

PES Network Opinion Paper: new Action Plan to implement the European Pillar of Social Rights

European Network of Public
Employment Services

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1. An impetus for further action

The triple (green, digital, demographic) transitions, labour and skill shortages are set to place new demands on our labour markets and could come with a risk, in a first-time scenario, of growing unemployment. In a context where progress towards the EU headline targets has been uneven, the ongoing Review is an opportunity to take stock of progress achieved and build a new Action Plan that is fit for addressing new and persisting challenges, whilst respecting national competencies and existing structures in national labour markets.

This starts with building new foundations: having a clear framework for skills, employment and active labour market policies, matching priorities with adequate social investments and resources. Building on untapped potential and increasing labour market participation will also be essential, bringing underrepresented groups onto the labour market whilst valuing all available talents. The new Action Plan is an opportunity to move up a gear towards prevention, equipping workers with the right skills and helping them anticipate career changes, whilst enhancing Europe's competitiveness and preparing, collectively, for potential labour market shocks. It also has the potential to step up policy coordination between employment, education, health and social policies to address systematic barriers and build strategic partnerships with relevant actors (including citizens, social partners, civil society). This approach will lay the foundations for a resilient, inclusive and competitive labour market across the EU.

The PES Network stands ready to actively support the continued implementation of the European Pillar of Social Rights and its Action Plan(s). The proposals below were adopted by the PES Board in September 2025. They put forward priority areas and possible initiatives for consideration, building on Public Employment Services' daily experience helping jobseekers and employers navigate labour market transitions. These proposals elaborate on the [PES Network Memo](#) to the next European leadership and aim to contribute to the upcoming EU Anti-Poverty Strategy. More detail and inspiring practices can be found in the [PES Network Knowledge Centre](#).



2. Addressing new and persisting challenges

2.1. Building the foundation

Develop a systemic approach to achieving all the headline and sub-targets by 2030 - With less than 5 years ahead to achieve the 2030 headline targets the new Action Plan could prioritise action where it is most needed: on the poverty reduction and training participation targets. To make decisive progress towards the employment target, the new Action Plan should be concrete and ambitious, especially for groups facing additional difficulties. More specific objectives, Key Performance Indicators and actions are needed to support them, provide equal opportunities and strive for a more inclusive labour market. The Action Plan should thus stimulate systemic approaches by developing integrated policies and uniting actors with various roles behind shared goals. PES, as one of the main actors contributing to the employment and training targets, are eager to step up their actions to combat poverty (see below). On the other hand, to achieve employment and training targets, PES will need support and cooperation with actors involved in various domains such as childcare, fair working conditions, and essential services.



State of progress toward the 2030 headline targets

While the EU is close to achieving the employment target (75.3% in 2023 against the 2030 target of 78%), progress on skills (39.5% of adults participating in training every year in 2022 vs the target of 60%) and poverty reduction targets (-1.6 million people at risk of poverty or social exclusion, vs a target of -15 million) is lagging behind¹. Besides, considerable gaps in employment rates persist for some groups, including person with disabilities (24 percentage points less than people without disabilities), foreign-born individuals (11 percentage point less than native-born individuals), women (10 percentage points less than men)² and 55+ workers.

Sub-targets are already proposed related to women (halving the gender employment gap) and young people not in employment, education or training NEETs (decrease the NEETs rate to 9%)³.

Provide a clear framework for skills, employment and active labour market policies (ALMPs) building on existing Council Recommendations and the Employment Guidelines and providing a clear steer. Develop a new narrative with more emphasis on education, skills, training and career guidance, active support to groups ranging from those outside the labour force to those still in employment but at risk of losing their job, support to employers (and in particular SMEs) and partnerships (for the design, delivery and evaluation of policies).

¹ European Commission, The new Action Plan on the Implementation of the European Pillar of Social Rights, 'Call for evidence', 2025, https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14736-The-new-Action-Plan-on-the-implementation_en.

² European Commission, Eurostat News, 'Employment Inequalities in the EU in 2024', 27 May 2025, <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250527-1>.

³ European Commission, 'European Pillar of Social Rights Action Plan', 2021, <https://op.europa.eu/webpub/empl/european-pillar-of-social-rights/en/>.

