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**Proposal for a Council Recommendation**  
**on a Bridge to Jobs - reinforcing the Youth Guarantee**

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## Synopsis

The COVID-19 pandemic has spiralled the EU into the deepest recession in its history. Young people are likely to be victimised disproportionately, as they are often easier laid off than more experienced workers, or yet to enter the labour market when many sectors are no longer hiring. It is clear that the EU cannot afford another protracted youth employment crisis. Without helping young people in their school-to-work and early job-to-job transitions, Member States risk scarring effects that snowball throughout an individual's working life, and add up to detrimental consequences for the EU's social market economy at large.

At the same time, it pays remembering that the EU has been in a similar situation before. The economic recession that followed the global 2008 financial crisis also plunged millions of young people across all Member States into unemployment or inactivity. At the peak of that youth employment crisis, in 2013, the EU embarked upon an ambitious, coordinated active labour market policy measure that went on to have a major transformative effect, creating opportunities for young people, driving structural reforms and innovation, and improving and expanding public employment services everywhere. It was called the Youth Guarantee.

While not the only factor contributing to overall improvement in young people's opportunities, the Youth Guarantee helped lower peak rates of young people neither in employment nor education and training (NEETs) to record lows just before the COVID-19 pandemic. It did so by offering them a quality offer of employment, continued education, apprenticeships or traineeships within four months of becoming unemployed or leaving school. Over 24 million young people who were once registered in Youth Guarantee schemes started an offer, providing them – during those first, precarious years of one's working life – with a stepping stone towards stable labour market integration.

This indisputable success story cannot only be repeated – it can be built upon to help even greater numbers of young people, strengthen the support that is given them, and avoid the hardest-to-reach being overlooked in the process. The 2013-20 implementation of the Youth Guarantee has yielded an astounding wealth of good practice examples, useful experiences from the ground and other inspiring ideas – whether stemming from years of EU level monitoring and evaluation, or stakeholders such as civil society, social partners, Youth Guarantee providers and young people themselves.

Such lessons also draw attention to the pitfalls and shortcomings of the Youth Guarantee as it was implemented in the aftermath of the previous economic recession. Two important examples bear repeating here. The first is that temporary NEETs, often actively looking for work without inherent disadvantages holding them back, took precedence over longer-term NEETs who belong to certain vulnerable groups and require more intensive, sometimes one-to-one support. The second is that the world of work and skills has been changing and continues to do so, with an increasing prevalence of non-standard forms of work, increasingly precarious school-to-work transitions and more frequent job-to-job transitions.

Beyond the short-term, immediate crisis response, Youth Employment Support (YES) is a central component of the medium-term, comprehensive recovery plan to get back to a normal functioning of society. Therein lies an opportunity to come out of the economic recession stronger, choosing resilient, future-proof solutions over quick fixes and temporary stopgaps. This means that the EU's twin transitions to a sustainable and digital economy have to be ingrained in the DNA of YES.

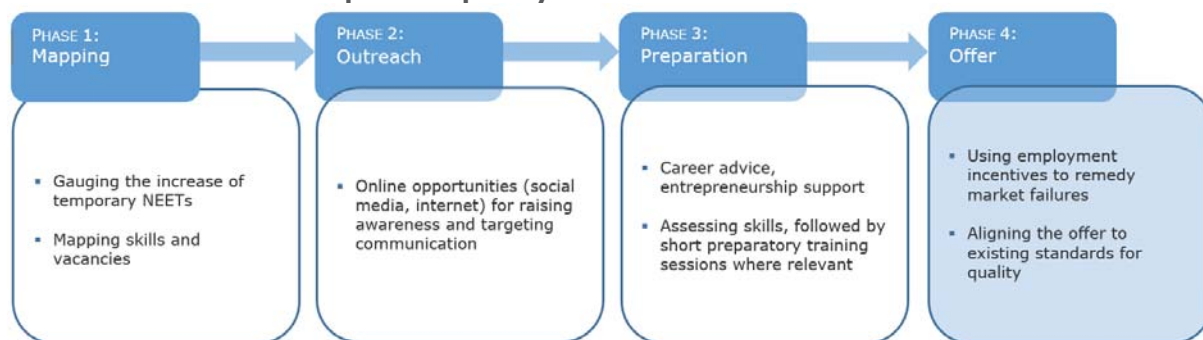
The Commission's proposal for a Council Recommendation on a Bridge to Jobs - reinforcing the Youth Guarantee is a central component of YES. This report aims to combine the lessons learnt with the broader implications of a social market economy in transition, feeding into a Youth Guarantee that maintains an inclusive approach, but also helps accelerate the much-needed green and digital transitions, acknowledging both the opportunities and volatilities that come with them. Moreover, a reinforced Youth Guarantee recognises that, at least for some time to come, the share of temporary NEETs will increase – and some of them will require a lighter approach compared to the more intensive, comprehensive interventions that longer-term NEETs are likely to necessitate.

Though the distinction between temporary NEETs and longer-term NEETs is a simplification, it is helpful to summarise the four phases of a reinforced Youth Guarantee through different examples. The distinction illustrates the Youth Guarantee at its “lightest” for the temporary NEETs versus the Youth Guarantee at its most “complex” for the longer-term NEETs. In reality, these temporary and longer-term NEETs are the extremes on a scale, with the latter receiving a “topped up” approach when compared to the former.

#### *A reinforced Youth Guarantee for temporary NEETs*

Higher educated young people, or those already with significant work experience, are more likely to belong to the temporary NEETs, perhaps laid off during the economic downturn caused by the COVID-19 pandemic, or unable to enter certain sectors because of it, but without inherent vulnerabilities underlying their temporary predicament. Before any contact is even established, Youth Guarantee providers can try to gauge the ramifications of the economic recession in the “catchment area” that falls under their purview. They can also ensure that the mapping phase is informed by local/regional skills forecasts, using big data labour market intelligence about what skills are most in demand and where.

**Figure 1. The four phases of a reinforced Youth Guarantee with examples particularly relevant to the least complex temporary NEETs.**



Reaching out to the temporary NEETs is not as straightforward as it may seem, as many of them might never have thought about job or training support. Awareness raising is therefore vital, and online opportunities using social media or smartphone apps provide ample opportunities to do so. Targeting communication is facilitated by a consistently adopted visual style that young people can recognise and associate with job or training support, together with a single web portal where all preliminary information and referrals can be found.

Once contact is established, temporary NEETs register with their Youth Guarantee providers and the four-month preparatory phase starts. During this phase, the emphasis is on career advice, teaching young people about the changing world of work and skills, against a backdrop of economic recession and sectoral changes due to the green and digital transitions. Here, raising awareness of the possible chances and perspectives connected to self-employment is also important, including through closer cooperation between employment services, start-up support services and microfinance providers.

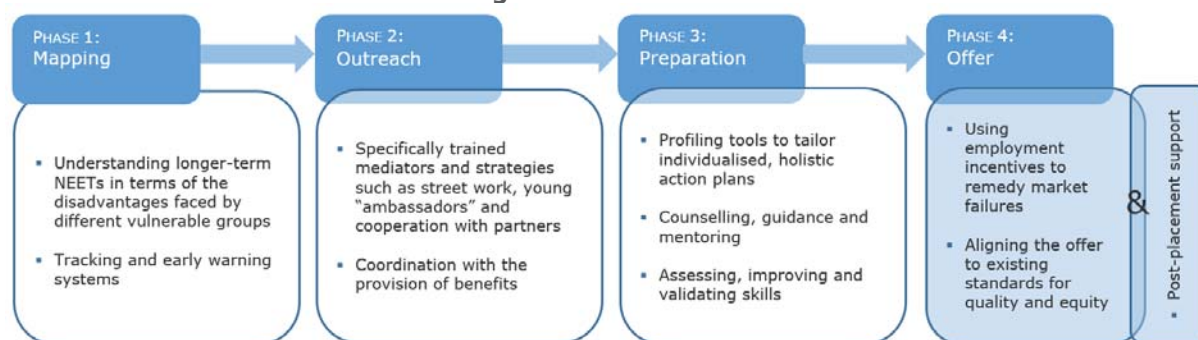
The remainder of the preparatory phase for temporary NEETs is dedicated to assessing their skills, upskilling or reskilling where needed, and making sure learning outcomes are easily recognised through certifications. While skill domains in need of strengthening depend on the young person in question and the skills and vacancy mapping conducted at an earlier stage, four domains deserve special emphasis: digital skills (aiming to fill the many vacancies expected in the digital transition), skills needed for the green transition (preparing young people for opportunities in the growing green sector), entrepreneurial skills (allowing young people to profit from the perspectives connected to self-employment) and career management skills (making sure young people have the adaptability to enter an uncertain labour market). The Youth Guarantee’s preparatory training can provide a possibility to get activated and inspired, for example through crash courses, workshops or boot camps.

With the preparatory phase spent proactively, temporary NEETs are ready to take up an offer of employment, continued education, apprenticeship or traineeship. During the new economic recession, targeted and well-designed employment and start-up incentives will create opportunities where market functioning would otherwise fail to do so. Youth Guarantee providers can, moreover, safeguard the quality of the offer by urging employers to respect the principles of the European Pillar of Social Rights, such as access to social protection, reasonable duration of probation periods and prohibiting abuse of atypical contracts.

### A reinforced Youth Guarantee for longer-term NEETs

Young people from vulnerable groups are more likely to belong to the target group of longer-term NEETs, requiring extra efforts from the perspective of the Youth Guarantee schemes. Their NEET status can be a symptom of multiple, more engrained disadvantages and may indicate a longer-term disengagement from society as a whole. The vulnerable groups singled out in this report are young people with low education attainment, in long-term unemployment, from migrant backgrounds, rural or remote regions, with caring responsibilities and suffering from an illness or disability.

**Figure 2. The four phases of a reinforced Youth Guarantee with examples particularly relevant to the hardest-to-reach longer-term NEETs.**



For longer-term NEETs, the mapping phase is of the utmost importance, as it underpins all subsequent support. On top of what Youth Guarantee providers would undertake in the context of temporary NEETs, there is a need to profoundly understand different types of disadvantages, which are sometimes interacting and often started having detrimental consequences years before a young person obtained the NEET status. Using sophisticated tracking and early warning systems – and working together with schools – Youth Guarantee providers can also aim to identify at-risk youth, providing early support and giving advice in a more preventative approach.

Subsequently, proactive outreach means building trust, informing the hardest-to-reach and those facing multiple barriers about support available in their transition from school to work and the necessary steps to take to profit from this support. Clear access points in the form of one-stop-shops are essential. Outreach requires specifically trained mediators and complementary strategies such as street work, young “ambassadors” and cooperation with partners that are in contact with specific groups of young people. For the hardest-to-reach, outreach can be coordinated with the provision of benefits, using the occasion to inform them in an open way about rights and opportunities.

Once longer-term NEETs register with their Youth Guarantee providers and the four-month preparatory phase starts, appropriate profiling and screening tools are needed to tailor individualised action plans that not only help the young person towards accepting a job or training offer, but also support them in various other ways. The latter often requires referring disadvantaged young people to other social services, such as childcare, healthcare, psychological support, social housing, accessibility services and transport - altogether enabling a more holistic, person-centred approach. Such profiling and screening tools again require specialist staff, who are trained to face this challenging task without overwhelming and deterring the longer-term NEETs in the process.

Counselling, guidance and mentoring are needed for longer-term NEETs throughout the preparatory phase and beyond, helping them overcome certain barriers and making sure that disadvantages do not become further entrenched. It often requires a considerable amount of intensive, one-to-one support, but experience on the ground also shows the benefit of peer support and working in groups in which members share the same experiences. Whichever format is adopted, counselling, guidance and mentoring includes motivational work and advocacy, making sure longer-term NEETs understand not only their potential but also their rights.

Assessing, improving and validating skills takes pride of place in the preparatory phase, much the same as it does for more temporary, less disadvantaged NEETs. Yet there are crucial differences. Firstly, longer-term NEETs might have struggled at school, and their abilities and potential may not be immediately evident by looking at formal qualifications. However, a skilled adviser who has created a trusted relationship with them can help to draw the necessary information out. Secondly, the Youth Guarantee's preparatory training might have to be offered in smaller, bite-sized modules, acknowledging the fact that commencing a long training course can be an unrealistic or unsuitable option for many longer-term NEETs. Thirdly, rather than a full certification or qualification, micro-credentials can be used and accumulated, so as to recognise and validate preparatory training of short duration.

Finally, a good quality Youth Guarantee offer does not widen or further entrench disadvantages experienced by longer-term NEETs. Early career patterns of vulnerable groups are known to be fragile, and Youth Guarantee offers might have very different effects for temporary NEETs and longer-term NEETs. Even in times of economic recession, young people can receive an equally good quality Youth Guarantee offer. Three preconditions are worth emphasising here. One is awareness raising on the side of the employer, confronting any prejudices and clarifying rights and obligations. The second comprises wage subsidies to encourage the employment of longer-term NEETs. The third is the importance of post-placement support, using follow-up monitoring to ensure that measures targeting vulnerable groups have a lasting, positive impact on the participants.

The COVID-19 pandemic has posed an unprecedented challenge to the EU budget and its ability to flexibly address, among others, sudden shocks to employment across the Member States. At this critical juncture, Next Generation EU – through REACT-EU, the proposed new Recovery and Resilience Facility and the 2021-27 funding period – will act as a comprehensive Recovery Plan for Europe, ensuring that strategic priorities such as YES and its reinforced Youth Guarantee remain at the top of the agenda. In this respect, priority operations for which EU funds can be mobilised include, among many others, capacity building of public employment services, reinforced mapping and early warning systems and training sessions of short duration. A reinforced Youth Guarantee provides the framework for selecting Member State priorities in a joint effort to avert a new youth employment crisis.



## 1. Introduction

*The infrastructure to provide young people with job or training offers is already in place*

Just when youth unemployment was at a record low, the COVID-19 pandemic triggered a global economic collapse. The Commission's [Spring 2020 Economic Forecast](#) predicts that the EU economy will shrink by 7.4% in 2020, the deepest recession in its history. While it is too early to gauge the speed of recovery, it is clear that severe consequences will be felt across many sectors for some time to come. Young people face a double risk, with many of them easier laid off than more experienced workers, and others unable to enter sectors that are no longer hiring.

In the short term, the Commission proposed a resolute, ambitious and coordinated policy response, alleviating the immediate impact on employment. The Coronavirus Response Investment Initiative (CRII) facilitated the deployment of the European Social Fund (ESF). Moreover, the Commission further increased its response by proposing to set up a EUR 100 billion solidarity instrument to help workers keep their incomes and help businesses stay afloat, called SURE. As an important part of the crisis response, short-time work schemes have proven effective in a number of Member States, allowing for temporary reduction of working hours while supporting the income of the workers.

In the medium term, the Commission is focused on a comprehensive recovery plan to get back to a normal functioning of society at large. Sustainable growth can be achieved by drawing the lessons from the current crisis, without overlooking the lessons from the previous economic recession. This means maintaining an inclusive approach that supports vulnerable groups, but also an approach that helps accelerate the much needed green and digital transitions.

The EU cannot afford another protracted youth employment crisis. The silver lining is that the infrastructure for a profound active labour market policy intervention coordinated at EU level is already in place. In 2013, when, at the peak of the previous youth employment crisis, youth unemployment stood at 24.4%, the [Council Recommendation](#) on establishing a Youth Guarantee was adopted. Member States committed that all people under 25 receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within a period of four months of becoming unemployed or leaving formal education<sup>1</sup>.

The Youth Guarantee has created opportunities for young people and acted as a powerful driver for structural reforms and innovation. As a result, the majority of public employment services (PES) have improved and expanded their services for young people<sup>2</sup>.

In about seven years' time, just before the COVID-19 pandemic, there were approximately 1.7 million fewer young people neither in employment nor in education or training (NEETs) across the EU<sup>3</sup>. Youth unemployment had dropped to a record low of 14.9% by February 2020, mere weeks before pandemic-related lockdowns were put in place across the EU<sup>4</sup>. Though an improving macro-economic context certainly played a role, evidence suggests that the Youth Guarantee had a major transformative effect. Over 24 million young people who were once registered in Youth Guarantee schemes started an offer of employment, continued education, apprenticeships and traineeships. This success story can be repeated.

*A reinforced Youth Guarantee draws lessons from the past*

Despite the indisputable success story of the Youth Guarantee, still too many young people were unemployed or inactive by the time the COVID-19 crisis hit the EU in early 2020. Others found only low wage, temporary and non-standard jobs, with more frequent job transitions becoming the

<sup>1</sup> The EU's commitment to the Youth Guarantee has since been incorporated into the European Pillar of Social Rights.

<sup>2</sup> While the overall management of national or regional Youth Guarantee schemes can be the responsibility of e.g. a particular Ministry, another level of government or the public employment service (PES), the latter usually runs the Youth Guarantee schemes on the ground, registering young people and providing specific employment services. See the [2019 Report on PES Implementation of the Youth Guarantee](#) and the [2018 Assessment Report on PES Capacity](#).

<sup>3</sup> Data from Eurostat. This concerns the 15-24 age bracket, 2013-2019, using the EU27 average. With the wider 15-29 age bracket, adopted in many Member States (see Section 2.2), the absolute decrease is an approximate 3.2 million NEETs.

<sup>4</sup> The most recent comparative data at the moment of writing are from April 2020, when the EU average had increased to 15.4%.

norm. Young people with disabilities, those with a migrant background and young parents were at an even greater risk of falling behind. A reinforced Youth Guarantee, should draw lessons from the past and strengthen inclusiveness, while at the same time acknowledging the changing world of work and skills.

Indeed, when shifting from the short term crisis response to the medium term recovery plan, there is an opportunity to come out of the new economic recession stronger, choosing resilient, future-proof solutions over quick fixes and temporary stopgaps. This means that the EU's twin transitions to a sustainable and digital economy have to be ingrained in the DNA of a comprehensive, coordinated active labour market policy intervention that is a reinforced Youth Guarantee.

Firstly, climate change and environmental degradation require the EU to adapt its economy. Job growth is expected to be concentrated in green(ing) sectors, both in industry and services, while job losses are expected to occur in carbon intensive sectors, affecting in particular regions with high employment in such sectors<sup>5</sup>. With the [European Green Deal](#), the EU has marked its ambition to become the first climate-neutral continent by 2050. This is the green transition referred to throughout this report. Changes to formal education, re-skilling and upskilling are necessary to help young people seize opportunities from the growing green economy.

Secondly, the digital economy of tomorrow should not leave any young person behind. It is expected that artificial intelligence and robotics alone will create almost 60 million new jobs worldwide in the next five years, while many jobs will change or even disappear. New technologies will generate new job opportunities and allow for more flexible work arrangements, yet new jobs should also be quality jobs and people should be equipped with the right skills to take them up. For young people in particular this transition brings opportunities but also challenges; all young people will need to demonstrate at least a basic level of digital skills to broaden their employment prospects, while showing resilience to a higher degree of labour market volatility.

The [European Pillar of Social Rights](#) is the Commission's social strategy to make sure that the transitions of climate neutrality and digitalisation are socially fair and just. The 2020 Commission Communication "[A Strong Social Europe for Just Transitions](#)" set out the plans for implementing the European Pillar of Social Rights<sup>6</sup>.

Part of this implementation is a reinforced Youth Guarantee. It should aim to repeat the success story of 2013-20 during the new economic recession brought about by the COVID-19 pandemic. But it should also build on this potential through greater acknowledgment of the green and digital transitions, supporting all young people to make the most of new opportunities. A reinforced Youth Guarantee will apply the lessons learnt in the past and bring it more in line with the evolving needs of a changing labour market.

### *The outline of this report*

This report accompanies the Commission's proposal for a Council Recommendation on a Youth Bridge to Jobs – reinforcing the Youth Guarantee. It provides an overview of all the EU level monitoring and evaluation conducted since the first implementation of the Youth Guarantee, and takes into account the outcomes of various recent consultation activities. All this information and evidence, alongside numerous good practice examples from across the Member States<sup>7</sup>, feed into the four phases of a reinforced Youth Guarantee.

The report starts with an overview of the most important lessons stemming from the aftermath of the previous economic recession (Chapter 2), followed by a comprehensive summary of the lessons

<sup>5</sup> European Commission (2019), [10 trends shaping the future of work in Europe](#).

<sup>6</sup> The European Pillar of Social Rights aims at bringing fairness to every citizen's daily life, whether they are learning, working, looking for a job or in retirement; living in a city or in a rural area; irrespective of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Proclaimed by all EU institutions in 2017, the 20 principles of the Pillar aim at improving equal opportunities and jobs for all, fair working conditions and social protection and inclusion. Implementing them upholds the commitment, made at the highest level, that people are at the centre, regardless of change, and that no one is left behind. Heads of State and government have called for the implementation of the Pillar at EU and Member State level, with due regard for respective competences. The European Parliament has also underlined the importance of pursuing the implementation of the 20 principles.

<sup>7</sup> Many of these good practice examples have been recorded in the [Youth Guarantee knowledge centre](#).



stemming from the Youth Guarantee's 2013-20 implementation (Chapter 3). The latter originate from numerous monitoring and evaluation exercises at EU level (Section 3.1), but also from the rich volume of feedback received during targeted consultations in early 2020, when the Commission reached out to, among others, civil society, social partners, national stakeholders and young people themselves (Section 3.2).

Together, the many lessons learned during the previous economic recession and the Youth Guarantee's 2013-20 implementation translate into a number of actions for a reinforced Youth Guarantee (Chapter 4). The four phases detailed in Chapter 4 follow the Commission's proposal for a new Council Recommendation, which retools the Youth Guarantee to face the new economic downturn caused by the COVID-19 crisis with greater resilience.

#### Box 1. What does the Youth Guarantee offer look like?

Cumulatively since their launch there have been 36.2 million entries into Youth Guarantee schemes. About 34.6 million have meanwhile exited the process, leaving 1.5 million still registered at the end of 2018 (using the latest available data). No fewer than 24.7 million (71.3%) are known to have taken up an offer in the form of employment, continued education, apprenticeships or traineeships. Of these 24.7 million, 18 million opportunities came from the open market and 6.7 million were partially or fully funded through public money.

Firstly, 18.2 million young people took up an employment offer (about 74% of all offers), of which about 1.6 million were subsidised. Subsidised employment offers are active labour market policy (ALMP) measures implemented by public employment services (PES) and typically include hiring incentives, direct job creation programmes (public works) and start-up incentives. Hiring incentives are one of the most common types of ALMP measures included in Youth Guarantee schemes and generally take the form of wage subsidies or reductions in hiring costs through social security bonuses. Almost two thirds of Member States have started putting these hiring incentives in place. Direct employment creation programmes and start-up incentives have been much less common.

Secondly, only 2.2 million went back to education (about 9% of all offers). It is clear that the potential to upskill young people and to ensure that they gain qualifications that facilitate access to the labour market could be further exploited. However, promoting continued education offers to low-qualified young people can be challenging. The young people in question may have struggled during their time in the education and training system; they might prefer practical on-the-job learning; they are keen to earn a living or their current personal situation may not allow them to return to full-time education. This report looks into diversifying the continued education offer.

Thirdly, of the total of 24.7 million open market and subsidised offers, 1.2 million started an apprenticeship<sup>8</sup> (less than 5% of all offers). For many young people who choose an apprenticeship, this may be their first experience in the world of work. Ideally, a welcoming and supportive work environment with good learning opportunities can be motivating and contribute to attaining a qualification. But work-based learning can also be discouraging and lead to early leaving from education and training, in particular if there is a mismatch between the learners' expectations and the reality of the profession, or when the young person lacks work readiness.

Fourthly, 3.1 million young people took up a traineeship<sup>9</sup> (amounting to less than 13% of all offers). Traineeships are understood as a limited period of work practice, whether paid or not, which includes a learning and training component, undertaken in order to gain practical and professional experience with a view to improving employability and facilitating the transition to regular employment<sup>10</sup>. A large share of traineeship offers within the Youth Guarantee are fully or partly subsidised with public money.

## 2. Lessons from the previous economic recession

The Youth Guarantee was designed in response to the high youth unemployment rates in many Member States during the economic recession that followed the global 2008 financial crisis. Though the Youth Guarantee cannot fully be attributed the decline in youth unemployment since then, it

<sup>8</sup> An apprenticeship is a form of Initial Vocational Education and Training (IVET) that formally combines and alternates company-based training with school-based education and leads to a nationally recognised qualification. Apprenticeships are characterised by a high share of learning in a company, and are therefore often considered suitable for young people who prefer a more practical approach to learning.

<sup>9</sup> As with apprenticeships, however, it is likely that these figures are in reality slightly higher. In some Member States traineeships form part of the regular education system and are therefore recorded as education offers, and in some countries traineeships cannot be distinguished from employment and are recorded as such.

<sup>10</sup> As defined for the purposes of the [2014 Council Recommendation](#) on a Quality Framework for Traineeships. Generally, a distinction is made between the following four types of traineeships: (1) traineeships within educational curricula; (2) traineeships as a mandatory part of professional training; (3) traineeships as part of ALMPs; and (4) open-market traineeships. Traineeships within educational curricula and those that form a mandatory part of professional training are generally not counted as a Youth Guarantee offer.

did have a major transformative effect<sup>11</sup>. Facing a new economic recession in 2020, this chapter sums up a few important lessons from tackling youth unemployment during the previous one.

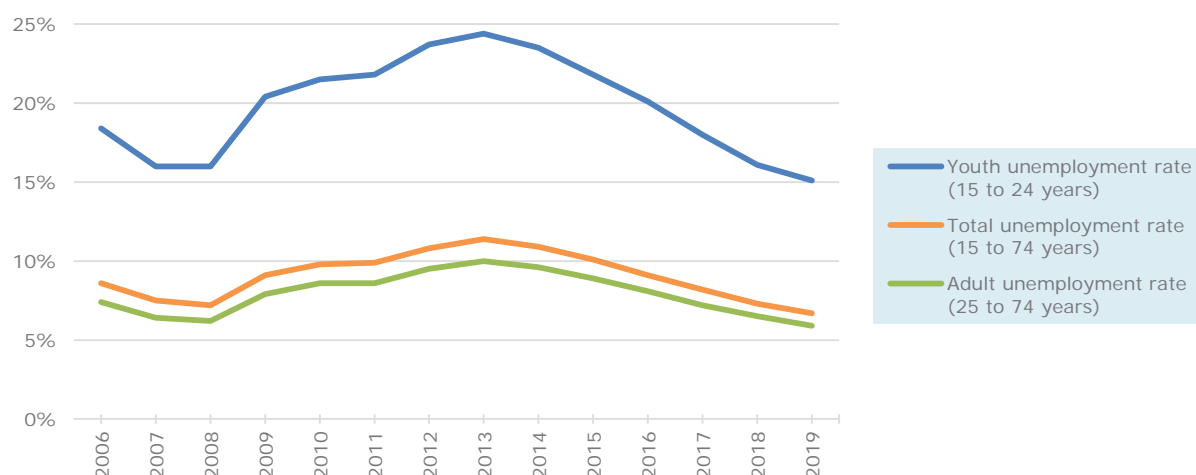
The first lesson is a positive one, which is that a coordinated active labour market policy intervention at EU level can turn the tide of youth unemployment and inactivity. The remaining lessons summed up here are cautionary tales for a reinforced Youth Guarantee in 2020. Inclusiveness will have to be broadened and deepened, reaching a wider population of young people but also strengthening the efforts to not leave the hardest-to-reach by the wayside. Finally, the world of work has changed since the previous crisis, and young people now need the tools to face its precariousness with greater resilience.

## 2.1. Turning the tide of youth unemployment and inactivity

As can be seen in Figure 3, the youth unemployment rate<sup>12</sup> (15 to 24 years) skyrocketed during the economic recession of 2008, with a peak of 24.4% in 2013 (the year the Youth Guarantee was launched). During the peak of 2013, youth unemployment was particularly high in Greece (58.3%), Spain (55.5%), Croatia (50.0%), Italy (40.0%), Cyprus (38.9%), Portugal (38.1%) and Slovakia (33.7%). As of 2019, it remained over 30% in Greece (35.2%) and Spain (32.5%).

The youth unemployment rate decreased dramatically between 2013 and the record lows before the COVID-19 crisis. However, it has always remained more than double the unemployment rate observed for the adult (25 to 74 years) and total (15 to 74 years) population, pointing to a structural challenge even in the absence of economic recessions.

**Figure 3. The 2006-19 evolution of youth, adult and total unemployment rates (EU27).**



Source: Eurostat database (online data code *lfsa\_urgaed*).

Unlike the unemployment rate, the NEET rate compares young people neither in employment nor in education or training<sup>13</sup> with the total population of the same age group (Figure 4)<sup>14</sup>. In other words, it covers both the active and inactive population<sup>15</sup> but splits up both groups: the active

<sup>11</sup> For instance, the Youth Guarantee initiated many structural reforms of the Member States' labour market and education and training systems, which are likely to help in addressing the consequences of the current economic downturn.

<sup>12</sup> Note that, to calculate the unemployment rate, the number of unemployed people is divided by the number of people in the active labour force, which includes all employed and unemployed people but excludes all inactive people.

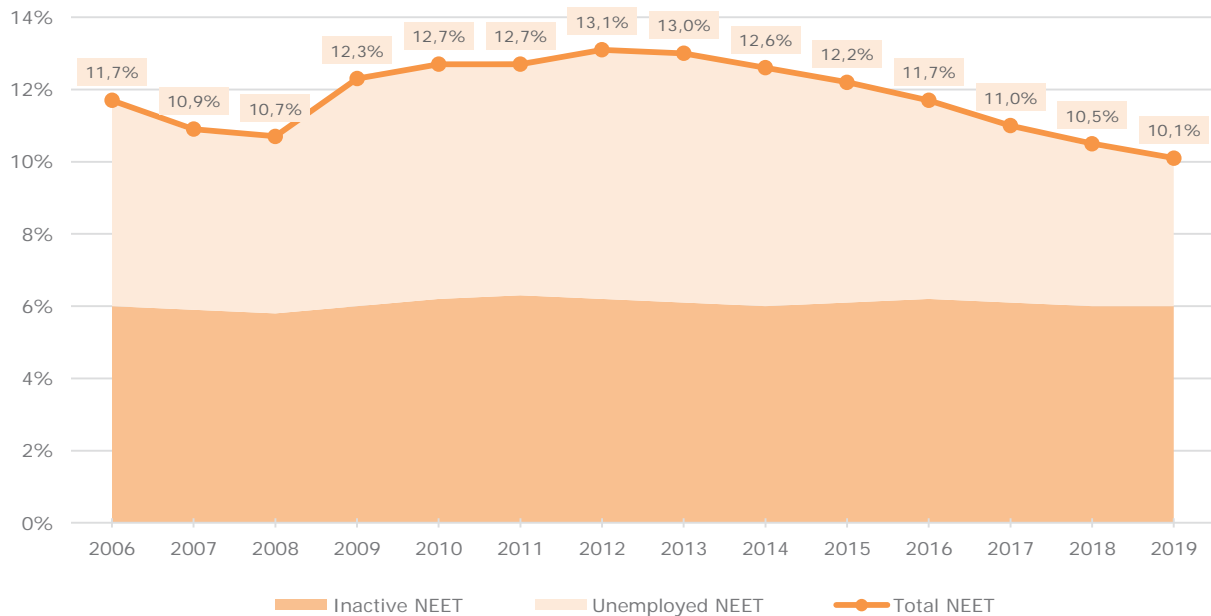
<sup>13</sup> New improvements to the underlying cross-EU data will allow for a more precise assessment of what it means to be employed and what it means to be in education or training (see Section 4.5.2). This is particularly important given the changing nature of work and skills, resulting in a surge of non-permanent jobs and more precarious school-to-work and job-to-job transitions in which earlier barriers risk becoming entrenched (path dependence).

<sup>14</sup> The NEET rate is also the indicator for target 8.6 of the Sustainable Development Goals, which aims to, "[b]y 2020, substantially reduce the proportion of youth not in employment, education or training".

<sup>15</sup> Economically active persons – who represent the labour supply – include employed persons (such as self-employed and employees) as well as the unemployed. Economically inactive persons are outside the labour force, whether because of their education, or because of e.g. illness, disability, personal or family responsibilities.

population between unemployed and employed and the inactive population between those not in education or training and those in education and training<sup>16</sup>.

**Figure 4. The 2006-19 evolution of NEET rates, by labour status (EU27).**



Source: Eurostat database (online data code *edat\_ifse\_20*). Note: Indicator covers the 15 to 24 year-old age group.

In contrast with indicators like the unemployment rate and unemployment ratio<sup>17</sup>, the NEET rate includes a part of the inactive population in its focus (numerator). This is a first indication of how diverse the NEET target group really is. Inactive NEETs are not seeking employment because of, for instance, their own illness or disability, their caring responsibilities for children or incapacitated adults or other personal or family responsibilities.

In fact, as is evident from Figure 4, changes in the NEET rate across an economic recession are largely due to unemployment rather than inactivity, the latter posing a challenge that is more stable over time. As youth unemployment decreased between the peak of 2013 and the COVID-19 crisis, the share of inactive NEETs increased. While the latter amounted to 46.9% of the whole group of NEETs in 2013, it made up 59.4% of the total in 2019<sup>18</sup>. Drawing a lesson from the previous economic recession, it is to be expected that the share of unemployed NEETs will increase quite rapidly, before giving way again to the more persistent challenge of inactivity among young people<sup>19</sup>.

## 2.2. Broadening inclusiveness: a wider age bracket

Section 2.1 focused on the labour market status of young people aged 15 to 24. It is the Commission's proposal, however, to extend the Youth Guarantee to all young people up to 29. There are four reasons for widening the age bracket. Firstly, it broadens the inclusiveness of the Youth Guarantee's outreach. Secondly, it acknowledges that school-to-work transitions and a

<sup>16</sup> Here, education and training covers both formal and non-formal learning, participated in during the four weeks preceding the survey. Unfortunately, non-formal learning comprises both job-related learning and non-job-related (personal) learning, possibly resulting in some underestimation of the NEET target group (as any non-job-related and/or personal learning relocates young people to the denominator). A comprehensive revision of the EU Labour Force Survey will allow for an improvement in the way the NEET target group is measured (see Section 4.5.2).

<sup>17</sup> The unemployment ratio calculates the share of unemployed out of the total population of the same age group. This means the denominator includes both the active labour force and the economically inactive persons.

<sup>18</sup> This could be an explanatory factor behind the slight decline in the approximated share of NEETs enrolled in Youth Guarantee schemes across the EU, acknowledging the particular difficulties in reaching out to inactive young people.

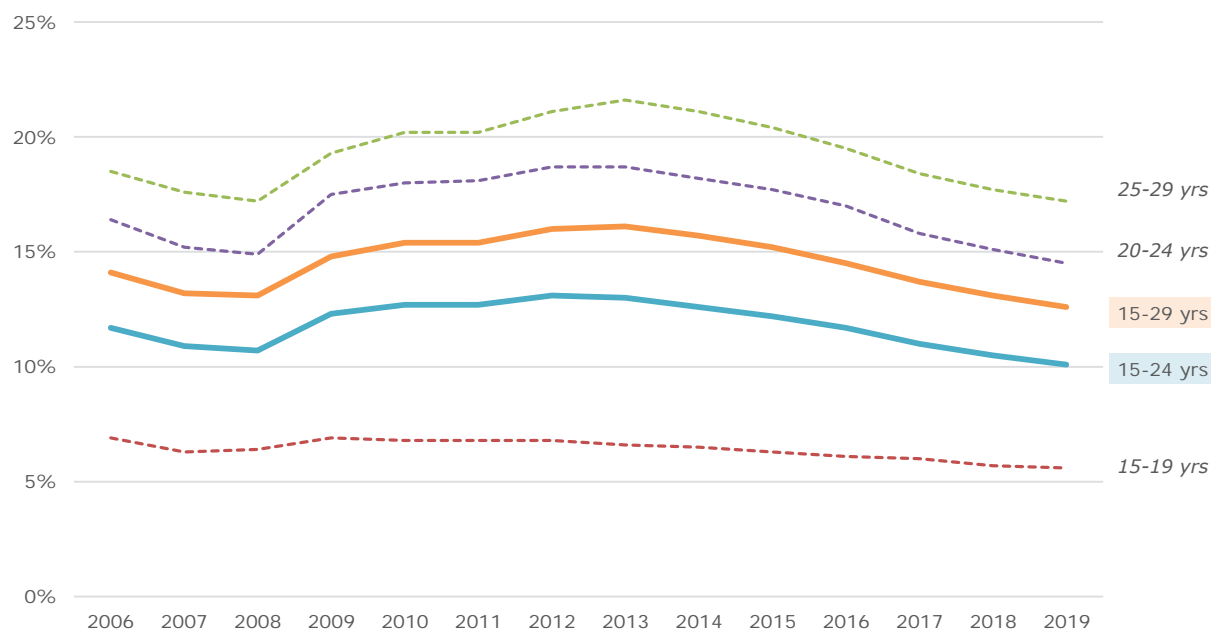
<sup>19</sup> This is a second indication of how diverse the NEET target group is, as it suggests that while for some young people the NEET status is temporary, for others it is a longer-term challenge.

stable labour market integration are taking longer because of a changing nature of work and skills (Section 2.4). Thirdly, it recognises that, during the economic downturn due to the COVID-19 pandemic, a not insignificant share of 25 to 29 year-olds will fall into unemployment and require support.

