



Council of the
European Union

Brussels, 23 February 2016
(OR. en)

6154/16
ADD 1

SOC 69
EMPL 44
ECOFIN 108
EDUC 31
JEUN 17

NOTE

From: General Secretariat of the Council
To: Delegations
Subject: Investing in Youth Employment: Implementation of the Youth Guarantee
- Endorsement of the EMCO key messages on the way forward

Delegations will find attached the "Results of the Youth Guarantee data collection at EU level" submitted by the Employment Committee, with a view to the Council meeting (EPSCO) on 7 March 2016.

The key messages which are drawn from this report are contained in doc. 6154/16.

Results of the YG data collection at EU level

This section presents the preliminary results of the first data collection exercise on the basis of the indicators in the Indicator Framework. In doing so, there are two main objectives. First is to present the first indicator results based on the data available to date¹ and second to present a preliminary assessment of the completion of the requested data and the quality of the data in terms of adherence to the methodological specifications.

The results are considered to be broadly positive. All EU Member States delivered data more or less according to the planned schedule and indicator values can be calculated in the vast majority of cases². However, it should be noted that only just over half of countries have so far managed to provide follow-up data.³ For the time being data comparability across countries is limited. Additional efforts are needed to make the necessary improvements in order to achieve better alignment with the Indicator Framework. Therefore, the results should be interpreted with caution, in particular when making comparisons between Member States. To this end results at EU level, for the direct level of monitoring, are presented for demonstration purposes, and should be interpreted in the light of the limitations outlined in this section. The focus should be placed on monitoring the implementation of the Youth Guarantee in individual Member States.

Whilst successful implementation of YG schemes depends on effective delivery of offers within 4 months, the sustainable measure of success will be seen only in the longer term integration of young people in the labour market. Follow-up indicators looking at the situation of participants 6, 12 and 18 months after exit are therefore crucial to the monitoring process. Indirect monitoring indicators should also show improvement.

¹ Some of the presented results may still be subject to revision as the validation process is still in progress for some countries

² The main indicator for direct monitoring could be calculated for all countries except the UK, for which no observation of duration less than 6 months has been provided. The supplementary indicator for direct monitoring could be calculated for all countries except Hungary and the UK. The data provided by the UK for the purpose of YG monitoring describe flows onto and off Jobseekers Allowance (JSA). National monitoring data show that most young claimants flow off this benefit within 6 months. The UK has provided data on claimants receiving benefits for 6 months and 12 months but data for <4 month and 4-6 month durations are not published by the UK authorities and consequently cannot be provided.

³ For the first data collection Member States were not expected to provide 12 and 18 month follow-up data, only 6 month follow-up data.

YG schemes have been launched in each country from very different starting points and as 2014 is the first year of monitoring, the late implementation of some YG schemes and the different methods that countries have chosen to report inflows to the scheme have an important impact on the comparability of results. The indicator values and other data presented here should therefore be treated accordingly. The impact of these factors should, however, be significantly decreased in data for 2015 and beyond when all countries will be reporting on a continuous basis.

- **Aggregate Monitoring: Macroeconomic Indicators**

In 2014 the NEET rate for persons aged 15-24 was 12.5% across the EU. This represents almost 7 million young people who were not in employment, education or training and therefore potential targets of YG schemes. The NEET rate varied from 5-6% in the Netherlands, Denmark, Luxembourg and Germany to 19-20% in Greece, Croatia, and Bulgaria, and 22.1% in Italy. In half of countries there is less than 1 percentage point difference in the NEET rates for young men and young women. However, NEET rates are noticeably higher for men than for women (> 3pp difference) in Croatia, Cyprus, Finland and Luxembourg but higher for women in Romania, Hungary, Malta and the Czech Republic.

The NEET population is fairly evenly split between unemployed and inactive young people with NEET rates of 6.4% and 6.1% respectively. Indeed, in the majority of countries (17), neither category accounts for more than 60% of the total NEET population. There are six countries (Croatia, Greece, Spain, Cyprus, Slovakia and Portugal) in which unemployed NEETs account for at least two-thirds of the total NEET population (15-24) but just one – Bulgaria – in which inactive NEETs predominate to a similar extent (71% of the total). Romania, Estonia, Denmark and the Netherlands are the only other countries in which inactive NEETs account for more than 60% of the total.