The Action Plan is an opportunity to review synergies among existing initiatives (such as existing Council Recommendations on skills, employment and ALMPs) to enhance coherence of policy instruments, facilitate their effective implementation and monitoring. This will also contribute to a coordinated approach for new EU policy initiatives (such as those linked to the Competitiveness Compass and the Clean Industrial deal).

Prioritise social investment and reflect upon welfare states' sustainability

- Reaffirm the need for investment in the welfare state, which is necessary to drive economic growth and a competitive workforce, while supporting social and environmental sustainability for future generations. The new Action Plan could help steer social investments, with a focus on measures to enhance competitiveness and prevent labour and skill shortages in key sectors. This includes support to work-to-work transitions, employment of vulnerable jobseekers, and the return to the labour market of workers who face additional barriers due to health, disability or social issues (such as poor working conditions, lack of childcare, inadequate care infrastructure, housing). Reaffirm support to strong, efficient public employment services (PES) in this context to ensure equal access to employment services for each citizen.

Commit to employment and skills in the future Multi-Annual Financial Framework (MFF) through dedicated funds

- EU funds (and in particular the European Social Fund Plus) have been instrumental in supporting the Action Plan implementation. The new Action Plan is an opportunity to anchor a strong commitment to employment and skills in view of the future MFF and make strategic use of the European Social Fund Plus (ESF+). Reflecting upon complementarity, synergies and potential overlaps between different funds and how they support the Pillar priorities is also paramount. The creation of an observatory would help keep track of available evidence-base, identifying successful measures that could be leveraged. It would allow the monitoring of results, identification of good practices and continuous improvement of policies.

2.2. Harnessing inclusion and skills, building on all untapped potential

Step up support to those underrepresented in the labour market and vulnerable workers

to enhance labour market participation and competitiveness, especially in the current demographic context. These include in particular older workers, persons with disabilities, women and single parents, young people, workers with a migrant experience and background, low-qualified people, young people, re-entrants and the 'hidden reserve' outside the labour force. The new Action Plan should also take into account vulnerable groups of workers (e.g. platform workers) that often fall outside of traditional labour protection and lack access to PES and other services.



The need for accessible, personalised support - As vulnerable jobseekers often experience discrimination and have to overcome multiple barriers, the new Action Plan could pilot holistic and innovative types of interventions including personalised services, multi-sectoral alliances. Alleviating barriers via personalised services, DEI (diversity, equity and inclusion) schemes and enhanced cross-sector cooperation (for instance, across PES, those in charge of social services and social benefits, municipalities and healthcare) is essential for impactful delivery. This also requires that access to services is guaranteed across territories and delivered through integrated platforms, including in disadvantaged areas. In this context, the Action Plan could include specific strategies or measures for vulnerable groups with the greatest presence in each territory.



Effective strategies for vulnerable jobseekers - A range of measures has proven successful to support vulnerable jobseekers and underrepresented groups (re)entering the labour market. These include integrating guidance, training and new skills acquisition (for instance, digital or green skills), work-based learning and practical experience (whereby digital micro-credentials play a role), guidance towards entrepreneurship and self-employment. Mentoring programmes combined with social support can also be particularly effective. Complementary measures include enhancing awareness and reinforced support towards employers and recruiters (and in particular SMEs) and co-creating services to include workers and jobseekers from diverse backgrounds, for which PES can function as a facilitator.

Ensure continued delivery of physical services and prevent digital exclusion - In-person contact with a job counsellor from the beginning of unemployment remains essential and has proved effective to support (especially) vulnerable groups and older workers into employment. Whilst taking into account the many opportunities provided by digital services, such as better deployment of staff to support the most vulnerable, the new Action Plan could emphasise the principle of guaranteed physical access to services (especially basic services and services targeting vulnerable groups) and equity in access to blended services. These are particularly relevant in implementing Principle 4 (Active support to employment). Preventing new forms of digital exclusion, facilitating access to digital tools and acquisition of digital skills, is also key in this context.

Roll out skills-based approaches - Further facilitate skills recognition beyond formal qualifications and with less focus on degrees, as a vital step in addressing current labour market needs, making recruitment and matching more efficient and inclusive on national labour markets. When relevant, this can also contribute to supporting EU labour mobility and recruitment of third-country nationals. Simplify and harmonise skills classification in line with ESCO classifications to step up its use, which can increase the chances of job-to-job mobility in a context of shortages and facilitate geographical mobility. To this end, provide technical support to PES developing national or sectoral classifications that can be linked to existing European standards (ESCO) or adopting directly European standards.

