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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 PL country fiche.

POLAND

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

There is a favourable context of a decreasing number of young NEETs and youth unemployment in Poland, although there is still margin for further progress. Programmes in place seem to be working, with a high coverage of the target population. Cooperation at local level is a strong point and could be improved at a more general level to engage employers. The key challenge is to benefit from freed-up capacity in the Public Employment Service to make offers within the time target and to provide better services, in particular profiling in order to tailor interventions to the needs of the youth. The quality and extent of information available could be further improved, especially on the follow-up, reducing the number of 'unknown' exits.

2. YG monitoring 2016: key data

Highlights

- ❖ On average during 2016, well over half (56.4%) of those registered in the YG scheme at any point during the year had been waiting for an offer for more than 4 months, virtually the same result as for 2015.
- ❖ Just under half (48.0%) of those leaving the YG in 2016 took up an offer within 4 months of registration, somewhat higher than in the previous year (43.2%).
- ❖ On average, the YG scheme covered under six in ten (57.5%) of all NEETs aged under 25 during 2016, well above the EU average (42.5%), but slightly fewer than in 2014 (63.3%), continuing the negative trend.
- ❖ A quarter (25.1%) of those leaving the YG in 2016 were known to be in employment, education, apprenticeship or training 6 months later, but the situation was unknown for nearly six in ten of cases (59.1%). Longer-term follow-up data for those leaving the YG in 2014 and 2015 show a mixed picture, and due to the high proportion of unknowns and does not give any clear indication as to the sustainability of offers.

Introduction

Poland submitted a Youth Guarantee Implementation Plan in December 2013, which was last updated in October 2015. The Ministry of Family, Labour and Social Policy has overall responsibility for the scheme and cooperates with the Ministry of Development in relation to activities funded by the ESF¹. The main implementing organisations are the public employment services (labour offices at regional/vovoidship and local/poviat level), the Voluntary Labour Corps (working with marginalised youth) and the Bank Gospodarstwa Krajowego (BGK), a state financial institution involved in providing finance for start-up opportunities.

The YG scheme in Poland was initially open to young NEETs aged 15-24. In autumn 2015, the Ministry of Labour and Social Policy extended the coverage to include young people up to 30 years of age (reflected in the updated implementation plan). Note that NEET criterion is relaxed for young people registered as unemployed but participating in informal education/training and hence technically not NEET. There is also an entrepreneurship option open to people up to the age of 29 who are unemployed or seeking work and still within 4 years of completing their education.

More information is available in the dedicated Youth Guarantee website.

1 Quality of data

1.1. Key changes compared to 2015

As in previous data collections, Polish YG monitoring data for reference year 2016 were delivered as separate datasets, one for each YG provider. For the first time, data on young people supported by the regional PES were also provided as separate dataset.

The main YG provider remains the PES, however, as the numbers supported by the Voluntary Labour Corps, the regional PES, and the BGK are small (combined entrants represent just 2.3% of total entrants to the Polish YG scheme as a whole).

Improved coverage:

- Data for Regional PES provided.

Data are considered fully comparable through time. The 2016 data cover an additional provided (regional PES) but the numbers concerned are small (1.3% of total entrants, 2.1% of stocks) so the impact on final results will not be significant.

1.2. Data quality 2016

Poland has provided the majority of data requested and, as in the previous data collection, data are largely in accordance with the definitions of the YG Indicator Framework.

Despite efforts to improve follow-up data, a large number of those leaving the YG cannot be tracked so there is still a high proportion of unknown situations (59.1% 6 months after exit in 2016). This represents the main weakness in the data. For the Regional PES, follow-up data are not yet available.

¹ The names of the Ministries are those applied since reorganisation in November 2015. Previously the Ministry of Labour and Social Policy and the Ministry of Infrastructure and Development.

