

Section for Employment, Social Affairs and Citizenship/Labour Market Observatory

Study of the Labour Market Observatory (LMO)

The EU on the path to reaching the headline 2030 employment and training targets: the views of social partners and civil society organisations in a selection of EU Member States

COUNTRY REPORT PORTUGAL



EXECUTIVE SUMMARY

1. Introduction

This report presents the views of Portuguese social partners and civil society organisations consulted by the EESC's Labour Market Observatory (LMO) as part of its study on progress towards the EU 2030 employment and training targets. The consultation was based on a survey and discussions carried out during the LMO field trip to Lisbon on 21–22 October 2024. The recommendations put forward by consulted organisations reflect the views of some stakeholders but not necessarily all.

2. EMPLOYMENT TARGET

Portugal has made good progress on employment, with a rate in 2024 of 78.5%.

Employers' organisations highlighted the importance of a stable, business-friendly environment with flexible labour laws; they also pointed to the Portuguese economy's low productivity and the predominance of micro-enterprises. Trade unions warned about rising job precariousness and criticised the high rates of temporary contracts, especially for young people and migrants. They pointed out the spread of in-work poverty, which also hindered progress on EU poverty reduction targets. The need to foster entrepreneurship, especially among young people, was emphasised.

Recommendations for increasing the employment rate include:

- Improving the inclusion of under-represented groups (women, older people, the low-skilled, NEETs, people with disabilities, migrants, residents of rural areas and minorities);
- From employers: promoting a stable, business-friendly environment; boosting competitiveness and productivity to support job creation; improving the anticipation of skills needs and reducing skill mismatches; supporting entrepreneurship; attracting and retaining talent, including returnees and skilled migrants; and reforming taxation to ease the burden on employers and workers;
- From trade unions: promoting stable jobs and fair wages; raising the minimum wage and strengthening collective bargaining; fighting bogus self-employment; and adapting labour market policies for young people, the long-term unemployed, and people with disabilities;
- Offering targeted training for low-skilled young people and the long-term unemployed; and
- Implementing specific recommendations from some organisations to support young people, women, migrants and people with disabilities.

$Involvement\ of\ the\ social\ partners\ and\ civil\ society\ organisations, and\ related\ recommendations$

While social dialogue remains a key element of labour market governance in Portugal, stakeholders highlighted the need for deeper, more effective involvement, with a focus on tangible outcomes, stronger negotiation processes, and improved capacity for social partners and civil society.

Examples of successful initiatives in employment: Professional Traineeships, the More Talent Programme, the Inclusive Employer Brand, the Operation Employment for People with Disabilities.

3. ADULT TRAINING TARGET

Portugal has adopted a national target of 60% adult participation in training by 2030, but the rate was just 33.4 % in 2022.

The organisations consulted reported major gaps remaining between workers' qualifications and labour market needs. Structural and cultural barriers to adult training hinder progress and the economy struggles to absorb young people's skills. Adult participation in training is especially low among older, low-skilled and casual workers. Adults face high costs, rigid schedules and limited rural training options. Entrepreneurs are largely excluded from training programmes. While women undergo training more than men, support mainly benefits qualified public-sector employees, leaving low-skilled women behind. Training for people with disabilities is rarely aligned with market demands.

Recommendations for increasing adult training participation rates include: raising awareness on lifelong learning; strengthening skills forecasting; aligning training with labour market needs; improving education-to-work transitions; expanding access for underrepresented groups; making training flexible and affordable; raising wages to prevent situations arising where people need to take several jobs, and allowing them to have time for training; reducing regional disparities in training; tailoring training for specific groups (e.g. older adults); supporting migrants through language and rights training; ensuring accessibility and guidance for people with disabilities; and increasing financial support for businesses and workers.

Engagement of social partners and civil society organisations (CSOs) and recommendations:

Social partners play a moderate role in training policy. Both the social partners and CSOs are active in carrying out training projects. The social partners and CSOs are calling for more involvement in training policy. In addition, social partners are asking for better data access, increased funding and greater autonomy in management training.

Initiatives with social partner and CSO involvement: the More Digital Employment programme; the CECOA (Centro de Formação Profissional para o Comércio e Afins – Centre for vocational training in commerce); a vocational training project for rural workers; training offered to people with disabilities by the LIGA Foundation; and the Employment + Digitalisation 2025 programme.

