EUALMPO

EU Active Labor Market Policies Observatory

D21 – D8.7
Interim clustering Policy Brief report

by ACRONYM LTD.

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Table of Contents

1. Executive Summary 3
2. Introduction and rationale 3
   - 2.1 Clustering in the Horizon Europe Context 3
   - 2.2 Purpose of this Policy Brief 4
3. Methodology of Clustering 4
4. Mapping of Clustered Projects 5
   - Table 1 - Mapping of the eight (8) Clustered Projects Related to EU-ALMPO 6
   - Table 2 – Top 8 Cluster Partners Candidates for EU- ALMPO 10
5. Cross-Project Findings and Synergies 11
   - 5.1 Building Inclusive and Adaptive Labour Market Systems 12
   - 5.2 Advancing Skills Intelligence and Forecasting 12
   - 5.3 Enhancing Resilience in Transforming Labour Markets 13
   - 5.4 Cross-Cutting Lessons Emerging from the Cluster 14

ANNEX 15

ANNEX 1 – A brief description of the nine (9) projects 16

ANNEX 2 - Overview of the 1st European Labour Market Intelligence & Resilience Cluster Meeting 21

ANNEX 3 – Architecture of the European Labour Market Intelligence & Resilience Cluster 26

1. Executive Summary

This Policy Brief has been prepared in the framework of the EU-ALMPO project, in line with Horizon Europe's requirement to strengthen synergies and promote joint learning across related projects. Its purpose is twofold:

- **To cluster EU-ALMPO with other Horizon Europe projects** addressing similar themes, challenges, or policy priorities.
- **To distinguish shared lessons and recommendations** that can inform European and national policymakers, research communities, and stakeholders.

The analysis highlights that clustering activities generate added value well beyond individual project outcomes. By mapping related initiatives, facilitating knowledge exchange, and identifying complementarities, projects can avoid duplication, align their results with EU missions and strategies, and produce stronger, more policy-relevant evidence.

Key messages emerging from the clustering exercise include:

- **Cross-project collaboration accelerates impact.** Horizon projects often tackle different parts of the same policy challenge; clustering ensures that partial solutions can be connected into more systemic pathways.
- **Policy alignment is reinforced.** Clustering makes it easier to identify gaps between project-level outputs and wider EU policy goals such as the European Green Deal, Digital Europe, and the Pact for Skills.
- **Sustainability is enhanced.** Joint dissemination, exploitation, and stakeholder engagement mechanisms ensure that project results continue to be visible and usable beyond the individual grant duration.

2. Introduction and rationale

2.1 Clustering in the Horizon Europe Context

Horizon Europe encourages and, in many cases, requires funded projects to engage in clustering activities. The underlying rationale is clear: many research and innovation challenges are too complex to be addressed by single projects in isolation. Clustering helps create critical mass, fosters complementarities, and builds bridges between scientific, technological, and policy communities.

EU-ALMPO, with its focus on labour market policies with the use of AI tools has been designed not only to generate novel insights and solutions but also to ensure that these results are connected to other initiatives in the same policy ecosystem.

EU-ALMPO has initiated the creation of the European Labour Market Intelligence & Resilience Cluster, bringing together Horizon Europe projects that jointly address skills intelligence, employment transitions, active labour market policies, and resilience in the face of digital, green, and demographic transformations.

2.2 Purpose of this Policy Brief

This Policy Brief is intended as a concise, policy-oriented document that:

1. **Maps** the relevant Horizon Europe projects with thematic proximity to EU-ALMPO.
2. **Synthesizes** their common findings, approaches, and challenges.
3. **Distils** actionable policy messages for EU and national decision-makers.
4. **Demonstrates** the added value of clustering activities for impact generation and sustainability.

The document is targeted at policymakers within the European Commission (DG RTD, DG EMPL, DG GROW, DG CLIMA, and others), national authorities, social partners, and wider stakeholders engaged in innovation, labour market, and skills development

3. Methodology of Clustering

The clustering exercise underpinning this Policy Brief followed a structured approach:

1. **Identification of Relevant Projects**
   - Desk research on Horizon Europe projects funded under the same Destination and closely related calls.
   - Use of the CORDIS database and European Commission cluster initiatives to shortlist projects with thematic overlap.
   - Consultation with project partners and external experts to validate the list.
2. **Criteria for Clustering**
   Projects were included in the cluster if they shared one or more of the following characteristics:
   - Addressed similar policy domains (e.g., labour market transformation, skills, digitalisation, sustainability).
   - Generated Key Exploitable Results (KERs) complementary to those of EU-ALMPO.
   - Targeted overlapping stakeholder groups (e.g., SMEs, social partners, policymakers, training providers).
   - Operated within the same geographical or sectoral scope.
3. **Knowledge Exchange Mechanisms**
   - Participation in Horizon Europe clustering events organised by the European Commission.
   - Bilateral exchanges with coordinators of related projects.
4. **Synthesis for Policy Briefing**
   Evidence and insights from the clustered projects were reviewed and synthesised into common findings. Special emphasis was placed on areas where projects demonstrated complementary solutions or where gaps in EU policy implementation were identified. **Policy Recommendations** will be presented at the Final Policy Brief version (end of project)