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	– All YG providers: PES, Voluntary Labour Corps, Bank Gospodarstwa Krajowego (BGK), and Regional Labour Offices (since 2016).
Participants	<ul style="list-style-type: none"> – All registered unemployed youth and young disabled jobseekers aged 15-30 and registered with the PES. – Young persons from the NEET group covered by the support (activation projects) within Actions 1.2 and 1.3. of the Operational Programme Knowledge Education Development (Regional PES data). – Young people registering via the Voluntary Labour Corps and NEETs aged under 30 who apply for a start-up loan from the BGK bank.
Completion of data	
Missing data	<ul style="list-style-type: none"> – Breakdown of entrants by previous experience (VLC and BGK data). – Negative exits (Regional PES) – Follow-up data (Regional PES)
Data recording	
Stocks	<ul style="list-style-type: none"> – Considered as not applicable for VLC, participants enter and exit (start on a programme) within the same day, i.e. duration = 0 for all participants. – For the BGK, entry occurs on application for a loan and exit when it is granted. Participation in the preparatory phase is thus the waiting period, which – for the purposes of calculating stocks - is estimated to last 1 month.
Exits by destination	<ul style="list-style-type: none"> – Exits to one type of apprenticeship offer are recorded as traineeships (PES) – Proportion of unknown destinations: 32.9%
Follow-up T	– Proportion of unknown situations (6m after exit): 59.1%
Comparability of data	
Definitions	– No known divergences from the specifications of the Indicator Framework.
Across time	– 2016 data include another provider (Regional PES), but this is unlikely to create comparability issues.

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.

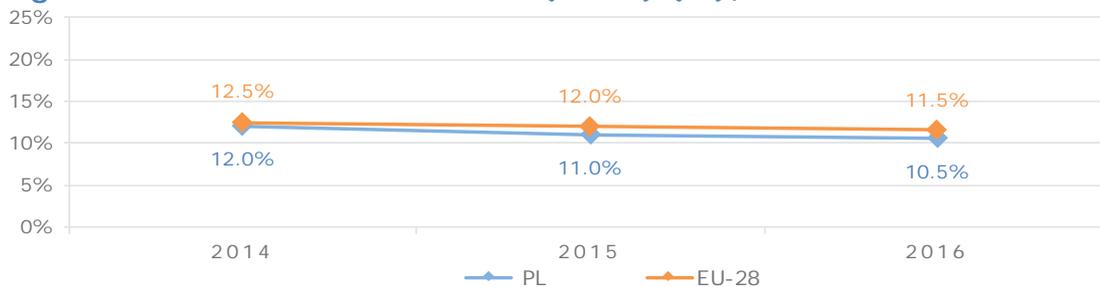
2.1 Aggregate monitoring: Macroeconomic indicators

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 Poland was 10.5%, a little below the EU-28 aggregate figure of 12.0% (see Figure 2). Compared to 2014 – the first year the YG was launched – the NEET rate in Poland has improved by 1.5 percentage points, again slightly ahead of the developments at EU level (-1.0 pp).

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, well over half (56.4%) of those aged 15-24 registered in the YG preparatory phase had been waiting for an offer more than 4-months, some way above the EU average of 49.1% but in line with results for 2015 (56.0%). Table 3 shows a marked increase compared to 2014 (+20.5 pp), but this is to be expected as 2014 data were reported on a start-up basis, so that durations of more than 4 months were not possible for a third of the 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)	56.4%	+20.5	49.1%
Breakdown by age			
15-19	56.2%	+24.3	46.2%
20-24	56.4%	+19.6	49.3%
Breakdown by gender			
Men	47.3%	+14.6	48.0%
Women	63.1%	+24.2	49.9%

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

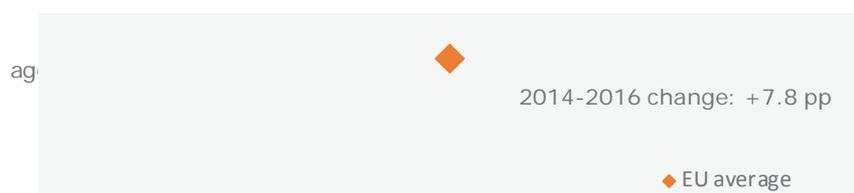
The supplementary indicator on positive and timely exits shows that almost half (48.0%) of those leaving the YG scheme in 2016 took-up an offer within the 4-month target period (Figure 3). This is an improvement compared to 2014 (+7.8 pp) and the Polish results are now ahead of the EU average (44.5%).