Examples of successful initiatives in adult training: the People 2030 programme; the Integrate programme; and the Programme for Employment and Support for the Qualification of People with Disabilities and Impairments. Excellent examples of measures to promote adult training were presented to the EESC delegation during its visit to the Lisbon Vocational Training Centre.

4. LEVEL OF INVESTMENT IN EMPLOYMENT AND ADULT TRAINING, RECOMMENDATIONS AND IMPACT OF THE EPSR ACTION PLAN

Consulted organisations called for more investment in inclusive employment and entrepreneurship, stressed that training is a strategic investment and proposed simplifying access to EU funds.

Overall, the European Pillar of Social Rights and its Action Plan has positively influenced Portugal's employment and training policies, helping to align skills development with labour market needs and shaping national targets. Consulted organisations note that the EPSR Action Plan has not consistently been a political priority, suggesting that increased investment and visibility are necessary to unlock its full potential.

COUNTRY REPORT PORTUGAL

1. Introduction

This report presents the perspectives of social partners and civil society organisations participating in the consultation conducted by the Labour Market Observatory (LMO) in Portugal, as part of its study entitled "The EU on the path to reaching the headline 2030 employment and training targets: the views of social partners and civil society organisations in a selection of EU Member States".

The consultation was conducted via a survey and discussions held during the LMO field trip to Lisbon on 21-22 October 2024.

The EESC members who took part in the field trip were Carlos TRINDADE (LMO President), Lech Pilawski (LMO Vice-president) and Michael McLoughlin.

The organisations who contributed - to whom we extend our sincere thanks - are the Entrepreneurial Confederation of Portugal (Confederação Empresarial de Portugal - CIP), the Confederation of Commerce and Services of Portugal (Confederação do Comércio e Serviços de Portugal - CCP), the Confederation of Farmers of Portugal (Confederação dos Agricultores de Portugal - CAP), the Confederațion of Portuguese Tourism (Confederação do Turismo de Portugal - CTP), the General Confederation of Portuguese Workers (Confederação Geral dos Trabalhadores Portugueses -Intersindical Nacional - CGTP-IN), the General Union of Workers (União Geral de Trabalhadores -UGT), the Portuguese National Confederation of Organisations of Disabled People (Confederação Nacional das Organizações das Pessoas com Deficiência - CNOD), the Portuguese Association of Disabled People (Associação Portuguesa de Deficientes – APD), the Liga Foundation (Fundação Liga), the National Federation of Social Solidarity Cooperatives (Federação Nacional das Cooperativas de Solidariedade Social – Fenacerci), the Portuguese Platform for Women's Rights (Plataforma Portuguesa para os Direitos das Mulheres - PPDM) and its the member organisation, the Association for Family Planning (Associação para o Planeamento da Família – APEM), the National Youth Council (Conselho Nacional de Juventude – CNJ), the National Federation of Youth Associations (Federação Nacional das Associações Juvenis - FNAJ), the Youth section of the General Confederation of Portuguese Workers (CGTP-IN - Seção Juvenil da Confederação Geral dos Trabalhadores Portugueses - Intersindical Nacional (Interjovem)), and the Youth Committee of the General Union of Workers (Comissão de Juventude da União Geral de Trabalhadores).

The EESC members would also like to thank the <u>Lisbon Vocational Training Centre</u> of the Institute for Employment and Vocational Training (IEFP) for the very insightful visit to the centre.

The report highlights achievements and ongoing challenges in employment and adult training and presents views and recommendations for improvement put forward by the organisations consulted. They may reflect the position of one or more stakeholders, but not necessarily all.

2. <u>EMPLOYMENT TARGET</u>

2.1. Introductory context

According to the <u>EU 2030 headline target</u>, 78% of the population aged 20–64 should be in employment in the European Union. Portugal has translated this target into a national goal of 80%.

Since 2020, Portugal has made notable progress in employment rates. In 2024, the overall employment rate reached 78.5%, surpassing the EU's 2030 target of 78%, yet remaining just short of the national goal of 80%. For women, the rate was 75.7%, compared to the EU average of 70.8%. The employment rate for young people aged 15-29 was 46.2%, slightly below the EU average of 49.6%.

