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'I' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee (Part 1)
No. Cion doc.:	9338/20 - COM(2020) 277 final
No. prev. doc.:	10929/20
Subject:	Proposal for a COUNCIL RECOMMENDATION on A Bridge to Jobs - Reinforcing the Youth Guarantee and replacing Council Recommendation of 22 April 2013 on establishing a Youth Guarantee

1. On 2 July 2020, the Commission transmitted to the Council the proposal for a Council Recommendation on 'A Bridge to Jobs - Reinforcing the Youth Guarantee and replacing Council Recommendation of 22 April 2013 on establishing a Youth Guarantee'¹.
2. The proposal for reinforcing the Youth Guarantee was unanimously welcomed by all Member States. It makes an important contribution to the implementation of the European Pillar of Social Rights, strengthening principle 4 (active support to employment) by boosting youth employment.

¹ See document 9338/20.

3. Taking due account of the impact of the Covid-19 pandemic, the changing realities of the labour market as well as the twin digital and green transitions, the draft Recommendation aims to be more inclusive across the EU by reaching out to a wider target group of vulnerable young people of all backgrounds (inter alia, young people neither in employment, education or training (NEETs) and young people with disabilities), by widening the age bracket to include young people aged 25-29² and by strengthening the gender dimension.
4. The proposal was discussed on 10 July³ in an informal videoconference and on 2 September in a meeting of the Members of the Social Questions Working Party, followed by two rounds of informal written consultations⁴. Apart from legal-linguistic input, the changes agreed by the Working Party served essentially to clarify the initial wording.
5. The required qualified majority has been reached. Poland has announced its intention to table a statement.
6. Against this background, the Permanent Representatives Committee is invited to reach political agreement on the text. After legal-linguistic revision, it will be submitted to Coreper and Council in due course for adoption as a "I/A" item.

² The 2013 Recommendation concerned people under the age of 25.

³ See documents 10214/20.

⁴ See documents 10610/1/20 REV1 and 10929/20.

Draft

COUNCIL RECOMMENDATION

on A Bridge to Jobs - Reinforcing the Youth Guarantee

and

replacing the Council Recommendation of 22 April 2013 on establishing a Youth Guarantee

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 292, in conjunction with Article 149 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) In November 2017 the European Parliament, the Council and the Commission proclaimed the European Pillar of Social Rights, setting out 20 principles and rights to support well-functioning and fair labour markets and welfare systems. The European Pillar of Social Rights sets out the right to fair working conditions, states that equality of treatment and opportunities between women and men must be ensured in all areas and sets out the right to access to social protection and training. It also states that probation periods should be of reasonable duration and that the abuse of atypical contracts shall be prohibited. Principle 4 ('Active support to employment') states that 'young people have the right to continued education, apprenticeship, traineeship or a job offer of good standing within four months of becoming unemployed or leaving education'.

- (2) The guidelines for the employment policies of the Member States, adopted by the Council in its Decision 2019/1181¹, and in particular guideline 6, call upon the Member States to continue to address youth unemployment and the issue of young people not in employment, education or training (NEETs) through prevention of early school leaving and structural improvement in the school-to-work transition, including through the full implementation of the Youth Guarantee.
- (3) The Council Recommendation of 20 December 2012 on the validation of non-formal and informal learning² sets out elements and principles for the validation of non-formal and informal learning which enable individuals to have knowledge, skills and competences which have been acquired through non-formal and informal learning validated and to obtain a full qualification, or, where applicable, part qualification.
- (4) The Council Recommendation of 19 December 2016 on Upskilling Pathways: New Opportunities for Adults³ recommends that adults with a low level of skills, knowledge and competences be offered the opportunity, according to their individual needs, to acquire a minimum level of literacy, numeracy and digital competence, and/or acquire a wider set of skills, knowledge and competences.
- (5) The Council Recommendation of 22 May 2018 on key competences for lifelong learning⁴ calls upon the Member States to support the development of basic digital skills and to increase and improve the level of digital competences across all segments of the population.

¹ Council Decision (EU) 2019/1181 of 8 July 2019 on guidelines for the employment policies of the Member States (OJ L 185, 11.7.2019, p. 44).

² OJ C 398, 22.12.2012, p. 1.

³ OJ C 484, 24.12.2016, p. 1.

⁴ OJ C 189, 4.6.2018, p. 1.

