New measures to boost key competences and digital skills, as well as the European dimension of education

The new proposals come only two months after European Heads of State and Government discussed education, training and culture at the Gothenburg Summit in November 2017. They are intended to reduce socio-economic inequalities, whilst sustaining competitiveness in order to build a more united, stronger and more democratic Europe.

Jyrki **Katainen**, Vice-President of the Commission for Jobs, Growth, Investment and Competitiveness, said: "*Today's initiatives aim at empowering individuals so that they can make the most of their lives and so that we can build fair, resilient economies and societies. We need to ensure education delivers for all, across Europe, and so that everybody can adapt to and benefit from change. This is vital for Europe's sustainable growth and competitiveness and will be even more so in the future. We are ready to support and to work together with Member States to make this happen*."

Tibor **Navracsics**, EU Commissioner for Education, Culture, Youth and Sport, said: *"Europe's education and training systems need to give people from all backgrounds the right competences to progress and prosper professionally, but also enable them to be engaged citizens. We need to harness the potential of education to foster social cohesion and a sense of belonging. To do so, we have to build on our common values and make sure that education enables pupils to experience their European identity in all its diversity, learn more about Europe, about other European countries and about themselves."*

Mariya **Gabriel**, EU Commissioner for The Digital Economy and Society, added: *"The digital age is expanding into all areas of our lives, and it is not just those who work in IT that will need to be alert of the digital transformation. The digital skills gap is real. While already 90% of future jobsrequire some level of digital literacy, 44% of Europeans lack basic digital skills. The Digital Education Action Plan we propose today will help Europeans, educational institutions and education systems to better adapt to life and work in increasingly digital societies."*

The new proposals will also feed into the first European Education Summit which Commissioner Navracsics will host in Brussels on 25 January with the theme of "Laying the foundations of the European Education Area: for an innovative, inclusive and values based education".

The three initiatives proposed by the Commission are:

1. A **Council Recommendation on Key Competences for Lifelong Learning:** Building on the Recommendation on Key Competences adopted in 2006, this

proposal brings forward important updates reflecting the rapid evolution of teaching and learning since then. It aims to improve the development of key competences of people of all ages throughout their lives and to provide guidance to Member States on how to achieve this objective. A particular focus is placed on promoting entrepreneurial drive and innovation-oriented mindsets in order to unlock personal potential, creativity and self-initiative. Moreover, the Commission is recommending steps to foster competences in science, technology, engineering and mathematics (STEM) and motivate more young people to embark on a career in these fields. The proposals made today should also be seen as part of the answer to urgently improve European education systems to face the many challenges highlighted in the latest PISA survey. More generally, the measures will support Member States in better preparing learners for changing labour markets and for active citizenship in more diverse, mobile, digital and global societies.

2. A **Digital Education Action Plan** that outlines how the EU can help people, educational institutions and education systems better adapt to life and work in an age of rapid digital change by:

- making better use of digital technology for teaching and learning;
- developing the digital competences and skills needed for living and working in an age of digital transformation; and
- improving education through better data analysis and foresight.

Initiatives include supporting schools with high-speed broadband connections, scaling up a new self-assessment tool for schools on the use of technology for teaching and learning (SELFIE) and a public awareness campaign on online safety, media literacy and cyber hygiene.

3. A **Council Recommendation on common values, inclusive education and the European dimension of teaching:** This initiative proposes ways in which education can help young people understand the importance of and adhere to common values set out in Article 2 of the Treaty of the European Union. It aims at strengthening social cohesion and contributing to fight the rise of populism, xenophobia, divisive nationalism and the spreading of fake news. The proposal also strengthens inclusive education to promote quality education for all pupils as well as the European dimension of teaching, so children also learn about Europe’s common heritage and diversity and get a good understanding of the functioning of the EU. To support these aims, the Commission will take steps to increase virtual exchanges among schools, notably through the successful e-Twinning network, and boost school mobility through the Erasmus+ programme.

Background

Heads of State and Government informally discussed education and training at the Gothenburg Social Summit in November 2017, guided by the Commission’s

Communication ‘Strengthening European Identity through Education and Culture‘. This resulted in the European Council conclusions of 14 December 2017 calling on Member States, the Council and the Commission to take forward the agenda discussed in Gothenburg. The review of the 2006 Council Recommendation on Key Competences for Lifelong Learning was announced in the New Skills Agenda for Europe adopted in June 2016. To prepare its proposal, the Commission held a public consultation and a stakeholder conference in 2017.

