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DIRECTORATE-GENERAL FOR EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION

Labour Mobility and International Affairs
Labour Mobility, Public Employment Services, ELA

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EMPL.E.1

Member States Working Group on ESCO

15 March 2023, 9:30

Breydel 2, room 402

Avenue d'Auderghem 19, 1040 - Etterbeek

Minutes

1. Approval of the agenda

The agenda of the meeting was approved with no further changes.

The minutes of the previous Member States Working Group (MSWG) meeting were approved without further changes. All action points included in the minutes from the last meeting have been implemented.

2. Nature of the meeting

The Member States Working Group on ESCO (MSWG) was attended by:

- representatives of 16 Member States' (MS) authorities on labour market and education and training (BE, BG, DK, DE, EL, FR, HR, IT, LV, LT, NL, PL, PT, SI, SK, SE)
- representatives of one observer country (IS),
- representatives of European social partners (ETUC, SME UNITED),
- Commission, ELA, ETF and CEDEFOP services.

The European Commission (COM) chaired and opened the meeting, the first in-presence meeting since the beginning of the COVID 19 pandemic. COM reminded members about the administrative procedures for the reimbursement of travel expenses and stressed that

participation to the meetings of the Member States Working Group is open to only one representative per country. A second participant was exceptionally allowed for this meeting, provided that Member States would cover the travel expenses.

COM welcomed newly appointed representatives for EL, ES and LV, and updated members on the results of the final round of inter-institutional negotiations on the European Year of Skills. A note on recent developments in the European cooperation for employment, education and training was circulated prior to the meeting. No comments were received on the topics addressed in the note.

COM introduced the structure of the meeting and informed all participants that the meeting documents were circulated prior to the meeting through the AGM portal. The meeting was not recorded.

3. List of points discussed

3.1 Towards ESCO v1.2: key elements and timeline

COM presented the state of play of the work for the next major version of ESCO (ESCO v1.2), looking in particular at how data science and artificial intelligence supports the actions undertaken to create new content (occupations, skills and knowledge concepts) in line with labour market trends.

COM presented the methodology applied to this update which is structured in five steps:

- Data collection from various sources (stakeholders' input, MS taxonomies, online job advertisements, Europass user profile data).
- Processing of different data sources while enriching existing information with metadata clustering of extracted information, mapping content to existing ESCO concepts through AI models and identifying potentially new concepts via semantic similarity scores.
- Manual validation that involves comparing the inputs from the external sources to ESCO to determine whether they are already included in the classification.
- Quality review and drafting of new concepts, including allocating new occupations and skills and knowledge terms to the underlying hierarchies.
- Final quality review of drafted concepts.

COM also provided practical examples of the sectors and fields addressed in this new version.

COM presented an updated timeline for the release of ESCO v1.2. Due to the summer break COM proposed to delay the consultation of the ESCO Member States Working Group of a few months and to begin the translation process in September 2023, leaving more room for translations. ESCO v.1.2 will be therefore released in the first quarter of 2024, compared to the original target date of November 2023.

Participants were informed that the consultation phase will last one month after which the input received will be analysed and processed once again.

Finally, COM discussed the concrete steps of this consultation process and how Member States will be able to provide the input in a dedicated IT platform. This makes it easier to store and process the feedback received by the MSWG, ensuring that the consultation is conducted in a user-friendly way.

The following points were raised during the subsequent discussion:

- Members asked whether the input for the new content is processed in all European languages. COM confirmed that, while most of the contributions are submitted in English, data in other EU languages (such as national classifications of occupations or Europass profiles) are also used for the new ESCO version.
- Members asked which languages will go through major changes with the next version. COM confirmed that all existing languages will be revised.
- Members asked about the implications of the new version in EURES. COM stressed that for the moment ESCO v1.0. is still the version used in EURES and that focus is now placed on ensuring quality of the mappings between national classification and ESCO. A proposal to update the Implementing Decision 2018/1020 will in any case undergo the comitology procedure.

3.2 The role of data science in the continuous update and maintenance of ESCO

COM provided a comprehensive overview of how data science is applied to maintain ESCO and how it will be used in the future, and provided concrete examples on how labour market data on occupations and skills are clustered and mapped to ESCO. COM presented the data sourced analysed for ESCO version 1.2: national classifications of occupations and skills, mapping tables and crosswalks with other classifications, combined analysis of online job advertisements and courses, digital skills and workers' profiles in Europass.

The following points were raised during the subsequent discussion:

- Members asked if changes to ESCO terms would have consequences on national collective bargaining processes. COM reaffirmed the need for ESCO to be constantly updated in response to the evolving nature of the labour market. Decisions to adapt it to the national systems lies on the Member States and that ESCO is unlikely to have this impact.
- COM provided further details on the validation process and the structure of stakeholders' input.

3.3 ESCO in EURES: current state of the mapping/adoption process

COM gave an overview of the state of play of the implementation of ESCO in EURES. The mapping/adoption process across EURES countries has the following status (data as reported by MS from March 2023):

- 24 countries mapped to ESCO occupations (AT, BE, BG, CY, CZ, DE, DK, EE, ES, FR, HR, HU, IT, LU, LV, MT, NO, NL, PL, PT, RO, SE, SI, SK);
- 5 countries mapped to ESCO skills (BE, DE, LU, MT, SK);
- 4 countries adopted ESCO occupations and skills (FI, GR, IE, IS).
- 11 countries are currently working on mapping/adopting ESCO skills (BG, CY, EE, ES, FR, HR, HU, LT, LV, SE, SI)
- 3 countries still have to complete the mapping/ adoption process of the ESCO occupation pillar (CH, LIE, LT)

Additionally, COM emphasized the significance of the ongoing quality checks carried out on the mapping tables and presented the additional services that Member States can benefit from in order to enhance the mapping of their national taxonomies to ESCO. COM invited Member States to express their interest in the services described, and in particular in quality assuring the existing mappings through artificial intelligence.