- (6) The Council Recommendation of 10 March 2014 on a Quality Framework for Traineeships⁵ offers guidance on the provision of quality traineeships and includes quality elements that relate in particular to learning content, working conditions, and transparency regarding financial conditions and hiring practices.
- (7) The Council Recommendation of 15 March 2018 on a European Framework for Quality and Effective Apprenticeships⁶ identifies 14 key criteria that Member States and stakeholders should use to develop quality and effective apprenticeships to ensure both the development of job-related skills and the personal development of apprentices.
- (8) Regulation (EU) 2019/1700 of the European Parliament and of the Council⁷ provides a common framework for seven previously independent data collections, including the EU Labour Force Survey. That common framework, namely the Integrated European Social Statistics (IESS), yields more granular cross-EU comparative data, which will enable a better understanding of young people's transition from education to work, capturing more accurately their learning and working experience, but also their individual background characteristics.
- (9) In its conclusions of 15 December 2016, the European Council calls for the continuation of the Youth Guarantee. In its conclusions of 15 June 2017, the Council reaffirms that tackling youth unemployment and inactivity remains a policy priority, considers that the Youth Guarantee and the Youth Employment Initiative have provided a strong impetus for structural reforms and policy innovation and underlines that reaching out to NEETs requires strong and persistent efforts of national authorities and cross-sectoral cooperation.

⁵ OJ C 88, 27.3.2014, p. 1.

⁶ OJ C 153, 2.5.2018, p. 1.

⁷ 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 (OJ L 261I, 14.10.2019, p. 1).

- (10) In its resolution of 18 January 2018 on the implementation of the Youth Employment Initiative in the Member States, the European Parliament calls on the Member States to establish appropriate and tailored outreach strategies to reach all NEETs and to take an integrated approach towards making more individualised assistance and services available to support young people facing multiple barriers. The European Parliament emphasises the need to improve the quality of offers under the Youth Guarantee and the Youth Employment Initiative and calls for a future discussion about the eligible age bracket.
- (11) The European Green Deal is the EU's new growth strategy. It aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases by 2050 and where economic growth is decoupled from resource use.
- (12) To help repair the economic and social damage caused by the COVID-19 pandemic, kick-start the European recovery from that damage, and protect and create jobs, the European Commission has proposed a major recovery plan for Europe harnessing the full potential of the EU budget and has proposed the recovery instrument 'Next Generation EU'. This instrument will be crucial to support, among other areas, short-term measures to support employment, including youth employment, as well as investments in longer-term policy reforms related to the labour market and social, education and training systems.
- (13) In 2013, during the previous economic recession, the youth unemployment rate (15- 24 year olds) was 24.4 % in the EU (up from 16 % in 2008) and over 50 % in some Member States, and there were 6.5 million NEETs aged 15-24. In response, the Council Recommendation on establishing a Youth Guarantee was adopted in April 2013⁸. It constitutes a major coordinated response, at EU level, to the challenges faced by youth and is based on educational and active labour market policy interventions in the Member States.

⁸ OJ C 120, 26.4.2013, p. 1.

- (14) The COVID-19 pandemic has spiralled the EU into an unprecedented economic recession, which is likely to bring back dramatically high youth unemployment and NEET rates. The EU economy is expected to shrink significantly in 2020, entering the deepest recession in its history. Young people who were already in a precarious situation in the labour market or who faced barriers to accessing work prior to the onset of the pandemic will suffer most, while those entering the workforce at this time will find it harder to secure their first job. It is therefore necessary to reinforce the Youth Guarantee in the light of the present crisis.
- (15) Young people may face multiple challenges in the labour market also because of the transitional life periods they are going through, their limited or lack of professional experience and other barriers to entering the world of work. As past recessions show, young people are hit harder than older, more experienced workers.
- (16) Young women are more likely than young men to become inactive due to caring responsibilities such as looking after children or dependent adults, or other personal or family responsibilities. Caring responsibilities as a reason for inactivity is more than five times more prevalent among young women than among young men. That can lead to an increase in the gender employment gap with lasting consequences throughout women's lives.
- (17) Youth unemployment and inactivity as well as limited access to inclusive high-quality education and training and social services can have a scarring effect such as an increased risk of future unemployment, reduced levels of future earnings, loss of human capital and intergenerational transmission of poverty. Those elements translate into individual hardship and bear direct and indirect costs for society at large. They also add to regional inequalities, with young people for instance unable to secure a sustainable labour market integration in rural or remote areas and trying to find opportunities elsewhere.