The proposed Council Recommendation on promoting common values, inclusive education, and the European dimension of teaching builds on the Paris Declaration on promoting citizenship and the common values of freedom, tolerance and non-discrimination through education adopted at the informal meeting of Education Ministers on 17 March 2015. It was announced in the Commission’s Communication on Supporting the prevention of radicalisation leading to violent extremism of 14 June 2016. To guide its proposal, the Commission held a public consultation in 2017.

For more information

Memo – Questions and answers

Factsheet on the European Education Area

Factsheet on Key Competences for Lifelong Learning

Factsheet on the Digital Education Action Plan

Factsheet on promoting common values, inclusive education, and the European dimension of teaching

Council Recommendation on Key Competences for Lifelong Learning

Council Recommendation on promoting common values, inclusive education, and the European dimension of teaching

Digital Education Action Plan

Digital learning webpage

Gothenburg factsheets

IP Key China official launch

January 17, 2018 *European Trade Mark and Design Network*

IP Key China official launch

On 17 January the Office officially launched the new IP Key China in Beijing, during an event attended by Christian Archambeau, EUIPO Deputy Executive Director, Mr Chen Fuli, Director General of China’s Ministry of Commerce, and representatives of the European Commission and the EU Delegation to China.

Directed by the European Commission and implemented by the Office, IP Key China aims to facilitate economic exchanges, trade and investment between EU and China , while developing a level playing field as regards IP protection. IP Key will provide support to EU firms seeking to make inroads into the Chinese market or already doing business in China through a range of activities. Overall, the project is designed to strengthen intellectual property protection and raise awareness about its importance as a driver of economic growth.

Through close cooperation with Chinese stakeholders and the involvement of the industry, academia, enforcement and judicial authorities, the IP Key China project will:

- cover the full intellectual property lifecycle;
- encompass a wide spectrum of IP rights; patents, trade marks, designs, geographical indications, copyright, trade secrets and plant varieties;
- focus on IP enforcement, collaborating with enforcers to train Chinese judges dealing with intellectual property matters;
- provide and extend access to online IP search database to increase the global transparency of IP Rights.

A first cycle of [IP Key China] ran for four years from 2013-2017. During these 4 years over 250 activities were undertaken engaging more than 6,000 individuals working in public and private EU and Chinese IP related fields and professions. The new IP Key China project aims at taking cooperation on IP in China to new heights.

IP Key China official launch

January 17, 2018 *European Trade Mark and Design Network*

IP Key China official launch

On 17 January the Office officially launched the new IP Key China in Beijing, during an event attended by Christian Archambeau, EUIPO Deputy Executive Director, Mr Chen Fuli, Director General of China’s Ministry of Commerce, and representatives of the European Commission and the EU Delegation to China.

Directed by the European Commission and implemented by the Office, IP Key China aims to facilitate economic exchanges, trade and investment between EU and China , while developing a level playing field as regards IP protection. IP Key will provide support to EU firms seeking to make inroads into the Chinese market or already doing business in China through a range of activities. Overall, the project is designed to strengthen intellectual property protection and raise awareness about its importance as a driver of economic growth.

Through close cooperation with Chinese stakeholders and the involvement of the industry, academia, enforcement and judicial authorities, the IP Key China project will:

- cover the full intellectual property lifecycle;
- encompass a wide spectrum of IP rights; patents, trade marks, designs, geographical indications, copyright, trade secrets and plant varieties;
- focus on IP enforcement, collaborating with enforcers to train Chinese judges dealing with intellectual property matters;
- provide and extend access to online IP search database to increase the global transparency of IP Rights.

A first cycle of IP Key China ran for four years from 2013-2017. During these 4 years over 250 activities were undertaken engaging more than 6,000 individuals working in public and private EU and Chinese IP related fields and professions. The new IP Key China project aims at taking cooperation on IP in China to new heights.

Chronic wasting disease: update on detection methods and occurrence

Diagnostic methods used in Norway detected chronic wasting disease (CWD) in reindeer, moose and red deer in 2016 and 2017, say EFSA experts.

Until now, little was known about the efficacy of available methods for detecting the disease in Europe – as the disease has never been identified here – but the experience in Norway shows that the methods work.

EFSA experts assessed the limitations of the survey carried out between 2006 and 2010 and could not rule out the possibility that the disease was present in Europe before the survey was conducted, despite no cases being detected.

Estonia, Finland, Latvia, Lithuania, Poland and Sweden will start monitoring the disease this month. This follows recommendations made by EFSA in 2017.

In January 2017, EFSA experts identified measures to prevent the introduction and spread of the disease into and within the EU. They also assessed new evidence on possible public health risks.