NEET rate by labour market status and the youth unemployment ratio, 2014 (% population, 15-24)



Source: Eurostat, Labour Force Survey ([edat_lfse_20](#), [lfsi_act_a](#)), data extracted on 18 January 2016.

Note: Countries are ordered according to the overall NEET rate

According to 2014 data for the youth unemployment ratio, unemployment affected about 9% of young people aged 15-24. Going further, comparing this indicator with the unemployed NEET rate provides additional useful insights. In almost half of countries (13) the unemployed NEET rate is 80% or more of the unemployment ratio, meaning that less than one in five young unemployed are participating in any form of education or training. This applies to nine of the ten countries with a (total) NEET rate above the EU average, the only exception being Spain, where more than a third (37%) of young unemployed are apparently in education or training. At the other end of the scale, there are 4 countries in which more than half of young unemployed are participating in some form of education or training: Finland (59%), Sweden (71%), Denmark (72%) and the Netherlands (76%).

- **Direct monitoring of YG delivery:**

On average⁴ in 2014, more than a third (36.1%) of young people participating in national YG schemes remained in the YG beyond the 4 month target for providing an offer. There were significant differences between countries with the proportion varying from over 60% in Belgium (Walloon region only) and the Czech Republic and over 50% in France (Pôle Emploi only), Bulgaria, the Netherlands and Poland to less than 4% in Denmark.

⁴ "EU averages" for direct and follow-up monitoring have been generally calculated as a simple average of country figures, with no weighting.

However, it should be noted that, some of this variation can be attributed to late implementation and the reporting method applied as shown in the table below, both of which impact the proportion of participants that can have longer durations and should be taken into account when interpreting the data

Reporting methods in the first year of YG monitoring

Reporting method	Entrants	Stock	Exits	Duration
New starts only	New starts in the year (including re-entries).	All persons currently registered in the YG (and not having taken up an offer). By definition will include only persons that joined since the YG launch date (in 2014).	All exits in the year. By definition means persons that also joined in 2014.	Measured from registration date. Must be <=12m (for schemes starting in 2014)
New starts plus start-up stock	New starts in the year (including re-entries) plus stock of persons already registered on the YG launch date.	All persons currently registered in the YG (and not having taken up an offer), irrespective of registration date.	All exits in the year, including those that were part of the start-up stock and who initially registered before the YG launch date.	Measured from latest of YG launch date (start-up stock) and registration date (new entrants in the year). Must be <=12m (for schemes starting in 2014).
Continuous reporting	New starts in the year (including re-entries).	All persons currently registered (and not having taken up an offer), irrespective of registration date.	All exits in the year.	Measured from date of registration. Any duration is possible.

Source: DG-EMPL, YG monitoring questionnaires, 2014

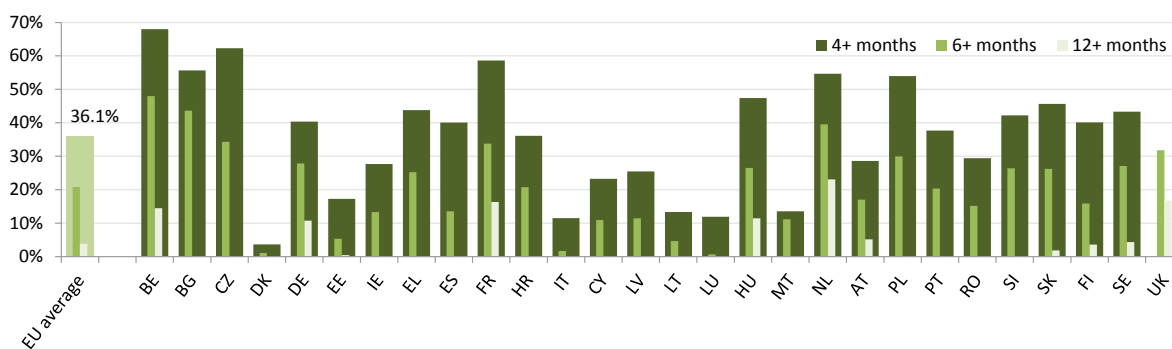
Use of different reporting methods for the YG 2014

