Towards a Europeanisation of Youth Employment Policies?

A Comparative Analysis of Regional Youth Guarantee Policy Designs

by Claire Dhéret and Julie Roden
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Executive Summary

This issue paper represents the final outcome of the EPC Task Force on Youth Employment that was established in 2014. As reference point, this paper takes the 2013 Council Recommendation calling on EU countries to create a Youth Guarantee (YG) by ensuring that “all young people under the age of 25 years receive a good quality offer of employment, continued education, apprenticeship or traineeship within a period of four months of becoming unemployed or leaving formal education”. On this basis, the paper examines to what extent the key principles of the YG have been transposed into national and regional policies. To do so, it carries out a comparative analysis of the policy design of youth guarantee schemes in five EU regions, namely Brussels-Capital, East Slovakia, Lombardy, South West Scotland and North-Brabant. A key question lying at the core of the analysis is whether the EU scheme has led to any form of Europeanisation of youth employment policies across Europe and to what extent it produced policy changes with a view to better comply with the requirements of the Council Recommendation. In this paper, Europeanisation has been taken as the success factor as the authors believe that merely looking at policy outcomes such as the level of youth unemployment is too simplistic to evaluate progress. In fact, addressing the complex situation that some young people are facing requires profound structural reforms and the authors believe that the main elements outlined in the Council Recommendation – namely the early intervention principle with the four-month timeframe; the diversification of the service delivery to address the various needs of the NEETs, the partnership approach, and the monitoring system - have set the right direction to achieve this goal. Thus, they consider that a form of Europeanisation defined by national/regional employment policies’ compliance with the Council Recommendation’s main elements would provide a robust way to improve the situation of young people in the long-run.

This paper proceeds in four stages. Firstly, it returns to the origin of the EU scheme and outlines the key principles of the YG, while identifying the elements that make the YG an innovative tool in comparison with past European youth-related initiatives. Secondly, the authors describe the current situation of young people across Europe and compare its evolution over time, especially with the pre-crisis period and the one preceding the launch of the YG. Thirdly, this paper presents a comparative analysis by looking at the design of the YG schemes in the above-mentioned five EU regions. Lastly, the final results of the comparative analysis of the regional YG schemes carried out from a time perspective approach are then presented in the concluding chapter. In this fourth chapter, the authors draw conclusions from their research and formulate policy recommendations for the future of the YG.

The study has shown that, generally speaking, compliance efforts have been made in the policy design of the YG schemes to fulfil the main criteria of the Council Recommendation. It is undeniable that the European initiative has pushed most member states (and their regions) to launch a series of important reforms in the area of education and labour market policies and to provide policy solutions in a more structured and coherent manner. This is particularly obvious with regard to policy evaluation and the monitoring system. Furthermore, the YG has certainly helped increase the level of attention devoted to youth unemployment by putting it at the top of the European policy agenda and reinforcing peer-pressure in the area. At the regional level, one can observe that some of the YG schemes are more developed than measures provided by the national framework. This is particularly true for countries where there is a high degree of devolution and where regions have key competencies in YG-related policy areas. However, undeniable weaknesses still persist in many of the YG schemes and there is an uneven level of Europeanisation. Such weaknesses are mainly related to the lack of continuity in the measures adopted over time, the disconnection between activation and protection measures, the incompleteness
in the partnership approach and the insufficient efforts to reach out to the non-registered NEETs. These shortcomings are most often related to aspects in which member states and regions have been historically weak, highlighting therefore a strong path dependency logic. Thus, while compliance efforts have been made across the board, they have not led to the same degree of convergence for each specific element of the Council Recommendation. Against this background, the authors formulate a series of policy recommendations for the future implementation of the YG and stress the importance of prolonging EU support while concentrating on aspects where the EU can bring most added value, i.e. in areas where member states and regions would be reluctant to act otherwise. A key example is the need to enlarge the coverage of the YG by ensuring that such an instrument provides sufficient support to the most vulnerable, i.e. the non-registered NEETs, including young migrants.
INTRODUCTION

Since the outset of the economic and financial crisis in 2008, jobs creation and improving the situation of the labour market have been the number one priority of European governments. Besides national actions, the EU institutions have also been associated with these efforts in many respects and a number of key initiatives have been undertaken in the recent years, especially in the area of youth employment.

The strong focus on youth unemployment is not surprising. It is the result of two worrying signs. Firstly, youth unemployment has been a growing trend since the early 1980s and has been deeply anchored in European labour markets for a long time. The rate of youth unemployment has been at least 2.5 times higher than the adult rate for the last 13 years at the EU28 level. While the relative weak position of young people is due to the higher sensitivity of youth employment to the business cycle, a high ratio of youth unemployment is also to be explained, in some countries, by long-standing structural problems in the labour market. Secondly, young people have been affected disproportionately by the economic downturn, leading to an unacceptable rise of youth unemployment. The peak was recorded in 2013, when 23.6% of young people (aged between 15-24) remained jobless at the EU level and when nine countries exceeded the threshold of 25% (Greece, Spain, Croatia, Italy, Cyprus, Hungary, Poland, Portugal, and Slovakia).

In this context, the EU decided to create and support a scheme – called the Youth Guarantee (YG) – with the objective to help member states facilitate young people’s transition from education to the job market and limit the period of non-employment (including both unemployment and inactivity). This scheme was defined in a Council Recommendation, officially adopted in April 2013, that calls on EU countries to ensure that “all young people under the age of 25 years receive a good-quality offer of employment, continued education, apprenticeship or traineeship within a period of four months of becoming unemployed or leaving formal education” (European Council, 2013a). Following the adoption of the Recommendation, all member states committed themselves to deliver an implementation plan setting out the main reforms needed to realise the YG, establishing the major actions envisaged and the timeframe within which the measures would be adopted.

Even though young people had been on the agenda of the EU institutions in the past, the overall design and coverage of the YG merits particular attention. Several scholars as well as high-level policy makers have indicated, at the launch of the YG, that its potential in promoting structural reforms of the labour market is considerable. For instance, Laszlo Andor, former Commissioner for Employment, Social Affairs and Inclusion, said: “The Youth Guarantee is a structural reform which requires member states to improve their youth employment policy on all levels. The pilot projects show that this approach works and brings results. The Youth Guarantee is proving to be the most rapidly implemented EU structural reform” (European Commission, 2014).

Against this background, this issue paper, which represents the final outcome of the EPC Task Force on Youth Employment1, aims to put the potential of this EU scheme in perspective and to analyse, two years after the start of the YG implementation, its results. As part of this exercise, the paper examines, the policy design of the YG scheme in five EU regions, namely Brussels-Capital, East Slovakia, Lombardy, South West Scotland and North-Brabant, and to what extent the key principles of the YG have been transposed into national and regional policies. A key question lying at the core of the analysis is whether the EU scheme has led to any form of Europeanisation of youth employment policies across

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1 The EPC Task Force started in 2014 at the very beginning of the implementation of the YG. Its objective was to follow up on the implementation of the YG across Europe and to discuss, with relevant stakeholders, a series of measures that can make the YG scheme a successful instrument. The reports of the different events as well as the publications issued in the context of the Task Force are made available here: [http://www.epc.eu/prog_forum_details.php?prog_id=2&cat_id=12&forum_id=41](http://www.epc.eu/prog_forum_details.php?prog_id=2&cat_id=12&forum_id=41)
Europe and to what extent it produced policy changes. The authors of this paper have chosen to look at Europeanisation as the success factor rather than simple policy outcomes, such as the reduction of youth unemployment. Addressing the situation of young people on the labour market and re-integrating them in either the education and training systems or on the labour market requires profound and long-term structural reforms. In fact, there is no magic formula that can provide outcomes overnight, it is rather a set of comprehensive, tailor-made and well-coordinated measures that needs to be implemented. In this respect, the authors believe that the main elements outlined in the Council Recommendation have set the right direction. It recognises the diversity of young people and their various needs depending on their given situation, and looks at the delivery of services in an integrated way. Thus, we consider that a form of Europeanisation defined by the compliance with the Council Recommendation’s main elements of national/regional youth employment policies would provide a robust way to improve the situation of young people in the long-run.

To do so, this paper will proceed in four stages. Firstly, it returns to the origin of the EU scheme and sketches the key principles of the YG, while identifying the elements that make the YG an innovative tool in comparison with past European youth-related initiatives. Secondly, the authors describe the current situation of young people across Europe and compare its evolution over time, especially with the pre-crisis period and the one preceding the launch of the YG. Thirdly, this paper presents a comparative analysis by looking at the design of the YG schemes in five EU regions with very different profiles. Lastly, the authors draw conclusions from their research in the fourth chapter where they also formulate policy recommendations for the future of the YG.
THE YOUTH GUARANTEE – WHAT ARE THE NOVELTIES?

A series of European initiatives and measures aiming to improve the employability of young people as well as to coordinate and monitor youth policies already existed before the 2013 Council Recommendation on a YG. Youth employment policies already have a long history at the EU level, that started with the ‘European Employment Strategy’ (EES) and the first ‘Employment Guidelines’ that were established in 1997 (European Council, 1997). These guidelines already devoted particular attention to young people and insisted on the importance of the early intervention principle by indicating that young people should be offered a “new start in the field of training and employment before reaching six months of unemployment”. The relevance of the early intervention approach was then confirmed in the ‘Employment Guidelines’ set in 2003, as well as the revised guidelines for the 2005-2008 period. Furthermore, scholars indicate that policy debates have addressed youth issues in a more focused manner since 2002 (Lahuissen et al., 2013). Some illustrative examples include the European Council resolution of 2002 introducing the ‘Open Method of Coordination’ (OMC) as an instrument of soft governance in the youth field (European Council 2002) as well as the 2005 ‘European Youth Pact’ (European Council, 2005). The Pact’s main objectives were to connect the European strategies for employment and social inclusion and the ‘Education and Training 2010’ work programme (adopted in 2001, it supports the activities which pursue the agenda set out in the 2001 report of European Ministers of Education) with a view to improve the education, training, mobility, vocational integration and social inclusion of young Europeans, while facilitating the reconciliation of family and working life (European Council, 2005). Furthermore, a series of measures financed through the European Social Fund (ESF) and implemented at the national level already devoted particular attention to young people.

Notwithstanding the history of European policy-making in the youth field, policy efforts were amplified in the context of the economic crisis and EU initiatives have proliferated since then (Dhéret, C., 2013). With young people being the most affected by the economic crisis, policy-makers started to express their concerns – also against the backdrop of increased research on the issue – about the long-term consequences that young people’s exclusion from the labour market might have. These consequences are indeed wide-ranging. Not only can they have a long-term impact on individuals but they could also question the long-term sustainability of our welfare state. From an individual perspective, research has proven that spending a long period in unemployment is likely to have scarring effects over the course of the person’s life, leading not only to poor employment prospects and wage penalties on future earnings, but also psychological distress and social and political disengagement (Dhéret, C., 2013).

From an economic and societal view point, the economic loss due to disengagement of young people from the labour market and education is estimated at €153 billion, i.e. corresponding to 1.21% of
Furthermore, the costs are likely to increase with time if the situation of young people endures since European labour markets depend increasingly on the active and productive participation of young people due to demographic ageing. Thus, productivity could significantly deteriorate if a large number of young people were to remain unemployed for a long time, leading to a loss of skills and human capital in the long run. In addition, and beyond the question of labour market outcomes, high levels of youth employment are also necessary to maintain the sustainability of our welfare state and the number of people able to support it (Dhéret, C., 2013). Lastly, exclusion from the education/training system and/or the labour market can also lead to negative societal phenomena like increased violence and radicalisation.

Against this background, fighting youth unemployment became one of the first missions of the EU in the years following the outbreak of the economic crisis. In April 2009, the European Commission published a communication entitled ‘An EU Strategy for Youth-Investing and Empowering’, paving the way for a more proactive approach in this area (European Commission, 2009). A long series of communications were also issued by all European institutions. Furthermore, the situation of young people features highly in the Europe 2020 Strategy, which includes two flagship initiatives – ‘Agenda for Skills’ and ‘Youth on the Move’ – with particular relevance for young people. The European Commission also launched the ‘Youth Employment Package’ in 2012 that comprises several initiatives, namely the Quality Framework for Traineeships, the European Alliance for Apprenticeship as well as the YG. All in all, one can observe that the intensified attention of the EU institutions translated either into youth-targeted initiatives or a better integration of the specific case of young people into EU broader strategic instruments, such as the Europe 2020 Strategy, the OMC or the European Semester. Initially, the European Semester, a process created in 2010, was meant to be the main governance vehicle to ensure the coordination and surveillance of member states’ macro-economic policies and reforms, and to support the achievement of the Europe 2020 Strategy’s objectives. After analysing national reform efforts, the Semester process leads to the formulation of country-specific recommendations (CSRs) that are adopted each spring by the European Commission and endorsed by the Council. As part of this exercise, the European Commission also bases its analysis on a set of indicators, including the NEETs (young people not in education, employment or training) and youth unemployment rate. Thus, the situation of young people is carefully surveyed in the European Semester as well as the implementation of the YG that was, for some countries, subject to CSRs.

Particularly noteworthy among all the EU youth-related initiatives is the YG. As mentioned earlier, neither the policy attention devoted to young people nor some important aspects of the policy orientation of the YG, such as the importance of early intervention, are new. That being said, the YG remains a major and ambitious step forward from a European policy-making perspective. Its novelty lies in several aspects. Firstly, the Council Recommendation calling on EU countries to establish a YG provides interesting policy guidelines on how to implement such a scheme successfully. Although the lack of precision in the formulation of these guidelines has been subject to criticism, it is noticeable that a Council Recommendation provides such a comprehensive frame (more on this aspect in the methodology part) on how a policy needs to be implemented at the national level. Among these guidelines, one can observe that the Council Recommendation emphasises three specific aspects, namely the need to build up a partnership approach, the early intervention and activation principle as

2 In response to the to the 2013 Communication on ‘Strengthening the Social Dimension of the Economic and Monetary Union (EMU), a new scoreboard of key social and employment indicators has been included in the European Semester. The objective of having such a social scoreboard was to detect major employment and social imbalances and to complement an approach merely based on macro-economic figures. This scoreboard is composed of five indicators, namely the unemployment level and changes; the NEET and youth unemployment rate; real disposable income of households; the at-risk-of-poverty rate for the working age population; and inequality (S80/20 ratio).
well as the orientation of the services towards labour market integration. These three aspects form the fundamental principles of the YG, that are meant to both reduce youth unemployment in the short term and to drive labour-market structural reforms in the long run, by fostering systemic improvements in the school-to-work transition, creating comprehensive information systems, reducing segmentation on the labour-market, and easing access to employment for young people.

Apart from the content of the Council Recommendation, the novelty of the YG also consists in its funding aspect. The EU engaged itself for the first time in allocating a dedicated budget line to youth employment, and even more specifically to the implementation of the YG (Dhéret, C. & Morosi, M., 2015). A total budget of €6.4 billion was approved for the period 2014-2020 (€3.2 billion through a new budget line – also referred to as the specific allocation for the Youth Employment Initiative (YEI) – and at least €3.2 billion from the ESF. Beneficiaries from the YEI are the NUTS2 regions with a youth unemployment rate of more than 25% in 2012, and for member states where the rate has increased by more than 30% in 2012, regions that have a rate of more than 20% in 2012. The special feature of the YEI funding is that the money needs to be allocated directly to individuals and not to overall structures or systems. In parallel, a significant additional share of the ESF is foreseen to be invested in young people through the modernisation of services and structures to ease the implementation of the YG.

Understanding the funding aspect of the YG and its implications is particularly relevant for analysing the potential of the YG in fostering a Europeanisation of youth employment policies across the EU. Being part of the ESF regulations, the YEI money is distributed against the fulfillment of specific criteria and the respect of certain rules. More specifically, the distribution of the money can be only made on the basis of the ex-ante conditionality, not least the submission of a youth guarantee implementation plan and the indication that a strategic policy framework is in place for young people. In addition, member states that are eligible for the YEI funding are subject to evaluation and need to report to the European Commission how the money has been spent and how many young people have benefited from it. In other words, countries are bound by such rules and have to abide by these procedures in order to get financial support. The link between the YG and the European funding instruments is key as conditioned financial support is likely to foster a greater degree of Europeanisation. However, it needs to be highlighted that while all member states have submitted a youth guarantee implementation plan following the adoption of the Council Recommendation, all of them are not necessarily eligible to the YEI. This is something to be bear in mind when assessing which factors are more likely to lead to a stronger degree of Europeanisation.
This chapter describes the evolution of the situation of young people across the EU over recent years, by comparing, through different indicators, the current situation with two reference points, i.e. in 2007 before the economic crisis and in 2013 before the launch of the YG. The different indicators that are analysed in this part are: the youth unemployment rate (also in comparison with the overall unemployment rate), the level of NEETs, the long-term unemployment rate among young people, and the level of early school leaving (ESL). Taking all these four indicators into consideration and analysing them in a comprehensive manner is particularly relevant as they illustrate the different dimensions that are necessary for considering any YG scheme to produce successful outcomes. Such a set of indicators also highlights particular aspects of the situation of young people with which a country and/or a region might be confronted and is therefore useful for drawing the right policy conclusions.

For all indicators, the study focuses on the age range 15-24 and therefore applies the same logic as the Council Recommendation. In the tables presented below, the countries of the regional case studies examined in Chapter 3 are marked in bold. In addition, the columns to the right of the tables highlight whether the evolution of the indicators, between the period of 2007-2013, 2013-2015 and finally between 2007 and 2015, is positive or negative. In the case of positive developments the figures appear on a green background; if developments are negative, figures appear on a red background.

Starting with the youth unemployment rate, Table 1 illustrates that the situation of young people deteriorated significantly at the EU28 level between 2007 and 2013 – youth unemployment increased from 15.5% to 23.6% – and in all countries besides two exceptions (Germany and Malta). The strongest increase affected the eurozone. Regarding the 2013 – 2015 period, Table 1 indicates a slight recovery in youth employment (with youth unemployment decreasing from 23.6% to 20.4%). However, it is worth noting that EU average figures hide important differences among member states as many of them, such as Greece, Spain, Croatia, Italy, Cyprus, Portugal and Slovakia are still facing unacceptable level of youth unemployment exceeding the bar of 25%. Furthermore, Table 2, in addition to Graph 1, confirms the argument that young people, who are traditionally more vulnerable to economic cycles than the rest of the working population, have been disproportionately affected by the economic crisis. Graph 1 compares the ratio of youth unemployment with unemployment of the rest of the active population, i.e. those aged 25-64. While this gap has been reduced over the last two years (a gap of 12 percentage points in 2013 against a gap of 14 percentage points in 2015), it is still significant (and higher than in the pre-crisis period where the difference between youth unemployment and overall unemployment was 9.4 percentage points).

3 Although unemployment is also affecting young people aged 25-29, this paper chooses to focus on the 15-24 age range as defined in the Council Recommendation on the YG. However, the paper will indicate if some YG measures of the case studies analysed later in chapter 3 also take the 25-29 age bracket into consideration.
### Table 1: The Youth Unemployment Rate (15-24) across the EU, 2007 -2015

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Looking at long-term youth unemployment is also critical to better understand the structural reforms that are needed at the national level. It gives important complementary information to the youth unemployment rate because a given country may face a high level of youth unemployment and low long-term unemployment among the same population. A perfect example is Sweden, where long-term unemployment among young people is far lower than the youth unemployment rate. In such a case, the long-term impact is far less problematic because it is generally accepted that the longer the unemployment spell, the more difficult it is to re-enter the labour market and this has significant scarring effects. That being said, one can observe that generally speaking, many countries with a youth unemployment rate above 25% also face problems in terms of long-term unemployment as shown by Table 3.

