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# Youth Guarantee Initiative – the First Year of Implementation

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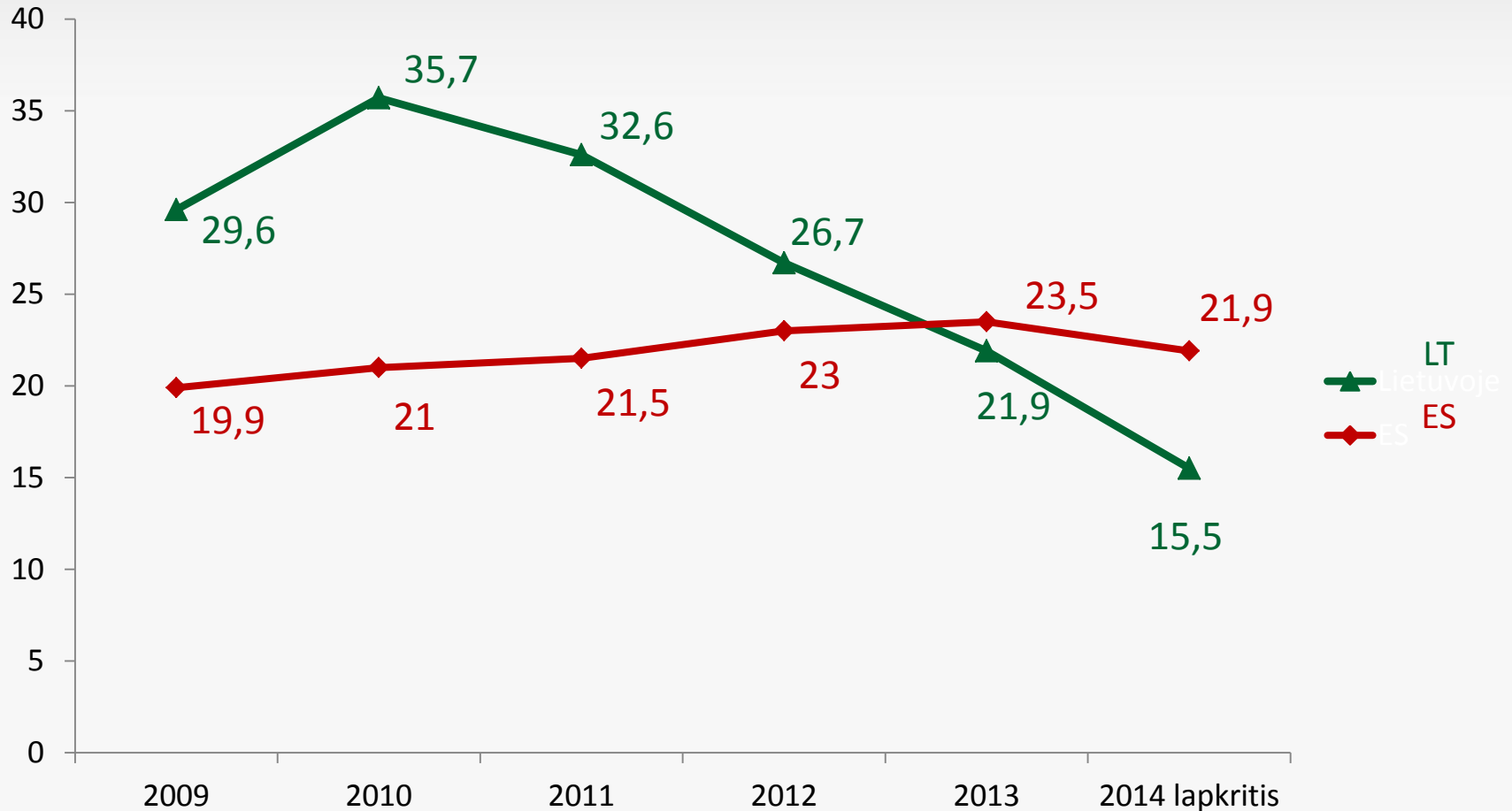
**Over 5 million** young people under 25 were unemployed in the EU in the second quarter of 2014.