Fourthly, widening the age bracket would align the Youth Guarantee with the Youth Employment Initiative (YEI) target group and, more importantly, with national practices: youth related measures and programmes are generally available for young people up to 29, and over 60% of the Member States already consider young people aged 25-29 part of the Youth Guarantee target group<sup>20</sup>.

The prevalence of NEETs has always been higher in older age groups than it has been in the younger ones (see Figure 5). Using annual averages for 2019 as an example, widening the age bracket from 15-24 to 15-29 increases the NEET rate across the EU from 10.1% to 12.6%. In absolute numbers, NEETs across the EU grow from 4.8 million to 9.4 million young people. However, taking into account that the majority of Member States have already adopted the 15-29 age bracket, the absolute number of NEETs increases from a much higher starting position of about 8.2 million, amounting only to an approximate 14% increase.

**Figure 5. The 2006-19 evolution of NEET rates, by age group (EU27).**



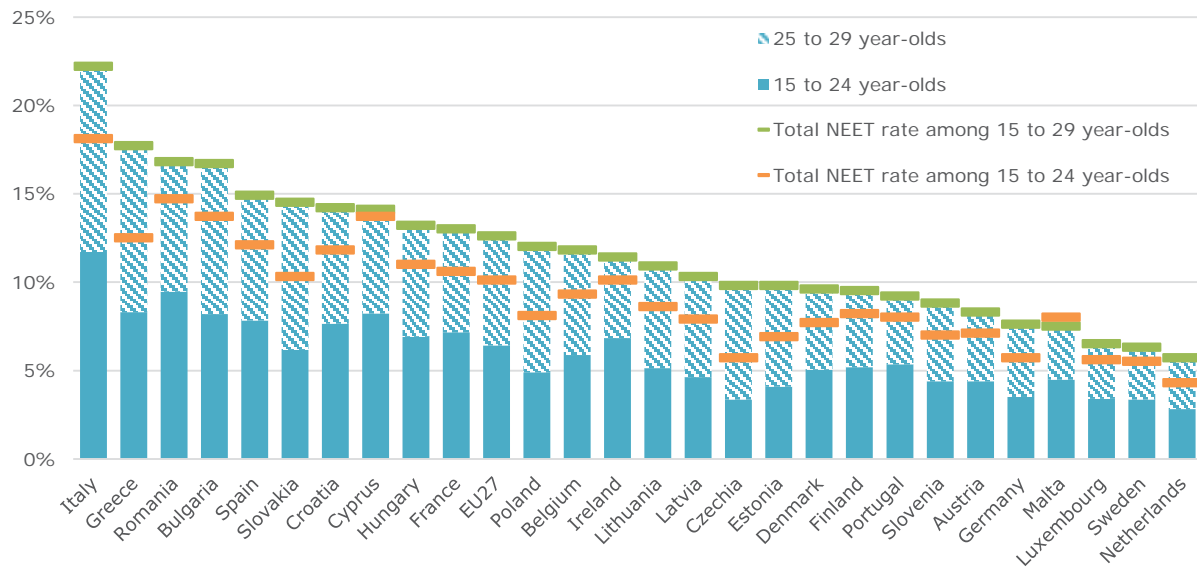
Source : Eurostat database (online data code *edat\_lfse\_20*).

Figure 6 illustrates the NEET rate among 15 to 29 year-olds across the Member States as it stood in 2019, broken down by more precise age groups (i.e. the old 15 to 24 year-old bracket plus its extension of 25 to 29 year-olds). For comparative purposes, the horizontal markers on each bar represent the total NEET rate among the 15-24 and 15-29 age groups. The 25 to 29 year-olds make up around half of the new 15-29 target group and, as a consequence, the new NEET rate is higher in all countries but for Malta<sup>21</sup>.

<sup>20</sup> The majority of the Member States launched their national Youth Guarantee schemes in January 2014. Adopting the option provided by YEI, a number of Member States expanded the scheme, either from the beginning or progressively, to also cover young people aged 25-29. Currently, the Youth Guarantee is limited to those aged 15-24 only in Belgium, Denmark, Ireland, France, Luxembourg, Hungary, the Netherlands, Austria, Romania and Sweden. In the other 17 Member States, it is open to the 15-29 cohort.

<sup>21</sup> Among the bottom-performing countries in Figure 6, Bulgaria and Romania were the focus of two recent Commission assessments of NEETs and policy measures to effectively address their integration, reviewing current policies and providing a series of specific recommendations.

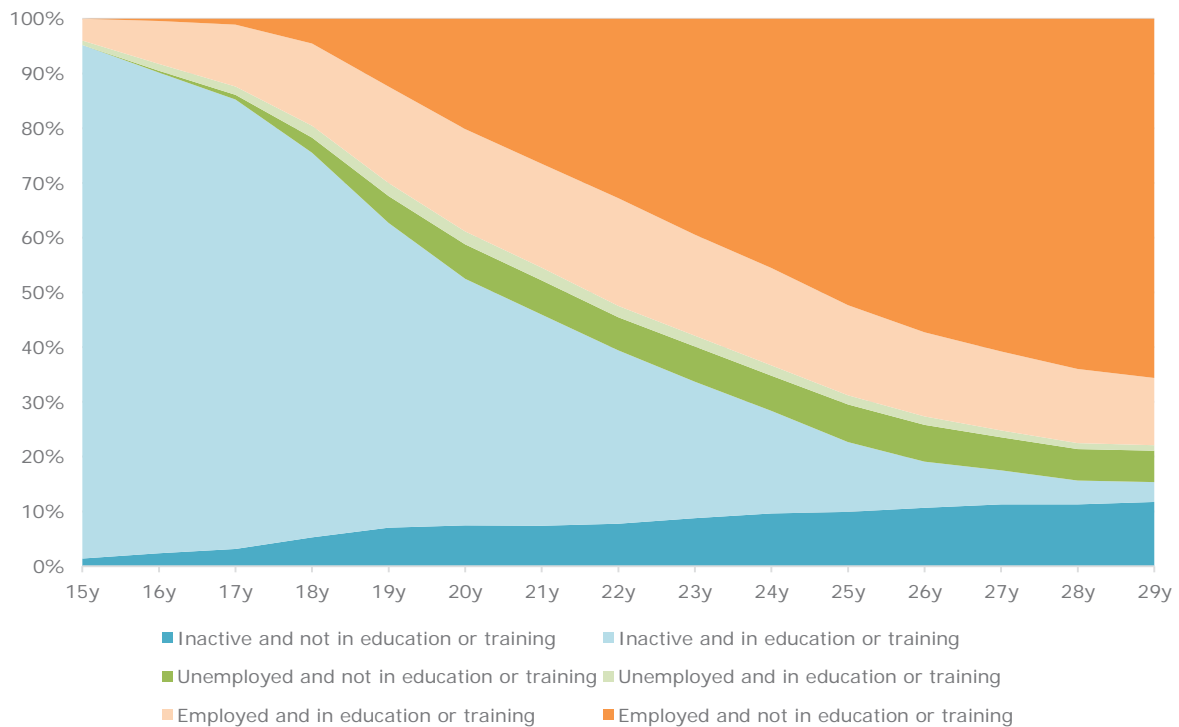
**Figure 6. Cross-EU comparison of NEET rates, by age group (2019).**



Source: Eurostat database. Note: countries are in descending order according to their 2019 total average NEET rate among 15 to 29 year-olds.

Extending the age bracket not only means widening the focus to an additional group of young people. As evident from Figure 7, the newly added 25 to 29 year-old group is also configured differently in terms of labour market status. For instance, in the newly added 25 to 29 year-old group, employment (without education) is much more prevalent and education (without employment) much less so when compared to younger age groups.

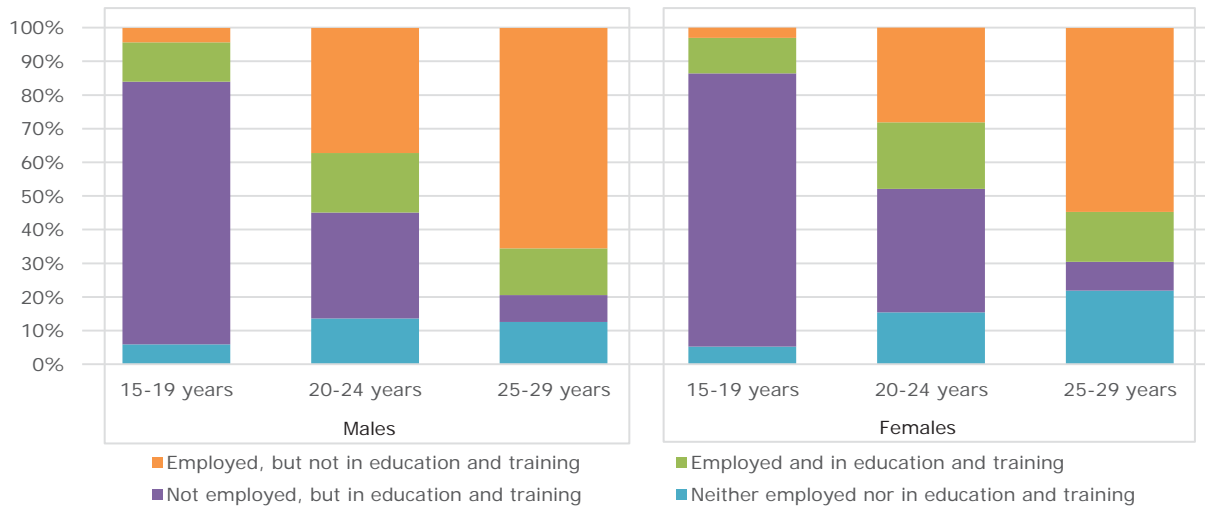
**Figure 7. Young people in education and/or in the labour force by age (EU27, 2019).**



Source: Eurostat calculations based on the EU Labour Force Survey (LFS). Note: education or training covers both formal and non-formal learning.

Figure 8 summarises the 2019 labour market status of 15 to 29 year olds in four broad categories and splits up the results by larger age groups and sex. Crucially, when it comes to the NEET rate (in blue), there is a slight decrease among men from age 20-24 (13.6%) to age 25-29 (12.6%), while there is a relatively pronounced *increase* among women between these age groups (from 15.4% to 21.9%).

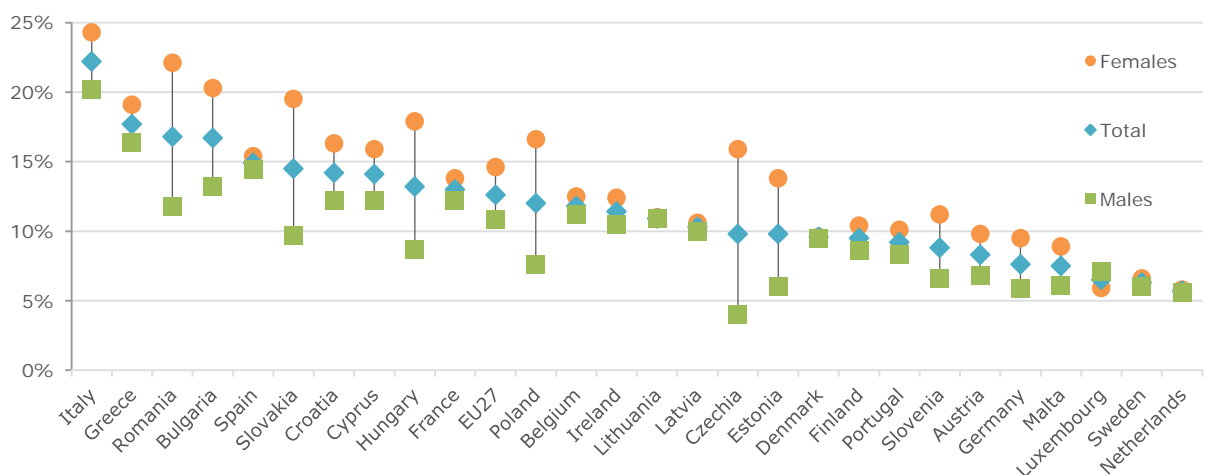
**Figure 8. Labour market status of young people by age group and sex (EU27, 2019).**



Source: Eurostat database (online data code *edat\_lfse\_18*).

The NEET rate among women was already higher than among men in the 15-24 age group, with a difference of 0.6 percentage points on average across the EU. With the 15-29 age group, using 2019 data, the average NEET rate among women was 3.8 percentage points higher than the NEET rate among men (Figure 9). While the difference was less than one percentage point in some Member States (Luxembourg, Lithuania, Denmark, the Netherlands, Sweden, Latvia), it was more than 10 percentage points in others (Czechia, Romania).

**Figure 9. Cross-EU comparison of NEET rates (15-29 age bracket), by sex (2019).**



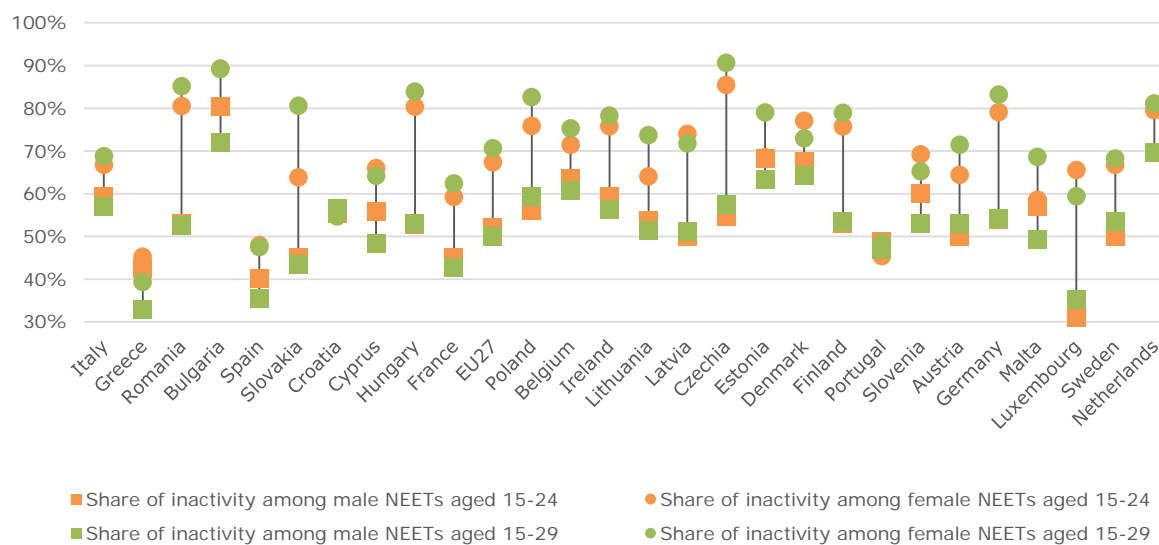
Source: Eurostat database (online data code *edat\_lfse\_20*). Note: countries are in descending order according to their 2019 total average NEET rate among 15 to 29 year-olds.

Compared over time, the average NEET rates for 15 to 29 year-olds have been decreasing among both men and women between the peak of 2013 and the record lows before the COVID-19 crisis. However, as it decreased at a slower pace for women than it did for men, the gender gap somewhat *increased* during these years. On average across the EU, the gap was 3.2 percentage points in 2013 and amounted to 3.8 percentage points by 2019.



Importantly, in terms of labour market status, both age brackets capture a large share of inactive women. Figure 10 compares the share of inactivity among male and female NEETs, between the two different age brackets, for 2019. This confirms, firstly, that inactivity is more common among female NEETs than male NEETs regardless of the age bracket used and, secondly, that inactivity shares went up among women in the widened age bracket for the majority of Member States, while it went down among men in most countries. Looking at 2019 and using the 15-29 age bracket, the share of inactivity among male NEETs was 50.0% across the EU on average, compared to 70.5% among female NEETs.

**Figure 10. Cross-EU comparison of inactivity among male and female NEETs for two different age brackets (2019).**



Source: Eurostat database (online data codes *edat\_lfse\_20*). Note: countries are in descending order according to their 2019 total average NEET rate among 15 to 29 year-olds.

### 2.3. Deepening inclusiveness: the hardest-to-reach vulnerable groups

As has become clear in previous sections, the NEET target group is very diverse and its sub-groups therefore have different support needs. The NEET status is only temporary for some young people, perhaps laid off during the economic recession brought about by the COVID-19 pandemic, or unable to enter certain sectors because of it, but without inherent vulnerabilities underlying their temporary predicament and, as such, low barriers to labour market entry. For other young people, the NEET status can be a symptom of multiple, more engrained disadvantages and may indicate a longer-term disengagement from society as a whole.

For simplicity's sake, the remainder of this report maintains the distinction between young people with a more temporary NEET status and young people with a longer-term NEET status. Higher educated young people, or those already with significant work experience, are more likely to belong to the temporary NEETs, whereas young people from vulnerable groups<sup>22</sup> are more likely to belong to the longer-term NEETs, requiring extra efforts from the perspective of Youth Guarantee schemes.

The new economic recession increases the share of temporary NEETs, whereas the share of longer-term NEETs poses a challenge that is more stable over time. While a reinforced Youth Guarantee should deal with the sudden increase of unemployed young people in the short term, it should not lose track of helping the hardest-to-reach inactive or long-term unemployed young people in the medium term. Indeed, deepening inclusiveness means not leaving the most disadvantaged NEETs by the wayside.

<sup>22</sup> For the purposes of this report, *vulnerable groups* are defined as those experiencing a higher risk of becoming a NEET than the general population and a lower chance of leaving the NEET status within the designated four months.

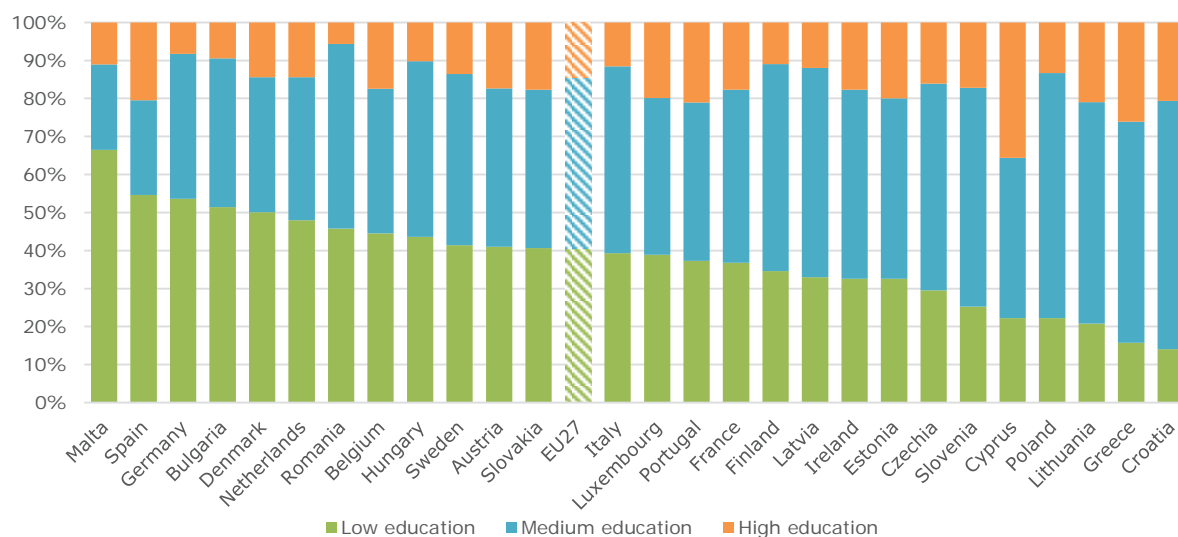
It is worth pointing out that, given the inevitable time lags associated with the quantitative cross-EU data, all figures in this section predate the COVID-19 crisis<sup>23</sup>. However, they therefore tell a useful cautionary tale about the flipside of the Youth Guarantee's 2013-20 success story. If the relative disadvantages captured in this section occur during record lows in youth unemployment and NEET rates, it stands to reason that vulnerable groups will only suffer more as the new economic recession takes hold, unless a reinforced Youth Guarantee reaches out to them more proactively, and supports them with more intensive, one-to-one support where needed.

### Low education attainment

The concept of NEET should not be conflated with low levels of education attainment or with early leaving from education and training. Not all young NEETs have a low level of education attainment. In fact, while the 2019 share of NEETs with high (tertiary) education attainment was only 7.7% in the narrower 15-24 age group, it was close to double that value (14.4%) among the 15 to 29 year-olds. It is for these higher educated young people that NEET might only be a temporary status between jobs or before finding a job after finishing their higher education studies.

Still, 40.6% of NEETs aged 15 to 29 had at most lower secondary education attainment (Figure 11). That share amounted to over half of all NEETs in Malta (66.5%), Spain (54.6%), Germany (53.6%), Bulgaria (51.4%) and Denmark (50.1%). Fewer than one in five NEETs was low educated in Croatia (14.0%) and Greece (15.8%). Given the difficulties of easing young NEETs back into education and the growing need for at least basic levels in numerous skill domains, the sub-group of lower educated NEETs can be regarded as a particularly vulnerable group<sup>24</sup>.

**Figure 11. Education attainment of NEETs (2019).**



Source: Eurostat calculations based on the EU Labour Force Survey (LFS). Note: Individuals aged 15 to 29. Countries are in descending order according to the share of low educated NEETs. Low education equals ISCED 0-2; medium education equals ISCED 3-4; high education equals ISCED 5-8. Data for Malta (high education) lack reliability due to the small sample size.

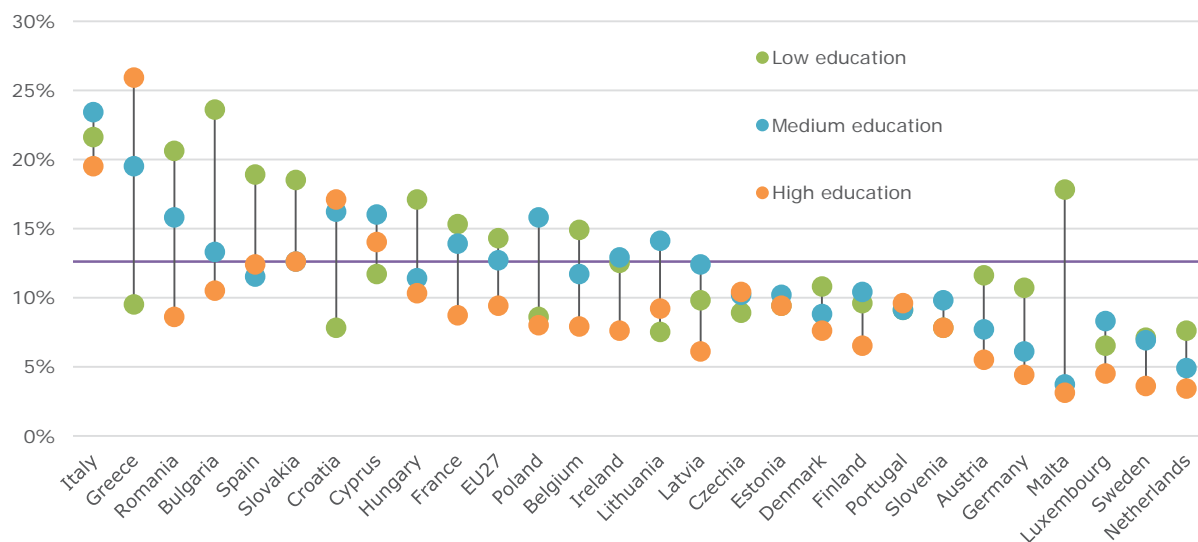
On average, education still constituted a robust shield against unemployment and inactivity in 2019. Among young people with high (tertiary) education attainment, the share of NEETs was below 10% in no fewer than 19 Member States (Figure 12). Even medium education attainment (at

<sup>23</sup> Furthermore, it should be noted that capturing the exact disadvantage of vulnerable groups and comparing it across Member States is not always easy due to lack of quantitative cross-EU data. Having said that, the data used for aggregate monitoring of Youth Guarantee implementation and results (the EU Labour Force Survey) do allow for a number of interesting disaggregations, which are the focus of this section. Sample sizes are often too small to reliably capture country averages, in which case only EU averages are displayed. It is worth noting that current improvements to the EU Labour Force Survey (Section 4.5.2) will enable a richer comparison on the basis of various individual background characteristics, such as respondents' country of birth (including parents' country of birth), self-perceived general health and limitation in activities because of health problems.

<sup>24</sup> This also links to the difficult challenge of prevention, requiring early warning and tracking systems for a timely intervention (Section 4.1.2).

the level of upper secondary or post-secondary non-tertiary) yielded NEET rates below the overall EU average of 12.6% in 16 Member States. Greece was an outlier with a NEET rate of 25.9% among highly educated 15 to 29 year-olds, followed with some distance by Italy (19.5%), Croatia (17.1%) and Cyprus (14.0%).

**Figure 12. Cross-EU comparison of NEET rates at each level of education attainment (2019).**



Source: Eurostat database (online data code *edat\_lfse\_21*). Note: Individuals aged 15 to 29. Countries are in descending order according to their 2019 total average NEET rate among 15 to 29 year-olds. The purple horizontal line denotes the EU27 average NEET rate among 15 to 29 year-olds (12.6%). Low education equals ISCED 0-2; medium education equals ISCED 3-4; high education equals ISCED 5-8.

### Long-term unemployment

While some young NEETs are only temporarily unemployed, others have been struggling for a much longer period. The previous economic recession has taught that long-term unemployment (LTU), defined as the share of people who are out of work and have been actively seeking employment for at least a year, has serious consequences for the individual and society at large. It increases the risk of social exclusion, poverty and inequality, while adding to the costs of social services and public finances. LTU leads to a loss of income, an erosion of skills and correlates with a higher incidence of health problems and increased household poverty<sup>25</sup>.

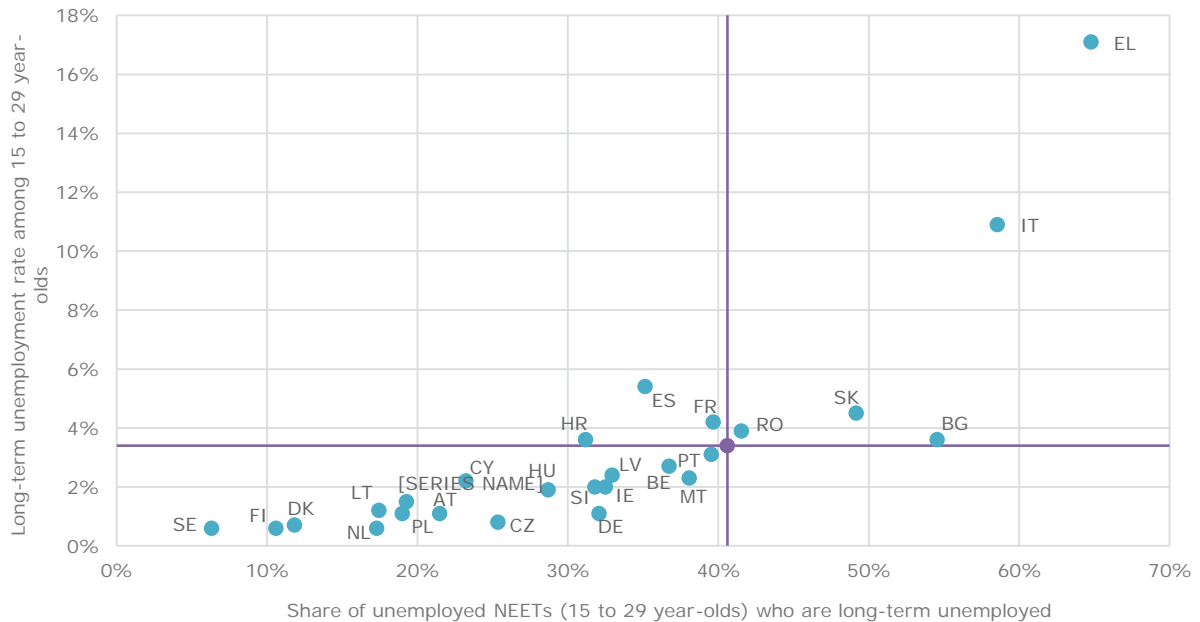
Common practice is to compare the share of unemployed who are long-term unemployed with the LTU rate (Figure 13)<sup>26</sup>. A low LTU rate and low share of LTU among unemployed implies relatively small numbers of LTU requiring assistance paired with a high turnover of unemployed, while a high LTU rate and high share of LTU among unemployed implies relatively large numbers of LTU requiring assistance paired with low turnover of unemployed.

Even in 2019, across the EU on average, although the overall LTU rate among 15 to 29 year-olds was only 3.4%, the share of LTU among unemployed NEETs was a striking 40.6%, making up a sizeable subset of the Youth Guarantee's target group. Particularly large shares of LTU among the unemployed NEETs were recorded in Greece (64.8%), Italy (58.5%) and Bulgaria (54.5%). Greece and Italy, moreover, also yielded high LTU rates among 15 to 29 year-olds more generally, at 17.1% and 10.9% respectively.

<sup>25</sup> Although not specific to the young people, the [2016 Council Recommendation](#) on the integration of the long-term unemployed into the labour market emphasises the need to activate the long-term unemployed using various support measures and in cooperation with multiple stakeholders. Typically, the measures include counselling, mentoring, referral to specialised support, and tailor-made training and job placements, as well as flexible and sustained support through all stages of the programme.

<sup>26</sup> The Employment Committee (EMCO) has agreed on various macroeconomic indicators to conduct the aggregate monitoring for the [2016 Council Recommendation](#) on the integration of the long-term unemployed into the labour market.

**Figure 13. Cross-EU comparison of long-term youth unemployment and long-term unemployment among unemployed NEETs (2019).**



Source: Eurostat estimates based on the EU Labour Force Survey (LFS) for the share of unemployed NEETs (15 to 29 year-olds) who are long-term unemployed; Eurostat database (online data code *yth\_empl\_120*) for long-term unemployment rate among 15 to 29 year-olds. The purple lines denote the EU27 average. Data are unavailable for Luxembourg. Data lack reliability for Denmark, Finland, Lithuania, Luxembourg, Sweden and Slovenia due to small sample sizes.

### Migrant background

Though still a minority, young people born in another country are overrepresented among the NEET target group, as the risk of becoming NEET is higher for them<sup>27</sup>. Across the EU on average, the 2019 share of NEETs was 11.7% for young people born in the country they are questioned, compared to 15.5% for those born in another EU country and no less than 21.7% for young people born in a third (non-EU) country (Figure 14)<sup>28</sup>. The situation is even worse when considering only young women from a third country, who face a NEET rate of 29.0%, 2.2 times the rate among native young women (13.2%).

Among the Member States with 2019 data available, the difference in NEET rates between young people born in the reporting country and young people born outside the EU was more than 10 percentage points in Greece (21), Belgium (17), Slovenia (16), Germany (13), France (13), Austria (12), Italy (12) and Spain (11)<sup>29</sup>.

In addition to “first generation” immigrants, there is also evidence that young people born in their current EU Member State of residence from immigrant parents (sometimes called “second

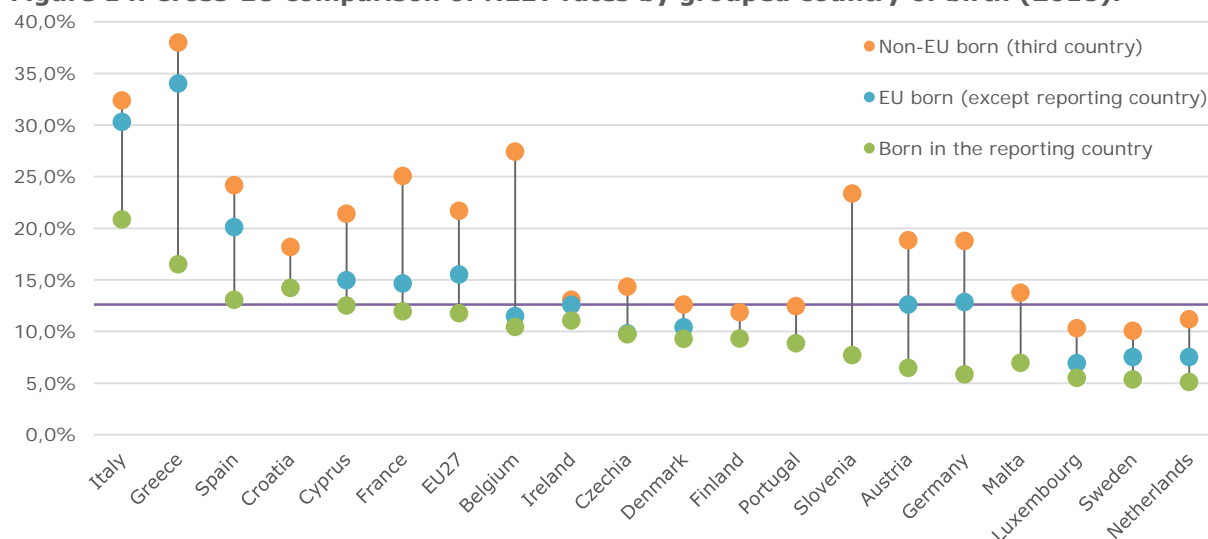
<sup>27</sup> Though the group of young people with a migrant background is likely to be diverse in all countries, a vulnerable status is often applicable and dedicated approaches might be needed when it comes to awareness raising (Section 4.2.1), outreach (Section 4.2.2), individualised action plans (Section 4.3.1) and guidance (Section 4.3.2). See also EUROCITIES (2018), *City Guidelines: Recommendations for the integration of young migrants and refugees*.

<sup>28</sup> In 2016, the Commission adopted an *Action Plan on the integration of third-country nationals*. It provides a comprehensive framework to support Member States’ efforts in developing and strengthening their integration policies, and describes the concrete measures the Commission will implement in this regard. While it targets all third-country nationals in the EU, it contains actions to address the specific challenges faced by refugees. The Plan comprises actions across all the policy areas that are crucial for integration, among which employment and vocational training, including actions to promote early integration into the labour market and migrants’ entrepreneurship.

<sup>29</sup> Overall, it means that in 2019, while the non-EU born made up around 7.5% of young people (aged 15-29) in the EU, their overall share among the NEET in the EU was around 13% and above 20% in Sweden (29%), Germany (27%), Austria (23%), Cyprus (23%) and Spain (23%). It is also important to note that while progress has been recorded (i.e. a reduction in the average NEET rate) in most Member States and for most groups, the gap between the native-born and non-EU born remained significant, diminishing from 14.4 percentage points in 2013 to 10.1 percentage points in 2019.

generation”) face higher NEET rates than the average population<sup>30</sup>. This is especially true of those with non-EU born parents. It occurs despite the fact that they were educated in their country of birth in Europe and master the local language<sup>31</sup>. Overall it means that young people with some form of migrant background may account for an estimated share of up to 30% of the NEET population<sup>32</sup>.

**Figure 14. Cross-EU comparison of NEET rates by grouped country of birth (2018).**



Source: Eurostat calculations based on the EU Labour Force Survey (LFS). Note: Individuals aged 15 to 29. Countries are in descending order according to their 2019 total average NEET rate among 15 to 29 year-olds. The purple horizontal line denotes the EU27 average NEET rate among 15 to 29 year-olds (12.6%). No data for Bulgaria, Estonia, Hungary, Lithuania, Latvia, Poland, Romania and Slovakia. No data on EU born for Finland, Croatia, Malta, Portugal and Slovenia. Data lack reliability for Czechia (EU born), Denmark (EU born) and Croatia (non-EU born) due to small sample sizes.