In 2024, the unemployment rate for adults aged 20-64 remained stable at 6.3%, slightly above the EU average of 5.7%. However, youth unemployment (ages 15-29) was higher, at 14.2% in 2024, compared to the EU average of 11.4%.

2.2. Policies for increasing the employment rate and their effectiveness – progress and challenges

The organisations with whom we spoke expressed some concern that insufficient attention was being paid to the headline targets of the Action Plan; they stressed the need for **renewed impetus and greater involvement of social partners**.

Employers' organisations representatives emphasised the importance of timely and reliable **data** to monitor labour market developments and inform evidence-based policy-making.

They also stressed that job creation and economic resilience rely on a **business-friendly environment** with **stable**, **predictable policies**. In their view, Portugal's labour legislation remains overly rigid and complex; they consider diverse forms of employment and flexible contracts to be essential for addressing the ongoing labour market transitions.

Employers' organisations' representatives highlighted the **challenge of raising productivity** levels – key to wage growth – in a low-value-added economy dominated by micro-enterprises (90%) and many low-skilled workers and managers. Trade unions, by contrast, expressed concern over the continued reliance on low technology, and over low skills and low wages, advocating instead an **economy driven by quality, skills** and higher productivity.

Trade unions also raised concerns about **growing job precariousness and the declining quality of employment**; they criticised the dual labour market in Portugal, where many workers – especially young people, migrants and low-skilled workers are confined to short-term or informal contracts. The CGTP noted that 70% of new contracts are **temporary**, covering 16% of the workforce and over half of those under 24. Unions argued that these rarely lead to stable jobs. Workers' representatives explained that a large share of work was carried out through **temporary agencies**, particularly in agriculture, tourism, construction and hospitality – sectors with many **migrant workers** often earning lower wages. In the digital sectors, many workers face disguised self-employment, with lower pay and limited protections.

Trade unions highlighted that **in-work poverty** remains widespread, with 62% of workers earning under EUR 1 000 a month and 19% living near the poverty line. The minimum wage is deemed to be insufficient, forcing many people to take multiple jobs, and leaving little time for training or family life. The financial pressure also hinders young people from starting families and is detrimental to access to housing and healthcare. This situation undermines progress toward the goals of the **European Pillar of Social Rights** target on poverty reduction, as widespread in-work poverty and financial insecurity continued to prevent many workers from achieving a decent standard of living.

Entrepreneurship: the importance of fostering entrepreneurship – particularly among young people – and creating a **supportive framework for new entrepreneurs** was strongly emphasised.

Young people: Youth organisations noted that people under 35 made up a quarter of Portugal's workforce, yet they are frequently faced with **unstable and low-paid employment** – often short-term or bogus self-employment, offering little job security or career development prospects. Almost a quarter of young people were at risk of poverty in 2023, and many work long hours or have multiple jobs in order to get by. Despite being qualified, young workers struggle to afford housing or have enough money to start families – 80% of those under 29 still live with their parents – raising serious concerns about delayed youth emancipation.

Women: Portuguese women have a strong tradition of full-time work, but the main issues lie in **job quality and persistent gender inequalities**. Despite having higher average education levels than men, women face wage gaps and sectoral segregation, and are underrepresented in better-paid fields like IT and engineering. They are more concentrated in lower-paid sectors such as education and healthcare, more exposed to precarious work, and continue to earn less than men.

Despite legal prohibitions, gender discrimination persists in practice. Women entrepreneurs still face barriers – especially in accessing finance – while traditional roles place a greater unpaid care burden on them. Positive initiatives exist to support vulnerable women, such as older domestic workers.

People with Disabilities: Portugal's disability employment gap stands at 13.1%¹, highlighting continuing **barriers** to labour market access for people with disabilities. Challenges include persistent stereotypes, low employer awareness, lack of inclusive workplace culture, inadequate training aligned with market needs, and widespread accessibility barriers (physical, digital, transport and work tools). Additionally, employment support is limited to those with a disability of at least 60%, leaving many without assistance.

Recent legal requirements for hiring quotas² and workplace accessibility in the private sector mark important progress, with similar quotas in public administration. Initiatives like traineeships and integration support measures have had positive effects. However, implementing the quota law is challenging for SMEs and varies by region. Weak monitoring and control also undermine enforcement.

