EUROPEAN
COMMISSION

Strasbourg, 15.9.2026
SWD(2026) 994 final

COMMISSION STAFF WORKING DOCUMENT

EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT

Accompanying the document

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on portability of qualifications and skills and amending Regulation (EU) 2018/1724 ("Skills Portabilty Act")

{COM(2026) 992 final} - {SEC(2026) 992 final} - {SWD(2026) 992 final} - {SWD(2026) 993 final}

A. Need for EU Action

What is the problem being addressed?

The core problem is the limited portability of qualifications and skills across the EU, which makes it more difficult for employers to hire cross-border workers and for individuals to secure jobs in other Member States. While there are multiple factors influencing individuals' decisions to seek employment in another Member State, and qualifications is but one element in employers' recruitment decision, both academic literature and empirical evidence show that qualifications have an important signalling value to employers and that this signal is weakened in case of unfamiliar qualifications obtained in other EU Member States. For employers, particularly small and medium sized enterprises (SMEs), the imperfect information around qualifications from other MS contributes to higher recruitment costs and a potential reluctance to hire mobile workers. For workers, formal qualification assessment processes, when required, are often costly (around €1,000 in some cases), slow (taking over three months), and complex, including physical document submissions and notarised translations. Young and low-income workers are disproportionately affected due to limited resources to navigate these barriers. For public authorities, the fragmented digital systems, where some Member States use advanced digital credentials while others still depend on paper diplomas, force manual verification, delaying recognition and increasing costs. National qualification databases often lack interoperability, creating confusion and inefficiencies.

The two main drivers for this problem are:

- Uncertainty about the content and level of foreign qualifications. Employers and recognition authorities struggle to understand the level and skills of qualifications from other Member States due to diverse national education and training systems.
- Difficulties in verifying the authenticity of qualifications and skills credentials issued in another EU Member States. This is related to many qualifications issued in non-verifiable formats, implying fraud risks and manual verification burdens.

These drivers reinforce each other: uncertainty about qualification level and content increases demands for verification, while weak verification systems deepen distrust in foreign credentials. This creates a vicious cycle where low trust limits digital adoption, and limited adoption perpetuates distrust, resulting in a less efficient labour market with mobility barriers for workers and skills gaps for employers.

The underlying causes of these drivers are the fragmentation of qualification information and the diversity of credential systems across the EU. Qualifications contain different types and levels of information, are often issued only in national languages, and existing transparency tools remain unevenly implemented. Although the European Qualifications Framework (EQF) provides a common reference framework, not all Member States have updated the EQF referencing of their National Qualifications Framework (NQFs) and national qualifications databases remain incomplete or unevenly developed, limiting the effectiveness of qualification comparison. At the same time, qualifications are issued in different formats and through different technical solutions, resulting in a patchwork of verification methods. While initiatives such as the European Digital Credentials for Learning (EDC) and the European Digital Identity (EUDI) Wallets are supporting the digitalisation of qualifications, their deployment remains uneven across Member States due to differences in technical readiness, and governance arrangements. These underlying causes are compounded by external factors, including the diversity of national education and training systems, language barriers and other determinants of labour mobility, such as housing availability and relocation costs, which remain outside the scope of this initiative but influence cross-border mobility.

What is this initiative expected to achieve?

The general objective of the initiative is to facilitate portability of qualifications and skills between Member States in the context of free movement of workers. In practice, this means ensuring that labour market actors in the EU have access to simplified, effective and cost-efficient ways to carry, prove, read, understand and compare qualifications and skills obtained in another Member State.

The initiative has two specific objectives:

- Specific Objective 1: By the end of the transition period, labour market actors have access to reliable and comparable information on skills and qualifications issued in the EU.
- Specific Objective 2: By the end of the transition period, labour market actors in the EU can benefit from interoperable and verifiable digital attestations of qualifications and skills.

What is the added value of action at EU level?

Barriers related to qualifications and skills contribute to the existence of obstacles to the free movement of people who wish to work in another Member State. They have a negative impact on the functioning of the single market by creating costs for businesses and individuals and indirectly affect the potential of labour mobility in addressing labour shortages in the EU. Without improved information on qualifications and skills obtained in other Member States and tools facilitating effectively the portability of such qualifications and skills, businesses and workers face difficulties when considering opportunities across the EU. Given the cross-border nature of these problems, effective solutions are best pursued at the EU level, rather than through individual efforts by Member States.

The added value of ensuring availability of verifiable, secure, digitalised and interoperable information on qualifications and skills obtained in the EU is that EU citizens will be equipped with digital qualifications that are easily accessible to them as holders of qualifications, their potential employers and in case of regulated professions in accordance with Directive 2005/36/EC the recognition authorities in Member States. Employers will also have access to tools enabling a better understanding and comparison of qualifications issued in different Member States. Thanks to the common legal and technical framework underpinning the digitalisation of qualifications, digital qualifications issued in another Member State will become more trustworthy and easier to verify. Digital qualifications issued in a standardised manner will be understood everywhere in the EU. This in turn will make job applications less cumbersome and facilitate smoother access to jobs in all Member States. While fully respecting Member States' responsibility for education and training, the expected added value of this action will be greater portability of qualifications and skills listed by Member States in their national qualification frameworks and issued in a harmonised digital format.

