



**EUROPEAN COMMISSION**

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## **Employment: 17 Member States have submitted Youth Guarantee Implementation Plans**

17 Member States have already submitted to the European Commission their final plans to implement the Youth Guarantee, the ambitious EU-wide reform aiming to help all jobless people under 25 find employment, continued education, an apprenticeship or traineeship within four months of becoming unemployed or leaving formal education. 11 Member States are still preparing their strategies to deliver a national Youth Guarantee scheme.

*"We urge Member States which have not yet finalised their Youth Guarantee implementation plans to do so as soon as possible", said László Andor, European Commissioner for Employment, Social Affairs and Inclusion. "Leaving young people without help damages their lifetime prospects as well as Europe's economic potential and social cohesion. It is in each Member State's interest to act swiftly and put in place practical measures to help young people get a job or acquire the skills to get a job in the future".*

In April 2013, EU Ministers adopted a Council recommendation on establishing a Youth Guarantee, which sets out in detail the measures and reforms to be put in place in order to ensure that everyone under 25 gets a real chance to get a foothold in the labour market. Most elements of the Youth Guarantee can be co-financed by the European Social Fund, such as provision of job-search support or training, extension and modernisation of apprenticeship systems, hiring subsidies or traineeship grants.

Moreover, regions from 20 Member States are eligible for additional funding from the Youth Employment Initiative (YEI) due to their high youth unemployment rate (more than 25% in at least one region), and their governments were requested by the European Council to submit their Youth Guarantee implementation plans by the end of 2013. Member States with no regions eligible for the YEI are due to submit their plans by early 2014.

## Youth Guarantee Implementation Plans– state of play

Member State	Status of Youth Guarantee Implementation Plan	Regions eligible for extra funding under the Youth Employment Initiative	Youth Employment Initiative specific allocation (€ million)*
Austria	In preparation	No	-
Belgium	Submitted	Yes	39.64
Bulgaria	Submitted	Yes	51.56
Croatia	Submitted	Yes	61.82
Cyprus	Submitted	Yes	10.81
Czech Republic	Submitted	Yes	12.71
Denmark	In preparation	No	-
Estonia	In preparation	No	-
Finland	In preparation	No	-
France	Submitted	Yes	289.76
Germany	In preparation	No	-
Greece	Submitted	Yes	160.24
Hungary	Submitted	Yes	46.49
Ireland	Submitted	Yes	63.66
Italy	Submitted	Yes	530.18
Latvia	Submitted	Yes	27.1
Lithuania	Submitted	Yes	29.69
Luxemburg	In preparation	No	-
Malta	In preparation	No	-
Poland	Submitted	Yes	235.83
Portugal	Submitted	Yes	150.2
Romania	Submitted	Yes	99.02
Slovakia	In preparation	Yes	67.43
Slovenia	In preparation	Yes	8.61
Spain	Submitted	Yes	881.44
Sweden	Submitted	Yes	41.26
The Netherlands	In preparation	No	-
United Kingdom	In preparation	Yes	192.54

\*Member States have to match these amounts by at least the same amounts from their European Social Fund allocation.

## What are the next steps?

The Commission is currently assessing the Youth Guarantee Implementation Plans that have been submitted and will give feedback to Member States in the coming weeks.

The plans submitted and/or still upcoming are expected to identify in each Member States the measures to be taken to implement the Youth Guarantee. The Youth Guarantee Implementation Plans clarify how the partnerships between responsible public authorities, employment services, education and training institutions, social partners, youth organisations and other stakeholders will be organised. They should also outline which youth employment reforms and measures Member States expect to see co-financed from the European Social Fund and the Youth Employment Initiative.

Together with their Implementation Plans, Member States are preparing their operational programmes setting out the planned use of their European Social Fund (ESF) allocations in 2014-20 as well as of additional funding under the Youth Employment Initiative (YEI).

## What is the Youth Guarantee?

The Youth Guarantee seeks to ensure that Member States make a good-quality offer to all young people up to age 25 a of a job, continued education, an apprenticeship or a traineeship within four months of leaving formal education or becoming unemployed. The Youth Guarantee is one of the most crucial and urgent structural reforms that Member States must introduce to address youth unemployment and inactivity, and to improve school to work transitions.

The logic of the Youth Guarantee is very simple – to ensure that no young person is left unemployed or inactive for longer than 4 months. The Youth Guarantee should enable young people to find a job suited to their education, skills and experience or to acquire the education, skills and experience that are directly relevant to increasing their chances of finding a job in the future.

## How does it work?

The Youth Guarantee is based on experience in Austria and Finland that show that investing in young people pays off. For example, the Finnish Youth Guarantee resulted in a reduction in unemployment amongst young people, with 83.5% successfully allocated a job, traineeship, apprenticeship or further education within three months of registering.