4. Mapping of Clustered Projects

The Mapping Table of the eight (8) clustered Horizon Europe projects related to EU-ALMPO, providing a concise overview of their thematic scope, program details, and coordinators**:**

- **ALMP Core Projects:** EU-ALMPO + DIAMOND
- **Skills Intelligence Cluster:** TRAILS + SkillsPULSE + Link4Skills + Skills2Capabilities
- **Resilience & Labour Market Transformation:** TransEuroWorkS + SkillResilience4EU
- **Trustworthy & Human-Centric AI Governance Layer:** FORSEE

These nine (9) projects together define a robust Horizon CL2–Transformations cluster around labour market resilience, skills intelligence, inclusive employability, and trustworthy AI governance. (*In the clustering logic, FORSEE functions as: A cross-cutting governance and ethical validation framework for AI-enabled labour market intelligence and ALMP digital tools).*

Table 1 - Mapping of the eight (8) Clustered Projects Related to EU-ALMPO

Acronym	Full Title	Programme / Call	Coordinator	Duration	Key Focus
EU-ALMPO	*EU Active Labour Market Policies Observatory*	Horizon Europe – HORIZON-CL2-2024-TRANSFORMATIONS-01-02 "Strengthen economic fairness and resilience of active labour market policies and address high unemployment"	UOP, Greece	Jan 2025 – Dec 2027	Establishes an EU Observatory on Active Labour Market Policies; develops AI-enabled tools for ALMP design, evaluation, and benchmarking; promotes fairness, inclusiveness, and resilience in EU labour markets.
DIAMOND	*Providing a Digital and Modular Ecosystem for Personalized Capabilities Development to Enhance Labour Market Participation and Employment Transition*	Horizon Europe – HORIZON-CL2-2024-TRANSFORMATIONS-01-02	AARHUS UNIVERSITET Denmark	Oct 2024 – Mar 2028	Guides vulnerable individuals through personalised learning pathways via EGROW Index and MOVE platform; combines AI-based micro-credentials, living labs, and econometric analysis to improve employability.
TRAILS	*Enabling Data Analytics for Actions Tackling Skills Shortages & Mismatch*	Horizon Europe – HORIZON-CL2-2023-TRANSFORMATIONS-01-07 "Tackling European skills and labour shortages"	Democritus University of Thrace Greece	Jan 2024 – Dec 2026	Develops AI-driven tools and new datasets for identifying and analysing skills mismatch and shortages; supports evidence-based EU skills policies and VET planning.
SkillsPULSE	*Skills – Predicting, Understanding and Locating Shortages in Europe*	Horizon Europe – HORIZON-CL2-2023-TRANSFORMATIONS-01-07	Fondazione Giacomo Brodolini,(FGB) Italy	Jun 2024 – May 2027	Produces a Skills Shortage Index and software tools for skills intelligence; maps shortages by

Acronym	Full Title	Programme / Call	Coordinator	Duration	Key Focus
					job, sector, and region; informs EU and national skills strategies.
Link4Skills	*AI-Assisted Skill Navigator for Identifying and Remedying Global Skill Shortages*	Horizon Europe – HORIZON-CL2-2023-TRANSFORMATIONS-01-03 "Global Shortages and Skill Partnerships"	AKADEMIA LEONA KOZMINSKIEGO Poland	Jan 2024 – Dec 2026	Uses AI and econometric microsimulations to assess re/upskilling, migration, wage and automation responses; models international labour mobility and skill partnerships.
Skills2Capabilities	*Capabilities to Facilitate Labour Market Transitions*	Horizon Europe – HORIZON-CL2-2022-TRANSFORMATIONS-01-07 "Conditions for successful development of skills matched to needs"	3S Unternehmensberatung GmbH, Austria	Jan 2023 – Dec 2025	Examines how skill systems and VET can enable transitions between jobs/sectors; identifies institutional reforms for lifelong learning and resilience.
TransEuroWorkS	*Transforming European Work and Social Protection: A New Proactive Welfare State Fit for the Future World of Work*	Horizon Europe – HORIZON-CL2-2021-TRANSFORMATIONS-01-02	UNIVERSITEIT LEIDEN Netherlands	Nov 2022 – Oct 2026	Studies welfare and social protection reforms under digital/green transitions; large-scale survey and policy experiments for a proactive, inclusive welfare model.
SkillResilience4EU	*Reskilling and Upskilling for Labour Market Resilience in the Twin Transition*	Horizon Europe – HORIZON-CL2-2024-TRANSFORMATIONS-01-03 "Minimise costs and maximise benefits of job creation and destruction"	HOGSKULEN PA VESTLANDET Norway	Jan 2025 – Dec 2027	Examines job creation/destruction and reskilling under green & digital transitions; develops policy tools for sectoral resilience and inclusion.

Acronym	Full Title	Programme / Call	Coordinator	Duration	Key Focus
FORSEE	Forging Successful AI Applications for European Economy and Society	Horizon Europe – HORIZON-CL2-2024-TRANSFORMATIONS-01-06 "Beyond the horizon: A human-friendly deployment of artificial intelligence and related technologies"	UNIVERSITY COLLEGE DUBLIN (UCD) Ireland	Feb 2025 – Jan 2028	Develops a nuanced concept of "successful AI" beyond efficiency; engages institutional actors, civil society and SMEs, and the public; delivers an AI governance approach, an evaluative framework for AI applications, and a prototype risk/negative impact registry aligned with EU values and fundamental rights.