### Regions, rural areas and the gender divide<sup>33</sup>

The map in Figure 15 illustrates average 2019 NEET rates at regional level<sup>34</sup>. Before the COVID-19 induced economic recession, especially high average NEET rates were to be found in the Italian regions of Sicily (38.0%), Calabria (35.1%), Campania (34.3%), Puglia (29.7%), Sardinia (27.7%) and Basilicata (26.0%), but also in the Bulgarian region of Severozapaden (29.9%) and the Greek regions of Western Macedonia (26.6%), Central Greece (26.4%) and Voreio Aigaio (25.7%). At the other end of the spectrum, average NEET rates of 5% or lower were found in various Dutch regions (Zeeland, Utrecht, Gelderland), plus Lower Bavaria (Germany) and the capital region of Lithuania.

Averaged at EU level, NEET rates did not differ substantially by degree of urbanisation, contrasting a total average NEET rate of 12.6% against a slightly lower figure for cities (11.7%) and a slightly higher figure for rural areas (13.6%). However, these averages mask a starkly diverse pattern between countries. There were 11 Member States where the average NEET rates in cities, towns, suburbs and rural areas were *all* below the total average EU NEET rate of 12.6%. This group of countries comprised the Netherlands, Sweden, Luxembourg, Malta<sup>35</sup>, Germany, Austria, Slovenia, Portugal, Finland, Denmark and Czechia.

<sup>30</sup> OECD/EU (2018), *Settling In 2018: Indicators of immigrant integration* (see section 7.10).

<sup>31</sup> This transmission of disadvantage can be related to education inequalities combined with early tracking within the education and training system, lack of networks and discriminatory practices. See OECD (2017), *Catching Up? Intergenerational Mobility and Children of Immigrants*.

<sup>32</sup> According to OECD, while young people with a migrant background (both foreign-born and native-born with immigrant parents) represented around 21% of the youth population in 2017, their share among the NEET population was close to 30%. See OECD/EU (2018), *Settling In 2018: Indicators of immigrant integration* (sections 7.1 and 7.10).

<sup>33</sup> See also the [2020 Council conclusions](#) on raising opportunities for young people in rural and remote areas.

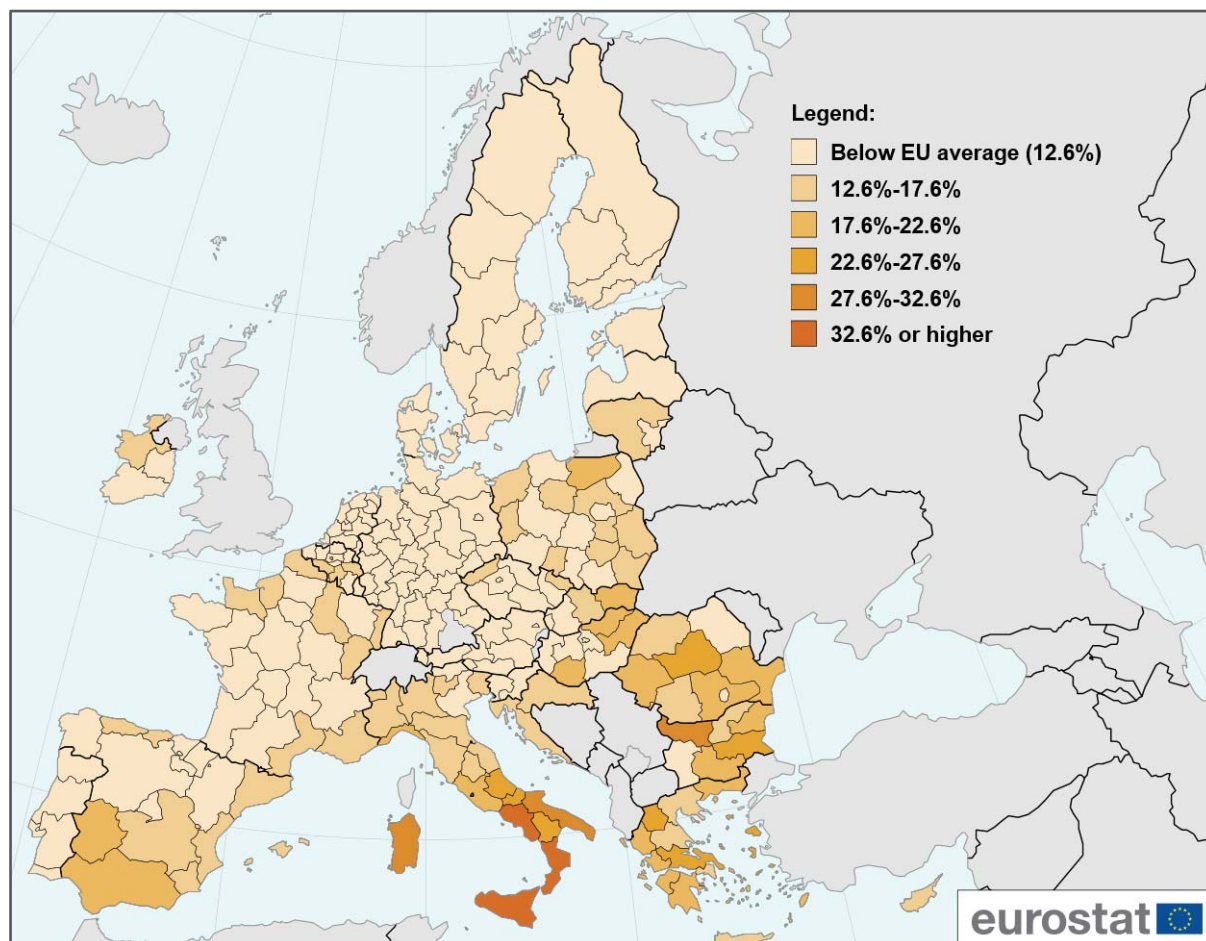
<sup>34</sup> Note that, although the EU's outermost regions fall outside of the scope of the current analysis, average NEET rates are particularly high in the French overseas departments (with a combined average of 30.3%).

<sup>35</sup> For Malta, no data were available for rural areas.



Among the remaining 16 Member States, the degree of urbanisation had no uniform effect on NEET rates<sup>36</sup>. In some countries, rural areas were at a clear disadvantage, in contrast to cities, towns and suburbs (Greece, Bulgaria, Hungary, Latvia), or in contrast only to cities (Romania, Slovakia, Croatia, Poland, Ireland, Lithuania, Estonia). In Belgium, cities were performing disproportionately poorly. In Italy, Spain, Cyprus and France, finally, there was very little difference in NEET rates by degree of urbanisation.

**Figure 15. Average NEET rates at regional level (2019).**



Source: Eurostat estimates based on the EU Labour Force Survey (LFS). Note: Individuals aged 15 to 29, NUTS2 level. Data not available for Burgenland (Austria), Corsica (France) and Åland (Finland). Data lack reliability due to small sample sizes for the Austrian region of Vorarlberg and the Dutch region of Zeeland.

Comparing Figures 15 and 16, it is clear that regional disparities do not always coincide with urban/rural divides. For instance, whereas Italy had the three most underperforming regions of the EU (Sicily, Calabria and Campania), it did not record different NEET rates by degree of urbanisation. Greece and Bulgaria did record strong influences of the degree of urbanisation and have significantly underperforming regions as well. Bulgaria in particular was an outlier when it comes to the average NEET rate in rural areas, at 27.4%.

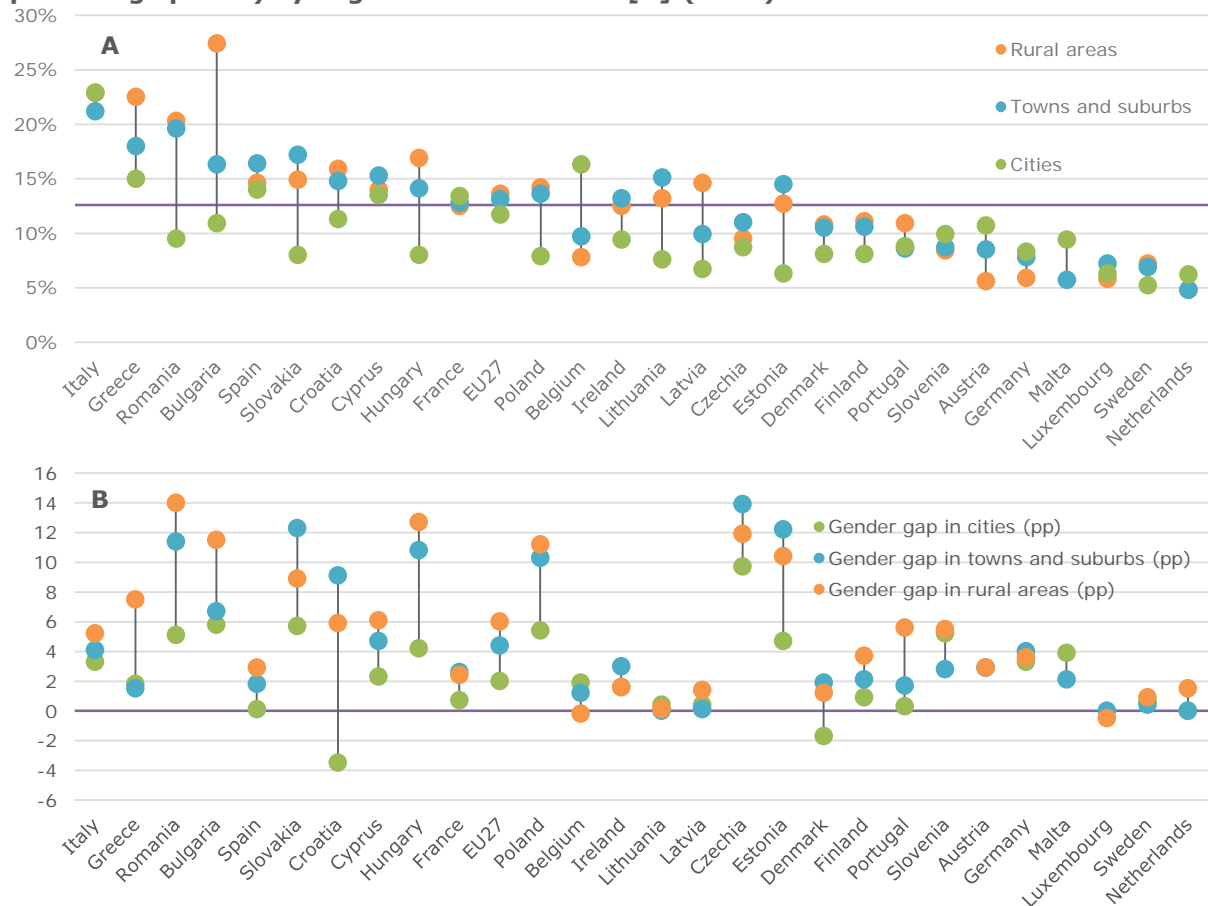
On average across the EU, a gender gap in NEET rates is to be found across cities, towns, suburbs and rural areas. In 2019, women faced a stronger disadvantage relative to men in rural areas (6.0 percentage points) than they did in cities (2.0 percentage points). Five Member States recorded an average gender gap of over 5 percentage points across all degrees of urbanisation (Romania,

<sup>36</sup> Indeed, there is no uniform urban/rural divide. Similarly, access to services and their quality is not only an issue in rural areas but also in some poor urban areas. In 2020, EUROCITIES published an [overview](#) of lessons learnt by cities in implementing the Youth Guarantee.



Bulgaria, Slovakia, Poland and Czechia). Rural areas saw particularly striking gender gaps (of over 10 percentage points) in Romania, Hungary, Czechia, Bulgaria, Poland and Estonia; whereas towns and suburbs yielded similarly large gender gaps in Czechia, Slovakia, Estonia, Romania, Hungary and Poland.

**Figure 16. Cross-EU comparison of NEET rates (in percentages) [A] and gender gap (in percentage points) by degree of urbanisation [B] (2019).**



Source: Eurostat database (online data code *edat\_ifse\_29*). Note: Age group 15-29. Countries are in descending order according to their 2019 total average NEET rate among 15 to 29 year-olds. The purple horizontal line in Figure 16A denotes the EU27 average NEET rate among 15 to 29 year-olds (12.6%), while it depicts gender neutrality (a gender gap of 0 percentage points) in Figure 16B. Data partially unavailable for Malta (rural areas) and Luxembourg (females, cities). Data lack reliability due to small sample sizes in Estonia (males, cities and towns/suburbs), Croatia (females, cities), Luxembourg (males, cities) and Slovenia (males, cities and towns/suburbs).

### Caring responsibilities, disability and other reasons for inactivity

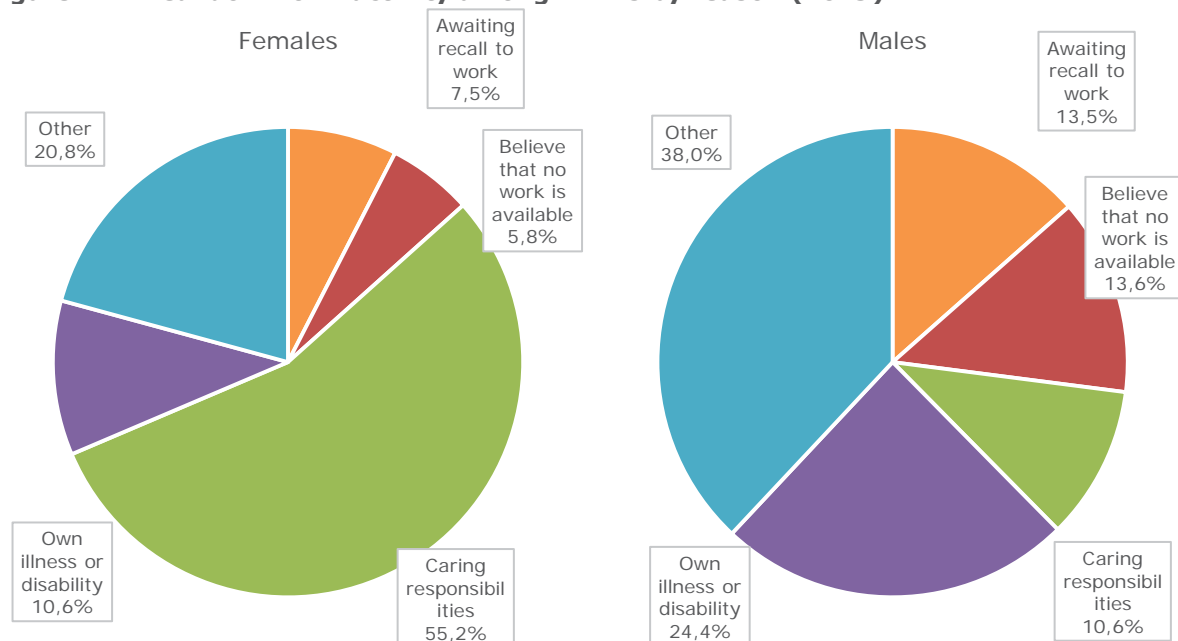
Though the unemployed NEETs are a diverse group of young people, the inactive NEETs (not seeking employment) are arguably even more so. Some might be temporarily laid off, awaiting a recall to work, whereas others might be discouraged, believing no job opportunities are available to them. Inactive NEETs also comprise young people with caring responsibilities and young people who are themselves suffering from ill health or disabilities.

Using 2019 averages, Figure 17 illustrates how the actual reasons for inactivity among NEETs are different between women (left) and men (right). Caring responsibilities<sup>37</sup> as a reason for inactivity

<sup>37</sup> Here, caring responsibilities comprise looking after children or incapacitated adults, as well other personal or family responsibilities. Insofar as Figure 17 captures looking after children, it is important to note that maternity or paternity leave still renders a young person employed, as does parental leave, to the extent that one continues to receive – or is entitled to – any job-related income or benefit. In all these instances, young people are not counted as NEETs and are not part of the Youth Guarantee's target group.

was more than five times as prevalent among women (55.2%) than it was among men (10.6%). Across the EU on average, it was the reason for inactivity for four out of ten inactive NEETs<sup>38</sup>.

**Figure 17. Breakdown of inactivity among NEETs by reason (2019).**



Source: Eurostat calculations based on the EU Labour Force Survey (LFS). Note: Individuals aged 15 to 29. "Caring responsibilities" comprise looking after children or incapacitated adults and other personal or family responsibilities. Yearly weights instead of annual averages from the quarterly weights.

Some 15.4% of all inactive NEETs across the EU were not seeking employment because of an illness or disability<sup>39</sup>. This share was considerably higher among men (24.4%) than it was among women (10.6%). Although health problems vary significantly in terms of severity and chronicity, it is clear that young people with disabilities are likely to face many challenges to entering the labour market, including negative preconceptions about their work capacities and lower educational achievements due to exclusionary training practices<sup>40</sup>. Key is that young people with disabilities receive truly individualised support, as each type of disability is characterised by different barriers towards labour market integration<sup>41</sup>.

Finally, a thought should be spared for the red and orange slices in Figure 17. To the extent that the inactive NEET rate does fluctuate during an economic recession (see Section 2.1), the re-entrants (awaiting recall to work) and discouraged young people (believing that no work is available) are particularly likely to increase as sub-groups. Their inactivity has fewer inherent barriers as experienced by young people with caring responsibilities or disabilities, and could easily

<sup>38</sup> To inactive young women with caring responsibilities, including but not limited to single mothers, Youth Guarantee providers should attempt to provide gender-sensitive counselling, guidance and mentoring (Section 4.3.2), underpinned by referrals to partners that provide supporting social services, such as childcare, healthcare and psychological support.

<sup>39</sup> The Academic Network of European Disability Experts (ANED) analysed 2017 data from the EU Statistics on Income and Living Conditions (SILC) to reveal an unemployment rate of 24.9% among 16 to 24 year-olds with disabilities, compared to 19.4% among 16 to 24 year-olds without disabilities.

<sup>40</sup> Evidence shows that apprenticeships and workplace learning can effectively respond to many of these challenges by proving to employers the professional potential of disabled young people while improving the vocational skills of the young people in question. See ILO (2018), *Making apprenticeships and workplace learning inclusive of persons with disabilities*; ILO (2017), *Profiling youth labour market disadvantage: A review of approaches in Europe*.

<sup>41</sup> Moreover, disabled young people should be referred to specialised services and programmes that include support in completing education where needed and adapting the workspace to improve access to and within the workplace (see also Box 18 in Section 4.4.2).

be supported by Youth Guarantee providers with counselling, guidance and mentoring<sup>42</sup> if such providers manage to reach out to them successfully.

## 2.4. Acknowledging the changes to the world of work and skills

The Youth Guarantee's success story is that, as a powerful driver for structural reforms and innovation, it has offered over 24 million young people employment, continued education, apprenticeships and traineeships. However, the world of work and skills has changed since the aftermath of the global 2008 financial crisis. Now facing a new economic recession, young people's precarious transition into the labour market cannot afford ignoring challenges such as: (1) an increasing prevalence of non-standard forms of work<sup>43</sup>; (2) less stable employment and more frequent job-to-job transitions; and (3) an increasingly precarious school-to-work transition and growing path dependence<sup>44</sup>.

While full-time, salaried employment with a permanent contract had become the norm in the 20th century, the majority (almost 60%) of all employment growth in OECD countries since the 1990s has been in the form of non-standard work<sup>45</sup>. As a result, some 40% of the European workforce is today engaged in non-standard forms of work<sup>46</sup>. Findings below illustrate how young people in particular are facing less stable employment situations and more frequent job-to-job transitions than older individuals<sup>47</sup>.

**Table 1. Estimated probabilities of young people's transitions in labour market status in the EU27 (2018-19).**

		Employment in 2018	Inactivity in 2018	Unemployment in 2018
Employment in 2019	Low education	86%	11%	33%
	Medium education	91%	15%	40%
	High education	93%	22%	49%
Inactivity in 2019	Low education	8%	83%	28%
	Medium education	6%	81%	24%
	High education	5%	73%	18%
Unemployment in 2019	Low education	6%	6%	40%
	Medium education	3%	5%	36%
	High education	2%	5%	33%

Source: Eurostat estimates based on the EU Labour Force Survey (LFS). Note: Individuals aged 15 to 29. Low education equals ISCED 0-2; medium education equals ISCED 3-4; high education equals ISCED 5-8.

Firstly, Table 1 summarises the flows between employment, inactivity and unemployment for young people aged 15 to 29, broken down by level of education attainment. For instance, of all low educated 15 to 29 year-olds who were employed in 2018, 86% were employed in 2019. Across the EU, higher levels of education attainment increase the likelihood of remaining in employment or becoming employed from an inactive or unemployed status. Higher levels of education attainment also decrease the chances of falling into inactivity or unemployment or remaining in these disadvantageous positions.

<sup>42</sup> Their activation includes, for instance, motivational support, career advice and raising awareness of entrepreneurship opportunities (e.g. start-up support services, business support and microfinance provision). In cases of temporary lay-off, employers can be supported with specific labour market related measures to facilitate recall.

<sup>43</sup> According to its ILO definition, "non-standard forms of employment" is an umbrella term for different employment arrangements that deviate from standard employment. They include temporary employment; part-time and on-call work; temporary agency work and other multiparty employment relationships; as well as disguised employment and dependent self-employment. Non-standard employment features prominently in crowdwork and the gig economy.

<sup>44</sup> See European Commission (2018), *Study on the Youth Guarantee in light of changes in the world of work: Part 2 Emerging challenges related to young people's transition into the labour market*.

<sup>45</sup> See the 2015 OECD report "In it together: Why less inequality benefits all" and the 2017 Eurofound report "Aspects of non-standard employment in Europe".

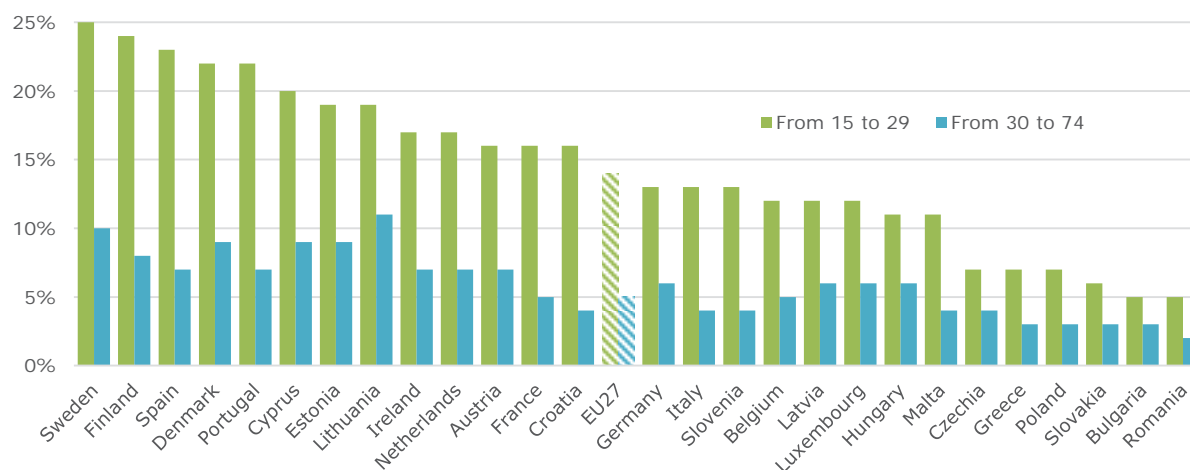
<sup>46</sup> See European Commission (2019), *10 trends shaping the future of work in Europe*.

<sup>47</sup> The 2019 Council Conclusions on young people and the future of work underlined that first jobs should create the premises for a rewarding career fostering upward social mobility, especially for young people with fewer opportunities, including NEETs.

An employed labour market status is less stable for young people, no matter their level of education attainment, than it is for the population aged 30 to 74. In other words, even highly educated young people are less likely to remain employed, and more likely to fall from employed into inactivity or unemployment, than the average 30 to 74 year-old across the EU.

Secondly, Figure 18 visualises job-to-job transitions between 2018 and 2019, which are on average almost three times more prevalent among 15 to 29 year-olds than among 30 to 74 year-olds, even though Figure 18 excludes individuals who are simultaneously in education or training. While some fluctuations can be expected in the early years of one's professional career, the gravity of the situation hints at a precarious school-to-work transition, which is only expected to become more volatile in the new economic downturn due to the COVID-19 pandemic.

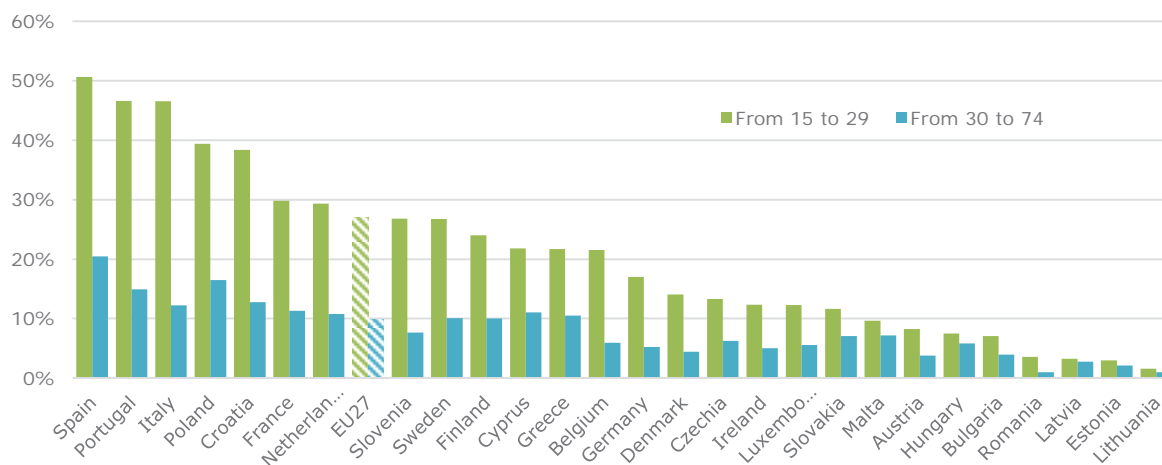
**Figure 18. Estimated probabilities of job-to-job transitions by age group (2018-19).**



Source: Eurostat estimates based on the EU Labour Force Survey (LFS). Note: countries are in descending order according to the share of job-to-job transitions among 15 to 29 year-olds. Estimates are based on the sample of persons who are employed in both years, have not been in education or training in either year, and have changed their job determined by contract lengths at least once in the period between the interviews.

Finally, part of the reason young people are more likely to fall out of employment and experience more frequent job-to-job transitions than the adult population is that they often have temporary contracts (Figure 19). Across the EU on average, 27.0% of 15 to 29 year-old employees have temporary contracts, versus 9.8% among all employees on average. More than 40% of young employees have temporary contracts in Spain, Portugal and Italy. It is worth noting that, again, Figure 19 excludes individuals in education or training.

**Figure 19. Temporary employees by age group, as a share of all employees (2019).**



Source: Eurostat estimates based on the EU Labour Force Survey (LFS). Note: countries are in descending order according to the share of temporary employees among all employees. The indicator excludes individuals in education or training.

## Digitalisation and the need to secure at least basic levels of digital skills

Another major aspect of the changing nature of work is the effect of new technologies and digital transitions. Across the EU, the digital revolution is causing significant changes and has become a key factor running through EU policies. Some jobs are at risk of being lost to algorithms. Others are being transformed and new ones are being created. As a result, the skills young people need are also changing, and new forms of employment, such as platform work, are on the rise (Box 2).

### Box 2. Platform work.

According to Eurofound, platform work is a form of employment intermediated by digital platforms. These enable organisations and/or individuals to provide services to other organisations and/or individuals. The services may be provided online (e.g. editing, translation, graphic design, software development services) or in person (e.g. ride-hailing, food-delivery, plumbing and other household services). These two broad categories of platforms determine the main distinction within platform work, between “online” and “on-location” platform work and workers.

The role of platforms in allocating labour is determined by their technological know-how. Algorithms allow for optimally matching online demand and supply for any given service, a process dubbed “algorithmic management”. This AI-led process is in many cases extended to other aspects of the service administration, including workers’ rankings vis-à-vis potential clients, allocation of tasks and modalities of performance. Platforms vary substantially in the control exerted over demand and supply by their algorithms. This has determined the outcome of a number of court rulings on the labour status of platforms, as mere intermediaries or fully-fledged employers.

Despite the recent rise in both platforms and active users, as of 2018 only 1.4% of the EU’s working-age population offered services on platforms as a main occupation. Several surveys have found the typical platform worker to be a young, educated male living and working in an urban area. For many (numbers vary drastically between countries) it remains a side-gig done to top-up incomes deriving from other full-time or part-time jobs.

While platform work offers many new job opportunities, it also creates policy challenges. These include unclear employment status, precarious working conditions, poor access to social protection, skills development and career progression. The nature of platform work has raised concerns on many cross-border issues (including jurisdiction applicability for labour law). It also makes it difficult for workers to communicate and organise for social dialogue purposes.

Yet the digital skills shortage remains significant. According to the most recent data from the Digital Economy and Society Index (DESI), 44% of the EU population lacks even a very basic level of digital skills<sup>48</sup>. This share is considerably lower among the younger age cohorts. Still, more than one in five 16 to 29 year-olds fails to reach a basic level of digital skills across the EU. This figure is around 1 in 2 for Romania and Bulgaria.

On average across the EU, 16 to 29 year-olds with low formal education are 3.5 times likelier to underachieve in digital skills than their higher educated counterparts (Figure 20). The difference between the low and high educated is particularly striking in Bulgaria (44 percentage points), Hungary (36 percentage points), Malta (36 percentage points), Italy (35 percentage points), Belgium (32 percentage points) and Luxembourg (30 percentage points).

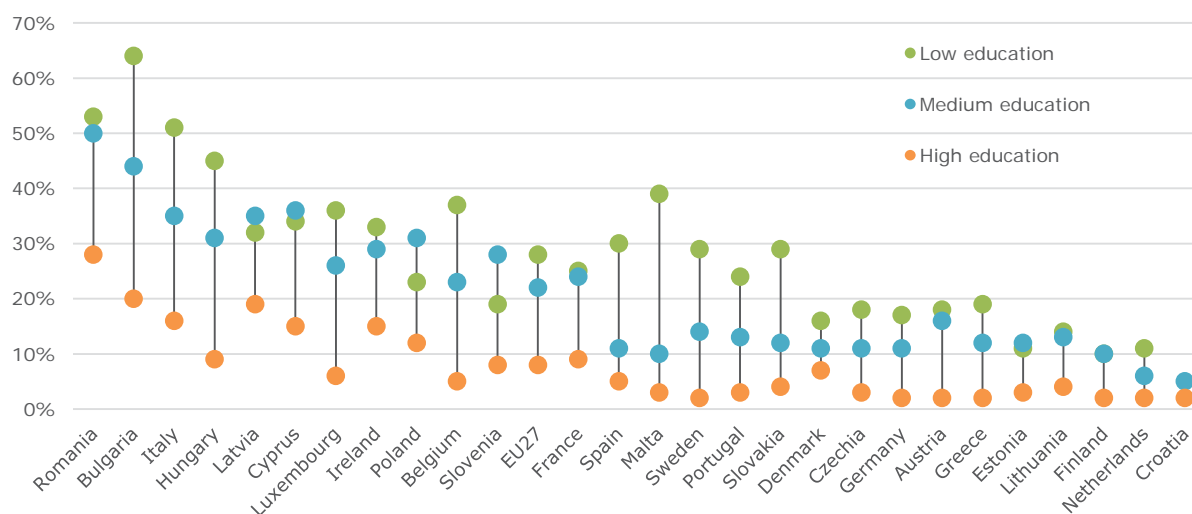
While this particular indicator of basic digital skills shows a very diverse variation between young men and women across Member States<sup>49</sup>, there is evidence that young women are consistently less likely to report confidence in their digital skills, and less likely to take up studies in Science, Technology, Engineering, and Mathematics (STEM) fields<sup>50</sup>.

<sup>48</sup> The digital skills indicator is a composite based on the Digital Competence Framework for Citizens (see Section 4.3.3), capturing activities related to internet or software use in four specific areas (information, communication, problem solving, content creation/software skills). It is assumed that individuals having performed certain activities have the corresponding skills. To be classified as lacking basic skills, an individual has not carried out activities in one to three of the four areas (low skills) or in any of them (no skills).

<sup>49</sup> On average across the EU, there is little difference between males (22%) and females (20%) in terms of the share of 16 to 29 year-olds lacking basic digital skills. The difference is 5 percentage points (pp) or less in a total of 17 Member States. However, there are a few noteworthy outliers when it comes to this particular gender gap. Underachievement in digital skills is more prominent among male 16 to 29 year-olds in Malta (15 pp), Cyprus (11 pp), Belgium (8 pp), Czechia (6 pp), Latvia (6 pp), Luxembourg (6 pp) and Slovenia (6 pp), while it is more prominent among females in Slovakia (11 pp), Hungary (9 pp) and Romania (7 pp).

<sup>50</sup> Those who lack access to ICT are disproportionately likely to be poor, rural, and/or female. Young people with disabilities are also particularly vulnerable: they represent over half of those who have never used the internet. As such, digital skills programmes should in particular focus on targeting girls and young women, young people with disabilities, rural youth, and those living in poverty. See: European Youth Forum (2019) *Policy paper: The future of work*.

**Figure 20. Share of individuals aged 16 to 29 lacking basic digital skills, by level of education attainment (2019).**



Source: Eurostat (online data code *isoc\_sk\_dskl\_i*). Note: Individuals aged 16 to 29. Countries are ordered according to the total average share of individuals aged 16 to 29 lacking basic digital skills. Data are unavailable for Croatia (low education) and unreliable for Czechia (all), Malta (low education, high education) and Sweden (all). Data for Slovakia are from 2017.

In an increasingly volatile, digital world, it is clear that digital literacy has to be a foundation for everyone, not least the young people who strive for rewarding careers on tomorrow's labour market. There is an opportunity to come out of the new economic recession with more resilience, ingraining the transition to an inclusive digital economy into the DNA of a reinforced Youth Guarantee. Indeed, assessing young people's basic digital skills, supporting them with additional courses where necessary, and making sure learning outcomes are recognised and validated is a key component of the proposal (see Section 4.3.3).

### 3. Lessons from the Youth Guarantee 2013-20

In order to strengthen the Youth Guarantee and make it fit for the 2020 economic recession, it is important to take lessons from its implementation during the aftermath of the 2008 economic recession. This chapter looks at the most prominent instances of monitoring and evaluation in recent years, coming from a wide array of EU level sources. It also provides a synthesis of the targeted consultations of stakeholders, which were conducted in early 2020. The pattern that emerges from all this feedback underpins a reinforced Youth Guarantee laid out in Chapter 4.

#### 3.1. Monitoring and evaluation

As a follow-up to the recommendations on monitoring addressed to the Commission in the [2013 Council Recommendation](#), the Commission reported in 2016 on the implementation of the Youth Guarantee in its [Communication](#) "The Youth Guarantee and Youth Employment Initiative three years on". The Communication was supported by two comprehensive Commission Staff Working Documents<sup>51</sup>. This elaborate package of progress reports showed that the Youth Guarantee had become a reality across the EU, supported by the mobilisation of the Youth Employment Initiative (YEI) and European Social Fund (ESF), and had led to encouraging results.

The main 2016 [Staff Working Document](#) reviewed steps taken by Member States and the EU to implement the Youth Guarantee. It was supported by a wealth of references to studies and reports and built on a range of evidence and inputs. These included, within the framework of the European Semester (Section 3.1.1), the results of the [Employment Committee](#) (EMCO) multilateral

<sup>51</sup> One [Staff Working Document](#) provided a general underpinning of the 2016 Commission Communication with details of Member State and Commission progress toward implementation, whereas another [Staff Working Document](#) dealt specifically with applying the Quality Framework for Traineeships.



surveillance (Section 3.1.2), underpinned by the quantitative monitoring results under the EMCO Indicator Framework (see Box 3).

### **Box 3. Indicator Framework for Monitoring the Youth Guarantee**

To support monitoring at EU level, and in line with the relevant monitoring provisions in the 2013 Council Recommendation on establishing a Youth Guarantee, an Indicator Framework for monitoring the Youth Guarantee (and an accompanying methodological manual) was developed by the Employment Committee (with support from the Commission), and endorsed in May 2015.

Macroeconomic indicators based on data from the EU Labour Force Survey (LFS) are used to monitor the general situation of young people in the labour market and therefore, indirectly, the impact of the Youth Guarantee and other measures that prevent young people from becoming NEET.