Reporting method	Countries	Count
New starts only	BE-F, CZ, DK, IE, EL, ES, IT, LV, LT, LU, MT, PL*	12
New starts plus start-up stock	BE-BXL, BE-W, BG, EE, HR, CY, PT, RO, SI, SK	10
Continuous reporting	DE, FR-PE, FR-ML, HU, NL, AT, FI, SE, UK	9

Source: DG-EMPL, YG monitoring questionnaires, 2014

* To be confirmed.

Direct monitoring, main indicator: proportion of young people in the YG preparatory phase beyond the 4 months target, 2014 (%)



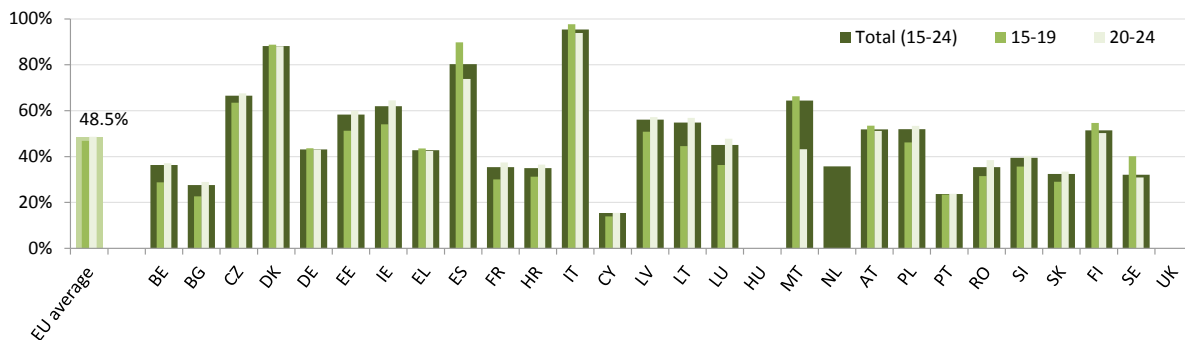
Source: DG-EMPL, YG monitoring database, data extracted on 18 January 2016.

Note: results reflect the state of YG implementation and other data related issues and therefore data comparability across countries is limited.

Almost half of young people leave the YG with a positive result within the 4 month target. On average across the EU, 48.5% of young people exited the YG to employment, education, an apprenticeship or a traineeship within four months but the figures range from over 95% in Italy and over 80% in Denmark and Spain to below 30% in Bulgaria and Portugal and just 15% in Cyprus. Of all timely and positive offers, the majority are to employment (average of 68.7%), followed by education (16.5%), traineeships (10.8%) and apprenticeships (4.1%).

As with the main indicator, results are affected by the state of implementation and the reporting method but in addition the figures in some countries are also impacted by a lack of capacity to monitor all types of exit, resulting in high numbers of exits to unknown destinations. In particular, some exits to education may be missed as the relevant registers either cannot be linked to YG monitoring data or are not comprehensive in terms of the forms of education/training that are covered.

