



## RESOLUTION

### **Providing an Environment That Will Foster Competitiveness in the EU: Building Up Knowledge Economy And Strengthening Education**

*Adopted at the YEPP Council Meeting in Valencia, 14.09.2019*

#### **Acknowledging that:**

- The level of competitiveness of EU economies depends on how the European businesses initiate and respond to change by means of innovation;
- Compared to the US, the EU GDP per capita has always been lower and the fact that actually since the 80s, the difference in GDP per capita between the EU and the US has almost doubled in absolute terms;
- Also, between EU Member States there are notable differences, with a significant higher GDP per inhabitant in North-Western compared to South-Eastern member states;
- High employment rate is crucial for growth and competitiveness and that the ageing European population is the largest challenge with regards to employment due to low birth rates and a higher life expectancy.
- More contributions will be asked from the people who are working to keep the system of social security and solidarity afloat

#### **Recognizing that:**

- The EU's economy is primarily knowledge-based, i.e. focused on knowledge-intensive manufacturing and related services requiring a certain level of highly skilled workers;
- The EU will face a shortage in this highly skilled workforce;
- In 2011, the EU spent around 6% of its GDP on education, almost all financed by the public sector in contrast to the US, which spends about 7.3% of its GDP on education, of which 30% is financed by the private sector, particularly for higher education;
- The financial crisis in 2009 caused the European member states to cut their budgets for higher education. Since education in the EU is almost completely financed by the public sector, this will have a negative long-term effect on the competitiveness of European universities and ultimately on downstream R&D intensive sectors;
- At the EU level, some efforts were made to provide for a more attractive environment for researchers, such as more funding of the European



Institute of Technology (EIT) or the Joint Research Centre (JRC). This however will have not change the absence of excellent training facilities for students. Only 5 of the global top 20 ranked universities are European.

**YEPP calls on:**

- The EU Member States to introduce national or regional strategies to tackle problems of education and improve educational outcomes-and to invest more in education as to provide young Europeans with a skill-set that will fit the needs of the future job market;
- The EU Member States to invest in vocational schools, vocational training and dual education to further support young people to pursue and work in scarce occupations.
- The EU Member States to allow a larger portion of financing of their education systems by the private sector.–To compete with the US, the EU should spend more on education. These expenditures are not only necessary to finance the cost of teaching and the operation of facilities but also to invest in an innovative education infrastructure and the upgrading of equipment to modern IT standards for teaching;
- The EU member states to stimulate their universities and other higher education institutions to grow and achieve a higher level of excellence;
- The EU Commission to provide more funding for the European Institute of Technology and the Joint Research Centre;
- The European Commission to establish a database that will collect information about all ongoing research in the field of technology and science. This will help prevent overlap but will also stimulate research facilities to communicate about their own research and eventually foster the cooperation between several European research teams.