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)

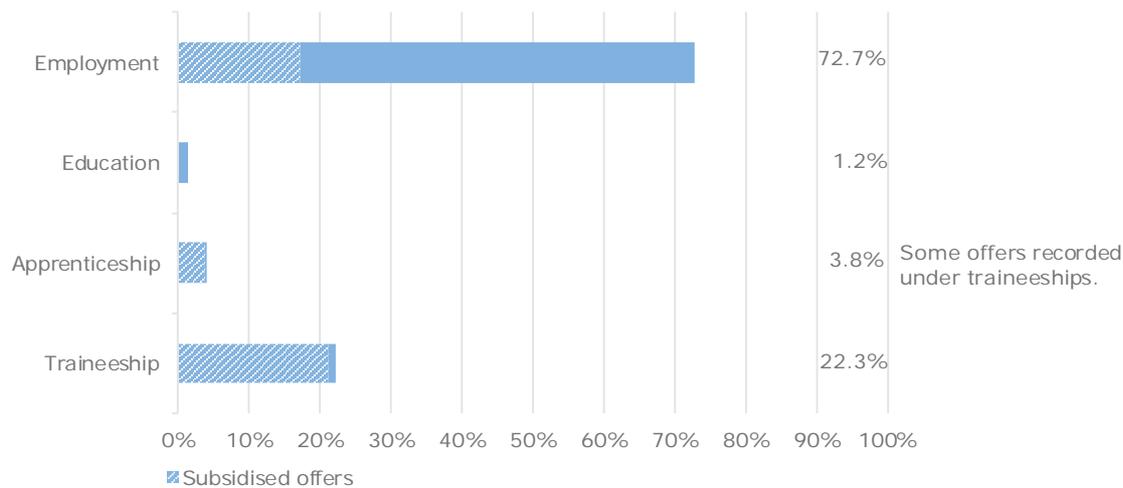


Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

Seven in ten (70.6%) of those leaving the YG within 4 months of registration during 2016 went to positive destinations, just below the EU average of 74.3%. Of these, nearly three quarters (72.4%) took up an offer of employment, 22.3% a traineeship, and just 3.8% an apprenticeship (see Figure 4). One type of apprenticeship offer was recorded in the PES data as a traineeship but the numbers concerned were small and the effects negligible. Only a few of those taking up an offer within 4 months went to education (1.2%). This refers to reinsertion in the regular education/training system without any specific support.

Nearly all apprenticeships and traineeships were subsidised (95.0% and 94.3% respectively), but only 23.9% of employment offers, though this latter figure represents a marked increase compared to 2015 (12.9%) suggesting that there has been some policy shift to encourage use of one or more of the different employment offers available. Overall, the data show that 55.4% of offers taken up within 4 months of registration were open market jobs.

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.

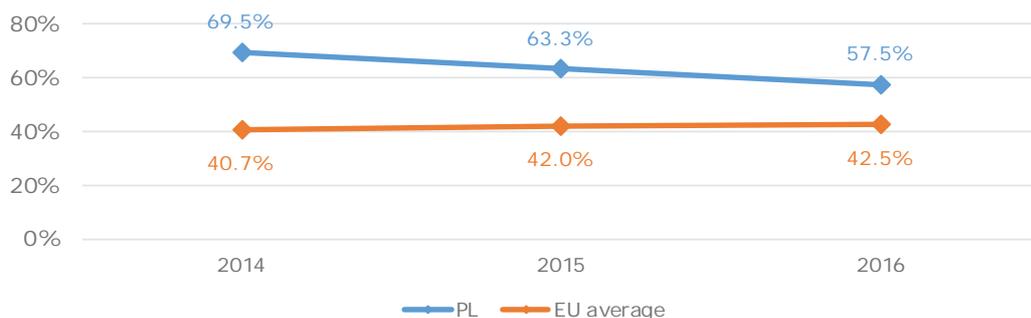
2.3 Direct monitoring: coverage of the YG target population

The Council Recommendation on establishing a Youth Guarantee² 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.