Table 2 – Top 8 Cluster Partners Candidates for EU- ALMPO

TITLE	Project	Core Focus / Strengths for Clustering/ Relevance for EU-ALMPO
1. DIAMOND	Digital and modular ecosystem (EGROW & MOVE platforms) for personalised employability pathways of vulnerable groups.	Same topic family (**HORIZON-CL2-2024-TRANSFORMATIONS-01-02**). Direct synergy on labour market inclusion, personalised ALMPs, and AI-enabled employability tools.
2. Link4Skills	AI-Assisted Skill Navigator to map and address global and EU skill shortages; combines re/upskilling, migration, wage adjustment, and automation responses.	Strengthens EU-ALMPO's evidence base on international labour mobility and global skill supply chains; complements ALMPO's observatory and AI platform.
3. Skills2Capabilities	Framework for how skills systems can support individual labour transitions; analysis of VET, lifelong learning, and capabilities resilience.	Adds methodological and institutional insight on **skills system reform**, essential for EU-ALMPO's ALMP benchmarking.
4. TRAILS	AI-based analytics and new datasets for identifying skills mismatches and shortages across Europe.	Provides advanced **skills intelligence** methods; supports EU-ALMPO's analytical AI modules.
5. SkillsPULSE	Measurement of skills shortages and gaps (Skills Shortage Index); future-oriented forecasting.	Adds quantitative indicators to ALMPO's observatory dashboards and cross-validation potential.
6. TransEuroWorkS	Transformation of European work and social protection; welfare and social investment reforms.	Expands the ALMPO cluster to include **institutional and welfare dimensions** of labour market policies.
7. SkillResilience4EU	Sectoral reskilling and upskilling strategies during green/digital transitions; sector-based resilience.	Connects ALMPO's systemic policy framework to **sector-level adaptation and twin-transition challenges**.
8. FORSEE	Human-friendly AI deployment and governance; defines "successful AI" beyond efficiency and develops evaluation and risk frameworks.	Provides governance, ethics, and risk-management building blocks for EU-ALMPO's AI-enabled observatory tools, strengthening transparency, fundamental-rights alignment and trustworthiness in policy-facing AI.

5. Cross-Project Findings and Synergies

The clustering exercise around **EU-ALMPO** reveals a dynamic and complementary ecosystem of eight Horizon Europe projects that collectively address the **future of labour markets, skills, employability, and resilience** in Europe.

Together, they offer an integrated continuum of evidence and innovation—from **intelligence**

generation and **skills system reform** to **personalised activation policies** and **resilient welfare transitions**.

While each project focuses on a specific dimension of the labour market transformation, their combined results demonstrate the potential for a **European Labour Market Intelligence and Resilience Network**, capable of bridging analysis, experimentation, and policy learning.

5.1 Building Inclusive and Adaptive Labour Market Systems

At the heart of this cluster are **EU-ALMPO** and **DIAMOND**, both responding to the same Horizon call (HORIZON-CL2-2024-TRANSFORMATIONS-01-02) and sharing a mission to strengthen the **fairness, adaptability, and inclusiveness** of Active Labour Market Policies (ALMPs).

- **EU-ALMPO** introduces a digital observatory designed to reshape how ALMPs are designed, executed, and evaluated, using an AI-enabled knowledge infrastructure that supports evidence-based and equitable interventions across Member States.
- **DIAMOND**, operating within the same policy family, provides the micro-level complement: a modular and digital ecosystem that empowers **vulnerable individuals** to navigate their employability journeys via the *EGROW Index* and *MOVE Platform*.

The synergy between these two projects lies in the integration of **macro-level policy intelligence** and **micro-level personalisation**.

Combining DIAMOND's personalised learning pathways with ALMPO's system-wide monitoring framework could create a closed feedback loop where data from individual employability trajectories informs national ALMP design and vice-versa.
Such convergence demonstrates how the EU can simultaneously pursue **efficiency** (through data-driven governance) and **equity** (through personalised inclusion tools).

5.2 Advancing Skills Intelligence and Forecasting

A second cluster of projects—**TRAILS, SkillsPULSE, Link4Skills, and Skills2Capabilities**—forms the skills-intelligence and foresight pillar of the ecosystem, supplying quantitative diagnostics, forecasting, and institutional reform perspectives for skills and labour market transitions. Complementing this evidence layer, **FORSEE** adds a dedicated AI-governance pillar, ensuring that AI-enabled policy tools are assessed against societal criteria, fundamental rights, and risk/impact considerations—critical for trustworthy deployment in public employment and labour market policy contexts.

- **TRAILS and SkillsPULSE – Data-Driven Mismatch Measurement**
  - **TRAILS** is pioneering the use of machine learning and big-data analytics to detect skills mismatches and shortages, creating new harmonised indicators across EU countries.
  - **SkillsPULSE**, coordinated by Fondazione Giacomo Brodolini, complements this by developing the *Skills Shortage Index*—a robust statistical tool and software platform that identifies where shortages and gaps arise and anticipates their evolution under digitalisation.

Jointly, these projects represent the quantitative backbone of the cluster. Their combined methodologies can be embedded in the **EU-ALMPO Observatory** to strengthen its diagnostic capacity.