Implementation and follow-up (long-term outcome) indicators are derived from administrative data provided annually by Member States. They are based on data on the number of young people that have registered in Youth Guarantee schemes (how long they stay registered, where they go when they leave the registry and where they are some time after leaving). Implementation indicators measure the direct impact of Youth Guarantee delivery while follow-up indicators are used to gauge the sustainability of labour market integration after provision of a Youth Guarantee offer.

Since then, and in line with the relevant provisions in the Council Recommendation, this comprehensive monitoring framework at EU level has continued capturing the implementation of the Youth Guarantee, keeping the issue high on the political agenda and fostering the continuous improvement of national Youth Guarantee schemes. It has even inspired policy debates in other parts of the world (Box 4). This section gathers evidence at EU level from relevant implementation, evaluation and monitoring reports since 2016. All this information and evidence is used to inform the four phases of a reinforced Youth Guarantee (Chapter 4).

### **Box 4. The Youth Guarantee in the world.**

Although the Youth Guarantee is a recommendation at EU level, it is inspiring also other parts of the world. This is partly fuelled by target 8.6 of the Sustainable Development Goals, which aims to, "[b]y 2020, substantially reduce the proportion of youth not in employment, education or training".

North Macedonia was the first non-EU country that introduced an adjusted form of Youth Guarantee. Its implementation has been included as a high priority in the Government Plan (2017-2020). Of other EU Candidate Countries, Albania plans to conduct a feasibility study in 2020 for a Youth Guarantee in the country. Judging from interest demonstrated at the Eastern Partnership Regional Conference "Supporting Youth Transitions to Work", organised in Kyiv, Ukraine in November 2019, other Candidate and Eastern Partnership countries are likely to follow soon. Adapted forms of the Youth Guarantee are already envisaged under the *New Deal for Youth*, proposed by the EU for the post-2020 Eastern Partnership.

Canada looked at the Youth Guarantee as an inspirational model for their Youth Employment Strategy in the framework of the EU-Canada Bilateral Dialogue, launched in 2017. South Africa, suffering from severe youth unemployment, has been taking inspiration from the Youth Guarantee, as part of the EU-South Africa Joint Cooperation Council, as well as through a dedicated study visit.

After a request from the Gulf Cooperation Council (GCC), a youth employment seminar on GCC and EU policies for supporting youth employment was organised in Riyadh, Saudi Arabia, in January 2019. In addition, the G20 Saudi Presidency in 2020 selected "better preparing youth for the transition to work" as one of the priority issues for the Employment Working Group. The first meetings raised high interest in the Youth Guarantee as a best practice.

## **3.1.1. The European Semester**

The European Semester provides a framework for the coordination of economic policies across the European Union. It allows EU countries to discuss their economic and budget plans and monitor progress at specific times throughout the year. The process has been central to the monitoring of the implementation of the Youth Guarantee. Progress is assessed annually in the Commission's Country Reports and through biennial multilateral surveillance reviews of the Employment Committee (EMCO). First, however, priorities are set in the Annual Sustainable Growth Strategy, backed up by a Joint Employment Report.

### *The Annual Sustainable Growth Strategy*

The Annual Sustainable Growth Strategy (which was titled Annual Growth Survey until 2020) kicks off each European Semester cycle, setting out the general economic priorities for the EU and

offering EU governments policy guidance for the following year. Since 2013, the report systematically refers to the need to implement the Youth Guarantee effectively. Box 5 summarises the key takeaways of the four most recent reports in the context of young people's employability and transition from school to work.

**Box 5. Key takeaways from the Annual Sustainable Growth Strategy/Annual Growth Survey 2017-2020.**

The [Annual Growth Survey 2017](#) called on the Member States to pursue the rollout of the Youth Guarantee and enhance its effectiveness in order to reach out to those young people and regions most in need. It highlighted that modernising vocational education and training, including by promoting flexible learning pathways, should be high on the agenda to help in particular young people to develop the appropriate transferable skills throughout their lives.

The [Annual Growth Survey 2018](#) acknowledged that the employment of younger workers had stagnated over the previous decade and that intergenerational fairness was becoming a real concern. Without further action, it warned, there may be a detrimental impact on output growth, competitiveness, the sustainability of welfare systems, future generations' pension entitlements, their access to healthcare and their future welfare.

The [Annual Growth Survey 2019](#) also saw the situation of young people as especially concerning. They may face a double burden: having to pay higher contribution rates while working, and receiving lower pensions after retirement. Investment in education, training and skills is crucial to increasing productivity and sustaining employment in the context of rapid change and digitisation, so Member States should equip young people with skills that are relevant to labour market needs, while enabling and encouraging lifelong learning.

The [Annual Sustainable Growth Strategy 2020](#) underlines that promoting fairness requires investment in skills, with comprehensive skills strategies focused on the individual needs for up- and re-skilling. Early leaving from education and training should be reduced, the quality and attractiveness of vocational education and training should be increased and the digital skills gap should be addressed.

*The Joint Employment Report*

The Joint Employment Report<sup>52</sup>, produced annually and published alongside the Annual Sustainable Growth Strategy, takes a snapshot of the employment and social situation across the EU and highlights the extent of reforms carried out in the Member States over the previous year. Key takeaways from the 2017-2020 reports in the context of the Youth Guarantee are summarised in Box 6.

**Box 6. Key takeaways from the Joint Employment Report 2017-2020.**

The [Joint Employment Report 2017](#) stressed that the Youth Guarantee has been a catalyst for change. Most Member States' national Youth Guarantee schemes comprise fast-acting measures to provide tailored support to all young NEETs and medium to long-term structural reforms to improve institutional capacity, while ensuring an integrated approach to service delivery. The 2017 report acknowledged that investing in outreach activities targeting young people who are not registered with the public employment services (PES) had been a priority for many Member States. It also reported on the use of targeted wage and recruitment subsidies in most Member States, many of them with support from EU funding (ESF and YEI), and on actions to improve the quality, supply, or attractiveness of apprenticeships in nearly all Member States. However, the report emphasised that Member States needed to continue structural reforms and scale up measures to ensure that all young people — especially low skilled young people and those facing multiple barriers to entering the labour market — benefit from the Youth Guarantee.

The [Joint Employment Report 2018](#) underlined the contribution of structural reforms supported by the Youth Guarantee to the improved labour market situation of young people. Among the challenges identified were the need to reach out to young people, encouraging them to register with PES, and better supporting young people facing multiple barriers. Looking at Member States' practices, the report identified smooth coordination among employment, education and youth policies as essential to better support young people's transition from education and unemployment to work. It also acknowledged that Member States were investing in re-skilling and up-skilling young people to enhance their employability. The report stated that a large number of Member States were supporting labour market demand for young people through wage and recruitment subsidies (often funded with EU support from the ESF and YEI), and found that such schemes were usually targeted at young people further from the labour market (e.g. long-term unemployed, low qualified or without any work experience) to avoid deadweight and substitution effects. Finally, the report considered that traineeship reforms enacted by some Member States had helped better prepare young people for labour market needs and build relevant skills, but had also helped strengthen business community engagement.

The [Joint Employment Report 2019](#) emphasised that actions taken by Member States in line with the Youth Guarantee are key drivers for improvement of the labour market situation of young people and recalled the importance of ensuring access to

<sup>52</sup> The Joint Employment Report is mandated by Article 148 of the Treaty on the Functioning of the European Union (TFEU). The initial proposal for this report by the Commission is part of the autumn package, which includes the Annual Sustainable Growth Strategy that kicks off the European Semester cycle. The Joint Employment Report provides an annual overview of key employment and social developments in Europe, as well as Member States' reform actions, in line with the Guidelines for the Employment Policies of the Member States.

quality and inclusive education and training. The report found that reform efforts and new measures continued to focus on the same challenges, namely: outreach, making services more accessible to young people and ensuring a better identification of those in need, better supporting young people facing multiple disadvantages (including through better cooperation between employment, social and education services), supporting labour market demand through employment and entrepreneurship incentives (mainly in the form of targeted wage and recruitment subsidies) and upskilling and re-skilling young people through active labour market policies.

The [Joint Employment Report 2020](#) acknowledged that further reducing youth unemployment and supporting young people's transition from education and training to the labour market remained important priorities. The report stressed that, in a context where young people's labour market performance had significantly improved, policy measures underpinning the Youth Guarantee's delivery were becoming more targeted. It found that Member States were stepping up their outreach efforts, making services more accessible to young people and ensuring a better identification of those in need. Also, new measures were introduced to better support young people facing multiple disadvantages.

The Joint Employment Report also monitors Member States' performance in relation to the [Social Scoreboard](#) set up in the context of the [European Pillar of Social Rights](#). Table 2 summarises the last overview Member States' performance vis-à-vis the Social Scoreboard's headline indicator on young NEETs before the COVID-19 crisis and the ensuing economic downturn.

**Table 2. Member State performance in relation to the Social Scoreboard's headline indicator on NEETs.**

Best performers	Czechia, Germany, Luxembourg
Better than average	Denmark, Latvia, Malta, Sweden, Slovakia
On average	Belgium, Finland, France, Hungary, Ireland, Lithuania, Poland, Portugal
Good but deteriorating	Austria, Netherlands, Slovenia
Weak but improving	Cyprus, Croatia
To watch	Estonia, Spain
Critical situations	Bulgaria, Greece, Italy, Romania

Source: [Joint Employment Report 2020](#). Note: this headline indicator concerns young people aged 15 to 24.

### *Country Reports and Country-Specific Recommendations*

The Commission has assessed the implementation of the Youth Guarantee in the European Semester's Country Reports since 2014. From 2017 until the pre-COVID-19 reality of early 2020, the Country Reports' analysis relevant to the implementation of the Youth Guarantee found that, firstly, reaching out and activating the most vulnerable young people (in particular young people with disabilities, those with a migrant background and in those with low skills) remains a challenge in many Member States. Secondly, the 2017-2020 Country Reports stressed that regional disparities in labour market opportunities for young people are significant and persistent in some Member States, often correlating with regional disparities in education attainment, early leaving from education and training, or the quality and availability of integrated services for the inactive and unemployed.

Education attainment was confirmed as a major factor in determining employment prospects for young people. In a number of countries, high rates of early leaving from education and training and lack of basic skills among disadvantaged young people were barriers to employability. More recently, young people's lack of digital skills was seen as an additional obstacle to employment. In some countries, the labour market relevance of vocational education and training remained insufficient and efforts to increase its attractiveness were met with limited success.

The analytical basis of the Country Reports forms the basis for the European Semester's Country-Specific Recommendations (CSRs) on youth unemployment and inactivity. CSRs on improving school-to-work transitions increased markedly in 2014, when a majority of Member States received a youth-specific CSR. These recommendations were mostly formulated in the context of particular reform efforts, applicable to public employment services (PES), education and training systems, active labour market policies or other labour market challenges. A particular focus of the 2015 and 2016 CSRs was the need for outreach to those young NEETs that are not registered with a PES.

In 2017, Belgium, Slovakia and Romania received CSRs that specifically mentioned disadvantaged groups, with a clear identification of young people in the recitals<sup>53</sup>. In 2018, Cyprus received a CSR recommending “reinforc[ing] outreach and activation support for young people who are not in employment, education or training”. CSRs for Belgium and Slovakia again mentioned disadvantaged groups and identified young people in the recitals<sup>54</sup>. In 2019, Cyprus received a CSR recommending “complet[ing] reforms aimed at increasing the effectiveness of the public employment services and reinforc[ing] outreach and activation support for young people”. Another CSR recommended Italy to “ensure that active labour market and social policies are effectively integrated and reach out notably to young people and vulnerable groups”.

From a broader perspective, in 2017-2019, many CSRs referred to policies that affect the situation of young people on the labour market. Such CSRs related, for instance, to education achievements of disadvantaged young people, labour market segmentation, provision of quality education, quality of vocational education and training (VET), dual VET and apprenticeships, quality and provision of active labour market policy measures or PES capacity.

### **3.1.2. Multilateral surveillance by the Employment Committee**

#### *The Employment Performance Monitor*

The **Employment Committee** (EMCO) was mandated to produce an Employment Performance Monitor, which could be used to identify at a glance the main employment challenges for the EU and each Member State. The Employment Performance Monitor is based on the findings of the Joint Assessment Framework (JAF)<sup>55</sup>. A specific Youth Guarantee module has also been developed. The 2019 Employment Performance Monitor identified “high and/or increasing incidence of youth unemployment and/or NEETs” as a “key employment challenge” in eight Member States: Bulgaria, Greece, Spain, Croatia, Italy, Cyprus, Hungary and Romania.

#### *The thematic reviews on youth employment*

Responding to a call in the 2013 Council Recommendation, the EMCO thematic reviews on youth employment are one of the major tools of multilateral surveillance on Youth Guarantee implementation and feed into EMCO’s work on assessing the draft Country-Specific Recommendations proposed by the Commission. Since 2016, when the Commission previously reported on the implementation of the Youth Guarantee thus far, EMCO has carried out two thematic reviews, assessing Member States’ progress on Youth Guarantee implementation and progress on CSRs related to youth employment. Both sets of EMCO findings were subsequently endorsed by the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council.

#### *Horizontal conclusions from the 2017 review of Youth Guarantee implementation*<sup>56</sup>

This review documented the progress in Youth Guarantee implementation, with measures underpinning the Youth Guarantee’s delivery now maturing. In a changing labour market context, the review also highlighted a shift in approach in several Member States, with a stronger focus on upskilling and on young people facing multiple disadvantages. Yet in some Member States, Youth Guarantee delivery was found to be based primarily on individual projects and measures, rather than on an overarching strategy.

<sup>53</sup> For many countries, recitals recalled the remaining challenges for young people to succeed in their school-to-work transitions: high youth unemployment (Cyprus, Spain, France, Italy, Portugal, Romania), high NEET rates (Bulgaria, Italy, Romania), difficulties facing low-skilled young people (Belgium, Denmark, France), high rates of long-term youth unemployment (Slovakia), and the impact of labour market segmentation on young people (Portugal). Some recitals directly pointed to improvements and challenges in implementing the Youth Guarantee (Spain, Italy, Portugal, Romania).

<sup>54</sup> For nine countries, recitals recalled the remaining challenges for young people to succeed in their school-to-work transitions: high youth unemployment and difficult labour market conditions (Cyprus, Spain, France, Italy, Romania), high NEET rates or youth inactivity (Bulgaria, Cyprus, Italy), difficulties facing the young low-skilled (Denmark, France), and high rates of long-term youth unemployment (Slovakia). Recitals for Spain and Italy directly pointed to improvements and challenges in implementing the Youth Guarantee.

<sup>55</sup> The Joint Assessment Framework (JAF) is an analytical tool based on a set of commonly agreed indicators showing good and bad performance towards the main Europe 2020 targets.

<sup>56</sup> These findings were endorsed by the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council in early 2018.

Most Member States had developed new forms of partnerships, though the approach differed between Member States. Some placed the emphasis at local level while in others it was more centrally coordinated. Member States highlighted the need for effective cooperation between public employment services (PES) and the education system as well as youth and other services. Such cooperation was stressed to be crucial particularly in increasing the provision of continued education and apprenticeship offers, and in better supporting young people in the most vulnerable situations.

Outreach to NEETs was still deemed a challenge in many Member States. Additional efforts were needed in many Member States to upscale existing outreach measures. A number of Member States were now focusing outreach efforts on reaching young people who are furthest away from the labour market and who, across the board, tended not to be reached by the Youth Guarantee. Several Member States faced challenges related to the provision of an offer within four months. This was the case not only of those with limited PES capacity but also those with a high share of hardest-to-reach NEETs, who often need more complex interventions before being able to take up an offer.

Monitoring data on outcomes, although still incomplete, showed encouraging results: close to half of the young people were still in employment, education or training six months after leaving the Youth Guarantee. However, important differences remained across Member States. Work on the quality and relevance of the Youth Guarantee offers needed to be continued, inter alia by ensuring that offers were adapted to changing labour markets and better targeted to the specific profile of the young people, while helping them gain the right skills and leading to sustainable outcomes.

Finally, despite the progress achieved, important challenges remained in improving the completion of data, particularly in relation to the destination of all young people when leaving the Youth Guarantee, and in relation to follow-up data. Follow-up data to monitor the situation of participants after exiting the Youth Guarantee preparatory phase was not yet available in a number of countries. Member States were strongly encouraged to make additional efforts to improve the completion of data, so as to improve their capacity to monitor the destination of all young people leaving the Youth Guarantee and to follow-up participants after exit from the Youth Guarantee, particularly, where possible, through the use of linked registers.

#### *Horizontal conclusions from the 2019 review of Youth Guarantee implementation<sup>57</sup>*

According to this review, along with the improvements to the macroeconomic outlook, the labour market situation of young people was deemed to be improving, enabling Member States to focus more on addressing labour market needs and vulnerable youth. Still, the proportion of the NEET population or of certain sub-groups (such as the inactive or youth facing multiple barriers) reached by the Youth Guarantee remained relatively low in some Member States<sup>58</sup>. The implementation of the Youth Guarantee also varied between regions within Member States.

Member States had taken steps to strengthen the Youth Guarantee offers by providing individualised paths and focusing more on early intervention in some cases. Efforts had been made to encourage young people to begin or return to education or training, as well as to offer them appropriate career guidance and more opportunities to engage in work-based learning and acquire work experience. Support for more preventative approaches to reduce early leaving from education and training was suggested to be considered in future development of Youth Guarantee schemes.

Several Member States had developed promising approaches for the identification of and outreach to young NEETs, by making use of innovative communication and outreach tools. Information and communication technologies allowed for the linking of different databases, so as to facilitate the

<sup>57</sup> These findings were endorsed by the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council in December 2019. They are referred to throughout this report, as they underpin a number of actions of a reinforced Youth Guarantee.

<sup>58</sup> Challenges regarding the development of outreach strategies and personalised services for NEETs were still to be tackled. In most Member States, young people with lower educational attainment were at the highest risk of becoming unemployed or NEET. Therefore, many interventions had been refocused to target specifically the most vulnerable groups, such as youth with low or no work experience, a migrant background or with health/social issues who are at high risk of becoming long-term NEETs. Because of the specificities of the groups furthest away from the labour market, a longer preparatory phase was needed in the most complex cases.



tracking of NEETs and map their needs and use of services. However, for many Member States, finding suitable solutions to respect data protection rules remained an obstacle.

The cooperation between public authorities in charge of implementing the Youth Guarantee and service providers, as well as between various levels of governance, could be further improved in some cases. The use of integrated or coordinated service delivery, e.g. in the form of one-stop-shop approaches, had increased, but there was room for further improvements in coordinating employment, education and social services to support vulnerable young people in particular.

Individual action plans were provided and regularly updated in some Member States. Some Member States also performed assessments of labour market needs. Further improvement was needed in the effectiveness of PES by ensuring adequate staffing levels and enhancing their capacity to offer personalised and individualised counselling and action planning according to the various jobseeker profiles.

Most Member States were tackling the quality of offers within the Youth Guarantee framework. Some countries considered offers that lead to employment as being of good quality; others were putting a greater emphasis on ensuring good quality apprenticeships and traineeships<sup>59</sup>, preventing early leaving from education and training and encouraging continued education<sup>60</sup>. Some Member States defined good quality job offers as offers that last for at least six months.

Finally, countries still needed to step up their efforts to improve their capacity to monitor the destination of young people leaving the Youth Guarantee and to follow-up participants after exit from the Youth Guarantee in order to better assess impact. Some Member States were setting up monitoring systems that link different administrative data while in other countries data protection issues still needed to be addressed.

### 3.1.3. The role of EU funding support

The implementation of the Youth Guarantee in the Member States is financially supported by the EU primarily through the Youth Employment Initiative (YEI) and the European Social Fund (ESF). In the 2014-2020 programming period (with the YEI already commencing September 2013) these funding sources are jointly investing around EUR 15 billion directly in measures to support youth employment.

Yet, as Box 7 illustrates, it is clear that given the estimated costs of integrating young NEETs, and the vulnerable groups among them, into employment and education, this EU budgetary effort has to be complemented by even greater national investments. Ultimately, this can help prevent the significant costs of inaction.

#### Box 7. The costs of a Youth Guarantee<sup>61</sup>.

The challenges brought about by the COVID-19 induced economic downturn – on top of the EU's twin transitions to a sustainable and digital economy – highlight the importance of labour productivity growth. Due to demographic changes it will remain difficult to rely on adding more people to the labour force as a potential source of growth. However, in the medium term, engaging more people actively in the labour market can make an important difference. To achieve higher productivity, policies need to shift towards innovation and expanding the EU knowledge base through skills and education.

Consequently, unemployment, inactivity and lost productivity among young people have a high cost and necessitate targeted policy efforts. Experiencing unemployment, especially long-term unemployment, at the beginning of one's career can have negative long-term consequences in terms of future earnings and employment prospects (the so-called *scarring effect*). It may also lead to lower productivity levels overall.

The recent evaluation of the Youth Employment Initiative (YEI) shows that there are great variations in costs between the Member States. Averaged figures show that the cost of young people's sustainable integration into the labour market is an

<sup>59</sup> The traineeship frameworks across the EU differed considerably and in a number of cases compliance with the principles of the Quality Framework for Traineeships still needed to be improved.

<sup>60</sup> Certification of vocational education and training (VET) programmes was introduced in some Member States in order to ensure their quality under the Youth Guarantee. Several PES were conducting their own evaluations to ensure the quality and effectiveness of education and training programmes.

<sup>61</sup> More detailed information on the cost and benefits of the Youth Guarantee can be found in the [2012 Commission Staff Working Document](#) accompanying the proposal for a Council Recommendation on establishing a Youth Guarantee.



estimated EUR 4,157<sup>62</sup>. Considering that there were approximately 9.4 million 15 to 29 year-olds not in education, training or employment (NEET) across the EU on average in 2019, just before the COVID-19 pandemic hit, this would suggest a total cost of EUR 38.9 billion to lift all out of unemployment or inactivity. Assuming a similar increase in the NEET rate as seen during the previous economic recession, the cost would go up to EUR 49.6 billion.

However, inaction could be much more costly. In 2014, NEETs were estimated to cost the EU EUR 162 billion (1.21% of GDP) a year – in benefits and foregone earnings and taxes<sup>63</sup>. According to another estimate, the lost GDP due to youth unemployment in the EU in 2016 was no less than EUR 279 billion. Moreover, potential costs need to be measured also in terms of increased risks of intergenerational transmission of poverty, thus contributing to the further entrenchment of disadvantages.

The Youth Employment Initiative (YEI) focuses exclusively on supporting young NEETs in the EU regions with the highest unemployment rates. Under the 2014-2020 EU budgetary framework, the YEI (around EUR 9 billion) will have provided much needed support to the implementation of the Youth Guarantee, directly targeting young NEETs by financing the provision of traineeships, apprenticeships, job placements and further education across eligible Member States. The European Social Fund (close to EUR 6 billion dedicated directly to youth employment), in turn, supports broader reforms necessary for the Youth Guarantee to be delivered effectively, including reforms of vocational education and training systems and of public employment services (PES).

The ESF support can extend to reforming policies, services and institutions as well as to preventative actions, such as for young people at risk of early leaving from education and training or social exclusion. The YEI support is targeted to specific EU regions facing high youth unemployment and it only covers NEETs residing in those regions. By the end of 2018, 2.7 million young people had been included in YEI-supported measures. Of those, over 0.9 million were in education or training, had gained a qualification or were in employment, including self-employment following the YEI-supported measure. The Commission's proposal for the future ESF (the ESF+) maintains a focus on youth employment (see Section 4.5.3).

The Commission is currently finalising an evaluation on the effectiveness, efficiency, relevance, coherence, EU value added and sustainability of the youth employment focused operations supported by the ESF and YEI (2014-2020)<sup>64</sup>. The evaluation has produced a number of key takeaways. It showcases in particular how the available ESF and YEI funding helped foster policy progress with the implementation of the Youth Guarantee. At the same time, challenges remain, for instance with regards to identifying the target group and developing outreach policies.

Preliminary evidence from the case studies analysed as part of the evaluation illustrates the value gained from working in partnerships and, conversely, the missed opportunities when cooperation and partnerships are not strong – especially with respect to outreach work. The importance of partnerships is, more generally, highlighted as one of the key contributions to effective EU funded programmes. Here, the alignment of ESF/YEI with national and other youth employment policies and programmes is critical.

Furthermore, the preliminary conclusions of the evaluation confirm that individuals furthest away from the labour market require tailored and intensive guidance and support and that this has been addressed in the measures supported by the operational programmes. Indeed, getting the most disadvantaged NEETs into employment is challenging, but there are good practice examples of EU funded approaches in a number of Member States.

As regards the most attractive and effective measures supported, work experience has proven to be a vital route into employment and helps to develop relevant skills, with many ESF/YEI operations focusing on work experience to give this opportunity to young people who would otherwise have found it very hard to find a placement or traineeship. The study also finds that, although it only accounts for a small amount (3-7%) of ESF/YEI youth employment resources, support to entrepreneurship has one of the highest employment results.

<sup>62</sup> The cost per output and result refer to the period 2014-2018 and need to be treated with caution, as there are time lags resulting from data checking and reporting conventions. Furthermore, it cannot be ignored that the numbers for certain indicators are underreported (e.g. for some vulnerable groups) and different between Member States. Finally, the monitoring data does not allow to conclude systematically whether reported figures represent partially or fully implemented operations.

<sup>63</sup> Eurofound (2014), *Mapping youth transitions in Europe*.

<sup>64</sup> See the forthcoming 2020 Evaluation of Youth Employment.

The evaluation concludes that the YEI and the ESF have helped improve the employability of young people across the EU. Between 2014 and 2018 about 3.8 million young people participated in YEI and ESF youth employment operations<sup>65</sup>. Some 3,300 projects and 14,600 SMEs have been supported. There were 1.4 million immediate results (offers of employment, continued education, apprenticeships and traineeships), with improved results over time, six months or more after participation<sup>66</sup>. Overall, EU support has helped reduce NEET numbers, especially in those countries with more dependency on EU funds for active labour market measures, and has helped to support and develop delivery and management systems.

Finally, YEI and ESF youth employment operations have become a driver for significant policy innovation, especially with regard to outreach for harder to reach groups. Challenged by the complex characteristics of the NEET target group, YEI and ESF-supported operations have spurred the elaboration of a range of approaches to identify and contact young people who are hardest to reach. Examples include working with schools (to identify those at risk of becoming NEETs), an innovative use of social media, and collaborative work with supporting social services (e.g. health, housing) and youth or community organisations.

With the COVID-19 crisis and its significant negative impact on employment, special attention will have to be kept on young NEETs, both in the context of immediate crisis response and more comprehensive, medium term recovery plans. The ESF 2014-2020 has already been mobilised, following the EU Coronavirus Response Investment Initiative (CRII) and the CRII+, to provide immediate support to tackling the impact of the crisis on labour markets and in particular to help maintain employment and reduce job losses.

Following the Commission's proposal for a Recovery Plan for Europe and Next Generation EU, massive scale investments will be added to the current cohesion policy envelopes, with a view to providing fresh resources for Member States' economies and labour markets. The REACT-EU instrument, available already in 2020, will boost available resources in the current ESF and ERDF programmes and target specifically anti-crisis measures to support employment, social inclusion measures and business investments. Support to youth employment, including for self-employed young people, will be among the key areas where important ESF investments should be directed in order to avoid a new surge of youth unemployment, while paying special attention to vulnerable groups. Support to hiring subsidies and social contributions are among the most urgent measures that Member States can mobilise.

On top of this, the Recovery and Resilience Facility can play a key role in supporting the reforms put forward by a reinforced Youth Guarantee, beyond crisis compensatory measures. The national recovery and resilience plans – which are planned as the basis for allocating a proposed EUR 560 billion of grants and loans – should pay sufficient attention to reforms supporting youth employment, so as to ensure a sustainable pathway for the employment and social integration of young people. The ESF+ (2021-27) will continue these efforts (see section 4.5.3.)

### **3.1.4. European Parliament reports**

The 2018 European Parliament Resolution on the implementation of the Youth Employment Initiative (YEI) stresses the absolute necessity for further efforts, including continued political and financial commitments, to tackle youth unemployment. It considers both the YEI and the Youth Guarantee essential in the effective delivery of the key principles of the European Pillar of Social Rights. As for the Youth Guarantee, various calls are made on the Member States to step up, in particular, the outreach to vulnerable groups and the quality of the offers.

Firstly, the 2018 European Parliament Resolution stresses that outreach to vulnerable groups<sup>67</sup> requires strong and sustained efforts by national authorities and cross-sectoral cooperation, as NEETs are a heterogeneous group with diverse needs and skills. It also requires accurate and

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<sup>65</sup> A 52% share of women suggests a solid gender balance.

<sup>66</sup> The evaluation finds evidence for the role of EU instruments in the overall improvement of the employability and self-esteem for those furthest away from the labour market.

<sup>67</sup> Some of the vulnerable groups mentioned in the Resolution include young people with disabilities, young women, young people with low skill levels and young people in rural areas.

comprehensive data on the entire NEET population, with the objective of registering them and reaching out to them more effectively, since more disaggregated data, including at the regional level, could identify which groups should be targeted and how to tailor individualised action plans.

The European Parliament emphasises that improvements need to be made in the outreach to inactive NEETs in particular, as well as those young people who are more generally proving difficult to re-integrate. It calls on the Member States to take an integrated approach towards making more individualised assistance and services available to support young people facing multiple barriers, with special attention to the needs of vulnerable NEETs, eliminating any prejudiced and negative attitudes towards them.

More concretely, the European Parliament mentions the need to, *inter alia*: (1) tailor measures to local needs; (2) develop one-stop-shops that can ensure that all services and guidance are easily accessible in one location; and (3) improve the communication of existing support programmes available to young people through awareness-raising campaigns (using both traditional and modern media channels such as social networks).

Secondly, the 2018 European Parliament Resolution emphasises the need to improve the quality of offers under the Youth Guarantee. It points out that a good quality offer is a multifaceted measure leading to sustainable, well-matched integration in the labour market, achieved through the development of skills. A good quality offer should match young people's qualification level and profile, while taking into account employment demand. The European Parliament urges Member States to ensure that the relevant social protection, rules on working conditions and compensation levels are applied to Youth Guarantee participants.

A quality traineeship contract, for instance, must be governed by a written contract containing transparent information on the rights and obligations of the contracting parties, establishing concrete objectives and outlining high-quality training<sup>68</sup>. A mentor or supervisor must be allocated to assess the trainee's performance at the end of the traineeship. The traineeship must have a specific duration and limits must be set on the length of traineeships with the same employer, and the contract should have clear provisions on coverage in social security systems and remuneration.

Finally, the 2018 European Parliament Resolution singles out partnership-based approaches as a success factor and calls on Member States to actively identify and involve the relevant stakeholders (e.g. public and private employment providers, businesses and education systems). It specifically suggests better promoting the Youth Guarantee among businesses, in particular SMEs and smaller, family-run companies. Youth organisations are identified as another key stakeholder, acting as intermediaries between young people and the public employment services (PES).

The [European Parliament 2019 Resolution](#) on employment and social policies of the euro area stresses that it remains vital to tackle youth unemployment and the issues faced by NEETs swiftly. It notes the high level of youth unemployment in a number of Member States and the vulnerability of young newly employed workers, calling on Member States to make the fight against youth unemployment a priority and to make full use of the Youth Guarantee and tailored measures for tackling youth unemployment and fostering youth employability.

The European Parliament calls on Member States to step up efforts to ensure the greater labour market inclusion of the groups furthest from the labour market, such as single parents, informal carers, people with long-term illnesses, disabilities, health problems or complex chronic diseases, migrants and refugees, and people from ethnic and religious minorities. It also urges Member States to strengthen and modernise PES at each territorial level through, for instance, continuous training of operators and the inclusion of highly specialised counsellors and tutors.

The 2019 European Parliament Resolution refers to the twin transitions of climate neutrality and digitalisation<sup>69</sup>. Firstly, the challenges of climate change and the transition to a greener economy

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<sup>68</sup> This confirms the importance of elements included in the [2014 Council Recommendation](#) on a Quality Framework for Traineeships.

<sup>69</sup> The 2019 European Parliament Resolution also stresses that Member States and the Commission should ensure the implementation of specific employment policies to address the constraints and difficulties experienced by regions at a

demand decisive support for society, workers and businesses in order to help them cope with this crucial transition, with a particular emphasis on the regions most affected, by improving training and education, adapting skills and creating new jobs. The Resolution calls for a particular focus on the most vulnerable groups in society, including people at risk of poverty and/or extreme material deprivation.

Secondly, the 2019 European Parliament Resolution stresses that the transition brought about by digitalisation and automation simultaneously provides benefits and challenges. It stresses the importance of lifelong learning policies to enable workers to prepare for labour market transitions, and notes that this transformation may lead to cases of atypical and precarious employment, with inadequate access to social protection systems.

Across these twin transitions, the 2019 European Parliament Resolution emphasises the importance of developing the skills and competences required to address the economic, social and ecological challenges of today and tomorrow. It identifies the necessity to improve the quality, availability, inclusiveness, affordability and accessibility of education and training, including vocational training, while incentivising businesses to increase their investment in training. This includes addressing the issue of early leaving from education and training, inclusive mainstream education, targeted programmes for the most vulnerable and stepping up upskilling and reskilling.

### **3.1.5. European Court of Auditors' performance audits**

In 2015, the European Court of Auditors published a performance audit on the effectiveness of the Commission's support to Member States for setting up the Youth Guarantee. The report was overall positive and featured three recommendations. The first one was directed to the Member States and recommended providing a clear and complete overview of the costs of the Youth Guarantee schemes. The second and third recommendation, both directed to the Commission, called for the promotion of a set of qualitative attributes that should be fulfilled for jobs, traineeships and apprenticeships to be supported from the EU budget, and for putting in place a comprehensive monitoring system for the Youth Guarantee. Both recommendations have been addressed by the Commission, as reported in its 2016 Communication<sup>70</sup>.

In 2017, a second European Court of Auditors performance audit focused on the progress made by the Youth Guarantee and on the support provided by the Youth Employment Initiative (YEI). The Court made five recommendations in specific reference to the Youth Guarantee: (1) Member States and the Commission should manage expectations by setting realistic and achievable objectives and targets; (2) Member States, supported by the Commission, should establish appropriate outreach strategies to identify and register the entire NEET population; (3) Member States should establish a complete overview of the cost of implementing the Youth Guarantee; (4) the Commission should, together with the Employment Committee (EMCO), develop standards for quality criteria for offers and Member States should ensure that offers match the profile of young people and labour market demand and lead to sustainable integration in the labour market; and (5) the Commission should diffuse good practices in monitoring and Member States should improve their monitoring and reporting systems in order to provide quality data. These recommendations have been addressed by the Commission.

In its 2017 Conclusions on the Court's second audit, the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council recognises that youth unemployment and NEET rates are still too high and that increased efforts are needed to fully implement the Youth Guarantee. The Council encourages the Commission to continue working closely with Member States to identify the main implementation problems and offer support where possible. It notes that the Court assessed the Youth Guarantee and the YEI in their initial stages of implementation and that its observations are based on a limited territorial and temporal scope.

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demographic disadvantage, such as depopulated or sparsely populated regions, with the aim of fostering their capacity to create employment and added value in rural areas.

<sup>70</sup> The "Annual report of the Court of Auditors on the implementation of the budget concerning the financial year 2018, together with the institutions' replies" concludes that these two recommendations have been fully implemented.

The Council also considers that the Youth Guarantee and the YEI have provided a strong impetus for structural reforms and policy innovation, areas that are outside of the scope of the Court's report. Finally, it underlines that NEETs are a heterogeneous group with diverse needs, and that reaching out to NEETs requires strong and persistent efforts of national authorities and cross-sectoral cooperation.

### **3.2. Targeted consultations of relevant stakeholders**

The consultation activities in the framework of preparing the Commission proposal for a Council Recommendation on a Bridge to Jobs – reinforcing the Youth Guarantee took place in February and March 2020, targeting stakeholders closely involved in designing, implementing or benefiting from it. This section summarises the different views from civil society, social partners, national stakeholders and young people themselves, the latter through the European Youth Forum<sup>71</sup>.

It is worth emphasising that all targeted consultation activities preceded the COVID-19 pandemic outbreak in the EU, and therefore do not reflect the new economic downturn in its wake, nor what that would mean for a coordinated active labour market policy intervention such as the Youth Guarantee. However, this stakeholders' input, at the moment of record lows in youth unemployment and NEET rates, will prevent all involved from making any of the same mistakes again and instead build on the many experiences acquired throughout the EU. Lessons from the 2013-20 implementation of the Youth Guarantee, learned while coming out of the previous economic recession, inform a reinforced Youth Guarantee that aims to emerge from this new economic recession stronger, with resilient, future-proof solutions.