[Vítor Constâncio: Interview with La Repubblica]

In December, the ECB revised its growth estimates upwards and its inflation estimates downwards. You seem to be concerned by this discrepancy, and especially by the weakness of inflation, as the minutes [of the Governing Council's December 2017 monetary policy meeting] make clear. How do you explain this?

This development is in line with a dynamic we are seeing in all the advanced economies. Growth is accelerating but inflation is still not meeting expectations. In particular, the so-called "core inflation" for December – excluding food and energy components – has been disappointing: it fell to 0.9% because wages still aren't growing sufficiently.

But aren't you afraid that there may be structural reasons for this sluggish price movement? Such as digitalisation, the internet economy, but also the weak position of an ever increasing number of people on precarious contracts who do not have the leverage to obtain wage rises?

Yes, the weakness of wages does play a role, as does technology, but nobody knows precisely the scale of the impact of technology.

Isn't it ironic that the guardians of the currency and wage moderation should be encouraging trade unions and workers to be bolder?

The situation has changed. Historically, central banks have often faced inflationary pressures. Now we are in a new environment that has to do with many structural factors but also with secular stagnation.

So we are facing secular stagnation?

Well, there has been modest growth, and all the indicators say that it will continue like that in the advanced economies for many years.

But some people in the United States think there is a risk of a leap in inflation.

There are always risks but I don't think this will be a problem for the euro area for some time to come. Inflation is weak and will remain so for some time in all the developed countries.

Are there hidden risks in the current divergence between the Fed, which is expected to increase rates three times this year, and the ECB?

There’s been a divergence several times since the start of the crisis. Central banks must respond to the particular fundamental situations of their respective economies. When they do, this does not in itself cause problems for financial markets. This is what is happening. Admittedly, the US is further on in the cycle and the Fed’s monetary policy is responding to these developments.

Do you see risks to financial stability from, to say the least, the erratic policies of Donald Trump?

Risks to the global economy come mainly from the possible reversal of risk premia in bond markets. A fall in prices and an increase in yields, if sudden and disorderly, could be a threat. We hope that the adjustment to increased growth, and higher inflation in the future, will be gradual.

Are you worried by the recent increase in the exchange rate of the euro?

Looking at fundamentals, inflation declined slightly in December. As it is known, we don’t target the exchange rate. But I am concerned about sudden movements which don’t reflect changes in fundamentals.

In the minutes of the December meeting it says that forward guidance “could be revisited” early this year. Does that mean that we should expect an increase in rates ahead of time, even this year? Or what does that mean?

It refers to how our forward guidance operates, to the fact that the assessment of our policy in relation to our objectives must include all monetary policy instruments. We see the need for a gradual adjustment of all the elements of our forward guidance if the economy continues to grow and inflation continues to move towards our goal. This does not mean that changes will be immediate.

In other words?

We are not changing the path of our monetary policy. With the decision to halve our monthly bond purchases we have adapted our monetary policy to the new economic context and consequently to the higher inflation ahead. But this does not mean that monetary policy will not remain very accommodative for a long time. We see no inflation risks. We should not choke off growth too soon.

QE will last until September: do you think it should then finally come to an end, as some of your colleagues have been saying?

That’s not a very relevant question for me because monetary policy works over the medium term. A few months either way won’t make much of a difference.

But allow me to express a doubt: going from a purchase level of €30 billion to zero could shock the markets.

I would limit myself to saying that in the subsequent part of the programme we will have to proceed cautiously, i.e. gradually.

What will happen to the bonds – will you continue to reinvest them? The Fed has already started to shrink its balance sheet.

We are reinvesting them and have so far given no indication of wanting to stop. All will depend on how the economic climate develops.

In Germany there's a slight possibility of a "grand" coalition being formed, which could herald a Franco-German commitment to reforming the euro area. What do you make of that?

There are many ideas around and it's the task of governments to decide. Technically, the two most important things, I think, are the completion of the banking union with the deposit insurance scheme, and the creation of an ad hoc fund with a stabilising role, if need be, to help manage growth. I have not heard any convincing arguments in favour of transforming the European Stability Mechanism (ESM) into a European Monetary Fund.

Would you keep it as it is?

Yes. It has its tasks; it performs them well. The European Commission has its role as guardian of the treaties and it monitors the countries' adjustment programmes. And one of the major things in recent years has been the huge adjustments in the countries which ended up under most pressure during the crisis. All these countries are now growing.

You mean the so-called "peripherals" which have asked for assistance in exchange for adjustments?

Exactly, these countries, except for Spain, which is recovering, have deficits below 3% and have primary and current account surpluses. The account and economic adjustments have been extremely significant, and have been the result of improvement and reform programmes. The IMF and the ECB agree that the current account surplus of the countries that have followed an adjustment programme is structural and not the result of reduced import quotas. So if there have been improvements, why change the role of the ESM?