Together they create the possibility of a unified *European Skills Intelligence Framework* linking administrative data, survey evidence, and AI-enhanced analytics for real-time policy insights.

- **Link4Skills – Global Dimensions of the Skills Ecosystem**

  The **Link4Skills** project extends the analytical frontier beyond Europe, incorporating migration, wage, automation, and global skill-partnership dimensions. Its *AI-Assisted Skill Navigator* integrates micro- and macro-data to simulate how Europe can respond to shortages through combinations of upskilling, recruitment, or automation.
  For EU-ALMPO, this provides a unique opportunity to contextualise ALMP reforms within **international labour mobility and demographic shifts**, ensuring that European policies remain globally responsive and competitive.

- **Skills2Capabilities – Institutional and Systemic Reform**

  While TRAILS, SkillsPULSE, and Link4Skills focus on quantitative intelligence, **Skills2Capabilities** offers the **institutional lens**—examining how VET and lifelong learning systems can cultivate the capabilities needed for continuous labour transitions.
  Its multi-country comparative research on VET responsiveness and capability development complements EU-ALMPO's policy benchmarking, ensuring that intelligence is matched with feasible governance reforms.

5.3 Enhancing Resilience in Transforming Labour Markets

Two additional projects—**TransEuroWorkS** and **SkillResilience4EU**—introduce the resilience and welfare dimension that anchors labour market transformation within social cohesion and just-transition principles.

- **TransEuroWorkS – Welfare and Social Protection in Transition**

  TransEuroWorkS investigates how welfare states must evolve to remain **sustainable, inclusive, and mobile** amid automation, digitalisation, and the green transition. Its multi-method design, encompassing surveys, interviews, and field experiments across 27 EU countries, highlights how social protection can proactively support transitions instead of merely compensating for job loss.
  By linking its insights to EU-ALMPO's observatory, policymakers could trace how **ALMP measures interact with welfare regimes**, clarifying which combinations of unemployment insurance, retraining incentives, and social investment yield the highest resilience outcomes.

- **SkillResilience4EU – Sectoral Pathways for the Twin Transition**

  SkillResilience4EU focuses on how specific sectors—energy, food, transport, and digital industries—can manage job creation and destruction during the green and digital transitions. It

develops conceptual and practical tools to help decision-makers design **sector-specific reskilling roadmaps** and manage the social costs of transformation.

For EU-ALMPO, which seeks to standardise ALMP effectiveness indicators, these sectoral pilots provide real-world testbeds to evaluate how national ALMP frameworks can be adapted to **industry-level transformation challenges**.

5.4 Cross-Cutting Lessons Emerging from the Cluster

Despite their diversity, the eight projects converge on a shared understanding of how Europe can build fair, intelligent, and resilient labour markets.

Five (5) broad findings emerge:

1. **Intelligence → Design → Inclusion:**
   Data and analytics (TRAILS, SkillsPULSE, Link4Skills) must feed directly into the design of activation policies (EU-ALMPO) and personalised learning tools (DIAMOND) to ensure evidence-based and inclusive interventions.
2. **From Skills to Capabilities:**
   The future of work requires not only new technical skills but also **capabilities for adaptability and self-management**. Skills2Capabilities demonstrates that skills systems must deliver resilience as an outcome—an insight that complements ALMPO's emphasis on fairness and empowerment.
3. **Resilience is Institutional, Sectoral, and Personal:**
   TransEuroWorkS and SkillResilience4EU show that resilience operates at multiple levels: through welfare and social protection systems, through adaptive sectoral policies, and through individual empowerment. Policy coherence across these levels is crucial.
4. **Digitalisation as an Enabler, Not an End:**
   Across projects, digital tools—AI-assisted analytics (TRAILS, Link4Skills), observatories (EU-ALMPO), and learning platforms (DIAMOND)—are enabling mechanisms for human-centred policy innovation, not substitutes for institutional reform.
5. **Trustworthy AI Governance is Foundational**:
   As AI becomes embedded in labour market intelligence and ALMP decision support, legitimacy depends on transparent success criteria, stakeholder participation, and structured risk/impact assessment. FORSEE contributes an evaluative framework and risk/negative impact registry logic that can be operationalised to guide trustworthy use of AI within observatories and public employment policy settings.

ANNEXES

ANNEX 1 – A brief description of the nine (9) projects

1. EU-ALMPO (EU Active Labour Market Policies Observatory)

Project title
EU-ALMPO – EU Active Labour Market Policies Observatory
Duration: 1 Jan 2025 – 31 Dec 2027

Call / Topic
HORIZON-CL2-2024-TRANSFORMATIONS-01-02 – *Strengthen economic fairness and resilience of active labour market policies and address high unemployment*

Rationale and problem statement
Across EU Member States, **Active Labour Market Policies (ALMPs)** are frequently characterised by uneven quality in **design**, **implementation**, and **evaluation**, which undermines effectiveness, fairness, and responsiveness. EU-ALMPO responds to these structural deficiencies by establishing a dedicated Observatory that consolidates evidence, methods, and decision-support functions at EU level.

Overall objective
EU-ALMPO establishes the **EU ALMP Observatory** as an innovative, EU-level capacity to support **more effective, equitable, and resilient ALMPs** through a comprehensive policy framework and an enabling digital infrastructure.