Law No. 4/2019 of 10 January 2019 stipulates that companies with a staff of between 75 and 249 workers must include at least 1% of people with disabilities. Organisations that employ 250 or more workers must include at least 2% of workers with disabilities in their staff.

Data from the Observatory on Disability and Human Rights – ODDH, 2023, quoted by the LIGA Foundation.

While funding exists for **workplace adaptations**, complex procedures and long waits discourage uptake by companies. Supported employment schemes promote inclusion, but they are complex and not used enough.

While there is an integrated support system for employing people with disabilities, it often **fails to deliver quality jobs** and people with disabilities have below-average income levels.

Migrants: Portugal saw a 44% rise in its migrant population in 2023, with migrants now making up 17% of the unemployed. Their **integration** into society and the labour market is an urgent priority. Trade unions raised concerns about **poor working conditions**, with some migrants earning below the minimum wage and working excessive hours. The government launched the 'Active Employment Measures' package to support migrant integration, notably by addressing a **backlog of pending regularisation cases**. At the time of the EESC's visit, employers expressed concern about the number of unresolved files. Since the mission, in April 2025, the Protocol of Cooperation for Regulated Labour Migration was signed between various Portuguese State bodies and five employers' confederations, with the objective of promoting regulated migration and ensuring a faster, more streamlined process for granting work visas.

2.3. Recommendations for increasing the employment rate

Achieving Portugal's employment target requires **greater inclusion of women and under-represented groups**, including older people, low-skilled people, NEETs, people with disabilities, people in rural or remote areas, LGBTIQ individuals, Roma and other minorities at risk of exclusion, as well as people with a migrant background.

Employers' organisations recommended:

- promoting a **business-friendly environment** with stable, predictable policies and improved labour market data;
- Enhancing competitiveness and productivity to protect jobs and support economic growth;
- having a clear labour market framework that balances flexibility for companies with security for workers. In a changing economy, they see flexible work arrangements and diverse contract options as essential to supporting adaptability in a changing economy;
- **Developing integrated workforce strategies** that address labour shortages by combining economic migration, family-friendly policies to support higher birth rates, and sustained investment in upskilling and lifelong learning;
- Developing policies to better **anticipate skills needs** and address the ongoing **mismatch** between workforce skills and labour market demands, which persists despite the progress already made;
- Facilitating labour market activation and entrepreneurship, particularly among underrepresented groups such as people with disabilities, to expand employment and foster innovation;
- Implementing targeted measures to **retain domestic talent**, **attract returnees and young professionals**, and enhance Portugal's appeal to skilled migrant workers;
- Encouraging settlement in rural areas through integrated policies that promote population retention and economic development, helping to address regional imbalances and demographic decline;
- **Reducing informal work** by helping workers to move into formal employment and addressing the disincentives created by high tax burdens on formal work;

- Carrying out **comprehensive tax reform** to reduce the overall tax burden on businesses and workers;
- **Promoting entrepreneurship** by reducing the stigma of failure and encouraging business partnerships, mergers, and synergies to help companies grow and gain critical size.

Trade unions recommended:

- **Reducing labour market segmentation** by limiting excessive use of temporary and agency contracts and promoting the **shift to stable, secure jobs** especially for young people, migrants and low-skilled workers;
- Combating precarious work and bogus self-employment: strengthening enforcement against informal and poorly regulated employment practices, including bogus self-employment, and ensuring all workers receive adequate protection and fair wages;
- Raising wages and tackling in-work poverty by increasing the minimum wage and promoting
 collective bargaining to ensure decent living standards, reduce poverty and allow workers to invest
 in skills and family life;
- **Strengthening housing policy** to improve access to affordable housing and support workers' mobility across regions;
- Adapting active labour market policies to better support the inclusion of young people, the long-term unemployed, and people with disabilities;
- Identifying **low-skilled young people** and providing them with targeted support and training to improve their skills and employability; and
- Investing in **upskilling the long-term unemployed** by recognising their potential and providing pathways to help them re-join the workforce.

Further recommendations for young people:

- Adapting active labour market policies to better meet the needs of young people, especially those with low skills, by introducing targeted measures, including positive discrimination;
- Strengthening communication and outreach to raise awareness of employment and training programmes among young people and the civil society organisations that support them;
- Ensuring decent wages for young workers by raising the minimum wage for all and preventing young people from being paid below this level, to support a decent living standard and reduce inwork poverty;
- **Promoting stable employment for young workers** by encouraging the use of permanent contracts and ensuring equal access to benefits like transport and meal allowances;
- Enforcing reasonable limits on daily working hours and intensifying labour inspections; and
- **Recognising and retaining young people's talent** by better using their skills in the labour market, helping to reduce emigration and preventing brain drain.

