

ESCO - a European classification of Skills/Competences, qualifications and Occupations

I. What is ESCO?



Diagram 1: ESCO: the common language between the labour market and education/training

The European Commission is coordinating the management of ESCO – European Skills/Competences, qualifications and Occupations – a multilingual classification, in collaboration with stakeholders.

ESCO is based on an existing taxonomy of occupations and skills/competences which was developed by the Swedish Public Employment Service ([Arbetsförmedlingen](#)) and which is currently used on [EURES – the European Job Mobility Portal](#). Just as this taxonomy, ESCO is building on ISCO, the International Standard Classification of Occupations, which is managed by the ILO ([International Labour Organization](#)).

ESCO will be linked to relevant international classifications and standards. It will also complement existing national, regional or sectoral occupational and educational classifications and enable exchange of information between them.

ESCO is the only European multilingual classification linking skills and competences to occupations which will be available free of charge to all labour market, education institutions and other stakeholders. All interested parties are encouraged to actively contribute throughout its development.

II. How will ESCO work and what is the current state of play?

In its current version (pre ESCO v0) the classification contains about 5 800 skill/competence terms and about 5 000 occupation titles. All these terms are translated into 22 official languages of the European Union.

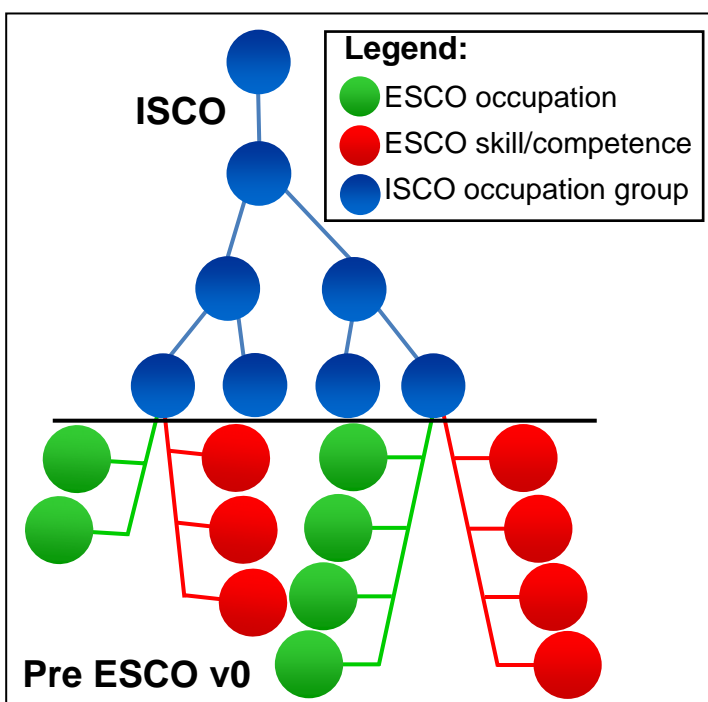


Diagram 2: pre ESCO v0

Pre ESCO v0 is building on ISCO-08, the newest version of ISCO. The ISCO classification consists of a hierarchical 4-level structure describing occupation groups.

An example for this ISCO-08 structure is:

ISCO Level 1 (Major group):

Professionals (ISCO code: 2)

ISCO Level 2 (Sub-Major group):

Legal, social and cultural professionals (ISCO code: 26)

ISCO Level 3 (Minor group):

Social and religious professionals (ISCO code: 263)

ISCO Level 4 (Unit group):

Philosophers, historians and political scientists (ISCO code: 2633)

In the pre ESCO v0, Occupations and Skills/Competences are both linked with ISCO Level 4 occupation groups (unit groups). Occupations and Skills/Competences are therefore only indirectly linked with each other via the parent Occupation Group.

Example pre ESCO v0: Occupations linked to ISCO level 4 occupation group (unit group) 5112 (Transport conductors):

Chief conductor; Conductor; On board service personnel; Person in charge on board; Person responsible on board; Train host; Train master.