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4 The long-term unemployment rate is defined by Eurostat as the number of people who are out of work and have been actively seeking employment for at least a year.
Unemployment is only one aspect of the difficulties that young people face. In other words, unemployment is a concrete outcome that is produced by a series of factors, such as inclusion in the school system and skills attainment. In order to get a full picture of the situation of young people, it is also important to look at the level of NEETs. Completing the youth unemployment rate indicator with the level of NEETs is key as the rate can be misleading for this age category. The youth unemployment rate is calculated as the share of young unemployed in the total number of young people who are active on the labour market. As a result, young people who are looking for a job during the summer period while being enrolled in the education system at the same time are counted in this calculation. Furthermore, given that the proportion of the labour force is rather small among young people, the youth unemployment rate is likely to be more alarming than the real situation. That being said, looking at the level of NEETs across Europe confirms that youth related issues are not an illusion and that there is a substantial share of young people who face the dual problem of being excluded from the labour market while not taking part in any sort of skills development programme. Table 4 indicates that the NEET rate has always been relatively high at the EU level and that it has increased significantly since the start of the economic downturn. Furthermore, studies on NEETs (Eurofound, 2016) have stressed that this group of young people is far from being homogeneous while indicating the need to tailor...
policies according to the specific issue that a NEET encounters. Graph 2 highlights one factor of heterogeneity, which is whether the young person looks for a job while being unemployed or is simply inactive. One can observe that the composition of the group varies across countries: while Bulgaria, Italy and Romania have a large majority of inactive NEETs, the opposite is to be seen in countries like Greece, Cyprus, Portugal, Slovakia, and Spain. Thus, different types of policy interventions will be required in each country.

Table 4: The level of NEETs (15-24) across the EU, from 2007 to 2015

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As regards to ESL, Table 5 shows that the EU average rate decreased over time, and even more significantly between the 2007-2013 period. Such a positive trend can be explained in several ways. Firstly, it is clear that leaving school or training earlier is less tempting in periods of sluggish growth as people know that it might be particularly difficult to find a job under such circumstances. Thus, people might decide to further enrol in the education/training system in order to postpone unemployment. In addition, research (as well as the findings of the following chapter) indicates that important efforts have been made over recent years to combat ESL and that a lot of member states have undergone reforms in their education system, in particular to promote apprenticeships and improve the quality of vocational education.
Table 5: Share of ESL (from 18 to 24 years) from education and training (in % of total students) across the EU, from 2007 to 2015

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A COMPARATIVE ANALYSIS OF REGIONAL YOUTH GUARANTEE SCHEMES

3.1 Methodology

3.2 Case Studies
  3.2.1 BELGIUM – Brussels-Capital
  3.2.2 SLOVAKIA – East Slovakia
  3.2.3 ITALY – Lombardy
  3.2.4 UNITED KINGDOM (UK) – South West Scotland
  3.2.5 NETHERLANDS – North-Brabant

3.1 METHODOLOGY

The first chapter of this paper has already highlighted the specific features of the European YG that make it a relevant policy instrument for promoting a higher degree of convergence of youth employment policies across the EU. These features consist both in the rather comprehensive content of the Council Recommendation and the funding aspect of the YG that implies ex-ante conditionality.

In this section, the authors present the methodological approach applied for assessing the impact of the YG on youth employment policies across the EU. In other words, the methodology will be used to evaluate the degree of Europeanisation triggered by the YG, while looking specifically where policy changes have occurred. This assessment is made against the development of an analytical grid applied to the units of analysis, which consist of five EU regions: Brussels-Capital (Belgium), East Slovakia (Slovakia), Lombardy (Italy), South West Scotland (United Kingdom), and North-Brabant. The focus on these NUTS2 regional units is particularly relevant in the case of the YG as the YEI money is distributed in relation to the level of youth unemployment at the regional level. In other words, it is the regions which are the beneficiaries of the funding and the entities in which policies need to be implemented. As regards the specific choice of the regions, it fulfills two methodological requirements, i.e. a geographical balance allowing for a representation of different types of welfare states as well as a certain degree of diversity with respect to the institutional framework of each region. In other words, some of the regional case studies (such as Brussels-Capital, Lombardy and Scotland) benefit from a high degree of devolution and have the competencies (or some of them) to implement the YG, whereas some others largely rely on decisions made at the national level (such as East Slovakia). Thus, while the five regions represent the main units of analysis, this study also spells out the policy framework that is
provided by the national level as regional policies also depend on it, even despite various extents. Furthermore, it is interesting to note that in some cases the regional scheme seems to be better developed than the one offered by the national level.

Regarding the analytical grid, the authors are investigating the degree of convergence (or in other words the degree of Europeanisation) of the YG scheme in the five regional case studies against four main elements. These four elements are at the heart of the Council Recommendation and are considered in this study as the main features against which the degree of convergence of regional YG schemes towards the European benchmark can be measured. These elements consist of: building up a partnership-based approach between all relevant stakeholders (be they public and private employment services, governmental authorities, education and training institutions, social partners, and youth organisations); ensuring early intervention and activation by making an offer to young people within four months of becoming unemployed or leaving formal education; outreach efforts to all young people under the age of 25 years including the NEETs who are not registered and adaptation of the services according to their needs; and establishing a proper system of monitoring and evaluation. In brief, these elements concern both the design of the scheme (early intervention and diversified approach towards the target) as well as its institutional framework (partnership approach and monitoring system) and can be split into these two categories. Thus, we consider that policies comply with the request of the Council Recommendation when: the YG scheme has reinforced cooperation among the relevant partners; it abides by the four-month timeframe, differentiated approaches have been built towards the NEETs (especially for the ones who are not registered), and the monitoring process has been further developed.

Lastly, the degree of convergence (or degree of Europeanisation) is measured in three levels of intensity: full Europeanisation, i.e. when the four elements are taken into consideration in the policy design of the YG, medium Europeanisation, i.e. when two or three elements fit with the Council Recommendation’s requirements, and low Europeanisation, i.e. when only one or zero element are considered. Furthermore, the quality of the convergence is also accounted in the case of a medium degree of convergence. In such a case, the authors distinguish between a design-oriented, an institutional-oriented or a balanced degree of convergence (see Table 12 presented in the conclusions).5

Finally, it is important to explain how the degree of Europeanisation for each element of the analytical grid will be assessed. It will be evaluated by comparing policies pre-existing the YG and the ones triggered in the context of the YG launch, while notifying whether they fit or misfit with the YG requirements (see Table 6 below). Partial fit will be used when some elements of the requirements are considered but not all of them. For each case study, the authors will adopt a time perspective approach by comparing policies between the pre-2014 period and after 2014, i.e. when the YG implementation was meant to start. To do so, the authors have mostly used official documents such as the YG implementation plans, the National Reform Programmes as well as documents from the European Commission, such as the CSRs of the European Semester and country reports. In addition to such material, the authors have gathered inputs provided by national and regional experts for each case study and have also benefited from the EPC Task Force debates where various stakeholders presented best practices.6 Moreover, it must be underlined that compliance is strictly assessed on the basis of reform plans rather than effective implementation. In other words, the analytical grid can only provide indicative information rather than confirmation as to whether reforms have been implemented in practice or to what extent they have been efficiently managed. Also, while the analytical grid indicates...
whether efforts (in comparison with the pre-YG time) have been made to comply with the Council Recommendation, it does not suggest that the state of play of policies is fully satisfactory. Therefore, it is important to signal that the analytical grid should not be treated in isolation. Instead, it should be read together with the entire analysis of the different case studies in order to fully grasp the degree of policy change that occurred in each region.

Table 6: Methodological table

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3.2 CASE STUDIES

3.2.1 BELGIUM – Brussels-Capital

The Belgian institutional framework

Belgium is a federal state, with two other political entities being on the same hierarchal footing, namely the regions (Wallonia, Flanders and the Brussels-Capital region) and the communities (French-speaking community, Flemish-speaking community, and German-speaking community). The Brussels-Capital region is governed by the French- and Flemish-speaking communities since it is officially bilingual. Each political entity has powers and responsibilities of its own. As regards the policies that are involved in the implementation of the YG, all three political entities play a significant role. Whereas the federal state is responsible for the social security system and all important laws in the field of social security (unemployment, pensions, health insurance), the regions are in charge of economic and employment policies while the communities are competent for education and assistance to individuals (such as protection of youth, social welfare, aid to families, and immigrant assistance services.) On top of that, it is important to indicate that communes have powers relating to public work, social welfare, maintaining public order, housing and education. It is also at the communal level that the Public Centre for Social Assistance (CPAS) operates, providing direct social services to people.

Thus, the different policies playing a role in the implementation of the YG, be it labour, employment, education and social policies, are situated on multiple levels of governance and involve many stakeholders. Under the sixth reform of the State called ‘A More Efficient Federal State And More Autonomous Entities’, launched in 2011, Belgium shifted numerous federal competences to the regional and community level (Belgium, 2016). As a result of this reform, a number of important competences related to labour market policy has been transferred to the regions and communities from July 2014 onwards and has therefore modified the distribution of responsibilities between the different actors responsible for the implementation of the YG. Furthermore, it is important to note that each political entity has its own administration. At the operating level, Brussels-Capital relies on Actiris, which is the Public Employment Service (PES) of the region and on Bruxelles Formation for the French-speaking people or VDAB-RDB for the Dutch-speaking people when it comes to vocational training (Deutschsprachige Gemeinschaft, 2016).
The situation of young people in Belgium and Brussels-Capital

Brussels-Capital, a region of 1,175,173 inhabitants (Ibsa, 2016), is the first employment pool in Belgium. From 2010 to 2014, and despite the financial crisis, the region created more than 40,000 jobs, mostly in the areas of commerce, catering and storage (Belgian Federal government, 2014). Whereas the other two regions tend to grow old, Brussels is characterised by a pronounced rejuvenation of its residents. This is mainly due to the substantial contribution of international immigration that drastically changed the age structure of the population. Thus, there is a noticeably faster growth in the working age population (15 to 64 years old) in Brussels-Capital than in the two other regions of the country (Belgian Federal Government, 2015).

Despite its economic dynamism, youth unemployment is comparatively high in Brussels-Capital (36.2% in 2015 compared to 22.1% at the national level, while Wallonia and Flanders have a youth unemployment rate of 32.2% and 15.2% respectively). The difficult situation of young people becomes even more explicit when one considers that more than every third young person has faced a period of unemployment since 2011. Furthermore, around 12,000 young people register as newly unemployed at Actiris every year and half of them are still NEETs after a period of six months (HrPublic, 2016). The NEETs rate reaches unbearable levels in the Brussels-Capital region with a rate of 17.5% in 2015, which is significantly higher than in the EU (12%) or the national average (12.2%). As regards ESL, the rate of 15.8% in 2015 is also higher than the national rate (10.1%) or the EU average (11%).

That being said, it should be noted that the region benefits from some positive developments. It has enjoyed three consecutive years of continuously falling youth unemployment (especially between 2014 and 2015). Nonetheless, the devil is in the details and despite encouraging signs on the employment side, the region faced an increase of the NEETs rate between 2014 and 2015 after a continuous drop between 2012 and 2014. Moreover, the school drop-out rate poses serious problems, as the share of young people leaving the education system increased both at the national level and in Brussels-Capital between 2014 and 2015.

Thus, youth unemployment and more specifically the situation of young people remains a pressing issue in the region as indicated in the graphs below. Without claiming to be exhaustive, the following sections will outline how the relevant authorities, be it the federal government as well as the French and Flemish communities and the region of Brussels-Capital have struggled to fight unemployment over the last decade, and more specifically youth unemployment.
Graph 3: A comparative overview of the situation of young people in Belgium and Brussels-Capital

Youth employment policies before 2014

Looking at how employment and youth policies were dealt with in Belgium before 2014 indicates that a series of important measures were already preceding the implementation of the YG.

At the federal level

The Belgian labour market was characterised by high tax rates and social security burdens for the low-paid and by a system of unemployment benefits that do not decrease gradually with the duration of unemployment. These features have been pointed out several times by the EC as the main obstacles to job creation. For instance, in 2011 the EC recommended Belgium to “improve participation in the labour market by reducing the high tax rate and social security burden for the low-paid in a budgetary neutral way and by introducing a system in which the level of unemployment benefits decreases gradually with the duration of unemployment; take steps to shift the tax burden from labour to consumption and to make the tax system more environmentally friendly; improve the effectiveness of
active labour policies by targeting measures at older workers and vulnerable groups” (European Council, 2011).

To remove these obstacles, the federal government underwent a series of structural reforms over the last years.

The federal government introduced reforms on the labour market and in the social security system, with certain measures targeting young people specifically. A key move was the reform strengthening the degressivity of unemployment benefits that was put in place in 2012 (Belgian Federal Government, 2013a). As part of this reform, the then-new federal government introduced new rules on the unemployment benefits of school-leavers, reforming the so-called ‘waiting allowances’. In order to favour a faster integration into the labour market, the waiting period was converted into a professional integration period, during which young people now need to be pro-active and demonstrate that they are actively looking for a job. In other words, the aim of this reform was to discourage school leaving by coupling the entitlement to the allowances to active job search. From 2012 on, the waiting period between the end of the studies and the granting of the first benefit has been postponed from nine months to one year. At the end of this waiting period, the allowances are only granted to young people who can demonstrate that they have been actively looking for a job or who became involved in an integration path. Moreover, the maximum period of time during which the allowance is granted is henceforth restricted, except if the person has worked for six months during the previous two years (Belgian Federal Government, 2012). This decision, taken at the federal level, was critisised by numerous trade unions and political parties from the opposition. Arnaud Pinxteren, Green Member of Parliament from Brussels stated: “The federal government puts pressure on young people so that they find a job at any price. And no matter the kind of job!” (LaLibre, 2012). Since September 2015, the federal government has restricted these integration allowances even further by imposing a condition for success in order to benefit from the allowance. Henceforth young people between 18 and 21 years need to have a secondary school or training diploma and beneficiaries need to be younger than 25 to be entitled to the allocations (Rtbf, 2015). Consequently, access to these allowances was reduced and a share of young people fall through the cracks as they are no longer able to benefit from the allowances.

Furthermore, the federal government tried to smoothen the school-to-work transition by offering different forms of internships or contracts, such as the ‘Convention de premier emploi’ (First job agreement), a measure created in 2000 by the federal government (Monitorie Belge, 1999). This contract obliges employers, whose companies have over 50 employees, to ensure that at least 3% of their workforce is made up out of young people and offers them reductions of social security contributions (especially when the young person is low-skilled) (UCM, 2015). There is also the ‘stage de transition’ (transition placement), introduced in the beginning of 2013 in the framework of the federal recovery plan of the government of 2012. This internship of three to six months is addressing young low-skilled unemployed and serves as a first contact with the labour market (ONEM, 2016a). The federal government committed to create 10,000 places, 1,650 of which in the Brussels-Capital region. This measure can be, to some extent, considered as a forerunner of the Belgian youth guarantee scheme. As explained below, the measure will serve as the very first instrument of the Brussels YG in October 2013.

At the regional level

The Brussels-Capital region is also actively involved in integrating young job seekers into the labour market. At the heart of the policy framework is the Sustainable Urban Growth Pact (or New Deal) that was established in 2011 and whose priority lies in promoting employment through reinforced cooperation between employers and different political levels (notably through the ‘Employment-Environment-Economy-Training’ synergy). In order to achieve this general objective, transversal engagements were defined and actions were carried out in five specific sectoral areas. Whereas the
transversal actions intend to reinforce the collaboration between social partners and institutional actors in Brussels, the actions led in specific sectoral areas reflect the wish to develop five specific domains, namely environment via the ‘Alliance Emploi-Environnement’, commerce and catering, international development (including tourism), the non-commercial sector, the public sector and community services, as well as innovative sectors. Many of these actions were specifically designed for young people, especially to provide professional integration, education and training in those five specific domains (Belgian Federal Government, 2015).

Moreover, the service ‘Tremplin Jeunes’, implemented by Bruxelles-Formation (Brussels’ training centre), has been operational since 2012. This department within the training centre is focusing on young job seekers under 25 and offers training ranging from in-depth educational and professional assessments to basic or qualified training to work placements (Belgian Federal Government, 2013a).

In addition, diverse cooperation agreements were concluded between different political actors in order to ensure that consistency and coherence prevail. For instance, the cooperation agreement between the different political levels on the guidance and follow-up of job seekers was renewed and strengthened at the end of 2013. The guidance process is split between two organisations, ONEM, which is the federal institution deciding if a person is entitled to receive unemployment benefits, and Actiris (in Brussels-Capital) which is in charge of providing counselling and support in the job search. A series of interviews is organised with the two organisations. For young school leavers up to the age of 25, the interviews will take place during the 7th and 11th month of unemployment, which must both be validated in order to be entitled to unemployment benefits (the so-called integration allowances, see above). For young people under the age of 25 receiving ordinary unemployment benefits (after at least one year of working), the first assessment interview will take place after 9 months, instead of 15 months previously. In line with the current approach, the regional employment services are committed to offer an individual action plan to all young people in the 4th month of unemployment at the latest and to all job seekers over 25 years in the 9th month at the latest. However, it is to be noted that in the framework of the sixth state reform, the control and assessment interviews will become a competence of the regions in a few months (in Brussels it will become the responsibility of Actiris) and will no longer be carried out by the federal institution ONEM. In addition, those who are repeatedly unemployed for a short period of time will be more frequently offered a new action plan. For the unemployed with a combination of medical, social and psychological problems, the regions have developed a specific programme in collaboration with specialised partners (Belgian Federal Government, 2014) (Onem, 2016b).

Furthermore, the Brussels PES was reorganised with the new management contract of Actiris that was approved in 2013. In this context, the modalities of the individual support for job seekers were redesigned, notably by introducing the ‘Personalised Action Plan’ (PAP), which is a support system offered to job seekers under the age of 25 (see below). Additionally, a single folder has been introduced in the framework of the new management contract, showing the employment and education background of the job seeker. It aims at introducing an identical interface for all employment, education and training actors in order to increase the number of matches between job seekers and employers (Actiris, 2013). Furthermore, the management contract of Actiris reflects the wish of the Brussels government to concentrate on young people who have left school. In practical terms, Actiris has, in every year since October 2013, offered 1,650 young people under 30 either a job, an internship or a training, within the year they leave school, through the newly created Youth Guarantee service. As a first step, this Youth Guarantee service only provided a ‘stage de transition’ (transition placement) to poorly qualified young job seekers (Belgian Federal Government, 2013a). Besides handling the placement of young job seekers on transition placement programmes, the service also included the guidance of young people during their actual work experience in a company.
The national and regional YG implementation plans

Belgium welcomed the Council Recommendation about the YG with great enthusiasm and was one of the first countries to submit its implementation plan (submission in December 2013) (Rtbf, 2013). Due to the division of competencies within Belgium, the national implementation plan was divided up into regional plans and from 1 January 2014, the regional authorities have started to launch the different implementing measures.

In the Brussels-Capital region, the Youth Employment Initiative (YEI) is implemented through two Operational Programmes (OP) that reflect the complex division of competencies in the country. The first one covers the French-speaking community of Wallonia-Brussels and the second one is devoted to the Brussels-Capital region. Both contain an axis specifically dedicated to young people, which includes the YEI as a means of implementing the broader objectives of the YG. The actions developed under the Wallonia-Brussels OP correspond to the competencies of the community level and aim to better manage the transition of young people from school to professional life. Concrete projects also plan to address ESL. However, it is to be noted that not all actions apply to the Brussels-Capital region given that the OP also covers Wallonia. In the Brussels-Capital OP, supported actions will include coaching for young people as well as concrete offers for employment, training and internships. It is to be noted that the Brussels-Capital OP also includes specific projects, in collaboration with the Flemish Community, for the Dutch-speaking young people and NEETs of the region (European Commission, 2015a).