Core approach (what EU-ALMPO will deliver)
EU-ALMPO operationalises the Observatory through an integrated combination of:

⇒ **A comprehensive ALMP framework**
- Structured guidance for the **development, implementation, and scrutiny** of ALMPs
- Focus on systematic treatment of the full policy cycle (ex-ante design → delivery → monitoring → evaluation)

⇒ **A centralised IT platform**
- A shared digital environment for knowledge structuring and reuse
- A basis for harmonised information workflows across stakeholders (policy makers, researchers, labour market practitioners)

⇒ **AI-augmented analytical tools**
- AI-enabled functions that enhance analytical capacity (e.g., structuring evidence, supporting pattern detection, enabling more granular insights into ALMP complexity)
- The AI component is positioned as an enabler of **more targeted and evidence-informed ALMP strategies**, including inclusion-sensitive design.

⇒ **Stakeholder-oriented decision support**
- Practical, operational support to policy makers and labour market professionals to design ALMPs that are **innovative and inclusive**

- Improved ability to respond to dynamic labour market needs and anticipate evolving requirements.

Targeted policy impact
The Observatory aims to strengthen:
- **Labour market integration**, with emphasis on **vulnerable groups**
- **Skills enhancement and upskilling pathways**, aligned with labour market needs
- **Responsiveness and resilience** of ALMP governance through better evidence, tools, and expert input.

2. DIAMOND — Digital and Modular Ecosystem for Employability

Project title
DIAMOND – Providing a Digital and Modular Ecosystem for Personalized Capabilities Development to Enhance Labour Market Participation and Employment Transition
Grant Agreement ID: 101178081
Duration: 1 Oct 2024 – 31 Mar 2028

Call / Topic: HORIZON-CL2-2024-TRANSFORMATIONS-01-02

Objective and logic
DIAMOND targets individuals from **vulnerable socio-economic backgrounds**, aiming to improve employability through **personalised learning pathways**. It delivers two core solutions:

⇒ **EGROW Index (Employability Growth Index)**
- A taxonomy and measurement tool for employability growth, including empowerment and transformative capabilities (digital & green).
- Used for **classification and segmentation** of user groups and learning needs.

⇒ **MOVE Platform**
- A lifelong learning platform enabling **person-centred micro-credentials** and diverse learning formats.
- Includes an **AI-supported recommendation system** linking employability status (EGROW) and skill forecasts to concise skill programmes.

Evaluation and validation approach
- **Econometric cost-benefit analyses** and **stochastic life-cycle modelling** to benchmark impacts.
- Validation via a **Grassroot Living Lab**, using social innovation experiments and stakeholder co-creation.

3. Link4Skills — AI-assisted Skill Shortage Identification and Response Options

Project title: Link4Skills
Duration: 1 Jan 2024 – 31 Dec 2026

Call / Topic: HORIZON-CL2-2023-TRANSFORMATIONS-01-03 – *Global Shortages and Skill Partnerships*

Objective and logic

Link4Skills addresses the need to identify and respond to **existing and emerging skills shortages**. It systematically considers response strategies including:

- Re/up-skilling established populations
- Wage adjustments
- Automation
- Migration

Core output

- **AI-Assisted Skill Navigator**: an open-access, knowledge-based expert system co-created with labour market stakeholders across partner countries, supported by **econometric microsimulations** and incorporating global talent pool considerations.

4. Skills2Capabilities — Capabilities for Labour Market Transitions and Reduced Mismatch

Project title: SKILLS2CAPABILITIES
Duration: 1 Jan 2023 – 31 Dec 2025

Call / Topic: HORIZON-CL2-2022-TRANSFORMATIONS-01-07 – *Conditions for the successful development of skills matched to needs*

Objective and logic

Skills2Capabilities examines how European skills systems can reduce **skills mismatch** in more mobile labour markets where transitions between jobs/sectors/employers are increasingly frequent. The project focuses on the role of broader **capabilities** (beyond narrow occupational skills) to improve individual resilience and transition capacity.

Analytical scope

- **Demand side:** capabilities and skills currently and likely to be in demand
- **Supply side:** how these capabilities are reflected within **VET programmes** and lifelong learning provision

Expected contribution

- A coherent framework and methodology to help decision makers anticipate and meet emerging skill needs, supported by detailed evidence on demand and supply.

5. SkillsPULSE — Measuring and Locating Skills Shortages and Gaps in Europe

Project title: SkillsPULSE – Skills: Predicting, Understanding, and Locating Shortages in Europe
Duration: 1 Jun 2024 – 31 May 2027

Call / Topic: HORIZON-CL2-2023-TRANSFORMATIONS-01-07 – *Tackling European skills and labour shortages*

Objective and logic
SkillsPULSE addresses conceptual and measurement gaps concerning **skills shortages** (recruitment difficulties due to insufficient applicant skills/qualifications/experience) and **skills gaps** (workforce skills insufficient for organisational objectives). It challenges the assumption that shortages/gaps self-correct without policy intervention.

Core outputs
- A methodology to identify extent, causes, and implications of skills deficiencies
- A series of indicators, including a **Skills Shortage Index**, incorporated into a software tool for labour market skills intelligence at national and EU levels
- Validation ("road-testing") with national skills intelligence producers.

