

CASE STUDY

REPORT

Skills for a green future

PROJECT

BRIDGE - Building the
Right Investments for
Delivering a Growing
Economy

📍 Rotterdam, The
Netherlands

TOPIC

Jobs and skills in the
local economy

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Rotterdam

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website



1. Short project description

The BRIDGE project focused on Rotterdam South, the most deprived area in the Netherlands. This is a diverse locality of 200,000 people, with lower-than-average education levels and significantly higher unemployment rates. As Europe's biggest port, with an economy heavily based on carbon and energy intensive sectors like logistics and shipping, the Next Economy has major implications for Rotterdam. Amongst these is the threat of widening inequalities, as the most deprived people lack the information and guidance required to make future career choices in line with the changing economy and its growth sectors.

BRIDGE is about breaking cycles of intergenerational poverty. It set out to address this by encouraging children in Rotterdam South to select vocational educational pathways likely to lead to employment in these growth sectors. Specifically, it promoted opportunities in the technical, port and health sectors, through a series of interventions available to all primary schools in the area.

This was a varied menu that included light touch activities such as day visits to the port combined with more ambitious mechanisms like the innovative Career Start Guarantee (CSG). Through this, employers guarantee a career start to Rotterdam South pupils who have achieved an agreed level of vocational qualification in their industry sector. The number of CSGs rose from 360 at the start of BRIDGE to 702 on its completion in late 2019. There was also an increase in pupil registrations for courses linked to CSGs from 272 in 2017/18 to 727 in 2020/21.

BRIDGE involved all of the key stakeholders. Employers were actively on board, often driven by a growing awareness of the competition for talent in fast changing industry sectors, and the need to improve their relationships with the education sector. Schools and teachers were also central components, and the project illuminated the need to raise awareness levels around the changing world of work and the educational implications. Although notoriously difficult to connect with, parents were also brought on board through outreach activity and the support of resources to help improve their children's career choices. Finally, children and young people were active agents, as local mentors and participants.

BRIDGE was responsible for a major shift in career choices amongst the target population. In 2011/12 32.6% of children in Rotterdam South opted for careers in the Port, Technical and Health sectors. By 2019/20 this had risen to 46%, overtaking the average rate for the Dutch 4 cities. Its success has been scaled in two significant ways. First, it has been extended to all schools in Rotterdam and secondly it has influenced the design of the city's innovative new Work Learning Agreements, supporting adult employment pathways.

2. Rotterdam and Just Transitions

What are the implications for Rotterdam?

Rotterdam's metro regional economy is the motor of Dutch industry, contributing €6.8 billion to the total national output. The city region's Harbour Industry Cluster (HIC) lies at the heart of this industrial complex. However, this economic powerhouse is highly energy intensive and traditionally linked with fossil fuels whilst generating disproportionately high levels of CO₂. The city region (Rijnmond) accounts for 21.9% of national CO₂ emissions and its CO₂ intensity is four times the EU average.

As a city, Rotterdam is committed to achieving climate neutrality by 2050. The scale of the eco-industrial transition ahead has been recognised by its leadership for many years. Rotterdam has also pinpointed the tectonic socio-industrial shift that will accompany it, particularly the challenges it will bring for those working in these energy intensive sectors and for those citizens already vulnerable within the labour market.

What barriers does the city face in the transition to Green Jobs, Skills and Businesses?

Despite being the Netherlands' industrial hub, Rotterdam faces long-standing structural labour market challenges. At 68.9% its employment rate is considerably lower than the national (79.3%) and EU (72.3%) levels. At 4.7% its unemployment rate is also considerably higher than the national level of 3.9%. These figures persist in a city economy where employers increasingly struggle to recruit staff, and data confirm a growing vacancy surplus.

Unemployment figures are disguised by growing numbers of Rotterdam citizens in precarious employment. Many are classified as self-employed, working in the platform and the grey economy. City research confirmed that the pandemic had left many of them vulnerable. 15,000 of Rotterdam's 43,000 self-employed sought temporary income support during the COVID period.

Rotterdam identifies those who are already struggling as the ones most at risk of being left behind in the transition to climate neutrality. Often low-educated and relying on various welfare sources, they lack the knowledge and resources to invest in their own future skills development. They include young people and those whose first language is not Dutch. This important alignment between the Climate and Social Justice agendas is noted as point 4 in our report Roadmap.

At the same time, structural changes amongst HIC businesses will require a new and more flexible approaches to recruitment and skills development. Rotterdam aims to remain the most important energy port in Europe after the transition. This means that those in work will require reskilling, as professions are shaped by new technologies

and new businesses and value chains are created by the transition. For example, one third of port jobs are expected to change whilst the impact of the energy and digital transition are increasingly intertwined.