Skills linked to ISCO level 4 occupation group (unit group) 5112 (Transport conductors):

Cashier experience; Head guard education (railway); Railway guard, professional experience; Service sector, experience.

At a first stage, ESCO v0 will be reviewed and enriched with additional descriptions of occupations, skills/competences and qualifications. A crucial input will come from the [European Dictionary of Skills and Competences \(DISCO\)](#) which contains around 10 000 skills and competences per language and exists in seven languages. The relation between Occupations and Skills/Competences will be created and specified.

It is envisaged that ESCO will be structured around three pillars: i) occupations, ii) skills/competences and iii) qualifications (building on the work done in the context of the NQF's related to the EQF) and will link these in a systematic way whilst enabling different entry points to serve a wide range of applications.

After the first round of reviewing and enriching ESCO will be named ESCO v1.

Diagram 3 displays how ESCO v1 will be structured.

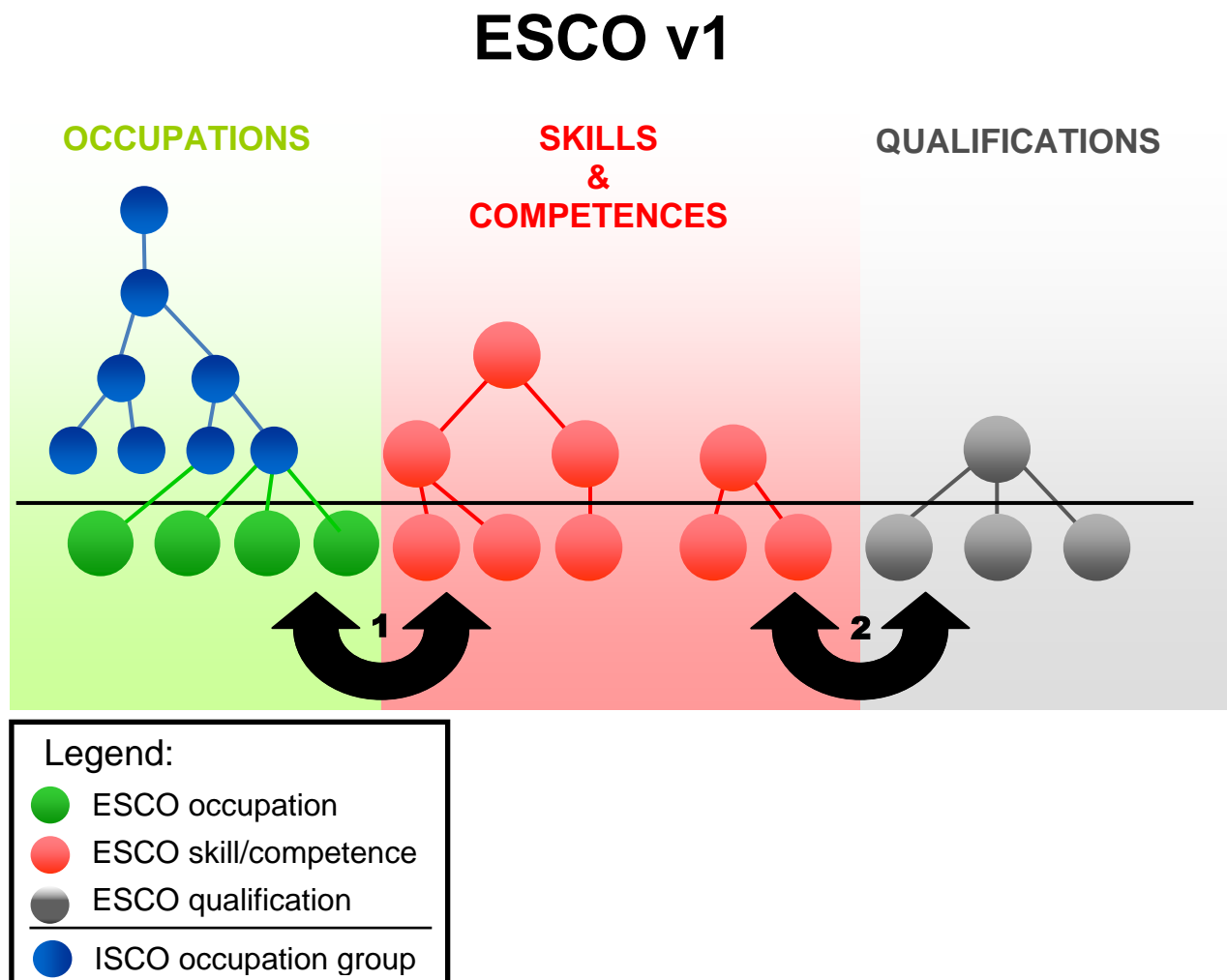


Diagram 3: ESCO v1

ESCO will improve information exchange and facilitate co-operation between education/training and employment service providers, between public and private employment services and between public employment services of different countries. It will allow electronic interchange of vacancy information (e.g.

with the EURES network) and CV's (e.g. between [Europass](#) and EURES) as it will be fully compatible with these systems and easily understood by major labour market and education actors.

Work on ESCO is still in the early developmental stages. Constructing an operationally useful European standard terminology of skills/competences, qualifications and occupations is a long-term project and can only be achieved gradually, step by step. It is essential to work in close partnership with the relevant stakeholders to ensure it is based on real needs. Actors from the worlds of work/labour market and education/training must be able not only to link their existing classifications to ESCO, but also to create enriched tools/applications that reflect the latest market developments and provide more and better options for matching, up-skilling and exchanging information and for co-operation around the ESCO standard. It is envisaged to update and enrich ESCO continuously in line with market developments and the corresponding demand for new skills. It is usable free of charge by all interested institutions and citizens.

III. Why is ESCO being developed?

