

Position

“EU Talent Pool Proposal”

Brussels, 31 January 2024

Introduction

In November 2023, the EU Commission has proposed the EU Talent Pool to support the recruitment of job seekers from third countries in EU-wide shortage occupations. The IT platform, which is the first of its kind in the EU, not only aims to simplify EU-wide recruitment and application processes but also helps facilitate relocation and migration (e.g. recognition of qualifications or expediting migration procedures). The initiative will be voluntary for EU Member States, who support the management of the platform.

The skills shortage and recruitment of new talent is a serious challenge for the European semiconductor industry. Especially in light of the recently adopted EU Chips Act ((EU) 2023/1781), which sets ambitious targets for doubling the EU’s global market share in semiconductors from 10% to at least 20% by 2030, the search for right talent is becoming increasingly important. The semiconductor industry currently accounts for approx. 200.000 jobs directly and about 1.000.000 indirectly in the EU. All new semiconductor manufacturing sites announced in the EU since 2022 will in total approximately require between 10.000 and 15.000 new skilled workers in the next years. Experts predict, however, that there will be a shortfall of up to 350.000 employees in the broader European semiconductor ecosystem by 2030, to double the global market share of semiconductors by 20%, as mentioned above¹.

Addressing labor and skills with the EU Talent Pool

Due to the above-mentioned points ESIA welcomes the EU Talent Pool. The proposed initiative is an important building block of the Commission’s Skills and Mobility Package to bridge the European skills shortage. The proposal includes a few aspects, however, that require further consideration:

- The benefits of the IT platform to companies are not clear. It is important that the effort required by companies to use the platform does not outweigh the benefits. Companies have already existing platforms in place, and it should be made clear how the platform of the EU Talent Pool will be in coherence with the companies’ platform. In particular, it would

¹ <https://www.strategyand.pwc.com/de/en/industries/telecommunication-media-and-technology/bridging-the-talent-gap.html>

be positive, if the platform would work in form of redirection towards the companies' websites for application, let alone for data protection reasons.

- The regulation targets exclusively qualified jobseekers. However, it is also important to consider working students, interns, or trainees.
- Currently, talent partnerships exist with the North African countries Morocco, Tunisia, and Egypt². However, the EU has also identified other countries such as Pakistan, Bangladesh, Senegal, and Nigeria³ as important and plans to establish talent partnerships with them. While an expanding partnership with countries like the USA, Japan, Korea, Taiwan, India, Singapore, Canada, and the Western Balkans could benefit many companies, particularly in the semiconductor industry, it would be also important to explore partnerships with countries such as Vietnam and Brazil.
- It is important to note that participation in the EU talent pool is voluntary for Member States. For a successful implementation of the EU Talent Pool and to fully benefit from it, however, it is important that as many Member States as possible participate in the initiative. This includes Germany, Austria, France, Ireland, Poland, Hungary and Italy, where new manufacturing sites have been announced recently.
- Further voluntary proposed measures, such as the simplification of migration procedures, should be mandatory to become more effective. A simplified migration process, for instance, is vital to transfer talent and to make the EU a more attractive workplace. The procedures for family reunification must be simplified, as must be the procedure for foreign talents who wish to take up temporary employment in various EU Member States.
- The list of EU-wide shortage occupations in the Annex of the proposal is based on the 2008 ISCO-08 catalogue. Due to the changing nature of the economy and job market, it is important to regularly update the list. Thereby, already existing lists of shortage occupations from EU countries (e.g. Austria⁴) that are not based on the ISCO-08 catalog and international shortage occupation lists (e.g. from New Zealand and Australia) should be considered.

Conclusion

Addressing the skills shortage and retaining high qualified talent is one of the main challenges for the semiconductor industry in Europe. As the demand for talent in microelectronics has been increasing in the last 20 years and continues to rise, ESIA welcomes the EU Commission's initiative to introduce an EU Talent Pool. This is one important initiative of many to facilitate and simplify EU-wide recruitment. However, it will be of utmost importance to ensure swift and determined implementation of the initiative to unfold its potential and make an impact.

² https://home-affairs.ec.europa.eu/policies/migration-and-asylum/legal-migration-and-integration/talent-partnerships_en

³ https://ec.europa.eu/commission/presscorner/detail/en/QANDA_22_2655

⁴ <https://www.workinaustria.com/aufenthalt-beschaefigung/mangelberufe/bundesweit/>

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ABOUT ESIA

The European Semiconductor Industry Association (ESIA) is the voice of the semiconductor industry in Europe. Its mission is to represent and promote the common interests of the Europe-based semiconductor industry towards the European institutions and stakeholders in order to ensure a sustainable business environment and foster its global competitiveness. As a provider of key enabling technologies, the industry creates innovative solutions for industrial development, contributing to economic growth and responding to major societal challenges. Being ranked as the most R&D-intensive sector by the European Commission, the European semiconductor ecosystem supports approx. 200.000 jobs directly and up to 1.000.000 induced jobs in systems, applications and services in Europe. Overall, micro- and nano-electronics enable the generation of at least 10% of GDP in Europe and the world.