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COVER NOTE

From: General Secretariat of the Council
To: Delegations
Subject: Investing in Youth Employment: Implementation of the Youth Guarantee

Delegations will find attached the MT country fiche.

1. Conclusions - 2017 multilateral surveillance review of the implementation of the YG

Malta is making very good progress in implementing the Youth Guarantee. It has made considerable progress in reaching out to and reducing the number of NEETs, but challenges remain with regard to young people with low educational attainment, those with disabilities and early school leavers. There are partnerships in place and a personalized approach towards outreach. Policy responses are in place, including a focus on training, and follow up of existing measures show positive results. There are plans for further outreach to NEETs with targeted measures, together with plans to launch a national campaign to raise awareness of the Youth Guarantee scheme. In general there is a focus on individualised guidance and tailor made solutions.

2. YG monitoring 2016: key data

Highlights

- ❖ Direct monitoring indicators show that implementation of the Maltese YG scheme is very effective with 96.2% of those aged 15-24 that left the scheme in 2016 taking up an offer within 4 months. Similarly, of those registered in the preparatory phase at any point in the year, only 2.7% had been waiting for an offer for more than 4 months.
- ❖ Consistent with the focus of the Maltese YG on promoting return to education, the great majority of positive and timely exits (84%) are to education, though there are also some traineeships (14.8%).
- ❖ The supplementary indicator on coverage estimates that just one in twenty (4.9%) of all NEETs aged under 25 were registered in the YG preparatory phase at any time. The low coverage is partly explained by the rapid throughput and the fact that some of the YG initiatives are active only part of the year because of their focus on school leavers. Nevertheless, the available data still indicate that the scheme is not reaching the majority of NEETs in the country. At the same time, it should be noted that Malta makes every effort to contact all known NEETs, who are sent a personal invitation to join the YG scheme. Moreover, the 2015 NEET census showed that “core” NEETs needing targeted support represent a minority share of the NEET population.
- ❖ Eight in ten (82.6%) of those leaving the scheme in 2016 were known to be in employment, education or training 6 months afterwards.
- ❖ Longer-term follow-up data for those leaving the YG scheme in 2014 and 2015 suggest that outcomes are sustainable, with the proportion known to be in a positive situation being 77.6% after 12 months and 80.6% after 18 months.

Introduction

The Maltese Youth Guarantee Implementation Plan was presented at the end of February 2014 and was revised in 2015.

Malta has adopted a dual approach comprising both preventative and reactive measures. Preventative measures include the Alternative Learning Programme (first phase) and remedial classes, which are aimed at young students at risk of becoming early school leavers. The reactive response addresses young NEETs aged under 25. The Maltese authorities approach NEETs not registered with the PES through the NEETs Activation Scheme, which is also open to those that are already registered, the SEC Revision Classes and the Alternative Learning Programme (second phase). Young people can apply to enter any of these three schemes by contacting the PES or the contacts provided in the YG dedicated section in the PES website.

Further information is available in the national YG implementation plan and in the PES website (YG dedicated section).

1 Quality of data

1.1. Key changes compared to 2015

There have been no changes in the way that the YG data for 2016 have been compiled compared to previous years. It is worth noting, however, that some improvement has been made in terms of reducing the numbers of unknowns in the destination of exits (2.5% in 2016 compared to 10.6% in 2015) and subsequent situations (down to 14.8% from 23.6% (6 months after exit)).

1.2. Data quality 2016

Malta has provided the majority of data requested for reference year 2016 in accordance with the definitions of the YG Indicator Framework. The only possible improvement would be to further reduce the proportion of unknowns in destinations and subsequent situations by distinguishing cases of inactivity (e.g. sickness, maternity, etc.) and exits to private educational institutions (which currently cannot be monitored) from real unknowns.

Details of the data provided and any divergence from the definitions are presented in [Table 1](#).