Ensure education and training better align with labour market needs -

Training and educational programmes must be continuously updated in collaboration with PES, professional sectors and social partners (in terms of learning goals and format), and their recognition across the EU should be facilitated, to meet labour market demands, preventing skills gaps and shortages and recruitment difficulties. Beyond qualifications, skills acquired through experience or training should contribute to enhance the profiles of all workers. In this context, the new Action Plan could incentivise the provision of tailored training organised within companies, which has proven effective in meeting short- and medium-term labour market needs, improving inclusive recruitment and reducing labour shortages. The Action Plan could also consider intermediate objectives and specific targets aimed at promoting upskilling.



2.3. Prevention is the cure

Prevent long-term inactivity - Preventing long-term inactivity (due to physical, mental health or sensory impairments) has become a daily challenge impacting welfare states' sustainability. This will imply adequate emphasis on 1) Work-life balance and workplace wellbeing, quality jobs and working conditions as well as flexible work arrangements (to increase workplace attractiveness and retention of workers), as well as 2) Continuous and timely access to up- and reskilling, training and proactive career counselling to gain adequate skills and ensure transition to a new profession (before the worker becomes inactive due to occupational health reasons) or prevent long-term disengagement, 3) Flexible social security that allow for gradual reintegration into (new) employment and part-time sick leave, 4) Prevention of dismissal which can affect multiple moments in a working life as well as the labour market. Preventing unnecessary or unfair dismissal contributes to Pillar principle 7, by providing employees with access to information on their rights and obligations could also kick-start preventative measures, should dismissal be inevitable.

Boost career guidance services - While the labour market is changing at high speed (with new jobs emerging and existing ones bound to evolve), the delivery of career guidance remains highly fragmented across the education, training, youth and employment fields and often overlooked by potential users. The new Action Plan is an opportunity to boost a more ambitious, early-stage and systematic approach, supporting young people at the start of their careers as well as working people in independent, viable career planning and decisions. Tools such as regional skills observatories and AI-based guidance systems can be instrumental in this context. To ease this process, PES could develop training on self-lifelong career guidance for at-risk workers (especially for the most autonomous ones), during unemployment periods. This also requires the necessary investment to provide easy, fast and quality access to such trainings by creating a sufficient number of places and recognised certifications/qualifications acquired. PES should work closely with companies and other actors to anticipate retraining needs and facilitate safe and sustainable work transitions.

Anticipate new types of job retention schemes to make labour markets resilient and 'polycrisis proofed'. Learn from the experience of SURE during COVID-19 and pave the way for future schemes that could temporarily protect employment during forced and unplannable work interruptions, supporting employers whilst helping workers up- and reskill into jobs with better long-term perspectives. Job retention schemes should thus be short in duration and focus on long-term perspectives for employers and employees and the future needs of the labour market.



2.4. Delivering on the Action Plan

Steer strategic partnerships in key sectors supporting industrial policy -

Building on sectoral forecasts, the new Action Plan could boost reinforced cooperation and strategic partnerships, involving governments, social partners, companies, training providers, PES and local stakeholders to anticipate shortages and needs for upskilling and reskilling, recruitment and placements in strategic sectors. These could cover sectors of strategic importance, such as the digital economy and AI, green transition, energy, housing, care and defence. Such partnerships would address in particular skills validation, training, matching and placement, EU labour mobility and labour migration including fair recruitment systems. Beyond this, facilitating labour mobility across regions and countries through preventive and data informed approaches will be key to address territorial mismatches.

Keeping track of the new Action Plan's implementation and practical implications on labour market ecosystems -

For the Action Plan to be successful in realising the objectives set by the European Pillar of Social Rights, PES and other organisations need policies that can easily be translated to action plans that have a positive impact on the labour market ecosystem. This requires more concrete and strategic objectives. Furthermore, the involvement of PES and stakeholders can help to develop policy initiatives to ensure feasible goals that will lead to the desired outcomes.

