

# Speech Alban Maggiar – SMEUnited President

EUROPA-MEISTER Project - Final Conference

9 July 2020

Ladies and Gentlemen,

Let me thank UNIEP, President Schulz, Secretary General Patrizia di Mauro and all the consortium's partners for inviting SMEUnited at your final conference

As you may know, **SMEUnited** is the European umbrella organisation for Crafts and SMEs in Europe. With 65 member organisations from over 30 countries, it includes national cross-sectoral federations and European SME branch organisations, like UNIEP. It speaks on behalf of 24 million European SMEs representing almost 100 million employees.

**These SMEs depend essentially on well-qualified employees to thrive in a more and more challenging environment.** Crafts and SMEs contribute to a large extent to Initial and Continuous vocational education and training. VET is a **key pillar** for the development and the competitiveness of Crafts and SMEs.

**Promoting and developing higher VET and investing in digital and green skills are a must.** This is the best way to get the skills and competencies requested by our entrepreneurs.

Your initiative aiming to create a European Meisterbrief is a clear **move towards excellence**. This is the best approach to make your painter and decorator profession more **attractive** to young people. They need to be **proud** of their VET qualifications and their MEISTER diploma.

SMEUnited supports your consortium in their commitment to **improve painter skills in Europe**. Creating this profile with the right elements of the “know-how, skills and competencies” is a very ambitious task - and you did it.

Designing a multilingual competency profile for painters and decorators is a great example of the **added value of European cooperation** in sectoral skills development. It should be further promoted. Even more, it should be considered as a **very good practice** and the approach could be **duplicated** in other sectors.

The Covid-19 pandemic has profoundly disrupted the smooth functioning of SMEs and crafts. Cash flow difficulties, solvency problems, drop in turnover have led the companies - unwillingly - to lay off their employees or postpone hiring. SMEUnited is of the opinion that **qualification requirements are the basis for the economic recovery and future growth**. This is why SMEUnited welcomed the new Commission's package on skills.

I have been asked to give some SMEUnited reflections on this new European Skills Agenda, and on the various policies and instruments proposed by the European Commission to address the **skills shortages and mismatches**. As a matter of fact, **almost 80%** of firms experience a lack of skilled staff as an obstacle to their investment. Let me share some comments on each of the five building blocks of this new agenda.

1) The Commission calls for a **Pact for Skills** to be presented during the European Vocational Skills Week in November in Berlin. The Pact aims at **creating large-scale partnerships** among public and private stakeholders. SMEs are specifically mentioned as key actors of these partnerships. SMEUnited recommends that **SME organisations**, Skilled Crafts Chambers and social partners, including at sectoral level, be **involved in the design and delivery of qualifications**. This is the only way to have a **demand-led system** which is well adapted to employers' and jobseekers' expectations.

2) In the second building block of the Skills Agenda, the European Commission puts forward the '**skills to job**' approach. SMEUnited promotes this approach as, for many years, small and medium enterprises have been experiencing a **persistent lack of skilled staff**, but also a **general lack of basic skills**. Therefore, SMEUnited asks for a **modernisation of the education and training systems** in order:

- first, to equip youngsters with robust basic skills, and
- second, to rapidly reply to the changing needs of the labour market.

The success of this second building block relies on **future-proof VET, apprenticeship and strong entrepreneurial skills**. Apprenticeship is the game changer to address the skills shortages in small and medium enterprises. At SMEUnited, we are convinced that **apprenticeships benefit both employers and learners**. Therefore, we continue advocating for the development of such schemes in Europe. Becoming an apprentice enables young people to gain their first professional experience, to learn on the job both the **technical and the human dimensions**. This type of learning is priceless and can only be achieved with hands on work experiences.

From what our members tell us, we know that many small enterprises are not always ready to propose apprenticeship placements. And this might even become more difficult with the COVID crisis. With this in mind, we motivated the European Commission to provide **financial support for SMEs that offer apprenticeships and we got it as part of the five building blocks**.

3) In the third building block, the European Commission puts forward some tools **empowering individuals to build their skills throughout their lives**.

Social partners should be actively involved. **Upskilling and reskilling** can be achieved in different ways. Individual learning accounts should not be imposed as the only valuable solution for all Member States. As **European Social Partner**, SMEUnited will also contribute to the development of **micro-credentials** in the next months to ensure that they are clearly defined and designed to improve the recognition of skills acquired in work.

4) In the fourth building block, the Commission sets **four ambitious targets on participation in continuous training** in terms of age category and percentage.

But SMEUnited stresses that **SMEs still face specific challenges** such as:

- the **cost** of training,
- the lack of an adequate **training offer tailor-made** for each learner,
- the difficulty to **deliver training during the working time**,
- the difficulties to **motivate workers**, and

- the lack of the necessary resources and support to design a **professional development and training plan**.

**Entrepreneurs** should also benefit from the **relevant training supply** for themselves, taking into account the very rapid developments in new technology and digitalisation.

5) In the **fifth and final building block** of the new Skills Agenda, the Commission identifies all **financial instruments to foster investment in skills** in the next five years, through “Next Generation EU” and the next Multiannual Financial Framework.

**SMEUnited particularly welcomes the possibility to give SMEs direct subsidies to hire apprentices.** This kind of support will definitely stabilise and increase the supply of quality and effective apprenticeships.

Ladies and gentlemen, let me conclude by saying that we are definitely at a **turning point** in our economy. Solid skills will make the **difference** in our future. The new Skills Agenda calls for very **ambitious actions and policies** and we will have to work **together** to reach these targets.

For that, you can count on **SMEUnited full commitment**.

Once again, I would like to congratulate all of you for your project. You made a **step forward** on quality assurance in the painting profession. As I said, I do hope that such a successful initiative will be **scaled up** in other sectors.

I wish you all the best for the concrete implementation of the European Meisterbrief. We will be happy to promote it as a good practice in Europe.

Thank you for your attention.