

## **DECLARATION**

## Call for stronger funding commitments within the next EU long-term budget for education and skills

The European Parliament Intergroup on the Future of Education and Skills for a Competitive Europe echoes the Union of Skills' statement that 'Education and skills are an investment - not a cost - which yields benefits many times over'. In view of the upcoming proposal for the next Multiannual Financial Framework 2028-2034 (MFF), the European Commission has now the chance to fully stand by its declaration to meet European objectives and targets in the field of education and training.

Within this context, the Intergroup calls for a strong investment that matches EU's ambitions, especially in light of the consistent underinvestment in the education and training sector (less than 5% of GDP and less than 20% of public expenditure). Member States public expenditure on education and training was at historically low levels in recent years, with the sector experiencing the largest drop out of all other policy fields in the period post COVID-19¹. The return on investment for every year of learning is 10%², while tertiary educated adults in OECD countries have a return on their earnings of 15% for men and 18% of women³. Moreover, according to the European Investment Bank (EIB), skills represent a barrier to investments. **The next MFF needs to clearly underline the joint responsibility for education and training**, encouraging Member States to dedicate at least 5% of GDP to education and at least 1% of GDP for training.

The Intergroup calls for the next EU budget to recognise the value of education and training in its universality and invest meaningfully in it:

Stronger Funding Commitments under the new MFF: A strategic approach to achieving the Union of Skills and the European Education Area requires a horizontal perspective, with at least 20% of the entire MFF funding earmarked for education and training, ensuring that each European can develop the right competences to thrive and to support competitiveness. InvestEU's successor, the European Social Fund and the National Recovery and Resilience Plans must prioritise investments in education and training. We recall here the

<sup>1</sup> https://op.europa.eu/en/publication-detail/-/oublication/b172797d-3752-11ef-b441-01aa75ed71a1/language-en

https://blogs.worldbank.org/en/education/50-years-after-landmark-study-returns-education-remain-strong

<sup>&</sup>lt;sup>3</sup> https://www.oecd.org/en/publications/education-at-a-glance-2024\_c00cad36-en.html

European Parliament's position to allocate 10% of the National Recovery and Resilience Plans to education.

- A Stronger Erasmus+: Within the MFF, the Erasmus+ must remain a stand-alone programme and its overall objective and impact should not be compromised, no matter the structure of the new EU budget. Any potential division of the programme between the mobility and skills pillars should be carefully managed to avoid unintended negative consequences. Erasmus is the fourth most known programme of the EU<sup>4</sup> and defines the EU's unique value. Erasmus+ is an essential part of European citizens' growth, sense of belonging, and identity. Erasmus+ needs a five time budgetary increase, as per Mario Draghi's call<sup>5</sup>. A tripling, according to European Parliament analysis<sup>6</sup>, is the bare minimum to maintain the current scope of the programme insufficient for the promises of the Union of Skills and the European Education Area. Such additional funding should in part be used to increase the participation of VET students and institutions. This house sets clearly its position in the negotiations: Erasmus+ must be increased<sup>7</sup>.
- Key measures to ease investment in education and training: The European Union should seek to implement key measures for the EU competitiveness and resilience as allowing greater flexibility in the treatment of education-related investments under EU fiscal rules, monitoring education investments, skills shortages and reforms through the European Semester, establishing specific EU instruments or funding streams as macroeconomic policy tools dedicated to educational infrastructure and centers of vocational excellence.

While underinvestment needs to be overcome, existing resources also need to be more efficiently used. The next MFF must:

- Recognise all sectors of learning, from early childhood education and care, initial education and care to adult education, increasing the standing of VET, and advancing non-formal and informal learning;
- Define competitiveness in education and training beyond solely economic terms, underlying the priorities of education and training to address democratic participation, resilience, promotion of sustainability and gender equality;
- Remove obstacles to adult learning and boost innovative financing. Individual Learning Accounts (ILAs) can be an important way to support the financing of adult learning, particularly for workers who are not able to receive training from their

<sup>5</sup> Report on the future of European competitiveness

<sup>&</sup>lt;sup>4</sup> 2018 Standard Eurobarometer 90

<sup>&</sup>lt;sup>6</sup> Report on the implementation of the Erasmus+ programme 2021-2027 Report on the implementation of the Erasmus+ programme 2021-2027

<sup>&</sup>lt;sup>7</sup> REPORT on a revamped long-term budget for the Union in a changing world

long-time employer. For employers, a shift in their mindset needs to be achieved, using dedicated funding so they view skills training as an investment and a driver of EU competitiveness;

- Be linked to policy reforms and to meaningful change in long-lasting fields such as:
  - Equity in education and training
  - Diploma, qualifications and competences recognition, validation and portability
  - Basic skills attainment
  - Cross-sectoral cooperation in education and training;
- Be co-created with all relevant stakeholders, taking into consideration the views of the European citizens.<sup>8</sup>

The Intergroup calls on the European Commission to deliver its objectives and proposals, and on the EU Member States to put education and skills at the centre of the EU's renewal.

Signatures:

VP Victor **NEGRESCU**, S&D Co-Chair

MEP Eleonora MELETI, EPP Co-Chair

MEP Brigitte van den BERG, Renew Co-Chair

MEP Nela RIEHL, Greens/EFA Co-Chair

The European Parliament first ever Intergroup on the Future of Education and Skills for a Competitive Europe aims to improve the quality, equity, and inclusiveness of education and training systems across Europe in a holistic and forward-looking approach. It tackles pressing challenges and trends such as the growing scarcity of education professionals and trainers, upskilling and reskilling for the twin transitions, the declining basic competences of learners and skills shortages in various sectors, the creation of an EU investment framework for higher education and investments in educational infrastructure. We must transform education in a strategic priority for Europe and co-design a vision on the future of education and skills, in line with our common priority to ensure skills supply for Europe's sustainable prosperity and competitiveness, with all stakeholders, in a participative way.

For more details regarding the Intergroup on Future of Education and Skills for a Competitive Europe, please contact victor.negrescu-office@europarl.europa.eu

<sup>&</sup>lt;sup>8</sup> Final Recommendations of the European Citizens' Panel on a New European Budget Fit for Our Ambitions: