




Slovakia


1 Overview of key objectives, targets and contributions in the final NECP

Table 2: Summary of key objectives, targets and contributions of Slovakia's final updated NECP

		2020	Progress based on latest available data	2030 national targets and contributions	Assessment of 2030 ambition level
	Binding target for greenhouse gas (GHG) emissions compared to 2005 under the Effort Sharing Regulation (ESR) (%)		2023: -16.6% ¹	-22.7%	NECP: -31.5%
	Binding target for additional net GHG removals under the Regulation on Land Use, Land Use Change and Forestry (LULUCF)		2023: Reported net removals of -6.1 Mt CO ₂ eq. (2025 inventory submission, comprehensive review)	-0.5 Mt CO ₂ eq. (additional removal target)	Insufficient ambition based on projections: A gap of 1.9 Mt CO ₂ eq in 2030
	National target/contribution for renewable energy: Share of energy from renewable sources in gross final consumption of energy (%)	17.3% (SHARES) 14% (target)	2023: 17.0%	25%	SK contribution of 25% is significantly below the 35% required according to the formula set out in Annex II of the Governance Regulation ²
	National contribution for energy efficiency:				
	Primary energy consumption	16.4 Mtoe	2023: 15.5 Mtoe	16.4 Mtoe	SK primary energy consumption contribution is 16.4 Mtoe, which is not in line with the EED recast Annex I formula results of 13.9 Mtoe
	Final energy consumption	10.4 Mtoe	2023: 9.3 Mtoe	9.6 Mtoe	SK final energy consumption contribution of

¹ The ESR emissions in 2023 are based on the results of the comprehensive review that took place in 2025. The percentage reduction is compared with the 2005 emissions as set out in Annex I of Commission Implementing Decision (EU) 2020/2126. However, the final ESR emissions for 2021- 2025 will only be established in 2027 after a comprehensive review.

² Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action OJ L 328, 21.12.2018, p. 1–77 ('Governance Regulation').

					9.6 Mtoe is not in line with the national contribution of 8.7 Mtoe submitted by the Commission.
	Level of electricity interconnectivity (%) ³	41.4%	2024: 47.8%	15%	SK surpasses the EU- wide interconnectivity target

Source: Eurostat; Slovakia’s final updated national energy and climate plan

2 CONSIDERATION OF COMMISSION RECOMMENDATIONS ON DRAFT NECP UPDATE

In December 2023, the Commission published a thorough assessment of Slovakia’s draft updated NECP and provided recommendations⁴ for the preparation of the final updated NECP. Slovakia submitted its final updated NECP on 15 April 2025, more than nine months after the deadline of 30 June 2024⁵.

2.1 DECARBONISATION

Based on the information provided in the NECP, Slovakia expects to reduce total GHG emissions (excluding LULUCF) by 64.3% in 2030 compared to 1990. No projections post-2030 are provided.

2.1.1 Effort Sharing Regulation

Slovakia has addressed recommendation 1. The final NECP provides sufficient information on how Slovakia will meet its ESR target of -22.7% emission reductions by 2030 compared to 2005.

The plan provides updated projections that constitute an improvement compared to the draft plan. According to the projections existing and planned policies and measures, alongside implementing EU policies, are set to lead to a decrease of 31.5% by 2030 compared to 2005. This represents an overachievement of 8.8 percentage points compared to the national ESR target. In 2023, GHG emissions from ESR sectors accounted for 53.4% of the total in Slovakia (expected to be 60.5% in 2030)⁶, with transport projected to account for the largest share. The WAM projected value for ESR in 2030 is approximately 16% lower than the WEM, which suggests that implementing the plan and complementing it with additional measures to reach the target will require a significant effort.

³ Calculated by the European Commission based on the ETNSO-E data (Winter Outlook 2025). The 2030 level represents the general interconnectivity target of 15%. Slovakia intends to keep its interconnectivity level above 50% in 2030.

⁴ SWD(2023) 925 final, and Commission Recommendation of 18 December 2023, C/2023/9615.

⁵ Article 14(2) of Governance Regulation

⁶ Total GHG excluding LULUCF. Source: Commission calculations based on the results of the 2025 comprehensive review for 2023 and on the Slovak final updated NECP for 2030.