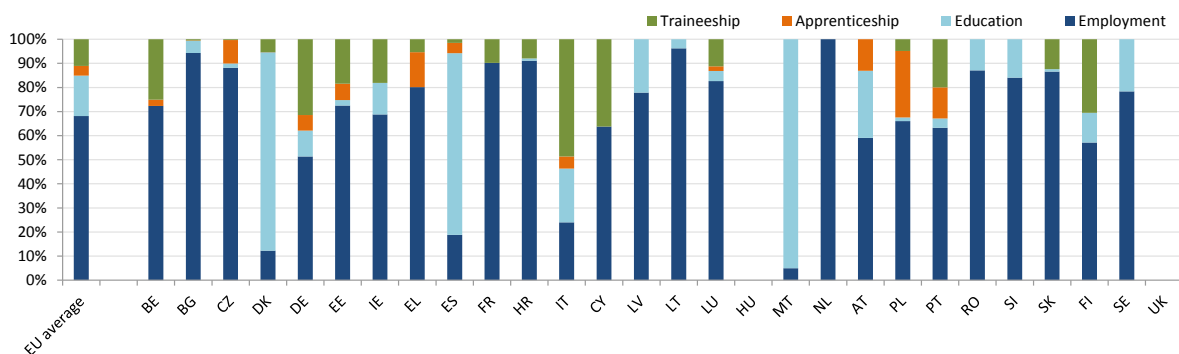
Direct monitoring, supplementary indicator: Positive and timely exits from the YG preparatory phase, 2014 (%)



Source: DG-EMPL, YG monitoring database, data extracted 18 January 2016

Note: results reflect the state of YG implementation and other data related issues and therefore data comparability across countries is limited.

Distribution of positive and timely exits by type of offer, 2014 (%)

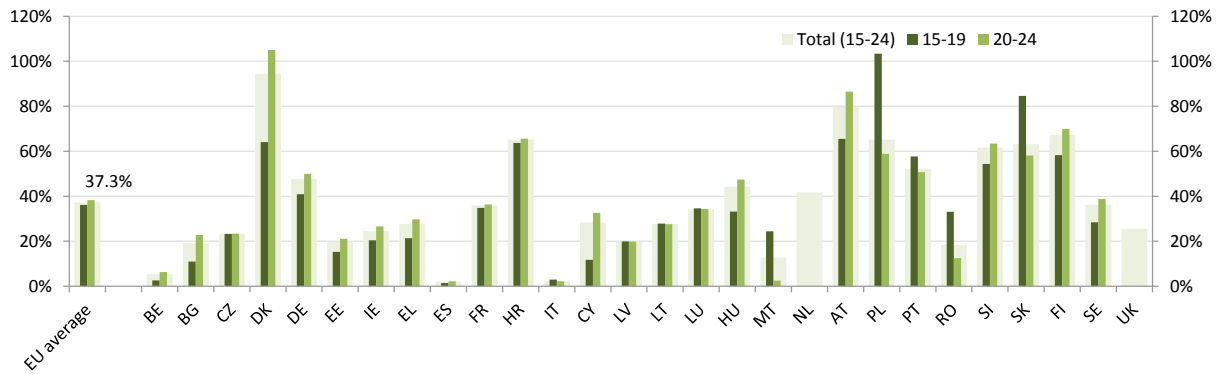


Source: DG-EMPL, YG monitoring database, data extracted on 18 January 2016

Note: results reflect the state of YG implementation and other data related issues and therefore data comparability across countries is limited.

On average across the EU, the stock of young people in the YG preparatory phase during 2014 represented 37.3% of the NEET population aged 15-24. The proportion of the NEET population covered ranges from 94.4% in Denmark and 79.6% in Austria to 2.4% in Italy and 2.0% in Spain. In general, coverage of NEETs aged 20-24 is higher (average of 40.2%) than for those aged 15-19 (36.1%). In some cases this is likely to reflect the fact that at least some of the NEETs in the younger age group may benefit from YG actions that are not covered by the monitoring data. For example, in both the UK and Ireland the monitoring data refer only to people in receipt of an unemployment benefit, which is only available to people aged 18 or over. People below this age who become NEET tend to benefit from support provided by education authorities or specialist youth organisations rather than the public employment services.

Proportion of the NEET population aged 15-24 covered by the YG, 2014 (%)



Source: DG-EMPL, YG monitoring database & Eurostat, LFS (NEET population calculated from total population: [lfsa_pganws](#) & NEET rate: [edat_lfse_20](#)), data extracted on 18 January 2016.

Note: BE & FR – YG data cover only one provider; IE & UK – YG data cover only persons aged 18+.

Note: results reflect the state of YG implementation and other data related issues and therefore data comparability across countries is limited.

