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Call for action: STEM Talents for the EU Competitiveness

The Industry in Europe is experiencing rapid and significant changes, facing several challenges simultaneously. The geopolitical landscape is shifting quickly, the global economy is becoming more competitive, and the European industry requires increased investment in research and innovation to maintain its global competitiveness. Both the Letta and the Draghi reports highlight the need for a comprehensive competitiveness strategy that supports innovation and technological development. Furthermore, the Antwerp Declaration, signed by over 1300 industrial actors, calls for urgent action to prioritise the European Industrial Deal in the new EU institutional cycle, with the main aim of supporting and creating the right conditions for companies to reach the EU common goals. In this context, it is crucial for Europe to enhance the strategic competitiveness of its industry, secure jobs, and drive clean and digital growth across the continent. This also aligns with the recently released European Competitiveness Compass.

Achieving this goal demands a substantial need for **skilled and globally competitive professionals in STEM disciplines** across Europe, which is also a precondition to:

- Driving research excellence to enable breakthrough technological innovations.
- Build high-tech industrial clusters and support regional specialisation.
- Foster tech entrepreneurship and the scale-up of innovative firms.
- Enhance defence, security, and global value chain resilience.
- Power the green and digital transition.

However, the <u>2023 PISA results</u> highlighted a decline in skill levels across Europe and underscored the growing demand for STEM professionals both within and outside the EU. According to the <u>2018 Korn Ferry Future of Work report</u>, a <u>STEM talent shortage</u> of <u>85 million people</u> is expected worldwide <u>by 2030</u>, with the chemical industries, for example, expected to run an <u>11% labour shortage by 2030</u>, all related to STEM disciplines. This would represent a competitiveness disadvantage for a crucial sector in achieving Europe's climate neutrality and circular economy goals, as well as for an industry that contributes approximately 7% of the EU's manufacturing turnover.





During the event "STEM Talents for the EU Competitiveness Compass: Reclaiming the EU competitive edge", held on March 04th, the European Chemical Employers Group (ECEG) and the Nordic Engineering Association (ANE) raised awareness of this data, highlighted key challenges facing the industry and related to STEM competences and acknowledged the forthcoming STEM strategy by the European Commission within the <u>Union of Skills</u> framework.

While recognising that educational policy is primarily a national competence, during the event, the two associations called for the **(re)establishment of the STEM Interest Group in the European Parliament**. The STEM Interest Group has been active for a number of years and has collaborated with other institutions and interest groups to promote policies that **encourage STEM education**, **gender equality** in these fields, and the **adoption of advanced technologies** at the European level. The group also focused on how European policies could **respond to the challenges and opportunities** offered by rapid technological and scientific developments.

As it was in the past, the STEM Interest Group could aim at **raising awareness** among MEPs, European institutions and other stakeholders on the issue of STEM skills shortage, as well as at promoting interest in STEM disciplines. It could also address the issue and the urgent needs from both a cross-sectoral and sectoral perspective, aligning with other European industrial strategies, without delay.

Moreover, this group would keep the European Commission accountable for measuring **progress in STEM competitiveness, talent retention, and R&D** investment efficiency, and overall improvement of **STEM skills anticipation** to be aligned with labour market demands.

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