Measuring progress - The revision of the EU's headline objectives, based on measurable results, should strengthen the capture of progress made in the Member States beyond current headline indicators (related to employment rate, participation in training and reduction of poverty or social exclusion). The establishment of clear performance indicators would facilitate the monitoring of progress, thus ensuring more effective governance of the European Pillar of Social Rights. Building on preparatory work, an indicator of "Effective Transition" could be rolled up, measuring the share of people who, after participating in an activation measure, enter the labour market within a given period.

Further support PES cooperation - PES are instrumental to the implementation of many areas within the European Pillar of Social Rights' Action Plan. The PES Network is ready to actively contribute to its implementation, by providing a platform for peer knowledge and exchanges, supporting PES modernisation, the development of inspiring ALMPs and technical cooperations, as well as labour market intelligence. As the PES Network Decision is coming to an end in 2027, a reinforced mandate is an opportunity to build on successful cooperation, whilst addressing the changing role of

PES and steering operational cooperation in strategic areas (including digitalisation), in line with the La Hulpe Declaration's call for 'using [PES'] knowledge to support EU and national labour market policies and (...) further support their capacity to use data and digital technology'.

Anchoring PES' role in labour market ecosystems, addressing new challenges

- Extending the PES Network's mandate is an opportunity to harness digitalisation and artificial intelligence, ensuring its ethical use within PES and deploying effective practices which can contribute to accelerate matching and access to employment by responding to employers' needs and providing early intervention. Future priorities should address the changing role of PES in upskilling, as well as collaboration with employers to better identify talents, set realistic expectations and share job vacancies. Enhancing PES' position as key actors in labour market ecosystems, strategic enablers of workforce transitions and inclusive labour markets will also enable more effective management of structural changes. Improving PES' outreach can also boost engagement with jobseekers, employers, and partners, and positioning them as reliable, innovative, and forward-looking institutions at the core of modern labour market governance. In this context, PES should promote a unified narrative based on shared priorities, to help build a resilient, inclusive and competitive labour market across the EU.



A PES Perspective on the 2021 Action Plan and the upcoming Anti-Poverty Strategy

The [European Pillar of Social Rights](#), proclaimed by the European Parliament, the Council and the European Commission in 2017, sets out [20 key principles and rights](#) for fair and well-functioning labour markets and social protection systems.

The Pillar and the related Action Plan have supported the work of PES, providing a guiding framework in strategic fields, such as implementing the Youth Guarantee, career guidance, support to persons with disabilities and on long-term sick leave, managing job-to-job transitions, better linking activation measures to unemployment and social benefits. PES have been actively supporting progress toward the EU headline targets on employment, training, and reducing poverty (through employment). While principle 1 (education, training, and lifelong learning) and 4 (active support to employment) have proved to be the most directly relevant to their activities, PES have also directly engaged with other principles, in particular principle 2 (gender equality), 3 (equal opportunities), 5 (secure and adaptable employment), 7 (information about employment conditions and protection in case of dismissal), 12 (social protection), 13 (unemployment benefits), and 17 (inclusion of people with disabilities) and 20 (access to essential services). The common EU headline targets have also been instrumental in ensuring momentum, commitment and ownership across the EU, guiding common action and priorities.

The political guidelines 2024-2029 announced the first-ever EU Anti-Poverty Strategy with the aim 'to help people to get access to the essential protection and services they need, along with addressing the root causes of poverty'. This presents an opportunity to enhance the role of PES and their partners, contributing to lifting unemployed people out of poverty via holistic and supportive measures such as career guidance, training, employment incentives, and other active labour market policies. This could serve as inspiration for PES initiatives to create stronger connections between ALMPs and social protection to better accommodate the needs and provide effective support for unemployed people in poverty.



List of selected PES publications

More detail and inspiring practices on points above can be found in the [PES Network Knowledge Centre](#) and [PES Practices](#).