Table 1: Completion and comparability of direct monitoring data, 2016

Coverage of data	
Providers	Ministry for Education and Employment, Jobsplus
Participants	Young people entering one of three programmes offered as part of the YG scheme: Alternative Learning Programme, NEET Activation Scheme and SEC revision classes.
Completion of data	
Missing data	None.
Data recording	
Exits by destination	<ul style="list-style-type: none"> – Exits to private educational institutions cannot be monitored (recorded as unknown). – Exits to inactivity cannot be monitored (recorded as unknown). – There are no exits to apprenticeships. Entry requirements (EQF level 2) are above the qualification levels of those targeted by the YG. – Proportion of unknown destinations: 2.5%
Follow-up T	<ul style="list-style-type: none"> – Collection of follow-up data was done during August and includes results for young people whose 12- and 18-month observation point would have been by end of July 2017. – Follow-up data for those in private educational institutions cannot be collected (recorded as unknown). – Proportion of unknown situations (6m after exit): 14.8%
Comparability of data	
Definitions	<ul style="list-style-type: none"> – No known divergences from the specifications of the Indicator Framework.
Across time	<p>Data comparable but the following should be taken into account:</p> <ul style="list-style-type: none"> – The YG started being implemented in July 2014. Thus, data for 2014 cover only the 6 months from July-December. – Different coverage: 2014 data include some non-NEETs benefitting from preventative actions.

Source: YG monitoring template (quantitative data).

2 Monitoring results

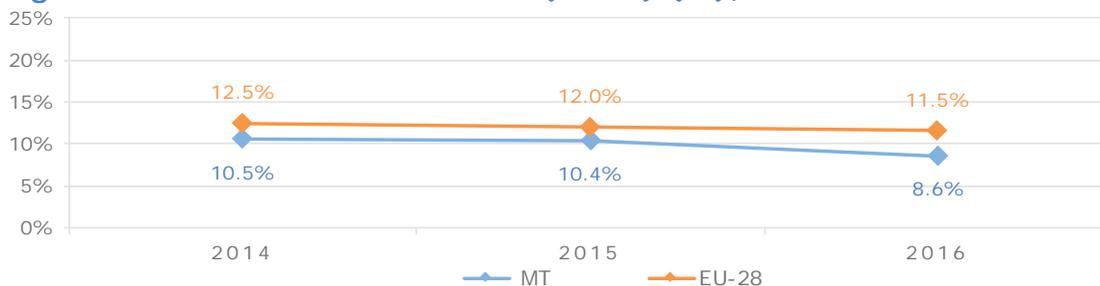
This section presents the results of YG monitoring on the basis of the [Indicator Framework for Monitoring the Youth Guarantee](#). Aggregate monitoring indicators are based on data from the EU Labour Force Survey and are considered comparable between countries. Direct and follow-up monitoring indicators are, however, based on national administrative data and, although they are in principle based on a common methodological framework, differences in definitions, institutional practices and the capacity to collect all of the necessary data, particularly in relation to follow-up, may impact on the comparability of data between countries. Readers are recommended to refer to the [Notes about the data](#) in annex to this report.

2.1 Aggregate monitoring: Macroeconomic indicators

Indicators for aggregate level monitoring of the YG are based on data from the EU Labour Force Survey (LFS) and are intended to monitor the general situation of young people in the EU. The evolution of these indicators through time represents an indirect means of monitoring the effects of implementing the YG and may also reflect the impact of preventive measures to help young people avoid falling into unemployment or inactivity. The aggregate level indicators are complemented by the direct and follow-up level indicators that monitor the efficiency and effectiveness of YG delivery and help to disentangle the impact of policy measures from general economic developments.

The main indicator for YG monitoring at the aggregate level is the NEET rate for young people aged 15-24 – i.e. the proportion of people aged 15-24 that are not in employment, education or training. In 2016, the NEET rate in Malta was 8.6%, well below the EU average of 11.5% (see Figure 2). This figure has dropped by almost 2 percentage points (pp) since 2014, the year the YG started, while there has been a reduction of 1 percentage point at EU level.