The final plan only partially complemented the information on the policies and measures provided in the draft but still omits relevant information on their scope, timeline and expected greenhouse gas reduction impact. The plan covers all ESR sectors comprehensively and notes that the achievement of the WAM scenario depends on the take-up of electric vehicles, insulating buildings, electrification, and implementing ETS2.

On **transport**, the WAM projections describe an increase in emissions up to 2025, followed by a downward trend but not enough to offset earlier increases; emissions in 2030 would still be 7.7% higher than in 2005. For **buildings**, a sector representing almost a quarter of Slovakia's ESR emissions, the WAM projections describe a significant decrease in emissions up to 2030 (-42.8% compared to 2005). **On waste**, the plan is more ambitious than the draft and shows a large drop in emissions from 2025 to 2030. However, the plan does not clearly explain which measures generate the drop.

The plan refers to the introduction of the emission trading system for fuel combustion in buildings, road transport and additional sectors (ETS2). However, Slovakia has not transposed the measure into national law, thus potentially delaying the social climate plan. The WAM scenario projections account for the effect of ETS2 but do not quantify its impact in terms of achieving the ESR target.

2.1.2 LULUCF

Slovakia has partially addressed recommendation 3. The LULUCF sector in Slovakia generates net removals, absorbing roughly 27.4% of total GHG emissions in 2023. According to the LULUCF Regulation, Slovakia has to improve its net removals by -0.5 Mt CO₂eq in 2030, compared to its average in the 2016-2018 reference period. Nevertheless, based on the projections included in the plan (dating back to 2019), Slovakia will still have a gap of 1.9 Mt CO₂eq in 2030.

The plan does not provide information on how the additional measures in the WAM scenario, including the decrease in forest harvesting, will help Slovakia to meet the 2030 LULUCF target, nor does give details of how each of these measures will be funded. The plan also lacks information on the status and progress in ensuring higher-tier levels and geographically explicit datasets needed to ensure the robustness of net removal estimates.

2.1.3 Carbon capture and storage

Slovakia has partially addressed recommendation 2. The plan includes some elements for a carbon capture, utilisation and storage (CCUS) strategy. However, Slovakia does not plan to deploy CCS before 2030. The plan states that no large CO₂ storage options exist within Slovakia and estimates that 6 million tonnes of CO₂ could be captured and stored by 2030. A study referenced in the plan⁷ also provides details on the various industries where CCS could be applied, together with information on how the captured CO₂ could be transported, namely via pipeline to saline aquifers in Poland.

⁷ Decarbonization of the Slovak economy by 2030: Formulation of marginal abatement cost curves (2022), Value for Money Department, Ministry of Finance of the Slovak Republic.

2.1.4 Adaptation

Slovakia has partially addressed recommendation 4. In response to the recommendation, the plan refers to Slovakia's 2018 Climate Change Adaptation Strategy, its 2021 Action Plan and to the update of the Strategy, due to be approved by the end of 2025. It acknowledges the importance of integrating adaptation planning. It partially embeds adaptation policies and measures in the relevant Energy Union dimensions. The plan does not contain a comprehensive **analysis of climate vulnerabilities and risks**. It refers to the currently ongoing preparatory work of a new national adaptation strategy, including a comprehensive risk and vulnerability assessment. It also refers to the 2021 Action Plan, which provides the framework for addressing, for example, a crisis management and response system for extreme events such as floods or fires. The plan does not outline adequate policies and measures to address these vulnerabilities and risks.

The plan partially outlines **links to the specific Energy Union objectives and policies**, that adaptation policies and measures are meant to support. However, the impacts and benefits of adaptation policies on other Energy Union dimensions have generally not been quantified. The plan does not set out **additional adaptation policies and measures** to support the achievement of national objectives, targets and contributions under the Energy Union.

2.1.5 Fossil fuels

Slovakia has partially addressed recommendation 19. The plan clarifies that coal-fired electricity production was phased out in 2024, although the Vojany Power Plant may continue to produce a small amount of electricity from coal. The use of imported coal in heating plants is due to be phased out by the end of 2028.

The plan lists some fossil fuel subsidies, indicating the yearly amounts provided up to 2021. The plan states that public economic interest subsidies for generating electricity from indigenous coal were phased out in 2023. However, no clear phase-out timeline and roadmap are provided.