#### *Youth (via the European Youth Forum)*

As other widely held views, respondents under the umbrella of the European Youth Forum<sup>72</sup> supported the notion to renew emphasis on inclusion (e.g. the age extension). Other priorities were personalised and integrated approaches, partnerships (e.g. outreach and awareness raising), including with youth organisations, early prevention (e.g. via career guidance) and non-formal learning. Upskilling should focus on young people at greatest risk of being excluded from the changing world of work (including those in rural and remote areas). Respondents asked for more emphasis on dual learning and quality of apprenticeships.

While the quality offers should be aligned with existing principles and quality frameworks, there is a need to have a specific quality framework for the Youth Guarantee offers and more follow-up data. Finally, governments and employers should invest more in creating quality entry-level jobs while adequate EU funding is crucial to deliver on stronger ambitions.

#### *Youth Guarantee coordinators<sup>73</sup>*

About three quarters of respondents favoured extending the age limit of the target group from 25 to 29 years. Among those who disagreed, some argued that this would increase complexity. Increasing awareness via targeted social media campaigns and outreach activities to those facing multiple disadvantages was deemed important. The group called for strengthening early identification of NEETs through reinforced career guidance, in partnership with the education system, as well as enhanced and systematic profiling and better counselling, guidance and mentoring. It proposed to focus more on skills – with a particular emphasis on basic digital skills and career management skills.

Quality of offers could be further improved with better follow-up data, better integration of services (e.g. data sharing platforms, one-stop-shops) and by complying with the principles laid out in the European Pillar of Social Rights. A large majority of Youth Guarantee coordinators insisted on

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<sup>71</sup> A more detailed synthesis of the outcomes of the targeted consultations is annexed separate to this report.

<sup>72</sup> The European Youth Forum is the platform of youth organisations in Europe. It represents over 100 youth organisations, which bring together tens of millions of young people from all over Europe.

<sup>73</sup> Each Member State has nominated a representative of its administration to act as a "Youth Guarantee coordinator". The role of these coordinators is to oversee the national implementation of the Youth Guarantee and to liaise with the Commission and other Youth Guarantee coordinators at EU level.



aligning traineeships and apprenticeships with existing frameworks. Several Youth Guarantee coordinators favoured extending the four-month target for receiving the offer, especially in the case of more vulnerable NEETs and in Member States with lower capacity of public employment services (PES).

Cooperation and partnerships should be reinforced to improve awareness raising (social services, NGOs, schools, employers), outreach (NGOs, schools, parents), preparation (guidance services) and offers (employers, other levels of governments and Ministries). Those living in remote and rural areas could benefit from co-financed transport and/or housing, and accessible care services. Meanwhile, EU value added was found to be particularly pronounced via ESF+, mutual learning activities, EU-wide awareness raising activities, data collections and by supporting the development of Youth Guarantee strategies.

#### *Advisors for European PES Affairs of the European PES Network<sup>74</sup> (AFEPAs)*

AFEPAs largely agreed with the Youth Guarantee coordinators' views on extending the age bracket, systematic profiling and reinforcing early prevention and outreach. The latter should focus in particular on inactive young people, the low-skilled and those with disabilities. The group emphasised the need for basic digital skills, career management skills, teamwork and communication skills, STEM skills, but also green and entrepreneurial skills. It called for deepening counselling, guidance and mentoring, while conducting skills assessments and offering basic digital trainings.

Moreover, a share of respondents would welcome more flexibility in the offer delivery timeframe (the four month target), in particular for young people with complex needs that require longer preparation. Like Youth Guarantee coordinators, the group stated that the quality of the offers would benefit from integrated services, better follow-up data and compliance with the principles of the European Pillar of Social Rights, but also from more co-creation of measures with employers and young people.

They suggested stronger cooperation and partnerships with the education sector, and formal and systematic inclusion of relevant partners in the delivery of the Youth Guarantee so as to address the more complex needs. AFEPAs, as Youth Guarantee coordinators, highlighted that EU value added comes from mutual learning activities, political back up and adequate ESF+ funding, supporting Member States in developing a Youth Guarantee strategy and data improvements.

#### **Box 8. Key takeaways from the 2019 Report on PES Implementation of the Youth Guarantee**

PES have a wide range of responsibilities with regards to the Youth Guarantee. They all register young people as unemployed or in Youth Guarantee schemes and provide employment services. Moreover, the PES are not only providers of specific employment services, but almost half of them have responsibilities for the management and coordination of the national or regional Youth Guarantee schemes.

Around two thirds of the PES reported having responsibilities for outreach to NEETs. Almost all PES were engaged, directly or indirectly, in proactive initiatives to prevent students from dropping out, and/or were making contact with young people who had left school but who had not yet registered with the PES.

Most PES intervene very early with NEETs through a first interview or discussion with young clients within a maximum time period of one month from the registration in the Youth Guarantee scheme or as jobseekers. In half the PES, the average timescale for a first interview is even shorter - within the first two weeks after registration. More than two thirds of PES make an offer to young jobseekers within a maximum period of four months.

PES continued to improve staff abilities for working with young clients through the training programmes organised by almost two thirds of PES on different topics (e.g. counselling, communication, career guidance, how to work with youth, specific services and ALMPs for youth, interviewing techniques, case management, working with marginalised youth).

The Youth Guarantee scheme is implemented with a "partnership-based approach". Strengthening partnerships and widening the network of partners was a permanent priority for a majority of PES. The main PES partners are educational institutions, NGOs, youth centres, central and local authorities, employers and employers' organisations as well as private services providers, social assistance centres or similar centres.

<sup>74</sup> The European PES Network also published a [2020 opinion paper](#) as a contribution to the initiative of the European Commission to reinforce the Youth Guarantee.



The design and maintenance of the Youth Guarantee monitoring system is part of the remit of more than half the PES. PES continued to improve their capacity for monitoring and evaluating Youth Guarantee interventions, in particular through setting targets. However, the PES capacity for monitoring young people who leave the unemployment register remains quite limited, as only just over half the PES undertake this sort of monitoring.

### *EU civil society organisations*

Most civil society organisations shared the views that the age bracket should be extended, awareness raising activities and outreach should be intensified (e.g. mobile teams and one-stop-shops in rural or remote areas, building trust) and early career guidance should be improved. It was deemed crucial to address discrimination/stereotypes and sensitise employers about issues such as provision of reasonable accommodation or coordinated support.

Most of the civil society organisations highlighted the benefits of the social economy and the need to match skills with labour market needs. Validation of non-formal and informal learning and skills should be improved. Most civil society organisations would like to see more focus on the quality rather than the quantity of jobs by ensuring an individual and flexible approach, integrated service delivery, decent remuneration and/or work standards. Data collection needs to improve.

Partnerships need to be reinforced at all levels, in particular with the education system, businesses and vocational education and training (VET) centres, but also with local authorities and organisations providing social and healthcare services and housing. Civil society organisations could contribute to the implementation via local advisory boards and co-creation, trainings to counsellors, awareness raising/outreach activities, and social services provision. They also play a role in monitoring the implementation. EU value added comes from political pressure, better visibility, ESF+ funding (e.g. supporting self-employment and apprenticeships) and data collection. The Commission could also set up indicators to ensure these jobs are of decent quality.

### *EU Social Partners*

Employers<sup>75</sup> would, rather than reinforcing the 2013 Council Recommendation, advocate for closer follow-up of its implementation in the Member States, including via the European Semester and other existing tools. They did, however, support extending the age bracket, depending on the country' situation and agreed that preventing early leaving from education and training, outreach and activation of NEETs need to be improved.

Employers highlighted that skills, skill profiling and guidance are important. While digital skills need to improve, in particular among early leavers from education and training and entrepreneurs, adaptability and self-confidence were considered to be even more crucial. Quality apprenticeships, work-based learning, job shadowing, as well as VET, were identified as good ways to upskill NEETs and in particular vulnerable groups.

Employers called for stronger and wider partnerships and cooperation. Especially in rural areas, employers welcomed the idea of one-stop-shops and guidance. Due to digitalisation, there are also more opportunities for rural entrepreneurs. Lastly, efforts should focus on real job creation and employment quality, in cooperation with SMEs, rather than on subsidised employment.

Trade unions, as others, also supported the extension of the age bracket and favoured stronger early prevention and outreach to the most vulnerable NEETs, in cooperation with different actors. To improve cooperation, PES should offer local solutions and work more with the education sector. As employers, representatives welcomed the notion of increased focus on rural and remote areas and insisted on promoting one-stop-shops in these areas, as well as self-employment.

Trade unions highlighted the importance of developing job-related skills, but also soft, social and active citizenship skills, and the capacity for lifelong learning. In this context, validation of non-formal and informal learning was deemed essential. To enhance the quality of the offers, trade unions put priority on tackling precarious work (e.g. temporary contracts, platform economy, etc.),

<sup>75</sup> In addition to the views presented at the consultation meeting, employer organisations provided a [joint written input](#) on a reinforced Youth Guarantee.

with the focus so far on increasing employability rather than employment quality. Quality control measures could be improved with the help of the European PES Network and better data. In addition, representatives highlighted the importance of promoting access to social protection for young people.

#### *Advisory Committee on Vocational Training (ACVT)*

According to the ACVT governmental delegates<sup>76</sup>, the main challenges were outreach to NEETs and the provision of holistic, individualised solutions of good quality. The reinforced framework should also tackle other issues that could further prevent labour market integration, relating to e.g. social services, housing, health and caring responsibilities.

To improve skills, better prevention of early leaving from education and training and quality education and training systems are needed. Apart from focusing more on basic digital skills, government representatives proposed to also develop green skills, while trade unions suggested STEM skills. Trade unions also highlighted the importance of skills assessments.

In terms of quality, government representatives indicated that the existing principles and frameworks (e.g. on apprenticeships), the involvement of employers, integrated services and systematic profiling help improve the measures. For the most vulnerable, some suggested to measure relative progress (e.g. "distance travelled"). Trade unions largely shared the above views but added that the Quality Framework for Traineeships and follow-up data are important in this context. A great number of respondents highlighted the need for stronger cooperation and more effective coordination to improve the preparatory activities and quality of the offers. Many members called to modernise communication and awareness raising activities.

#### *European Social Fund (ESF) Technical Working Group*

As other groups, the ESF Technical Working Group<sup>77</sup> highlighted the importance of prevention, in particular to reduce the number of early leavers from education and training, continuous counselling, guidance and mentoring (especially for NEETs seeking to become self-employed), while calling for better outreach to inactive young people. Participants emphasised the role of integrated services in addressing the complex needs of NEETs and called for stronger cooperation between companies, the education system and training providers.

Contrary to the civil society organisations and youth consulted, the group argued that quality benchmarks are hard to establish given the diversity of labour markets. As Youth Guarantee coordinators, some argued that the four-month target is difficult to achieve in the case of more vulnerable NEETs. Finally, the positive effects of hiring subsidies in the case of vulnerable NEETs (e.g. low skilled, those living in rural/remote areas) were stressed.

#### *The European Economic and Social Committee*

As others, the European Economic and Social Committee supported extending the age bracket, intensifying awareness raising, improving career guidance in schools to prevent early leaving from education and training, and reinforcing outreach, in particular to the most vulnerable. Better quality of offers and better monitoring should lead to better results. The European Economic and Social Committee welcomed the notion of focussing on digital and other labour market relevant skills, but also highlighted the need to improve young people's motivation. There is a need, furthermore, to better recognise non-formal and informal learning.

Partnerships need to be reinforced, especially in countries where PES have difficulties delivering offers on time. Furthermore, employers should be involved in the design and delivery of offers.

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<sup>76</sup> The Advisory Committee on Vocational Training (ACVT) is a tri-partite committee assisting the Commission in implementing a Community vocational training policy, composed of representatives from the 27 Member States, three EFTA/EEA Member States and five Candidate Countries. None of the employers' representatives responded to the consultation questionnaire. However, employers were consulted as part of the social partner consultation (see separate sub-section).

<sup>77</sup> The ESF Technical Working Group is a working group of the ESF Committee. It allows for the exchange of information between the Commission and Member States' ESF Managing Authorities on technical operational matters pertaining to the management of the ESF.

Start-ups and SMEs in rural areas should be supported, as also mentioned during consultations with the social partners. Finally, the European Economic and Social Committee asked to ensure coherence between different EU policies and stressed that EU funding cannot replace national funding.

## **4. Reinforcing the Youth Guarantee to step up youth employment support**

The Commission's proposal for a Council Recommendation on a Bridge to Jobs – reinforcing the Youth Guarantee aims to put the Youth Guarantee back into the spotlight. The Youth Guarantee has helped over 24 million young people find employment, continued education, apprenticeships and traineeships. It can do so again during the new economic recession. However, the proposal also aims to introduce a number of structural improvements, so that the EU can come out of this crisis stronger.

The structural improvements, discussed in this chapter, are allocated over four phases (mapping, outreach, preparation and offer), supported by three cross-cutting enablers that fuel all four. These improvements directly implement the lessons learned from the aftermath of the 2008 financial crisis and the first implementation of the Youth Guarantee (2013-20), including the feedback from a wide array of stakeholders.

This chapter maintains the distinction between young people with a more temporary NEET status, often easier to employ and thus remaining in this status only for a short time, and young people with a longer-term NEET status. The distinction is a simplification to illustrate a reinforced Youth Guarantee at its lightest compared to its "topped up", most complex version. Higher educated young people, or those already with significant work experience, are more likely to belong to the temporary NEETs, without notable barriers to labour market entry. At the other end of the scale, young people from vulnerable groups are overrepresented among longer-term NEETs, requiring extra efforts from the perspective of the Youth Guarantee schemes.

As seen in the past, the economic downturn caused by the COVID-19 pandemic increases the share of temporary NEETs, while the share of longer-term NEETs poses a challenge that is more stable over time. A reinforced Youth Guarantee should deal with the sudden increase of unemployed young people in the short term, without losing track of helping the hardest-to-reach inactive or long-term unemployed young people in the medium term. The four phases laid out in this chapter apply to both categories of NEETs, though the distinction is clarified when different approaches are called for.

Finally, it is likely that the new economic recession will cast uncertainty, for some time at least, over the availability of sufficient job offers. To ensure that young people are not victimised disproportionately, it is important to use targeted and well-designed employment and start-up incentives, while respecting the principles of the European Pillar of Social Rights, such as access to social protection, reasonable duration of probation periods and prohibiting abuse of atypical contracts.

### **4.1. Phase 1: Mapping**

The first phase of a reinforced Youth Guarantee is the mapping phase, in which a more profound knowledge of the NEET target group – in all its diversity – is transposed to the specific geographical context of the service provider. This is to identify individual NEETs and, crucially, those at risk of becoming NEETs. Through effective partnerships and elaborate early warning systems, young people could be supported before even becoming unemployed or inactive, particularly when they are still in formal education and training.

### 4.1.1. Identifying the target group, available services and skills needs

#### *Understanding the target group*

Understanding the different background characteristics of the very diverse group of young people enables Youth Guarantee providers to identify them, but also to tailor action plans when profiling their individual needs (Section 4.3.1). Indeed, a comprehensive mapping exercise is the foundation upon which all subsequent steps are built (see Box 9).

#### **Box 9. The benefits of mapping the NEET target group.**

Identification: mapping enables knowing and understanding the characteristics of all NEETs to understand their diversity and their needs;

Prevention and early intervention: this includes being forewarned of who is at risk of becoming NEET before it happens so support can be put in place;

Needs assessment: this includes mapping the individual and overall needs of all NEETs and the support needed to make progress towards education, employment or training, in order to assign the most appropriate agency/ies to provide assistance (information, advice and guidance) and identify the most relevant support available;

Identifying and commissioning support: this includes using needs assessments of NEETs to identify a pathway to re-engagement/activation and having pathways, such as training and pre-employability courses, in place for NEETs to take up;

Monitoring progress towards re-entering education, employment or training: this includes collecting information on trends in the number and characteristics of NEETs and the outcomes of support and activation approaches to measure success in addressing the needs of NEETs. These can also provide indicators of performance;

Quality assuring policy measures: this includes providing performance data to assess the success of measures to reduce NEET numbers or specific subsets of NEETs, reduce the time to re-engage NEETs, and increase the numbers in sustained employment or competing education and training courses.

Needless to say, a true understanding of individual NEETs can only be attempted after contact has been made and trust has been established. But without a more general understanding of the target group, contacting these young individuals is unlikely, let alone gaining their trust. Moreover, this general understanding reveals risk factors that help identify young individuals before they become part of the NEET target group.

Understanding the target group means distinguishing, for simplicity's sake, between the temporary NEETs that may have been victimised by the economic recession (but are otherwise not inherently disadvantaged), and the longer-term NEETs who face a deeper-rooted disadvantage. As for the former, there will be a higher influx at least in the short term, and Youth Guarantee providers will have to understand this sub-group in order to tailor individualised action plans.

As for the latter, providers will have to factor in the many background characteristics referred to in Section 2.3, such as age, sex, highest level of education attained, socioeconomic status (including migrant background and ethnic minority status), reasons for inactivity (e.g. caring responsibilities, ill health or disability), living environment (e.g. living in rural/remote areas) and duration of unemployment. There might be a need, at local, regional or national level, to improve the data collection allowing for a more profound understanding of the target group (Section 4.5.2). Cross-EU comparative indicators have their limitations, but a rich collection of data is sometimes available at a local level.

#### *Mapping the catchment area*

The mapping phase also requires a better understanding of the “catchment area” that falls under the Youth Guarantee providers’ purview, such as the availability of services within a certain proximity and the local/regional skills forecasts. Mapping the catchment area is particularly applicable to rural or remote areas, not just because the target group can be sized or configured differently in such areas, but also because there is a chance the availability of services is lacking,

thereby contributing to the challenge of lifting young NEETs out of cumulative cycles of disadvantage<sup>78</sup>.

Charting available services requires Youth Guarantee providers to build and mobilise partnerships (Section 4.5.1), so as to strengthen knowledge, intervene early and map the possibilities for subsequent action plans<sup>79</sup>. For instance, local youth organisations can help better understand the target group in the specific context that the Youth Guarantee providers are operating in. The education sector is indispensable for any prevention or early intervention strategy (see Section 4.1.2).

Mapping available services also informs the preparatory phase (Section 4.3) and offer phase (Section 4.4). With regards to the preparatory phase, strengthening the skills intelligence, for instance by mapping online job vacancies, reveals the most requested skills in the catchment area or neighbouring regions (see Box 10)<sup>80</sup>. This adds to Youth Guarantee providers' understanding of (the needs of) key sectors and other labour market specificities in their direct surroundings, again taking note of any urban/rural divides (see Section 2.3).

#### **Box 10. Big data labour market intelligence and the new Europass framework.**

Sound information on skills, or skills insight, is needed with labour supply outgrowing demand in times of economic recession, certain sectors growing while others decline and the world of work and skills still changing. Individuals, education and training providers and guidance professionals, including in public employment services (PES), need to know which skills are needed in which sector. Skills intelligence can also inform public and private investment decisions and help address skills shortages in Member States and regions.

In April 2018, EU countries adopted the Commission's proposal to revise the Europass framework. The new framework offers intuitive, modern tools that reflect people's needs in the context of a changing nature of work and skills. It also adds a new feature that uses big data to map and anticipate labour market trends and skills needs. New tools include an improved online tool for creating CVs and skills profiles, free self-assessment tools to help evaluate skills, tailored information on learning opportunities across the EU, information and support to help get qualifications recognised, and labour market intelligence about what skills are most in demand and where.

The new Europass framework will also link with other EU tools and services across labour and education and training systems, such as the [EURES job mobility portal](#), allowing for an easier exchange of information and more joined-up services for end-users. National support centres will continue to offer individual advice and guidance to help people navigate the skills and qualifications landscape.

Further improvements could be envisaged to make skills intelligence even more accessible, user-friendly and capable of informing individual choices and strategic skills planning. Cedefop has been piloting the use of big data analysis of job vacancies to examine the skills demanded by employers at regional level ([Skills-OVATE](#); see Section 4.3.4), while the [Blueprint for Sectoral Skills Cooperation](#) has been looking into skills needs in key sectors. Such work can help ensure the development and publication of online and "real-time" information on skills demand at regional and sectoral level. Meanwhile, some Member States aim to improve their National Skills Information Systems, drawing together labour market and skills intelligence from diverse sources and shaping it into information that can guide skills decisions nationally, regionally and in different economic sectors.

With regards to the offer phase, Youth Guarantee providers can, in collaboration with e.g. local employers and recruitment agencies, gain an understanding of the potential placements available in terms of employment, continued education, apprenticeships and traineeships.

In sum, territorial mapping can enable a better understanding of the characteristics of NEETs at a macro level and where they are primarily located, thus allowing for more targeted measures at the micro level. It also includes mapping the catchment area, in terms of the services available and local/regional skills forecasts, which can help shape the subsequent actions of a reinforced Youth Guarantee.

<sup>78</sup> On the other hand, the green and digital transitions might hold potential for tackling the urban/rural divide.

<sup>79</sup> At the very least, this raises awareness of the Youth Guarantee among other stakeholders, in particular employers and training providers, so as to safeguard their involvement in Youth Guarantee partnerships and offers.

<sup>80</sup> Indeed, local/regional skills forecasts inform the Youth Guarantee's preparatory phase, feeding into individualised action plans (Section 4.3.1), counselling, guidance and mentoring (Section 4.3.2), and – most acutely – upskilling and reskilling through preparatory training (Sections 4.3.3 and 4.3.4). Supporting social services can help map the possibilities for immediate assistance should it be so required as part of individualised action plans later on in the process, whereas nearby training providers might be offering preparatory training such as boot camps for basic digital skills or carbon-neutral awareness.

### Ideas for a reinforced Youth Guarantee

Reinforce mapping systems to enable a more profound understanding of the diversity of NEETs, including the temporary NEETs negatively affected by the economic recession, as well as the longer-term NEETs who may belong to vulnerable groups.

Map the services available for different support needs, while using local skills forecasts (e.g. informed by big data labour market intelligence) to identify skills demanded on the labour market, with particular attention to regional labour market specificities and the barriers faced by young people living in rural, remote or disadvantaged urban areas.

#### 4.1.2. Enabling prevention through tracking and early warning systems<sup>81</sup>

Intervening early to avoid young people from becoming unemployed or inactive is more effective and less costly than trying to reach out to those young people who are already disengaged. Experience shows that early intervention is key in order to avoid long-term negative effects of unemployment and inactivity. During the COVID-19 pandemic, prevention comprised crisis measures such as short-time work schemes. Medium-term, structural solutions will be focused on tracking and early warning systems, preventing e.g. early leaving from education and training.

##### *Tracking and early warning systems for young people still in education and training*

The risk of dropping out of school (Box 11) is higher at key transition points in one's educational trajectory. For vulnerable youth, the risk is especially high at the point of transition between lower and upper secondary education. As a result, the provision of systematic information, advice and guidance at an early stage (e.g. secondary school) before school leaving occurs is critical in reducing this risk. It can help pupils to make informed choices and facilitate school to work transitions. Making young people aware of the options available to them, including vocational training and work-based learning, can prevent disengagement from more traditional forms of learning<sup>82</sup>.

#### Box 11. Tackling early leaving from education and training

Early leavers from education and training are young people aged 18-24 who have failed to reach the level of upper secondary education and are no longer participating in further education or training. Dropping out of school can seem like a sudden event, but often it is the final stage in a long process of disengagement – related to personal or family problems, learning difficulties or socioeconomic disadvantages. It also comes at a high personal, social and economic cost: young people without an upper secondary school diploma are more likely to become unemployed and depend on social benefits, and have a higher risk of social exclusion and ultimately poverty.

Member States have pledged to reduce the average proportion of early leavers from education and training to less than 10% by 2020. Though considerable progress has been made, the goal of bringing the share below the 10% headline target at EU level has not been reached yet. In 2019, the average rate was 10.2%. Regular exchanges with Member States and comparing what works in different countries has helped develop policy guidance.

A [2011 Council Recommendation](#) raised attention to the challenge, and provided a policy framework, with prevention, intervention and compensation measures, to tackle it. The policy framework of prevention, intervention and compensation measures comprise, inter alia, reinsertion into the regular education and training system (through flexible learning pathways), but also bridging programmes and second chance programmes.

In July 2019, the Commission published an [independent assessment](#) of the implementation of the Council Recommendation on early leaving from education and training. The assessment identified positive outcomes but also highlighted some gaps where further investment is needed. It draws a largely positive overall picture about the impact and influence of the Recommendation and the associated EU policy instruments. They clearly gave momentum to the adoption of national strategies and policies, as well as to EU-funded projects and research.

<sup>81</sup> This section draws upon the 2018 studies "[Effective outreach to NEETs: Experience from the ground](#)" and "[Activation measures for young people in vulnerable situations: Experience from the ground](#)", both prepared for the Commission by ICF. The studies feature numerous good practice examples from the Member States.

<sup>82</sup> Easing the transition into the world of work, work-based learning has been shown to decrease the risk of early leaving from education and training. For most young people who choose work-based learning (e.g. through apprenticeships or traineeships while still in formal education and training) this is their first experience in the world of work.



Remaining challenges are similar to those for the NEET target group. Policies should specifically target young people who face disadvantages, considering also the diverse needs of vulnerable groups. In addition, all members of the school community should play an active role in tackling underachievement and preventing dropout. This means stronger cooperation within the school and with a wide range of stakeholders, including social services, families, youth and health services, local authorities, NGOs and local business.

The Commission targeted funding at implementing national or regional strategies. For example, Erasmus+ supports transnational partnerships on this topic. Furthermore, the European Social Fund will invest over €8 billion until 2022, across the EU, in reforms and initiatives that address early leaving from education and training<sup>83</sup>.

Early warning systems to identify those at risk of becoming inactive or unemployed are sometimes used as part of the preventative approach, targeting support at individuals and families most in need. These systems often collect information on the young person's attendance in secondary education and may include other information about their educational performance. The key is to foster cooperation between education, employment and social services (see Section 4.5.1).

Sophisticated tracking services help identify and monitor individual students and offer them support during school-to-work transitions. The value of tracking services to contact young people before they have dropped out and/or become unemployed or inactive is essential. Depending on the national and regional context, this role is fulfilled by (a combination of) different stakeholders such as public employment services (PES), local authorities, different types of youth agencies and other forms of youth oriented social work at the local level.

Tracking data should ideally be shared between different organisations, which often helps to identify young people at risk as early as possible. Such tracking data are at various stages of development across Member States. Strong and formalised cooperation and information/data sharing between all stakeholders is critical to ensure that young people are not falling through the cracks. Political will and a change in mind-set might be needed in order for organisations to share personal details of hardest-to-reach youth with each other or with providers delivering the service (see the crosscutting enablers in Sections 4.5.1 and 4.5.2)<sup>84</sup>.

### **Ideas for a reinforced Youth Guarantee**

Strengthen early warning systems and tracking capabilities to identify those at risk of becoming NEET, while contributing to preventing early leaving from education and training (through e.g. more flexible learning pathways and more work-based learning), in cooperation with the education sector, parents, and local communities, and with the involvement of youth policy, social and employment services.

## **4.2. Phase 2: Outreach**

The second phase of a reinforced Youth Guarantee is the outreach phase, in which contact is made – and trust is established – with individual NEETs. The outreach phase comprises a comprehensive communication strategy to raise awareness among both temporary and longer-term NEETs of the Youth Guarantee and the available support. The reinforced Youth Guarantee's outreach also means that, even during the new economic recession, providers do not lose track of the vulnerable groups identified in Section 2.3.

<sup>83</sup> The Commission has also provided practical support such as the [European Toolkit for Schools](#). This is an online tool with documents and case studies that help policymakers, school heads, teachers and other professionals to find practical solutions.

<sup>84</sup> In December 2019, the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council [endorsed findings](#) of the Employment Committee (EMCO) on the implementation of the Youth Guarantee. One such finding was that several Member States have developed promising information and communication technologies allowing the linking of different databases, so as to facilitate the tracking of NEETs. However, for many Member States finding suitable solutions to respect data protection rules remains an obstacle in their efforts to better reach out to NEETs and to people from vulnerable groups who are most in need of personalised services.

#### 4.2.1. Raising awareness and targeting communication<sup>85</sup>

Raising awareness and targeting communication strategies is essential for reaching out towards young people not registered with their national Youth Guarantee providers, thereby bringing them into the framework in which the Youth Guarantee can help them. As discussed below, longer-term NEETs will require, in many instances, additional efforts before contact can be established, trust can be built and subsequent action plans can be developed. However, awareness raising is also vital among the temporary NEETs victimised by the new economic recession, who are otherwise not experiencing any inherent disadvantages and who might never have thought about job or training support.

The increasing use of the internet, social media and smartphones have made it much faster and more convenient for young people to connect with each other. Outreach efforts to NEETs can profit from these tools, without overlooking vulnerable groups that are less active online. Indeed, strategies to raise awareness and encourage people to contact youth services not only include online opportunities such as dedicated, youth-friendly websites, mobile apps and social media information campaigns, but also offline events, disseminating leaflets or brochures at information stands during job fairs or festivals<sup>86</sup>.

All communication strategies should comprise appropriate language and visuals for the target group<sup>87</sup> and the choice of platform, including material in foreign languages (targeted at young people with a migration background). They should also involve stakeholders in direct contact with young people (youth clubs, NGOs working with youth, etc.). Effective communication in this context entails spreading success stories, involving celebrities and social media influencers, and taking feedback from the target group into account.

The involvement of youth organisations and young people from different backgrounds in the design of communication strategies and tools not only helps to identify the right language, message and tone but also to spread the message about services among friends and other peers. Indeed, the value of word-of-mouth as a communication channel of its own should not be underestimated. For young people from vulnerable groups, at greater risk of being – or becoming – longer-term NEET, testimonials of peers from the same vulnerable group can be particularly powerful<sup>88</sup>.

For young people who are active online, internet services and social media play an important role in the efficiency of outreach methods. A broad range of services is offered through Youth Guarantee platforms, providing not only general information, but also information management tools and promotional features. Outreach workers frequently report using well-targeted social media as one of the most important communication channels with unregistered youth<sup>89</sup>. Social networks offer potential to promote services and organise events for a large number of young people at minimal cost. Additionally, the information and content can be quickly updated and adapted to the language of the target audience.

Recognisable “branding” benefits awareness raising and communication through both online and offline channels. Such branding requires a visual style that is consistently adopted across for all communication strategies. A consistent visual style will help young people to remember the Youth Guarantee and the support available to them, whether they are currently NEET or at risk of falling (back) into unemployment or inactivity<sup>90</sup>.

<sup>85</sup> This section draws upon the 2018 study *“Effective outreach to NEETs: Experience from the ground”*, prepared for the Commission by ICF. The study features numerous good practice examples from the Member States.

<sup>86</sup> Online channels are likely to be used by young people when searching for information about their future options. However, they are particularly effective in reaching those NEETs who have the basic digital skills to search for such information on their own.

<sup>87</sup> Appropriate language for the target group does not only refer to youth-friendly or foreign language, but also to a sensitivity to the disadvantages faces by particular vulnerable groups. As an example, awareness raising and communication campaigns should tackle gender stereotyping at a young age and encourage young women into a wider choice of education paths and occupations.

<sup>88</sup> In this context, longer-term NEETs from vulnerable groups act as “ambassadors” reaching out to peers (see also Section 4.2.2).

<sup>89</sup> A key reason for this is thought to be the fact that social media accounts are a rare “constant” in many young peoples’ lives (i.e. many change addresses or phone numbers over time, but rarely change their e.g. Facebook or Twitter accounts).

<sup>90</sup> Branding efforts should be aligned with the new Common Provisions Regulation’s rules on visibility, information and communication for the programming period 2021-27, aimed to reinforce the visibility of the EU and its support.

The Commission, through the Europa website, disseminates information on the Youth Guarantee, including links to national Youth Guarantee websites. Furthermore, as part of the Commission's Youth Guarantee pilot outreach and awareness-raising activities, various Member States developed activities, including Finland, Latvia, Portugal and Romania. The goal was to encourage young people to register with their local Youth Guarantee providers by combining the use of traditional communication tools, such as leaflets, posters and radio spots and social media campaigns. An electronic toolkit to guide young people through the steps to follow and the sources of information available was also developed.

### **Ideas for a reinforced Youth Guarantee**

#### *Member States*

Adopt modern, youth-friendly and local information channels for awareness raising activities among both temporary and longer-term NEETs, using online and offline opportunities, while ensuring the involvement of young people and local youth organisations.

Use a recognisable visual style for all communication, based, where relevant, on guidelines made available by the Commission, while ensuring accessible and easily understandable information on all types of support available, for instance through a single web portal in the language(s) of the country.

#### *European Commission*

Strengthen support to Member States' awareness raising and communication efforts and reinforce the dissemination of results and good practice examples among Member States.

## **4.2.2. Stepping up the outreach to vulnerable groups<sup>91</sup>**

As part of a reinforced Youth Guarantee, the inclusiveness of its outreach is to be deepened<sup>92</sup>. This is done by strengthening the focus on longer-term NEETs and the vulnerable groups most overrepresented among them. Despite significant efforts, the most vulnerable young people remain underrepresented among Youth Guarantee beneficiaries, and Youth Guarantee interventions often remain insufficiently adapted to the needs of those facing multiple barriers, such as poverty, social exclusion, disability and discrimination<sup>93</sup>.

Outreach work includes informing young people, in particular those who are regarded as hardest-to-reach and those facing multiple barriers, about support available in their transition from school to work and the necessary steps to take to benefit from this support. The hardest-to-reach may include, for instance, young people with a migrant background, young people from marginalised or discriminated ethnic minority groups or young people with a disability.

Outreach work presupposes a comprehensive mapping to identify both the characteristics of the target group and the services available in the area (Section 4.1.1). Outreach methods across Member States vary depending on their context, the scope of implementation and the characteristics of their NEET population. Public employment services (PES) have the potential to play a key role in outreach activities, although not all Member States have assigned PES this responsibility<sup>94</sup>.

<sup>91</sup> This section draws upon the 2018 studies "*Effective outreach to NEETs: Experience from the ground*" and "*Activation measures for young people in vulnerable situations: Experience from the ground*", both prepared for the Commission by ICF. The studies feature numerous good practice examples from the Member States.

<sup>92</sup> Meanwhile, broadening the inclusiveness of the outreach is done by widening the Youth Guarantee's age bracket, in countries where this is not already the case, from 15 to 24 year-olds to 15 to 29 year-olds (see Section 2.2).

<sup>93</sup> This is the result of a number of factors, including a limited knowledge of the diversity of the NEET population and the specific needs of different NEET groups, insufficient geographical coverage (often in rural areas) and the complexity of registration procedures.

<sup>94</sup> According to the [2019 report](#) on PES implementation of the Youth Guarantee, around a third of PES actually does not have the mandate for outreach activities, because this responsibility is allocated primarily to other institutions or authorities (e.g. the municipalities, the ministry of education). This applies to the PES in Austria, Denmark, Estonia, Ireland, Latvia, Sweden,

Building trust with young people remains a challenge and can make securing engagement problematic. Peer-to-peer support, word-of-mouth recommendations and engaging with youth organisations continue to be key parts of the process of building trust. Yet there is no single method that works best to reach out to young people. Different channels should be used depending on the specific group targeted.

For the hardest-to-reach, longer-term NEETs, relatively intense outreach activities may be needed. Effective approaches require specifically trained mediators<sup>95</sup> and include the use of street work<sup>96</sup>, young “ambassadors”<sup>97</sup> for peer-to-peer support and various partners in a more holistic, integrated service delivery (Section 4.5.1). Such partners comprise social workers, youth clubs, sport clubs, NGOs representing different vulnerable groups and any other stakeholders, institutions that are in contact with (specific groups of) young people and speak their language<sup>98</sup>.

Also part of these more intense outreach activities are the complementary strategies needed for those vulnerable groups not easily reached by street-based outreach workers, such as young people with caring responsibilities (especially young women), young people with disabilities and young people in rural/remote areas. For NEETs with family responsibilities and NEETs with a disability, outreach can be effective when it is done in coordination with the provision of (parental, disability) benefits. Alongside receiving benefits, young people are informed in an open way about rights and opportunities<sup>99</sup>.

