Control of spending and monitoring of EU Youth Guarantee schemes cost-effectiveness

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The Committee on Budgetary Control adopted an own-initiative report by Derek VAUGHAN (S&D, UK) on the control of spending and monitoring of EU Youth Guarantee schemes' cost-effectiveness.

Youth unemployment continues to be a serious problem in a number of Member States, with more than 4 million young people aged between 15-24 unemployed in the EU in 2016. The Youth Guarantee (YG) and the Youth Employment Initiative (YEI) have already become established as the most effective and visible action at Union level aimed at combating youth unemployment. They cover different actions, with the YG intended to encourage structural reform in education and serve as a short-term measure to combat youth unemployment, while the YEI is a funding instrument.

General remarks: Members noted that in four years of the Youth Guarantee's implementation, from 2013 to 2017, the **youth unemployment rate in the EU has decreased** by more than 7 percentage points, from 23.8 % in April 2013 to 16.6 % in April 2017, which means that almost 2 million young people have ceased to be unemployed. However, they regretted that in many instances too much of this decrease is because so many **young people have been forced to seek employment outside the EU**, a loss that will be sorely felt in future decades.

Regretting that in mid-2016, 4.2 million young people in the EU were still unemployed, Members urged the Member States to **use available EU support** in order to tackle this longstanding issue. Deploring the fact that the majority of young people not in employment, education or training (NEETs) in the EU do not yet have access to any YG scheme, Members called on the Council to consider continuing a **learning exchange** within the existing public employment services network with a view to developing strategies based on best practices. The development of **one-stop-shops** should be supported in order to boost the positive impact of the YG by ensuring that all services and guidance are available for young people at one location.

Implementation and monitoring: the report noted that a **lack of information on the potential cost of implementing a scheme in a Member State can result in inadequate funding** for implementing the scheme and achieving its objectives. Member States are invited to establish an **overview of the cost of implementing the YG.**

The Commission is called on to provide **more precise information** about the cost-effectiveness of the YG and how implementation of the programme is monitored in the Member States, and to provide comprehensive annual reporting on this.

Member reiterated their commitment to monitor closely all Member State activities in order to make the YG a reality and invited youth organisations to keep **Parliament updated** on their analysis of Member State action. The **involvement of youth organisations** in the communication, implementation and evaluation of the YG is also crucial for its success.

Members expressed concern that **data** on the beneficiaries, outputs and results of the YEI are **sparse and often inconsistent**. Measures are needed to lighten the administrative burden and provide more up-to-date monitoring systems for the remaining YEI funding. The Commission is asked to **revise its guidance on data collection** and Member States to revise their baselines and targets in order to minimise the risk of overstating results.

The report stressed the need to set up a **system of indicators** and measures to assess and monitor the effectiveness of both public employment schemes and the YG, since even though provision was made for such a system from the start, there are still many shortcomings.

Members called for efficient and transparent scrutiny, reporting and monitoring of how funds allocated at European and national levels are spent so as to **prevent abuses and the wasting of resources**.

Improvements to be made: Members stressed the need to create and develop **high-quality lifelong careers guidance** with the active involvement of families in order to help young people make better choices about their education and professional careers.

Member States for their part are called on to:

- **properly assess the costs of their YG schemes**, to manage expectations by setting realistic and achievable objectives and targets, to mobilise additional resources from their domestic budgets;
- ensure the provision of follow-up data to assess the long-term sustainability of outcomes from a quality and quantity perspective, and for more transparency and consistency in data collection, including gender-disaggregated data collection, in all the Member States.

Lastly, the Commission should carry out a **detailed analysis of the effects of measures implemented** in the Member States, to single out the most efficient solutions and, based on these, to provide recommendations to the Member States as to how to attain better results with a higher degree of efficiency.