- (18) Ongoing developments such as automation and digitalisation of production and services continue to reshape the world of work. Young people are overrepresented in non-standard jobs such as platform or ‘gig’ work, in which they may lack access to adequate social protection. Young people are among those groups exposed to losing their jobs due to automation, as entry-level jobs tend to have a greater proportion of automatable tasks. At the same time, digital technologies create new jobs and increase the demand for skills needed for digital transformation in many sectors of the economy.
- (19) Investing now in the human capital of young Europeans will help to future-proof Europe’s social market economies, catering for demographic shifts while fully embracing the digital age and the growth of jobs in the green economy. Such investments go hand in hand with labour market reforms, which may address some of the structural problems for young people and provide them with a better starting position. The Union will be able to reap the full benefits of an active, innovative and skilled workforce while avoiding the very high economic and social costs of having young people neither in employment, education or training.
- (20) A reinforced Youth Guarantee can contribute to creating youth employment opportunities, promoting youth entrepreneurship and help to harness the opportunities arising from the digital and green transitions. It can help to reduce persistent labour market scars from the severe slowdown by encouraging firms to hire unemployed youth, including those who were unemployed prior to the pandemic, and by providing training that facilitates the matching of unemployed and inactive youth to vacancies.

- (21) A reinforced Youth Guarantee should ensure that all young people receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education. To achieve that ambition, it should provide young people with a path towards a stable labour market integration, and reach out and motivate greater numbers of young people regardless of the barriers they may face, making sure that none of them are left behind. It should strive to support young people in gaining valuable work experience and developing the right skills for a changing world of work, in particular those skills relevant to growth sectors and the green and digital transitions. The quality of apprenticeships plays an important role in this respect. There is a need to boost the supply of apprenticeships especially during the recovery phase and to promote the participation of companies in order to facilitate a smoother transition into employment. Apprenticeships prepare young people for jobs that are in high demand and thereby offer them a path towards sustainable labour market integration including at a local level.
- (22) In the 2013 Council Recommendation on establishing a Youth Guarantee, Member States committed to ensure that all young people under the age of 25 receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education. Widening the age bracket to include young people aged 25-29 acknowledges that school-to-work transitions and sustainable labour market integration are taking longer because of the changing nature of work, extended periods spent in education and the skills in demand. It is important to recognise that the economic downturn resulting from the COVID-19 pandemic will lead to a larger proportion of 25-29 year olds falling into unemployment and requiring support. It also aligns with Member States' youth-related measures and programmes, which are generally available for young people between the ages of 15 and 29.

- (23) NEETs are a heterogeneous group. For some young people, being a NEET can be a symptom of multiple and engrained disadvantages and may indicate a longer-term disengagement from society thus requiring longer interventions. Some young people are especially vulnerable, for example early leavers from education and training or those with inadequate education or training, who often have limited social protection coverage, restricted access to financial resources, precarious work conditions or may face discrimination. For others, such as highly-skilled young people or those who already have significant and still-relevant work experience, being a NEET is likely to be a temporary status since they face low barriers to labour market entry and have no inherent vulnerabilities. A reinforced Youth Guarantee should recognise that NEETs require an individualised approach: for some NEETs a lighter approach may be sufficient, whereas other, more vulnerable NEETs, may need more intensive, lengthy and comprehensive interventions. Interventions should be based on a gender-sensitive approach, taking into account differences between the national, regional and local circumstances.
- (24) More than one in five young people across the EU fail to reach a basic level of digital skills, with low-qualified young people more than three times more likely to underachieve in digital skills than their high-qualified counterparts. With the COVID-19 pandemic accelerating the digital transition, the digital skills gap becomes a key determinant in the employability of young people and their ability to seize the opportunities stemming from this transition. Targeted upskilling helps young people respond to the growing demand for digital skills and addresses the digital divide.