Figure 2: Main indicator: NEET rate (15-24) (%), 2014-2016



Source: Eurostat, Labour Force Survey, data extracted 19 October 2017.

2.2 Direct-monitoring: effectiveness of YG implementation

The main indicator for direct monitoring shows that, on average in 2016, just 2.7% of young people aged 15-24 registered in the YG preparatory phase at any point in time had been registered for more than 4-months, well below the EU average of 49.1% (see Table 3). This reflects the design of the actions that constitute the preparatory phase in Malta, some of which are only active for short periods. For example, the ALP ICT scheme was only active for 3 months in 2016. For this scheme, the preparatory phase is taken to be the time between registration and the start date of the course (which only lasts 10 days. Hence none of those benefitting from the ALP ICT training can have duration of more than 4 months. The only scheme in which longer duration is possible is the NEETs Activation Scheme.

Not surprisingly, therefore, the proportions of participants registered in the YG for more than 6 months (0.9%) and more than 12 months (0.5%) were insignificant. In all cases, the decline (compared to 2014) in retention beyond 4 months reflects changes in the initiatives that were active in each year.

Table 3: Main indicator: Proportion of young people in the YG preparatory phase beyond the 4-month target, 2016

Still in the YG preparatory phase after 4 months:	2016	2014-2016 change (pp)	EU average Total (15-24)
Total (15-24)	2.7%	-10.7	49.1%
Breakdown by age			
15-19	2.5%	-7.9	46.2%
20-24	4.5%	-33.0	49.3%
Breakdown by gender			
Men	4.1%	-11.8	48.0%
Women	1.0%	-9.4	49.9%

Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

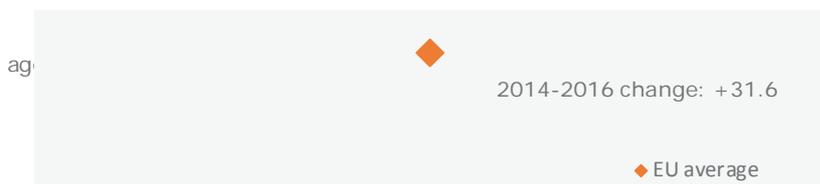
Consistent with the main indicator, the supplementary indicator for direct monitoring shows that almost all (96.2%) of those leaving the YG in 2016 took up an offer within the target period of 4 months (Figure 3). This result is a significant improvement compared to previous years and is a long way above the EU average of 45.9%.

Figure 3: YG implementation, direct monitoring indicators, 2016

Main indicator: Proportion of young people in the YG preparatory phase beyond the 4-month target (durations 4,6 and 12 months) (% YG stock)



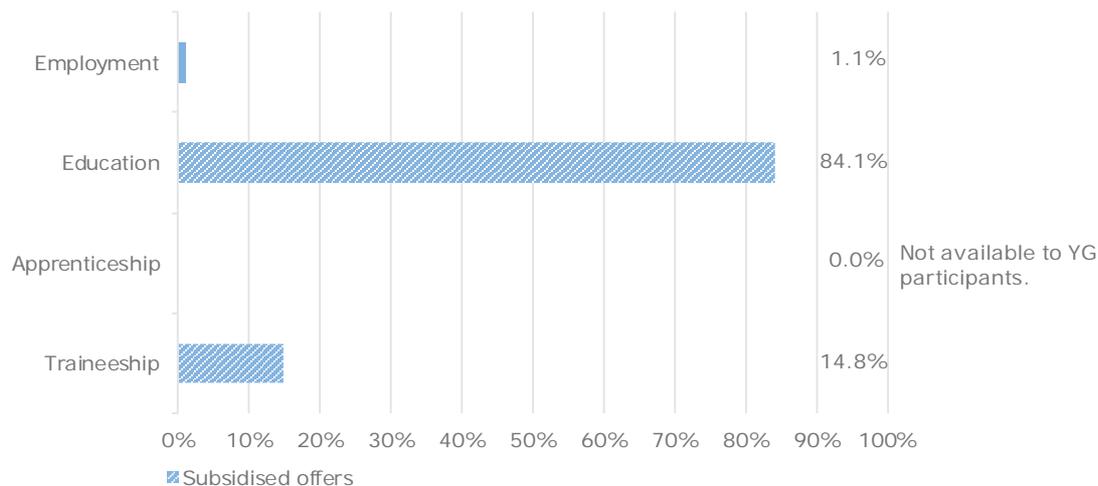
Supplementary indicator: Positive and timely exits from the YG preparatory phase (% exits)



Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

Almost all (97%) of those that left the YG within the 4-month target went to positive destinations. As the entry requirements for apprenticeships (EQF level 2) are above the qualification levels of those targeted by the YG, there are no exits to apprenticeships. Moreover, given the focus of the Maltese YG scheme on encouraging continued or further education, it is not surprising that the great majority of positive and timely exits (84%) are to education, followed by exits to traineeships (14.8%) – all of which are subsidised. Only one in a hundred participants (1.1%) took up an employment offer, which refers to open-market jobs since there are no subsidised employment offers (see [Figure 4](#))

Figure 4: Distribution of positive and timely exits by destination (% timely & positive exits), 2016



Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

2.3 Direct monitoring: coverage of the YG target population

The Council Recommendation on establishing a Youth Guarantee¹ aims to ensure that all young people under the age of 25 years receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education. Reaching the entire population, and in particular those that do not come forwards on their own initiative, is one of the key challenges confronting YG providers in all countries.

The second supplementary indicator for direct monitoring uses NEET rates and population data published by Eurostat together with the annual average stock of participants in the YG preparatory phase in order to estimate the proportion of the NEET population that is covered by the YG scheme (see Figure 5). Note that the criteria used to delimit the NEET population used in the denominator, which is derived from the EU Labour Force Survey (LFS), may differ from the specific conditions applied in each country to register in the YG, so that the two populations may not fully overlap. In other words, the LFS NEET population is a proxy for, rather than an exact measure of, the YG target population. Consequently, results for this indicator should be considered as the best available estimate of the coverage of YG schemes.

In Malta, less than one in ten (4.9%) of NEETs aged 15-24 were enrolled in the YG scheme at any point during 2016, considerably below the EU average of 42.5% and a noticeable decline compared to 2014 (12.9%). The low result reflects partly the fact that YG initiatives were only active for parts of the year², so that the average numbers benefitting from YG support across the whole year are lower, and partly the fact that throughputs are generally quick so that the young people supported do not stay in the preparatory phase for long and therefore contribute little to the stock. Even taking these points into account, it is clear that the YG initiatives in Malta are not reaching all the NEET population. There were 1448 new starts on the YG in 2016 compared to just under 4500 NEETs aged 15-24 (according to the LFS). Of course, this does not mean that the scheme reached a third of NEETs because one figure is a flow and the other a stock so the extent to which the scheme reached anyone that was NEET at any point in the year is dependent on the rate of flow in and out of NEET status, which is not known. The point is simply that, according to the estimate made using the current indicator, the scheme fails to reach the majority of NEETs in the country.