For NEETs in rural/remote areas, mobile units offer potential. Mobile units take individualised labour market integration services and youth programmes out of their standard settings and bring them closer to the young people. Mobile units presuppose an integrated service delivery, which can also manifest itself through (stationary) one-stop-shops, joint case management or multidisciplinary teams (Section 4.5.1). Across all these models, it is the single point of contact that serves as a focal point to facilitate contact with NEETs.

### **Ideas for a reinforced Youth Guarantee**

Strengthen the focus on longer-term NEETs (e.g. those belonging to vulnerable groups, including those with disabilities), using specifically trained mediators and complementary strategies such as youth work, young “ambassadors” and cooperation with partners that are in contact with (specific groups of) young people. Explore, for the hardest-to-reach, coordination with the provision of benefits, as well as the use of mobile units.

## **4.3. Phase 3: Preparation**

The third phase of a reinforced Youth Guarantee is the four-month preparatory phase, which is defined as covering everything from the moment of initial registration with the Youth Guarantee service up to the actual start of a Youth Guarantee offer (Section 4.4). While contact has been established, the matching of needs and responses only really starts during this phase, tailoring

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Slovenia and Slovakia, although in many cases PES do engage in specific outreach projects or activities of other stakeholders.

<sup>95</sup> Trained professionals are more likely to establish a trusting relationship with young people through open communication.

<sup>96</sup> Street-based outreach workers focus mainly on the engagement of young people who are regarded as hardest-to-reach by visiting public spaces and places that are popular among local youth with the aim of building trusting relationships with them. Their work involves listening to their concerns and offering practical and emotional support and later inviting them to participate in youth services.

<sup>97</sup> Longer-term NEETs from vulnerable groups can be invited to act as “ambassadors” to reach out to and/or act as role models for their peers. For instance, the Slovenian project *Guarantee on the move (Jamstvo na poti)*, co-funded by the EU Programme for Employment and Social Innovation (EaSI), trained young people as local ambassadors. Their task was to (co-)organise local activities to reach out to young people and inform them about the possibilities that the Youth Guarantee offers.

<sup>98</sup> This refers both to youth-friendly language in any awareness raising and communication, but also to foreign languages when dealing with young people with a migrant background who do not have developed sufficient language skills in their country of residence.

<sup>99</sup> For instance, young people with disabilities can be informed about the rights, possibilities and obligations set out in EU anti-discrimination law and the 2019 [European Accessibility Act](#), including the provisions for reasonable accommodation and positive action.

individualised, holistic approaches that can cover a wide range of services depending on a young person's situation. Most importantly, action plans comprise counselling, guidance and mentoring (including referrals to wider partners) and additional upskilling where relevant.

The four-month preparatory phase is of vital importance for both longer-term NEETs, who are disproportionately likely to belong to vulnerable groups, and temporary NEETs, who might – for instance – have been laid off during the economic recession or struggling to enter the labour market because of it, without inherent disadvantages holding them back. However, while the latter group may suffice with career advice, entrepreneurship support or a one-day boot camp, the former requires more comprehensive and intensive one-to-one support or advocacy.

#### 4.3.1. Using profiling tools to tailor individualised action plans<sup>100</sup>

Profiling aims to help counsellors ensure the right mix of support measures is given to NEETs in the most efficient way. Sophisticated profiling and screening tools have been applied by public employment services (PES) in their work with jobseekers across the EU for several years. Some profiling systems have become well developed and diverse, including the use of quantitative diagnostic tools (based on key socioeconomic characteristics such as age, sex, education background) or qualitative diagnostic tools (structured interviews, capability tests), to identify the individual's needs, risks and their future pathways.

In the context of Youth Guarantee implementation, profiling consists of systematically recording and analysing the characteristics of young individuals with a view to understanding their needs and providing them with relevant and tailored support. The holistic, personalised profiling approach leads to individualised pathways in the form of action plans and activation measures for young people.

For temporary NEETs, the development of individualised action plans is in some instances as straightforward as finding a match for supply and demand. They may be profiled as "low risk" with much of the challenge limited to finding the most appropriate placement. The skills intelligence gathered during the mapping phase (Section 4.1.1) is of particular relevance here. Nevertheless, effective individualised action plans include, even for temporary NEETs, the intention to provide up-to-date career advice and entrepreneurship support (Section 4.3.2), and a skills (self-)assessment followed by short preparatory training sessions where necessary (Sections 4.3.3 and 4.3.4).

For longer-term NEETs, the goal is not only to support them back into training or work, but also to get them back on track in various other ways. Successful schemes are very much centred on listening and responding to the individual needs of the young person. Young people in vulnerable situations often have personal challenges that could affect their engagement (e.g. being homeless, having a disability, having childcare responsibilities or belonging to discriminated ethnic minorities).

These challenges need to be addressed before proceeding with any work on improving their skills or thinking about getting a job<sup>101</sup>. Another way to ensure the young person is not overwhelmed and thus deterred by the profiling process, is to apply profiling in a "light touch", less formal way to avoid discouraging youth in vulnerable situations further and to promote easy and supportive ways of working<sup>102</sup>.

Profiling should be gender-sensitive and delivered by specifically trained or specialist staff with experience of addressing the challenges facing young people. Staff involved in profiling should receive training on how to use profiling tools (from the perspective of users as well as practitioners), how to guide users through the profiling process, how to explain and illustrate the

<sup>100</sup> This section draws upon the 2018 study "*Activation measures for young people in vulnerable situations: Experience from the ground*", prepared for the Commission by ICF. The study features numerous good practice examples from the Member States.

<sup>101</sup> For young people belonging to vulnerable groups, it is important that profiling focuses on their whole range of abilities and potential. For young people who have struggled at school, such abilities and potential may not be immediately evident by looking at formal qualifications. Holistic profiling means assessing skills (Sections 4.3.3 and 4.3.4), as well as capturing soft skills, achievements and abilities that are not be immediately visible, even to the young people themselves.

<sup>102</sup> Moreover, in this context there is a need to avoid multiple profiling tools used by the different partners involved in the implementation of the Youth Guarantee. See Section 4.5.1.



results of the exercise to clients, the added value of profiling and the implications for the work of practitioners. In addition, adequate capacities should be ensured to be able to deliver a truly individualised and holistic support.

### **Ideas for a reinforced Youth Guarantee**

Improve profiling and screening tools and practices to match needs and responses, by adopting a multivariate, gender-sensitive approach to profiling and screening that takes into account a young person's preferences and motivation, barriers and disadvantages, including reasons for being unemployed or inactive.

Ensure that Youth Guarantee providers have adequate staff capacity, with specifically trained staff to operate and improve profiling and screening tools, and to develop individualised action plans that take into account person-centred needs and responses.

### **4.3.2. Performing counselling, guidance and mentoring<sup>103</sup>**

For temporary NEETs, counselling, guidance and mentoring is particularly important given the new economic recession and the changing nature of work and skills, with increasing labour market volatility and more job-to-job transitions (see Section 2.4). Career advice – and indeed career management skills (see Section 4.3.4) – are vital given the increasing prevalence of non-standard work, less stable employment situations, increasingly precarious school-to-work transitions and growing path dependence. Yet according to a recent study, around 67% of young people claimed not to have received any or sufficient career advice during or after education<sup>104</sup>.

Moreover, for these temporary NEETs without an inherent disadvantage holding them back, counselling, guidance and mentoring comprises entrepreneurship support (Section 4.4.1). This means raising awareness of the possible chances and perspectives connected with self-employment, including through closer cooperation between employment services, business/start-up support services and (micro)finance providers. Indeed, bundling complementary support together appears to be more effective at developing sustainable businesses<sup>105</sup>.

For longer-term NEETs, career advice and entrepreneurship support are no less relevant. However, more intense counselling, guidance and mentoring, delivered by dedicated and specifically trained professionals, is often required, helping them overcome certain barriers and making sure that disadvantages do not become further entrenched. A trusting relationship between young people and advisors is of course key to engage at-risk youth. Providing the right intensity and amount of support is important for those who are facing more complex needs.

This provision for longer-term NEETs – such as young people with a migrant background, young people from marginalised or discriminated ethnic minority groups or young people with a disability – also includes advocacy and making sure disadvantaged young people understand not only their potential but also their rights. Such a focus also includes an explicit gender perspective, addressing gender stereotyping in educational and career choices, and encouraging young women and men to consider a wider choice of education paths and occupations.

Young people from vulnerable groups might require a considerable amount of *one-to-one support* from Youth Guarantee providers<sup>106</sup>. This means that often organisations working with more

<sup>103</sup> This section draws upon the 2018 study "*Activation measures for young people in vulnerable situations: Experience from the ground*", prepared for the European Commission by ICF. The study features numerous good practice examples from the Member States.

<sup>104</sup> European Youth Forum (2019) *Policy paper: The future of work*.

<sup>105</sup> For more information, see the [2020 joint OECD/Commission policy brief](#) on recent developments in youth entrepreneurship.

<sup>106</sup> A case worker, often a social worker by background, plays an active role, building a relationship with a young person. As the young person moves closer to the labour market, the case worker might need to change his/her approach, moving from a youth work approach that focuses on emotional/personal and social development, to placing more emphasis on getting the person job-ready and providing career guidance. Young people can face multiple disadvantages that are long-term, complex and dynamic – holistic approaches are important in that context, but stability of contact is also essential.



vulnerable groups need to dedicate higher than planned levels of staff time and other resources (e.g. motivational work, organising transport, providing incentives). This is often deemed essential to making sure participants attend activities and job interviews, and to follow up in cases of no-shows<sup>107</sup>.

#### Box 12. Co-design and co-production.

The involvement of young people in co-designing and co-delivering the services can have a positive effect in reaching out to and engaging a high number of “hidden” youth and in ensuring better and wider feedback on the services provided, thereby better tailoring provision. For example, the *Equity, Participation and Decision-making Laboratories (EP-DeM Labs)* project, co-funded by Erasmus+, worked with disadvantaged young people aged 16-24 to co-develop and co-deliver projects and measures to improve their level of education and employability.

The project was delivered in four European cities from 2016 to 2017. In Dublin, the project labs facilitated conversations between young people (about education, training and employment; allowing them to express their views about the options available to them and the changes they would like to see), between policymakers and practitioners (to facilitate an inter-agency exchange of experiences and learning), and between young people and the agencies. Youth workers played an important role in the project, in recruiting young people, supporting them in between the sessions and contributing to the facilitation.

The ultimate goal of the *EP-DeM Labs* project was to enable young people to have an influence on future youth training, education and employment initiatives. As a result of the project, a city action plan was developed for each of the four cities involved.

Source: European Commission (2018), *Activation measures for young people in vulnerable situations: Experience from the ground*.

Experience on the ground also highlights the value of peer support and working in groups in which members share the same experiences. This strengthens the participants’ identity as they can see their individual experience within a wider perspective, as well as learn from other people in similar situations. Similarly, empowering young people to make informed choices and to take charge of their own future is often key to ensuring sustainable engagement. Co-creation of services has a positive effect in terms of reaching and engaging young people and in ensuring better tailored provision (see Box 12)<sup>108</sup>.

In terms of crosscutting enablers, this guidance, counselling and mentoring comprises referrals to relevant partners (Section 4.5.1)<sup>109</sup>. Such partners comprise not only the employment and education actors that may eventually be involved in the Youth Guarantee offer, but also those active in crash courses and boot camps for additional upskilling (Sections 4.3.3 and 4.3.4). Finally, referrals are also relevant to partners who can help longer-term NEETs get back on track in various other ways, reaching out to social services such as childcare, healthcare, social housing, or accessibility services. Such additional support benefits the preparatory phase of the Youth Guarantee.

#### Ideas for a reinforced Youth Guarantee

Step up the preparatory phase with person-centred counselling, guidance and mentoring by trained advisors that responds to the needs of the individual concerned and pays due attention to gender bias and other forms of discrimination. Prepare NEETs for the changing nature of work, be it through career advice or entrepreneurship support, while adopting one-to-one support, motivational work, advocacy and/or peer support for longer-term NEETs.

Allow for a more holistic approach to counselling, guidance and mentoring by referring young people to partners (e.g. education and training institutions, social partners, youth organisations, as well as supporting youth work and social services), who can help them overcome other barriers to employment.

<sup>107</sup> With a [2015 report](#), an EU expert group on the contribution of youth work encouraged Youth Guarantee providers to build on the cooperation with youth work services that can reach and empower diverse young people, including NEETs, and which can be a partner in facilitating a stable integration into the labour market.

<sup>108</sup> See also European Network of Public Employment Services (2019), *Co-creation of services*.

<sup>109</sup> In fact, partners such as the education sector often have their own frameworks for counselling, guidance and mentoring in place. Rather than duplicating services, a more integrated approach is advisable (Section 4.5.1).

### 4.3.3. Enhancing digital skills with preparatory training

Acknowledging the changes to the world of work (Section 2.4), the digital revolution is causing significant changes across the EU and has become a key factor running through EU policies. Some jobs are at risk of being lost to algorithms. Others are being transformed and new ones are being created, leading to significant demand for digital skills and growing numbers of vacancies before the onset of the COVID-19 induced economic downturn. With the medium-term recovery accelerating the digital transition, the digital skills gap is likely to become even more poignant.

Digital skills can be defined as “the confident, critical and responsible use of, and engagement with, digital technologies for learning, at work, and for participation in society”<sup>110</sup>. They include information and data literacy, communication and collaboration, media literacy, digital content creation (including programming), safety (including digital well-being and competences related to cybersecurity), intellectual property related questions, problem solving and critical thinking.

The European Digital Competence Framework (DigComp) is a reference framework to explain citizens what it means to be digitally competent. The framework seeks to support confident, critical and responsible use of digital technology<sup>111</sup>. It offers a comprehensive description of the knowledge, skills and attitudes that people need in 21 competences across five key areas (Table 3). These competences are mapped across eight proficiency levels, from the most basic to advanced levels.

There are good practice examples of DigComp being used across the EU in the domains of education and training, lifelong learning and employment<sup>112</sup>. As for the latter, DigComp is used to upskill people and enhance their employability (by stakeholders, universities, SMEs, certification services, employment services and private training providers). *All Digital* has developed the Digital Competence Development System, a modular digital skills assessment and training system aligned to DigComp, designed to improve adults’ basic digital skills but with wider application possible.

**Table 3. The European Digital Competence Framework (DigComp).**

FIVE KEY AREAS	21 COMPETENCES
<b>1. Information and data literacy</b>	1.1 Browsing, searching and filtering data, information and digital content 1.2 Evaluating data, information and digital content 1.3 Managing data, information and digital content
<b>2. Communication and collaboration</b>	2.1 Interacting through digital technologies 2.2 Sharing through digital technologies 2.3 Engaging in citizenship through digital technologies 2.4 Collaborating through digital technologies 2.5 Netiquette 2.6 Managing digital identity
<b>3. Digital content creation</b>	3.1 Developing digital content 3.2 Integrating and re-elaborating digital content 3.3 Copyright and licences 3.4 Programming
<b>4. Safety</b>	4.1 Protecting devices 4.2 Protecting personal data and privacy 4.3 Protecting health and well-being 4.4 Protecting the environment
<b>5. Problem solving</b>	5.1 Solving technical problems 5.2 Identifying needs and technological responses 5.3 Creatively using digital technologies 5.4 Identifying digital competence gaps

Source: European Commission (2018), *DigComp into Action: A user guide to the European Digital Competence Framework*.

DigComp also underpins the Digital Economy and Society Index (DESI) that was used in Section 2.4 to illustrate how 44% of the EU population lacks even a very basic level of digital skills. The share is considerably lower among the younger age cohorts. Still, more than one in five 16 to 29

<sup>110</sup> See the May 2018 Council Recommendation on key competences for lifelong learning (2018/C 189/01).

<sup>111</sup> The more recent European Digital Competence Framework for Educators (DigCompEdu) specifically offers trainers and educators guidance in developing digital competence models.

<sup>112</sup> See European Commission (2018), *DigComp into Action: A user guide to the European Digital Competence Framework*.

year-olds fails to reach a basic level of digital skills across the EU. This figure is around 1 in 2 for Romania and Bulgaria<sup>113</sup>.

Importantly, the Commission is developing a digital skills self-assessment tool for people to reflect on and understand their digital skills, in a variety of areas, and receive suggestions of learning opportunities to develop their skills. The tool will be developed based on DigComp and it will enable users to self-assess their knowledge and skills, through practical questions and interactive exercises. Conceptual work on the tool has just begun and the eventual tool will be available on the [Europass platform](#).

#### *Preparatory training as part of a reinforced Youth Guarantee*

For young people themselves it is particularly vital to be adaptable and to continuously update their skills, with labour supply outgrowing demand in times of economic recession, certain sectors growing while others decline and the world of work and skills still changing. Youth Guarantee providers increasingly use skills assessments and tools for skills validation and recognition as part of their broader profiling and screening. Once the skills profile of the individual is established, skills gaps can be addressed and suitable upskilling planned.

This follows the logic of *Upskilling Pathways*, part of the Commission's [2016 Skills Agenda](#) and corresponding [2016 Council Recommendation](#)<sup>114</sup>. The Upskilling Pathways initiative can be seen as complementary to a reinforced Youth Guarantee, with potential to cross-fertilise many of the measures offering targeted and tailored pathways both within and outside formal education<sup>115</sup>. For instance, similar methods and structures are used for outreach, activation and the provision of training offers<sup>116</sup>.

Preparatory training, geared towards digital skills and the other important skill domains in Section 4.3.4, is one of the key activation policies in a reinforced Youth Guarantee for all unemployed and inactive young people, whether temporary or longer-term NEET. Such hands-on training can be a stepping stone towards a full vocational training course, a taster of the world of work, or simply a supplement to existing education or work experience. Preparatory training can provide a possibility to get activated and inspired, in the real world, for example through crash courses, workshops or boot camps.

The short-term, informal nature of preparatory training distinguishes it from the eventual Youth Guarantee offer. The preparatory training does not prolong the four-month preparatory phase. It can be offered as smaller, bite-sized modules, acknowledging the fact that commencing a long training course can be an unrealistic or unsuitable option for many young people. Success in this preparatory training can inspire and motivate the individual to take up a Youth Guarantee offer without the immediate need for obtaining a full certification or qualification<sup>117</sup>. Instead, micro-

<sup>113</sup> On average across the EU, 16 to 29 year-olds with low formal education are 3.5 times likelier to underachieve in digital skills than their higher educated counterparts. The difference between the low and high educated is particularly striking in Bulgaria (44 percentage points), Hungary (36 percentage points), Malta (36 percentage points), Italy (35 percentage points), Belgium (32 percentage points) and Luxembourg (30 percentage points). See Section 2.4.

<sup>114</sup> *Upskilling Pathways* was introduced to offer learning opportunities to adults who have at best completed lower secondary education or equivalent. It is based on the concept of an easily accessible pathway comprising three steps: (1) assessing skills to identify existing ones and upskilling needs; (2) tailored learning offer based on skills assessment; and (3) validation and recognition of pre-existing or newly acquired skills. A 2019 [Implementation report on Upskilling Pathways](#) took stock of Member States' progress, showing ambitious agendas but a need to significantly step up efforts at national level to increase the scale of measures and impact. The findings were taken up in [Council Conclusions](#).

<sup>115</sup> Member States' measures for implementing *Upskilling Pathways* show that young adults, in particular NEETs and early leavers from education and training, are a priority group for many countries.

<sup>116</sup> In some countries, the same *Upskilling Pathways*' measures target both low-skilled adults and NEETs (e.g. the Skills Investment Plan in France). The Hungarian Open Learning Centres and the Irish Community Education services are reaching out to young people and adults alike, offering them a low threshold entry to learning. Similarly, Local Knowledge and Education Centres (LOWE) in Poland facilitate access to learning opportunities in rural or industrial areas.

<sup>117</sup> This is especially critical as research has shown a high proportion of young people may not respond well to a traditional training offer of longer duration. See the 2018 study ["Activation measures for young people in vulnerable situations: Experience from the ground"](#), prepared for the Commission by ICF.

credentials can be used to recognise and validate preparatory training of short duration (Box 13)<sup>118</sup>.

#### Box 13. A European framework on micro-credentials.

Micro-credentials can be defined as documented statements that acknowledge a person's learning outcomes related to small volumes of learning through e.g. a certificate, badge or endorsement (issued in a digital or paper format). Micro-credentials make learning paths more flexible. They help people with upskilling and reskilling, ultimately supporting their employability and professional transitions both within and across borders. Short courses allow people to learn a specific skill, quickly develop specialist skills in high demand on the labour market, or quickly master new technologies. Micro-credentials make these skills visible. Micro-credentials should also be cumulative, helping people to progress to a full higher education or VET qualification.

The Commission is currently looking into the possibilities for setting European standards to support the quality, transparency and portability of micro-credentials across the EU and among different types of education and training providers (e.g. universities, VET providers, social partners). This would encourage the use of flexible quality-assured courses and modules, the inclusion of micro-credentials in qualifications frameworks, and their integration in the provision of guidance and validation services.

Preparatory training under the Youth Guarantee needs to offer tasters of professions and jobs that are in demand in local labour markets and are likely to be so in the future. Otherwise, young people may think of future careers with few labour market prospects, which can be even further discouraging. This is particularly relevant in a context where, as stressed in the beginning of this section, labour supply outgrows demand, certain sectors grow while others decline and the world of work and skills keeps changing.

Practically speaking, as part of the Youth Guarantee's preparatory phase, service providers, working together with partners, can assess young NEETs' levels of basic digital skills and subsequently direct them towards hands-on courses and boot camps of short duration, should the skills assessment indicate that additional upskilling is needed. The reinforced Youth Guarantee's preparatory training in the domain of digital skills can rely on the example of many such practices already existing across the EU, with some of them mentioned in Box 14.

#### Box 14. Practical examples of preparatory training in the domain of digital skills.

In Germany, *ReDI School of Digital Integration* is a non-profit digital school for tech-interested locals and newcomers in Germany, offering trainings in English and German<sup>119</sup>. The school has the aim to offer students valuable digital skills and a strong network of tech leaders, students and alumni to help create new opportunities for all. The organisation offers IT and programming courses, workshops, company visits as well as hackathons, primarily to migrants, refugees and asylum seekers. Special courses are dedicated to women that have little background in IT.

In Ireland, *FIT4Jobs* was a pilot project based on the successful *FIT Ltd.* model of upskilling job seekers and connecting them to employers. The project aimed to recreate the model together with partner organisations from six EU countries. As a result of the project, 264 job seekers in partner countries were offered a free training of 180 hours covering a three month period. Out of the trainees, 165 were placed in employment. Over 200 employers were engaged in the project and contributed to the development of training curricula, offered internship and permanent employment to the trainees.

In Italy, close cooperation between public and private partners (the Italian Chambers of Commerce and Google) in the project *Crescere in Digitale* (implemented under the national Youth Employment Initiative) allows businesses in the digital economy to be supported through training and traineeships for young people. The programme offers 50 hours of free online training to young people who are registered under the Youth Guarantee, an online test where graduates are selected for a traineeship, local job matching to match graduates with SMEs and a six-month paid traineeship for each selected young person.

In Luxembourg, the project *Start & Code* provides basic training for young jobseekers and allows access to further intensive training measures such as *Fit4Coding*. All jobseekers registered with the Luxembourgish PES have free access to the digital learning platform "Open Classrooms", which offers online training in the field of ICT and management.

In terms of crosscutting enablers, preparatory training requires, for multiple reasons, a closer collaboration between different education and labour market actors, strengthening partnerships and integrated service delivery (see Section 4.5.1). For instance, existing validation arrangements embedded in education and training systems need to be used systematically to the extent possible

<sup>118</sup> Several countries already provide job-specific training to help acquire, upgrade or update skills, which can eventually lead to further training or activation. Some examples are mentioned in this section and can be used to inspire the Reinforced Youth Guarantee's preparatory training.

<sup>119</sup> See European Commission (2019), *Skills for Industry: Skills for Smart Industrial Specialisation and Digital Transformation*.

and relevant for the preparatory training of short duration, while employers need to be involved in any adjustment of training programmes to ensure their continued relevance to the world of work in times of economic recession.

### **Ideas for a reinforced Youth Guarantee**

Assess the digital skills of all NEETs who register in the Youth Guarantee by using the European Digital Competence Framework (DigComp) and the available (self)assessment tools, ensuring that, on the basis of gaps identified, all young people are offered a dedicated preparatory training to enhance their digital skills.

Safeguard the validation and recognition of (non-formal, informal) learning outcomes from the preparatory training by using validation arrangements embedded in education and training systems, existing tools such as Europass, as well as micro-credentials to enable a more modular approach to accumulating learning outcomes.

### **4.3.4. Assessing, improving and validating other important skills**

A plethora of skills is important for all EU citizens<sup>120</sup>, and yet a few of them deserve extra attention when looking at the employability of young people during the economic downturn caused by the COVID-19 pandemic. This report zooms in on the objective to enhance not only digital skills, but also (1) green skills; (2) entrepreneurial skills; and (3) career management skills. While this objective should be shared across all forms of learning<sup>121</sup>, here the focus is in particular on the preparatory training in the context of a reinforced Youth Guarantee.

#### *Green skills*<sup>122</sup>

The [2019 Commission Communication](#) on the European Green Deal reset the Commission's commitment to tackling climate and environmental-related challenges. It is a new growth strategy that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy. Renewable energy alone may have the potential to drive much of the economic recovery from COVID-19 by spurring GDP gains across the EU. However, the transition must be just and inclusive, paying attention to the regions, industries and individuals who will face the greatest challenges.

The meaning of “green jobs” can be understood in two ways: (1) employment that contributes to producing an environmentally sustainable output, or (2) employment that contributes to making the production process more environmentally friendly. Jobs in organic agriculture, waste recycling or green buildings are examples of the first category of green jobs. Workers involved in cleaner production processes in industry or contributing to lowering water and electricity consumption in hotels are examples of the second category<sup>123</sup>.

The greening of the economy is shaping skill requirements in multiple ways. While industry-level restructuring reduces demand for some occupations and skill profiles, it increases demand for others. Access to training is vital to enable young people to seize the opportunities stemming from

<sup>120</sup> The Commission works with Member States to support and reinforce the development of key competences for all, from an early age and throughout life. In 2018, the Council adopted a [Recommendation on Key Competences for Lifelong Learning](#) based on a Commission proposal. The Recommendation identifies the key competences needed for personal fulfilment, a healthy and sustainable lifestyle, active citizenship, social inclusion and employability.

<sup>121</sup> The objective to enhance such skills applies as much to formal education and training systems as it does to bridging programmes, second chance programmes and any other infrastructures for lifelong learning. Underlying this objective is the need for all formal, informal and non-formal education and training to be aware of the new economic recession, growing and declining sectors, and the changing world of work and skills, embracing the uncertainties that come with these trends.

<sup>122</sup> Following the [EQAVET](#) definition, “green skills” are needed to live in, develop and support a society that aims to reduce the negative impact of human activity on the environment. Generic green skills help develop awareness-raising or implementation of resource-efficient activities; specific green skills are required to implement standards and processes to protect ecosystems and biodiversity, and to reduce energy, materials and water consumption; highly-specialised green skills are required to develop and implement green technologies.

<sup>123</sup> ILO (2019), [Promoting green jobs for youth through national employment policies and programmes](#).



the growing green economy. But the most widespread source of change in skill requirements comes from the process of greening existing jobs<sup>124</sup>, which will require topping up current skill sets with green skills.

The Commission is working on a European competence framework to help develop and assess knowledge, skills and attitudes on climate change and sustainable development. The framework should help individuals assess their skills related to the seven dimensions in the European Green Deal, namely, clean energy, sustainable production including circular economy, building and renovating, sustainable mobility, biodiversity, sustainable food systems and pollution. It will also provide support materials and facilitate the exchange of good practices in EU networks of teacher-training programmes.

Applied to the context of the Youth Guarantee, young people should be helped to acquire the skills they need to transition to growing carbon-neutral sectors and adapt to new processes. Schools, training institutions and universities are well placed to engage with pupils, parents, and the wider community on the changes needed for a successful transition. However, during the Youth Guarantee's preparatory phase, additional re-skilling and upskilling may be necessary to reap the benefits of the green transition, especially in rural and remote areas<sup>125</sup>. Finally, Youth Guarantee providers have an important role to play when it comes to career advice, job search assistance and providing various incentives geared towards green and sustainable jobs.

### *Entrepreneurial skills*

Entrepreneurship is an individual's ability to turn ideas into action. It includes creativity, innovation, risk taking, ability to plan and manage projects in order to achieve objectives. The recent evaluation of youth employment focused operations supported by the European Social Fund (ESF) and Youth Employment Initiative (YEI) found that, although it only accounts for a small amount (3-7%) of ESF/YEI youth employment resources, support to entrepreneurship has one of the highest employment results (Section 3.1.3).

During times of economic recession and increasingly volatile school-to-work and job-to-job transitions, young people should be made aware of the opportunities entrepreneurship might be able to provide them. This applies as much to temporary NEETs as it does to longer-term NEETs, even if vulnerable groups might require more comprehensive support. Young people in general, and young women and those with a migrant background in particular, are underrepresented in entrepreneurship activities and less likely to believe they have sufficient skills to start a business<sup>126</sup>.

The European Entrepreneurship Competence Framework (EntreComp) is a reference framework to explain what is meant by an entrepreneurial mind-set. EntreComp offers a comprehensive description of the knowledge, skills and attitudes that people need to be entrepreneurial and create financial, cultural or social value for others<sup>127</sup>. It is a free, flexible reference framework that can be adapted to support development and understanding of entrepreneurial competence in any setting.

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<sup>124</sup> ILO (2017), *A just transition to a sustainable future: Next steps for Europe*.

<sup>125</sup> With rural development playing an important role in achieving the EU's environmental objectives and combating climate change, rural areas could benefit from new employment opportunities, for instance linked to carbon storage, through farming and forestry or in the circular and bio-economy. Also, the "Renovation wave" initiative for the building sector, which aims to improve the energy efficiency of buildings, is expected to create jobs for local SMEs and has the potential to boost youth employment in some of the poorest EU regions. All of this opens up new avenues for actively engaging young people, for instance, in local development plans or upcoming Just Transition Plans. As for the latter, the Commission is currently preparing a toolkit for the successful involvement of youth in the implementation of the Just Transition Fund that will support Just Transition Plans.

<sup>126</sup> Only 4.7% of young people were actively trying to start a business between 2014 and 2018 in the EU. Young women totalled only 60% of the male likelihood to be self-employed in the EU. Also, business survival rates for young entrepreneurs tended to be low and few created jobs for others. Digital entrepreneurship may be more inclusive, with the advantage of low start-up costs and access to wider markets via the internet. However, in the EU, young people – and especially young women – are underrepresented due to several factors, including lack of role models and lack of digital skills. See the 2019 joint OECD–Commission report *The Missing Entrepreneurs 2019: Policies for Inclusive Entrepreneurship*.

<sup>127</sup> EntreComp embraces a broad definition of entrepreneurship that goes well beyond new venture creation to define what makes citizens capable of acting upon ideas and opportunities and turn them into value for themselves and others (value that can be economic, cultural or social).



EntreComp is a framework of three key areas with a total of 15 entrepreneurship competences (Table 4), broken down further into threads that describe what the particular competence really means in practical terms. These are clearly defined through learning outcomes – what a learner knows, understands and can do. The learning outcomes are mapped across eight different levels of progression, from beginner to expert<sup>128</sup>.

**Table 4. The European Entrepreneurship Competence Framework (EntreComp).**

THREE KEY AREAS	15 COMPETENCES
<b>1. Ideas &amp; opportunities</b>	1.1 Spotting opportunities 1.2 Creativity 1.3 Vision 1.4 Valuing ideas 1.5 Ethical and sustainable thinking
<b>2. Resources</b>	2.1 Self-awareness & self-efficacy 2.2 Motivation & perseverance 2.3 Mobilising resources 2.4 Financial & economic literacy 2.5 Mobilising others
<b>3. Into action</b>	3.1 Taking the initiative 3.2 Planning & management 3.3 Coping with uncertainty, ambiguity & risk 3.4 Working with others 3.5 Learning through experience

Source: European Commission (2018), *EntreComp into Action: A user guide to the European Entrepreneurship Competence Framework*.

Enhancing entrepreneurial skills and confidence as part of the Youth Guarantee's preparatory phase requires close cooperation with employers, in order to gain both the role models and the access to networks such as business angels, incubators and accelerators<sup>129</sup>. This should go hand-in-hand with counselling, guidance and mentoring (Section 4.3.2) to make young people aware of the available start-up support services, the opportunities that self-employment could bring them, and the existence of business support, (micro)finance providers and crowdfunding platforms (Section 4.4.1). Indeed, building partnerships with other (local) players to promote self-employment and business start-ups of young people is crucial.

Finally, social entrepreneurship<sup>130</sup> is gaining momentum and has particular potential in increasing attractiveness of entrepreneurial career paths among young people<sup>131</sup>. Some evidence suggests that young people are more prone to consider entrepreneurship if it is linked to positive social outcomes<sup>132</sup>. In order to expose young people to the sector, social enterprises could be better promoted by both education and training systems and Youth Guarantee providers. Doing so would enable young people to make informed choices about entering the sector, both as a career option and a business opportunity.

### Career management skills

It is not always specific skills that are needed but rather the ability of young people to adapt and reskill so as to deal with the consequences of the economic recession, be capable of moving from declining to growing sectors, and shield themselves for an increasingly volatile labour market<sup>133</sup>.

<sup>128</sup> Such a fine-grained progression model has been designed to support any actor in the lifelong learning panorama with a series of landmarks that help them design education and training interventions in the formal or non-formal or informal learning sector.

<sup>129</sup> Preparatory training in the domain of entrepreneurial skills requires targeted initiatives for young women, given that they are less likely to engage in entrepreneurship than young men. Targeted measures should tackle the specific barriers faced by young women who wish to start a business. Young women might need additional support in accessing (micro)credits and building business networks, entrepreneurship counselling and ICT skills for business management.

<sup>130</sup> Cooperatives and social enterprises are recognised for their resilience to cyclical and structural economic changes and their capacity to contribute to local and regional economic development, including social inclusion. They generate job opportunities in local communities but also lead to upskilling, thereby building up persons' employability in mainstream businesses or social services. This is especially valuable in the case of those furthest away from the labour market.

<sup>131</sup> See the [2015 GEM special topic report on social entrepreneurship](#).

<sup>132</sup> However, social enterprises face specific challenges linked to their business model being aimed at positive social impact in addition to economic outcomes. This needs to be taken into account in related policies and programmes.

<sup>133</sup> See European Commission (2019), [10 trends shaping the future of work in Europe](#).

This is all the more true in the digital economy, where firms are increasingly looking to develop flexible, diverse and versatile talent bases to allow for maximum creativity. In this context, Youth Guarantee providers need to upskill young people urgently, concentrating on essential horizontal skills for an increasingly volatile, digital age, which include not just digital skills themselves and softer ones such as entrepreneurship, but also adaptability.

Concretely, as more frequent job transitions are likely to become the norm, and labour supply outgrows demand, career management skills, adjusted to the reality of an economic recession and a changing nature of work, are indispensable. Such skills comprise career preparedness or work readiness; the resilience to enter an uncertain labour market and deal with foreseen and unforeseen challenges<sup>134</sup>. Put simply, the era of a job for life is now gone and the ability to learn and adapt is a skill that will become increasingly essential.

Cedefop's online vacancy analysis tool ([Skills-OVATE](#)) presents information retrieved from millions of online job vacancies, using big data and machine learning techniques. Bringing together thousands of sources, including private job portals, public employment service portals, recruitment agencies, online newspapers and employer websites, the most requested skill proves to be "adapting to change" (Figure 21).

**Figure 21. Word cloud illustrating share of vacancies where specific skills are mentioned.**



Source: Cedefop Skills-OVATE. Data accessed January 2020.

Career management skills, perhaps more so than any other skills domain discussed in this section, are inherently linked to the counselling, guidance and mentoring provided as part of the Youth Guarantee's preparatory phase. As mentioned in Section 4.3.2, career advice, though vital given the economic recession and the changing nature of work, cannot be expected to have been provided to young people sufficiently during or after education<sup>135</sup>.

Also linking career management skills explicitly with counselling, guidance and mentoring, the Inter-Agency Working Group on work-based learning<sup>136</sup> produced a succinct [leaflet](#) with useful information on career guidance. The leaflet provides an overview of tools such as Cedefop's [CareersNet](#) and other [resources for guidance](#), as well as the [Euroguidance](#) network supported by Erasmus+. Moreover, inspiration can be drawn from examples of training in the domain of both career management and entrepreneurial skills stemming from the Member States and the Commission (Box 15).