The OP for the Brussels-Capital region foresees a budget of €24,734,417 for the first priority axis, which deals with the sustainable integration of young people into the labour market, representing 25.22% of the total budget. €7,121,087 (17.96% of the total budget) is coming from the ESF, while €17,613,330 (7.26% of the total budget) is coming from the YEI (Brussels-Capital Region, 2014). The OP of Wallonia-Brussels is based upon four priority axes; the fourth axis concentrates on measures preventing ESL (Wallonia-Brussels, 2014). It has a total budget of €73,127,920, €36,563,960 of which is provided by both the YEI and the ESF.

As regards the governance of the YG in Brussels-Capital, the Brussels-Capital OP indicates that the scheme is based on a strong partnership approach and is coordinated by the Minister-President of the Brussels-Capital region, who is assisted by a Steering Committee bringing together the different ministers responsible for Training, Education and Youth Action, the functional administrations and the social partners, as well as the local authorities (via a representative of the communes and the Public Social Welfare Centres). In addition, the OP indicates that the scheme pursues the objectives of the programmes implemented by the region (for instance the New Deal) and by the cooperation agreements between the region and the French and Flemish community institutions relating to cross-cutting employment-training policies (Belgian Federal Government, 2014).

With respect to the priorities and actions of the scheme, the OP mentions that the Brussels YG focuses on the employment situation of young people aged between 15 and 25, while improving their skills. Six priority themes are used to implement the scheme objectives through a range of concrete initiatives:

1. An information/guidance priority resulting in the following initiatives (non-exhaustive):
   
   - **Plateforme Bruxelles-J**: a website (bruxelles-j.be) with information on studying, training, work, young people’s rights that has been available since June 2014. It also offers interactive discussion and virtual personal support. Local reception platforms have also been set up in

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7 The YEI is part of the measure 4.2 of the OP.
association with municipal youth/education services and local grassroots organisations. The number of information sessions doubled in 2015 compared to 2014;

- Creation of a youth section within Carrefour Formation set up in October 2014 by Bruxelles Formation. The same services exist for Dutch speakers, set up by the VDAB (Flemish regional PES) and the VGC (‘Vlaamse Gemeenschapscommissie’ – Flemish Community Commission). Carrefour Formation is an information and counseling centre that focuses on training offers in the region of Brussels. Initially, the centre only targeted adults (Belgian Federal Government, 2015).

2. An education/youth action priority, resulting in the following initiatives (non-exhaustive):

- The implementation of a joint action plan with the region’s ‘Dispositif d’Accrochage Scolaire’ (school drop-out plan) developed in 2000; education/youth action cross-sectoral organisations and local stakeholders designed to stop young people dropping out of school; collaboration with Dutch-speaking education stakeholders;
- Development of the ‘Time-Out Scheme’ (Flemish scheme for getting children back into school). The scheme has three main objectives, namely to avoid school drop-out and support reintegration into school; to provide a resting period for young people who are at risk of dropping out of school (to literally take a ‘time-out’); and the development of a prevention policy in cooperation with schools (Belgian Federal Government, 2015).

3. An education and informal training priority, resulting in the following initiatives (non-exhaustive):

- Implementation of a community service system for low-skilled young people under 25 (max. secondary school certificate (CESS)), generally registered as job seekers. They benefit from a training contract recognised by the national employment agency (ONEM) as community service time;
- Implementation of a system to re-engage young people who are furthest removed from the labour market (‘FIND-BIND-MIND’). The Flemish ‘FIND-MIND-BIND’ outreach method is a tool where case workers identify NEETs and spend time with them to build up their trust before they are encouraged to register with the PES. The length of time between initial engagement and PES registration differs on a case by case basis (Belgian Federal Government, 2015a).

4. A training priority (3,000 training places per year):

- Strengthening the Bruxelles Formation – Enseignement de Promotion Sociale (lifelong learning centres) partnership from September 2014 with a view to increase the level of qualifications obtained by young people (access to the secondary school certificate (CESS): 8 projects for 164 trainees);
- Bruxelles Formation/Actiris collaborative project with the Federal Public Services (Police, Defence, SNCB (Belgian railway)) designed to prepare young people for certain professions.
- Improving cooperation between training providers (reference centres, social and professional integration bodies, Bruxelles Formation, VDAB Brussel) and education providers, such as apprenticeships, sandwich courses and agricultural centres;
- Language learning: systematic testing of any new job seeker, more job-focused language training, extension of the ‘Brulingua Platform’ to all students and teachers (and more specifically job seekers), more intensive language lessons (VGC and Communities), creation of

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10 Brulingua is a project led by Actiris aiming at offering language training via Internet to all registered jobseekers. More information is available here: [http://www.brulingua.be/fr/](http://www.brulingua.be/fr/) last accessed on: 8 September 2016.
the ‘Leerwinkel Brussel’ programme\textsuperscript{11} (information, guidance and support service for various training offers for young people from 15 years onwards) (Belgian Federal Government, 2015).

5. A work placement priority (2,000 work placements per year):

- 50 international work placements: 3 to 6 months. It addresses rather qualified young people as they need to set up their project all by themselves, which entails contacting a company abroad and finding an accommodation;
- 1,650 transitions into work placements: the above-mentioned stage de transitions. Brussels-Capital is the only region that continues to offer these placements as they are considered to function rather well in the region;
- 300 work placements: after having received training at Bruxelles-Formation, unemployed young people are offered an internship in a private/public company or a non-profit organisation. The employer is obliged to hire the person at the end of the internship (Bruxelles-Formation, 2016) (Belgian Federal Government, 2015).

6. An employment priority (1,000 jobs per year):

- Reorganisation of Actiris’ support offered to job seekers under 25 based on four priorities (reserved time slots, new ‘Personalised Action Plan’ (PAP), adapting the follow-up methodology, continue to segment the youth audience in order to offer specific assistance to young people who are furthest removed from the labour market). Special support is also provided for people dealing with health issues;
- Strengthening of the Actiris ‘Youth Guarantee Service’ (team of 27 fulltime staff);
- Monitoring of the YG has also been set up to verify that Actiris is complying with its commitment in implementing the initiative;
- As of July 2016, the new ‘Integration Contract’ has been launched. These contracts include a training aspect and are designed for job seekers under 25, who have been unemployed for 18 months and do not have any professional experience despite their efforts;
- Annual offer of 125 First Job Agreements (CPE) of 12 months in public interest bodies of the Brussels-Capital region (Belgian Federal Government, 2015).

In addition to these six priorities, a seventh cross-cutting priority aims at implementing a reporting system for the overall scheme and organising a general information campaign about the scheme (Belgian Federal Government, 2015). An overall monitoring programme for the Brussels Youth Guarantee plan is guided by the Minister-President of the region. This programme establishes the necessary coherence with the theme-based evaluation systems of the operators who will feed it with their data and analyses. The monitoring tools developed under the ‘New Deal’ will be used for this purpose (Belgian Federal Government, 2013b). However, the YG has been implemented under the 2025 Strategy of the region (see below) since 2015. Thus, it is to be noted that this monitoring system is not specifically dedicated to the YG but to the overall 2025 Strategy. The monitoring tool was put in the hands of the newly created Brussels’ office of planification (bureau bruxellois de la planification), working closely with public administrations and services (Didier Gosuin, 2015).

As already mentioned, every year 12,000 young people register at the Brussels PES. It is this group of newly registered young job seekers that the ‘Brussels Youth Guarantee Service’ is focusing on. Among these 12,000, only about 6,000 are able to find a job or re-enter the education system in the first six months after their registration. That is where the youth guarantee scheme comes into play, as it

\textsuperscript{11} More information is available here:  http://www.tracebrussel.be/werking/onderwijs-en-arbeidsmarkt/leerwinkel, last accessed on: 8 September 2016.
specifically addresses the remaining 6,000 young people who are still NEETs after six months (HrPublic, 2016). In this context, personalised support is privileged (see above mentionned PAP). Three times a week 136 councillors only focus on young people under 25 (Le guide social, 2014). In concrete terms, this means that Actiris is preparing, guiding and informing young people during the first four months of unemployment, and then tries to give them a job offer within six months.

**The implementing measures since 2014**

**At the federal level**

Additional fiscal measures to incentivise the recruitment of young people have been taken by the federal government since 2014. Several employers’ social security contributions have been decreased, while companies employing less than 50 workers in the catering sector can get a lump sum reduction in social security contributions for five selected full-time workers. A higher reduction applies if the worker is younger than 26 years old.

Furthermore, the ‘Activa Plan’, focusing on low-skilled workers, has been strengthened by an extension of the target group. The employer can henceforth enjoy a reduction in social security contributions for hiring a young low-skilled worker aged 30 maximum (instead of 27) who has been a job seeker for at least 6 months (instead of 12 months) (Belgian Federal Government, 2014).

**At the regional level**

Following the introduction of the ‘Youth Guarantee Service’ in Brussels in October 2013, which took the form of the ‘stage de transition’ (transition placement) in the first phase, the second phase was launched in January 2014. Henceforth, this service participates in the implementation of the YG as it was intended by the European Commission (La Libre, 2013). This led to a re-organisation of Actiris’ support offered to job seekers who are under 25, which is now based upon four priorities: reserved time slots, new ‘Personalised Action Plans’ (PAP), adaptation of the follow-up methodology, and segmentation of the youth audience in order to offer specific assistance to young people who are furthest removed from the labour market. Special support is also provided for people with health issues (Belgian Federal Government, 2015). In this context, it is also noteworthy to analyse the PAP instrument more closely. Implemented since January 2015 by Actiris, the instrument is a ten-month long, more intensive approach to supporting young job seekers who are registered as unemployed for the first time. Professional training, internships or first job contracts are privileged solutions within the PAP. Another difference from the traditional ‘contrat de projet professionnel’ (‘Professional Project Contract’) is the adaptation to young people. The PAP offers modern and more flexible contact opportunities, partly replacing the classical physical interviews.

In addition, after the launch of the ‘stage de transition’ offer in 2013 and its further development in 2014, the Brussels-Capital region and the Walloon region took the initiative in July 2016, in the framework of the YG, to offer fulltime jobs for one year via a new ‘integration contract’ to young people under 26 who were not able to find a job after 18 months (Belgian Federal Government, 2015).

Further progress has also been made in 2014 in terms of coordination between the different relevant entities. A new agreement between the French-speaking community (composed of Wallonia and Brussels-Capital) and the Walloon region was implemented in February 2015. The objective is to bring together the fields of education, training and employment to reinforce coherence and consistency between labour market, education and training policies. The agreement created the so-called ‘Instance Bassin’ in Brussels, which is composed of the Education Chamber and the Employment-Training Chamber. Its missions are to maintain the dialogue between the actors of vocational training,

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12 Please note that this measure has been extended again since then and that the conditions have slightly changed.
qualifying education, social and professional inclusion, enterprises and social partners; to collect and synthesise facts and studies; to transmit information, give opinions and advice; and to implement synergies bringing together different actors in order to develop concrete actions. This agreement reflects the European Commission’s country-specific recommendations of 2014 calling on Belgium “to strengthen partnerships of public authorities, public employment services and education institutions to provide early and tailor-made support to the young” (Belgian Federal Government, 2014). Furthermore, a framework cooperation agreement in education, training and integration into employment has been concluded between the Walloon region, the Wallonia-Brussels Federation and the construction sector in January 2016. This should lead to a development of concrete projects involving construction companies as well as operators in training, integration and education (Belgian Federal Government, 2016).

Last but not least, the Brussels-Capital region has adopted the 2025 Strategy in June 2015, where cross-cutting employment-training policies will be further strengthened. The strategy aims, among others, to boost the region’s economy using a prospective ten-year vision and through more investment in research, development and innovation. As already explained above, the implementation of the YG features as one of the 18 objectives of the strategy. Other objectives are also pertinent to youth. They concern the strengthening of cross-cutting employment-training policies through the ‘Employment-Training-Education-Business Task Force’ that should also be implemented at municipal level with the various stakeholders in employment, training and integration. The task force will also aim to improve professional training by improving access to qualifications. Lastly, another objective is to implement the ‘Brussels Education Pact’ which consists in improving the quality of education in Brussels. This involves improved monitoring of supply and demand, language-learning, combating school drop-out and the quality of infrastructure and equipment, particularly improving the techno-logical and industrial equipment in establishments by ensuring a consistent level of equipment in reference centres (future ‘Training Employment Skills Centres’) and ‘Advanced Technology Centres’ (Belgian Federal Government, 2016).

To conclude the Belgian case study, and the Brussels-Capital region in particular, one can say that many initiatives have been developed to support youth employment and a better integration of young people into the labour market over the last years. Specific measures have been developed for Brussels-Capital, which reflects the high degree of competences that the Belgian regions have in the policy areas pertaining to the implementation of the YG. However, the complex institutional framework of Belgium and the division of competences between different political entities (not necessarily sharing the same political view) does not facilitate the implementation of the YG. In particular, one can notice that the education actors, which are under the responsibility of the community level, and the employment actors, which depend on the regional authority, encounter major difficulties in trying to work coherently together and adopt an integrated approach. The exchange of information between the two is therefore limited. Moreover, one can also observe the multitude of measures that have recently been undertaken, with each of them targeting different groups. In the same vein, one can say that it is difficult to understand how measures complement each other and fill possible gaps. In particular, the age focus is unclear, as some measures target young people under 25, whereas others set 30 as the maximum age. Also, and despite some initiatives to reach out to the non-registered NEETs, the public answer to this major issue is not provided in a structured way. Another element to point out in the Brussels-Capital’s scheme is the timeframe under which public intervention is provided. While Actiris has made important efforts to adopt an early intervention approach, it is more often a six-month timeframe that is applied (rather than a four-month one). In addition, an important feature of the Belgian and Brussels-Capital region’s YG is the partnership approach that has been significantly reinforced in recent years. Additional efforts still need to be made, in particular with regards to the communication between the education system and the employment actors and the coordination
between the different training offers, as the complexity of the Belgian institutional framework and the multitude of stakeholders involved represent clear obstacles to efficient delivery of services. In this respect, the fact that young people have different interlocutors (ONEM, Actiris, Brussels Formation) carrying out different types of interviews can be particularly confusing to them. That being said, the progress that has already been made on this aspect raises hope for further improvements. Last but not least, it seems that the YG brought a major change in the Belgium monitoring culture. All in all, one considers, as indicated in Table 7, that while Brussels-Capital has made major efforts to comply with the partnership approach and to improve its monitoring system, the YG requirements as regards the policy design do not fit with the Council Recommendation.

Table 7: Brussels-Capital’s comparative fit-misfit table

<table>
<thead>
<tr>
<th>Fit-Misfit/ Elements of Europeanisation</th>
<th>Pre-2014 period</th>
<th>Post-2014 period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Misfit</td>
<td>Partial fit</td>
</tr>
<tr>
<td>1. Policy design</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Early intervention – the four-month timeframe</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>1.2 The target – outreach to all NEETs</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2. Institutional Framework</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1 The partnership approach</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2.2 The monitoring/evaluation process</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

3.2.2 SLOVAKIA – East Slovakia

The Slovak institutional framework

Slovakia is divided into four NUTS2 regions (Bratislavský kraj or region of Bratislava; Západné Slovensko or West Slovakia; Stredné Slovensko or Central Slovakia; and Východné Slovensko or East Slovakia), and into eight ‘kraje’ (which correspond to self-governing local entities with some political power at the regional level, with an elected regional director and a regional parliament). The Slovak NUTS 2 region that is analysed in this study, i.e. East Slovakia, is comprised of the two ‘kraje’ of Prešov and Košice. It is to be noted that the Eastern Slovakia NUTS 2 region does not hold any political power and is only of administrative use. Hence, the Eastern region of Slovakia is a territory that consists of the self-governing regions of Prešov and Košice.

Since the decentralisation reform in 2001 the eight self-governing regions have been in charge of, amongst others, social protection (including orphanages for children), education (including secondary schools, vocational and art institutions), culture, international and transregional cooperation, and youth. At the local level, municipalities are responsible for education (including primary and pre-schools) and social protection (including individual support and assistance, rest and care homes for elder people, and child services). Although employment policy is a responsibility of the national level, i.e. of both the government and the National Council of the Slovak Republic, i.e. the Parliament, municipalities are in charge of the implementation of one of the major ALMPs – ‘Activation Works’ – aimed at fighting long-term unemployment (in particular among Roma) (Centre National de la Fonction Publique Territoriale, 2015).
The situation of young people in Slovakia and the Eastern Slovak region

As described in the graphs below, East Slovakia presented a youth unemployment rate of 31.5% in 2015 compared to a rate of 26.5% in Slovakia (EU average was 20.4%). Therefore, East Slovakia is facing the highest share of young unemployed across all the Slovak regions that have a youth unemployment rate of 14.5% (Bratislavský kraj), 21.8% (Západné Slovensko) and 30.5% (Stredné Slovensko). As regards the NEETs rate, the Eastern region is also performing badly (17.3%) compared to the EU (12%) and national levels (13.7%) as well as the other regions of the country (Bratislavský kraj 7.8%; Západné Slovensko 10%; Stredné Slovensko 15.7%). Moreover, East Slovakia is lagging behind the other regions in terms of ESL with a rate of 10.4% in 2015. Although the share of early school leavers is slightly below the EU average of 11% and very close to the Europe 2020 objective of 10%, it is comparatively high in relation with the three other regions of Bratislavský kraj (4.7%), Západné Slovensko (3.6%) and Stredné Slovensko (7.7%). In addition, Slovakia has the lowest employment rate in the EU for those not having attained upper secondary education, making the impact of leaving school early particularly strong (European Commission, 2015c).

Possible reasons to explain these aforementioned trends in Slovakia are the persistent and rising regional disparities (among the highest in the OECD countries) with a booming west and a lagging east. According to the OECD, the main reason for regional disparity is the combination of low economic growth and job creation in the eastern and central part of the country and insufficient labour mobility to the west, in particular by low-skilled workers (OECD, 2015a). The regional challenge consists therefore in the adoption of a comprehensive approach that focuses on developing the rental housing market, stepping up ALMPs, making education more employment-focused, completing transport infrastructure and targeting innovation policies to regional needs, together with public sector reform. Moreover, East Slovakia has a particularly higher Roma rate than the other regions. The highest concentration of Roma communities is indeed in the Košice and Prešov regions, where Roma represent 26.5% (Košice) and 32.8% (Prešov) of all inhabitants. Among these Roma, according to a World Bank report (The World Bank, 2012), only 20% of men and less than 10% of women participate in the formal labour market. As a matter of fact, Roma communities are subject of ethnic discrimination at the labour market. According to studies, 49% of the Roma experienced discriminatory practices when looking for a job during the last five years in Slovakia (FRA, 2014). Their education level is exceptionally unfavorable (eight out of ten Roma of working age have no more than primary education and the secondary school enrolment rate of Roma children is very low, with 35% vs. 74% for children of Slovak ethnicity) (European Commission, 2015b). The European Agency for Fundamental Rights estimates that 83% of Roma leave school early (FRA, 2014). However, this is only the tip of the iceberg as the educational situation of Roma is far more complex. There is, for instance, a very low participation of Roma children in preschool education as well as segregation in schooling (Roma Education Fund, 2014). In addition, housing conditions in separate and segregated settlements are substandard (Zuzana Kusá, 2011). Thus, the Commission raised red flags with regards to the shockingly high NEETs rate among Roma, which at 43%, is four times the national average (European Commission, 2015b). Below are comparative graphs (for the EU, Slovakia and East Slovakia) showing the evolution of the unemployment level, the youth unemployment rate, the level of ESL and the proportion of NEETs between 2011 and 2015.

Other causes of high youth unemployment in East Slovakia are the still slow school-to-job transition and a skills mismatch resulting from an education system that does not correspond to labour market needs. According to employers’ representatives, in particular from the automotive industry, only 6% of secondary VET graduates are trained appropriately and ready for work (Cedefop, 2013). The weak school to work transition is notably due to insufficient cooperation between firms and VET schools, and has been identified by employers as an important issue. The educational outcomes of students with low socio-economic backgrounds are among the worst in the OECD, especially in the East, and
the participation in early childhood education is among the lowest in the EU (77.5% compared with 93.2% on average) (OECD, 2015a). This is particularly the case with Roma children. Among 3-5 year olds, only 24% of them are enrolled in kindergarten, nursery or preschool (UNDP, 2012).