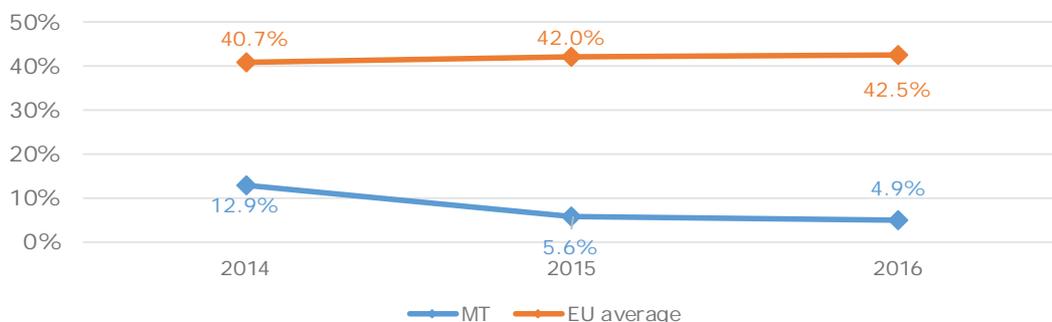
¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:120:0001:0006:EN:PDF>

² The NEET Activation Scheme is available throughout the year while but the ALP is active for just 3 months and the SEC Revision Classes for just 2 months during the summer.

At the same time, however, it should be noted that Malta makes significant efforts to engage with all known NEETs. The NEET Activation Scheme II is open to all NEETs under the age of 25 who are unemployed (both non-registering and registering with PES), inactive and not registered with any post-secondary institution. As a means to reach as many NEETs as possible, all NEETs are sent a personal invitation encouraging them to participate in the Youth Guarantee programme. This exercise is conducted following the collation of different data sources (enrolment and participation in education, unemployment, employed registers). This exercise is conducted annually in accordance with a Legal Notice issued in 2015, aimed at reaching the young cohort.

Furthermore, it is worth noting that the NEET Census conducted in 2015 showed that the largest group was so-called “transition and floating” NEETS (e.g. people in between education and further training or work) and that the “core” NEETs requiring more targeted intervention (i.e. those without future plans in relation to employment or education and levels of education and motivation) represented a smaller group.

