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# Increasing Economic Opportunity and Competitiveness in the EU: The Role of Micro-Credentials

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**Brussels, 14 October 2024** - As Europe navigates rapid technological advancements driven by automation, Artificial Intelligence (AI), and the Internet of Things (IoT), the skills demanded by the job market are changing at an unprecedented pace. Traditional education systems are struggling to keep up, leaving many workers unprepared for the dynamic needs of modern industries. In response, micro-credentials—short, focused learning experiences—are emerging as a vital tool to bridge the skills gap, providing a flexible and efficient way for individuals to acquire the in-demand skills required for success.

By embracing micro-credentials, Europe can create new economic opportunities across all regions, enabling a more agile workforce that aligns with the needs of both established and emerging sectors.

*"Europe's labour market is increasingly moving towards valuing specific skills that do not necessarily require traditional university degrees. Skills-based hiring is broadening talent pools and creating more opportunities for those without formal education,"* said Matthias Bauer, author of [the Policy Brief](#). This shift is particularly beneficial for those without formal education, such as women in under-represented fields and younger generations entering the workforce.

Large firms have already successfully embraced micro-credentialing systems to retrain and upskill their employees, fostering a closer alignment between education and market demands. However, for micro-credentials to reach their full potential, European policymakers should focus on **raising awareness of skills-based hiring, aligning micro-credentials with global standards, and supporting small and medium-sized enterprises (SMEs) in adopting these systems**

Additionally, **public-private partnerships and government-sponsored platforms for trusted micro-credential providers can enhance transparency and building trust.** Such initiatives will ensure the global recognition of EU micro-credentials, helping Europe build a skilled, agile workforce capable of adapting to an ever-evolving labour market.

*"Micro-credentials offer a forward-looking solution for workforce development, equipping individuals with the skills needed to drive Europe's economic growth,"* emphasises Matthias Bauer.

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