There is a tendency that employers focus less on formal qualifications but are increasingly concerned with what employees know, understand and are able to do in practice. Furthermore, there is a growing understanding of the importance of transversal skills, such as learning to learn and initiative-taking, complementing occupational skills.

At the same time, education and training systems are moving away from approaches defined around the time spent on learning and where the learning takes place (an input approach) towards a focus on the knowledge, skills and competences achieved through the learning (an outcomes approach). In line with the European Qualifications Framework (EQF), all Member States are in the process of developing National Qualification Frameworks (NQFs) which describe qualifications in terms of learning outcomes. To respond to these shifts and to improve matching between supply and demand, a number of Member States have felt the necessity to develop systems that classify skills and competences and enable these to be related to qualifications, occupations and job vacancies. At sectoral level, similar initiatives have been taken.

At European level, in the framework of the New Skills for New Jobs initiative, a group of independent experts recommended the development of '*a common language between education/training and the world of work*'. This commitment has recently been affirmed at the highest level through [Europe 2020: 'A European strategy for smart, sustainable and inclusive growth'](#) and the [conclusions adopted by the Education Council on 13 May 2010](#) which call for a common language and an operational tool.

[DG Employment](#) and [DG Education and Culture](#) have been entrusted with joint leadership of ESCO. The intention is to gradually develop a multilingual classification of **European Skills/Competences**, qualifications and **Occupations** (ESCO) which will be sufficient to broadly meet the needs of Member States who do not have their own classification system and to enable those with existing national and sectoral classifications to link with each other. With ESCO, DG Employment and DG Education and Culture thus develop a standard European terminology – a common language - which will help underpin Member States' employment, education and training policies and contribute to the development of a European labour market and a European lifelong learning area promoting geographic and occupational mobility. It will also help deepen understanding of labour market needs and better connect education/training outcomes with jobs and tasks and support the implementation of the EQF.