Figure 5: YG participants as a proportion of the NEET population (%), 2016

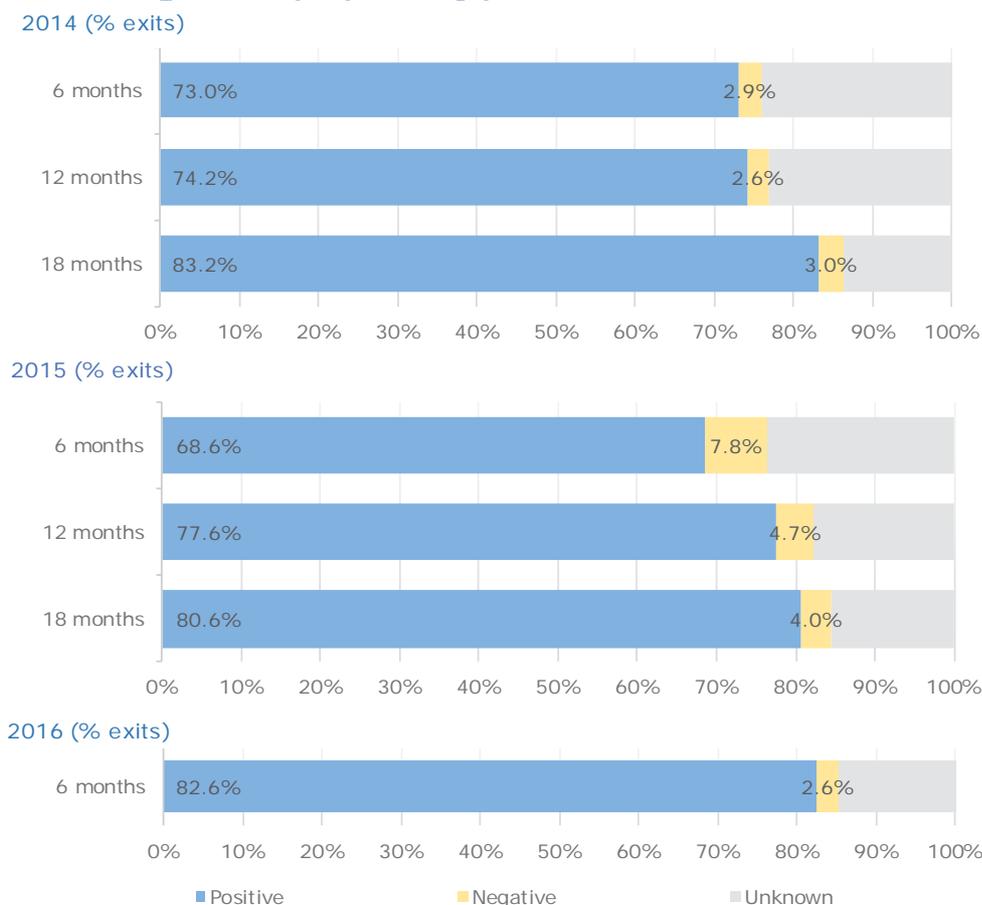


Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

2.4 Follow-up: sustainability of YG outcomes

The main follow-up indicator on the situation of young people after exiting the YG preparatory phase shows that, in Malta, 82.6% of those leaving during 2016 were known to be in a positive situation (i.e. in employment, education, or a traineeship) 6 months after exit. This figure is well above the EU average of 48.5%, and considerably higher than in 2014 and 2015 (73.0% and 68.6%, see [Figure 6](#)).

Figure 6: Follow-up main indicator: Situation of young people 6, 12 and 18 months after exiting the YG preparatory phase, 2014-2016



Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

Follow-up data for 12 and 18 months after exiting the YG indicate that this positive result is sustainable as the proportions of participants in positive situations remain at similar levels.

2.5 Additional results for the 25-29 age-group

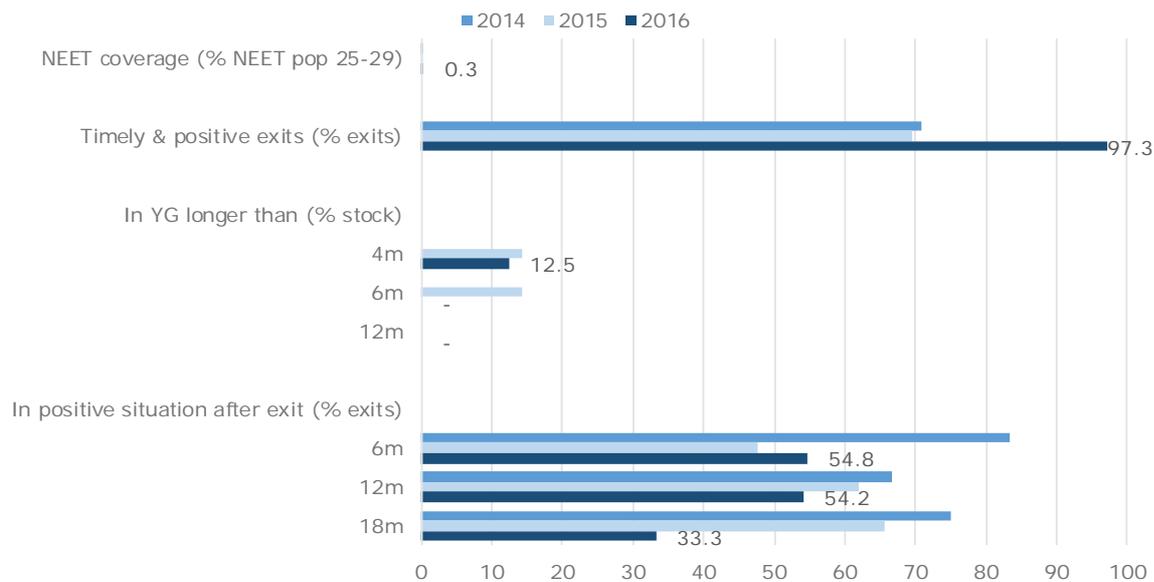
The Maltese YG scheme also covers young people aged 25-29. Accordingly, optional data for the 25-29 age-group were provided and key results are shown in [Figure 7](#).