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:120:0001:0006:EN:PDF>

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



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

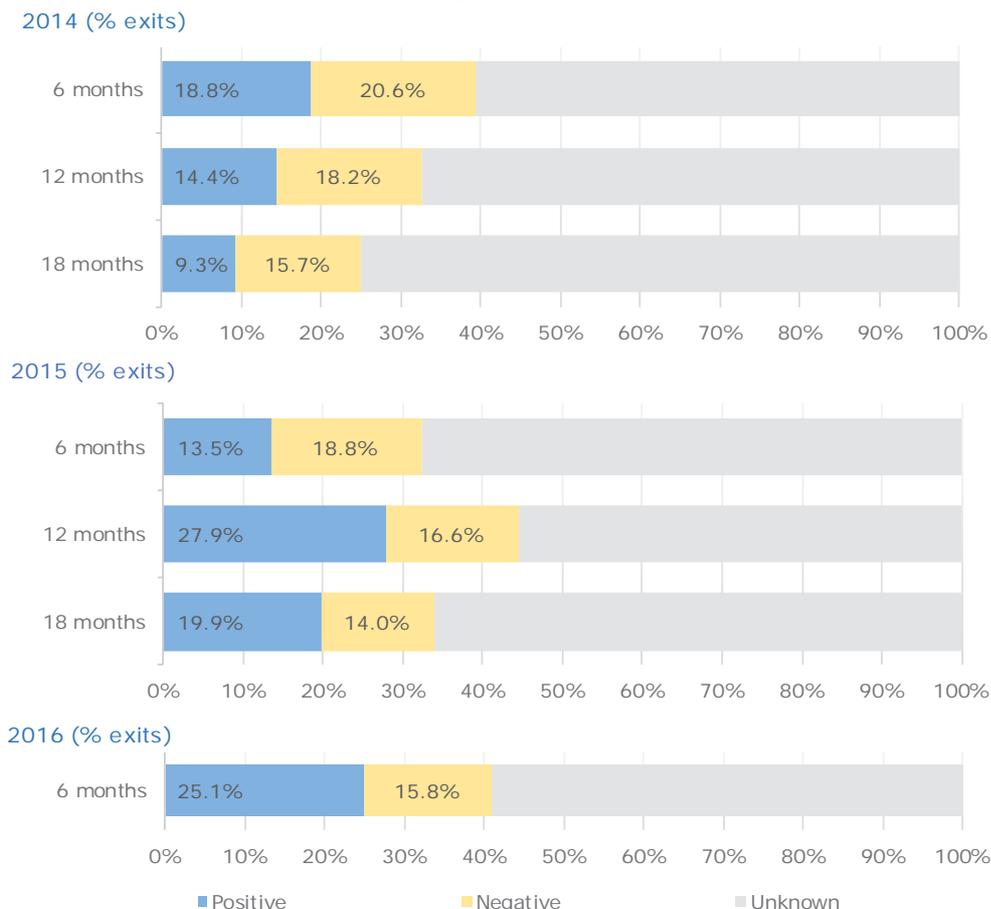
Data show that, on average in 2016, nearly six in ten (57.5%) of the NEET population in Poland was covered by the YG scheme. Despite the addition of data for one further provider, the result remains below the result for 2014 (69.5%). It is, however, substantially above the EU average of 42.5% (see Figure 5) and in the top quartile of results across Member States.

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 Poland, only a quarter (25.1%) of those leaving during 2016 were known to be in a positive situation (i.e. in employment, continued education, an apprenticeship or a traineeship) 6 months after exit. This figure is half the EU average of 48.5%, but a significant improvement compared to 2014 and 2015 results (Figure 6). Nevertheless, the results are largely meaningless because of a serious lack of capacity to track people no longer in contact with the PES, with the subsequent situation was unknown for more than six in ten cases, a population that will include both positive and negative situations.

Longer-term follow-up data for those leaving the YG in 2014 and 2015 suffer from the same problem. It is not possible, therefore, to make any meaningful assessment as to the sustainability of offers.

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.