**7.5 million** young Europeans (between 15 and 24) are neither in employment, nor in education or training (NEETs).



# Changes in the under-25 unemployment rate (%)

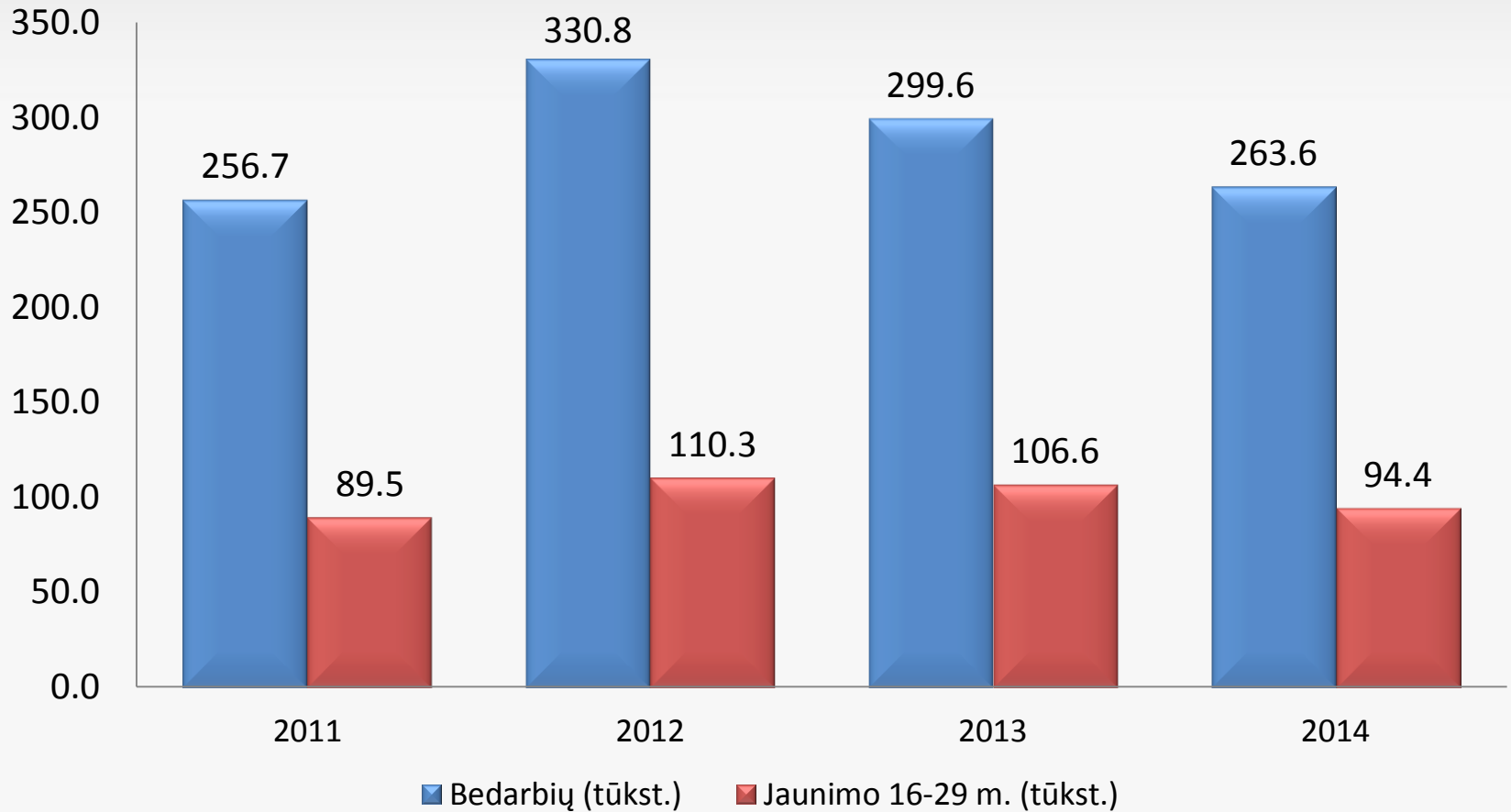
Source: Eurostat





# Number of registered young unemployed under 