B. Policy options

What policy options have been considered – is there a preferred choice and why?

The assessment considered several legislative Policy Options:

- PO1: digitalisation with the EUDI Wallets of all new NQF qualifications (EQF levels 2-8) and all other new skills documents. For past qualifications, digitalisation with the EUDI Wallets upon request, within a reasonable timeframe and limited for the purpose of employment in another Member State.
- PO2: digitalisation with the EUDI Wallets of all new NQF qualifications (EQF levels 2-8). For past qualifications, digitalisation with the EUDI Wallets upon request and limited for the purpose of employment in another Member State. Those qualifications awarded in the past 10 years to be issued without delay, and those older than 10 years, within a reasonable timeframe.
- PO3: digitalisation with the Europass Wallet of all new NQF qualifications (EQF levels 2-8) and all other new skills documents. For past qualifications, digitalisation with the Europass Wallet upon request, within a reasonable timeframe and limited for the purpose of employment in another Member State.

All options include a common set of measures to support interoperability and trust. All options include the same approach to NQFs and the EQF and make it mandatory for Member States to have a comprehensive NQF in place, and for their NQFs to be clearly and regularly referenced to the EQF. All options ensure the legal value of digital qualification attestations, requirements to Member States to have up to date national databases of qualifications, awarding bodies and accreditation, connected with Europass, and feeding into a reinforced qualifications comparison tool. All options share the same trust framework to ensure verifiability and comparability of digital attestations by employers and other users. All options are also accompanied by possible non-legislative supporting measures, including awareness-raising activities, continued support to existing EU tools and encouragement to make use of available EU funding.

The impact assessment resulted in PO2 as the preferred way forward to achieve the specific objectives 1 and 2 in an effective and efficient way.

PO2 is most effective in achieving verifiable, secure, digitalised and interoperable information on qualifications and skills obtained in the EU. It ensures a common information and technical standard for all new NQF qualifications, and, for labour mobility purposes, those issued in the past 10 years and introduces a mechanism to issue older qualifications in a reasonable time to facilitate their comparison and verification. It is the option with the most optimal efficiency balance, concentrating digitalisation where labour market impact is greatest and ensuring that, as part of the NQF, the digitalised qualifications are quality assured by the Member States.

PO2 supports also SPI Action 2 and facilitates in general the verification and understanding of qualifications issued in the EU in the context of both regulated and non-regulated professions. Together, they form a coherent and functional system for qualifications and skills portability across the EU's labour market.

Who supports which option?

All consulted stakeholder groups confirmed that the portability of qualifications and skills in the EU remains constrained. Employers indicated that they struggle to fully understand qualifications obtained in another Member State and to verify their authenticity. Unions and civil society organisations indicated that the limited portability of qualifications and skills puts EU mobile workers at a disadvantage in terms of working conditions, wages and career progression. The fact that qualifications are rarely issued in a digital format was seen as a major problem.

Overall, the preferred policy option benefits from strong support. Across all consultation activities, stakeholders supported EU-level intervention focused on improving the coherence, usability and trustworthiness of existing instruments, and deepening digitalisation through interoperable and verifiable credentials.

Stakeholders consulted also generally supported the importance of ensuring that National Qualification Frameworks are clearly and regularly referenced to the European Qualifications Framework. They converged on the desirability of an EU-wide system of interoperable digital credentials underpinned by a common trust infrastructure, with the EUDI Wallets as the most strongly supported tool, while still stressing the importance of human oversight, accessibility for users with limited digital literacy, and the availability of non-digital alternatives. A large majority of respondents to the Open Public Consultation indicated they would be likely to use or accept EU-wide digital credentials.

C. Impacts of the preferred option

What are the benefits of the preferred options

The preferred option is expected to generate quantified benefits of €164 – 336 million over 2026–2040 by facilitating the verification and presentation of qualifications across borders and improving the transparency and trustworthiness of qualifications through interoperable digital attestations. The benefits are expected to occur from year 4, after a transition period. Moreover, with its focus on digitalising NQF qualifications (which are most labour market relevant), the action directs the investment to the segment with the highest return, with positive spillovers on national labour markets and the area of further learning. Indirect benefits can also be expected: as the action contributes positively to the functioning of the internal market and EU competitiveness it is expected to facilitate cross-border hiring with some effect on skills mismatches and improved labour market allocation.