2.5 Additional results for the 25-29 age-group

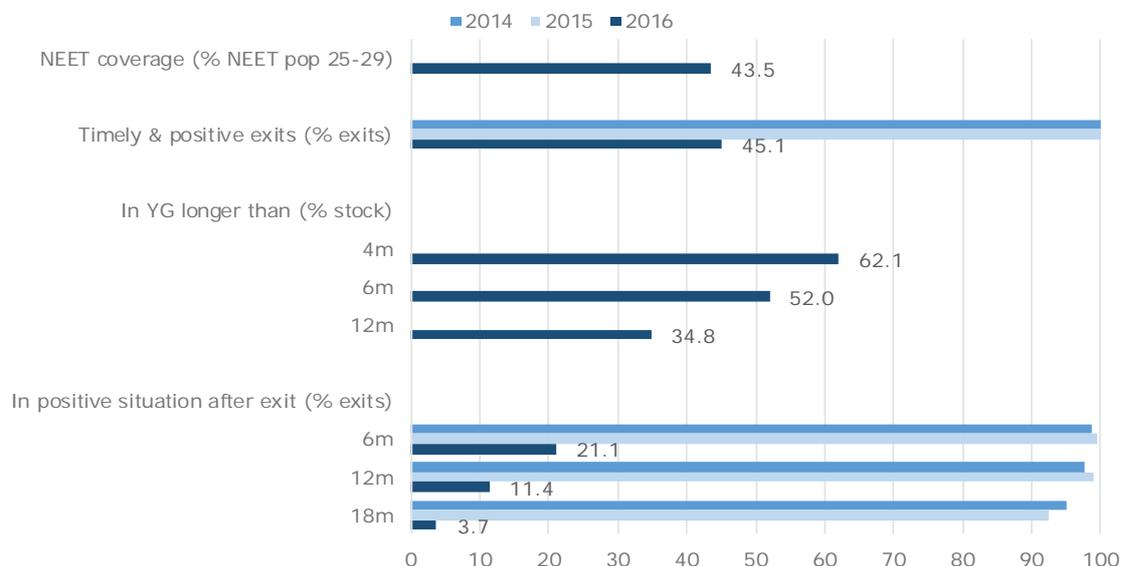
The Bank Gospodarstwa Krajowego (BGK) provides finance for start-up opportunities to young people under 30, and has provided data for this age group since 2014. Further, in autumn 2015, the target group for the Polish YG as a whole was extended to cover those aged 25-29 and data for 2016 have accordingly been provided by the PES acting as the main YG provider in the country. Results for key indicators are shown in [Figure 7](#) below. Given the small proportion of participants in the BGK programme, the figures for 2016 effectively reflect results for the PES.

The main indicator for direct monitoring shows that, on average, more than six in ten (62.1%) of those aged 25-29 registered in the YG remained registered for more than 4 months, a worse result than for the main target group (56.4%).

The supplementary indicator on timely and positive exits shows that, in 2016, less than a half of (45.1%) of those entering the YG aged 25-29 took up an offer within 4 months of registration. This is slightly below the results for the main target group (48.0% for those aged 15-24) and consistent, therefore with the main indicator result. Comparison with 2014 and 2015 data is not appropriate, as for previous years the data for this age-group covered only the BGK programme, where, because loans are typically granted within 1 month of application, the indicator figures were 100%.

The NEET coverage indicator for the 25-29 group shows that just over two in five (43.5%) of the older target group were covered by the YG, a lower result than for the main age-group (57.5%). Prior to 2016, data only covered the BGK programme, and since the number of young people were so small (just 576 applications counted as entrants, in 2015, with an average stock of just 24³), results for the NEET coverage indicator (25-29) for 2014 and 2015 are practically zero.

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



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

Follow-up indicators for those leaving the YG during 2016 show that only just over a fifth (21.1%) were in a positive situation 6 months after leaving the YG. However, as for the main age-group, this result is not particularly useful because more than six in ten cases were in an unknown situation. Again, comparison with 2014 and 2015 results is not helpful. Then, when the data only covered the BGK loans for people wanting to start their own business, the follow-up data showed that in at least in nine out of ten cases, the business was still operational 6, 12 and 18 months after receiving the loan (which was taken to be the point of exit from the YG preparatory phase).

³ The stock was estimated on the basis of the typical time taken to grant a loan.

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).⁴ 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 countries⁵ 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.

⁴ 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).

⁵ 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))