2.2 RENEWABLES

Slovakia has partially addressed recommendation 5. Slovakia has slightly increased the ambition level for the share of renewable energy sources to 25%. However, this is still significantly below the 35% needed as a contribution to the Union's binding renewable energy target for 2030 laid down in Article 3(1) of Directive (EU) 2018/2001⁸ (revised 'RED II'), calculated in line with the formula in Annex II to the Governance Regulation. Slovakia included indicative trajectories for 2025 and 2027, but they are below the reference points set out in Article 4 (a)(2) of the Governance Regulation.

Slovakia has partially addressed recommendation 6. Slovakia provides an estimated trajectory for the deployment of renewable energy technologies over the next five years. However, it does not give information on the trajectory for 2020-2025 or the outlook to 2040. The plan includes an indicative target for innovative renewable energy technologies by 2030

⁸ Directive (EU) 2018/2001 on the promotion of energy from renewable sources, as amended by Directive (EU) 2023/2413

in line with the revised RED II. The final NECP states that financial support for renewable energy sources will prioritise innovative renewable energy technologies.

Slovakia does not provide specific targets to contribute to the indicative targets for buildings and industry for 2030. The plan confirms that projections in the draft plan do contribute to the binding targets for heating and cooling for both 2021-2025 and 2026-2030, and to the indicative target for the top-ups referred to in of Annex IA to the revised RED II.

Slovakia specifies the expected contribution from individual renewable technologies to the share of renewable energy sources in the transport sector from 2025 to 2030, towards the 29% target. This includes a sub-target for advanced biofuels and for hydrogen from renewable energy sources, including renewable fuels of non-biological origin.

Slovakia has partially addressed recommendation 7. Slovakia points to several measures to be implemented to transpose the revised RED II. Examples include the designation of renewables acceleration areas, starting with the designation of two pilot areas for wind energy by 2026, and the simplification and shortening of permitting procedures for renewable energy projects.

Slovakia announces the introduction of a legislative and regulatory framework to support the development of power purchase agreements (PPAs) and contract for differences (CfDs), but it does not provide any details. Regarding guarantees of origin, the plan mentions the setting-up of a system for guarantees of origin in 2022 but gives no information on forward-looking measures. Slovakia intends to increase the number of renewables self-consumers and energy communities by continue to support households financially through existing programmes.

In 2023, Slovakia approved an Action Plan to implement the National Hydrogen Strategy by 2026, focused on addressing the regulatory barriers, supporting start-ups and providing financial support for hydrogen. It has put forward a State aid scheme that will run until 2026 to support, the production of renewable hydrogen among other things.

Slovakia has partly addressed recommendation 8. The final NECP provides some projections on biomass supply, however this is not disaggregated by sector (heat, electricity, transport). The updated NECP also provides some data for imports, although it is not clear if the wood in question is intended for energy use. Further, the plan does not include information on the source of forest biomass used for energy and an assessment of the domestic supply of forest biomass for energy purposes in 2021-2030 in line with the strengthened sustainability criteria under Article 29 of Directive (EU) 2018/2001 as amended. In addition, as no projected use of forest biomass for energy production is included, Slovakia has not provided an assessment of the compatibility of the projected use of forest biomass for energy production with Slovakia's obligations under the revised LULUCF Regulation.

Slovakia has not addressed recommendation 9. Slovakia has not provided an expected timeline of the steps leading to the adoption of legislative and non-legislative policies and measures aimed at transposing and implementing the revised RED II.

2.3 ENERGY EFFICIENCY DIMENSION

Slovakia has partially addressed recommendation 10. Slovakia includes an indicative national contribution of 9.6 Mtoe for final energy consumption to the Union's binding final energy consumption target for 2030. This contribution is not in line with the corrected

indicative national contribution that the Commission submitted to Slovakia in March 2024 under Article 4(5) of Directive (EU) 2023/1791⁹ ('EED recast').

The plan sets an indicative national contribution of 16.4 Mtoe for primary energy consumption to the Union's indicative primary energy consumption target for 2030. This contribution is not in line with Article 4 of the EED recast.

Slovakia provides the energy consumption reduction (0.09 Mtoe a year) to be achieved by all public bodies, but without disaggregating it by sector as required by Article 5 of the EED recast. Slovakia reported the yearly energy savings to be achieved to comply with the obligation under Article 6 of the EED recast on the renovation of buildings owned by public bodies, and it also specified that it opted for the alternative approach. Slovakia sets out complete policies and measures to achieve the reduction of energy consumption from public bodies.