A [Youth Guarantee Recommendation](#) was formally adopted by the EU's Council of Ministers on 22 April 2013 (see [MEMO/13/152](#)) on the basis of a proposal made by the Commission in December 2012 (see [IP/12/1311](#) and [MEMO/12/938](#)) and was endorsed by the June 2013 European Council.

For many Member States, the implementation of the Youth Guarantee will require **structural reforms**. For example, **public employment services** must be able to ensure individual young people receive appropriate advice on job, education and training opportunities most relevant to their own situation, resulting in a tailor-made, concrete offer within four months. The Commission's June 2013 proposal for a Decision to help public employment services to maximise their effectiveness through closer cooperation can play a useful role here (see [IP/13/544](#)).

Another area requiring structural reforms concerns **apprenticeships and vocational education and training systems**. Member States must ensure that they give young people the skills that employers are looking for. In this respect, partnerships between trade unions, employers' organisations, educational establishments and public authorities for designing, implementing and assessing education and training courses are encouraged.

The Youth Guarantee does have a fiscal cost for Member States (the International Labour Organisation has estimated the cost of setting up Youth Guarantees in the Eurozone at €21 billion per year). However, the costs of NOT acting are far higher. The [European Foundation for Living and Working Conditions](#) (Eurofound) has estimated the economic loss in the EU of having millions of young people out of work or education or training at over €150 billion in 2011 (1.2% of EU GDP), in terms of benefits paid out and lost output.

This is in addition to the long-term costs of unemployment to the economy, to society and to the individuals concerned, such as increased risk of future unemployment and poverty. The cost of doing nothing is therefore very high: the Youth Guarantee scheme is an investment.

### **European Social Fund support for the Youth Guarantee**

By far the most important source of EU money to support implementation of the Youth Guarantee and other measures to tackle youth unemployment is the [European Social Fund](#) (ESF) which should continue to be worth more than €10 billion every year in the 2014-20 period. It is important that Member States devote a significant proportion of their European Social Fund allocations for 2014-20 to implementing the Youth Guarantee.

### **Youth Employment Initiative and European Social Fund support for the Youth Guarantee**

To increase available EU financial support to the regions where individuals struggle most with youth unemployment and inactivity, the Council and the European Parliament agreed to create a dedicated **Youth Employment Initiative (YEI)**. YEI support will concentrate on **regions experiencing youth unemployment rates above 25%** and on **young people not in employment, education or training** (NEETs). This will ensure that in parts of Europe where the challenges are most acute the level of support per young person is sufficient to make a real difference.

The YEI funding will comprise €3 billion from a specific new EU budget line dedicated to youth employment matched by at least €3 billion from the European Social Fund national allocations. This will amplify the support provided by the European Social Fund for the implementation of the Youth Guarantee by funding activities to directly help young people not in employment, education or training (NEETs) such as job provision, traineeships and apprenticeships, business start-up support, etc. The YEI will be programmed as part of the ESF 2014-20.

The Commission has proposed to frontload the €6 billion under the YEI so that all this money is committed in 2014 and 2015 rather than over the seven year period of the MFF. To ensure a quick start, Member States can exceptionally start implementing YEI-related measures already as of **1 September 2013** to be reimbursed 'retroactively' when the relevant operational programmes are submitted to the Commission and approved.

The YEI will target NEETs aged under 25 years, and where the Member States consider relevant, also those aged under 30 years. In this case however Member States should allocate additional ESF resources to these measures in order to ensure equal levels of support per person.

Member States will have to complement the YEI assistance with substantial additional ESF and national investments in structural reforms to modernise employment, social and education services for young persons, and by improving education access, quality and links to labour market demand.

## **Further information**

See also [MEMO/13/968](#)

- [DG Employment: Youth Guarantee website](#)
- [DG Employment: Youth employment website](#)
- [2013 Communication: A call to action on youth unemployment](#)
- [2013 Communication on Youth Employment Initiative](#)
- [2012 Communication on Moving Youth into Employment](#)
- [EUROFOUND: European Foundation for Living and Working Conditions: Youth](#)
- [Europe 2020 strategy](#)
- [EURES jobs portal](#)
- [European Social Fund](#)
- [ILO report Eurozone Job crisis: Trends and policy responses](#)
- [Eurofound NEETs - characteristics, costs and policy responses in Europe](#)
- [Geographical map of unemployment rates](#)
- [http://ec.europa.eu/education/apprenticeship/index\\_en.htm](http://ec.europa.eu/education/apprenticeship/index_en.htm)

### **See also:**

- [ESF: my story](#)
- [Youth Guarantee video](#)
- [EURES, Your job in Europe video](#)
- [Getting off to a good start video](#)
- [Advice on apprenticeship and traineeship schemes booklet](#)
- [Youth on the Move - Europe supports young people](#)
- [Finding a job in Europe - a guide for jobseekers](#)