29

Source: Lithuanian Labour Exchange





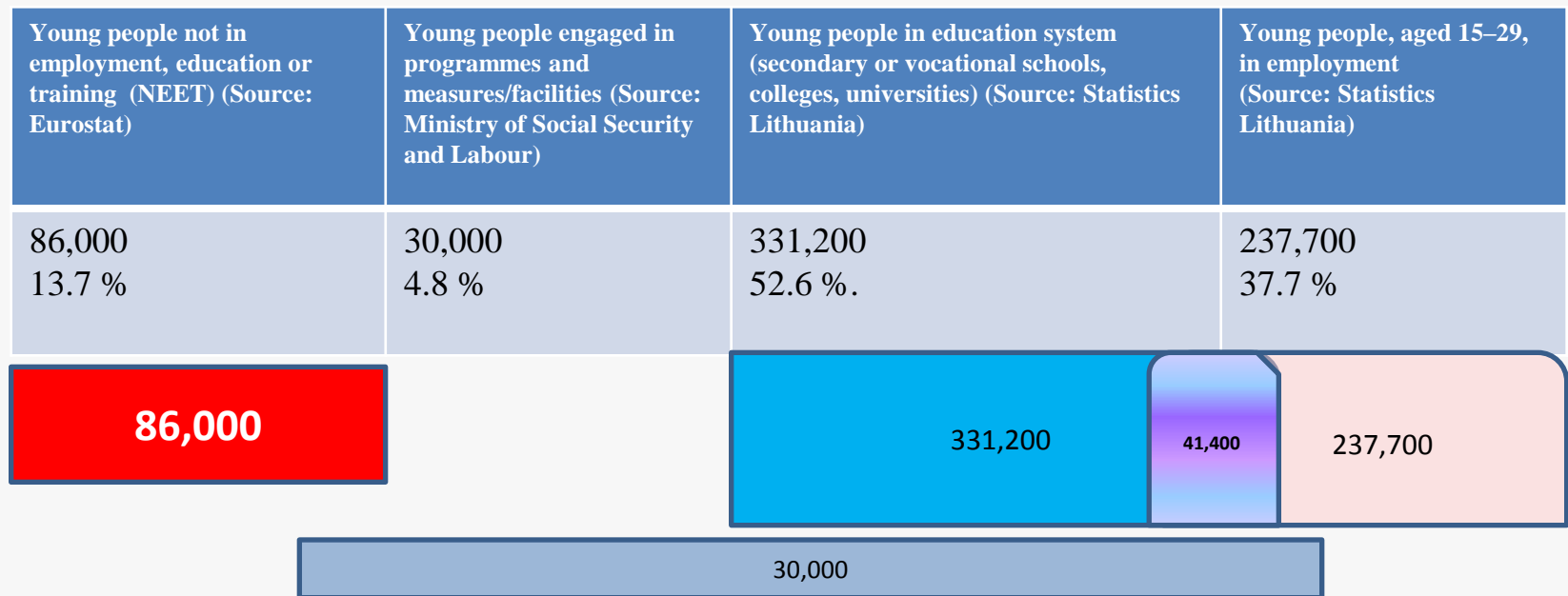
# **The implementation of Youth Guarantee in Lithuania:**

What has been achieved during the first year of implementing the Youth Guarantee?

Best practices, especially in the area of NEET.



