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

2016/2242(INI) - 24/10/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 554 votes to 61, with 53 abstentions, a resolution 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. In some Member States more than one quarter of young people are unemployed.

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: Parliament 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, it 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.

In order to tackle youth unemployment which remains far too high, Parliament called on the Member States to utilise available EU support and implement strategies that meet the requirements and needs of the labour market of each single Member State in order to create high-quality training opportunities and lasting employment. However, the YEI/ESF funds available should not replace Member States' public expenditure.

Deploring the fact that the majority of NEETs in the EU do not yet have access to any YG scheme, Parliament called on the Council to consider continuing a **learning exchange** within the existing PES network with a view to developing strategies based on best practices to reach and support NEET youth. It also recommended that the possibility of funding local campaigns organised in conjunction with all local partners, including youth organisations, be increased, and that the development of **platforms for young people** to register on the scheme be supported.

In addition, the development of one-stop shops should be supported to encourage the positive impact of YG by ensuring that all services and guidance are available for young people at one location.

Implementation and monitoring: noting that the lack of information available on the potential cost of implementing a system such as the YG in a Member State may lead to inadequate funding, Parliament called on the Council to support the Member States in **improving the reporting of data** and establishing an overview of the cost of implementing the YG.

The resolution emphasised the need to:

- provide **more precise information about the cost-effectiveness of the YG** and how implementation of the programme is monitored in the Member States;

- ensure early intervention mechanisms, the **quality of job**, further education and training offers, clear eligibility criteria and partnership-building with the relevant stakeholders;
- further involve **youth organisations** in the communication, implementation and evaluation of the YG;
- disseminate good monitoring and reporting practices, so that the results from the Member States can be communicated consistently and reliably, and assessed seamlessly, including as regards quality;
- set up **less administratively burdensome** and more up-to-date monitoring systems for the remaining YEI funding;
- focus on **results achieved by the YEI programme**, through the definition of concrete indicators in the form of reforms carried out in the Member States, knowledge and skills obtained from the programme, and the number of permanent contracts offered;
- set up a **system of indicators and measures** to assess and monitor the effectiveness of both public employment schemes and the YG;
- monitor in an efficient and transparent manner how funds allocated at European and national levels are spent so as to **prevent abuses and the wasting of resources**.

Improvements to be made: Parliament called for:

- the need to **guarantee a long-term commitment through ambitious programming and stable financing** from both the EU budget and the national budgets in order to offer full access to all young people who are NEETs in the EU;
- the creation and development of **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;
- **sufficient funding to be available** in order to ensure the successful integration of all young workers who are unemployed or do not have access to a suitable training or educational offer.

Member States should: (i) properly assess the costs of their YG schemes, to manage expectations by setting **realistic and achievable objectives and targets**; (ii) reinforce the financing of their PES in order to enable them to fulfil additional duties linked to YEI implementation; (iii) ensure the provision of **follow-up data** to assess the long-term sustainability of outcomes from a quality and quantity perspective.