Specific recommendations for women:

- Introducing more efforts to **tackle discrimination** against women and ensure fair working conditions, equal pay and access to rights and protection;
- Tackling sectoral segregation and improving women's job quality;
- **Promoting shared care responsibilities** through awareness campaigns and education to challenge traditional gender roles and encourage equal caregiving between men and women; and
- **Introducing compulsory paternity leave** to support gender equality at home and in the workplace.

Specific recommendations for people with disabilities:

- **Revising the Quotas Law** (No. 4/2019) by reviewing both the eligibility criteria and the process for obtaining the Multipurpose Medical Incapacity Certificate to improve access to employment for people with disabilities in the private sector;
- Promoting and supporting **post-placement follow-up practices**, as developed by social organisations, to improve job quality and long-term employment outcomes;
- **Promoting employment as a right** by encouraging a shift in mindset that views work for people with disabilities as a right, not an obligation;
- Strengthening employer support by increasing and diversifying incentives, including tax benefits, and running awareness campaigns to promote disability inclusion as an opportunity, not an obligation; ensuring that measures such as Insertion Internships, Employment-Insertion Contracts, Supported Employment and Support Product Financing meet employers' needs and are free from excessive bureaucracy and delays;
- Improving accessibility by enhancing public transport to support workforce participation;
- Simplifying the rules on financial support for **workplace adaptation** and giving stronger incentives to employers;
- Clarifying employment procedures by providing clear guidance to employers on hiring and accommodating workers with disabilities;
- Developing **continuous training programmes** tailored to labour market needs, in partnership with educational institutions, businesses and NGOs;
- **Strengthening enforcement of workplace accident laws** by improving supervision and applying appropriate penalties; and
- Investing in new technologies to improve access to employment for people with disabilities.

Specific recommendation on Migrants: Enhancing support for migrant **integration** by offering comprehensive services – such as housing, legal assistance and administrative guidance – to help migrants access the labour market and social protection.

2.4. Engagement of social partners and civil society organisations and recommendations

Social dialogue remains the cornerstone of labour market governance, but its effectiveness is uneven. While social partners are always **consulted** on employment policies, stakeholders stress that **deeper involvement is needed to ensure that dialogue leads to concrete, impactful outcomes**. Organisations recommend focusing on issues with a tangible impact for the general public and businesses, prioritising practical results, empowering social partners, improving communication and strengthening negotiation processes. Enhancing the institutional capacity of national social partners, including their human resources and skills, is also essential.

Some trade unions said they were worried that there was less room for real negotiation, and that **employers' views** were often given more weight than those of workers.

An organisation representing people with disabilities recommended putting in place **platforms for regular dialogue** between the government, social partners and NGOs representing people with disabilities, in order to improve collaboration.

2.5. Examples of successful initiatives in employment

The **Estágio Profissional** – or **Professional Traineeship** – is a key active labour market measure in Portugal, helping thousands each year – especially young people and unemployed adults – to enter the workforce. Run by the **Institute for Employment and Vocational Training (IEFP)**, it provides practical, on-the-job training to build skills and work experience. Traineeships can take place in companies or organisations across all sectors and are often used by employers.

This measure targets recent graduates, first-time job seekers, and unemployed people registered with IEFP, with additional support for vulnerable groups such as people with disabilities and victims of domestic violence. Traineeships typically last nine months and include a monthly grant, meal allowance, and insurance; amounts vary according to education level. Most of the grant is co-financed by IEFP, making the programme attractive to employers.

Beyond skill-building, the Estágio Profissional acts as a pathway to stable jobs, with employers encouraged – and often financially incentivised – to offer permanent contracts after the traineeship.

The <u>+Talento programme</u> ("More Talent") aims to retain young qualified talent in Portugal by targeting unemployed graduates aged 35 or under, including returnees. It includes Estágios +Talento, which funds internships, and Emprego +Talento, which gives incentives to employers to offer permanent contracts. By promoting stable, quality employment, the programme aims to strengthen the national workforce and reduce youth emigration.