### 630,000 young people in Lithuania (aged 14–29)





# Portrait of a young unemployed\*

1 August 2014

**22,100**

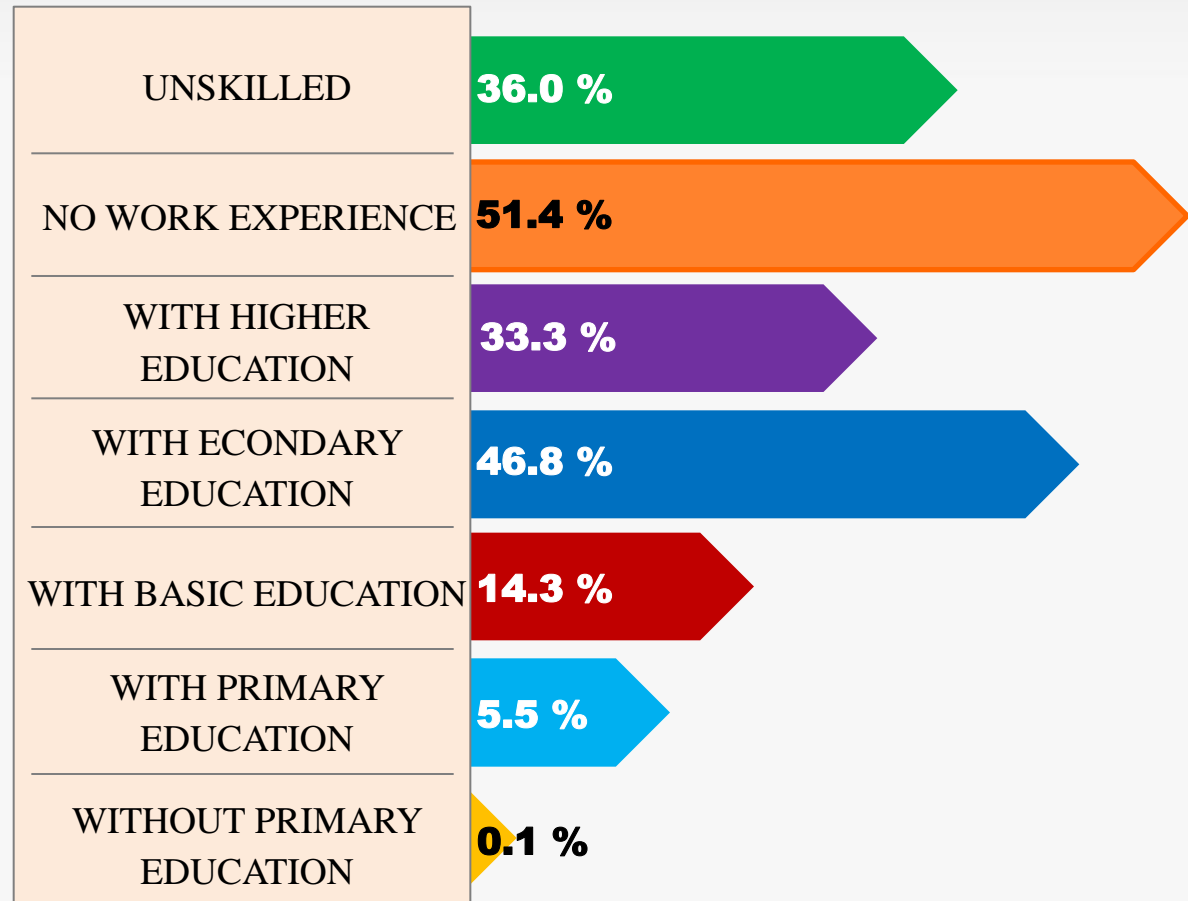
**YOUNG UNEMPLOYED**

Among them:

**500**

**YOUNG LONG-TERM  
UNEMPLOYED**

**4.7 thousand  
GRADUATES**



\*Participating in the Youth Guarantee scheme



## **Implementation of the Youth Guarantee**



• **December 2013: Adoption of the Youth Guarantee Implementation Plan**



• **January 2014: Conclusion of the Memorandum of Cooperation with social partners**



