



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 13 June 2014

10339/14

**SOC 400
ECOFIN 522
EDUC 149
JEUN 73**

NOTE

from: The Employment Committee
to: Permanent Representatives Committee (Part I) / Council (EPSCO)
Subject: European Semester 2014: Contribution to the European Council
(Brussels, 26-27 June 2014)
(g) Implementation of the Youth Guarantee
- Endorsement of the EMCO report

Delegations will find attached the Report of the Employment Committee on the above mentioned subject, with a view to the Council (EPSCO) session on 19 June 2014.



The Employment Committee

EMCO Review on youth unemployment and the implementation of the Youth Guarantee

Youth unemployment rates in the EU increased sharply – more than 7.5 percentage points between 2008 and 2013 (from 15.8% to 23.4%), and are currently nearly 2.5 times higher than the adult rate, affecting 5.3 million young people. There is also a large number of young people neither working nor studying: In total, in 2013 7.3 million people in the age group 15-24 were neither in employment nor in education or training, an overall share of 13 % of the age group. Long-term unemployment (12 months or longer) among young people (15-24) stood at 7.9% in 2013. The challenge of tackling the structural causes of youth unemployment calls for systemic and comprehensive answers: Reforms of apprenticeship systems and vocational education and training, prevention of early school leaving, early intervention, career guidance and support, skills development and matching are amongst them. These are encapsulated in the concept of the Youth Guarantee¹.

All 28 Youth Guarantee Implementation Plans have been submitted to the Commission in two groups. After an initial review in December 2013, in May 2014 EMCO received updates from all Member States on the progress they are making in implementing these plans. These reviews illustrated the authorities' high engagement across the EU and the first updates on progress are encouraging.

¹ [In April 2013, Member States committed to ensure that all young people under 25 receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within four months of leaving formal education or becoming unemployed, see <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:120:0001:0006:EN:PDF>](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:120:0001:0006:EN:PDF)

Delivering a Youth Guarantee provides the basis for major structural reform measure in the mid- and longer term. It implies establishing structures, processes and measures to be able to offer all young people a concrete way forward within 4 months. EMCO has underlined that an effective policy approach requires a balance of short-term measures combined with longer-term structural reforms to facilitate young people's sustainable integration into the labour market, bringing about a systemic improvement in the school-to-work transition, fostering long-term partnerships, setting up comprehensive information systems and combatting segmentation and enhancing access to labour markets for young people in all Member States.

Progress can be particularly noted in terms of the development of a personalised approach, with the outcome-orientated approach of the Youth Guarantee allowing Member States to tailor implementation according to national and local circumstances. A partnership approach is also important for early intervention and activation and effectively reaching out to non-registered young people, for which some Member States develop ambitious pilot projects.

The development of the plans themselves has had an encouraging spin-off of improved coordination both between Ministries and with Stakeholders, further facilitated by the fact that a number of Member States have published the plans online and set up national Youth Guarantee websites, helping to promote transparency and dialogue, raise awareness, and facilitate outreach. EMCO also underlines the importance of ensuring an active engagements of social partners at all stages of the design, implementation and monitoring of a Youth Guarantee.

The reviews clearly illustrate that the significant challenge is now to ensure a successful and timely roll-out of the plans. This represents a considerable policy challenge seen in the context of capacity constraints. The role of PES varies between countries, with most PES focusing on out-reach and activation measures and the development of new services tailored to this client group. The need to ensure sufficient capacity for this is essential.

Private sector engagement will be particularly crucial to ensure the supply and quality of offers under a Youth Guarantee and important reforms to apprenticeship systems and vocational education and training are taking place across many Member States to increase supply, quality and attractiveness of apprenticeships and VET.

The reviews show a diversity in approach across the 28 Plans as Member State develop systems attuned to national specificities but with all having the same ultimate objective EMCO sees considerable merit in further exchange and peer learning in the context of the European Employment Strategy instruments including the Mutual Learning Programme. As implementation progresses fast, there is a clear need to put in place a system of impact evaluation and to ensure the monitoring and follow-up of implementation. The EMCO reviews again picked up some notable good practice in this regard.

Encouraging progress has also been at the EU level, through the work within the EMCO Indicators Group to develop coherent simple and operational system to monitor the implementation and results of the Youth Guarantee within the Joint Assessment Framework. The approach being worked on is to develop indicators in three categories: Indirect monitoring using aggregate or macroeconomic indicators; direct monitoring of the delivery of the Youth Guarantee to individuals; and direct monitoring of the follow-up of individuals having received a Youth Guarantee offer. The EMCO Indicators Group will further work on monitoring, taking into account both the current limited data availability in the context of the diversity of approaches to the Youth Guarantee embedded in the Council recommendation as well as the needs for subsequent further improvements of the data, i.a. in the context of the work on the LMP database. The aim is to finalize the framework on data collection and the list of common indicators by the end of 2014.