

French Automotive & Mobility Network

Smart & Green



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FAMN Policy Paper

Skills development: a pivotal point for the automotive industry



This document is published by the [French Automotive & Mobility Network \(FAMN\)](#). While the French mobility sector is at the crossroads of a twin transition – green and digital – this document aims to present a couple of experiences, recommendations and skills development needs from the French automotive and mobility sector perspective.

FAMN brings together the French Automotive Platform (PFA) – whose members include the major French groups in the sector – and four competitive clusters located in France (CARA, ID4MOBILITY, NextMove, Pôle Véhicule du Futur). In total FAMN has almost 1,500 members, including SMEs, major companies, universities, research centres and local authorities.

FAMN is involved in various areas with the aim of supporting the transition to greener, better connected and safer mobility and industry. Skills development is one of these key areas. FAMN is operating at EU level collaborating with institutional partners based on the concerns raised by its members.

BACKGROUND

The European Commission has designated 2023 as the [European Year of Skills](#) – this document aims to highlight the challenges and opportunities facing the automotive and mobility sector on this topic. Based on observations and findings made at both French and European level – it also presents concrete actions and needs in terms of public policies.

This work results of close collaboration between the competitiveness clusters, companies, academics, and policymakers – and aims to provide a basis for reflection for all those seeking to understand and act on skills in relation to the ongoing transitions of the mobility sector.

OBSERVATIONS

1. State-of-play at French and regional level

The automotive and mobility sector in France is currently going through a period of important transition, requiring a renewal of skills and therefore training. At a regional level, it is vital to consider the specific skills requirements. **Measures have been – and must continue to be – put in place to anticipate changes** in the jobs likely to be affected by transitions. In addition it is necessary to make the automotive jobs more attractive, in particular by developing strategies at local level – points mentioned in the latest [Strategic Contract for the Automotive Sector](#) (2018).

Two points stand out from **the observations done in France**:

- **Anticipating a growing need for skills** – While the need to recruit around 25,000 people a year between 2018 and 2022, covering a range of skill levels, is forecast, the sector is also facing technological and environmental challenges. It is essential not only to meet growing recruitment needs, but also to adapt skills to changes. Efforts are underway to award many professional qualification certificates and to support the digitalisation of services. Forward-looking studies have identified new needs in key skills such as production technologies, Big Data, AI and recycling. Net recruitment needs for automotive services were estimated at around 14,000 positions per year.
- **Implementing a strategy at local level** – At local level, there are specific challenges linked to anticipating skills needs and managing career transitions. Financial mechanisms and training schemes tailored to local circumstances need to be put in place. These initiatives must be designed in collaboration with local stakeholders to ensure their relevance and effectiveness. The local level is key to absorb the ongoing transitions of the automotive and

mobility sector. Skills needs are strongly influenced by local factors such as the industrial fabric and employment dynamics. It is therefore essential to take these specific features into account. Competitiveness clusters are key because they are based at local level.

More recently a [study](#) conducted jointly by the PFA and the *Direction Générale des Entreprises* (department of the French Ministry of Economy and Finance in charge of private companies affairs) highlighted the impact of the energy transition and technological advances on the industry, presenting both challenges and opportunities. The study recommends structuring skills in France for the detection and protection of cyber security – areas that will rapidly become critical with increased vehicle connectivity.

2. State-of-play at European level

The transition toward a more sustainable and connected mobility at European level requires a renewal of skills. If measures have been taken to anticipate emerging needs – particularly in areas such as battery production and digital systems – it has also been noted the important to focus on aspects of work that go beyond salary (e.g. career opportunities, involvement in environmental, social and governance projects). These points were detailed in the recent White Paper "[In the Fast Lane](#)" published in early 2023 by the LHH group, which also provides an overview of the situation at European level.

Two points stand out from **the situation at European level**:

- **Meeting rapidly evolving skills needs** – While the sector is forecasting a significant need for recruitment in the coming years, particularly in areas such as battery production and digital systems, it is also facing technological and environmental challenges. It is imperative not only to meet growing recruitment needs, but also to adapt skills to the changes taking place. Initiatives are in place to deliver a large number of vocational qualification certificates and to support the digitalisation of services. Studies have also identified growing needs for specialist skills such as cyber security and Big Data. Net recruitment needs are estimated at a significant number per year.
- **Implementation strategy at European level** – Specific challenges seen at European level are linked to anticipating skills needs and managing professional transitions. Appropriate financial mechanisms and training programmes need to be put in place. These initiatives must be developed in close collaboration with the stakeholders concerned to ensure their relevance and effectiveness. The European level is crucial for managing the transitions underway in the mobility sector. Skills needs are strongly influenced by factors such as regulatory standards and market dynamics. It is therefore essential to take these specificities into account.

