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NOTE

From:	Employment Committee
To:	Permanent Representatives Committee/Council
Subject:	Implementation of the Recommendation on the integration of the long-term unemployed into the labour market – Key Messages from the Employment Committee - <i>Endorsement</i>

Delegations will find attached the Key messages from the Employment Committee on the implementation of the Council Recommendation of 15 February 2016 on the integration of the long-term unemployed into the labour market (OJ C 67, 20.2.2016, p. 1–5) to be endorsed by the Council (EPSCO) at its session on 20 June 2024.

Annex 1: Country-specific conclusions can be found in ADD 1 to doc. 10793/24.

Annex 2: Data collection for monitoring the LTU Recommendation: full results for 2022 can be found in ADD 2 to doc. 10793/24.

Annex 3: Executive summaries of Member States' fiches can be found in ADD 3 to doc. 10793/24.

EMCO reviews of the implementation of the Council Recommendation on the integration of long-term unemployed into the labour market

EMCO Key Messages for the Council

1. INTRODUCTION

The **Employment Committee (EMCO)** is tasked with monitoring the progress made in the **implementation of the Council Recommendation on the integration of long-term unemployed into the labour**. Since 2016, after each review, the Council (EPSCO) has been endorsing a set of key messages provided by EMCO on the basis of its monitoring of this *Council Recommendation*. In October 2022, the EMCO Key Messages focused on the progress made by Member States and, in addition, discussed the provision of training for the long-term unemployed, exploring three key aspects: coverage, financing and governance.

The fifth review on the implementation of the Council Recommendation took place on 11-12 April 2024 in Brussels and was carried by the EMCO Policy Analysis Group (EMCO PAG). In addition to discussing the extent to which Member States have taken into account the guidance of the Council Recommendation, the 2024 review surveyed the progress made by Member States in **developing/activating partnerships with employers and other relevant actors/stakeholder at local level** to facilitate the integration of long-term unemployed persons into the labour market.

Ahead of the review, **Member States completed a self-assessment questionnaire aimed at assessing their level of implementation of the Council Recommendation** by focusing on four key areas for action: (a) registration of the long-term unemployed; (b) coordination under a single point of contact; (c) delivery of Job Integration Agreements (JIA); and (d) stakeholder involvement with particular **focus on partnerships**.

The current key messages draw on the results of that review, with country-specific conclusions, results of data collection exercise and executive summaries of the Member State fiches included in annexes. Also annexed to this document are the results per Member State of the 2023 data collection exercise, preceded by a summary of the main results at EU level.

2. PROGRESS ACHIEVED

After an increase in 2021, the number of long-term unemployed in the EU continued to decline and reached quote of less than 5 million in 2022, with the rate of LTU being more than halved since its recent high in 2013 (from 5.3% to 2.3%). The share of LTU in total unemployment has also been reducing to 43.5%, which is nearly 6 percentage points less than in 2013.

A. REGISTRATION

Since the COVID-19 pandemic, Member States have increasingly put an emphasis on the digitalisation of services (online registration, online support, etc.). However, the challenges that LTU persons face regarding access to e-services - especially those with lower ICT skills - persist. Face-to-face interactions are therefore still recommended by Public Employment Service (PES) as more efficient for LTU individuals.

Many Member States have implemented outreach actions to encourage the registration of inactive adults (multi-channel initial registration, such as e-services, in-person, via phone or social media has even been further expanded since the COVID-19 pandemic by most Member States). Nevertheless, challenges remain for those Member States with significant regional disparities.

Still, the cross-registration between unemployment services at PES and social services is lagging notwithstanding the strong incentives introduced by most Member States. The effective implementation of cross-registration could facilitate the identification of the most critical situations and cases to be dealt with. On the positive side, Member States are increasingly implementing provisions to discourage de-registration when unemployment and social benefits are exhausted.

B. SINGLE POINT OF CONTACT

The identification of a single point of contact for each job integration agreement recipient is widely implemented across Member States, as is the allocation of a case worker for each long-term unemployed person. The capacity of single points of contact to pool individual information in support of the individual assessment for all job seekers has been increased in many Member States.