Last but not least, the Slovak public employment services have limited capacity to provide personalised services, in particular to those furthest away from the labour market, such as the long-term unemployed, the low-skilled, young and Roma people. Comparative studies show that total spending on ALMPs remains relatively low, particularly for the provision of quality training (European Commission, 2015b). In addition, studies show that despite the fact that a client profiling system has been introduced in 2013, it has significant shortcomings as the system is basic and does not take into account multiple disadvantages (Duell, N. & Kurekova, L., 2013).

Graph 4: A comparative overview of the situation of young people in Slovakia and East Slovakia

Youth employment policies before 2014

The previous section has highlighted Slovakia’s serious difficulties with youth employment, notably due to weak, inegalitarian and discriminatory education systems. Such issues were already pointed out by the European Commission in 2011 which recommended the country to: “Speed up the implementation of planned general education, vocational education and training reforms and take steps to improve the quality of higher education and its relevance to market needs; and to develop a
framework of incentives for both individuals and employers to encourage participation of the low-skilled in lifelong learning” (European Council, 2011b). Another recommendation was issued by the Commission in the area of youth employment in 2013 that mentioned the implementation of a youth guarantee scheme. It calls on Slovakia to “step up efforts to address high youth unemployment, for example through a Youth Guarantee; to take steps to attract young people to the teaching profession and raise educational outcomes; to reinforce the provision of work-based learning in companies in vocational education and training; to create more job-oriented bachelor programmes in higher education; to foster effective knowledge transfer by promoting cooperation between academia, research and the business sector; and finally to step up efforts to improve access to high-quality and inclusive pre-school and school education for marginalised communities, including Roma” (European Council, 2013b). As a response, the Slovak government undertook a series of measures to address the described problems.

In the field of education, Slovakia launched, amongst others, in March 2012, a new web portal entitled ‘Map of Regional Schools’13 in March 2012, which provides important information about primary and secondary schools to the general public in order to improve the quality and extent of information available. This is supposed to allow parents and pupils to select a school that best suits their needs (Slovak Government, 2012). However, it is more than questionable whether this initiative should be considered as being beneficial. The map does not take into account a variety of qualities that a school is ought to offer (such as extracurricular activities, friendly school environment, or inclusive services towards disadvantaged students) and is often based upon a small selection of criteria – mostly the results of national testing in Slovak language and maths – which leads to some information asymmetry. This latter is especially harmful for disadvantaged families who are less informed. Moreover, such initiatives are likely to further fuel social exclusion, discrimination, segregation and elitism because well-informed wealthy or middle-class parents will be able to enroll their children in better schools. On the contrary, students from disadvantaged family background (especially Roma children) stay in lower-ranked schools because of commuting expenses.

Also, the ‘Youth Action Plan’ (YAP) was adopted in 2012. Although having a plan devoted to young people was a welcomed step, it is to be noted that concrete actions included in this plan were limited. Its main aim was to tackle the information asymmetry related to the level of employability of young graduates of high school and university (Slovak Government, 2013a).

With respect to employment policies, the Slovak government also launched important initiatives. In 2004, the government introduced a major ALMP tool, the ‘Activation Works’, implemented by the municipalities and aimed at long-term unemployed (main focus on Roma facing social exclusion). The programme was launched as part of the social benefits reform, replacing previously used publicly beneficial works. The aim is to promote and maintain working habits of the long-term unemployed. The ‘Activation Works’ programme is implemented under two parallel laws: Law 5/2004 on Employment Services and Law 369/1990 on Local Self-Government which legislates ‘Activation Works’ contracted between the worker and the municipality. Consequently, this creates two types of ‘Activation Works’, each type pursuing a proper key objective. Whereas one type relates to increasing employability by preserving work habits, the other one seeks the social inclusion of the beneficiaries (Mýtna Kureková, L. et al., 2013).

Moreover, labour costs subsidies were introduced in November 2012 for employers to support job creation for young people by means of a call for applications, where employers have to request the subsidies (in a written form). To be eligible for the grant, applicants need to be between 25 and 29 and registered at the PES for at least six months, or under 25 and to be registered at the PES for at least three months. The emphasis was placed on supporting job creation in regions with the highest

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13The map is available here: http://mapaskol.iedu.sk, last accessed on: 8 September 2016.
unemployment rates and the implementation of these projects in the period of 2012-2015 anticipated the creation of almost 14,000 jobs. As of January 2014, 11,602 jobs for young unemployed were created thanks to this support (Slovak Government, 2014b). The European Commission, however, warned in 2014 that the sustainability of these jobs needs to be monitored, as there is a risk that these projects will end once there are no longer subsidised. Furthermore, questions were raised as whether the projects target those, who are the most need (European Commission, 2014b).

In addition, the Slovak government amended the ‘Act on Employment Services’ in 2013, which cancelled eleven programmes with a marginal or negative contribution to public finances (Slovak Government, 2013a). The objective was to free up administrative capacities in order to provide professional and counselling services more efficiently to marginalised job seekers (in particular young people and the long-term unemployed) on an individual basis. Plus, the seven obligatory ALMP benefits (contributions for self-employment; for supporting employment for disadvantaged job seekers; for ‘Practical Training for Graduates’; for facilitating regional and local employment; for creating shelter employment; for keeping people with disabilities in employment; and for self-employment for people with disabilities) are now no longer automatically granted to individuals as there is no longer a legal entitlement to them. Individuals need henceforth to apply for them and the committees for employment affairs and labour offices decide whether it is granted or not. The objective of this measure was to enhance targetedness through a reduced number of measures and to eliminate certain types of financial contributions so as to prevent excessive provision and abuse. In addition, this amendment has aligned education and training for the labour market with further learning under the Act on Lifelong Learning (approved by the Slovak Parliament in September 2012) and placed more emphasis on counselling.

Furthermore, the instrument ‘Practical Training for Graduates’ was modified as part of the ALMP reform (which was introduced under the amendment of the Act on Employment Services). This programme offers practical experience and skills in the field of their studies (Slovak Government, 2013a). Thanks to the amendment, the target group of job seekers who may carry out graduate practical training was also specified. Thus, persons up to 26 years who have completed their systematic vocational preparation in full-time study courses less than two years, who did not manage to acquire their first regularly paid job and who are registered for more than one month in the jobseekers’ register are understood as the target group. Moreover, the following legislative changes took place: the contribution for the ‘Graduate Practice’ was decreased from 100% of subsistence minimum to 65% (approx. €128.75); the work placements of the graduates must be related to the field of their study/qualification; and the employer has an obligation to employ another person in regular or analogous job position when implementing the Graduate Practice.

Last but not least, the Slovak government recognised its blatant lack of Roma inclusion, which is an issue particularly in education. The government adopted the ‘Strategy for the Integration of Roma’ in January 2012, pursuing the objective to develop an inclusion policy covering areas such as education, employment, healthcare services, housing, access to financial services, non-discrimination, and perception by the majority population (Slovak Government, 2013a). Moreover, a working group of experts was established in 2012, under the project ‘Training Pedagogical Employees towards Inclusion of Marginalised Roma Communities’ that prepared a proposal for a pedagogical model of a school with full day’s schooling. The full day’s schooling model was tested over two school years (from 2012 to 2014) in 200 primary schools with at least 20% of their pupils coming from a socially disadvantaged environment (Slovak Government, 2013b). Following that project, another one was developed running from 2013 to 2015, called the ‘Inclusive Model of Education at Pre-Primary Level’. That programme aimed at improving the educational level of children coming from marginalised Roma communities. Through tuition provided by teaching and professional staff and the development of skills, pupils are prepared for their entrance in primary schools. In addition, the national ‘Project Field Social Work in
Municipalities’ was launched between 2012 and 2015. The goal of the project is to provide assistance to socially excluded population or those threatened by social exclusion. Educational activities focus on the development of social and psychological skills in the long term. The supervision will be both individual and group-based (Slovak Government, 2015b).

The national YG implementation plan

The national YG, approved by the government in April 2014, is part of the 2014 National Reform Programme of the Slovak Republic. In its OP ‘Human Resources’ that is based on the 2014 National Reform Programme the Youth Guarantee scheme is being endorsed through priority axis 2 ‘The Youth Employment Support Initiative’. Three NUTS 2 regions are concerned, namely West Slovakia, Central Slovakia and East Slovakia. €215,910,856 are allocated to that axis (amounts to 8.81% of the total OP allocation, which also includes a special YEI allocation accounting to €72,175,259).

Unlike other NUTS 2 regions studied in this paper (such as the Brussels-Capital), East Slovakia does not have a proper OP designed according to its regional and local characteristics. Slovakia’s OP ‘Human Resources’ is a national plan which allocates EU funding (ESF, ERDF and YEI) according to two regional characteristics: well developed and less developed. Also, the implementation plan does not make any reference to regional implementation plans (like for example the Belgian YGIP). In other words, the Slovak plan solely adopts a national approach leaving out specific regional characteristics.

Key activities of priority axis 2 relating to the YEI are meant to ensure that all NEETs up to 29 obtain a quality offer of a job, further education, vocational training or an internship within 4 months after registering in the job seekers register after losing their job or after completing formal education. In the group of 25-29 years, the guarantee will cover in particular the long-term unemployed (over 12 months) or job seekers, who have been registered for at least 6 months (MPSVR SR, 2016). 77,800 NEETs are targeted by priority axis 2 (Slovak Government, 2014b).

While axis 2 aims specifically at increasing the sustainable participation of young people in the labour market, some of the other priority axes also contribute directly or indirectly to a more inclusive education system and labour market. For instance, priority axis 1 on ‘Education’ intends to harmonise education with labour market needs, which must be implemented regardless of the region. The axis has a total fund of €549,085,417. This support is intended to aid 97,260 pupils and 9,845 students. Priority axis 3 ‘Employment’ supports the supply and demand aspect of the labour market. Suitable instruments will be used to initiate the creation and sustainability of job positions, to increase professional skills, and adapt the needs to the labour market, as well as to improve access to employment. In addition, the emphasis will be placed on the support of job-related mobility in order to reduce regional disparities, namely through the application of measures leading to matching regional labour market needs to new economic and social conditions. With €949,970,279, this axis is the recipient of the highest share of the total budget (36.14%). This axis should support 54,000 young participants. Finally, priority axis 5 ‘Integration of Marginalised Roma Communities (MRC)’ aims to improve unfavorable conditions (very low pre-school attendance of Roma children, high early-school leaving rates) resulting in a low educational level of the Roma population, especially those of the MRC group. To do so, Slovakia plans to counter-balance structural disadvantages by, for instance, introducing free pre-primary education for children from socially disadvantaged environments from three years of age. Other measures relate to a special education of teachers for MRC, a higher number of assistant teachers, consequent higher subsidies per pupil, spare time care, the completion of elementary education for pupils who did not finish elementary school and education of Roma in their mother tongue (Ministry of Labour, Social Affairs and Family of the Slovak Republic, 2013). The priority axis receives a fund of €163,529,413. Approximately 4,410 pupils and 5,053 students should be supported under axis 5.
The implementation plan also outlines a strengthening of partnerships between public and private employment services, professional counselling providers, education and training institutions as well as youth support services (non-governmental organisations, youth centres, and associations) but without being more specific.

**Implementing measures since 2014**

Within the framework of the Youth Guarantee scheme which is based upon two pillars (early intervention and activation and integration of young people in the labour market), the Slovak Republic performed a number of legislative reforms and project initiatives.

With respect to the pillar of early intervention that mainly focuses on young people at school age (primary and secondary school, but without neglecting NEETs either), the main objective is to increase the quality of education and improve the link between education and labour market needs. In that regard, a reform of the ‘Act on Youth Work’ support and financial support of projects focusing on youth work was performed in 2014. In this context, the reform of the ‘Act on Youth Work’ led to the creation of the so-called youth centres in labour offices providing tailor-made counselling for the unemployed under 29 (Slovak Government, 2014a). Furthermore, it brought a change in the accreditation system with the aim to accredit youth education programmes to institutions working with youth. Providers of informal youth education could therefore become members of accreditation committees (at the same time a monitoring tool of these programmes was established to ensure a high quality of youth education programmes). Last but not least, self-governing regions and municipalities are given the responsibility to support youth work and to open regional youth centres.

Another initiative was to increase the attractiveness of vocational training (new ‘Act on Vocational Education and Training’) and to ensure a closer link between vocational schools and practice. To do so, the plan was to adjust the competences of pupils and students in vocational education. Elements of dual education in the system of vocational education and training were also incorporated. In practical terms, this means that employers are encouraged to cooperate with schools providing vocational training by reducing their tax base by either €3,200 or €1,600 depending on the length of the training. In 2015/2016, 422 high-school students were meant to receive practical training in a total of 89 companies. For the academic year 2016/2017, 298 employers received a certification to train students within the dual education system and will be able to offer 2,763 places (Slovak Government, 2016a). However, it appears that there is a low level of interest from young people (probably due to poor career guidance services and counselling provided by Labour Offices), an issue that the government wanted to address through a campaign on the benefits of the system in 2016 (European Commission, 2016a).

Furthermore, another legislative change on VET, implemented as of April 2015 (Act No. 61/2015 – the so-called ‘Dual Education Law’), introduced dual education elements in the VET system in order to link vocational education with practice. One aspect of the amendment therefore aimed at better engaging employers and employer’s associations in VET systems, promoting practical training of students directly in companies and reinforcing tools to promote and ensure quality of study programmes in the sectors of current labour market openings.

Another measure in the area of education is the ‘Draft Bill on Recognising the Outcomes of Informal Education’ planned for 2014 – 2015. This bill is meant to ensure that graduates with informal education are put on equal footing with graduates of the formal education system (Slovak Government, 2014b). The latest state of affairs was, according to the 2014 Slovak Action Plan, that it is under preparation, but no exact date on when the legislative changes will take place has been announced (Slovak Government, 2014c).
As regards measures supporting the integration of young people in the labour market, further legislative changes were added to the ‘Act on Employment Services’ in October 2014, which came into effect in January 2015. Thanks to this amendment, the programme aiming at job creation for young people under 29 years through labour costs subsidies became part of ALMP and is hence included in the national implementation plan (Slovak Government, 2015a). In addition, a number of new or modified ALMP tools financed by the ESF was launched in 2015 to support a wider group of disadvantaged jobseekers, such as specific groups of young people under 29 and disabled unemployed. Such tools include an educational programme promoting requalification of jobseekers; contributions to support job creation for the first regularly paid employment; the implementation of projects to support the acquisition of professional skills among employers and self-employment of young people; subsidised labour costs of public employers; additional support for persons with disabilities, and a modified resettlement allowance. This latter is a financial compensation related to the costs of relocation that a jobseeker (registered at least for three months) undertakes when he/she accepts a job that is minimum 50 km from the original place of principal residence.

The Slovak government is planning to comprehensively evaluate the effectiveness of all these individual programmes. Therefore, a managerial tool as part of the IT system at labour offices was launched by the end of 2015. Based on the inputs from regional labour offices, the IT system is meant to monitor the functioning of ALMP tools (Slovak Government, 2015a). However, it seems that his system is rather basic and has not further improved client profiling.

In terms of fighting Roma exclusion, Slovakia continued the efforts pursued since 2013. A noteworthy project to mention is, for example, the continuous increase of the capacities of kindergartens. The construction and reconstruction of pre-school facilities was especially supported in municipalities with marginalised Roma communities (Slovak Government, 2015b). Moreover, inclusive environments in pre-primary and primary schools were promoted through various projects such as the education of teachers or the ‘Project for Inclusive Education’ (PRINED – a project that aims at strongly promoting inclusive environments in kindergartens and primary schools in order to ensure the prevention of unwarranted enrollment of pupils into special education) (Slovak Government, 2016b). In addition, a new project called ‘Take Away’ is underway and will be launched in October 2016, including measures to support pre-primary education, social field work, and community centres.

A reform of the PES system was also implemented in 2015 with the establishment of so-called points of first contact for a range of benefits, employment and social services and the centralisation of cross-cutting activities. Employees of labour offices were reallocated within the offices to support client first-contact areas and partially increase the number of expert advisers and contact agents for employers (Slovak Government, 2015b). Furthermore, the workload of employees, measured by the number of clients, decreased approximately to one third compared with the situation before the reform. The number of clients per expert counsellor is nonetheless still high, at 2,280 clients per year (Slovak Government, 2016a). Although this represents a significant step towards improving the coherence of support according to the Commission, the reduction of the workload per employee cannot compensate another weak spot in the functioning and organisation of the PES, namely the limited capacity to provide personalised services (in particular to those furthest away from the labour market, such as the long-term unemployed, the low-skilled, young people and Roma) (European Commission, 2015b). As a matter of fact, individual action plans for the disadvantaged unemployed became optional since 2014 and only a very small share of them received an individualised approach (34,830 action plans in 2014). In its 2016 Commission Staff Working Document, the Commission draws the conclusion that “The initial interview at registration is not followed up by further assessments when the unemployment spell becomes long and does not lead to a clear allocation of support. There are no specific measures for different categories of clients, according to their profile. Low staffing resources available for supporting the long-term unemployed restrict the scope for individual assistance. The use
of partnerships with other public and private sector actors for providing comprehensive, individualised support to the long-term unemployed is still limited” (European Commission, 2016a).

All in all, the analysis of the Slovak case study and of the Eastern Slovak region indicates that efforts have been made in specific areas, mainly in the education system (with no major efforts in primary education though) with increased attention to improve the quality of vocational education and training and in the fight against Roma exclusion. Despite such efforts, significant difficulties remain regarding the implementation of the YG, such as the limited use of the individual approach in PES, and a lack of local partnerships between schools and employers (European Commission, 2015b, 2016a). Moreover, the above outlined measures do not refer to any active outreach measures to young NEETs who are not registered with PES and the respect of the four-month timeframe for public intervention recommended by the EU seems to be only partly respected. Furthermore, it is interesting to mention that only around 10% of young unemployed eligible for the YG actually received one of four offers (job offer, training, apprenticeship, or internship) in 2014 (European Commission, 2015b). This also reflects the Commission’s concern that the Slovak YG puts too much emphasis on providing counselling and advisory services to young people while the YG is actually about guaranteeing a job offer, training, internship or apprenticeship. All in all, one considers, as indicated in Table 8, that while East Slovakia has taken some initiatives to better comply with the needs to develop some forms of partnerships, and to establish a more robust monitoring system, it does not yet fit with the Council Recommendation. As regards the diversified approach, the region seems to have, by following the framework provided at the national level, devoted increased attention to this aspect by targeting certain measures to Roma people. However, additional efforts, in particular by the employment services, still need to be deployed to make more tailor-made offers.

Table 8: East Slovakia’s comparative fit-misfit table

<table>
<thead>
<tr>
<th>Fit-Misfit/ Elements of Europeanisation</th>
<th>Pre-2014 period</th>
<th>Post-2014 period</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Misfit</td>
<td>Partial fit</td>
</tr>
<tr>
<td>1. Policy design</td>
<td></td>
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<tr>
<td>1.1 Early intervention – the four-month timeframe</td>
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<td></td>
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<tr>
<td>1.2 The target – outreach to all NEETs</td>
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<tr>
<td>2. Institutional Framework</td>
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<td></td>
</tr>
<tr>
<td>2.1 The partnership approach</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2.2 The monitoring/evaluation process</td>
<td>x</td>
<td></td>
</tr>
</tbody>
</table>

3.2.3 ITALY – Lombardy

The Italian institutional framework

Italy is a parliamentary Republic with a bicameral system. The Italian Republic is one and indivisible although it recognises and promotes local autonomies. The Italian constitution (Article 114) sets out that the Republic is composed of the municipalities, the provinces, the metropolitan cities, the regions and the State. They are all autonomous entities with their own statutes, powers and functions in accordance with the principles laid down in the constitution. The State holds power over matters related to foreign policy and international relations, immigration, defense and armed forces, as well
as general provisions on education, social welfare, culture, justice, economy and environment (Art. 117) (Wikisource, 2013).