The <u>Inclusive Employer Brand</u>, awarded by the Institute for Employment and Vocational Training every two years, recognises employers with outstanding inclusive practices for people with disabilities – in areas like recruitment, career development, accessibility, retention and community involvement. In 2023, 54 entities received this recognition.

The <u>Operation Employment for Persons with Disabilities</u> (Operação de Emprego para Pessoas com Deficiência – **OED**) is the result of a cooperation agreement by the LIGA Foundation, Lisbon City Council and IEFP. It offers an innovative approach to support the professional integration of people with disabilities. Unemployed people of legal working age, registered with Lisbon's employment services, receive career guidance, workplace adaptation support and job placement services.

3. ADULT TRAINING TARGET

3.1. Introductory context

The EU's 2030 headline target calls for 60% of adults (25- to 64-year-olds) to participate in training each year. This target was set taking in to account the data from the 2016 Adult Education Survey (AES). According to the AES, 37.4 % of adults (25- to 64-year-olds) in the EU had had a learning experience in the 12 months prior to the survey – without including 'guided on the job training' (GOJT). The rate rose to 43.7 % of adults if 'guided on the job training' was included.

Although Portugal has adopted the 60% target at national level, the participation rate in training is low and has declined – from 38 % in 2016 to just 33.4 % in 2022 among people aged 25-64, according to the Adult Education Survey. (population aged 25-64 who had participated in formal or non-formal

education or training over the twelve months prior to the AES survey, excluding 'guided on the job training')³.

3.2. Policies for increasing the rate of participation in adult training and their effectiveness – progress and challenges

Although building a skills-based economy is a priority, significant gaps persist between current qualifications and labour market needs – especially in light of the green and digital transitions.

Portugal faces **structural and cultural challenges** surrounding training. The **structure of the economy** limits the absorption of young people's new skills, making it harder to develop effective adult training systems. Many young people could benefit from reskilling to boost their employability.

Most businesses are micro or small, with owners who often have low skills and limited knowledge of management or HR. Training is frequently seen as a cost rather than an investment. These companies also face financial constraints and staffing issues when employees attend training. Employers likewise highlight the challenge of investing in training when skilled workers frequently emigrate soon afterwards.

Adult participation in training is particularly low among older people and those with lower skill levels. Many workers – especially those with low or no digital skills – lack access to training opportunities. Casual workers in particular are excluded from learning opportunities. Trade union representatives noted that few receive company-provided training, and much of the training that is given is in any case uncertified.

There is a **lack of lifelong learning culture** in Portugal. A key challenge is raising awareness among employers and workers about the importance of ongoing upskilling; at the moment this importance is mainly understood by those who are most qualified. Many adults are discouraged from training due to a perceived lack of relevance.

Access to resources: Many adults also face financial and logistical barriers – such as high costs or inflexible schedules – that limit their access to training.

Regional inequalities persist, with urban areas offering far more training opportunities than rural regions.

Entrepreneurs: Current adult training initiatives target workers and the unemployed, and there is a notable lack of tailored programmes for entrepreneurs.

11

Eurostat special extraction of the adults' participation rate in learning during the past 12 months without guided on the job training (GOJT), from the Adult Education Survey. Adult training data is based on the Adult Education Survey, which excludes four types of non-formal learning activities from data collection: courses; workshops or seminars; guided on-the-job training (planned periods of education, instruction or training directly at the workplace, organised by the employer with the aid of an instructor); private lessons. Thus, the data does not fully reflect the realities of the learning activities undertaken.

Women: While women participate in training more than men, it is mainly women that are already qualified in the public sector who benefit. Low-skilled women, who need training most, are often excluded.

People with disabilities: Training for people with disabilities is often not aligned with labour market needs, limiting its impact on employment outcomes.