Slovakia has partially addressed recommendation 11. Slovakia sets out complete policies and measures for achieving the national contributions on energy efficiency, but the plan does not quantify the expected energy savings or the contribution for each of the reported energy efficiency measures.

Slovakia cites robust energy efficiency financing programmes and support schemes, including financial instruments and public guarantees, capable of mobilising private investment and additional co-financing. It names existing policy measures aimed at promoting the uptake of energy efficiency lending products and innovative financing schemes such energy performance contractors and energy service companies (ESCOs).

Slovakia has partially addressed recommendation 12. Slovakia has not updated the milestones given in the long-term renovation strategy (LTRS) submitted in 2020 or the 2023 draft plan, nor does it give intermediate milestones for 2030 and 2040. However, the plan specifies many measures on building renovations, with financial instruments and expected savings under Article 6 and 8 of the EED recast. Slovakia also mentions also that the public sector requirement will necessarily mean increasing the renovation rates. Furthermore, Slovakia provides sufficient information on related measures for buildings in terms of energy savings, funding and costs. Slovakia also includes specific information on policies and measures addressing deep renovation, with a specific focus on the worst-performing buildings or vulnerable consumers. In addition, it gives specific information on policies and measures addressing decarbonisation of heating and installation of renewables in buildings.

2.4 ENERGY SECURITY DIMENSION

Slovakia has partially addressed recommendation 13. In the gas sector, the final plan does not include new objectives or measures for reinforcing security of supply by diversifying its energy supply or by encouraging demand reduction. The plan does not set a target date for phasing out Russian gas imports. On positive development, Slovakia has objectives to enhance gas storage capacity, to foster infrastructure diversification, and to produce 300 mcm of biomethane by 2030. The reference to domestic extraction potential, which could account for 10% of national gas needs, is also noted.

⁹ Directive EU 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 (recast).

For electricity, the final plan clarifies that Slovakia does not have a specific objective for flexibility to integrate more renewables into the system. Slovakia does not set a specific objective for energy storage. However, the plan does include some information on energy storage projects and their role in providing various flexibility services. There are no specific numbers on new storage capacity installations, and although the plan acknowledges the increasing importance of demand response solutions, no roadmap is provided for storage or other flexibility instruments. The plan sets out general information on the development of new supply products (e.g. dynamic tariffs) to stimulate the uptake of storage and flexibility products.

In the oil sector, the plan does not assess the adequacy of oil infrastructure (pipelines, refineries and oil storage) in the long run with the expected decline in demand for oil and the move to lower-carbon alternatives. The plan does not specify plans for phasing out Russian crude oil supply in the long term.

The final plan contains no additional information beyond what was found in the draft plan regarding the need to adapt the energy system to the climate change.

On nuclear energy, Slovakia describes in detail measures taken to diversify the supply of nuclear materials and fuel. It also provides information on spare parts and maintenance services. The final NECP gives some, although limited, information on the long-term management of nuclear waste.

2.5 INTERNAL ENERGY MARKET DIMENSION

Slovakia has partially addressed recommendation 14. The plan takes account of the need for faster integration of the internal energy market to provide greater flexibility and empower and protect consumers. Slovakia does not quantify flexibility needs or set clear targets and objectives for demand response, storage, and flexibility. Slovakia plans to set an indicative target for non-fossil flexibility based on the assessment report on system flexibility needs, which uses the methodology referred to in Articles 19e and 19f of Regulation (EU) 2024/1747¹⁰.

The plan includes policies and measures that enhance flexibility and enable non-discriminatory participation in new flexibility services. The Slovak market operator is currently setting up an Energy Data Centre, which will allow market participants to aggregate flexibility through an independent aggregator. The government supports deployment of smart grids and electricity storage systems and Slovakia has started preparing for implementation of the 2024 package on electricity market design reform.

Slovakia indicates its intention to facilitate the integration of electricity from renewable energy sources into the energy system as part of the transposition of the Article 20a of the revised RED II. However, the final NECP lacks sufficient detail on how this will be accomplished.