However, it should be noted that in this first year of monitoring the results are strongly influenced by the time of implementation and the reporting method adopted. Late implementation affects results in a number of Member States (e.g. Spain, Italy, Czech Republic, Luxembourg and Malta), whereas countries that reported only new entrants and did not include any existing stock (either as a start-up stock or as part of continuous reporting) are likely to have lower coverage rates.

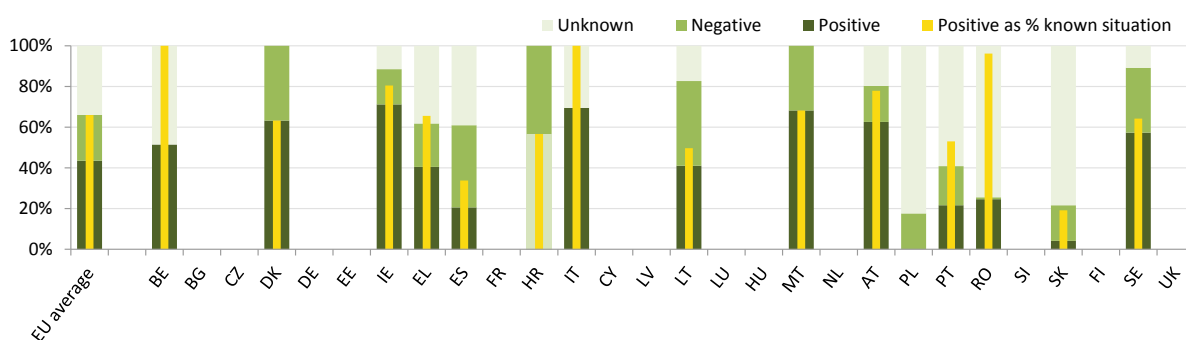
- **Follow-up monitoring:**

The main indicator for follow-up after 6m is available for just over half of countries (15) but only Denmark and Sweden have so far managed to provide any data for follow-up after 12 or 18 months⁵.

⁵ The 12 and 18 month follow-up data provided by Denmark and Sweden are not complete in that they do not cover all participants that exited in 2014. Rather they report the situation of those for whom the observation year n was possible at the time data were collected with the remainder reported as being in an unknown situation. For example, when data for reference year n are collected in September of year n+1 then it is possible to know the 12m situation of those that exited between January and August of year n and the 18m situation of those that exited between January and February of that year. These data will therefore need to be updated at the next collection in order to provide a more complete picture but are nevertheless useful to give a first indication of the longer-term sustainability of offers.

On average, 43.5% of young people that left the YG in 2014 were in a positive situation 6 months later, 22.5% in a negative situation and 34.0% in an unknown situation. Based on the current data the proportion of young people known to be in a positive situation varies from 71.2% in Ireland, 69.5% in Italy and 68.2% in Malta to 21.7% in Portugal, 20.6% in Spain and just 4.2% in Slovakia. However, these figures are likely to be understated because of the high proportion of reported unknown outcomes. Indeed, taking into account countries with less than 20% unknowns, the proportion in positive situations rises to 60%.

– Follow-up monitoring, main indicator: Situation of young people 6 months after exiting the YG preparatory phase in 2014 (%)



Source: DG-EMPL, YG monitoring database, data extracted on 18 January 2016

Note: results reflect the state of YG implementation and other data related issues and therefore data comparability across countries is limited.