Italy is divided into 20 administrative and political regions and each of them constitutes a European NUTS 2 region. Five of these regions have a special status as they have been constitutionally given a broader autonomy granting them a greater degree of control over local laws and funds. The so-called autonomous regions are Sicily, Sardinia, Trentino Alto Adige, Venezia Giulia, Val d’Aosta.

The remaining 15 regions with ordinary status – including Lombardy that represents the analytical unit of this section – had residual legislative powers since the constitutional reform of 2001 that provided them with exclusive legislative powers with respect to any matters not expressly expressed in Art. 117. Since this constitutional reform, the central government is no longer able to suspend regional legislation. There is, however, a number of matters of concurrent legislation for which the State shall only set fundamental principles. These areas relate to protection and security at work; education (except scholastic education and vocational training); professions as well as complementary social welfare. Every region has a regional constitution (statute), determining the form of government and the fundamental principles of the functioning of the region. Moreover, the organisation of the PES was transferred to the regions and is regulated by autonomous regional laws. Consequently, there exists a considerable heterogeneity in PES organisational models across regions as well as significant regional differences in the definition of services and on the presence of competing private actors in the market (Mandrone, E. & D’Angelo, D., 2014). As a result, the delivery of ALMPs as well as vocational education and training fall within the competence of the twenty regions (Giachi, A. et al., 2015).

Each region is in turn divided into provinces, which are an administrative division of intermediate level between a municipality and a region. Provinces are mainly responsible for the decentralised implementation of State’s responsibilities and play a coordinating role in supra-municipal issues. They are, amongst others, responsible for labour market and local economic development issues (Art. 19 of Legislative Decree 267/2000). Moreover, social welfare (including sanitation and hygiene services) and education (including secondary education, artistic education and vocational training) may be devolved by regional or State law (Committee of the Regions, 2012).

At the bottom of the hierarchy is the municipality, providing social welfare services (in particular personal social services and community assistance); education (including school-related services such as canteens, school buses, assistance for the disabled, pre-school childcare and nursery schools); culture and recreation (including museums, exhibition halls, cultural activities and theatre); planning, (including town planning, housing, and land registry); local transport; economic development; environment and local police (Committee of the Regions, 2012).

**The situation of young people in Italy and Lombardy**

Lombardy is the leading industrial and commercial region of Italy. Milan, the capital city of the region is one of the largest industrial centres of Italy, producing iron, steel, automobiles and trucks, while it is at the same time a centre of banking, wholesale and retail trade. Thus, it is not surprising that Lombardy is one of the richest regions, not only in Italy but also within the EU. Although the Italian economy was severely hit by the economic crisis, the GDP per capita of Lombardy remains among the highest in Europe (it is ranked fifth among European regions) and is about 36% higher than the national average (European Commission, 2016d).

As such, Lombardy scores fairly well in the Italian context as pictured in the graphs below. It is one of the best performing regions of Italy with respect to both the level of youth unemployment (32.3% compared to 40.3% at the national level in 2015) and NEETs (17% compared to 21.4% at the national level) in 2015. However, such scores still remain alarmingly higher than the EU28 average and the share
of jobless young people has continuously increased over the last four years (from 20.8% in 2011 to 32.3% in 2015).

Moreover, the Italian education system continues to remain a weak spot, as the ESL rate is well above the EU average and school education produces mixed results in terms of skills attainment. Although ESL gradually decreased between 2011 and 2015 both in Italy (17.8% in 2011 compared to 14.7% in 2015) and Lombardy (16.8% in 2011 compared to 13.1% in 2015), the share of young people dropping out of school rests above the EU average of 11% in 2015.

More generally, Italy has a weak school-to-work transition as there is a big gap between young graduates’ competencies and labour market needs. According to the Commission, only 54.6% of those aged 15-34 who graduated from tertiary education within three years or fewer were employed in 2015, against the EU average of 79.7%. In addition, having a foothold in the labour market is often not sufficient to ensure lasting involvement and the Italian labour market remains largely segmented (European Commission, 2015d).

Finally, the situation of NEETs is particularly worrying in Lombardy, even though the rate (17% in 2015) has not yet reached national level (21.4% in 2015). In fact, the NEETs rate has increased proportionally more in Lombardy than in the national context, with 13.6% in 2011 and 17% in 2015 (compared to 19.7% and 21.4% at the national level).
Graph 5: A comparative overview of the situation of young people in Italy and Lombardy

Youth employment policies before 2014

At the national level

Italy already had a form of youth guarantee scheme in place well before the adoption of the Council Recommendation in 2013. In fact, the legislative decree of 21 April 2000 already stated that registered young people (up to 25 years old, or if in possession of a university degree, up to 29 years) should be offered work, training, professional requalification or any other measures favouring the professional integration within four months of becoming unemployed. The difference with the European YG as set out by the European Council in 2013 is that the Italian scheme did not reach out to school leavers who were not registered with PES (Italian Government, 2013a). Moreover, and according to Michele Tiraboschi, Professor of Labour Law at the University of Modena and Reggio Emilia, “while essential levels of performance, at least for some beneficiaries, are already provided, this piece of legislation is not fully implemented and there is no standardised system to monitor these services and evaluate their effectiveness” (BolletinoADAP, 2014).
Due to the devastating consequences of the financial crisis, Italy took a set of important measures to increase the effectiveness of labour market mechanisms and to promote youth employment as of 2011. Amongst others, the government deregulated job placements, enabling the education system and other relevant parties to act as job brokers. Henceforth, universities have been allowed to publish the CVs of their students on a portal and public administrations are required to publish job vacancies on the same site (Italian Government, 2012).

Moreover, the ‘Consolidated Act on Apprenticeship’ was passed in October 2011, which regulates and defines open-ended contracts aimed at young people in training. These contracts will continue at the end of a vocational training period if neither the employer nor the apprentice withdraws from the agreement. The type and duration of the training, and also the number of apprentices that can be employed, are determined by national collective bargaining agreements covering the relevant sectors, and by inter-sectoral agreements. However, an employer cannot hire more than one apprentice for every qualified or specialised worker (Cedefop, 2012).

In April 2012 the Italian government published its systematic reform of the labour market (‘Fornero Reform’, Decree Law no° 92 of June 2012) that was supposed to address all the main weaknesses of the labour market. The reform is part of the broader policies agreed on at the European Council meeting of March 2012 requiring member states to take special measures to fight youth unemployment. The reform aims at promoting job security, rewarding more stable employment relationships and making existing ALMPs more efficient. To do so, existing types of employment contracts were rationalised and the number was reduced, while permanent employment contracts were meant to become the norm. In addition, recognising the positive effects of apprenticeships for school-to-labour-market transitions, the reform put effort in promoting them. Thus, the training value of an apprenticeship has been enhanced by introducing a mechanism that requests that at least 50% of the already employed apprentices were given a permanent employment contract over the last three years before a new apprentice can be hired. Moreover, a minimum duration of six months is established for apprenticeships while the legally allowed ratio of apprentices to qualified workers has been increased from 1/1 to 3/2 (meaning that there are three apprentices for two skilled workers). Three different employment contracts are now foreseen in the framework of apprenticeships: apprenticeships to acquire skills and a professional diploma (type 1: for 15-25 years old); apprenticeships to acquire skills or a skills-perfecting contract (type 2: for 18-29 years old); and higher education and research apprenticeships (type 3: for 18-29 years old) (Italian Government, 2013b).

Furthermore, ALMP and employment services were reformed and strengthened. The reforms aimed to make ALMP more responsive to the conditions and realities of the new economy. They included measures on vocational training for young people entering the labour market, on upgrading the skills of those leaving the labour market (so that they can be promptly re-employed) and encouraging people to actively look for a job (with a special focus on welfare benefits). The aim of the latter is to move beneficiaries from welfare to work. The reforms have also affected the role of employment services and led to a reorganisation of the agencies providing them. As a result, regional PES became able to provide services directly or contract them out to private agencies (Italian Government, 2012).

Further changes have been introduced since the ‘Fornero Reform’, partly through ‘Urgent Decrees’ to support its implementation (in some cases introducing some temporary amendments to take into account the gravity of the crisis) and to incentivise the hiring of vulnerable groups, such as young people, women and workers in Southern Italy. The main decrees are the Decreto Lavoro (D.L. 28 June 2013, no. 76) and the Decree Law No. 104 of September 2013, which have subsequently been converted into law and are currently in force (European Parliament, 2014).
With Decree Law No. 104 on ‘Urgent measures on matters of education, university and research’ (converted into Law No. 128 of 8 November 2013), the Italian government planned to strengthen school-to-work transitions. To achieve this, Italy set up an experimental plan in 2014–2016 allowing students in the last two years of upper secondary education to spend training periods within companies via apprenticeship contracts (Eurofound, 2015). Moreover, new funds (€110 million) were created to favour labour-market entry of young people. To that end, regional agreements were signed to finance initiatives aiming at strengthening relations between universities and companies (Italian Government, 2013b).

As regards Decreto Lavoro (Law Decree no. 76, approved in June 2013 and converted with amendments by Law no. 99 of 9 August 2013), it is considered to be the most important decrees to fight (youth) unemployment. Its main objectives are to promote employment growth, both on fixed-term and open-ended basis; to create new jobs and training opportunities for young people; to increase the protection for employers and workers (for instance the extension of protection in case of forced resignations also to workers on project who will have to confirm their resignation now) (Eversheds, 2013); to strengthen ALMPs; and to reduce poverty as well as the gap between Northern and Southern regions (Italian Government, 2014a). In addition, the decree introduced the incentive ‘One Thousand Youth for Culture Fund’, administered by the Ministry of Culture and Tourism. This fund was established with an initial amount of €1 million and was designed to provide internships for young people in the areas of culture and tourism (The Library of Congress, 2013).

Furthermore, in an attempt to simplify the complex provisions on apprenticeship, the decree stipulates the introduction of ‘Guidelines on Apprenticeships’, setting out minimum standards applicable throughout the national territory and providing a minimum allowance of €300 to every apprentice. These guidelines are based upon certain provisions from the ‘Consolidated Act’ of 2011. The length of the training period was also slightly changed: four months for high-school students; six months for unemployed workers; 12 months for university students or disadvantaged people and up to 24 months for disabled people. However, these simplified provisions only applied until 31 December 2015 and only for the benefit of microenterprises, small- and medium-sized enterprises. Furthermore, the decree explicitly intended to introduce a succession of two apprenticeship contracts, the first one for the acquisition of the professional qualification or diploma, to be subsequently converted into a second different contract, i.e. a professionalising apprenticeship contract. The total duration of the two contracts shall however not exceed the maximum duration provided for by the applicable collective agreements (Legance, 2013).

Another concrete measure of the decree was the creation of a special database established at the Italian Ministry of Labour in order to promote a better match between employment supply and demand, taking into consideration expertise and skills.

The decree also reduces the maximum number of days of utilisation of job on call contracts to 400 days: if an employee works more than 400 days over three years, the contract will be automatically converted into a full-time and open-ended employment contract (Legance, 2013).

Finally, the decree has established employment incentives and introduced new rules increasing flexibility in recruitment. In fact, two types of incentives were introduced with one focusing specifically on 18-29 years old. The instrument relates to the temporary incentives to hire on open-ended bases young people aged between 18 and 29 (by 30 June 2015), who were unemployed for at least six months or had no school certificate (Eversheds, 2013).

Italy was also active with regards to combating ESL. Through the national OP ‘Skills for Development’, ESL was tackled through programmes improving the core skills of students. For that purpose, €161 million were invested and more than 3,000 schools participated (Italian government, 2012).
Lastly, in July 2013 (i.e. before the submission of the national YG implementation plan), an ad-hoc mission office was set up within the Ministry of Labour and Social Policies to ensure the implementation of the YG programmes and to ensure that beneficiaries of income-support benefits find a new job. In this context, a database of active and passive labour market policies was set up to collect information of job-seekers and on labour demand (Italian Government, 2014a).

At the regional level

In response to the critical youth employment situation affecting almost all parts of the country, the regions are implementing specific policies promoting the employability of young people, the training and re-training of workers and supporting sectors with the greatest difficulties.

More precisely, Lombardy has progressively developed an ALMP model, which aims at facilitating the matching of employment demand and supply for specific vacancies (particularly hard-to-fill vacancies); re-employing people at a greater distance from the labour market (i.e. long-term unemployed) and responding to companies’ needs for training. Lombardy already had some Youth Guarantee measures before the Italian government officially launched the YG in May 2014, although these measures were not solely focusing on young people. They were developed under the programme called ‘Dote Unica Lavoro’ which was already included in the regional 2007-2013 OP and was partly financed by the ESF.

The model was initially implemented in 2007 within the framework of the new regional regulations pertaining to labour market policies (Law 22/2006) and education and training systems (Law 19/2007). In 2009, three types of endowments were defined, namely for ‘Education’, ‘Employment’ and ‘Training’. In October 2013, the ‘Employment Unified Endowment’ was introduced in an effort to fully integrate training and employability measures while making use of simplified administrative procedures (Fondazione Giacomo Brodolini, 2016). The ‘Employment Unified Endowment’ (‘Dote Unica Lavoro’) has become the flagship instrument for delivering support in Lombardy and is considered to be the region’s model of employment and training policies, designed to accompany every person throughout his/her whole active life with the explicit objective of achieving his/her employment objectives. For each person in need of support, a number of services from a defined set of services may be activated. The programme is based on the following features: a strong involvement of both public and private accredited employment agencies with a high level of autonomy and responsibility; results-orientation with funding provided to the agencies once an offer has been given to the young person and with freedom of choice of the agency for the unemployed person; and personalised guidance with different types of offer according to the needs of the person. The profiling of the person is made against four main criteria: the age, gender, the educational background and the distance from the labour market, and determines the offer that the person will receive (European Commission, 2015e). The payment received by the accredited agencies differs according to the profile of the person and on his/her distance from the labour market and so the need for a diversification of offers is taken into account. The registration at accredited agencies is therefore a pre-requisite for assistance under the YG and young people cannot enrol via other channels.

As part of the scheme, the region has established a ‘Commission for Employment and Training Policies’ (Commissione regionale per le politiche del lavoro e della formazione – CRPLF) where the main representatives of the employers’ associations and trade unions sit. However, youth organisations seem to be the main absent of the measure. The Commission was set up to design, evaluate and verify active employment as well as education and training policies to promote employment growth, support business creation and protect disadvantaged people.

Monitoring the results of the scheme is also envisaged and made possible through administrative simplification and the introduction of uniform rules applicable to all kinds of offers. It is at the heart of
the system given that agencies are paid by results, meaning that evaluation is necessary for the distribution of the funds.

**The national and regional YG implementation plans**

Italy submitted its national YG implementation plan in December 2013. The country is the second largest recipient of YEI funds (over €530 million, matched by the same amount of ESF funds), which will be spent in all Italian regions under the coordination of the Ministry of Labour and Social Policy. The YG is covered in the national OP ‘Investment for Growth and Jobs’ and amounts to €567,511,248.

The implementation of the YG is based on regional plans, while the Ministry of Labour and Social Policy, supported by an ad-hoc institutional body (Struttura di missione) is in charge of designing, coordinating, monitoring and evaluating the YG implementation across the country.

Italy’s national plan provides that young people aged 15-29 are offered the possibility, via an ICT platform, to use a network of customised services on training and employment. The aim is to identify and contact young people before they drop out of school or training in order to prevent them from becoming NEETs. Furthermore, the plan stipulates that all beneficiaries will be offered a personalised approach through a large variety of tailored actions, such as information and guidance sessions; vocational training; work placements; apprenticeships, in particular for the youngest; traineeships, not only limited to the most qualified (graduates); promotion of self-employment and self-entrepreneurship; transnational and territorial professional mobility opportunities; and finally, a civil service scheme with a possibility to certify the acquisition of the new acquired skills (European Commission, 2016e). The details of these measures were then adjusted in each of the regional implementation plans.

The YG in Lombardy has been developed around the already existing ‘Dote Unica Lavoro’. Several initiatives have been envisaged to complement the existing system. For instance, communication campaign involving the 700 employment/training offices has been launched as well as a regional webportal through which youngsters can register with the agencies.

In addition, the regional implementation plan reiterates the importance of some of the dimensions of the YG. For instance, it highlights the need for early intervention by mentioning that the overarching objective is to ensure that “young people receive a work, training or civil service experience as soon as possible once they have exited the education or training system”. The regional plan also adds that the region “focuses on achieving results quickly”. However, it should be noted that, like before 2014, there is no indication of a precise timeframe of intervention. With regard to the monitoring and more specifically to the quality of the offer, the plan stipulates that the region will define a specific set of qualitative indicators to assess the impact of the measures. The region will provide periodic assessment of the progress made under the YG to the Ministry of Labour and Social Policy, in line with the system of indicators defined at the national level. At the national level, the programme is constantly monitored by Ministry of Labour and a weekly report is published on a dedicated portal (Italian Ministry of Labour and Social Policies, 2016).

**Implementing measures since 2014**

**At the national level**

In line with the YG implementation plan, guidance programmes were developed in 2014-2015 to reduce dropout rates and improve the quality of choices made by students. In particular, vocational education was strengthened and technical skills were promoted, notably through the ‘Higher Technical Institutions’ model (ITS – Istituti Technici Superiori). These highly specialised schools were established

14 More information is available here: [http://www.garanzia giovani.regione.lombardia.it/](http://www.garanzia giovani.regione.lombardia.it/) last accessed on: 8 September 2016.
to meet the needs of businesses for technical and technological skills. Such efforts also included measures to maximise the innovative potential of research through the injection of human capital into companies by means of industrial PhDs, financed by a tax credit for researchers that has doubled to €600 million in three years. The aim of these measures is to offer highly qualified students a work opportunity during their school or university years and facilitate the school to work transition (Italian Government, 2014).

Law 183 adopted in December 2014 by the Italian government, known as the ‘Jobs Act’, has determined a deep change in industrial relations, as it completed a reform process towards a substantial liberalisation and flexibility of the labour market, which begun in the 90s. The ‘Job Act’ has led to a substantial downsizing of workers protection. Three main features are part of the Act: the introduction of a new contract type for new hires (‘contratto a tutele crescenti’) – designed to become the prevalent one in the Italian labour market – removing any form of obligation for workers’ reinstatement in case of wrongful dismissal; the softening of the legal constraints for firms intending to monitor workers through electronic devices of various kinds; and the use of temporary contracts is facilitated by the elimination of previous restrictions on their adoption (before the ‘Jobs Act’ implementation, firms were allowed up to a maximum of 20% temporary contracts over the total amount of contracts). In short, the Act is one of a series of regulatory reforms aimed at boosting the economy and is intended to make dismissals less costly and burdensome, while reducing barriers to hiring (IsiGrowth, 2015). The newly introduced contract type which is supposed to become the prevalent one is promoted by providing social contributions reductions, under certain conditions, to employers using this employment contract (Invest in Lombardy, 2015).

In addition, the ‘Job Act’ also gave the Italian government a mandate to introduce measures expanding ALMPs, making social protection more effective, and boosting female labour force participation. With regards to the ALMP reforms, the Act created a National Employment Agency, which is responsible for coordinating ALMP policy (OECD, 2015b). The Agency’s objective is to better coordinate active and passive labour market policies, to strengthen partnership between public and private employment services as well as to rationalise tax incentives for self-employment and employers. Furthermore, the Act foresees a simplification and digitalisation of administrative procedures specifically related to hiring, while strengthening work-family conciliation through enhanced childcare and eldercare services, an extension of the maternity leave, and improved work-life balance measures within the national collective agreements (Italian Government, 2014b).