The plan mentions active participation of consumers in the energy market and implementation of relevant EU legislation. However, the level of consumers engagement in practice is not very

¹⁰ Regulation (EU) 2024/1747 amending Regulations (EU) 2019/942 and (EU) 2019/943 as regards improving the Union's electricity market design.

clear, considering, for instance, that Slovakia applies regulated prices for vulnerable customers and all households are defined as vulnerable.

Slovakia has partially addressed recommendation 15. Slovakia has taken steps towards a more precise definition of energy poverty. The plan refers to a proposal for a national definition of energy poverty, but it lacks information on tailored future measures and strategies that will primarily target those in energy poverty.

2.6 RESEARCH, INNOVATION AND COMPETITIVENESS

Slovakia has partially addressed recommendation 16. The plan includes a comprehensive approach, although it does not include targets on support for research, innovation, and competitiveness in clean energy technologies, nor does it describe a funding pathway towards 2030 and beyond.

Relevant policies and measures include the National Research, Development and Innovation Strategy 2030, the Strategy for Smart Specialisation 2021-2027 and the Action Plan for Implementation of the National Hydrogen Strategy by 2026. The plan includes some measures to promote the development of net-zero projects, including those relevant for the energy intensive industries for example in the hydrogen sector.

With regards to competitiveness, Slovakia intends to implement a simplified regulatory framework for permitting procedures regarding the establishment of the renewable acceleration areas and eliminating permitting hurdles. It mentions specify technologies such as geothermal but does not specifying if the simplified permitting will also cover manufacturing facilities for net zero technologies, or if access to national funding will be simplified where needed. The plan includes information on policies and measures for developing clean energy related skills.

The plan refers to the manufacturing of clean technologies in Slovakia, for example in relation to mobility and heat pumps, but does not specify any related measures.

2.7 FINANCING THE ENERGY AND CLIMATE TRANSITION

Slovakia has partially addressed recommendation 17. The plan estimates that investments worth EUR 80 billion are needed to implement the WAM scenario for 2021-2030. This estimate covers industry, households, services and the transport sector, and is based on two energy and macroeconomic models. However, the plan does not present investments needs, investment gaps and funding sources for the policy measures. The plan does not distinguish between public and private investment needs and does not describe measures to mobilise private investment. The plan describes in general terms how Slovakia plans to use EU financial instruments, such as the Modernisation Fund, the Social Climate Fund, the cohesion policy funds and ETS revenues. However, the available public funds are significantly lower than the estimated investment needs.

Slovakia has partially addressed the recommendation to provide a robust assessment of the macroeconomic impact of the planned policies and measures. The methodological framework underpinning the macroeconomic analysis is well-established and robust. However, the assessment in the plan lacks a comprehensive impact analysis with respect to key macroeconomic variables such as GDP, consumption, or the general government balance. The

plan does not explain and quantify the impact of the identified investment needs on key economic and fiscal indicators.

2.8 JUST TRANSITION

Slovakia has not addressed recommendation 20. The final updated plan provides limited analysis of the social, employment and skills impacts of the energy and climate transition in coal regions and regions financed by Just Transition Fund (JTF). However, it lacks a comprehensive analysis of the impact across sectors and for all vulnerable groups beyond the scope of energy poverty. Moreover, the form of support and the financial resources to help ensure a just transition, except for JTF, are still not detailed. The commitments in the plan are aligned with those in the TJTPs.

The plan provides a limited analytical basis for the preparation of the social climate plan. The plan mentions the socio-economic impact of ETS2 and its link with the Social Climate Fund. However, it does not provide an impact analysis and only briefly mentions their synergies., It only briefly explains how the policy framework identified in the NECP will contribute to the Slovak social climate plan and how the consistency of the two plans will be ensured.

2.9 PUBLIC CONSULTATION

Slovakia has not addressed recommendation 21. The plan only describes the general consultation process used by the government but does not provide a clear and detailed overview of the specific consultation designed to feed into both the draft and the final updated plans. Slovakia does not describe whether the process enabled participation from all relevant authorities, citizens, and other stakeholders, including social partners. The plan also lacks a summary of the views expressed by different stakeholders, and of how the plan integrates the views expressed during the consultations.