3.3. Recommendations for increasing adult training participation rates

- Raising the awareness of everyone involved employers and workers about the importance of continuous training;
- **Improving skills intelligence systems** by ensuring constant communication between employers, workers and training providers to better anticipate changing skills needs;
- Improving the relevance of education and training by aligning them more closely with current and future labour market needs. The national skills catalogue should be more flexible and responsive to sector demands, with greater focus on practical, hands-on learning through apprenticeships and on-the-job training;
- **Evaluating existing programmes** before launching new ones, using past results to identify what works and where improvements are needed;
- Improving the transition from education and training to work, by promoting **dual learning models**, such as those used in Germany;
- Improving outreach to under-represented groups by ensuring better access to training for low-skilled adults, migrants, older workers and people in rural areas. Efforts should focus on engaging the least qualified, who are often the most resistant to participation;
- Making training more flexible and affordable, especially for adults and women; offering short programmes that fit work schedules, and addressing barriers like limited availability during the day and high transport costs, which often prevent women from participating;
- **Increasing wages**, as the current minimum wage is too low, forcing many people to have multiple jobs to make ends meet leaving little time or energy for vocational training;
- Increasing and diversifying training opportunities across **all regions** to reduce geographical inequalities; in **sparsely populated areas**, making it easier to set up training courses;
- Ensuring training is more accessible and tailoring content to the **needs of specific groups**, such as older adults;
- Supporting **migrant workers** by offering training that includes language skills and information on labour rights and responsibilities to aid their integration;
- For **people with disabilities**, ensuring Vocational Training Centres are fully accessible and establishing specialised vocational guidance teams that work closely with training centres and special education staff;
- **Providing more financial support (with continuity)** for workers and businesses (e.g., tax deduction of investments made by companies); and
- Improving the **quality of training and trainers** by implementing quality assurance measures, including certification of providers and monitoring outcomes in terms of skills and employability.

3.4. Engagement of social partners and civil society organisations and recommendations

Social partners play a **moderate** but strategic role in training policy. Both the social partners and CSOs are active in **implementing training projects** – often through their own centres – which have proven effective in helping people find jobs.

Social partners wish to be **more actively involved in training-related decision-making**, even where not legally required. They also call for better access to implementation data, increased funding and greater autonomy in managing training. Civil society organisations, which are only slightly involved, would like to be involved more in adult training policies. Disability-focused CSOs recommend more regular dialogue with policy-makers, joint definition of policy goals and indicators, and stronger recognition and trust from public authorities.

Examples of initiatives with the involvement of social partners and CSOs, which were mentioned by the organisations consulted:

- A key initiative is the <u>More Digital Employment</u> programme ("Emprego mais digital"), which
 provides free digital training for company employees. Aimed at boosting digitalisation,
 competitiveness and efficiency, it is coordinated by the IEFP in partnership with organisations such
 as the Entrepreneurial Confederation of Portugal (CIP) and the Confederation of Commerce and
 Services of Portugal (CCP).
- The CCP also co-manages the <u>CECOA</u>, the Vocational Training Centre for Commerce and Services, in partnership with IEFP. The CECOA offers a range of training programmes including initial VET for young people, adult education and continuing training for employees and operates nationally with branches in Lisbon, Porto and Coimbra.
- Another vocational training project focuses on meeting the specific needs of the rural workforce and supports local-level investment. The CCP and the Confederation of Farmers of Portugal (CAP), are involved, working in partnership with local authorities.
- Since 1983, the LIGA Foundation has offered vocational training for people with disabilities, focused on practical, hands-on learning to support their professional inclusion.
- Social partners (trade unions, employers' associations, etc.) participated in the pilot phase of the programme entitled "Emprego + Digital 2025" (Employment + Digitalisation). They identified needs and helped define training paths. The programme operates across sectors and regions, adapting to the specific needs of industries and local areas. Its main goal is to combine digital upskilling with improved employability, supporting both employed and unemployed people in (re)entering the labour market. It is partly funded by Portugal's Recovery and Resilience Plan.
- A tripartite agreement signed in 2021 between the government and most social partners outlines key
 measures to strengthen vocational training. It aims to modernise the training infrastructure, expand
 sectoral centres, support SMEs with flexible solutions, promote entrepreneurial training, and boost
 school-business cooperation through practical, work-based learning.