Lastly, the apprenticeship system was substantially modified and the integration of apprenticeships in the school system was strengthened (see below the school reform). More particularly, the condition that, in order to be able to hire any new apprentice, companies must have employed at least 20% of their apprentices on an open ended basis at the end of their apprenticeship over the last 36 months now only applies to companies employing more than 50 workers. Moreover, the employer is obliged to define an Individual Training Plan, describing the professional training the apprentice has to follow throughout the contractual period at the enterprise. This Individual Training Plan attached to any apprenticeship relationship can be defined by the employer referring to schemes provided by collective agreements, leading therefore to the simplification of employers’ commitment (European Labour Law Network, 2016).

Italy also increased the scope of measures in 2014 to promote the right to education, a basic guarantee for all capable and deserving students which is supposed to ensure that everyone has access to school no matter the socio-economic background. They relaunched the ‘Foundation for Merit’ in order to allow companies to spot talent and offer students a fast track to financial aid and entrance into the labour market. In addition, the Italian government wants to combat youth unemployment by equipping young people with the right skills and improving the quality of the education system. Thus, the ‘La Buona Scuola’ initiative, which is a major reform of the school system, was developed in 2015.
This includes a recruitment plan providing schools with an increased and stable staff; teachers carriers shifts based on evaluation and merits; increased transparency in the school management and public evaluation report; tax incentives and fast-track administrative procedures to allow for private investment in schools and didactical offer; mandatory vocational training for technical and professional curricula; improved digital skills and computational thinking, as well as foreign languages (Italian Government, 2014b). In concrete terms, the education plan envisages to hire 150,000 teachers within September 2015 and a public selection for 40,000 teachers in 2016-2019; an improvement of teachers’ skills also via the lifelong learning approach (teachers’ careers will be based on merit instead of age); the introduction of digital skills in primary school; and a reduction of administrative barriers and greater transparency (2015 budgets and projects financed by schools will be published online) (Italian Government, 2014b). The school reform is closely connected to the ‘Job Act’, as one of the main initiatives is concentrating on work-based learning. As a matter of fact, traineeships are to become compulsory for students in the last three years of upper secondary education (at least 400 hours for students in vocational education and 200 hours for students in general education). They can take place either in the private sector or in the public administration (European Commission, 2015f).

**At the regional level**

Lombardy’s regional ALMP model (‘Dote Unica Lavoro’) seems to have inspired the national youth guarantee scheme. The president of the Lombardian region, Roberty Maroni, stated “In Lombardy, active labor market policies work. I am proud that our region has a system that, as confirmed by the numbers, has proven to achieve important results.” (Regioni, 2014). Thus, the region did not introduce substantive changes in the functioning of the scheme after 2014.

However, a new law entitled ‘Quality, innovation and internationalisation in education, training and work in Lombardy’ was adopted in March 2015. It introduced elements of the dual system in the region in order to further strengthen the link between education and business skills (Lombardy Region, 2015).

In sum, the analysis of the Italian case study and more specifically Lombardy indicates that, with the adoption of the ‘Decreto Lavoro’, the ‘Job Act’ and finally the adoption of ‘Dote Unica Lavoro’ in Lombardy, both the country and region have taken important actions to reform the labour market and boost (youth) employment. However, it seems that the scope is limited and their effectiveness not certain. According to the Commission, the measures of the ‘Decreto Lavoro’ are fragmented and of limited scope, compared to the size of the challenge (European Commission, 2014c). Furthermore, the Italian government appears to try to tackle youth unemployment mainly through apprenticeships and financial incentives to hire young people on permanent contracts. With regards to the YG, the national plan fails to mention any intervention timeframe as is the case in the ‘Dote Unica Lavoro Programme’. On top of that, only about 15% of enrolled people have received a job offer and the quality of job offer is more than questionable (such as waitressing or cleaning internships) (Ruffo, G., 2015). All in all and as indicated in Table 9, one considers that Lombardy complies with the same Council Recommendation’s requirements as it was the case at the time of the adoption of the ‘Dote Unica Lavoro Programme’ in 2013. No fundamental changes have been introduced since then except for the monitoring system (already fitting in the pre-2014 period) for which additional efforts have been made. That being said, the early intervention principle remains neglected.
Table 9: Lombardy’s comparative fit-misfit table

<table>
<thead>
<tr>
<th>Fit-Misfit/ Elements of Europeanisation</th>
<th>Pre-2014 period</th>
<th>Post-2014 period</th>
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<td>Misfit</td>
<td>Partial fit</td>
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<tr>
<td>1. Policy design</td>
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<td>1.1 Early intervention – the four-month timeframe</td>
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<td>1.2 The target – outreach to all NEETs</td>
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<td>2. Institutional Framework</td>
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<tr>
<td>2.1 The partnership approach</td>
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<td>2.2 The monitoring/evaluation process</td>
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3.2.4 UNITED KINGDOM (UK) – South West Scotland

The UK is a parliamentary monarchy with a bicameral parliament. The UK consists of four countries: including England, Scotland, Wales and Northern Ireland. A devolution process, initiated in 1998 and still evolving (2012, 2016) has transferred significant autonomy to the latter three countries providing them with varying powers.

Scotland in the British institutional framework

Following the adoption of the ‘Devolution Acts’ in 1998, the current Scottish Parliament and Government were set up under the ‘Scotland Act 1988’. The first parliamentary elections were held in 1999 (The Devolution (further powers) committee, 2016). In 2012, the ‘Devolution Acts’ of 1998 were extended for the first time with the implementation of the ‘Scotland Act 2012’. It gave more powers to the Scottish Parliament, including the transfer of some significant financial powers. After the independence referendum in 2014, the ‘Scotland Act 2016’ was passed by the UK Government, amending the ‘Scotland Act 1988’ again and devolving even more powers to the Scottish government (including taxation and welfare) (Scottish Parliament, 2016a) (UK Government, 2016a). The areas of devolution to the Scottish Government are agriculture, forestry and fisheries; education and training; environment; health and social services; housing; law and order; local government; sport and the arts; tourism and economic development; and many aspects of transport (Scottish Parliament, 2016b). However, labour market rules are governed principally by the UK Government’s Department of Work and Pensions (DWP) and Department for Business, Innovation and Skills. Social security as well as nearly all taxation also remain reserved powers.

Scotland is composed of four NUTS 2 regions, namely East Scotland, South West Scotland, North East Scotland and Highlands and Islands. The South Western Scotland (SWS) region will be the analytical unit of this section. SWS covers Glasgow, North and South Lanarkshire, West and East Dunbartonshire, Renfrewshire, East Renfrewshire, Inverclyde, North, East and South Ayrshire and Dumfries and Galloway (Scottish Government, 2014a). Thus, SWS is comprised of 12 Local Authorities (LA). Unlike other NUTS 2 Regions, SWS is only an administrative entity with no political power. The political power at local level is held by the LAs.

While LAs have key responsibilities in implementing policies, they often hold no levers over the vast majority of provision to fulfil them (CCRE-CEMR, 2014). Nonetheless, the role of local governments should not be neglected, as Scotland’s LAs are responsible for providing a range of public services, including education, social care, roads and transport, economic development, housing and planning,
environmental protection, waste management, cultural and leisure services (Scottish Government, 2016a). Furthermore, a considerable amount of European funding in Scotland is delivered at the local authority level. In this regard, the ‘Community Planning Partnerships’ (CPPs) provide an important vehicle for ensuring that European funding is coordinated at a local level (see below for further details on funding) (Scottish Government, 2015).

**The situation of young people in Scotland and South West Scotland**

Currently, Scotland has a population of 5.2 million. Amongst the working age population (16-64) in Scotland, 42.5% have qualifications at, or above, National Vocational Qualification (NVQ) level 4 (European Qualification Framework Level 5). This is higher than the UK rate of 36% (Nomis, 2016). In 2015, it had an employment rate of 74.6% compared with the UK average of 74.2%. With regards to unemployment and as indicated in the graph below, Scotland is performing quite well (4.2%) compared to the EU (8.3%) in 2015, although SWS is doing even slightly better with 4.1% when comparing employment rates. In the particular case of youth unemployment, it appears that efforts start to pay off as the situation got better in both Scotland and SWS; the youth unemployment rate drastically shrink respectively from 21.7% and 25.8% in 2011 to 14% and 15.2% in 2015. Scotland, and in particular SWS, also reduced ESL between 2011 and 2015, as the figures prove. Whilst the ESL rate in Scotland managed to fall just below EU average (11%) with 10.6% in 2015, SWS missed the EU average threshold by 0.2% (11.2%). Last but not least, the situation of NEETs also considerably improved between 2011 and 2015 in both Scotland and the region of SWS. In fact, the rate went down from 15.2% to 10.3% in Scotland and from 17.8% to 11% in SWS (compared to an EU average of 12%).
That being said, Scotland has the largest skills shortage, with 25% of vacancies being due to skill shortages in comparison with 22% for the UK (UKCES, 2014a, 2016). Generally speaking, the UK therefore needs to better align its education and skill requirements to reduce unemployment (UKCES, 2014b). In its 2016 Commission Staff Working Document, the UK was recommended to correct these skill shortages through increasing apprenticeships, reducing the number of young people with low basic skills and improving the availability of high-quality, affordable and full-time childcare (European Commission, 2016b). Furthermore, SWS contains many of the most deprived areas in Scotland. There is entrenched deprivation due to the former presence of heavy industry and mining, which following sharp de-industrialisation in the 1980’s, has embedded unemployment and consequent deprivation. Health inequality is also an important factor in SWS, with 47% of the most deprived quintile reporting ‘sickness’ as the reason for economic inactivity, compared with just 10% for the least deprived (Managing Authority of the ESF, 2016). The educational attainment also differed greatly among the population with 5% of people in the least deprived areas with low or no qualifications compared with 27% in the most deprived areas.
Youth employment policies before 2014

UK government policies

The British government undertook a series of measures in the aftermath of the economic crisis in order to boost youth employment and counter its negative effects on young people. At the heart of these measures is the 2010 ‘Coalition Agreement’ of the British government. This Agreement set out a number of major welfare to work reforms, including a core integrated welfare to work programme plus a number of additional measures, designed to support people in finding employment. One of these reforms was the ‘Mandatory Work Activity’ (MWA), announced in “Universal Credit: a welfare that works” in 2010 (UK Government, 2016b). The programme started in May 2011 across Great Britain and provided a community benefit work placement for up to 30 hours a week (unless restrictions have been agreed) over a period of four consecutive weeks. This programme was, however, shut down in November 2015 (UK Government, 2015a).

Furthermore, the ‘Work Programme’ was launched in Great Britain in June 2011 and is supporting those who have been NEET for a long period of time by investing £3-5 billion in the latter. Most young people who have been claiming ‘Jobseeker’s Allowance’ for nine months (12 months for claimants aged over 25) are being referred to the ‘Work Programme’. The Work Programme is being delivered by a range of private, public and voluntary sector organisations and combines strong long-term incentives with freedom for service providers to innovate (meaning that they can provide individually tailored help to those participating in the programme). The providers are paid by results: they can claim a job outcome payment after a participant has been in a job for three or six months (depending on the young person's situation) and are paid even more for supporting groups, which are further removed from the labour market. Providers can then claim sustainment payments every four weeks for up to two years (UK Government, 2014). However and similarly with MWA, ‘the Work Programme’ has not been renewed and will be replaced by the ‘Work and Health Programme’ for the longer-term unemployed and those with bad health conditions in 2017.

In April 2012, the UK government launched the ‘Youth Contract’ scheme, including a rather comprehensive set of measures to help young people into sustained employment. This package included apprenticeship grants for employers of 16-24 year olds, work placements for the same age bracket, financial incentives for providers who take on 16-17 year old NEETs, and wage incentives (UK Government, 2016c). As regards the latter, payments of up to £2,275 were available to employers who take on young people (aged 18-24) claiming Jobseeker’s Allowance (JSA) for more than six months. Enrolment for this scheme ended in August 2014, i.e. a month earlier than planned (UK Parliament, 2015).

At the Scottish level

Already in 2007, Scotland developed a skills strategy aimed at providing clarity and simplicity in skills provision by bringing focus to the range of public agencies involved in skills and lifelong learning development (Education Scotland, 2016). This strategy was reinforced in 2010 when Scotland published its refreshed skills strategy ‘Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth’, where the Scottish government presented the ‘Skills and Employability Pipeline’ (Scottish Government, 2010). The approach is characterised by five stages and is adopted and recognised by the main organisations and agencies, such as Scotland’s National Skills Agency, Skills Development Scotland, LAs, Job Centres, training providers and other delivery partners. According to the stages, a person is considered to be either not job-ready (stage 1+2), job-ready (stage 3+4) or in work (stage 5) and the interventions are appropriately adopted to the individual (Employability in Scotland, 2016a).
Following the global economic recession, the Scottish government recognised the disproportionate impact that weak economic conditions were having on young people, particularly those who are furthest from the labour market. It also recognised that staying in learning or training was the best way for young people to develop the skills they need to progress towards and into employment. In response, the government developed and continues to develop measures, based on the principles of early intervention, to enable Scotland’s young people to make a positive transition from education to employment. They adopted an ‘All Scotland cross Government’ approach to tackling youth unemployment. This meant that the government’s employment programmes were based on wide-ranging partnerships with national and local government, government agencies, the education community, training providers, employers and the third sector.

Thus, a few concrete initiatives targeted at young people already existed in the early years of the economic crisis. For instance, ‘Community Jobs Scotland’, launched in 2011, provides disadvantaged young unemployed individuals aged 16-24 with paid work and additional training with third sector employers so as to help them progress into sustainable employment (Scottish Government, 2016b). By 2014, it had delivered over 4,000 placements through 565 third sector employers across all 32 LAs (Scottish Government, 2014b).

In addition, the government introduced ‘16+ Learning Choices’ to ensure an offer of post-16 learning for every young person who wants it and appropriate support for as long as it is needed. This might be staying at school, going to college or university, taking part in a national training programme, volunteering, getting a job or engaging in community-based learning. It therefore included a personalised service. There are three key elements at the core of this programme: ensuring that the right learning provision is in place, that the right financial support is available to young people and that the right personal support and careers information, advice and guidance is there to help young people make decisions. The programme is also equipped with a data hub where partners are expected to feed data into the hub. This work is supported by the National Reference Group for Data Governance aiming to investigate how data sharing processes can be improved. Building upon ‘16+ Learning Choices’, the Scottish government launched the ‘Opportunities for All’ commitment in April 2012. This commitment is an offer for every 16-19 year-old NEET to get access to a suitable place in learning or training.

Furthermore, and in response to the economic crisis, the government also announced funding to tackle youth unemployment and to increase the number of opportunities for young people to get into employment, education and training. The government’s Youth Employment Strategy ‘Action for Jobs’ launched in 2012 was the first move towards achieving this goal; it expanded the number of ‘Modern Apprenticeships’ (MAs), ensured college and university places, funded targeted employer recruitment incentives and kept the ‘Education Maintenance Allowance’ (EMA). Again, early intervention, the partnership approach and the importance of providing personalised services adapted to the need of each young person were at the centre of the strategy. Furthermore, a minister for youth employment who reported directly to the Scottish government’s cabinet was appointed to lead this cross-government approach.

Regarding the specific measures of ‘Action for Jobs’, the MA programme seeks to generate 30,000 apprenticeships per year by 2020, while formalising the qualifications received under an apprenticeship. There are over 80 MA frameworks, covering a wide range of professional sectors ranging from healthcare and financial services to construction and IT. These have been developed by sector skills councils, in consultation with their industry (Skills Development Scotland, 2016).

As regards the EMA launched in 2004, it aims to provide financial support to eligible 16-19 year olds from the lowest income families to enable them to continue to stay in education beyond the school leaving age. Currently, over 33,000 young people in Scotland are receiving an EMA. Unlike England, Scotland, Wales and Northern Ireland decided to retain the measure (EMA Scotland, 2016).
Moreover, the Scottish government established the independent Commission for Developing Scotland’s Young Workforce in January 2013. Its purpose was to explore how to develop a modern, responsive and valued system for vocational training. The Commission’s final report was published in June 2014 and set out 39 recommendations, all of which built upon the Scottish government’s ‘Economic Strategy’, the introduction of ‘Curriculum for Excellence’ (which the national curriculum for Scottish schools for learners from age 3 to 18), and the extensive reforms of ‘Post 16 Education’ (which consist in putting young learners and employers at the heart of the education and training system).

It is also worth mentioning the ‘Bill for Post-16 Education (Scotland) Act’, passed by the Parliament in June 2013, which aims at making provisions in six areas: university governance; widening access to higher education institutions; tuition fees cap; college regionalisation; review of fundable further and higher education; and data sharing (Scottish Government, 2016c). More precisely, the Bill makes provisions for, for example, the support of, and the governance of, further and higher education institutions. The Act also makes provisions for sharing information about young people’s involvement in education and training (SLDO, 2016). Relevant bodies are to share data with Skills Development Scotland on all young people between the ages of 16 and 24 moving through the learning system to identify those who have disengaged with, or may be at risk of, disengaging with, learning or training.

Lastly the government tried to establish a framework offering a communication channel for the different stakeholders involved in the delivery of various services. In 2003, the local governments in ‘Scotland Act 2003’ set out the statutory framework for Community Planning. ‘Community Planning Partnerships’ (CPPs) include LAs whose role is to initiate, facilitate and maintain Community Planning, including consulting and cooperating with communities, core partners and the Scottish Ministers.

There are 32 CPPs, one for each LA area. As well as the statutory partners a wide range of other organisations such as Jobcentre Plus, Further and Higher Education institutions and Scottish Natural Heritage are involved in CPPs, as are the third and private sectors. Third sector participation in CPPs is delivered through the third sector interfaces that have been established in each local authority area. The purpose of CPPS is to make sure people and communities are genuinely engaged in the decisions made on public services which affect them; allied to a commitment from organisations to work together, not apart, in providing better public services. Furthermore, CPPs aim to improve the connection between national priorities and those at regional, local and neighbourhood levels. In the area of employment, each LA has ‘Local Employability Partnerships’. The partnerships vary in membership but often include representatives from the LAs, Jobcentre Plus, Skills Development Scotland, local colleges, the third sector and the NHS (National Health Scotland). The groups sit firmly within the Community Planning Framework. These partnerships play an important role in the delivery of employability programmes.

**The national YG implementation plan**

Shortly after the adoption of the Council Recommendation on the European YG, the UK government signalled that the EU Recommendation is over-prescriptive and non-binding (UK Parliament, 2014). There has been some dissatisfaction at this stance, with the Trade Union Centre’s (TUC) Richard Exell, a Senior Policy officer, stating “The only explanation I have seen [for the Government not supporting the Youth Guarantee] is that it was not invented here. That is a very depressing reason for not going ahead with [it]” (UK Parliament, 2014). The House of Lords also expressed regret about the Government’s lack of support for the establishment of a YG (UK Parliament, 2014). They were also frustrated at the UK’s late delivery of an implementation plan for the guarantee, which is not published online.

However, the ESF and the YEI are devolved matters in Wales, Northern Ireland and Scotland and with a youth unemployment rate above 25%, SWS is eligible for the YEI. In addition, although the Scottish government does not have all necessary tax and welfare provisions necessary to implement a YG, it
has taken a more positive approach towards the YG (Scottish Government, 2014a) and confirmed its support for the principles stated in the Council Recommendation. In the same line, the government indicated that while the European YG is not being implemented in Scotland, this does not prevent a roll out of the YEI in SWS (Scottish Parliament, 2015).

The YEI is part of the OP ‘Investment for Growth and Jobs’ (Scottish Government, 2014c, 2016d). SWS is the only NUTS 2 region in Scotland eligible for YEI money, receiving €46.3 million which is matched further by the ESF and additional project partners, amounting to a total budget of approximately €139 million (Managing Authority of the ESF, 2016) (Scottish Government, 2016d). This is spread out amongst the Scottish Funding Council – a national, strategic education and training body – taking around a quarter, and the LAs (councils) of SWS sharing the remainder.