- (25) Preparatory training before taking up an offer, carried out according to individual needs and related to specific skill domains such as digital, green, language, entrepreneurial and career management skills, should be part of a reinforced Youth Guarantee, when deemed appropriate. This hands-on training can be a stepping stone towards a full vocational training course, a taster of the world of work, or supplement existing education or work experience before the start of the Youth Guarantee offer. The short-term, informal nature of such preparatory training, which should not prolong the duration of the four-month preparatory phase, distinguishes it from the offer itself.
- (26) Effective coordination and partnerships across policy fields including employment, education, youth, gender equality and social affairs are crucial in terms of boosting quality employment as well as education and training opportunities, apprenticeships and traineeships. Integrated services (such as one-stop shops or other models) offer easier access to services and benefits, and can more easily provide tailor-made, flexible and more responsive solutions for young people with multidimensional barriers to the labour market. Integrated services require a change in working culture, putting young people at the centre of the interventions and fostering the exchange of best practice ideas across all levels of government and building networks between all relevant actors. In addition, data protection issues need to be addressed to allow for an effective and smooth cooperation between different public administrations and services.
- (27) The reinforced Youth Guarantee should be implemented by a scheme consisting of supportive measures, and should be geared to national, regional and local circumstances. Such schemes should take into account the diversity of the Member States as regards the levels of youth unemployment and inactivity, the institutional set-up, and the capacity of the various labour market players. They should also take into account different situations as regards public budgets and financial constraints in terms of allocation of resources and be continuously monitored and improved.

(28) Supportive measures can be financed by Union funds. The Youth Employment Initiative 2014-2020 (YEI) (to which the EU contributes almost EUR 9 billion), together with additional European Social Fund investment, has been a key EU financial resource to support the implementation of the Youth Guarantee. As part of the Recovery plan for Europe and the instrument ‘Next Generation EU’, the Recovery and Resilience Facility and the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU) will provide additional EU funding for youth employment measures. Those efforts will be complemented in the 2021-27 financing period by the European Social Fund Plus which will support the full range of employment, education and training measures of the reinforced Youth Guarantee.

HEREBY RECOMMENDS THAT MEMBER STATES:

- (1) ensure that all young people under 30 years of age 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, in line with Principle 4 of the European Pillar of Social Rights (‘Youth Guarantee’).

The starting point for delivering the Youth Guarantee offer to a young person should be the registration of that young person with a Youth Guarantee provider. Youth Guarantee schemes should be based on the following guidelines, which are structured around four phases (mapping, outreach, preparation and offer), and should be organised in accordance with national, regional and local circumstances, paying attention to the gender and diversity of the young people who are being targeted:

Mapping

Identifying the target group, available services and skills needs

- (2) reinforce the mapping of the target group to enable a better understanding of the diversity of NEETs and the tailored support they are likely to require, including NEETs negatively affected by the economic recession;
- (3) map the services available for different support needs, use national skills forecasts together with available local skills forecasts (informed by, for example, 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;

Enabling prevention through tracking and early warning systems

- (4) strengthen early warning systems and tracking capabilities to identify those at risk of becoming a NEET, while contributing to preventing early leaving from education and training (through, for example, career guidance in schools, more flexible learning pathways and more work-based learning), in cooperation with the education sector, parents or legal guardians, and local communities, and with the involvement of youth, social, health and employment services;

Outreach

Raising awareness and targeting communication

- (5) adopt modern, youth-friendly and local information channels and outreach schemes for awareness-raising activities, using digital and non-digital opportunities, while ensuring the involvement of young people, youth workers and local youth organisations, families and parental associations;

- (6) 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. The communication should avoid all stereotypes;

Stepping up the outreach to vulnerable groups

- (7) strengthen the focus on NEETs (in particular those belonging to vulnerable groups, including those with disabilities and with multidimensional problems), using specifically-trained service providers 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 NEETs, coordination with the provision of benefits, as well as the use of mobile units;

Preparation

Using profiling tools to tailor individualised action plans

- (8) 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 the preferences and motivation, skills and previous work experience, barriers and disadvantages of the young person concerned, including the reasons for being unemployed or inactive or those related to their residence in rural, remote and disadvantaged urban areas;
- (9) ensure that the counselling process at Public Employment Services (PES) is strengthened and that Youth Guarantee providers have adequate staff capacity, including 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;

Performing counselling, guidance and mentoring

- (10) step up the preparatory phase with person-centred counselling, guidance and mentoring by trained advisors in response to the needs of the individual concerned and with due attention to gender bias and other forms of discrimination. Prepare NEETs for the changing nature of work and requirements of lifelong learning, be it through career advice or entrepreneurship support, while adopting one-to-one support, motivational work, advocacy or peer support for NEETs;
- (11) allow for a more holistic approach to counselling, guidance and mentoring by referring young people to partners (such as education and training institutions, social partners and youth organisations, as well as supporting youth work, health and social services), who can help to motivate and support young people in overcoming other barriers to employment;