6. TRAILS — AI-enabled Analytics for Skills Shortages and Mismatch

Project title: TRAILS – Enabling Data Analytics for Actions Tackling Skills Shortages & Mismatch
Duration: 1 Jan 2024 – 31 Dec 2026

Call / Topic: HORIZON-CL2-2023-TRANSFORMATIONS-01-07

Objective and logic
TRAILS adopts a holistic approach to diagnose skills gaps/shortages and support policy actions by combining:
- Conceptual/theoretical models of skills match and utilisation
- New mismatch measurement methodologies
- Novel primary datasets and large administrative datasets (matched employer–employee records)
- Experiments and behavioural perspectives on training participation
- AI methods to strengthen profiling and matching.

Core outputs
- New indicators and datasets on gaps, shortages, mismatch, and development
- ML-based mismatch estimation using matched employer–employee data
- AI-enhanced skill profiling and matching to training opportunities
- A TRAILS web-based tool consolidating datasets and insights for policy makers and citizens, with strong linkage to VET and adult learning stakeholders.

7. TransEuroWorkS — Transforming Work and Social Protection

Project title: TransEuroWorkS – Transforming European Work and Social Protection: A New Proactive Welfare State Fit for the Future World of Work
Grant Agreement ID: 101061198
Duration: 1 Nov 2022 – 31 Oct 2026

Call / Topic: HORIZON-CL2-2021-TRANSFORMATIONS-01-02

Objective and logic
TransEuroWorkS investigates how the EU and Member States can mediate the effects of structural transformations (digitalisation, automation, internationalisation, green transition) through **sustainable, inclusive, and mobile social protection**.

Scope and methods
- Multi-level, comparative, mixed-method design across countries
- Eight policy areas (e.g., unemployment, retraining, work-life balance, care policies, equality, mobility)
- Surveys, interviews, and field experiments
- Stakeholder engagement and policy feedback loops.

8. SkillResilience4EU — Resilience under Twin Transition and Mismatch Reduction

Project title: SkillResilience4EU
Grant Agreement ID: 101177821
Duration: 1 Jan 2025 – 31 Dec 2027

Call / Topic: HORIZON-CL2-2024-TRANSFORMATIONS-01-03 – *Minimise costs and maximise benefits of job creation and job destruction*

Objective and logic
SkillResilience4EU reframes labour market resilience under fast-paced **digital and green transitions**, with attention to job creation/destruction dynamics and associated skill mismatches.

Core objectives
- Develop a conceptual framework on twin transition impacts and interacting drivers
- Analyse mechanisms and challenges of labour market transformation, with emphasis on inclusion of left-behind places/groups
- Map and evaluate reskilling/upskilling programmes and provide practical resources (including career guidance)

- Promote uptake of Key Exploitable Results via dissemination and stakeholder engagement.

9. FORSEE — Human-friendly AI Deployment and Governance

Project title: FORSEE – Forging Successful AI Applications for European Economy and Society
Grant Agreement ID: 101177579
Duration: 1 Feb 2025 – 31 Jan 2028

Call / Topic: HORIZON-CL2-2024-TRANSFORMATIONS-01-06 – *Beyond the horizon: A human-friendly deployment of AI and related technologies*

Objective and logic
FORSEE develops a richer definition of "successful AI" beyond technical/economic efficiency by analysing how different stakeholder groups contest and define success. It focuses on the alignment of AI applications with EU values, fundamental rights, sustainability, and societal empowerment.

Core outputs
- A novel approach to AI governance enabling socially "successful" AI
- An evaluative framework for assessing AI applications
- A prototype registry for risks and negative impacts
- Stakeholder engagement across institutional actors, civil society, SMEs, and the public.

ANNEX 2 - Overview of the 1st European Labour Market Intelligence & Resilience Cluster Meeting

1. Background and Purpose

The **1st European Labour Market Intelligence & Resilience Cluster Meeting** was organised within the framework of the EU-ALMPO project in order to initiate a structured dialogue among Horizon Europe projects addressing labour market intelligence, skills ecosystems, employability, and labour market resilience.
The meeting aimed to:

- present the rationale and methodology for the clustering initiative,
- introduce the participating Horizon Europe projects and their main research outputs,
- identify complementarities and potential synergies between the projects,
- explore opportunities for future collaboration and joint dissemination activities.

The initiative contributes to Horizon Europe's objective of strengthening **cross-project learning, policy impact, and long-term sustainability of research outputs**.

The meeting therefore represents the first step toward the creation of a **European Labour Market Intelligence & Resilience Cluster**, bringing together research teams working on related challenges within the European labour market policy ecosystem.

2. Meeting Information

Item	Description
Meeting title	**1st European Labour Market Intelligence & Resilience Cluster Meeting**
Date	**25 February 2026**
Format	**Online meeting**
Organised by	**EU-ALMPO Project**
Scientific coordination	**ACRONYM Ltd.**
Participants	**Representatives of Horizon Europe research projects addressing labour market transformation**

3. Participating Projects

The meeting brought together representatives from Horizon Europe projects addressing complementary aspects of labour market intelligence, skills development, labour market policies, and resilience.