The digitalization of services for the unemployed persons has also increased. However, information and data sharing have been identified as missing elements which hinder the progress or the quality of services. Improvement of coordination among central and local PES and municipalities should be reinforced as well as the mechanisms for transmission/sharing between service providers of relevant information on job vacancies, training opportunities, and services available for each long-term unemployed person. Establishing adequate information exchange and transfer while ensuring compliance with the General Data Protection Regulation (GDPR) is still an issue faced by many Member States.

C. JOB INTEGRATION AGREEMENT

Job Integration Agreements (JIAs), or equivalents, have been implemented in most Member States since 2018 but are still being enhanced further.

Improvements have been made to the follow-up of individual assessments, with guidance and information on job offers and support, as well as regular monitoring and updates of the JIA and arrangements enabling a regular review of jobseekers' progress towards re-integration. However, the sharing of information regarding LTU among the organisations involved in the JIA remains relatively low, particularly among public and private partners.

D. STAKEHOLDER INVOLVEMENT

While the cooperation between different stakeholders (e.g. Ministry of Education, Ministry of Labour and PES, as well as with psychologists, social workers, and mentors) has progressed, with the development of services towards employers, multi-disciplinary work with all local stakeholders including local employers themselves, administrations and civil society, continues to pose a challenge and currently only takes place in a handful of Member States.

Networking with stakeholders, forming partnerships, and involving employers, social services, and civil society organizations are critical components to ensure an effective labour market re-integration of the long-term unemployed and to prevent long-term unemployed. These partnerships are necessary at both national and local levels, though challenges often arise due to the diverse interests of different stakeholders. Stakeholder involvement and the creation of partnerships at the local level vary across Member States.

These entities play a crucial role in addressing the obstacles some individuals face to achieve a sustained integration in the labour market. In several countries, PES should reinforce employers' involvement in these processes. Many Member States recognize the importance of networking but struggle with the Public Employment Services' capacity at local level to engage all necessary stakeholders effectively.

E. DATA COLLECTION

The results of the latest LTU data collection show very limited progress in implementing the Council Recommendation, with still only half of Member States fulfilling the first objective of the Recommendation by providing a JIA or an equivalent to at least 95% of the long-term unemployed registered as unemployed for at least 18 months.

The long-term unemployed data collection also shows that transition rates to employment are lower than in the previous year for all but two Member States, and this year only 14 Member States have been able to provide data on follow-up situations of long-term unemployed exitingJIAs.

However, these follow-up data also confirm previous the evidence showing that the group of Member States providing Individual Action Plans (IAPs) with in-depth assessment achieve significantly better results compared to the group providing genuine Job Integration Agreements, and in particular to the group that provides regular IAPs, suggesting that individual counselling is vital when it comes to integrate the long-term unemployed.

3. CONCLUSIONS

Despite decreasing, long-term unemployment remains a pervasive issue in some Member States, which exacerbates the risk of skills deterioration, social exclusion and poverty. As it often affects persons in the most vulnerable situations and the under-represented groups in the labour market, tackling long-term unemployment also contributes to combat inequalities and strengthen social cohesion in EU. **In such a context, Member States have maintained their political commitment towards the implementation of the Recommendation on the inclusion of long-term unemployed into the labour market. However, while some common developments are visible, the level of implementation continues to vary across Member States and their self-assessment has shown that the progress in implementing the Council Recommendation has slowed down in recent years.** Given the current challenges, the importance of equipping or re-equipping the long-term unemployed with appropriate skills to enter the labour market should be emphasised. Early and timely support, as part of a more general preventative approach, is also essential to avoid ending up in long-term unemployment. The review findings continue to support the importance of active labour market policies (ALMP) in addressing the long-term unemployed for a successful reintegration into the labour market. Also, considering the current labour and skills shortages in all Member States, it is important to empower persons in the most vulnerable situations and the under-represented group to successfully enter the labour market by ensuring that they can benefit from quality employment and training opportunities, as well as targeted employment subsidies.

There is a need to improve the monitoring and evaluation systems of policies implemented for the integration of the long-term unemployed into the labour market. While many activation programmes for the long-term unemployed have been put in place, in some cases the effectiveness of these programmes can only be assessed at a later stage.

Annex 1. 2024 EMCO PAG LTU Country-Specific Conclusions

Annex 2. Data collection for monitoring the LTU Recommendation 2023 - full results

Annex 3. EU Member States fiches 2023 - executive summaries