

Union of Skills SEA Europe position

1. Presentation of the Industry

The European maritime manufacturing industry stands as a global leader in complex shipbuilding and maritime equipment manufacturing. Comprising around 300 shipyards and over 28,000 maritime equipment suppliers and technology providers, the industry generates an impressive €128 billion annually and employs 1.1 million highly skilled workers in Europe (35% HE/Engineering, 60% VET, and technical education).

European shipyards are at the forefront of innovation in commercial and naval shipbuilding, as well as expertise in fixed and floating platforms, particularly in renewable energy (e.g., wind energy). The industry also excels in ship maintenance, repair, and retrofitting, relying on a supply chain that integrates advanced systems and technologies from European equipment manufacturers. This sector forms the backbone of Europe's blue economy, playing a crucial role in the waterborne value chain and naval defense. With 9% of its annual turnover directed towards research, development, and innovation, European maritime manufacturing remains one of the most innovative industries on the continent.

2. Problem Definition: Challenges in Attractiveness, Skills and Training

Despite its leadership, the maritime manufacturing industry faces significant challenges, especially concerning workforce skills and training. Key challenges include:

- **Workforce Retirement and Talent Competition:** The retirement of 40% of the workforce by 2030 presents a significant challenge, compounded by the need for new talents and youngsters to replace those leaving. Moreover, competition for skilled labour from other tech-driven sectors poses a threat, potentially hindering recruitment efforts.
- **Perception of the industry:** The industry's image is perceived as less modern and innovative by younger generations, making it harder to attract new talent. In reality, most of the shipyards and maritime equipment manufacturers are amongst the most innovative and advanced industrial players, producing complex but green ships, retrofitting polluting ships into climate-friendly vessels, and producing advanced technologies.
- **Skills Gap in Decarbonization and Digitalization:** The industry needs to decarbonise and digitalize, this transition has and will have an important impact on the workers that will require new specific skills and training.
- **Sectoral Training Resources:** Limited availability of sector-specific training and educational programs and the high cost of in-house training are barriers to long-term competitiveness, especially for SMEs.
- **High mobility of workers:** There is a need for mutual recognition of skills and certifications to ensure a flexible workforce across the EU and a highly skilled EU-wide supply chain.

3. Policy Recommendations

To address these challenges and safeguard the future of the European maritime manufacturing industry, we propose the following policy recommendations:

- Sector-specific policies for Training and Education

Create an European network of **sectoral** VET centres that can share information, develop joint training and courses and facilitate the mobility of students –in close relation with companies. VET centers in

the EU maritime regions should be empowered as providers of quality training and innovative services. This will support nearby shipyards and their supply chains in closing the existing skills gap. Moreover, the network should connect industry, VET, and workers.

Develop **Master and specialisation programmes** and modules at HE institutions to support the specialisation in shipbuilding / maritime tech domains

- Expand Work-Based and digital Learning Schemes

Strengthen policies and regulations that encourage the development of sustainable work-based and digital learning schemes, in collaboration with educational institutions and shipyards. This approach would broaden learning opportunities and offer valuable hands-on experience for workers.

- Promote Maritime Manufacturing Careers

Support the design and implementation of campaigns to reshape the perception of maritime manufacturing careers, highlighting their technological and innovative aspects to attract young talent.

- Support Upskilling and Reskilling Initiatives

Facilitate EU-wide education and training programs that enable companies to upskill and reskill their workforce. Special emphasis should be placed on supporting SMEs, which often lack the financial resources to establish in-house training schools like larger companies. SMEs, therefore, require additional financial support to ensure their workers have access to upskilling and reskilling opportunities. Additionally, efforts should be made to ensure that qualifications acquired through these programs are recognized across the EU.

- Foster Mobility of Workers

Implement a mutual recognition system for certifications across the EU, allowing for greater mobility of workers within the sector. This would enable a more flexible workforce and alleviate regional skill shortages.

- Support Social Dialogue

Promote and strengthen social dialogue structures. Ensure public funding that supports quality jobs and respects the autonomy of social partners.

- Pact for Skills

Ensure sufficient and permanent financial support for the implementation of an ambitious Shipbuilding Pact for Skills.

4. Union of Skills

SEA Europe is glad that the Union of Skills acknowledges already several key challenges related to skills, e.g skills shortages and the need for upskilling/reskilling in the context of Europe's green and digital transitions that leads to evolving skill needs.

Moreover, several initiatives in the Union of Skills seem in alignment with our proposed policy recommendations:

- ❖ **European strategy for Vocational Education and Training**, aimed at promoting excellence in VET and increasing the number of people with VET qualifications, including apprenticeships,

- ❖ **EU Skills Academies** to deliver the skills needed by industry for the green transition and the Clean Industrial Deal
- ❖ **STEM Education Strategic Plan**, promoting STEM skills and careers - many shipbuilding-related careers require strong STEM skills.
- ❖ **Skills Portability Initiative** aims to ensure that qualifications and skills gained in one EU country are recognized in others
- ❖ **European VET Diploma** to facilitate mobility of learners and workers in the EU.

Conclusion

The Union of Skills addresses many of the challenges faced by the maritime manufacturing industry and provides broadly aligned policy responses. However, SEA Europe emphasizes the need for a coordinated EU-level strategy with industry-specific measures and EU-level training to reach out the entire supply chain. The following critical elements should be integrated into the Union of Skills:

Financial Support for SMEs to Upskill and Reskill Workers

- **Increased access to EU funding programs:** Introduce dedicated funding schemes or expand existing ones specifically tailored for the maritime manufacturing industry. These funds could cover upskilling, reskilling, attractiveness, and lifelong learning programs, particularly for digital and automation skills.
- **Co-financing models:** a combination of grants and tax credits would likely be the most effective strategy: grants can provide immediate financial assistance, allowing companies to invest in high-quality training programs without significant financial outlay upfront. While tax credits can incentivize sustained investment in training, rewarding companies for their ongoing commitment to skills development.
This would enable also smaller shipyards to benefit from high-quality, industry-specific training resources without bearing the full cost.

Network of Sector-Specific Training Hubs

- **Vocational Excellence Centers:** Establish a European network of vocational training centers specifically focused on shipbuilding sector. These centers should develop advanced, specialized curricula aligned with the latest industry needs.

Enhancing Work-Based Learning Schemes

- **Virtual and distance learning resources:** Invest in digital platforms to provide accessible, flexible, sector-specific online training courses, particularly for remote or smaller companies that may find it difficult to access traditional training opportunities.
- **Dual-education programs:** Encourage member states to adopt or enhance dual-education systems, combining on-the-job training with theoretical education, specifically targeted at the maritime sector.

Promote Maritime Technology Careers to Young People

- **Industry-wide campaign:** Support campaigns aimed at reshaping the perception of maritime careers, highlighting their technological and innovative aspects to attract young talent.