3.5. Examples of successful initiatives in adult training

- The programme entitled Pessoas 2030 ("People 2030"), which the organisations consulted wished would be implemented more speedily: This is a topical initiative aimed at promoting better employment, improved qualifications and greater inclusion for those at risk of social exclusion. The programme targets young people (18-30), young NEETs, unemployed people, workers, women, vulnerable groups including older people, Roma and victims of violence. With a budget of EUR 5.7 billion from the ESF+, it focuses on less developed regions though some measures may also apply to Lisbon and the Algarve. The programme supports active employment policies, education, vocational and higher education, social inclusion and equal opportunities, with special emphasis on adult training, modular learning and digital skills.
- A new programme, entitled <u>Integrar</u>, supports the integration of unemployed and employed migrants into the Portuguese labour market through personalised training, recognition of qualifications and job search assistance. It involves employers, unions, local authorities and migrant associations to build strong support networks and foster a more inclusive economy.
- The Programa de Emprego e Apoio à Qualificação das Pessoas com Deficiência e Incapacidade ("Programme for Employment and Support for the Qualification of People with Disabilities and Impairments") supports employment and skills development for people with disabilities in Portugal. It provides tailored vocational training and job placement assistance, and helps employers adapt workplaces for accessibility. Through financial incentives and support, the programme promotes inclusion, autonomy and sustainable employment.
- The Estágios INICIAR ("BEGIN Traineeships") is a vocational training initiative managed by IEFP. It supports the integration of young people and unemployed adults into the labour market through short-term practical internships. It targets unemployed people aged 18 to 35, those over 35, and vulnerable groups such as people with disabilities, single parents, victims of domestic violence, and refugees. Interns receive a monthly grant, meal allowance and accident insurance. Employers benefit from financial incentives covering up to 80% of costs in certain cases such as for promoting gender balance, internships in inland regions, and the involvement of vulnerable participants and in other cases the reimbursement is typically 65%. Additional incentives encourage employers to offer permanent contracts to interns.

Field visit – <u>Centro de Formação Profissional de Lisboa</u> (Lisbon Vocational Training Centre)

On 22 October 2024, the EESC delegation visited the Lisbon Vocational Training Centre, the largest training facility in Portugal, operated by the Institute for Employment and Vocational Training (IEFP). Despite serving over 13 000 students annually, the centre is managed by a small, highly motivated team of 41, which is surely a challenge. The centre plays a vital role in adult vocational training, offering courses in Administration, Technology and IT, Tourism and Hospitality, Industry and Maintenance, Commerce and Services. Training programmes can also be tailored to student profiles, with counsellors providing personalised guidance throughout their learning journey.

Most training participants at the Centre are unemployed adults aged 35 to 50. The Centre collaborates closely with companies, especially in Lisbon, offering students on-the-job training opportunities.

Unemployed trainees receive additional social support, while companies benefit from financial incentives. After completing training, employment centres assist participants in job placement. Approximately 90% of those completing long-term technical courses, such as IT, secure immediate employment.

For young people aged up to 29, the **APR Youth Training** pathway combines secondary education completion with professional certification.

Through the **EFA Education and Training Courses**, adults over 18, whether employed or unemployed, can obtain school equivalencies combined with professional certification.

The centre also offers **Vida Ativa Short Training**, providing intensive, targeted professional courses lasting up to 12 weeks, ideal for unemployed adults seeking quick skill acquisition.

It likewise offers Technological Specialisation Courses (CET), providing professional certification in key sectors such as IT systems and kitchen management. These courses include 360 to 720 hours of on-the-job training.

The central IEFP takes labour market needs into account and maintains regular dialogue with the social partners. Public employment services collaborate with civil society organisations to reach vulnerable groups, directing them to the training centre. Companies can ask the IEFP to organise certified training for their employees. Over half of the training is delivered online, and certification follows the European framework.

4. <u>Level of investment in employment and adult training, recommendations and</u> impact of the EPSR Action Plan

The organisations consulted recommended increasing investment in targeted employment measures for groups like people with disabilities and in initiatives promoting entrepreneurship. Trade unions emphasised that training workers is a **strategic investment**, not a cost. Employers' representatives also mentioned that they see vocational training as an investment, and that the survival and development of companies depends, among other factors, on vocational training. Some organisations also proposed creating a working group to simplify administrative and financial procedures for accessing EU vocational training funds.

Overall, the European Pillar of Social Rights and its Action Plan have had a positive influence on Portugal's employment and training policies, helping to align skills development with labour market needs and shaping national targets. The organisations consulted see the active participation of social partners and civil society as key to this progress, but stress the need for greater involvement and improved policy monitoring. They also note that the **EPSR Action Plan** has not consistently been a political priority, suggesting that **increased investment and a higher profile** are necessary to unlock its full potential.