



## Update on the European Youth Guarantee Social Europe Network – 2 February 2017

The European Youth Guarantee has been the flagship project of our political family ever since 2012. It has been implemented and funded at the European level since 2014.

### Facts and figures on the Youth Guarantee:

- According to the PES internal survey on the three first years of implementation of the youth guarantee and feedback from the grassroots level, the Youth Guarantee is a success story. This positive assessment has been confirmed by the European Commission's mid-term evaluation, published on 4 October 2016: **9 million young people took up an offer of employment (70.2%), apprenticeship (4.1%), traineeship (12.1%) or continued education (13.6%). An average of 2 million was enrolled** at any point of time between 2014 and 2016.
- There are **1.4 million fewer young unemployed people since the launch of the Youth Guarantee**. By 2015, the annual youth unemployment rate dropped by 3.4 percentage points to 20.3%. The number of NEETs<sup>1</sup> had decreased by 1 percentage point to 12% on average.
- The 3.2 billion EUR from the Youth Employment Initiative (YEI) and 3.2 billion EUR from the European Social Fund (ESF) have generally been well used.
- **Member states, public employment services, and our member parties clearly underlined that the European funding made available in the YEI and the ESF significantly contributed to the quick implementation and success of the Youth Guarantee.**
- According to the Commission itself, the Youth Guarantee has had **excellent implementation levels; in particular thanks to the 30% increased pre-financing of almost 1 billion EUR paid in 2015**. The implementation level of commitments of the YEI programme was 87.3% by the end of 2014 and 100% by the end of 2015. The implementation of payments was 100% by the end of 2014 and 100% by the end of 2015.

### PES position:

- For a bit more than a year now, we are **proposing an ambitious re-funding of the Youth Guarantee**.
- We call for **20 billion EUR** to be made available for the 2017-2020 funding period.
- We believe that such an **annual funding of 5 billion EUR** would allow the extension of the programme to include young people until the age of 30 and would allow to ensure better quality offer.
- It would generally **strengthen national implementation**, in particular in the few countries where the Guarantee only triggered limited reform so far.

---

<sup>1</sup> NEET = Not in Education, Employment, or Training



- Moreover, with this additional funding, we want to **better address vulnerable groups**, including young people living in households below or close to **poverty** thresholds, the **long-term unemployed**, **young refugees**.

#### **State of play on refunding 2017-2020:**

- While the Youth Guarantee is doubtlessly a success, on 14 September 2016 the **European Commission proposed a refunding of 2 billion EUR** for the funding period 2017-2020 (1 billion EUR from YEI and 1 billion EUR from ESF). This means that there would be **75% less money available** compared to the 2014-2015 funding period.
- Still for the funding period of 2017-2020, the **Council proposed 1.2 billion EUR** to be made available for the YEI, plus an additional 1.2 billion EUR from ESF. Nevertheless, **a total of 2.4 billion EUR**, for **the next four years is not sufficient**. This would mean the slow death of one of the most ambitious and successful employment initiatives of recent years.
- In the EU budget negotiations, the Council and European Parliament have agreed on a refunding of **500 million EUR for the Youth Employment Initiative for 2017 (plus 500 million EUR from ESF)**. A yearly renegotiation in the frame of the EU budget procedure could thus enable a higher refunding until 2020, if not capped by the reviewed Multiannual Financial Framework.

#### **Political state of play:**

- Our **commitment to a sustained refunding of 20 billion EUR**, which was initially put forward by **Matteo Renzi and François Hollande** and subsequently endorsed at the highest political level by PES Prime Ministers and Heads of States, was reaffirmed at the PES Council in Prague in December 2016, stating that the Youth Guarantee “should become a permanent feature of EU employment policies and a central component of the European Social Model.”
- This was also the **key message conveyed on the PES European Youth Action Day on 16<sup>th</sup> November 2016** where activists, party leaders, and ministers campaigned for the four-pillar **PES European Youth Plan** with no less than 113 activities in 83 cities.
- In its meeting on 12 December 2016 the European Council calls for the continuation of the Youth Guarantee and welcomes the increased support for the Youth Employment Initiative.