In addition to providing a general overview of the procedure, COM underlined the importance of data quality in the mapping tables for: (i) improving the functioning of the EURES engine; (ii) supporting the identification of missing occupations and skills and/or synonyms; (iii) improving translations; (iv) supporting training of AI models.

COM provided an overview of the encoding of JVs and CVs with ESCO URIs based on the latest figures from the European Labour Authority. The number of JVs tagged with at least one ESCO occupation or skill is still not sufficient, with some countries still struggling to provide an adequate number of JVs and CVs to the EURES platform. Similar (and in some cases even lower) figures can be seen for CVs. COM stressed that providing JVs and CVs tagged with ESCO terms is a legal obligation and that COM will closely monitor progress over the next months before taking consequent legal steps towards uncompliant Member States.

The following points were raised during the subsequent discussion:

- Members asked how to deal with multiple mappings and if it is possible to map to higher levels (i.e. ISCO). COM referred to the existing mapping guidelines and invited Member States to contact the ESCO Secretariat in case of specific questions.
- Members recommended improving the format of the mapping tables published on the ESCO portal, as some of them can be difficult to read. COM will publish instructions on how to navigate the tables and read the data in the different formats.

3.4. Results from the third phase of the pilot project for linking qualifications with ESCO skills – a pilot exercise

COM reported on the results of the third phase of the pilot project for testing the use of an automated approach for linking learning outcomes of qualifications to ESCO skills.

COM gave an overview of the methodology used in this pilot and underlined the importance of linking qualification to skills in order to:

- enrich information on qualifications,
- promote transparency of information on qualifications
- improve individuals' chances on labour market through better skills-based job matching and
- support upskilling-reskilling by matching individuals with the right training.

COM emphasised that the results of the third phase are encouraging despite the fact that challenges still stay in the sphere of performance across languages, text fragmentation, comprehension of contextual information, misinterpretation of key words. Therefore, more data are needed to improve the accuracy of the model and reduce manual browsing.

Finally, COM presented the next steps based on the pilot projects' results. An open version of the linking application, available to all ESCO stakeholders without requiring user authentication, will be added to the ESCO portal. The Group endorsed the proposed approach.

3.5. Workshop: how to improve sharing of data between the national level and ESCO

COM organised a workshop to discuss concrete options for data exchange with the Member States and how to develop a structured communication channel between the involved parties.

The workshop focused on three main topics: a) sharing quantitative data available at national level b) sharing qualitative data based on the usage of ESCO in concrete services and c) peer learning and knowledge exchange on ontology management with the following aims:

- To highlight the importance of sharing labour market data between national authorities and ESCO;
- To streamline the collection of feedback on the current and upcoming versions of ESCO and make ESCO more suitable and aligned with national taxonomies;
- To explore new avenues of collaboration between Member States and ESCO to further enhance interoperability and peer learning opportunities on labour market services;
- To jointly reflect on a continuous process to exchange labour market data.

3.6. The use of ESCO for providing Skills Intelligence in Europass

COM presented how ESCO is being used for the development of a Skills Intelligence module in Europass, based on the 2018 Europass Decision and the 2020 Skills Agenda. This module aims at making online information based on data analysis accessible and understandable to a wider audience thus helping users in managing their careers and

providing a clearer picture of occupations and skill requirements (user perspective). COM presented the data sources used for skills intelligence based on Eurostat data, data from the CEDEFOP Skills OVATE project and ESCO.

COM provided a more comprehensive review of the significance of ESCO in this process, outlining how one of its strongest functions is that it allows to understand which are the essential and optional skills for each occupation. COM demonstrated some of the practical use cases in which end-users can select an ESCO occupation and are displayed with an ordered list of skill groups that are most relevant for that occupation.

The following points were raised during the subsequent discussion:

- Members asked whether data from candidate countries are also used in this process. COM replied that the skills intelligence work in Europass is focused on the European labour market.

3.7. ESCO implementation at national level – case study (Presentation VI)

The Icelandic Directorate of Labour (DoL) provided an updated on the adoption of ESCO in Iceland. IS provided a general overview of their decision-making process for switching from ISCO to ESCO and highlighted the importance of the financial support received from the European Commission. The key applications of the new system by the Icelandic PES are the processing of applications and membership declarations, calculation, payment and monitoring of unemployment benefits, and the provision of matching and career guidance services.

The main challenge encountered in implementing ESCO concerns the quality assurance of existing translations. Icelandic implementers use around 55% of ESCO occupations and have reported that 10% of the ESCO occupations do not exist in the Icelandic labour market. Iceland is currently quality assuring the translation of ESCO skills and knowledge concepts and is currently implementing a new matching engine which will feature the use of ESCO skills.

4. Next steps

COM closed the meeting and thanked the participants for their active participation. COM invited the participants to send written comments and inputs as a follow up to this discussion. The next plenary meeting is tentatively scheduled for November 2023, while the next online focus meeting is tentatively schedule for 6 June 2023.