The following projects were represented during the meeting:

- **EU-ALMPO** – EU Active Labour Market Policies Observatory
- **DIAMOND** – Digital ecosystem for personalised employability development
- **TRAILS** – Data analytics for addressing skills shortages and mismatch
- **Link4Skills** – AI-assisted skill navigator for global labour mobility
- **Skills2Capabilities** – Institutional and governance reforms for skills systems
- **Trans-Europe Works** – Welfare systems and labour market transformation
- **SkillResilience4EU** – Reskilling strategies for labour market resilience

Two additional Horizon Europe projects were included in the cluster mapping but were not represented (due to force majeure, despite prior confirmation of their participation) during the meeting:

- **SkillPulse** – Skills shortage prediction and intelligence tools
- **FORSEE** – Governance framework for trustworthy AI deployment.

Together, these nine projects form a complementary research ecosystem addressing labour market transformation from multiple perspectives, including skills intelligence, employability pathways, governance reforms, and AI-enabled policy analysis.

4. Structure of the Meeting

The meeting followed a structured agenda consisting of three main parts:

1. **Presentation of the clustering initiative**
   The organisers presented the rationale for creating the cluster, the criteria used to identify related Horizon Europe projects, and an initial analytical mapping of project complementarities.
2. **Project presentations**
   Representatives from the participating projects presented their objectives, methodologies, and key outputs, highlighting how their work contributes to labour market policy innovation.
3. **Discussion on collaboration and future cooperation**
   Participants discussed possible synergies between projects, opportunities for joint dissemination activities, and the potential establishment of a long-term collaborative network.

5. Key Findings of the Clustering Discussion

The discussion among project representatives revealed strong findings regarding participating projects.

- **Convergence Around a Shared Policy Domain**; All participating projects operate within a common thematic space, focusing on:

  - ALMP design and effectiveness
  - Skills intelligence and mismatch analysis
  - Labour market transitions (digital, green, demographic)
  - AI and data-driven policy tools

This convergence confirms the emergence of a **European-level knowledge cluster** with the capacity to generate critical mass for policy-relevant evidence.

- **Functional Complementarity Across Projects; The discussion revealed a clear division of roles across the cluster:**

  - **Policy Design Core**: Projects focusing on ALMP design and personalization
  - **Skills Intelligence Layer**: Projects generating data-driven insights (forecasting, matching, mobility)
  - **Systemic & Institutional Layer**: Projects addressing governance, welfare systems, and reforms
  - **Horizontal Layer**: Projects focusing on AI governance, ethics, and trustworthiness

This structure effectively forms a **multi-layered policy pipeline**, linking:

data → analysis → policy design → governance → implementation

- **Persistent Gap: From Evidence to Policy Action;** A central issue identified is the disconnect between knowledge production and policy application:

  - Several projects produce advanced analytics and intelligence
  - Fewer translate this into **actionable policy design tools**

This gap limits the real-world impact of otherwise high-quality research outputs.

- **Need for Conceptual and Methodological Alignment;** The discussion highlighted fragmentation in:

  - Definitions (e.g. skills mismatch, ALMP effectiveness)
  - Analytical frameworks
  - Evaluation methodologies

This creates barriers to:

  - comparability
  - interoperability
  - policy uptake

A shared conceptual and methodological backbone is therefore essential.

- **From Ad Hoc Interaction to Structured Collaboration;** While initial exchanges are promising**,** the current clustering dynamic remains informal. Participants identified the need to move towards:

  - joint analytical outputs (e.g. policy briefs)
  - coordinated dissemination
  - shared knowledge infrastructures

This transition is critical to maximise the collective impact of the cluster.

- **Long-Term Sustainability Potential;** A strong consensus emerged that clustering should not end with project lifecycles. Instead, it should evolve into:

  - a **persistent collaboration mechanism**
  - a **European policy intelligence infrastructure**

This includes potential for:

  - shared tools
  - common repositories
  - institutional embedding

- Integration Challenge: Bridging Disciplines and Systems; A key structural challenge identified is the need to bridge:

  - social sciences (policy, labour economics)
  - data science and AI systems
  - institutional and governance frameworks

Without this integration, there is a risk of:

  - technically advanced but policy-irrelevant tools
  - or policy frameworks not operationalised through data and technology

- The Role of AI: Opportunity with Conditions; AI is recognised as a transformative enabler across projects. However, its policy application requires:

  - transparency and explainability
  - alignment with regulatory frameworks (e.g. EU AI Act)
  - ethical safeguards

AI must therefore be embedded within **policy-grounded and trustworthy frameworks**, rather than treated as a standalone solution.

6. Emerging Synergies and Collaboration Opportunities

The discussion among project representatives revealed strong complementarities across the participating projects.

Participants highlighted several potential areas for collaboration:

- exchange of research outputs, datasets, and policy tools,
- organisation of joint workshops and dissemination events,
- development of coordinated policy recommendations,
- integration of complementary tools and analytical frameworks.

The meeting also emphasised the potential value of establishing a **long-term collaborative network of Horizon Europe projects addressing labour market transformation**, enabling continued knowledge exchange beyond the lifetime of individual projects.