<sup>134</sup> There is some overlap between work readiness and entrepreneurial skills. [JA Europe](#), for instance, focuses on both entrepreneurship and work readiness (in addition to financial literacy).

<sup>135</sup> European Youth Forum (2019) [Policy paper: The future of work](#).

<sup>136</sup> The Inter-Agency Working Group on work-based learning (WBL) was set up in 2015 with the aim of (1) sharing and discussing WBL-related activities respectively conducted by its members; (2) identifying emerging trends and further areas for knowledge creation, monitoring and advocacy about WBL; and (3) developing joint products/tools to enhance cooperation in the field of WBL. Members of the Working Group include the Commission, Cedefop, ETF, OECD, ILO and UNESCO. The Working Group is a subgroup of the Inter-Agency Group on Technical and Vocational Education and Training.

**Box 15. Practical examples of preparatory training in the domain of career management and entrepreneurial skills.**

In Finland, a pilot on *New Forms of Work and Entrepreneurship* aimed to address labour market needs that emerged from a study that emphasised new forms of self-employment and the changing nature of the labour market. Information on short-term working/self-employment possibilities for jobseekers was placed on a digital jobs market platform. This jobs market platform was developed to serve as a one-stop service through which jobseekers and employers could find all services they needed, including information on what happens to unemployment benefits when a jobseeker takes on this type of work. By collaborating with other stakeholders, the Finnish public employment service (PES) managed to launch an innovative project to approach new forms of employment.

In Spain, *Generation* has implemented ESF funded programmes. Generation is a global youth employment non-profit program, founded by McKinsey & Company, which empowers unemployed young people to obtain career-launching jobs and works closely with employers to provide them talent that meets their needs. Generation’s approach has seven components that address each obstacle in the employment value chain. Boot camp style trainings last 4-12 weeks and integrate technical, behavioural and mind-set skills through experiential learning. In addition, Generation provides social support services, mentoring both during and after the programme to ensure a successful transition to the workplace, and direct connection to employers.

The Commission is fostering the use of the EntreComp through the Executive Agency for Small and Medium Enterprises, which is currently managing four projects through service contracts and grants to support the mainstreaming of EntreComp across sectors, bringing together a variety of players from academia, industry, the public sector and civil society. It is also specifically supporting young people in developing the competences framed by EntreComp through the Youth@work Strategic Partnership of Erasmus+ National Agencies on Youth Employability and Entrepreneurship. In addition, the Commission is currently developing a new facilitation kit for the non-formal learning sector, which will provide educators and youth workers with principles, methods and tools to embed entrepreneurial learning in their activities.

Finally, the key competence that underpins all other key competences described in the [2018 Council Recommendation](#) is referred to as “personal, social, and learning to learn”. This includes adaptability, the ability to reflect upon oneself, effectively manage time and information, work with others in a constructive way, remain resilient and manage one’s own learning and career. It also includes the ability to cope with uncertainty and complexity, to maintain physical and mental health as well as transversal cognitive skills like critical thinking. Similar to EntreComp and DigComp, the European Commission is completing its work on a conceptual framework for the “personal, social and learning to learn” key competence for education systems, students and learners at large.

The [European Framework for Personal, Social and Learning to Learn key competence \(LifeComp\)](#) aims to establish a shared understanding and a common language on competences for personal and social development and the ability of learning how to learn throughout life. LifeComp is made up of three intertwined competence areas: ‘Personal’, ‘Social’ and ‘Learning to Learn’ (Table 5). The framework seeks to support citizens and educators in the reflection on and the acquisition of skills needed to cope with the challenges of the 21<sup>st</sup> century, rendered all the more crucial in the COVID-19 crisis. As such, LifeComp deals with some of the preconditions for career management skills in today’s volatile, unpredictable world of work.

**Table 5. The European Framework for Personal, Social and Learning to Learn key competence (LifeComp).**

THREE KEY AREAS	9 COMPETENCES
<b>Personal</b>	P1 Self-Regulation: Awareness and management of emotions, thoughts and behaviour P2 Flexibility: Ability to manage transitions and uncertainty and to face challenges P3 Wellbeing: Pursuit of life satisfaction, care of physical, mental and social health, and adoption of a sustainable lifestyle
<b>Social</b>	S1 Empathy: The understanding of another person’s emotions, experiences and values, and the provision of appropriate responses S2. Communication: Use of relevant communication strategies, domain-specific codes and tools depending on the context and the content S3. Collaboration: Engagement in group activity and teamwork acknowledging and respecting others
<b>Learning to learn</b>	L1. Growth mind-set: Belief in one’s and others’ potential to continuously learn and progress L2. Critical thinking: Assessment of information and arguments to support reasoned conclusions and develop innovative solutions L3. Managing learning: The planning, organisation, monitoring of and reviewing one’s own learning

Source: European Commission (2020), *LifeComp: The European Framework for Personal, Social and Learning to Learn key competence*.

### **Ideas for a reinforced Youth Guarantee**

Ensure that the preparatory phase facilitates upskilling and re-skilling geared towards green skills, entrepreneurial skills and career management skills, using existing competence frameworks, (self)assessment tools and validation tools to help young people seize the opportunities of growing sectors and preparing them for the needs of the changing labour market.

## **4.4. Phase 4: Offer**

The fourth and final phase of a reinforced Youth Guarantee is the actual start of an offer of employment, continued education, apprenticeship or traineeship. This represents an exit from the Youth Guarantee scheme, and yet follow-up in terms of post-placement support is crucially important, not only to help prevent young people leaving before the end of the planned duration (instead of completing the foreseen activities), but also to monitor whether the Youth Guarantee offer was indeed a successful stepping stone in the school-to-work transition.

It is likely that the economic recession brought about by the COVID-19 pandemic will cast uncertainty, for some time at least, over the availability of sufficient job offers. To ensure that young people are not victimised disproportionately, it is important to use targeted and well-designed employment and start-up incentives, while respecting the principles of the European Pillar of Social Rights, such as access to social protection, reasonable duration of probation periods and prohibiting abuse of atypical contracts. For other young people, a return to education and training cushions the lack of job offers.

### **4.4.1. Making employment and start-up incentives work during the economic recession**

#### *Employment incentives*

Employment incentives – for example, wage subsidies, recruitment bonuses, social security contribution reductions/exemptions or tax credits – can be used to increase the labour market participation of young people. Employment incentives are typically targeted, temporary and conditional subsidised measures that make young people more attractive to employers and, in turn, increase labour demand. The rationale for using employment incentives is to overcome barriers such as weak overall labour demand, lack of information about the productivity of the worker, discrimination and prejudices, as well as, to a lesser extent, supply barriers related to skills levels and mismatches or multiple disadvantages, thereby helping to remedy market failures.

If the new economic recession lowers the labour demand for young people, employment incentives can be an attractive instrument for supporting employment, while also improving the employability of specific vulnerable groups. Given that the implementation of the Youth Guarantee started at the height of the previous youth employment crisis, many Member States focused on a “work first” approach to give short-term relief to unemployed young people.

Indeed, the use of employment incentives, many specifically targeted at vulnerable young people, has been quite common across the EU and featured prominently in the first Youth Guarantee implementation plans. This also means Member States can draw upon the many relevant lessons learnt regarding employment incentives during the previous economic recession (see Box 16). These incentives can play a crucial role in many countries in facilitating the acquisition of early work experience for young people, whether they are temporary NEETs without any inherent disadvantages holding them back, or longer-term NEETs who can be suffering from multiple disadvantages.

A key challenge when designing and implementing employment incentives is avoiding adverse effects that limit the effectiveness of the measure or even make it counterproductive (such as

substitution<sup>137</sup>, displacement<sup>138</sup> or stigmatisation<sup>139</sup>). For instance, countries could put in place mechanisms providing incentives for employers to retain workers after the subsidy expires<sup>140</sup>. Small-scale employment incentive programmes are likely to limit the substitution effect, but in a context of general weak labour demand, programmes need to be larger to have a sizeable impact on the level of youth unemployment<sup>141</sup>. Other design and implementation challenges stem from combining employment incentives with other types of measures, such as training, continued counselling, guidance and mentoring, and follow-up in terms of post-placement support.

#### Box 16. Lessons learnt: making employment incentives work.

A few lessons can be drawn from the huge body of research on active labour market policies and school to work transitions<sup>142</sup>. To foster effectiveness and sustainability, employment incentives should ideally:

- make full and appropriate use of both profiling (Section 4.3.1) and counselling, guidance and mentoring (Section 4.3.2) to select and accompany the beneficiaries;
- be conditional on keeping the young person in employment for some period after the end of the measure and subject to follow-up monitoring/evaluation (e.g. checks that the beneficiary is still employed by the firm at a certain point in time after the end of the subsidy, and/or that gross or net job creation is taking place in the firm);
- be sufficiently targeted to avoid deadweight and substitution effects in particular towards those who have limited chances of finding employment (e.g. long-term unemployed youth, young people without work experience and other vulnerable groups);
- include a training component (e.g. through coaching) so that the young person can learn on the job, and, when relevant, combine the practical experience with theoretical training (that is certified and ideally leads to a qualification or to microcredits that can accumulate towards a qualification);
- have a duration that is sufficient for a young person to prove her/himself sufficiently in the job;
- be based on a good cooperation and coordination between public employment services (PES) and beneficiary employers;
- when appropriate, use an integrated approach, linking incentives to education and training as a condition: employment incentives offer a potential for upskilling, in particular for young people who need enhanced support to overcome the multiple barriers to employability they face and for whom standard measures are not enough.

#### Start-up incentives

Start-up incentives are another way to increase the labour market participation of young people. Start-up incentives consist of programmes to facilitate access to credit, providing start-up grants, or fostering micro-franchising mechanisms. Public employment services (PES) typically implement packages of entrepreneurship support, combining counselling, guidance and mentoring (Section 4.3.2) with entrepreneurship training (Section 4.3.4) and financial support. The recent evaluation of youth employment focused operations supported by the European Social Fund (ESF) and Youth Employment Initiative (YEI) found that, although it only accounts for a small amount (3-7%) of ESF/YEI youth employment resources, support to entrepreneurship has one of the highest employment results (Section 3.1.3).

The use of start-up subsidies for unemployed or inactive young people is based on the assumption that nascent entrepreneurs – among NEETs specifically – face disadvantages compared to regular business founders. These disadvantages might relate to lower personal equity available for

<sup>137</sup> Under the substitution effect, Youth Guarantee offers may provide employers with incentives to substitute one worker for another to perform the same job due to a change in the relative labour costs of workers' different skill levels.

<sup>138</sup> The displacement effect occurs if a Youth Guarantee offer displaces or crowds out regular employment. For example, unsubsidised employees are fired and replaced by subsidised workers, or formerly subsidised workers are not retained following the subsidy's expiration and instead replaced by a new subsidised hire.

<sup>139</sup> Stigmatisation effects mean that the signalling effect of participation in a Youth Guarantee offer may have a reverse effect on the subsequent employability of young people.

<sup>140</sup> For example, Portuguese *Contrato Emprego* (Employment stimulus measures) offer financial support for employers who hire, on permanent or fixed-term contracts, young people (alongside workers aged 45 or over) who are unemployed.

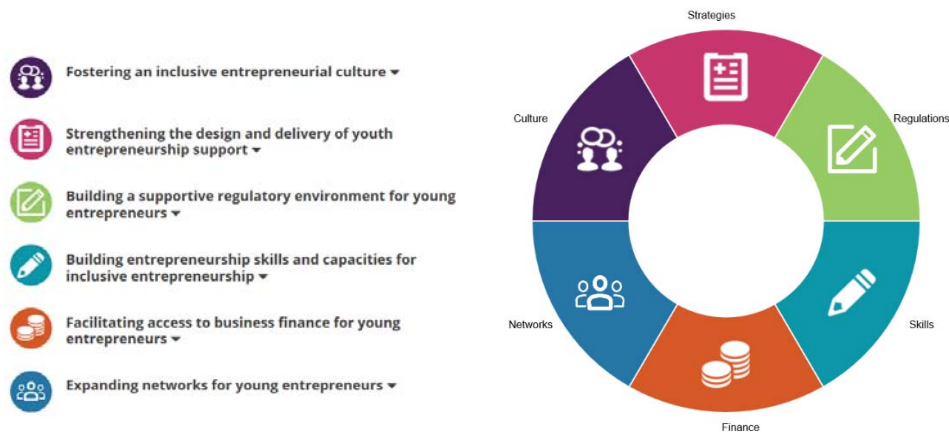
<sup>141</sup> In an extreme scenario, with very high youth unemployment rates, wage subsidies and direct job-creation programmes may de facto be offering a rotation of jobs among the unemployed population, with temporary jobs subsidised by public employment services (PES) substituting for permanent jobs.

<sup>142</sup> Useful sources include, inter alia, the 2014 Commission review from the European Employment Policy Observatory (EEPO) titled "*Stimulating job demand: the design of effective hiring subsidies in Europe*"; and the 2018 study "*Employment and entrepreneurship under the Youth Guarantee: Experience from the ground*", prepared for the Commission by ICF.



business start-ups, discrimination by capital markets in access to loans, lower self-confidence and the fact that these start-ups are more likely to be “necessity start-ups” (individuals decide to become self-employed because they do not have any other employment alternatives). Moreover, young NEETs may lack the necessary managerial and legal skills<sup>143</sup>.

**Figure 22. Key components of an inclusive entrepreneurship policy.**



Source: Commission/OECD *Better Entrepreneurship Policy* online self-assessment tool.

Start-up incentives can have a positive impact on the career paths of young people. Yet there are a number of the challenges linked to the design and implementation of start-up incentives. They have to avoid deadweight effects, meaning that the start-up would have been created even without the start-up incentive. Furthermore, failure may negatively affect career prospects and self-esteem<sup>144</sup>. Lastly, there is the risk that start-up incentives do not provide quality jobs – creating instead precarious employment and increasing bogus self-employment – and that young entrepreneurs’ role as job creators is very limited or becoming apparent only at later stages.

#### Box 17. Lessons learnt: making start-up incentives work.

Based on the scarce evaluations of youth entrepreneurship measures, a number of elements are likely to increase the effectiveness of start-up incentives managed by PES<sup>145</sup>:

- combining ‘soft’ assistance (e.g. counselling, support for networking) and ‘hard’ assistance (e.g. financial support);
- building partnerships for promoting self-employment and business start-ups of young people (involving e.g. education institutions, businesses, young entrepreneur clubs or chambers of commerce);
- carefully evaluating business plans;
- trust-enhancing measures (towards clients and cooperation partners);
- counselling, guidance and mentoring (advisors need to be well selected as regards their capability to transmit knowledge and experience);
- follow-up support for young entrepreneurs during the first years of entrepreneurship is likely to increase business survival rates;
- evaluating and monitoring start-up support programmes, by tracing participants over a period of three to five years and by including socioeconomic indicators as well as quality of work indicators.

<sup>143</sup> Such disadvantages come on top of the general disadvantages for young people, such as limited work experience, weak professional networks (of potential clients and cooperation partners) and a signalling of insufficient maturity solely through their young age.

<sup>144</sup> At the same time, the “failed” entrepreneurship experience can still be beneficial, as participants will have been able to grow their networks, build entrepreneurial mind-sets and gain experience and skills that could be used to help secure future employment.

<sup>145</sup> Useful sources include, inter alia, the 2018 study *“Employment and entrepreneurship under the Youth Guarantee: Experience from the ground”*, prepared for the Commission by ICF.



In the framework of the Youth Guarantee, youth entrepreneurship programmes have usually offered financial support for the establishment of new businesses, as well as the training, coaching and mentoring needed to increase their survival rate (Box 17). Some countries complement this with specific training in entrepreneurship skills (Section 4.3.4), the development of entrepreneurship networks and opportunities for peer exchange.

The Commission and the OECD have jointly developed the *Better Entrepreneurship Policy* online self-assessment tool, helping countries, regions and cities to assess how well their entrepreneurship policies take into consideration inclusiveness, in terms of target groups such as young people, as well as the specific needs of social enterprises. Based on a comprehensive self-assessment of the entire ecosystem, the tool helps policymakers to identify areas of improvement for their policies and programmes (Figure 22).

### **Ideas for a reinforced Youth Guarantee**

Use targeted and well-designed employment incentives – such as wage subsidies, recruitment bonuses, reduction of social security contributions, tax credits or disability benefits – and start-up incentives to create good-quality opportunities for the sustainable integration of young people into the labour market.

#### **4.4.2. Aligning the offer to existing standards to ensure quality and equity**

The Youth Guarantee is a commitment by Member States to ensure that all young people receive a *good quality offer* of employment, continued education, apprenticeship or traineeship within a period of four months of becoming unemployed or leaving formal education. In the years since the Youth Guarantee was first proposed, quality has often been referred to from the outcome perspective (i.e. a quality offer was one that allowed a young person not to fall back into unemployment or inactivity). Since then, other EU initiatives have made quality standards more concrete through frameworks or key principles.

Meanwhile, Member States have developed their own interpretations of a good quality offer. Recent findings from the Employment Committee<sup>146</sup> confirm that most countries are tackling the quality of offers within the Youth Guarantee framework. Some consider offers that lead to employment as being of good quality; others are putting a greater emphasis on ensuring good-quality apprenticeships and traineeships, preventing early school leaving and encouraging continued education. Some Member States define good quality job offers as offers that last for at least six months<sup>147</sup>.

For all types of Youth Guarantee offers, the link between quality and equity should not be overlooked. A good quality offer should not widen or further entrench inequalities due to, for instance, sex, disability, rural residency, migrant background or ethnic minority status<sup>148</sup>. Early career patterns of vulnerable groups are known to be fragile, and Youth Guarantee offers might have very different effects for temporary NEETs and longer-term NEETs<sup>149</sup>. Even in times of economic recession, young people should receive an equally good quality Youth Guarantee offer, regardless of aforementioned background characteristics.

<sup>146</sup> In December 2019, the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council endorsed findings of the Employment Committee (EMCO) on the implementation of the Youth Guarantee.

<sup>147</sup> The Employment Committee decided in 2018 to exclude Youth Guarantee offers of short duration (any offer of less than 28 days) from the data on Youth Guarantee implementation reported by Member States.

<sup>148</sup> A 2019 leaflet from the Inter-Agency Working Group on work-based learning warns that “participation in some career guidance activities, such as short career exploration work placements, is commonly linked to the social background of learners, running the risk of inequitable outcomes”.

<sup>149</sup> It is important to ensure that Youth Guarantee offers do not further reinforce or contribute to already existing inequalities, such as gender segregation in education and the labour market, the gender employment gap, the likelihood of precarious work or falling into unsuccessful career paths, and skill mismatches among vulnerable groups. A more gender-sensitive approach, for example, is discussed in the 2013 Commission report “Starting Fragile: Gender differences in the youth labour market”, as well as in a 2016 report from the European Institute for Gender Equality titled “Gender and youth”.

## Employment

In the case of employment offers, quality will partly depend on traditions as well as overall labour market conditions (economic situation, labour law, wage-setting mechanisms, and quality of labour market institutions). The [European Pillar of Social Rights](#) includes key principles related to working conditions that can serve as guidance when analysing the quality of employment offers under the Youth Guarantee (e.g. right to fair and equal treatment regarding working conditions, access to social protection and training, reasonable duration of probation periods and prohibiting abuse of atypical contracts).

There are, furthermore, legislative instruments and other tools that constitute a direct follow-up to the proclamation of the European Pillar of Social Rights, and have the potential to improve the quality of jobs (and paid traineeships). Examples are the [Directive 2019/1152](#) on Transparent and Predictable Working Conditions, the [Directive 2019/1158](#) on work-life balance for parents and carers, and the [2019 Council Recommendation](#) on access to social protection for workers and the self-employed.

The ILO<sup>150</sup>, with support from the Commission, has also developed some [practical guidance](#) on the quality dimensions of youth employment offers, including a checklist for practitioners who propose the offers to young people with indicator definition, source of data and assessment methods. These indicators are related, for example, to the duration of employment contracts, social protection entitlements, mean hourly wages, job/qualification matching, average number of weekly hours of work, voluntary part-time or on-the-job training.

Finally, a quality job offer, like any other Youth Guarantee offer, presupposes adequate tailoring to the needs of young people (Section 4.3.1) and advocating the rights of vulnerable groups in particular (Section 4.3.2). This includes awareness raising on the side of the employer, confronting any prejudices and clarifying rights and obligations. Two examples in this context are tackling gender stereotyping and tailoring job offers to young people with disabilities (Box 18).

### Box 18. Tailoring job offers to young people with disabilities.

Young people with disabilities often need reasonable accommodation of work places and/or working arrangements to be able to enter and stay in the labour market. [Council Directive 2000/78/EC](#) prohibits discrimination in employment and occupation on the grounds of disability, age, sexual orientation and religion or belief. It also provides for reasonable accommodation (Art. 5) and allows positive action (Art. 7). Reasonable accommodation does not necessarily mean high costs for employers, as there are different types of adjustments based on people's needs. Sometimes technical solutions are needed, such as physical adjustments of the workplace or assistive technologies. Sometimes social support is needed: flexible work arrangements, work assistance, coaching, training, etc. However, important preconditions for participation in employment and society are accessibility of the built environment, transport and ICT. Mobilising partners can be of help in this regard (Section 4.5.1). The 2019 adoption of the [European Accessibility Act](#) provides for new opportunities to enhance access to employment for persons with disabilities.

In May 2019, the Commission launched an awareness raising campaign on anti-discrimination in the workplace to remedy the lack of awareness – on the side of both workers and employers – of the rights, possibilities and obligations set out in EU anti-discrimination law. The awareness campaign has two strands: (1) a broad, EU-wide approach to inform the general public about rights under EU anti-discrimination legislation; and (2) a targeted communication focusing on reasonable accommodation addressed to employers, via local events. Targeted events are taking place in nine Member States with a high employment gap between those with and without disabilities.

## Continued education

Continued education offers should be carefully planned, designed, implemented and monitored. This requires a collection of data and information about the relevant target groups<sup>151</sup>, the

<sup>150</sup> The ILO defines “decent work” as work that is “productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men”.

<sup>151</sup> The effectiveness of continued education schemes under the Youth Guarantee needs to be monitored and evaluated. Over time, this will help to collect more detailed data and information about what works and what does not. These data are a valuable source to better reach out to NEETs, upskill young people at risk, and ultimately achieve better labour market integration of young individuals (see Section 4.5.2).

development and promotion of tailored offers, and a close collaboration between several Youth Guarantee stakeholders. This should include strong partnerships between public employment services (PES) and the education and training sector, and often also the youth sector (see Section 4.5.1)<sup>152</sup>.

A range of options are available to improve the quality of the continued education offer under the Youth Guarantee, helping particularly young people with low levels of skills and qualifications back to education and training (see Box 19). Continued education offers may provide a young person with the chance to directly re-enter the regular education and training system to move on to a higher-level qualification. Alternatively, bridging courses or second chance education programmes can help early leavers from education and training (Section 4.1.2) and low-skilled youth ease their way back into formal education and training more carefully.

Courses in the regular (formal) education and training system are an obvious way to acquire a high-quality qualification that is pegged to the National Qualification Framework. However, a large share of continued education offers are provided through active labour market policies (ALMPs), taking place outside of the regular education and training pathways, and may not lead to a formal qualification. Such ALMP trainings range from purely classroom-based training (e.g. language courses) to different types of work-based learning in companies, with varying durations (from a couple of weeks to over a year).

#### **Box 19. Options to improve the quality of the continued education offer under the Youth Guarantee.**

To respond to the very diverse profiles of NEETs, and particularly vulnerable groups, the continued education offers provided under the Youth Guarantee can be diversified with a number of options:

*Reinsertion into the regular education and training system.* The reintegration of low-skilled young people into regular education and training systems is supported by flexible learning pathways and through validation of non-formal and informal learning, recognising skills acquired through work experience. This links back to the tools for skills assessment and validation used also in the Youth Guarantee's preparatory phase (Section 4.3.3).

*Vocational education and training (VET).* VET can be a good alternative for young people at risk of exclusion who struggle in general education. VET pedagogies and work-based learning are often better suited to at-risk youth.

*"Work-first" approaches.* The same effect can be achieved through a "work-first" approach, where young people acquire skills through traineeships, which are then possibly followed up by continued education offers.

*Bridging programmes.* Sometimes regular vocational qualification pathways are too demanding for the target group. Preparatory measures need to be taken first. Such offers are called bridging programmes, or low-threshold programmes, and can include motivational programmes, extensive guidance to make the right choices, as well as preparatory training (for upskilling or reskilling). They can effectively support young people facing multiple disadvantages to find their way and re-accustom themselves gradually to a learning and working environment, so they are ready to take up an offer under the Youth Guarantee.

*Second chance programmes.* Second chance education programmes that allow work and education to be combined can provide young people with the flexibility they need to re-engage in education. Second chance education opportunities may be delivered outside normal study hours, and may include a combination of online learning and traditional face-to-face instruction.

*Source: European Commission (2018), [Continued Education Offers under the Youth Guarantee: Experience from the ground](#).*

In order to reinforce the quality of ALMP training programmes under the Youth Guarantee, many Member States have made an effort to ensure that they result in learning outcomes that are compatible with qualifications, and form a basis to build on with further education and training. In particular, if coupled with skills assessments and validation of non-formal and informal learning (Section 4.3.3), such a modular approach enables young people to re-enter education and training, without having to start from the beginning or repeat content they have already covered in earlier courses, which can be demotivating.

#### *Apprenticeships*

<sup>152</sup> These partnerships can be especially useful to (1) support educational planning with relevant labour market information; (2) develop evidence-based, up-to date career information and materials; (3) provide options and additional support for young people; and (4) improve the quality of personalised counselling, guidance and mentoring.

An apprenticeship offer could be interesting for many young people who are more motivated to learn by doing. In addition, as apprenticeships are often a part of the formal education system, one of their advantages is that they enable young people to obtain a recognised qualification. To improve the quality of apprenticeships, the Council adopted a [Recommendation](#) on a European Framework for Quality and Effective Apprenticeships (EFQEA) in 2018. This framework sets out 14 criteria to define quality and effective apprenticeships (Table 6).

**Table 6. The European Framework for Quality and Effective Apprenticeships (EFQEA) in 14 criteria.**

7 criteria for learning and working conditions:	7 criteria for framework conditions:
Written agreement	Regulatory framework
Learning outcomes	Involvement of social partners
Pedagogical support	Support for companies
Workplace component	Flexible pathways and mobility
Pay or compensation	Career guidance and awareness raising
Social protection	Transparency
Work, health and safety conditions	Quality assurance and tracking of apprentices

Source: [Council Recommendation 2018](#) on a European Framework for Quality and Effective Apprenticeships (EFQEA).

As the key follow-up action to the Council Recommendation on EFQEA, the Commission launched the Apprenticeship Support Services in November 2018. The aim is to support Member States in their reform process to improve apprenticeship systems<sup>153</sup>. Within its first year, the Apprenticeship Support Services actively supported Member States and the stakeholders of the European Alliance for Apprenticeships (EaFA) in promoting the supply and quality of apprenticeships<sup>154</sup>.

All apprenticeships offered as part of the Youth Guarantee are expected to adhere to the quality standards laid out in the EFQEA. Member States are also urged to use the existing Apprenticeship Support Services to enhance the quality of apprenticeships offered in the context of the Youth Guarantee.

### Traineeships

Extensive stakeholder consultations carried out in 2012/2013, when preparing for the Quality Framework for Traineeships (QFT), revealed in particular two areas of concern for traineeships: insufficient learning content and inadequate working conditions<sup>155</sup>. In addition, stakeholders highlighted that a large proportion of unpaid or low-paid traineeships may prevent equal access to traineeships, and lead to a tendency to replace paid workers with trainees. Various studies have revealed that quality problems affect primarily traineeships where no third party (e.g. an educational institution or PES) is involved.

To respond to stakeholders' call for more quality, the [Council Recommendation](#) on the QFT was adopted in 2014<sup>156</sup>. It contains 22 quality elements that are directly transposable into national legislation or social partner agreements. The Recommendation aims to respond to stakeholders' concern for low quality traineeships and abusive traineeship practices<sup>157</sup>. The QFT should provide minimum quality standards for all traineeship offers under the Youth Guarantee. Yet recent findings

<sup>153</sup> The Apprenticeship Support Services are built on three pillars: (1) a knowledge-hub to share and access information relevant to apprenticeship design and delivery; (2) a networking hub to facilitate the exchange of ideas and the development of cooperation amongst stakeholders; and (3) benchlearning (combining benchmarking with peer learning) to provide a structured approach to mutual learning among Member States.

<sup>154</sup> Key deliverables include, among others, the gradual deployment of online training materials, the launch of a series of webinars, and the establishment of an online discussion forum on apprenticeships. No fewer than 25 Member States were mobilised to take part in the benchlearning process.

<sup>155</sup> Such as long working hours, unsatisfactory coverage for health and safety or occupational risks, little or no remuneration/compensation, an unclear legal situation and an extended duration.

<sup>156</sup> See also the [2016 Commission Staff Working Document](#) on applying the QFT, which accompanied the [Communication "The Youth Guarantee and the Youth Employment Initiative three years on"](#).

<sup>157</sup> The Recommendation applies to traineeships outside formal education: the so-called open-market traineeships (i.e. traineeships agreed between a trainee and a traineeship provider without the involvement of a third party), as well as traineeships that are part of active labour market measures. The Recommendation does not cover placements that are part of curricula of formal education or vocational education and training, nor mandatory traineeships to access a specific profession (e.g. medicine, architecture, etc.).

from the Employment Committee<sup>158</sup> emphasise that, in a number of cases, compliance of traineeship frameworks across the EU with the principles of the QFT still needs to be improved.

In addition to the individual quality elements, the legislation covering traineeships can have a strong impact on their quality. This legislation differs between countries, and sometimes even between traineeship schemes in one country, and in many cases it is not clear which legislation applies to trainees (in particular in case of unpaid trainees). While some countries have specific traineeship legislation, in others (paid) trainees fall under regular labour law<sup>159</sup>.

To guarantee the quality of traineeships, it is necessary to step up measures to prevent and to detect misuse and substitution of jobs. Clarity about the applicable legislation is the basis for this. In addition, information on the rights of trainees, as well as better tools to detect and remedy suboptimal traineeships, should be made available. All of this will contribute to improving the quality of traineeship offers under a reinforced Youth Guarantee.

Finally, a number of countries run civic services programmes, which offer young people the opportunity to engage in civic action while learning and developing their competences, thereby improving their career and work-related prospects<sup>160</sup>. These public civic service schemes allow to place a sizeable number of young people every year, including those with no or low qualifications, in a well-framed scheme and with the provision of indemnities or allowances. In some cases, doing a civic service has already been included in national Youth Guarantee schemes.

#### **Ideas for a reinforced Youth Guarantee**

Align employment offers to the relevant principles of the European Pillar of Social Rights, assuring the right to fair and equal treatment regarding working conditions, access to social protection and training, reasonable duration of probation periods and prohibiting abuse of atypical contracts.

Ease young people's way back into education and training by diversifying the continued education offer (with e.g. flexible learning pathways, work-based learning, bridging programmes and second chance programmes), ensuring the validation of non-formal and informal learning.

Intensify support to apprenticeships and make sure offers adhere to the minimum standards laid out in European Framework for Quality and Effective Apprenticeships. Ensure that traineeship offers adhere to the minimum standards laid out in the Quality Framework for Traineeships.

#### **4.4.3. Providing post-placement support and implementing feedback**

The final stage of Youth Guarantee schemes is to provide post-placement support and ask for post-placement feedback, which can be used to improve the design and implementation of schemes on a continuous basis. Young people's feedback can be used not only to ensure the quality criteria outlined in Section 4.4.2 are met, but also to gauge whether the individualised action plans and the Youth Guarantee offers were sufficiently tailored to e.g. needs, preferences, limitations and disadvantages.

Post-placement support is essential for ensuring successful transitions, such as opportunities for young people to continue with the same employers after initial placements. It can also be crucial for improving the survival rates of young start-ups. Member States have been introducing mentoring schemes<sup>161</sup> and other forms of support in the workplace, helping for instance young

<sup>158</sup> In December 2019, the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council endorsed findings of the Employment Committee (EMCO) on the implementation of the Youth Guarantee.

<sup>159</sup> The different traineeship legislative practices and how they impact the quality of traineeships were discussed at a [2019 Commission seminar](#) titled "Creating conditions for quality traineeships".

<sup>160</sup> See, for instance, European Commission (2017), *Study on the impact of transnational volunteering through the European voluntary service*.

<sup>161</sup> In practice, a mentor is there to serve as a good role model and interpreter in the new work environment and can act as the extended arm of the Youth Guarantee provider. In general, a mentor is a more experienced colleague or the immediate



people from vulnerable groups find more sustainable employment, while enabling employers to learn how to support their diverse employees best.

Post-placement support and feedback on different action plans can help build a better knowledge base of what works and what does not (and for whom), which can in turn serve to strengthen design and target services and measures. Particularly when dealing with vulnerable groups, it is important to consider effective ways of monitoring performance to ensure that measures targeting longer-term NEETs have a lasting positive impact on the participants.

In many cases, more sophisticated tracking systems would need to be developed, which enable Youth Guarantee providers to follow – and keep in touch with – participants after taking up, and even concluding, a Youth Guarantee offer (see Section 4.5.2). Participants could then be asked to fill in satisfaction surveys or provide testimonies. Gathered feedback can not only improve future approaches, but also inform a need for aftercare or adjustments to individualised action plans to support the participant in question.

Vulnerable groups, moreover, might benefit from relative measures such as “distance travelled” rather than absolute measures such as their immediate labour market integration. Indeed, when dealing with young people, using “employment situation at the end of the programme” as a key performance indicator could sometimes be misleading. Longer-term indicators (e.g. the situation 18 months after the first intervention) may be more suitable. Young people in vulnerable situations may require longer-term support, or a series of interventions, all of which may help them make progress towards the labour market. Following up on participants and ensuring the continuity of support are crucial for the long-term, sustainable integration of longer-term NEETs.

The ultimate objective of the Youth Guarantee is to reduce the number of NEETs by ensuring that young people have access to opportunities to engage in employment, education or training. Ideally, the offers provided will be sustainable so that young people do not return to the NEET status and require further assistance through the Youth Guarantee. Indeed, if many young people have to keep returning to Youth Guarantee schemes (i.e. a high rate of recycling<sup>162</sup>), it may be an indication that the offers being provided are not fulfilling their objectives<sup>163</sup>.

#### **Ideas for a reinforced Youth Guarantee**

Expand continued post-placement support to adjust individualised action plans where needed, using the opportunity of post-placement feedback to ensure a quality offer was provided.

### **4.5. Crosscutting enablers**

There are number of horizontal avenues for improvement that apply to all four phases of a reinforced Youth Guarantee. Three important crosscutting enablers have been referred to when discussing some of the actions above, yet they also deserve separate discussions to highlight both the challenges and the potential they bring for a reinforced Youth Guarantee. The crosscutting enablers elaborated in this section are partnerships (and their role in an integrated service), monitoring of schemes and a full and optimal use of funds.

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supervisor of the young person in question, selected by the employer. Some local public employment services (PES) organise specific support to mentors in the form of trainings and networks.

<sup>162</sup> Although there is currently no agreed indicator dealing with recycling rates, the necessary data are being collected. In the Youth Guarantee monitoring data for 2018, 23 Member States provided data including a breakdown of entrants by previous Youth Guarantee status, with which it is possible to identify the number of entrants with previous Youth Guarantee experience for at least part of the total population of entrants in the same year. In these countries, almost half of those entering the Youth Guarantee during 2018 (47.5%) had been in such schemes before. Half of this particular group (49.9%, or 23.7% of all entrants) were known to have previously benefitted from a Youth Guarantee offer.

<sup>163</sup> However, at the same time, a high rate of recycling through the Youth Guarantee also demonstrates a certain efficiency in the system, as it suggests that the engagement process and the incentives for young people to return to the Youth Guarantee provider are strong and that young people are not overly discouraged by their previous experience.



#### 4.5.1. Mobilising partnerships<sup>164</sup>

Multi-stakeholder partnerships play an important part throughout the Youth Guarantee's mapping phase, outreach phase, preparatory phase and offer phase (including post-placement support). To ensure that young people do not get lost within a system, such partnerships must bring together not only public employment services (PES), the education sector and local employers, but must also involve youth organisations, NGOs and supporting social services<sup>165</sup>. This is perhaps even more relevant now in a context of strained resources.