The funds, along with other structural funds in Scotland, are delivered through ‘Strategic Interventions’, i.e. groups of projects managed by a ‘Lead Partner’ (LP). The Scottish Funding Council and the twelve LAs in SWS are considered to be the LPs. YEI funds are then spent to extend the provision of apprenticeships, work experience placements and youth entrepreneurship programmes. However, LEP areas can also choose to develop new youth employment programmes based on their understanding of the local economy (Local Government Association, 2016). As of January this year, the Scottish government has approved nine applications for YEI projects totalling €67.1m (inclusive of matched funding). Furthermore, there is a Youth Employment Initiative Territorial Committee (YEITC) which will conduct the requisite evaluations on the effectiveness of YEI projects (Managing Authority of the ESF, 2016).

According to the Scottish OP, the YEI has a fairly singular focus as it will concentrate on only two long-term results, either sustainable employment or entry onto and progression to an accredited qualification, be it vocational or academic (Scottish Government, 2014c). To do so, the work-readiness and skills component of the programmes will be strengthened. Specific activities will include the following:

- employers recruitment incentive to encourage businesses to recruit a young person;
- barrier removal for those individuals with additional support needs to enable them to access employment opportunities;
- additional college/learning places which are aligned to the skill needs of local employers;
- vocational pathways to gain skills, qualifications and work experience responding to the demands of the labour market.

The main target group are young people aged 16-29 year-old NEETs, who are not currently mandated to the ‘Work Programme’ (Scottish Government, 2014c). In addition, there will be two categories among young people, those who are work-ready or nearly work-ready, characterised by high motivation and relatively high skills levels; and those who have significant barriers to entering work or education. For projects aimed at employment and self-employment, the work-ready group will be eligible for support for up to 12 months; for the more support-intensive group, 18 months. For projects aimed at traineeships and long-term qualifications, Scottish models for apprenticeships and learning places exist, both of which support a young person for one year (or more, in the case of learning places which progress into full qualifications). These target groups are broadly aligned with the ‘Skills Pipeline’ approach that was developed during the 2007-2013 programmes. This approach defines several skills level, with stages 3-4 of the pipeline considered to be more work-ready and stages 1-2 for people requiring greater support to first engage, upskill and then move towards a long-term sustainable result (Scottish Government, 2014c).
The implementing measures since 2014

At the UK level

A number of programmes and initiatives described earlier have been abolished by the UK government since 2014, including the ‘Youth Contract’ programme (UK Government, 2016c). In addition, the ‘Work Programme’ will end in 2017 and will be replaced by the new ‘Work and Health Programme’, which will provide specialist support for the long-term unemployed and to claimants with bad health conditions and disabilities (UK Government, 2016c).

Also, it appears that the government tends to look for rather radical solutions to obtain full youth employment. This is for example the case with the planned policy shift towards an ‘earn or learn’ approach, which is to be introduced by 2017 (European Commission, 2016c). The purpose of this approach becomes rapidly clear when hearing the following citation of David Cameron: “Today it is still possible to leave school, sign on, find a flat, start claiming housing benefit and opt for a life on benefits. It’s time for bold action here” (SkyNews, 2013). Paymaster General Matt Hancock, who chaired the ‘Earn and Learn Task Force’ mandated by the government, expressed the following opinion: “We are determined to fulfil our commitments to end the welfare culture that is embedded in some of Britain’s most vulnerable communities. By working across government to make sure that every young person is in work or training, by opening up 3 million more apprenticeships, expanding traineeships, and making sure that a life on benefits is simply not an option, we want to end rolling welfare dependency for good, so welfare dependency is no longer passed down the generations”(UK Government, 2015b).

Among the suggestions made by the Task Force, the UK government decided that jobless young people will have to attend three-week ‘Job Boot Camps’ in return for benefits, as part of a new Conservative drive to bring a “no excuses” culture to youth employment (Scottish Daily Mail, 2015). The plan foresees that anyone under 21 who is out of work and on benefits will have to take part in a three-week intensive course to help them find employment or training. During that time, young people will practice job applications and interview techniques (the 2016 National Reform Programme is referring to a Youth Obligation) (UK Government, 2016c). Moreover, jobseekers allowance will be replaced by a youth allowance for under 21 years old from April 2017. The catch is that these allowances will stop after six months unless the young jobless finds a job, training or carries out community work (The Independent, 2015). However, and in order to boost youth employment and to encourage businesses to hire young people, the UK decided to abolish, as of April 2015, employers’ ‘National Insurance’ contributions for young people aged under 21 years. This measure is also expected to support jobs for almost 1.5 million young people currently in employment (UK Government, 2014).

At the Scottish and the South West Scotland level

In response to the independent Commission for Developing Scotland’s Young Workforce, the Scottish government published ‘Developing the Young Workforce (DYW) – Scotland’s Youth Employment Strategy’, in December 2014. The DYW strategy sets out a seven year national implementation programme to deliver the recommendations of the independent Commission and ultimately reduce youth unemployment by 40% by 2021 (Scottish Government, 2014d). The DYW implementation process is taking place in constructive partnership with the Convention of Scottish Local Authorities (COSLA) and Scotland’s education and employer communities. An update on the implementation of the recommendations is published annually.

As part of the DYW, the above mentioned ‘Community Jobs Scotland’ programme saw a further expansion as phase 4 run from April 2014 to March 2015, including a pilot programme to target 100 care leavers and 100 ex-young offenders to provide the same guaranteed six-month training opportunity with third sector employers (Scottish Government, 2014b). Over the years the focus of ‘Community Jobs Scotland’ has been directed at advancing the Scottish government’s equalities
aspirations. Phase 6 was launched in April 2016 and will create up to 700 job training opportunities with support for up to 12 months for young people aged between 16-29 years old. This includes opportunities specifically focussed on the DYW recommendations to support young people who are historically the hardest to reach including care experienced, young people with criminal convictions, carers, military early service leavers, and 100 ring fenced places for those who have a disability or long-term illness. A further evaluation of CJS will be commissioned during 2016/17 and will provide analysis of longer term outcomes and sustainability for the young people who have participated in the programme (Employability in Scotland, 2016b).

In implementing the key DYW recommendations, the Scottish government as well as the LAs, third sector organisations and Skills Development Scotland have worked together to replace the YESF with the ‘Scotland’s Employer Recruitment Incentive’ (SERI). Since 1 July 2015, SERI has assisted employers in supporting young people aged 16-29 into jobs. The scheme was paused in December 2015, but was resumed in April 2016, with a sharper focus on the job prospects of young people who face the greatest barriers to employment. SERI offers employers up to £4,000 when their company commits to a new job or new MA. The funding is available as a contribution toward the additional costs of recruiting, training and sustaining a young person during their first 52 weeks of sustainable employment (Employability in Scotland, 2016c).

Besides measures fitting directly into the YG framework, Scotland also published recent strategic documents outlining its intention to achieve a more productive, cohesive and fairer Scotland. Particular attention is paid to young people in such documents. In its 2015 ‘Economic Strategy’, the approach is based on the two key pillars of increasing competitiveness and tackling inequality. A central part of Scotland’s ‘Economic Strategy’ is the Scottish Government’s ‘Fair Work Agenda’, in which the protection of young people from abusive and exploitative work situations is an important element. In the same vein, the Scottish government launched the ‘Scottish Business Pledge’ in May 2015, a key initiative of the Scottish government’s ‘Fair Work Agenda’. The Pledge is a shared mission between the Scottish government and businesses. Up to February 2016, over 220 Scottish companies had signed up to the ‘Scottish Business Pledge’ (Scottish Government, 2016e). The Pledge has nine components, including: paying the living wage; not using exploitative zero-hours contracts; supporting progressive workforce engagement; investing in youth; making progress on diversity and gender balance; committing to an innovation programme; pursuing international business opportunities; playing an active role in the community; committing to prompt payment.

Lastly, it is important to indicate that some LAs of SWS, such as Glasgow or Dumfries & Galloway, have been inspired by the EU proposal for a YG and have even considered including a guarantee in their local employability plans in order to strengthen collaboration with local partners (CCRE-CEMR, 2014).

To conclude on the Scottish case study and more specifically on SWS, it is obvious that strong divergences between the UK and the Scottish government as regards the usefulness of a youth guarantee scheme exist. Such divergences were already clear at the time of the adoption of the Council Recommendation when the UK government announced that it will not adopt a YG that is in line with the EU Recommendation. Since then, the UK government has put more emphasis on the fact that learning and training should be considered as an obligation rather than a guarantee. In the same vein, allowances to young people have been further restricted. On the contrary, Scotland and the LAs which are part of the South Western Scotland region seem to take a much more integrated and comprehensive approach towards youth employment, where protection and activation are complementary elements of the same strategy. Scotland is therefore turning some of the key principles of the Council Recommendation into concrete policies (within the scope of its competences). The partnership approach, which is a long tradition in Scotland, has been further strengthened while several mechanisms exist to monitor the effectiveness of the youth guarantee scheme. Over the last decade, Scotland also put a lot of effort in reaching out to the furthest removed from the labour
market. Its 2007 and 2010 ‘Skills Strategy’, the ‘Opportunities for All’ and the ‘DYW Youth Employment Strategy’, just to name a few, are good examples that prove Scotland’s commitment to (re)-engage young NEETs in the education system and the labour market. As regards early intervention, it must be noted that Scotland’s YEI measures do not specifically refer to a four-month timeframe, although its ethos is about prevention and investment at an early stage of life. Lastly, it is interesting to notice that in the 2016 Commission’s UK country report, Scotland’s employment initiatives (such as those outlined above) were praised and highlighted as policy aiding the implementation of the YG (Scottish Government, 2016e). In sum, one considers that Scotland is fitting with three requirements of the Council Recommendation, while it only partially fits with the early intervention principle.

Table 10: South West Scotland’s comparative fit-misfit table

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<thead>
<tr>
<th>Fit-Misfit/ Elements of Europeanisation</th>
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3.2.5 NETHERLANDS – North-Brabant

The institutional framework of the Netherlands

The Netherlands is a parliamentary democracy with a bicameral parliament. The country has a two-tier sub-national government levels consisting of twelve provinces and more than four hundreds municipalities. The provinces are therefore the intermediate level between the central State and municipalities. They have a provincial deliberative assembly called Povinciale Staten and correspond to the European NUTS 2 level.

The analytical unit of this section is the North-Brabant province. The province has more than 2.5 million inhabitants and represents 15% of the total Dutch gross domestic product. The multinational company Philips was founded in Eindhoven (nowadays the biggest city in North-Brabant), which has influenced the industrial development in the region as today the main industrial sectors are high-tech manufacturing and steel production with large manufacturers located in the region (such as VDL, ASML, Vanderlande and Bosch). Also, the geographical location (good connections between Rotterdam, Antwerp and Germany) has meant that three of the five top logistic hotspots are located in the Northern Brabant region.

Youth policies in the Netherlands are the joint responsibility of the Ministry of Social Affairs and Employment (in charge of labour market policies, unemployment insurance, and social assistance), the Ministry of Culture, Education and Science (responsible for education, internships and apprenticeships), the Ministry of Health, Welfare and Sport (in charge of health and youth care) and the Ministry of Safety and Justice (dealing with youth delinquency). Whereas law making and policy formation are highly centralised, the responsibility for the execution of policies relevant for this study
is often decentralised to provincial and municipal level. Municipalities are mainly responsible for delivering social services, education up to secondary school level, housing, health, local public utilities and leisure, while provinces are in charge of supra municipal public services such as land planning, environment, housing and economic development.

The devolution of powers has been further enhanced after a series of reforms in 2015. Responsibilities within the areas of social support (in particular long-term care services), labour market participation (the provision of benefits and the support to find work is now delivered by the local level), and youth policies (municipalities have now become in charge of all responsibilities regarding the support and care of young people) were transferred from the national to the local level. At the heart of these reforms is the objective of bringing public services closer to the citizens, developing tailor-made measures and improving efficiency in the implementation (Van den Cerg, C. and Porth, J., 2015). In short, the main providers of services related to the YG are located at the municipal level, although the smaller municipalities often work together with the larger municipality in the region. Also, the municipality has to be accountable, establish policies and ensure that cooperation between relevant stakeholders takes place.

In addition, the Dutch PES, called UWV (Uitvoeringsinstituut Werknemersverzekeringen) is in charge of unemployment insurances and is therefore an important stakeholder in the YG. It is also responsible for the mediation and re-insertion back into work of the longer-term unemployed. The Dutch PES and the municipalities work closely together and try to come to a system in which all jobs and all available jobseekers are monitored with the information needed to enable a successful matching.

**The situation of young people in the Netherlands and the Northern Brabant region**

From a European comparative perspective, the Netherlands perform well in terms of overall employment rate, including youth employment. In 2015, unemployment and youth unemployment were at 6.1% and 11.3% respectively, while the EU average was much higher (8.4% and 20.4%). However, it is to be noted that the youth unemployment rate is quite high in comparison to the overall unemployment rate of the country and has increased in recent years. As indicated in Table 1, there is in fact a difference of 5.4 percentage points between 2007 and 2015 and this increase constitutes a significant point of concern for the country (Dutch Government, 2014b).

As regards North-Brabant, the graphs below show that the situation faced by young people in the province seems pretty much in line with the one in the overall country. In fact, the youth unemployment rate is close to the national average (10.5% in 2015). With respect to the NEETs rate, the Dutch level stood at 4.7% and at 4.8% in North-Brabant in 2015, which is significantly lower than the EU average (12%). As regards ESL, the number of dropouts from school has significantly diminished between 2011 and 2015 both in the Netherlands and the Northern Brabant province, respectively from 9.2% and 10.3% in 2011 to 8.2% and 9.1% in 2015. In secondary education, there is hardly any dropout in the province, about 125 young people dropped out in the school year 2013-2014. That is approximately 0.68% of the number of pupils, thus slightly higher than the national average of 0.51%. The drop is greatest in Tilburg (0.82%). As regards secondary vocational training and education (Middelbaar Beroeps Onderwijs (MBO)), there are 533 (around 4.2%) young people who failed to complete compulsory education. The share of ESL in the MBO is high in Tilburg (7.5%), Waalwijk (6.3%) and Goirle (7.3%), where it is well above the national average of 5.3% (Dutch Government, 2016a).
Graph 7: A comparative overview of the situation of young people in the Netherlands and North-Brabant

Youth employment policies before 2014

At the national level

The government has taken several measures whereby the educational institutions (especially VET institutions) continue to dovetail with changes in the labour market. In fact, these institutions needed to become more attractive for pupils so enough professionals will be able to supplement the supply. Thus, despite the fact that each region within the Netherlands faces different labour market issues, the country took important initiatives in the area of education, in particular reinforcing the links with the labour market.
Between 2008 and 2011 the government issued a programme called ‘Aanval op Schooluitval’ to address early school drop-out. The program aimed at enhancing regional cooperation and resulted in a considerable decrease in the number of new school leavers over the years. The programme was renewed for the period between 2012 and 2015 (and still continues after 2015) and further supported of around €110 million per year by the central government. The final target of the programme is to have at most 25,000 early school leavers in 2016. The programme focuses on results, simple administration, continuity and guaranteeing the approach to early school drop-out after 2015 (Dutch Government, 2014a).

In addition, the Netherlands launched the ‘Youth Unemployment Plan’ in 2009. This plan, which ran from 2009 to 2011 and involved the social partners, adopted a cooperative approach to youth unemployment and pursued three main objectives, namely improving the transition from school to work, reducing the school dropout rate and making agreements with employers on work placements and traineeships. In terms of ESL (especially in secondary vocational education), there was a change in law and henceforth, students were no longer allowed to leave school without qualifications if they were under 18. Moreover, a zero tolerance approach was adopted, meaning that school attendance became strictly controlled and different regional projects were developed to keep young people longer in school (i.e. classes with extra care and structure, parent participation, tailor-made training etc.).

In this context, youth desks were developed, employing dedicated youth ‘work coaches’ and trainees (highly educated school leavers employed under a one year contract). This youth staff works closely with the municipality, the public employment services, the education system, youth care institutes and employers, and is designed to send young unqualified people under 18 back to education or in apprenticeships. Furthermore and in order to be able to track (early) school leaving, pupils and students are being registered and receive an e-card. In case they fail to contact the youth desk (or PES), they will be contacted by these latter. This early school-leaving prevention plan was called ‘School-Ex’ programme. The ‘Youth Unemployment Plan’ also intended to promote a smooth education to labour market transition. To do so, premium exemptions for employers who hire young people in apprenticeships were introduced and the apprentices received vouchers that they were supposed to give to their employers they wanted to work for. In addition, all kind of activities were promoted such as job fairs, speed-dating with employers, a working-learning bus to take young people to events, e-communities, mentoring, and orientation weeks for promising sectors. (Van Wel, R., 2011).

Following the positive results of the ‘School-Ex’ programme, the government released €50 million to further boost the regional approach to stimulate VET students to stay in study longer in 2013 and raise awareness about the labour market relevance of the courses. The programme is called the School-Ex 2.0 and the infrastructure and approach are built upon the first programme.

Also in the area of VET, and in order to address the lack of technological trained employees, the Netherlands adopted the ‘Technology Pact’ in May 2013 with a view to encourage more young people to study a technological study. The Pact however emphasised the regional dimension to make sure that implementation is consistent with the aspirations of the region. Only then, the connection between the education system and the regional labour market can be optimally organised within the technical sector.

Lastly, the Dutch government presented the ‘Youth Unemployment Approach’, an approach that reflects the policies of the ‘Youth Unemployment Plan’. It reserved €600 million for the co-funding of sector plans for the period 2013-2015, whereby sectors have been focusing on the challenges on the labour market. The Netherlands recognised that unemployment needed to be solved at the local and sectoral level, and they thus developed the sectoral approach. Social partners were asked to make an analysis of the labour market in their sector and to come up with a plan to deal with the bottlenecks in the short and medium term through individual arrangements. However, as social partners stated
they wanted to assume their role in fighting unemployment, they have invested in at least 50% of the costs of the measures themselves (Social Agreement of 11 April 2013). One-third of the budget for sector plans was specifically used to fight youth unemployment (Dutch Government, 2014a).

At the regional level

Following the implementation of the ‘Labour Market Agreement 2012-2015’ (became later integrated into the Pact Brabant) in North-Brabant, the province has been divided into four labour market regions, namely Southeast (with the two sub-regions Eindhoven and Helmond), Northeast, West and Mid-Brabant (North-Brabant Province, 2016a). In practical terms, a partnership has been developed between employers, employees, governments and research institutions, including the following parties as main stakeholders: province of North-Brabant; the pioneer municipalities of Breda, Den Bosch, Tilburg, Eindhoven, Helmond, Oss, Waalwijk; West Brabant region (Regional Labour Market Platform (RPA)); Southeast Brabant region (the Eindhoven Regional Government (SRE) – Regional Action Plan Brabant (RAP)); social partners; the Brabant regional office centres; the UWV; and the Social Economic Council Brabant (SER) (North-Brabant Province, 2016b). Consequently, the labour market regions can adapt their labour market interventions according to their specific regional characteristics and employers and employees work hand in hand. Moreover, employers are provided with information about their labour market region via a single point of contact, appointed by the labour market regions, that offers advice and expertise. Vacancies and jobseekers data are also being recorded in one single system. Lastly, the labour market regions are represented by the Aldermen of the largest municipalities in the Pact Brabant Network (North-Brabant Province, 2016).

It is interesting to note that most youth related policies are developed by municipalities within the labour market regions mentioned above and as such there are no overall policies related to youth employment initiated by the province of North-Brabant. Among the labour market regions, there are two areas which are actively bringing together local stakeholders to address socio-economic issues. One is Brainport located in and around the city of Eindhoven and Mid-Brabant (also called Heart of Brabant) located in and around the city of Tilburg. While Brainport is focusing on promoting innovation and technical studies in order to boost the region, Mid-Brabant has developed measures that can be labelled as a youth guarantee scheme. These initiatives are led by local government, businesses and educational institutions to enhance the collaboration between these parties (according to the ‘Triple Helix’ approach). As employment rates have a lot of positive influence on the wealth of a region, these organisations have big interests to increase this rate by supporting programmes related to helping the unemployed to find a job and attracting/educating specialised staff to/in the region. They do not have any legislative power but exert considerable influence on the government and have available funds for local programs.