The proportion of people aged 25-29 registered for more than 4 months in the YG is almost 10 pp higher than for those aged 15-24 (12.5% vs 2.7%). This probably reflects the fact that they are more likely to get support through the NEETs Activation scheme rather than one of the initiatives targeted at preventing early school leaving.

Throughput is still very good, however, with 97.3% of those aged 25-29 leaving the YG in 2016 taking up an offer within 4 months (in line with the result for the main 15-24 target group). In contrast, the follow-up data show that far fewer (54.8% vs 82.6%) are in a positive situation 6 months after exit.

As with the main target group, coverage of the NEET population aged 25-29 is extremely low, with less than 1% registered in the YG preparatory phase at any point in 2016.

Figure 7: Key indicators for the 25-29 age-group, 2014 – 2016



Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

Annex

Notes about the data

Comparability. Data are compiled on the basis of a common methodology - the [Indicator Framework for Monitoring the Youth Guarantee](#), endorsed by the Employment Committee (EMCO) in May 2015, and the accompanying methodological manual – and are therefore considered broadly comparable between countries. Nevertheless, it is important to bear in mind that the data for direct and follow-up monitoring are derived from national administrative registers that are designed to support and monitor specific national systems, which vary in terms of the processes followed and definitions applied and may, therefore, result in some inherent differences between countries. These differences are, however, expected to be relatively minor and more important differences are those that derive from the way in which YG schemes have been implemented and the capacity of countries to provide complete data.

In relation to implementation, the size and composition of the population registered in the YG will initially be different for countries that implemented the YG as a completely new approach and monitored inflows starting from zero, compared to countries that implemented the YG as a reinforcement of existing processes and monitored inflows accumulating with the existing stock. Countries in the former group will tend to have a smaller stock with lower average duration. Differences that result from this artefact of the data are guaranteed to reduce through time, evidence of convergence was apparent already in the 2015 data, and continued in the 2016 data.

The capacity of countries to monitor what happens to young people on leaving the YG impacts on the quality of data on both exits and follow-up but particularly for the latter. Almost half of Member States (15) either provide no follow-up data (8) or do not know the subsequent situation of the majority (at least 2/3) of young people passing through the YG (7 countries).³ The problem derives from a lack of capacity to routinely link administrative registers or legal restrictions to do so. The investment needed to link PES registers and other administrative registers (e.g. social security) would have benefits not only for YG monitoring but also for other EU level data collections (e.g. LTU and LMP) as well as providing a base for policy evaluation at national level.

Coverage indicator. The second supplementary indicator for direct monitoring measures the proportion of the NEET population (average across the year) that is registered in the YG preparatory phase (annual average stock). Whilst data for the numerator are derived from administrative data in each country, the only available comparable data on the size of the NEET population that can be used as a denominator derive from the EU Labour Force Survey. This uses a definition of NEETs that is common across countries⁴ but which may vary from the definitions applied in the context of national YG schemes and in the administrative data used to monitor these. Results should thus be interpreted as an estimation, rather than a definitive measurement, of the extent to which YG schemes achieve the objective of reaching all young people that become, or are already, NEET.

EU level data. Figures labelled “EU-28” used in aggregate level monitoring are based on aggregates of all NEETs in all Member States and therefore represent weighted averages, which can be significantly influenced by the situation in a small number of large countries. Figures labelled “EU average” are unweighted averages of all available country figures. In relation to the destination of exits and follow-up data, the EU averages are liable to be understated due to significant numbers of unknown destinations or subsequent situations in some countries.

³ Based on 2016 data for Follow-up T-1 (i.e. data on the situation of participants who left the YG preparatory phase in 2015).

⁴ See [http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:Young_people_neither_in_employment_nor_in_education_and_training_\(NEET\)](http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:Young_people_neither_in_employment_nor_in_education_and_training_(NEET))