Effective cooperation calls for horizontal coordination between actors, which can be complex in decentralised contexts, as well as vertical coordination across governance levels and competences<sup>166</sup>. Political buy-in is essential, as is a change in mind-set, in which a young person is put at the centre of a more holistic intervention and the focus is on improving outcomes for the person as a whole.

Such partnerships work best when tailored to the local context and built on existing channels of cooperation, so as to maximise existing resources as well as the different areas of expertise and experience of partners. To be successful, it is important to define the specific roles, responsibilities and objectives for each of the actors, as well as carefully designed financial or administrative incentives for cooperation. Joint performance indicators should help avoid any sense of competition.

##### Box 20. Examples of different roles in partnerships.

Involving *youth* and *grassroots NGOs*, whether to share information, identify youth at risk, promote specific services or publicise Youth Guarantee opportunities, means that it is possible to capitalise on strengths and attributes that a traditional PES might not have, such as relevant contacts and specialised workers with in-depth knowledge of young people, and their good image among young people.

More generally, *civil society organisations* can contribute to the implementation of the Youth Guarantee by being consulted when it comes to designing measures and by being part of local advisory boards, but also by providing trainings to advisors, reaching out to the most vulnerable or providing social services themselves. They also play a role in raising awareness, monitoring and providing feedback on the implementation on the ground.

Partnerships with supporting *social services*, including – but not limited to – childcare, healthcare, youth work, solidarity activities providers<sup>167</sup>, psychological support, social housing, accessibility services and transport, enables a more holistic, person-centred approach for vulnerable groups in particular.

Closer links with the *education sector* supports the reinsertion of young people back into the formal education system, but also more transitional options such as “work-first” approaches, bridging programmes and second chance programmes. Preparatory training, such as crash courses and boot camps, might furthermore be provided in collaboration with VET institutions, centres of vocational excellence or universities.

Engaging with *employers* is necessary to ensure stable labour market integration for young people. Post-placement support offered to employers is essential for ensuring successful transitions, such as opportunities for young people to continue with the same employers after initial placements. Employers are also a key partner in counselling, guidance and mentoring, particularly when advising on the changing nature of work, entrepreneurial opportunities, career management skills and, more generally, labour market relevance of various skill domains.

National, regional and local collaborations with *social partners* could improve the quality of offers in terms of their relevance to a changing nature of work and skills. Such partnerships could also be used to inform young people of their social rights and provide opportunities for young people and social partners to design and co-create measures.

<sup>164</sup> This section draws upon the 2018 study “Activation measures for young people in vulnerable situations: Experience from the ground”, prepared for the Commission by ICF. The study features numerous good practice examples from the Member States.

<sup>165</sup> In December 2019, the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council endorsed findings of the Employment Committee (EMCO) on the implementation of the Youth Guarantee. One such finding was that the cooperation between public authorities in charge of implementing the Youth Guarantee and service providers, as well as between various levels of governance, could be further improved. Moreover, there is room for further improvement in coordinating employment, education and social services to support vulnerable young people in particular.

<sup>166</sup> European Social Network (2019). *Tools for inclusive activation: Improving the social inclusion of people furthest from the labour market*.

<sup>167</sup> A 2017 Commission Staff Working Document underlined the positive impact of volunteering and other solidarity activities on for marginalised youth, by giving them opportunities to build knowledge, skills and competences that are transferable from non-profit to business settings.

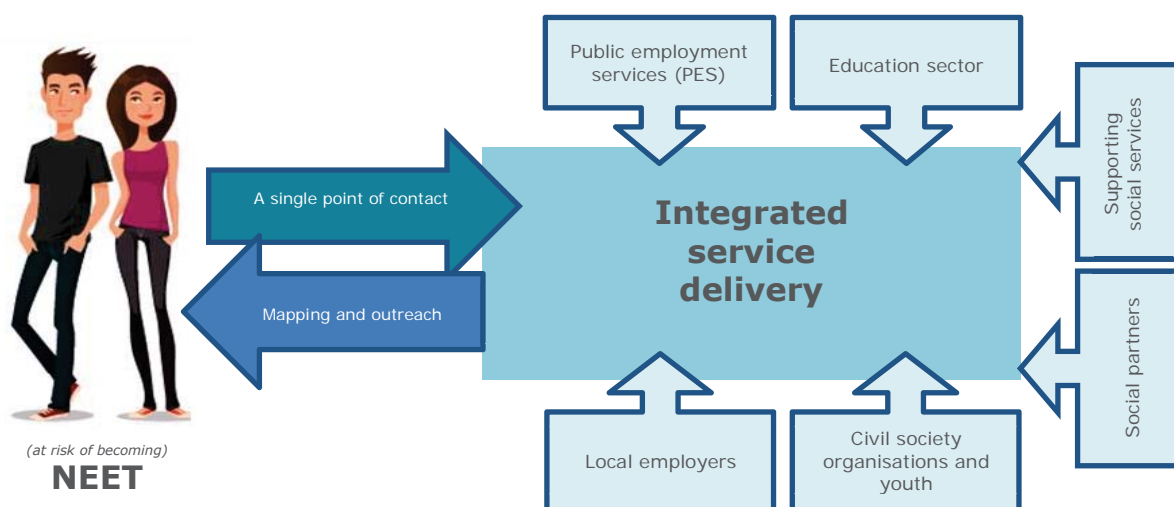
Multi-stakeholder partnerships are particularly important for providing support to longer-term NEETs facing multiple barriers that are often not related directly to education, training or employment but fall under the remit of different services, such as social, health or housing services. Relevant partnerships can provide person-centred support services to tackle the variety of obstacles that a young person may face. They can also ensure that young NEETs are supported at all stages of their pathways into education or employment, helping to maintain trust in the system while strengthening their motivation.

### Integrated services

Establishing truly integrated services requires information sharing and coordinated service delivery across institutions. Integrated services come in different shapes and sizes. Several countries offer one-stop-shop services<sup>168</sup>, addressing all the needs of young people in one single location<sup>169</sup>. In some countries, PES have also put in place specific job centres for young people to address their needs in terms of guidance and support. Experience shows that concentrating less intensive youth services in one-stop-shops in local communities tends to help with the quality of information, guidance and counselling services, as well as ensuring retention as participants have access to most services in one place<sup>170</sup>. However, setting up one-stop-shops can be time-consuming and resource-intensive.

Other examples show that collaboration of different services, be it through information-sharing, the creation of joint networks, or cooperation through working together on issues of common concern, does not necessarily have to occur in the same location. Alternative ways in which integrated support may be organised and delivered include joint case management, where multiple professionals coordinate to meet the user's needs, as well as multi-skilled teams. A single contact person, who oversees the available services and works in a person-centred way, is as essential in case-management and multi-skilled teams as it is in the one-stop-shops<sup>171</sup>.

**Figure 23. The partnerships in an integrated service delivery.**



### Sharing information between partners

It is important to avoid multiple profiling tools used by different partners or service providers to conduct an initial assessment, i.e. gathering the same basic data that have already been collected by others. This is not only time-consuming and inefficient, but risks deterring young people,

<sup>168</sup> One-stop-shops refer to a single point of access or the provision of services under the same roof.

<sup>169</sup> This can be particularly relevant for remote and rural areas.

<sup>170</sup> There is also added value in ensuring that such one-stop-shops provide a welcoming and relaxed atmosphere in which staff interact with young people in an informal environment, as opposed to looking like a typical PES office.

<sup>171</sup> For instance, tailoring individual action plans (Section 4.3.1) as well as counselling, guidance and mentoring (Section 4.3.2) have become more streamlined and personalised through a case management approach, better guiding young people from registration to individual action planning and placement (avoiding a multiplication of interlocutors and services).

particularly if they already have mistrust and negative views of (or experiences with) dealing with public agencies.

Exchanging data and information between key actors, including profiling but also tracking data, is highly beneficial. However, it often does not happen. In many countries, there are legal barriers in place to prevent the sharing of data or there is the perception that sharing the relevant data may infringe confidentiality agreements and data protection<sup>172</sup>. Often though, it is a change in mind-set or political will that unlocks creative solutions. In some countries the problem has been addressed at a national level with changes to legal frameworks<sup>173</sup>, while in others, young people have been asked to sign a standardised form where they can choose which organisations they would like their data to be shared with (see also Section 4.5.2).

### **Ideas for a reinforced Youth Guarantee**

Strengthen partnerships, across all levels of government, between Youth Guarantee providers and relevant stakeholders, such as employers, education and training institutions, social partners, youth work, providers of solidarity and civic activities, youth organisations and other civil society organisations. Formalise protocols for cooperation between Youth Guarantee providers and other social services (e.g. childcare, healthcare, social housing, accessibility services).

Promote the further development of integrated service models, such as one-stop-shops, joint case management or multidisciplinary teams, which strengthen partnerships and enable a single point of contact for young people.

## **4.5.2. Improving the data collection and monitoring of schemes**

A better data collection and monitoring of schemes is a crosscutting enabler that affects all phases of the Youth Guarantee, from mapping to post-placement support<sup>174</sup>. While administrative data are used to monitor the flows through Youth Guarantee schemes since 2014, macroeconomic data from the EU Labour Force Survey are used for aggregate monitoring of NEETs. This section details how enriching both data collections will contribute to a reinforced Youth Guarantee.

### *Administrative data for monitoring the implementation of the Youth Guarantee*

To underpin monitoring at EU level, and in line with the relevant monitoring provisions in the [2013 Council Recommendation](#) on establishing a Youth Guarantee, an [Indicator Framework](#) for monitoring the Youth Guarantee (and an accompanying [methodological manual](#)) was developed by the Employment Committee (with support from the Commission), and endorsed in May 2015<sup>175</sup>. Over recent years, considerable progress has been made in improving the quality of the data collected on the implementation of the Youth Guarantee<sup>176</sup>. In most countries, a sound

<sup>172</sup> In December 2019, the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council [endorsed findings](#) of the Employment Committee (EMCO) on the implementation of the Youth Guarantee. One such finding was that, for many Member States, finding suitable solutions to respect data protection rules remains an obstacle in their efforts to better reach out to NEETs and to people from vulnerable groups who are most in need of personalised services.

<sup>173</sup> Amending current legislation to include data exchanging protocols may take time. However, it has the added benefit of ensuring that all involved have clear roles and responsibilities and that any issues around ownership of data are likely to be covered. It also sets a clear mandate for this to happen.

<sup>174</sup> For instance, an enriched data collection at local, regional or national level supports a better understanding the idiosyncrasies of the target group, as part of the mapping phase. As mentioned in Section 4.1.1, cross-EU comparative indicators have their limitations, but a rich collection of data is sometimes available at a local level. Secondly, in the context of prevention and early intervention, an enriched data collection strengthens tracking and early warning systems (Section 4.1.2).

<sup>175</sup> The indicator framework is also a reference instrument for monitoring the schemes within the framework of the European Semester. The collection of administrative data on the implementation and follow-up levels requires that Member States allocate adequate administrative and financial resources.

<sup>176</sup> In December 2019, the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council [endorsed findings](#) of the Employment Committee (EMCO) on the implementation of the Youth Guarantee. One of the findings confirmed that there is a growing awareness of the importance of a solid monitoring and evaluation system.

methodological approach for the collection and compilation of Youth Guarantee data is in place and the overall availability, quality and comparability of data has improved significantly.

Despite this progress, some statistical compliance issues remain, as well as differences between countries in terms of definitions and operational practices. Room for improvement is to be found particularly when it comes to the completion of data in relation to the destination of all young people when leaving the Youth Guarantee, and subsequent follow-up data (Section 4.4.3)<sup>177</sup>.

Youth Guarantee monitoring focuses on the delivery and sustainability of positive outcomes in the form of offers of employment or training. Effective monitoring therefore requires data covering all the different factors that contribute to these positive outcomes, which in most cases means accessing a number of different administrative registers. Data based on the registers of the public employment services (PES) or other Youth Guarantee providers alone are liable to provide incomplete coverage, particularly for follow-up data.

Analysis of the Youth Guarantee monitoring data focused on destinations and the situation of young people six months subsequently shows, firstly, that the proportion that is “unknown” tends to be lower in countries that use various different sources and, secondly, a clear negative correlation between the proportion of unknowns and positive outcomes. Such results suggest that effective monitoring requires access to all relevant data sources and that it pays off to invest in ensuring such access<sup>178</sup>.

In this regard, some Member States are setting up monitoring systems that link or combine different administrative data, while in other countries data protection issues still need to be addressed. Indeed, while respecting data protection rules, the sharing of profiling and outcome data should be encouraged between Youth Guarantee partners to make support accessible, more user friendly and more customer focussed. This may be particularly relevant for the success of more complex interventions that follow an integrated approach and cater to the needs of the most vulnerable, longer-term NEETs.

#### *Survey data for capturing the NEET target group*

A new EU regulation<sup>179</sup> provides a unified framework for seven previously independent data collections, among which the EU Labour Force Survey (LFS), which underpins all EU comparative data on e.g. education, employment and NEET statistics (see also Section 2.1). The first implementation of the Integrated European Social Statistics (IESS) will affect the LFS as of 2021, with first results available in 2022. Changes mainly concern better conceptualisations of employment (for pay or profit) versus other forms of work (own-use production work, volunteer work, unpaid trainee work, etc.).

The more granular cross-EU comparative data will enable a better understanding of young people’s transition from school to work, capturing more accurately their learning and working experience<sup>180</sup>, but also their individual background characteristics, which might be putting them at a relative disadvantage<sup>181</sup>. The latter means that, at a cross-EU comparative level, it will become possible to map the target group of longer-term NEETs more comprehensively, adding to the collective understanding and implications of, inter alia, migrant background and ill health.

<sup>177</sup> Four Member States are still to provide any follow-up data in the context of Youth Guarantee monitoring: Czechia, France, Netherlands and Finland. Estonia has provided only very partial data (Youth Prop-Up programme only) and Romania failed to provide follow-up data for 2018 despite providing data in previous years (albeit not in line with the Youth Guarantee methodology).

<sup>178</sup> This does not mean that it is impossible to have good quality data using fewer sources. For example, the PES may have rigorous processes for actively chasing clients that deregister without informing them of the reason. In general, however, linking relevant registers will be the best way to improve quality of data on the destination and subsequent situation.

<sup>179</sup> See [Regulation \(EU\) 2019/1700](#) of the European Parliament and of the Council of 10 October 2019 establishing a common framework for European statistics relating to persons and households, based on data at individual level collected from samples, amending Regulations (EC) No 808/2004, (EC) No 452/2008 and (EC) No 1338/2008 of the European Parliament and of the Council, and repealing Regulation (EC) No 1177/2003 of the European Parliament and of the Council and Council Regulation (EC) No 577/98.

<sup>180</sup> New and/or improved variables comprise, inter alia, respondents’ number of jobs, self-employment, contractual hours, working time, days of absences, work experience and income level.

<sup>181</sup> New and/or improved variables comprise, inter alia, respondents’ country of birth (including parents’ country of birth), self-perceived general health and limitation in activities because of health problems.

Moreover, unlike with the current LFS data, the data available as of 2022 will allow for a distinction in non-formal learning, between (1) participation in at least one job-related (non-formal) learning activity; and (2) participation only in non-job-related and/or personal (non-formal) learning activity. While both non-formal learning categories currently place young people in the denominator of the NEET group (see Section 2.1), only job-related (non-formal) learning should arguably count as relevant education and training, to the extent that it excludes a young person from the primary target group. Conversely, an unemployed 15 to 29 year-old should not be excluded from the primary target group only because of non-job-related and/or personal (non-formal) learning.

### **Ideas for a reinforced Youth Guarantee**

#### *Member States*

Step up efforts to enrich follow-up data by strengthening systems that allow young people to be tracked after taking up an offer, as well as after the offer concludes, in order to monitor long-term, sustainable labour market integration.

Encourage, while respecting data protection rules, the wider sharing of tracking, profiling and follow-up data between Youth Guarantee partners to improve support, which is of particular importance for the success of interventions targeting vulnerable NEETs.

#### *European Commission*

Continue to support the quantitative monitoring of Youth Guarantee schemes based on the commonly agreed Indicator Framework, proposing adjustments where appropriate in light of the reinforced Youth Guarantee.

Improve, from 2022 onwards, the granularity with which the NEET target group is assessed, profiting from the improvements to the EU Labour Force Survey yielded by Regulation (EU) 2019/1700.

### **4.5.3. Making full and optimal use of funds**

The COVID-19 pandemic has posed an unprecedented challenge to the EU budget and its ability to flexibly address, among others, sudden shocks to employment across the Member States. At this critical juncture, the multiannual financial framework for 2021-2027 will have to act as a comprehensive recovery plan for the EU, ensuring that strategic priorities such as youth employment and skills remain at the top of the agenda. In this respect, ESF+ investments in young people, such as preventing early leaving from education and training, facilitating the school-to-work and first job-to-job transitions, and fostering digital skills, will continue to play a key role, also in the context of implementing a reinforced Youth Guarantee

As noted in Section 3.1.3, in the 2014-2020 programming period, the ESF and the Youth Employment Initiative (YEI) were linked to the implementation of the Youth Guarantee and policy actions targeted to young NEETs specifically. This has focused attention and national priorities, even in countries that have seen the greatest declines in their NEET populations. It is a key element of the programmes' value added and one that the Commission has proposed to maintain in the 2021-2027 programming period.

Yet the current legal framework for the implementation of ESF and YEI supported measures for youth employment has faced some challenges<sup>182</sup>. The definition of the YEI target group at national level – exclusively NEETs who reside in the eligible regions – has posed difficulties for the managing authorities. Such challenges have, to some extent, reduced the effectiveness in

<sup>182</sup> Certain specific features of the YEI's scope and implementation yield a significant administrative burden on Member State authorities and beneficiaries. By introducing streamlined programming and implementation rules, the ESF+ is expected to reduce the administrative costs of beneficiaries, including simplified reporting arrangements.

particular of the YEI, with Member States often prioritising fast absorption of funds and focusing on the easy-to-reach temporary NEETs over the longer-term NEETs requiring more tailored policy interventions<sup>183</sup>.

The ESF+ regulation proposal for the 2021-2027 programming period includes a requirement of Member States having above EU average NEET rates in 2019 to allocate at least 10% of their ESF+ resources towards interventions that address youth unemployment and support national Youth Guarantee reforms. The aim of this requirement is to ensure continuity of youth employment measures in the Member States where this policy challenge is still significant<sup>184</sup>.

Beyond this so-called thematic concentration requirement, the Commission's ESF+ proposal also stipulates that all Member States facing policy challenges with regard to youth employment and the labour market integration of young people, as identified in the European Semester (Section 3.1.1), will be required to dedicate appropriate ESF+ resources to tackle these challenges. In light of the COVID-19 crisis and its expected long-term economic and social consequences, the ESF+ will play a key role in helping workers, job seekers and in particular vulnerable groups. Beyond the short-term support to compensatory measures and hiring subsidies, the ESF+ will invest in new skills in the growing digital and green economies, as well as in the social and health sectors. This will call for additional policy reforms in which the ESF+ will continue to inject resources.

Fully integrating the measures dedicated to supporting NEETs (i.e. what used to be the YEI in the 2014-2020 programming period) into the ESF+ will allow for Member States to continue supporting the implementation of a reinforced Youth Guarantee, by more smoothly combining services and institutional measures with individualised, direct support to young people.

Moreover, the newly proposed Recovery and Resilience Facility (RRF) yields an unprecedented opportunity to speed up much-needed structural reforms for the medium-term. A proposed budget of EUR 560 billion will support investments and reforms essential to a lasting recovery and linked to the European Semester<sup>185</sup>.

Finally, complementing national investments, ESF+ and RRF resources should be used optimally and in synergy with other EU funds and programmes that support investments in the field of education and social policies. The Technical Support Instrument can support Member States in the preparation and implementation of reforms, notably in the field of education and training and labour market policies, by mobilising EU funds and technical expertise. Other instruments range from social and education infrastructure (European Regional Development Fund, ERDF) to learners' and teachers' mobility (Erasmus+) and from rural development (European Agricultural Fund for Rural Development, EAFRD) to the integration of young people with a migrant background (Asylum, Migration and Integration Fund, AMIF). The multiannual financial framework for 2021-2027 facilitates such synergies and creates flexible mechanisms for smoother cooperation across EU instruments.

### **Ideas for a reinforced Youth Guarantee**

Dedicate adequate national resources towards the implementation of the policy measures put forward by the reinforced Youth Guarantee ensuring that they are well targeted to the individual needs of any young person.

Make full and optimal use of the current EU instruments under cohesion policy, notably the YEI, ESF and ERDF (2014-2020) and mobilise a significant share of the additional funds provided under

<sup>183</sup> See the [2018 impact assessment](#) accompanying the Commission proposal for a Regulation of the European Parliament and the Council on the ESF+.

<sup>184</sup> Stakeholders and the European Parliament are very keen to see a dedicated budget for youth employment being maintained post-2020, with action in this area building on the lessons learned from the YEI.

<sup>185</sup> In order for Member States to receive support under the Recovery and Resilience Facility, they will have to draw up recovery and resilience plans. Such recovery and resilience plans should address the economic and social impacts of the crisis, the digital and green transitions, as well as the relevant priorities identified under the European Semester. Prioritising support to youth employment and related reforms has the potential of a lasting impact on the Member State concerned in terms of growth potential, job creation and social resilience.



REACT-EU, as well as the ESF+ and ERDF (2021-2027), to support youth employment, prevent unemployment and inactivity among young people and implement relevant policy reforms.

Exploit the full potential of complementing national funding efforts with other EU funding sources that could contribute to implementing the reinforced Youth Guarantee, notably the Recovery and Resilience Facility, ERDF, EAFRD, InvestEU, AMIF, the Erasmus+ programme and the Technical Support Instrument.



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PART 2/2

**COMMISSION STAFF WORKING DOCUMENT**  
**STAKEHOLDER CONSULTATION - SYNOPSIS REPORT**

*Accompanying the document*

**Proposal for a Council Recommendation**  
**on a Bridge to Jobs - reinforcing the Youth Guarantee**

{COM(2020) 277 final}

## 1. Introduction

The consultation activities in the framework of preparing the Commission proposal to reinforce the Youth Guarantee took place in February and March 2020, targeting stakeholders closely involved in designing, implementing or benefiting from it. This document summarises the different views and explains how they have been reflected in the proposal.

*NB: Since all consultations preceded the COVID-19 pandemic outbreak in the EU, the views do not reflect the latest concerns regarding the economic shock that followed.*

### 1.1. Methodology

Since the adoption of the Council Recommendation on establishing a Youth Guarantee in 2013, a comprehensive quantitative and qualitative data has been gathered on its implementation – both on the policy and the funding side. Thus, it was decided that very targeted, rather than public consultations, are more appropriate to inform the Commission proposal.

Stakeholders were consulted via written questionnaires or during dedicated meetings. Both quantitative and qualitative data (e.g. replies to open-ended questions, materials shared) has been analysed by stakeholder and by topic.

#### 1.1.1. Written questionnaires

Among Youth Guarantee Coordinators (YGC)<sup>1</sup> and Advisors for European PES Affairs of the European PES Network (AFEPAs), the response rates were 100% and 74%<sup>2</sup>, respectively. Out of 13 replies from the tripartite Advisory Committee on Vocational Training (ACVT), 10 represented the government (76.9%)<sup>3</sup> and three trade unions (23.1%)<sup>4</sup>. No employers' representative replied. 14 members of the European Youth Forum representing young people themselves<sup>5</sup> replied.

#### 1.1.2. Dedicated meetings

A joint meeting was organised with almost 50 YGCs and AFEPAs<sup>6</sup>. Other dedicated meetings took place with EU Civil Society Organisations<sup>7</sup>, EU Social Partners (12 trade unions<sup>8</sup> and 15 employers' representatives<sup>9</sup>), European Social Fund (ESF) Technical Working Group and the European Economic and Social Committee.

## 2. Results

### • Youth (via the European Youth Forum)

As other widely held views, the respondents supported the renewed emphasis on **inclusion** (e.g. age extension), **personalised and integrated approaches, partnerships** (e.g. outreach and awareness raising), including with youth organisations, **early prevention** (e.g. via career guidance) and **non-formal learning**.

<sup>1</sup> YGC coordinated the responses on behalf of the Labour and Social Affairs ministries and ESF managing authorities in their MS.

<sup>2</sup> 21 responses from 20 MS. CY, CZ, FR, EL, PL, RO, SK did not reply.

<sup>3</sup> BE, DK, EL, ES, FR, HR, HU, IE, NL, RO.

<sup>4</sup> ES, IT, FI.

<sup>5</sup> National Youth Councils (BG, Catalonia (ES), CY, ES, FI, Flanders (BE), IT, MT, PT, SI, SK), Croatian Youth Network, the European Union of Jewish Students (EUJS) and ETUC Youth.

<sup>6</sup> Only AT and SK were not represented.

<sup>7</sup> 37 organisations representing people with disabilities and/or health issues, people with a migrant background, Roma, people with caring responsibilities, homeless and people living in remote and rural areas etc.

<sup>8</sup> ACV-CSC (BE), CCOO (ES), CGIL (IT), CISL (IT), CITUB (BG), CNSLR (RO), DGB (DE), EFBWW (BE), EPSU (BE), ETUC (BE), FO (FR), ZSSS (SI).

<sup>9</sup> BDA (DE), Bulgarian Industrial Association (BG), BUSINESSEUROPE (BE), CEEP (BE), CEOE (ES), Confindustria (IT), EFCI (BE), EFEE (BE), Eurochambres (EUR), IRU (BE), IV (AT), MEDEF (FR), Mytilineos (EL), SMEunited (BE, EUR), Svenskt Näringsliv (SE).

As voiced by the majority of stakeholders, **upskilling** should focus on young people at greatest risk of being excluded from the changing world of work (including those in rural and remote areas). Respondents asked for more emphasis on dual learning and quality of apprenticeships.

While the **quality** of offers should be better aligned with the existing principles and respective quality frameworks, as also mentioned by others, there is a need to have a specific quality framework for the Youth Guarantee offers and better follow-up data. Finally, governments and employers should invest more in creating quality entry-level jobs while adequate **EU funding** is crucial to deliver on stronger ambitions.

- **Youth Guarantee coordinators (YGC)**

About three quarters of respondents favoured **extending the age limit of the target group from 25 to 29 years**. Among those who disagreed, some argued that this would increase complexity. **Increasing awareness** via targeted social media campaigns and outreach activities to those facing multiple disadvantages was deemed very important. The group called for strengthening **early identification of NEETs** through reinforced career guidance, in partnership with the education system, as well as, enhanced and systematic **profiling** and better **guidance, counselling and mentoring**. It proposed to focus more on **skills**: basic digital (76%), career management (72%), STEM or teamwork and communication (64%), as well as, green and social entrepreneurship skills.

**Quality of offers** could be further improved with better follow-up data (92%); better integration of services (e.g. data sharing platforms, one-stop-shops, 88%) and by complying with the principles laid out in the European Pillar of Social Rights (EPSR) (80%). A large majority insisted on aligning better traineeships and apprenticeships with the existing frameworks (72%). Other options could be co-creation of measures with employers (84%) and young people (64%) and better pre-screening of offers. Several YGCs favoured extending the four-month target for receiving the offer, especially in the case of more vulnerable NEETs and in MS with lower PES capacities.

**Cooperation and partnerships** should be reinforced to improve awareness raising (social services, NGOs, schools, employers), outreach (NGOs, schools, parents), preparation (guidance services) and offers (employers, other levels of governments and Ministries). Those **living in remote and rural areas** could benefit from co-financed transport and/or housing, and accessible care services.

The **EU** can provide **value added** via ESF+ (96%); mutual learning activities (92%); EU-wide awareness raising activities (8%), data collections (76%) and by supporting the development of Youth Guarantee strategies (68%). **Synergies with other EU programs** such as Erasmus+ as well as with the future Child Guarantee should be explored.

- **Advisors for European PES Affairs of the European PES Network (AFEPAs)**

AFEPAs largely agreed with the YGCs views on **extending the age bracket** (81%); more **systematic profiling** (95%) and **reinforcing early prevention and outreach**. Latter should focus on inactive (72.7%), low-skilled (68%) and those with disabilities (68%). The group emphasised the need for basic digital **skills** (86%), career management, resilience and learning to learn skills (77%), teamwork and communication skills (77%), STEM skills (72%) but also green and entrepreneurial skills (68%). It called for deepening **career guidance and counselling** (95%), **skills assessments** (95%) and to offer **basic digital trainings** (90%).

Moreover, a share of respondents would welcome more flexibility in the offer **delivery timeframe** (the four month target), in particular for young people with complex needs that require longer preparation. Like YGCs, the group stated that integrated services (95%), better follow-up data (86%) and compliance with EPSR principles (68%) would help improve the **quality of offers**, as well as co-creation of measures with employers (86%) and young people (77%). They suggested stronger **cooperation and partnerships** with the education sector, and formal and systematic inclusion of relevant partners in the delivery of the Youth Guarantee as to address the more complex needs.

AFEFAs, as YGCs, highlighted that **EU value added** comes from mutual learning activities (95%), political back up and adequate ESF+ funding (81%), supporting MS in developing a Youth Guarantee strategy (77%) and data improvements (68%).

- **EU Civil Society Organisations (CSOs)**<sup>10</sup>

Most CSOs shared the views that the **age bracket** should be extended, **awareness-raising activities/outreach** intensified (e.g. mobile teams and one-stop shops in rural or remote areas, building trust) and early **career guidance** improved. It is crucial to address **discrimination** and sensitise employers on issues such as provision of reasonable accommodation or coordinated support.

Most CSOs highlighted the benefits of the **social economy** and the need to match **skills** with the labour market needs. **Validation** of non-formal and informal learning and skills should be improved. Most CSOs would like more focus on the **quality** rather than the quantity of jobs by ensuring an individual and flexible approach, integrated service delivery, decent remuneration and/or work standards. Data collection needs to improve.

**Partnerships** need to be reinforced at all levels, in particular, with the education system, businesses and social enterprises, VET centres, but also with local authorities and organisations providing social and healthcare services and housing. CSOs could **contribute to the implementation** via local advisory boards and co-creation, trainings to counsellors, awareness raising/outreach activities, social services provision. They also play a role in monitoring the implementation. **EU value added** comes from political pressure, better visibility, ESF+ funding (e.g. supporting self-employment) and data collection. The Commission could also set up indicators to ensure these jobs are decent. As others, CSOs called for the proposal to be aligned with the other relevant policies (e.g. EPSR, green skills, Roma, migrants).

- **EU Social Partners**

#### Employers

In contrast to others, rather than reinforcing the 2013 Council Recommendation, employers advocated for closer follow up of its implementation in the MS, including via the European Semester and other existing tools. They did, however, support extending the **age bracket**, depending on the country's context, and agreed that **early school leaving** prevention, **outreach** and **activation** of NEETs need to improve.

Employers highlighted that **skills, skill profiling and guidance** are important. While digital skills need to improve, in particular, among early school leavers and entrepreneurs, adaptability, self-confidence and attitude were considered to be even more crucial. **Quality** apprenticeships, work-based learning, job shadowing, as well as, Vocational Education and Training (VET) were identified as good ways to upskill NEETs/vulnerable groups.

Like others, employers called for stronger and wider **partnerships and cooperation**. In particular in rural areas, employers welcome the idea of one-stop-shops. Due to digitalisation, there are also more opportunities for rural entrepreneurs. Lastly, efforts should focus on real job creation and employment quality, in cooperation with SMEs, rather than subsidised employment.

#### Trade unions

As others, trade unions also supported the **extension of the age bracket** and favoured better **early prevention** and **outreach** to the most vulnerable NEETs, in cooperation with different actors. To improve cooperation, PES should offer local solutions and work more with the education sector. As employers, representatives welcomed the increased focus on **rural and remote areas** and insisted on promoting one-stop-shops in these areas, as well as, self-employment.

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<sup>10</sup> Representing various groups such as people with disabilities and/or health issues, people with a migrant background, Roma, people with caring responsibilities, homeless and people living in remote and rural areas.

Trade unions highlighted the importance of improving **skills** and developing job-related skills, but also soft, social and active citizenship skills, and the capacity for lifelong learning. **Validation** of non-formal and informal learning is essential. To enhance the **quality** of offers, it is necessary to fight precarious work. So far, the focus has been on increasing employability rather than employment quality (e.g. temporary contracts, platform economy, etc.). Quality control could be improved with the help of the European PES Network and better data. In addition, representatives highlighted the importance of promoting access to social protection for young. Finally, the new proposal needs to be coherent with the other policy frameworks in the area (e.g. EPSR, Child Guarantee).

- **Advisory Committee on Vocational Training (ACVT)**

According to the ACVT governmental delegates, the main challenges are still **outreach** to NEETs and provision of **holistic, individualised solutions** of good quality. The reinforced framework should also tackle social services, housing, health, care issues etc. which could further prevent labour market integration.

To improve **skills**, better prevention of early school leaving and quality education and training systems are needed. The importance of **career guidance and counselling** was underlined. There is a need to provide basic digital trainings during the preparatory phase. Apart from focusing much more on 'basic digital skills' and 'basic skills'<sup>11</sup>, government representatives proposed to also develop green skills while trade unions suggested STEM skills. Trade Unions also emphasised the importance of skills assessments.

In terms of **quality**, government replies indicated that better alignment with the existing principles and frameworks (e.g. on apprenticeships), the involvement of employers and integrated services but, also, systematic profiling can considerably help improve the measures. For the most vulnerable, some suggested to measure progress (e.g. 'distance travelled') rather than just focusing on getting the offer. Trade Unions largely shared the above views but also added that the Quality Framework for Traineeships and follow-up data are important in this context. A great number of respondents highlighted the need for stronger **cooperation and more effective coordination** to improve the preparatory activities and the quality of offers. Many members called to improve **communication** (e.g. via modern communication channels).

- **European Social Fund (ESF) Technical Working Group**

As other groups, the authorities highlighted the importance of **prevention**, in particular to reduce the number of early school leavers, continuous **guidance and mentoring**, especially for NEETs seeking to become self-employed, and called for better **outreach** to the inactive. Participants emphasised the role of **integrated services** to address the complex needs of NEETs and called for stronger **cooperation** between companies, the education system and training providers.

Contrary to the CSOs and youth consulted, the group argued that **quality benchmarks** are hard to establish given the diversity of labour markets. As YGCs, some argued that the four-month target is difficult to achieve in the case of more vulnerable NEETs. Similarly to CSOs, the positive effects of hiring subsidies in the case of more vulnerable (e.g. low skilled, those living in remote areas) were stressed.

- **European Economic and Social Committee (EESC)**

As others, EESC supported extending the **age bracket**, intensifying **awareness-raising**, improving **career guidance** to prevent early school leaving and reinforcing **outreach**, in particular to the most vulnerable. Better quality of offers and better monitoring should lead to better results. EESC welcomed the focus on digital and labour market relevant **skills** but also highlighted the need to improve young people's motivation. There is a need to better recognise **non-formal and informal learning**.

**Partnerships** need to be reinforced, especially in countries where PES has difficulties delivering offers on time. Furthermore, employers should be involved in the design and delivery of offers.

<sup>11</sup> Reading, writing and mathematics.



Start-ups and SMEs in rural areas should be supported, as also mentioned during consultations with the social partners. Finally, EESC asked to ensure coherence between different EU policies, as many others, and stressed that **EU funding** cannot replace national funding.

### 3. Use of consultation results

The Commission proposal reflects to a large extent the expressed views. Overall, all stakeholders, but employers, were in favour of a new proposal. As to be more inclusive and better reflect the situation on the ground, the proposal extends the age bracket from 25 to 29 years. To ensure that no one is left behind, several actions linked to mapping and tracking are proposed in the context of early prevention as well as various outreach and awareness raising actions. However, as to avoid scarring effects in the case of longer periods of unemployment or inactivity, Commission believes that is important to maintain the current target of four months for receiving the offer in the reinforced framework.

All stakeholders called for improving the 'quality' of offers, proposing different approaches. To improve outcomes, Commission proposes to improve profiling, ensure more individualised counselling, guidance and mentoring and a holistic approach. The skills dimension is reinforced by proposing to offer shorter training sessions geared towards growing sectors. The Commission also proposes to ensure that offers are better alignment with the existing quality standards and principles. The consensus on the need to strengthen the multi-stakeholder approach and integrated services based on partnerships during all implementation phases, including data collection, is very much reflected. Finally, to take into account calls on funding, the proposal recommends to MS to make full and optimal use of the various existing Funds.