More specifically, the region Mid-Brabant wants to develop a ‘Youth Unemployment Free Zone’ within four years (Muffels et al., 2016). This initiative was launched in 2013 in view of setting up a new partnership-based approach in the form of the so-called ‘Triple Helix’. The idea was to commit the relevant stakeholders at regional level, such as the education sector, the government and the business sector, to resolve the problem of youth unemployment in a sustainable way. The ‘Triple Helix’ approach should ensure that the stakeholders are committed to this ambitious goal and will give their support to reaching it within a period of four years. Thus, the regional stakeholders signed the ‘Brabant Pact’ in March 2014 through which they committed themselves to do whatever is needed to create a region where every young person is provided with an opportunity to develop the skills needed to fulfil a job and/or to integrate into work and build up a career.

Although the free zone initiative is still in the start-up phase, one project, the ‘Youth Starter’s Grant’, has already been in place since 2013. This project has been initiated in and around the region of Tilburg. This grant assists graduated school leavers who are unable to find a job in finding a traineeship at a
company or institution that matches both their level and type of education. The grant is for all graduated between 18 and 27 years. In the first years the grant was mostly used by highly educated persons (i.e. after secondary education excluding VET) but the grant increases in popularity among VET graduated students. With this scheme, young people are expected to actively approach a company or institution themselves, so as to improve their work experience in a workplace that fits their needs and interests. Alternatively the employer can post a ‘Starter’s Grant’ vacancy on the dedicated website. The employer pays at least €100 per month to the young person and the municipality pays in addition €400 (using ESF funding), creating a total grant of €500 per month. The grant is given for a maximum period of six months. The ‘Starter’s Grant’ can be used by every young person but in practice it is used most (80%) by higher educated people. Data indicate the positive impact that this instrument has in terms of labour market integration of young people. Twelve months after the ‘Starter’s Grant’ only 10.7% of the beneficiaries are still unemployed, 10.6% have enrolled in education and the remaining 78.7% have found a job either at the same workplace (22.7%) or within another company (56%) (Lievens et al. 2014).

The national YG implementation plan

Although the Netherlands enjoy better levels of youth employment compared to the EU average and despite the fact that none of the regions are eligible for the YEI funding, the country submitted its implementation plan in April 2014.

The government focuses on a comprehensive approach to tackle youth unemployment to be carried out with all the relevant stakeholders on the local and sectoral level. The approach is based on the premise of shared responsibility of all the involved stakeholders, i.e. young people themselves, public authorities (at all levels), social partners and educational institutions. The Dutch YG builds on the positive experience gained with the ‘Youth Unemployment Plan’ launched in 2009, the ‘Youth Unemployment Approach’ developed in 2013-2015 and the methods and infrastructure developed by the regions at that time. Furthermore, and in line with already existing policies, the Dutch YG relies mostly on actions to further reduce the number of ESL and strengthen the links between education and the labour market. Most of these actions and initiatives have hence already been in place before 2014 (i.e. ‘School Ex 2.0.’ and the ‘Youth Unemployment Approach’) and will be co-financed by the ESF for the period 2014-2020 under the national OP ‘Investment for Jobs and Growth’.

With respect to education policies, the Dutch YG aims to ensure assistance to young people with no educational qualification through the compulsory education department of their municipality if they are below the age of 18. Its role is to guide young people back to education until a basic qualification has been obtained or until they have reached the age of 18. As regards young people between the ages of 18 and 23, they are assisted by the Regional Reporting and Coordination Centre for ESL. This centre is also in charge of monitoring (through the provided e-card) young people until they have obtained a basic qualification. With the curriculum ‘School Ex 2.0’, the government also stimulates young people in senior secondary vocational education to follow extra courses for a longer period and choose an education that has a greater relevance on the labour market.

Unemployed school-leavers need to register at PES in order to be able to benefit from social assistance benefits. Up to the age of 27 years, they are obliged to actively look for work, education or training opportunities for at least one month, in order to be entitled to the benefits. Compared to other member states, this period is rather short.

Finally, with regards to measures supporting the integration of young people into the labour market, the Dutch YG relied on funds made available to the 35 labour market regions applying the youth unemployment approach in 2013. This involves co-financing as the regions themselves pay at least

15 The website is accessible here: www.startersbeurs.nu, last accessed on: 8 September 2016.
Concrete examples of activities that regions have undertaken in this context are traineeships, apprenticeships, youth coaching programmes, the ‘Startersbeurs’ (an initiative for creating work experience places), youth-for-youth programmes and the ‘Jongerenloket’ (local offices where young people can get advice and support on educational opportunities and opportunities for work and jobs). The regional ‘Youth Unemployment Approach’ is again supported by a sectoral approach, as the sectors are supposed to provide about 5,800 work experience places/traineeships for young people. In order to coordinate and reinforce the regional and sectoral approach, an ambassador for tackling youth unemployment has been appointed for a two-year period up to 2015. Last but not least, another national instrument was developed, the temporary premium discount for young persons entitled to an unemployment benefit. Employers who employ young people who are entitled to a benefit in 2014 or 2015 will receive a premium discount of € 3,500 per year, with a maximum of two years.

The implementing measures since 2014

At the national level

As mentioned earlier, the economic crisis has affected the level of youth employment in the Netherlands. However, the government believes that this increase is mainly due to the demand side of the labour market and therefore thinks that the problem will solve itself when the economy is increasing again (Muffels et al., 2016). Thus, experts believe that this is why “the government seems to be hesitant in creating new policies to combat youth unemployment and provide employment support to youngsters (Bekker et al., 2015a)”. Furthermore, they indicate that all policies had in common that they aimed at extending the school period of young people to prevent them of becoming unemployed (Bekker et al., 2015b). Thus, policies that have been developed are mostly from local/regional initiatives, sectoral plans mainly focusing on job-to-job mobility within the sector and measures to reduce early school dropout rates (Muffels et al., 2016).

That being said, in addition to the implementation of the YG, the government introduced general measures not specifically targeted to young people. For instance, the ‘Participation Act’ adopted in January 2015, addressing disabled people and aimed at improving the functioning of the labour market through enhanced labour mobility and higher labour/social participation. Furthermore, as of January 2016, incentives to participate in the labour market have been even further enhanced by making work pay better through a package of measures (€5 billion package) to relieve structural tax burdens on labour (Dutch government, 2016b). Lastly, several measures were also taken to reduce the segmentation on the labour market, notably by reducing the difference between permanent and temporary contracts by trying to make permanent contracts less permanent. The government tried to do this by simplifying the dismissal law and making stricter regulation on temporary contracts. There is a lot of discussion about the effectiveness of this new law and academics are even claiming it is counterproductive.

At the regional level

Most of the important youth-employment measures undertaken at the regional level were initiated before 2014 as described earlier. In addition to them, two other plans are worth mentioning.

Firstly, North-Brabant indicates in its ‘Administrative Agreement 2015-2019’ its intention to develop covenants with the municipalities in each of the labour market region to fight (youth) unemployment. This agreement plans to set up a ‘Flexicurity Office’ (but not within the PES) in order to ensure a smooth transition between workplaces and between education and employment (North-Brabant Province, 2015b). However, at the moment of writing, no further information about the design and structure of these offices has been published yet.
Secondly, VET schools, the Brabant Zeeland Employers Association and the North-Brabant province strengthened secondary vocational education in December 2015 with the innovation agenda ‘Knowledge Pact 3.0’, which aims at reinforcing the partnership between education and SMEs and adapting education more to the new needs of employers and future employees (North-Brabant Province, 2015a).

As regards monitoring, the regional approach to youth unemployment was monitored twice a year (spring and autumn 2014 and 2015), with support of the labour market regions. This monitoring aimed at giving information about the implementation of the plans, the results and the activities developed by the labour market regions. Moreover, the youth employment policy is monitored monthly by the Enquete Beroepsbevolking (Labour Force Survey) of the CBS (Dutch Central Bureau of Statistics). Municipalities and PES have also their own statistical data and most of the municipalities participate in benchmarks (Dutch Government, 2014b).

Finally, it is important to indicate that the local initiative of the ‘Youth Starter’s Grant’ has been already replicated by 150 municipalities in the Netherlands. Scaling it up to the national level is not only possible but would also be necessary in order to satisfy the goals set out in the YG.

All in all, the Dutch case study and more specifically the case of the Northern Brabant province indicates that most innovative youth-related measures have been initiated at the provincial/municipal level. As regards the national level, the study points out that, following the submission of its YG implementation plan, the central State has not launched any measures which substantially changed its approach towards young people. The set of measures outlined in the implementation plan and adopted after 2014 are rather a continuation of already existing actions rather than a brand new strategy. In fact, the main focus continues to be on reinforcing the coherence between the education system and labour market needs and in preventing ESL. That being said, very innovative measures have taken place at the local level over recent years. These measures comply with some requirements of the Council Recommendation, in particular those related to the partnership approach and the monitoring process. However, it must be underlined that they mainly focus on a certain group of young people, i.e. the highly educated, and do not seem to directly address the issue of those who are the furthest away from the labour market. Also, it is unclear from the scheme what timeframe applies to the service delivery. Lastly, it is important to mention that the North-Brabant’s schemes were already designed before 2014. In other words, the policy changes triggered by the European YG seem to have been limited in the province.

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</table>
CONCLUSIONS AND POLICY RECOMMENDATIONS

The final results of the comparative analysis of the regional YG schemes carried out from a time perspective approach in this study are presented in Table 12. It indicates that while four regions (Brussels-Capital, Lombardy, South West Scotland, and North-Brabant) have reached a medium level of Europeanisation, one of them (East Slovakia) presents a low level. Interestingly, all four case studies ranked at the medium level present an institutional-oriented form of compliance, indicating that countries and regions are facing stronger difficulties in ensuring early intervention and diversification of the services offered to the NEETs. Again, such scores should be read with caution as they do not fully reveal the quality of the services provided to young people but rather assess whether the policy changes accomplished since 2014 have allowed regions to comply, from a policy design perspective, with the Council Recommendation’s requirements. Furthermore, it does not mean that no compliance efforts have been made with respect to certain aspects in Slovakia. Nevertheless, such efforts have not sufficed to fit with the EU requirements. The different results are also to be explained by the fact that countries/regions did not start from the same baseline. Whereas some of them already had a well-established scheme to better integrate young people, others had to start from further away. Moreover, evaluating the implementation of the YG plans and the different YG-related reforms could lead to very different results than the ones coming from the design analysis.

Table 12: Degree of Europeanisation for the five regional case studies

<table>
<thead>
<tr>
<th>Degree of Europeanisation/ Case studies</th>
<th>Low</th>
<th>Medium design oriented</th>
<th>Medium institutional oriented</th>
<th>Medium balanced</th>
<th>Full</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brussels-Capital</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>East Slovakia</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lombardy</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South West Scotland</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North-Brabant</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Leaving the case studies’ scores aside, the analysis provides relevant input for policy conclusions that are pertinent for both the national and regional level.

Starting with general conclusions for the national level, one can note that most EU countries have ‘played the game’ set by the 2013 Council Recommendation as all member states have submitted their implementation plan to the European Commission. They are also reporting on progress made as part of the annual reporting process on ESF and YEI (ESF Regulation 1304/2013) or via the Open Method of Coordination (OMC). In the same vein, this study has shown that, generally speaking, compliance
efforts have been made in the policy design of the YG scheme to fulfil the main criteria of the Council Recommendation.

These efforts are even more encouraging given that youth unemployment has been reduced across the EU, including in countries that were particularly hit by the economic downturn and where the situation of young people was alarming. The causal link between such improvements and the YG can always be matter of debate. However, it is indisputable that the European initiative has pushed most member states to launch a series of important reforms in the area of education and labour market policies. Furthermore, the strategic documents – i.e. the national YG implementation plans, the different OPs, the National Reform Programmes, and the country reports of the European Commission – that served as basis for the analysis of this study, show that countries are adopting a much more integrated approach on youth policies, at least in the policy design. Thus, the YG has allowed members states (and also regions) to become more aware of their structural problems and to provide policy solutions in a more structured and coherent manner. This is particularly obvious with regard to policy evaluation. Given that monitoring is one of the key requirements of the European Commission to receive YEi money, major efforts have been made to strengthen the monitoring system. This is a very welcoming step as it enables member states (and also the regions) to better appreciate the diversity of the NEETs population and to further adapt policies according to the specific needs of each of its subgroup. Furthermore, the YG has certainly helped increase the level of attention devoted to youth unemployment by putting it at the top of the European policy agenda and reinforcing peer-pressure in the area.

At the regional level, one can observe that some of the YG schemes are more developed than what is provided by the national framework. This is particularly true for countries where there is a high degree of devolution and where regions have key competencies in YG-related policy areas, such as Brussels-Capital, Lombardy and Scotland. In some cases, such as Scotland, we can even notice a better compliance of the regional scheme than the one provided by the national level. Thus, although regions might perform better in terms of compliance, it is also important to remember that the institutional setting of each country can create difficulties and thus require extra effort in terms of coordination and collaboration between the different stakeholders. This is, for instance, the case in Brussels-Capital where competencies pertaining to the YG implementation are split between several political authorities, which are often led by different political forces, and a large number of different stakeholders. In such a context, if extra coordination effort is not provided, the success of the YG is likely to be undermined.

Going beyond general considerations, undeniable weaknesses still persist in many of the YG schemes and there is certainly an uneven level of Europeanisation. In other words, while compliance efforts have been made across the board, they have not led, however, to the same degree of convergence for each specific criteria of the Council Recommendation. In fact, the case study analysis shows that in most cases, the national and regional YG schemes have been mostly developed in line with domestic traditions of welfare and activation policies. Although this is not necessarily negative when previous programmes already proved to be successful, this highlights the strong path dependency logic that member states and regions follow. Furthermore, this indicates that adopting a more innovative approach might require a profound change of mind set and functioning that probably takes longer than the two years since the YG launch.

Among the main weaknesses, it is worth highlighting four of them. Firstly, for some countries it is difficult to get a clear overall picture of the different initiatives undertaken by the country and/or region. In some cases, one observes a multiplicity of actions and measures that are rapidly changing over time and follow on from each other without any apparent logic rather than a coherent package with well-defined objectives. Thus, it is worth questioning, in such cases, whether the complementarity of the different measures has been well assessed beforehand.
Another observation that comes out strongly from the comparative analysis is the disconnection made by many member states between activation and protection measures. While a lot of effort has been made with respect to activation measures, access to financial support has become more difficult when not cut back. Such a strategy seems therefore to neglect the complementarity that exists between activation and protection measures. While some argue that it might lead to higher degree of activation, it might also increase the vulnerability of certain groups of young people and discourage them to register with the relevant authorities/services.

Thirdly, the partnership approach seems to be implemented in very different ways. Depending on which partnership patterns were already established before the YG, some countries and regions favour cooperation with some stakeholders while neglecting the positive role that others could play. Generally speaking, one sees that little attention has been devoted to youth organisations (European Youth Forum, 2015) and that better cooperation could occur between the education/training system and employment services as well as with social services.

Fourthly, despite increased awareness about the need to reach out to the non-registered NEETs, efforts in this respect seem to be very fragmented. They are not placed at the centre of the national/regional strategies. In fact, a focus on the ‘most employable young people’ is most often more rewarding both from a statistical and financial viewpoint. A faster re-integration on the labour market is more likely for this group and less investment is therefore required.

In order to further improve the YG services delivery and the future prospects of young people, this paper suggests a set of policy recommendations that should be seriously considered by both European as well as national/local authorities when developing future youth-related policies. These recommendations can be grouped in three main categories, i.e. the complementarity of policies, the institutional design and the monitoring/reporting system.

About policy complementarity:

1. Adopting an integrated approach between the different measures developed under the YG is of key importance. Activation and protection measures should be designed as two complementary parts of a coherent package. Thus, it is crucial to ensure that the European governance looks into the overall coherence of youth-related measures while preventing young people to fall into the poverty trap.
2. Many member states focus their attention and actions on young people who are relatively easy to re-integrate on the labour market. Increased attention should be devoted to the non-registered NEETs and on how to reach out to them. Furthermore, this group of NEETs requires more investment and money per individual than those who are already registered with the system. This is something that needs to be considered in the future criteria ruling the disbursement of the YEI money and in the amount that will be agreed upon during the upcoming review of the Multiannual Financial Framework (MFF).

About institutional design:

1. The institutional framework in which the YG is deployed is of utmost relevance as a multiplication of stakeholders involved in the service delivery and a lack of coordination between the relevant authorities are likely to weaken the YG scheme and the quality of the services. Member states should therefore ensure that the YG is built upon a supportive institutional environment and that its implementation is driven by a broad consensus regardless of the political forces that are in charge over time.
2. Some of the case studies analysed in the paper face significant difficulties in ensuring that the different services (be it employment, education or social services) coordinate their respective offer. This has a number of harmful consequences on both providing young people with the best
quality offer and ensuring a comprehensive monitoring. Thus, member states and the EU should ensure that different services are well coordinated and that young people can get a clear overview of the different offers via a single contact point.

**About the monitoring and reporting system:**

1. Paying particular attention to how long a young person stays unemployed or a NEET is key as the longer the duration, the more scarring effects it has. Hence, all national monitoring systems should take this aspect into consideration and not limit themselves to look at the volume of youth unemployment and NEETs. Moreover, the duration of the period is a good proxy for indicating how responsive and adequate YG services are. Lastly, European data should not only provide information about the NEETs subgroups by status (unemployed or inactive) but also about how long a young person remains under a given status.

2. Public employment services and member states in general are reluctant to integrate the most vulnerable and disengaged NEETs, i.e. the ones who are not registered, in their statistics as it will contribute to increase the youth unemployment rate and darken the results of their actions. Thus, it is crucial to involve additional organisations, such as NGOs or social services working with the most disengaged, in collecting data and to accompany them in building up such expertise.

3. Working with disengaged NEETs is often a lengthy process and does not lead to immediate results. Return on investment is therefore long-term and uncertain. If member states and the EU are serious about re-engaging them, be it via the education/training system or the labour market, the monitoring system both at the national and European level should grant sufficient time to social services to do their job. In other words, another methodology should be applied for this group of NEETs and less emphasis should be placed on immediate results.

4. It is likely that young people will benefit from a given YG offer and will enter the scheme again once this offer has come to an end, in particular if this latter was not in line with the expectations of the young person or with poor learning content. Therefore, data collection should move away from a mere focus on quantity and should better integrate the notions of flows and quality. In other words, data collection should reflect individual trajectories. In fact, it is of key importance to see how a young person has developed and whether the YG allowed a long-term integration on the labour market.

To conclude, this paper has shown that the YG has triggered some policy changes but in an incremental way rather than in a radical manner. The main weaknesses of the schemes still lay, in fact, in the areas where member states and regions have been weak historically. That being said, the potential of the YG, in particular with respect to the EU monitoring requirement, in triggering important structural reforms should not be neglected. It is therefore crucial to recall the importance of prolonging the financing of the YG in the second half of the current MFF – not only given the positive impact it is likely to have on young people but also from a political viewpoint. The Brexit vote has shown once again the gap between citizens and the European project. Investing directly in people while improving their life is the only way to reconcile the two. But it should be done in a balanced manner and add value to actions already undertaken by other governance levels. Thus, European support should be designed in a way that does not create a disproportionate administrative burden for national and regional authorities and focus on areas where member states are weak or reluctant to act. In other words, the EU support should concentrate on matters where innovative thinking (such as the outreach strategy towards the non-registered NEETs, such as migrants) is necessary and where actions would be neglected otherwise.
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