

REPORT: PA9 Event “Closing the Skills Gap: Green and Digital Skills for a Competitive Europe”

14th Annual Forum of the EU Strategy for the Danube Region
6 November 2025, Sarajevo, Bosnia and Herzegovina

Overview

The keynotes examined the persistent and widening skills gaps in the Danube Region. The panel discussion centred on how labour markets, education and training systems can adapt, how regional cooperation can support transformation, and how inclusive approaches can ensure that all groups benefit from emerging opportunities. The event also showcased practical initiatives and transnational cooperation models that demonstrate how innovation and partnerships can address skills challenges across the region. By fostering inclusive and resilient skills ecosystems, implementing effective active labour market policies, modernising education systems, and deepening cross-border cooperation, the Danube Region can better equip its workforce for the green and digital transitions. These efforts will enhance competitiveness and contribute directly to the objectives of the EU Strategy for the Danube Region.

The agenda, including information on the keynote and panel speakers, and the keynote presentations are available here: <https://peopleandskills.danube-region.eu/events/pa9-event-during-the-14th-eusdr-annual-forum/>.

Main Topics and Key Messages

1. Skills Gaps and Labour Market Transformation

Skills gaps in the Danube Region are widening due to demographic decline and rapidly changing labour market needs. The [Danube Region Monitor – “People and Skills”](#) shows uneven progress in tertiary education, digital competencies, lifelong learning, and basic and citizenship skills, highlighting a growing mismatch between workers’ capabilities and the requirements of emerging green and digital sectors. Addressing these gaps requires improving the quality and equity of basic education, empowering teachers and schools, strengthening lifelong learning systems, and fostering cooperation to retain and attract talent.

At the same time, global trends—including technological change, climate pressures, demographic shifts, and geopolitical uncertainty—are reshaping labour markets in Europe and the Western Balkans. The green transition affects countries unevenly, with particularly high risks in Western Balkan economies and for vulnerable groups such as women, older workers, and those in carbon-intensive sectors.

2. Modernising Education and Training Systems

A core message was the need to modernise education systems by strengthening foundational competences, digital literacy, green skills, and climate awareness across all levels of learning. Schools and teachers must be empowered to deliver high-quality learning environments, while systems must ensure equity and access for all learners. Reskilling and upskilling opportunities are crucial to help workers adapt to shifting labour market needs and to close skills gaps between vulnerable and more resilient occupations.

3. Regional Cooperation and Multi-Stakeholder Engagement

Strong cooperation – within and across countries – is essential. Networks linking labour market and education stakeholders, economic development actors, and other stakeholders can enhance policy alignment and enable peer learning. Regional and bilateral cooperation, including consultation processes, cross-country learning formats, and knowledge transfer mechanisms were identified as valuable tools for strengthening capacities and ensuring systemic impact.

4. Social Inclusion and Equality

The need for inclusive transition policies was emphasised, particularly for groups disproportionately affected by labour market changes: women, older workers, low-skilled individuals, and those employed in carbon-intensive sectors. Targeted support, flexible working and childcare arrangements, and empowerment measures are vital to enable their full participation in the labour market. Innovative projects across the region demonstrate how tailored approaches – supported by needs assessments, innovation, and capacity-building measures – can help break down barriers.

5. Talent Retention and Brain Circulation

Talent retention remains a priority for many countries of the Danube Region. At the same time, skills and experience acquired abroad represent an untapped resource. Approaches such as dual-diploma programmes and international skills partnerships can help meet domestic labour market needs while recognising the realities of mobility. Efforts to build new skills ecosystems in emerging industries such as additive manufacturing can help counteract brain drain, create new job opportunities, and strengthen regional competitiveness.

Conclusions and Recommendations

- **Inclusive approaches** are essential: labour market reforms must consider gender disparities, regional inequalities, and the needs of workers in vulnerable sectors.
- The Danube Region must prioritise **quality and equity in education**, investing in strong foundational skills and modern teaching approaches.

- **Lifelong learning and flexible training opportunities** are central to ensuring workers can transition into green and digital jobs.
- Leveraging the **skills of migrants and returning workers** can significantly contribute to addressing talent shortages.
- **Regional cooperation structures** should be further strengthened to enable peer learning, support VET excellence, and align policies across sectors.
- **Innovation-driven projects**, such as those focusing on additive manufacturing or social innovation, demonstrate strong potential for replication and upscaling.