So you are against the idea that the ESM might become a budgetary control authority, as some have suggested?

Many ideas are being discussed; the point I am making is that the European Commission had responsibility for the adjustments in these countries, and it worked.

So it was right to give those countries flexibility on their budgets to create room to undertake reforms?

The point is that everyone is now full of praise for the efforts undertaken in those countries that are or were subject to an adjustment programme. That is what counts. So I don't see any reason to adjust the institutional framework and create a new body, thereby reducing the role of the Commission.

Let's talk about the most significant election happening this year, the one in Italy. Some parties are threatening to hold a referendum on the euro, to

reverse the Fornero reform or the Jobs Act, proposing measures which, by our calculations, would cost €200 billion…

It’s not for me to comment on electoral programmes. What I observe is that the markets are very calm and don’t seem to believe that the risks you mention will materialise. I think the markets expect good sense to prevail in the end. More generally, if I look at countries like my own – Portugal – or Greece, with very high levels of debt, I believe that it is important to continue along the reform path.

Non-performing loans are another distinctive Italian feature. We are expecting an announcement from the ECB’s banking supervisors on the stocks of these loans. Do you anticipate risks for the market?

On the subject of non-performing loans (NPLs), it has been explained many times that the ECB’s banking supervisors aim to ensure that the banks reduce or evaluate their non-performing loans appropriately, treating each case individually. It has never been our intention to introduce rigid new rules that are applicable for all in exactly the same way. This has been made clear, and in that sense I do not anticipate risks.

Yes, but if there is a time limit by which NPLs are reduced to zero – the famous seven years – that is a restriction.

We will see how the banking supervisors decide to approach new NPLs and existing stocks. The discussion is still ongoing. One way or another, NPLs have to be reduced sooner or later. This is first and foremost in the interests of the banks. It must be said, though, that the Italian banks have reduced their levels significantly.

Do you see a risk of bubbles forming, for example in the German property market?

There is no risk of bubbles in general, not in any market in the euro area. In the housing market, average prices are in line with fundamentals, which can be estimated using various methods. In Europe, the same is true of the stock markets and the corporate bond market. The only market experiencing pressure is the commercial property market, but this does not imply systemic risks, as the residential property market would. There are hot spots concentrated in certain cities, of course, but macroprudential measures have been announced or adopted in some countries, such as the Netherlands, Belgium and France. And Germany may now also do the same.

There is a lot of talk about cryptocurrencies. Do they represent a threat to the financial system? What can be done to regulate them?

First of all, they are not currencies. They cannot fulfil the classic functions of a currency, the first of which is to serve as a stable unit of account which can be used to express the value of other goods. If the value of the currency itself is so volatile, then it cannot perform this function; it is in fact a speculative instrument. And their use as a means of payment is very limited. They are used in the shadow economy and in countries where institutions have collapsed and monetary systems are not working – there they are used as a payment instrument of last resort. They in no way represent a threat to traditional currencies. Of course, rising prices have led to such high market capitalisation that a collapse could have consequences. But they wouldn't be systemic. I call these instruments "tulips", recalling the famous tulip bubble and subsequent crash in the Netherlands in the 17th century.

But there is a political aspect. Don't you think that they are a response to the collapse in confidence in central banks and the traditional financial system?

No, because they are not a threat to traditional currencies, they are not a reliable unit of measure. Moreover, bank deposits are rising. If there was a crisis of confidence, we would see it there.

In Estonia, Kaspar Korjus wants to introduce a cryptocurrency alongside the euro. Is this a threat?

Private-sector operators offering competition to currencies have no chance of success. Ultimately, a currency needs to have state backing, as history has demonstrated. Over the centuries, experience has shown that, even in situations much less complex than today's, there needs to be a central bank which is given the exclusive right to print money.

Looking back over those years of turbulence, on which occasions were you anxious about the euro?

There were two. The Greek crisis in 2010. And in 2011-12, when market pressure shifted towards Spain and Italy. The European response resulted in, among other things, the creation of the ESM and the transfer of supervisory functions to the ECB. The actions of the ECB, with its Securities Markets Programme and Outright Monetary Transactions, were also crucial. Now we are seeing growth across the whole euro area, with GDP rates at a ten-year high and unemployment – although still too high – at a ten-year low. The macroeconomic equilibrium has been restored almost everywhere. There has been a complete turnaround. It is gratifying.

What has been the most important lesson for the ECB from these years of great crisis?

That non-standard measures are necessary in times of emergency. These measures, which have been deemed legal by the European Court of Justice, are now part of the ECB's toolkit.