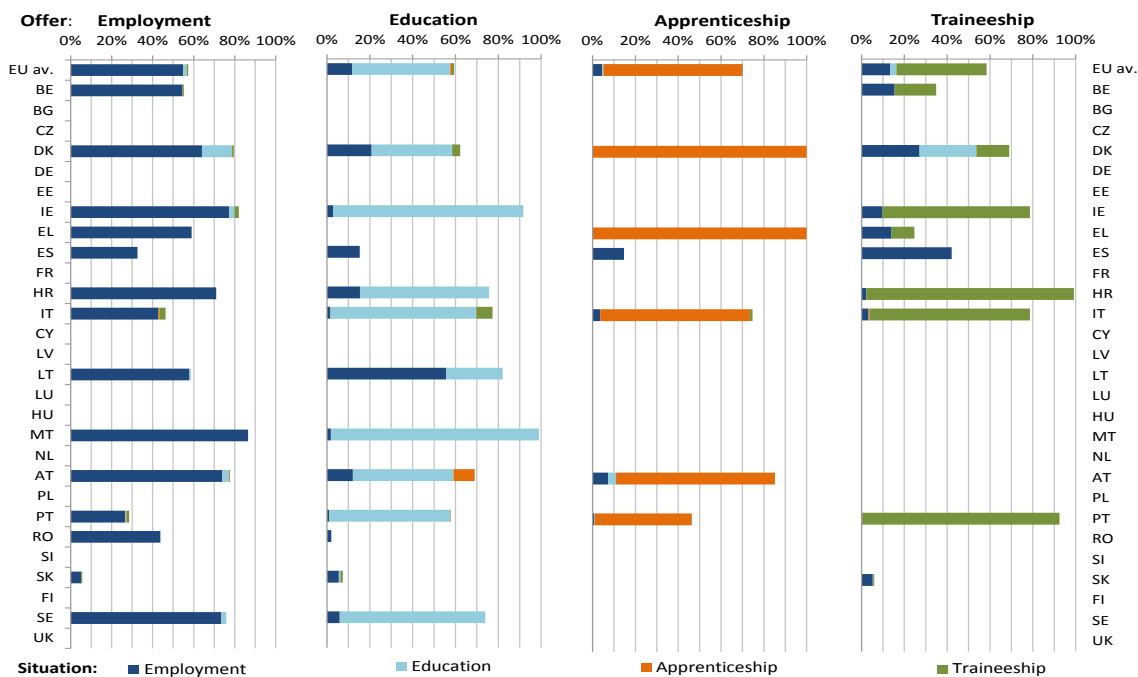
The supplementary follow-up indicator shows better outcomes for those young people that took up an offer, with more than half in a positive situation 6 months later. On average at EU level, the proportion of young people that are in a positive situation 6 months after exit is similar for employment, education and traineeship offers (all between 57.3% and 59.4%) but is noticeably higher for apprenticeship offers (70.2%). Though again these figures will be understated due to people in an unknown situation. It is also worth noting that some of those recorded in a positive situation will still be participating in the offer that they took up on exit so that the real impact of the YG on their longer term integration will not be known until later.

Moreover, the EU averages for each type of offer each cover different countries because of the different capacities to monitor all offer types and the higher figure for apprenticeship is at least in part due to the fact that there are no data for this type of offer from Slovakia and Romania, both of which show relatively low proportions of young people in a positive situation after 6 months. It is necessary, therefore, to consider also the data by country.

The vast majority of young people that took up offers of employment or apprenticeship and who were in a positive situation six months later were still in the same situation as their offer (95.7% and 92.5% respectively). In the case of employment, people are not necessarily in exactly the same job when the follow-up observation is made but for apprenticeships it is highly likely that people are still participating in the same offer that they took up on exit.

For those that exited to education or to a traineeship and were in a positive situation 6 months later the average proportions remaining in the same situation as their offer type are lower at 77.2% and 72.0% respectively, though there is quite a lot of variation between countries. In Ireland, Malta, Portugal and Sweden more than 90% of those known to be in a positive situation 6 months after taking up an education offer were still in education, whilst in Lithuania the figure was 32.3% and in Slovakia just 10.0%. There are similar variations for traineeships. In Croatia, Italy and Portugal over 90% of those in a positive situation 6 months after taking up a traineeship were still in a traineeship position, whilst the proportion is just 22.3% in Denmark and 7.0% in Slovakia.

Follow-up monitoring, supplementary indicator: Proportion of young people in a positive situation 6 months after exiting the YG preparatory phase in 2014 to an offer, broken down by type of offer and situation at 6m (%)



Source: DG-EMPL, YG monitoring database, data extracted on 18 January 2016.

Note: results reflect the state of YG implementation and other data related issues and therefore data comparability across countries is limited.