[PES Network Annual Report \(2024\)](#)

[PES Network Memorandum for the next European leadership \(2024\)](#)

[A Contribution to the European Year of Skills \(2023\)](#)

[PES Digital Services to Successfully Integrate Vulnerable Jobseekers. European Commission \(2024\)](#)

[Trends in PES: Assessment Report on PES Capacity \(2024\)](#)

[Evidence Based Services: Latest Trends \(2024\)](#)

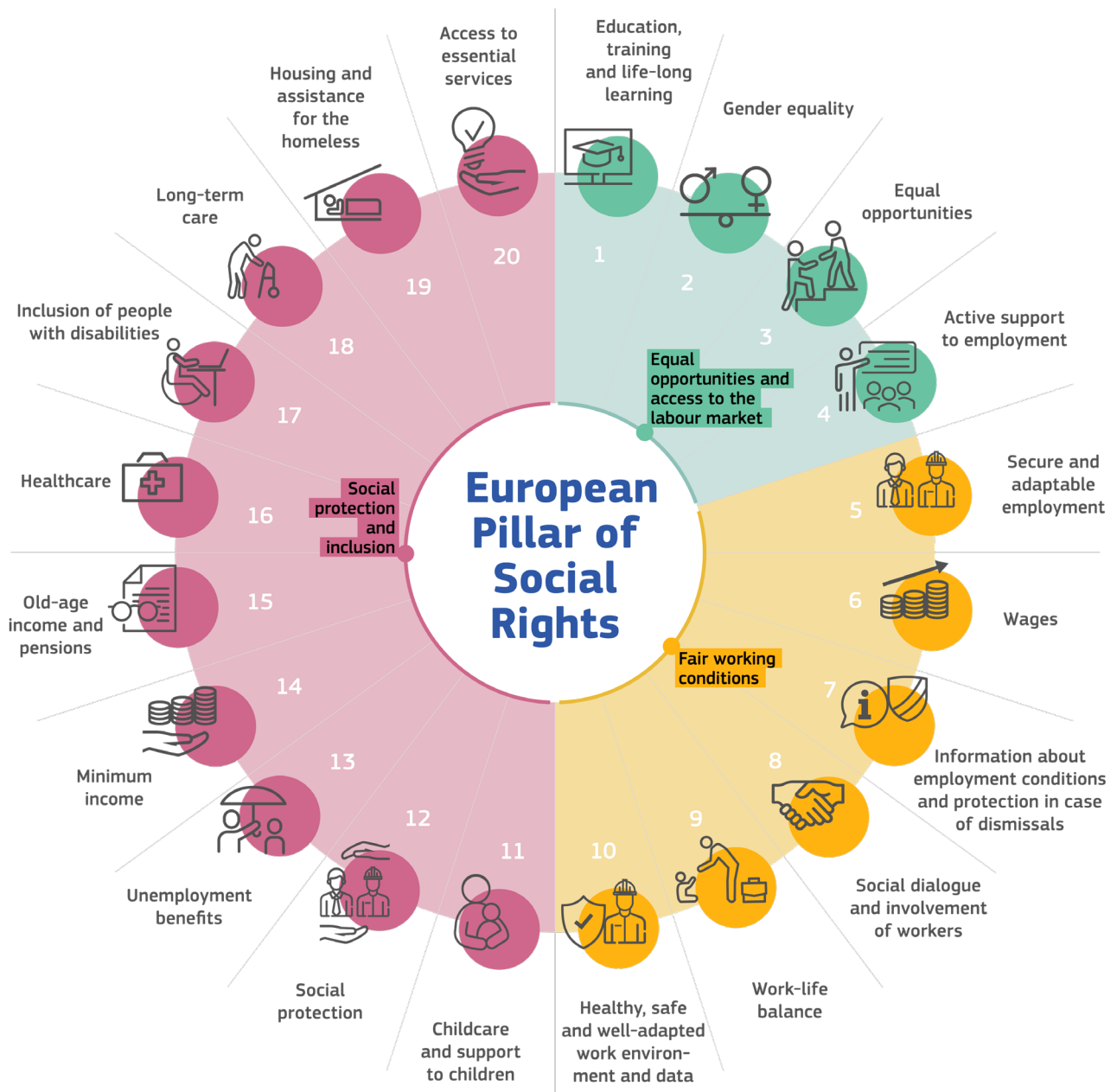
[Labour Market Integration of Displaced People and Refugees: Updates of 'Key Considerations' \(2023\)](#)

[Jointly Addressing Labour and Skills Shortages, Preparing for Europe's Future Labour Market \(2022\)](#)

[PES Capacity Questionnaire Part II: Labour Market Training for the Long-Term Unemployed \(2022\)](#)



European Pillar of Social Rights' principles: overview⁴



⁴ European Commission, 'European Pillar of Social Rights Action Plan', 2021, <https://op.europa.eu/webpub/empl/european-pillar-of-social-rights/en/>.