IV. Who will be involved in the development of ESCO?

Stakeholders potentially concerned by ESCO include public, private and third sector employment services, the social partners, national education, training and qualification authorities and institutions, as well as sector skill councils, human resource management, recruitment and career guidance professionals, statistical and research organisations, promoters of other taxonomies and classification systems, developers of ICT HR applications (including other web-based job search tools) and international organisations such as the International Labour Organisation and the OECD. While ESCO is resourced by the Commission in the form of a secretariat, which is responsible for the technical management and dissemination systems and other support, it requires the active involvement of all relevant stakeholders to shape it into a tool which meets practical needs and is kept up-to-date. All stakeholders willing to participate and contribute will be able to influence the way ESCO evolves.

Different levels and forms of stakeholder involvement in ESCO are possible including:

- Participation in the ESCO Board (for the most senior representatives of the bodies concerned)
- Participation in the ESCO Maintenance Committee (for technical classification experts)
- Participation in the Reference Groups (for experts on labour market and skill needs and related terminology)
- Sending proposals via the [web-based proposal tool on this website](#)
- Mapping national, regional or sectoral classification systems to ESCO

V. How could ESCO be used?

There are many potential ways in which a multilingual classification and standardised European terminology covering skills/competences, qualifications and occupations could be used. At a general level, it will facilitate communication and foster more systematic links and comparability between sectors, institutions and countries. It will allow for a better matching of supply and demand on the labour market, enable more accurate and precise skills and occupational forecasting and improve the quality and reliability of guidance information. And it will make it easier for citizens, public employment services, guidance providers and employers to see the relevance of learning outcomes in national qualifications to tasks and occupations and to use the common language. Practical examples of uses that could be supported by ESCO include:

- Jobseekers can use it to describe their skill set when developing a CV that can then be easily used for various automatic matching purposes
- Employers can use it to define a set of skills and competences required when they are developing a job description to be advertised with public or other employment services
- Learners can use it to build personal skill profiles and to record their learning outcomes
- Bodies developing and/or awarding qualifications can use it to express learning outcomes in more operational terms
- Education and training institutions can use it to improve planning and curriculum development related to emerging skill needs & to facilitate the recognition of foreign qualifications
- HR managers & guidance providers can use it to enhance planning & enrich aptitude/ability tests, skills and interest inventories/tools
- At European level ESCO will provide for a closer matching of jobseekers to jobs through the EURES – the European Job Mobility Portal
- New initiatives with a European dimension such as a Europass Skills Passport and self-assessment, guidance tools could be supported

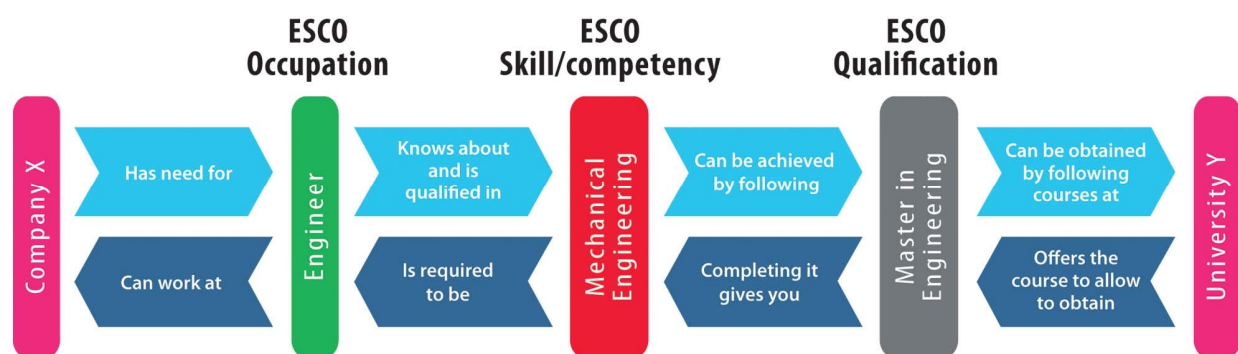


Diagram 4: ESCO applications