Employers already report shortages in a wide range of engineering, installation and maintenance roles. The application of new energy resources will drive the demand in the professions, through the installation of solar panels, heat pumps and other green energy components. Currently, the local energy sector's profile is primarily older (45+) white men working full time. To successfully manage the future, the city's core industry needs to attract fresh talent. A key challenge here is the negative image of working with technology, widely perceived to be dirty heavy work with low pay levels. Successfully squaring this circle is at the heart of Rotterdam's Just Transitions journey.

3. How does the UIA Intervention promote Just Transitions?

BRIDGE supports the city's most deprived young people to make better informed career choices, in line with Rotterdam's changing economy. It strengthens the link between schools and industries in transition, mobilising teachers, parents, peers and other influencers. It encourages employers to widen their recruitment perspectives whilst challenging widely held negative perceptions about the NIC sectors as a place to work.

The UIA project has had a profound influence on Rotterdam's new employability framework. Like BRIDGE, the Work Learning Agreements also adopt a strong industry sector focus and actively involve all of the principal stakeholders. Specific tools, like the Career Start Guarantee, are being reformulated for work with adults. In recognition of the need to reach the most vulnerable in the labour market, the city has introduced vouchers (The Rotterdam Education Fund) targeted at those most at risk of being left behind as the city's economy evolves.

These active interventions in the labour market form part of the city's wider ecosystem to support business, jobs and skills in the transition to climate neutrality. Here, Rotterdam can build on its well-established triple helix culture and its experience as a city with high levels of innovation. There is a strong emphasis on the value of collaborative space and the importance of cross-sectoral dialogue with many mechanisms supporting this on the ground.

Field Labs are in place across a growing number of industry sectors. These spaces enable actors in a specific sector to collaborate using capital-intensive processes to drive innovation, including skills development. These facilities are bottom-up, created by sectoral partners and examples include industrial electrification and the Airport Technology Lab.

Collaboration between large and smaller businesses - particularly those in emerging green sectors - is another important factor in supporting Rotterdam's journey to a climate neutral economy. The PORTXL accelerator provides support to start ups and scale ups, combined with a facilitation role in business development activity across sectors. Alongside this, the Innovation Quarter is the city's main investment hub, supporting growth (and inward investment) related to the city's priority industry sectors.

BRIDGE added to this established innovation ecosystem with its pioneering work around digital social return on investment mechanisms. The project's exploration of innovative financial instruments to fund the future model identified weaknesses in the city's SROI structure. The foundations for a solution to this were undertaken through BRIDGE and the resulting digital solution, RIKXS, which was awarded a Bloomberg Mayors Challenge award in 2021. The importance of cross-sectoral financial finance is point 7 in our report Roadmap.

4. Keys to success

a. Strong political leadership

BRIDGE was a highly innovative project whose impacts will be long term and complex to capture. Despite this, the city leadership provided unwavering support at the highest level. This provided a mandate for the BRIDGE team which was essential in the face of the occasional resistance faced interventions driving change. This is the first point in our report Roadmap.

b. Invest in a deep understanding of labour market changes and identify the key industry shifts

One of the biggest challenges for Just Transitions is the scale of uncertainty around what is ahead. Rotterdam has invested heavily in work designed to create a clear picture of the road ahead, and the ramifications for all stakeholders. This has informed the city's clear sectoral focus, as well as design interventions to mitigate the most challenging effects.

c. Target the most vulnerable and look upstream to support them

A clear message from Rotterdam is the shift to climate neutrality poses the greatest risk to those already struggling in the labour market. The city has designed a new raft of measures to support adults - both in and out of work - to acquire the skills they need to remain employable. More importantly, through BRIDGE the city has adopted a more ambitious approach, looking to break the cycle of intergenerational poverty by targeting children in Rotterdam South.

d. Actively involve all stakeholders and invest in building trusted connections

No one has all the answers to the challenges faced around achieving Just Transitions. The most effective solutions emerge when actors across boundaries talk and collaborate. BRIDGE created a new space for the key actors to communicate, work together and build trust.

e. Create cross-departmental spaces to deepen buy in and collaboration

There will be no Just Transitions without strong government support and intervention. And the complexity of the challenge requires new levels of cross-departmental collaboration within government. BRIDGE created a safe space for dedicated City Hall personnel across three policy areas to collaborate to achieve mutually agreed objectives.

5. Upscaling and replication potential

The core components of BRIDGE have already been scaled in Rotterdam in two ways. BRIDGE has been continued in schools in Rotterdam South and extended to other parts of the city. Key elements of the model, most notably the Career Star Guarantee concept, have been integrated within the city's model to support unemployed adults and those looking to switch careers. Rotterdam's flagship employability mechanism, the Work Learning Agreements, have also embedded key learning points from BRIDGE, including the need for an active multi-partner approach and the focus on key industry sectors.

The city has assembled a combined financial package to support these developments. These have included mainstream Cohesion Policy Funds and post-pandemic recovery funds managed through the regional Managing Authority, Kansen voor West.

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