7. Next Steps

Participants agreed on several immediate follow-up actions aimed at strengthening collaboration within the cluster.
These include:

- sharing project presentations and materials through a common repository,
- organising follow-up meetings to explore specific collaboration opportunities,
- identifying possible joint dissemination activities targeting European policymakers and stakeholders,
- exploring institutional partnerships with European bodies working on labour market intelligence and skills policy.

The meeting therefore laid the foundation for a collaborative process that may evolve into a broader **European research network on labour market intelligence and policy innovation**.

CONCLUSION

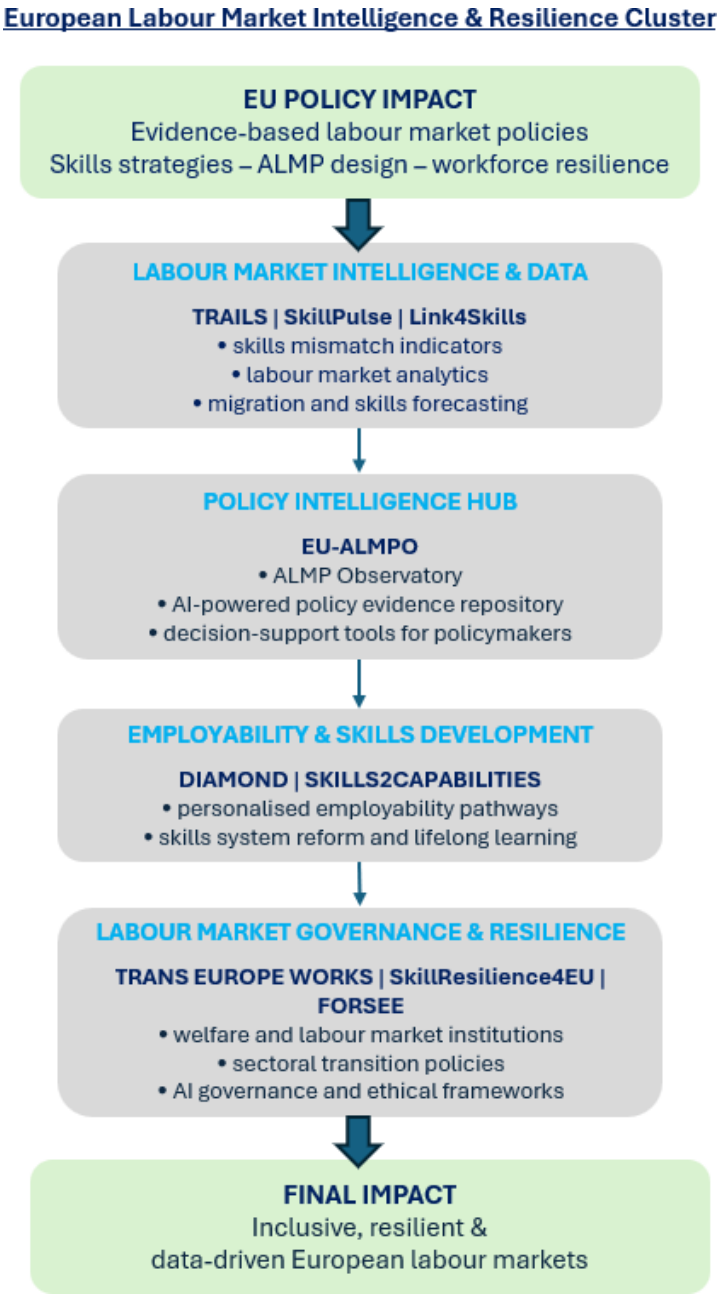
The clustering discussion confirmed that European labour market and skills-related projects form a coherent but currently fragmented ecosystem. While strong complementarities exist across projects—ranging from skills intelligence and data analytics to policy design and governance—there remains a critical gap in translating evidence into actionable, AI-supported policy solutions. The cluster has the potential to evolve into a structured policy intelligence infrastructure, enabling coordinated knowledge production, shared methodologies, and long-term collaboration beyond project lifecycles.

EU-ALMPO is uniquely positioned within this ecosystem as the integrative layer

ANNEX 3 – Architecture of the European Labour Market Intelligence & Resilience Cluster

The clustering analysis indicates that the nine Horizon Europe projects collectively cover the full policy chain of labour market transformation, from intelligence generation to policy implementation and governance.

The conceptual architecture below illustrates how the projects complement each other across different layers of the labour market policy ecosystem.



Interpretation of the Cluster Architecture

The architecture highlights how the projects contribute to a **multi-layered knowledge ecosystem**:

➲ **Labour Market Intelligence Layer**

Projects such as TRAILS, SkillPulse, and Link4Skills generate the data, indicators, and analytical tools needed to understand labour market dynamics and skills mismatches.

➲ **Policy Intelligence Layer**

EU-ALMPO acts as a central integrator by transforming fragmented policy evidence into structured knowledge and AI-supported decision-support tools for policymakers.

➲ **Employability and Skills Development Layer**

Projects such as DIAMOND and Skills2Capabilities focus on individual learning pathways and the institutional reform of skills systems.

➲ **Governance and Resilience Layer**

Projects such as Trans-Europe Works, SkillResilience4EU, and FORSEE address broader institutional and governance dimensions of labour market transformation.

Together, these layers demonstrate how Horizon Europe projects collectively contribute to the development of ***more adaptive, inclusive, and evidence-based labour market policies in Europe***.

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