Enhancing digital skills with preparatory training

- (12) assess the digital skills of all NEETs who register in the Youth Guarantee, for example 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 in need of dedicated preparatory training are offered such training to enhance their digital skills;
- (13) safeguard the validation and recognition of non-formal and informal learning outcomes from the preparatory training by using validation arrangements embedded in education and training systems, existing tools such as Europass, enabling a more modular approach to accumulating qualifications, enhancing learning outcomes and improving recognition;

Assessing, improving and validating other important skills

- (14) ensure that the preparatory phase facilitates upskilling and re-skilling where deemed appropriate, geared mainly towards digital, green, language, entrepreneurial and career management skills, using existing competence frameworks, (self-)assessment tools and validation tools to help young people seize the opportunities in growing sectors, and preparing them for the needs of the changing labour market;

Offer

Making employment and start-up incentives work

- (15) use targeted and well designed employment incentives – such as wage subsidies, recruitment incentives ('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; where appropriate offers that promote self-employment for young people should be linked to in-depth training and comprehensive entrepreneurial counselling;

Aligning the offer to existing standards to ensure quality and equity

- (16) align employment offers to the relevant principles of the European Pillar of Social Rights, ensuring equality of treatment and opportunities between women and men in all areas and the right to fair working conditions, access to social protection and training, reasonable duration of probation periods and prohibiting abuse of atypical contracts;
- (17) 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, where appropriate, the validation of non-formal and informal learning;

- (18) intensify support to quality apprenticeships and make sure offers adhere to the minimum standards laid out in the European Framework for Quality and Effective Apprenticeships;
- (19) ensure that traineeship offers adhere to the minimum standards laid out in the Quality Framework for Traineeships;

Providing post-placement support and implementing feedback

- (20) expand continued post-placement support for young people to help them cope in new situations and adjust individualised action plans where needed, using the opportunity of post-placement feedback to ensure a quality offer was provided and prevent young people falling back into NEET status;

Crosscutting enablers

Mobilising partnerships

- (21) 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 services, providers of solidarity and civic activities, youth organisations and other civil society organisations; promote protocols for cooperation between Youth Guarantee providers and other social services (such as childcare, healthcare, rehabilitation, social housing and accessibility services);
- (22) 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;

Improving the data collection and monitoring of schemes

- (23) step up efforts to enrich follow-up data by strengthening systems that allow young people to be tracked after taking up an offer, in order to monitor long-term, sustainable labour market integration;

- (24) 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;

Making full and optimal use of funds

- (25) dedicate adequate national resources to 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 and especially of the most vulnerable groups;
- (26) make full and optimal use of the current EU instruments under the cohesion policy, notably the YEI, the European Social Fund (ESF) and the European Regional Development Fund (ERDF) (2014-2020) and mobilise a significant share of the additional funds provided under REACT-EU, as well as the European Social Fund Plus (ESF+) and the ERDF (2021-2027), to support youth employment, education and training, prevent unemployment and inactivity among young people and implement relevant policy reforms;
- (27) exploit the 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, the European Agricultural Fund for Rural Development (EAFRD), the InvestEU Programme, the Asylum, Migration and Integration Fund (AMIF), the Erasmus+ programme and the Technical Support Instrument;

HEREBY WELCOMES THE COMMISSION'S INTENTION TO:

Improving the data collection and monitoring of schemes

- (28) continue to support the quantitative monitoring of Youth Guarantee schemes based on the commonly agreed Indicator Framework, proposing adjustments where appropriate in light of *this* Recommendation;
- (29) 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;

Monitoring implementation

- (30) monitor the implementation of Youth Guarantee schemes pursuant to this Recommendation through the multi-lateral surveillance of the **Employment Committee** within the framework of the European Semester;
- (31) regularly engage with Member States in the context of the European Semester to ensure monitoring of a continuous national investment in youth employment policies and programmes; address, where appropriate, country-specific recommendations to Member States on the basis of the guidelines for the employment policies of the Member States;
- (32) report regularly to the **Employment Committee** on developments concerning the implementation and results of Youth Guarantee schemes;

Raising awareness and targeting communication

- (33) strengthen support to Member States' awareness-raising and communication efforts and reinforce the dissemination of results and good practice examples among Member States, including through the European Network of Public Employment Services.

The Council Recommendation of 22 April 2013 on establishing a Youth Guarantee shall be replaced.

Done at Brussels,

For the Council

The President