ACTIONS IMPLEMENTED

1. Initiatives in France

A number of noteworthy initiatives, notably under the umbrella of French competitiveness clusters, have been **implemented to anticipate and respond to the new skills needs** identified. These initiatives cover a large range of fields – including electromobility, circular economy and cybersecurity:

- **CARA:** A Campus of Professions and Qualifications of Excellence (CMQE) organised by the based-in-*Auvergne-Rhone-Alpes* cluster focuses on electromobility, particularly in the areas of vehicle design, validation and maintenance. It aims to enrich educational programmes with aspects related to this new form of energy.
- **NextMove:** A CMQ organised by the cluster focuses on the circular economy in the automotive and mobility industry, working with the Renault group and other local players to transform automotive activities into circular projects. In addition to its CMQ, NextMove also offers training courses on digitalisation.
- **ID4Mobility:** A CMQ organised by the cluster offers comprehensive automotive and mobility training, covering fields as varied as precision engineering and vehicle maintenance. In addition to its CMQ, ID4Mobility has developed a specialised training course for engineers and technicians, in collaboration with the ExcelCar industrial platform.
- **Pôle Véhicule du Futur (PVF):** This initiative focuses on several pillars, including the attractiveness of the sector and aligning training with industrial needs.
- **Renault Group:** ReKnow University, a Renault Group initiative, aims to reskill employees and prepare the next generation. It is aimed at a diverse audience, including industrial partners and young talent, embodying a strategic and integrated response to the sector's transformation imperatives.

These initiatives illustrate the commitment of the competitive clusters active at regional level and of French industrial players to anticipating and meeting the skills needs of the changing automotive sector. It is therefore essential to take these specific features into account.

2. Initiatives at European level

At the European round table organised in July ([replay](#)) on the impact of the transition on skills in the automotive sector, a number of **good practices implemented** at European level were shared:

- **The Automotive Skills Alliance (ASA) has set up a large-scale partnership** as part of the *Pact for Skills*. The ASA is an alliance that promotes skills collaboration and information sharing within the automotive ecosystem. It drives a number of initiatives, including the BaTT Forum, a platform where teachers can exchange best practice in battery training. The ASA also offers study visits to key *stakeholders*, providing a first-hand insight into the processes involved in upgrading skills and retraining. Tools provided by the ASA include an online platform hosting more than 40 online courses, ensuring up-to-date and relevant training.
- **The Stuttgart region has succeeded in establishing clusters**, all of which recognise the importance of working with companies HR departments. One concrete example is the CARS 2.0 project, which aims to create synergies between the various players in the sector to tackle skills-related challenges.

These initiatives demonstrate that collaboration, information sharing, and an integrated strategy are essential to meet the skills challenges in the automotive and mobility sector. It is important that EU policymakers take inspiration from the good practices mentioned above to develop policies that support skills development and accompany the dual transition.

WHAT ARE THE PUBLIC POLICY NEEDS?

In the context of the transition to more sustainable and connected mobility, it must be stressed that the initiatives taken at industry level, both in France and at European level, are not sufficient to remove the persistent barriers identified. **We have identified specific public policy needs.** These policies must be designed to support existing initiatives and encourage new ones.

We have noted that the European Commission has several policy levers at its disposal to support the ongoing transition. As part of the “*Transition Pathway for the Mobility Ecosystem*”, a process initiated by the update of the industrial strategy in May 2021, several stages of a European policy addressing the issue of skills in the automotive and mobility sector have been completed: the publication of the Staff Working Document in January 2022, consultations with stakeholders in 2022, and co-creation roundtables under way until the summer of 2023. The aim of these roundtables is to identify the sector's major challenges, formulate recommendations to facilitate the transition, and define specific commitments. These commitments will then be published and monitored by the Commission. The main challenges identified to date include:

- Skills shortages and attracting talent, particularly for SMEs.
- The geographical concentration of jobs.
- The ageing of the workforce, the under-representation of women, and the attractiveness of the sector to young people.

To meet these challenges, a number of actions are needed: identifying skills shortages, strengthening links between education and training providers and industry, implementing EU initiatives such as the *Pact for Skills*, and investing in concrete pilot projects.

We welcome the European Commission's efforts on these points. We believe that particular attention should be paid to the mobilisation of funding resources and the establishment of mechanisms for monitoring and evaluating the public policies in place.

KEY RECOMMENDATIONS

- **Recommendation 1:** Make a Europe-wide State-of-Play on upcoming industry and skills requirements and future needs regarding the ongoing automotive value chain changes.
- **Recommendation 2:** Invest more in training and skills development.
- **Recommendation 3:** Strengthen collaboration between industry players, academics and governments in order to create appropriate training pathways.