2.10 REGIONAL COOPERATION

Slovakia has not addressed recommendation 22. Slovakia does not envisage any intensification of regional cooperation. The plan points to discussions on security of supply in the Visegrad Forum and the Central and Southeastern Europe Energy Connectivity High-Level Group (CESEC), but there is no clear indication that Slovakia plans to become more involved in the forum, the CESEC or any other in another cooperation framework, such as cooperation frameworks in line with Article 9 of the Renewable Energy Directive.

Apart from bilateral cooperation on implementation of the cross-border investment plans, wider regional cooperation to support cross-border transmission projects and other key electricity infrastructure projects is not currently considered necessary. Moreover, despite the reference to ongoing consultations with Czechia, Hungary and Austria (not Poland), no progress is reported on signing the four bilateral solidarity arrangements for the security of gas supply and the cooperation with the neighbouring countries does not seem to go beyond the gas interconnectors in place or planned ('Solidarity Ring').

2.11 ANALYTICAL BASIS

The plan provides a description of the analytical framework with WEM and WAM projections. However, these projections only go up to 2030. The plan partly covers all dimensions of the Energy Union, embedding economic and social impacts. The methodologies used are described for the economic impact assessment, although with limited transparency.

2.12 STRATEGIC ALIGNMENT, COHERENCE AND INTERACTION WITH OTHER PLANNING INSTRUMENTS AND POLICIES

Slovakia has partially addressed recommendation 18. The final NECP insufficiently covers the main reforms and investments in the recovery and resilience plan (RRP) that contribute to implementing the objectives, targets and contributions of the Energy Union.

While the RRP investments are well covered in the final NECP, the document still does not refer to many reforms of the Slovak RRP which are relevant climate and energy reforms of the RRP and its REPowerEU chapter. Moreover, some of the measures in the NECP are not adequately recognized as part of the RRP.

3 GUIDANCE ON THE IMPLEMENTATION OF THE NATIONAL ENERGY AND CLIMATE PLAN

The Commission encourages Slovakia to ensure a timely and complete implementation of the final updated NECP. Slovakia should pay particular attention to the elements listed below:

- On **ESR**, implement in a timely manner all policies aimed at meeting the **ESR target**, paying particular attention to the transport policies..
- On **LULUCF**, improve targeting of existing policies focusing on sustainable forest management, diversifying tree species to increase resilience to climate change and converting arable land to grassland. Implement additional measures including the reduction of forest harvesting and adoption of agroforestry to further close the gap. Ensure funding support through the common agricultural policy and other national sources for successful implementation.
- On **adaptation**, quantitatively assess the relevant climate vulnerabilities and risks for the national objectives, targets, and contributions and the policies and measures in the different Energy Union dimensions. This would make it possible to better outline and quantify the links to the specific Energy Union objectives and policies that adaptation policies and measures are meant to support. Also, set out additional adaptation policies in sufficient detail and in line with the anticipated new Slovak adaptation strategy.
- Develop a roadmap with specific measures to phase out **fossil fuels subsidies**.
- On **energy efficiency**, put in place measures to achieve the higher ambition for energy efficiency by 2030 by developing and implementing additional energy efficiency measures. Further energy efficiency measures should be introduced especially in the transport sector, where more ambition is needed to support the achievement of the target.

- On **energy poverty**, adopt the definition of energy poverty as well as plans and a roadmap with specific, tailored measures and strategies aimed at alleviating energy poverty, and targeting energy efficiency measures towards households in energy poverty.
- On **buildings**, ramp up the pace and depth of renovation of the building stock and adopt more ambitious targets for residential buildings and non-residential buildings for the years 2030, 2040 and 2050. Provide more details on measures promoting deep renovation and addressing the worst performing segments.
- On **research and innovation**, ensure that research and innovation objectives and funding pathways for 2030 and 2050 promote the transition of businesses towards a net zero and circular economy. Clarify how the growth and development of **innovative technologies and industries** will be supported in line with the **SET-Plan** and Horizon Europe. Detail the **planning of policies and measures to enhance flexibility and digitalise the energy system**, with a focus on grid infrastructure.
- On **industry**, put in place a pathway to decarbonise industry through key technologies, including CCUS and hydrogen, and robust measures to support implementation.
- Adopt a more comprehensive **just transition strategy** that addresses all the sectors and territories and allocates appropriate financial resources. Address potential green skills gaps, allocating sufficient resources to upskilling and reskilling.