Employers would benefit from faster and more reliable verification of qualifications through EUDI Wallet-compatible digital attestations, easier access to official and comparable information on qualifications across Member States, and lower administrative costs when recruiting workers from abroad. These benefits are estimated at €72 - 91 million. The initiative is expected to be particularly valuable for SMEs, which often lack dedicated HR resources to assess foreign qualifications and would gain access to reliable information and automated verification tools.

Workers would benefit from being able to store and present verifiable digital attestations through the EUDI Wallet, reducing the need for comparability statements and making it easier and cheaper to demonstrate their qualifications when seeking employment in another Member State. These benefits are estimated at €26 - 79 million. In addition to reducing costs, the initiative is expected to simplify administrative procedures, shorten the time needed to demonstrate qualifications across borders and facilitate labour mobility.

Issuers of qualifications would benefit from fewer requests to verify the authenticity of qualifications, as digital attestations enable automatic verification by employers and other labour market actors. This is expected to generate administrative savings of €65 - 166 million, while reducing routine administrative workload and allowing institutions to focus resources on their core educational activities.

The initiative is also expected to generate wider positive impacts that are not quantified. By accelerating the digitalisation of qualification systems, it is expected to improve the functioning of national labour markets, including for workers using qualifications in their home Member State, facilitate access to further education and training through easier recognition of qualifications, and contribute to better skills matching, labour market participation and productivity across the EU.

<table>
<tr><th>Stakeholder</th><th>Type of cost saving</th><th colspan="2">Total per type of cost saving</th></tr>
<tr><td>Employers</td><td>Cost savings for employers to assess qualifications</td><td colspan="2">€ 72 - 90.8</td></tr>
<tr><td>Workers</td><td>Cost savings for workers in comparability statements</td><td colspan="2">€ 26.4 - 79.1</td></tr>
<tr><td>Issuers of NQF qualifications</td><td>Cost saving for issuers of qualifications to verify them</td><td colspan="2">€ 65.5 - 166</td></tr>
<tr><td colspan="2" rowspan="2">Total benefits</td><td>Lower bound</td><td>Upper bound</td></tr>
<tr><td>€ 163.8</td><td>€ 335.9</td></tr>
</table>

In € million

What are the costs of the preferred option?

The preferred option requires upfront investment to establish the technical, governance and administrative infrastructure needed to issue and verify interoperable digital attestations for formal qualifications through the European Digital Identity (EUDI) Wallet ecosystem. Total implementation costs are estimated at €1.04 - 1.28 billion over the period 2026–2040, with the largest share falling on Member States. These investments combine upfront implementation with ongoing operating costs, and are intended to establish a common, interoperable framework that will reduce administrative burdens and enable more efficient cross-border verification over time.

The European Commission would incur implementation costs of around €11.0 million to develop and maintain the EU-level infrastructure supporting the initiative, including the reference verifier for the EUDI Wallet, the shared trust infrastructure connecting national registries, and improvements to the Europass comparison tool. These common services provide the technical backbone of the initiative, avoiding duplication of effort, ensuring consistent verification across Member States and supporting the interoperability of digital attestations.

Member States would incur implementation costs estimated at €1.03 – 1.27 billion over the appraisal period. These costs relate to establishing and maintaining national qualification registries, integrating qualifications issued over the previous ten years into the trust framework, deploying the national verification infrastructure required for the EUDI Wallet ecosystem, and adapting national issuing systems. While integrating the ten-year backlog requires additional upfront effort, it enables automated issuance of digital attestations for recent qualifications upon request, reducing future manual processing and making cross-border verification significantly more efficient.

Stakeholder	**Type of cost**	**Total per type of cost**	**Total per stakeholder**
European Commission	Cost of the back-office tool connecting national databases and comparison qualifications tool	€ 8.9	€ 11.0
	Costs of the reference verifier software	€ 2.1	
	Costs to support non-formal providers of micro-credentials	€ -	
Member States	Cost for MS to have, connect and maintain national registries of qualifications, awarding bodies and accreditation	€ 13.5	€ 1,032.7 - 1,266.3
	Cost of providing a verification software	€ 19.0	
	Cost of providing an issuing infrastructure for qualifications	€ 927.9 - 1,143.7	
	Cost of issuing past qualifications in a digital interoperable format	€ 72.3 - 90.1	
Total costs		*Lower bound*	*Upper bound*
		€ 1,043.7	€ 1,277.3

In € million

Will there be other significant impacts?

The proposed options are expected to have minimal direct environmental impact, as it operates through administrative and informational mechanisms without requiring physical or infrastructural changes compared to the baseline.

Positive impacts are expected in relation to fundamental rights, namely enhanced labour mobility and employment rights (Articles 15 and 45 of the EU Charter), and reduced administrative barriers to portability of qualifications, aligning with European Pillar of Social Rights Principle 4 (active employment support).

D. Follow-up

When will the policy be reviewed?

In line with the Better Regulation Guidelines, the Commission will review the application of the initiative 5 years after it enters into force, in cooperation with stakeholders and after consulting the stakeholders concerned.