (1) the COVID crisis has exposed vulnerabilities but also revealed opportunities; (2) innovation and inclusion are key drivers; and (3) skills development is happening at the enterprise level, but it requires a more systematic policy framework and institutional support. Again, the pandemic seems to be accelerating already existing trends. There is evidence that it has spurred innovation and skills development, not only in terms of research and development but also in business systems and practices.

Agribusiness can offer flexible and entry-level positions for “some of the most vulnerable,” including women and youth. Some companies have been able to improve efficiency by investing in waste management and reducing food waste. Four key elements have been “teased out” from the research: skills, inclusion, innovation and greening. Innovation is often restricted to a small number of firms that are integrated into the global market. One challenge is how to help SMEs become more innovative. The “burgeoning of e-commerce and the platform economy” could help link people to value chains and help individuals supplement their incomes.

Biljana Radonjic Ker-Lindsay, Associate Director, Access to Skills and Employment - Gender and Economic Inclusion, EBRD, pulled some lessons from the 2008 economic crisis, when there was a “strong link” between inclusion and economic resilience. Companies that most successfully weathered that crisis combined unavoidable cutbacks with continued investments in research and development, new technologies and skills development.

Working with a leading healthcare provider in Georgia, the EBRD has helped prepare a new nursing textbook in the local language and to promote more gender balance. “When you introduce men” into female-dominated professions, “it boosts working conditions and earnings for everyone,” said Radonjic Ker-Lindsay. This should have “a long-term impact” due to closer matching between employer needs and skills and addressing labour shortages. In Kazakhstan, the EBRD is helping a local university train a cadre of mechatronic engineers, for which there is a high demand.

The data indicates that “women are disproportionately affected” by the COVID crisis and lockdowns, partly because they tend to take greater responsibility for taking care of children and the elderly. Women are also at higher risk of replacement by digitalisation and automation. “Skills development programmes need to concentrate on gender equality measures,” Radonjic Ker-Lindsay concluded.

In Turkey, only 38% of women participate in the labour market, compared to 78% of men. One energy company launched a programme to hire and retain women. In one year, the percentage of women in its workforce jumped from 4% to 25%. Key initiatives included the provision of childcare and flexible work arrangements, especially for women returning from maternity leave.

Other groups that deserve special attention include people in remote regions, youth, migrants, people with disabilities and older workers, said Radonjic Ker-Lindsay. Regions where many jobs depend on carbon intensive operations must be helped to move to the green economy.

Companies that invest in green jobs have demonstrated “higher resilience under COVID,” said **Riccardo Savigliano**, chief of Agro-industries and Skills Development, UNIDO. He added that “green business and manufacturing and services are attracting employers. It is personally attractive and increases the commitment from employees.”

In recent years, green growth has opened new niches in segments such as coffee and textiles. It encourages “engagement from investors and clients,” he said. It also increases efficiency. It is important that education and training are seen as investments and not costs, which is sometimes difficult for cash-strapped SMEs. The green approach should also adopt the old adage, “think globally but act locally.” Once again, the COVID crisis has accelerated already existing trends.

“Adequate skills are an asset for businesses,” Savigliano added, noting that it is important to “close the skills gap” – especially in light of the COVID-induced economic downturn. Reskilling must be a priority. Public-private partnerships can help in this regard, but they should add a D (for development), making the acronym PPPD.

Nicola Farronato, Head of Innovation Team, City of Turin, described the municipality’s drive to use a smart-city approach to attract investors and talent, including entrepreneurs, who “provide a strong push for innovation.” The Turin City Lab boasts 70 partners – from industrial giants to research institutions. Over the last two years, these actors have embarked on some 60 experiments in innovation. Sector hubs include mobility, science, healthcare, Industry 4.0 and aerospace. The Torino Reshoring project is working to recruit foreign companies to invest in the city. Upskilling and reskilling will be essential components of the transformation from a post-World War II economy based on heavy manufacturing to a centre of innovation.

Xavier Matheu de Cortada, Head of Policy Unit at the ETF, concluded the session by announcing a new programme called Skills for Enterprise Development to be launched in 2021 “to support enterprises with skilling and reskilling.”