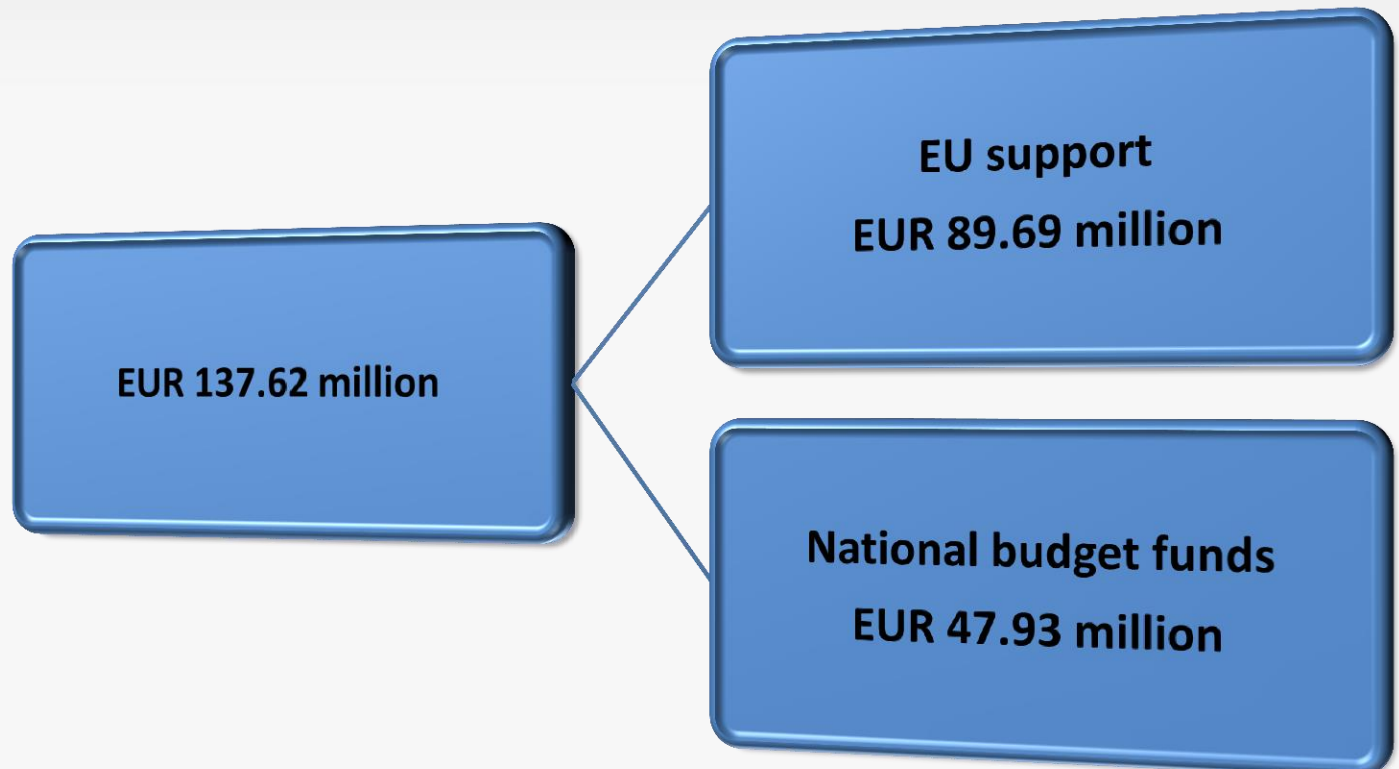
• **2014 March: Establishment of the Commission for Monitoring of the Implementation of the Youth Guarantee**



• **2014 August: Adoption of the Description of the Implementation of the Youth Guarantee**



## **Funding envisaged for the implementation of the Youth Guarantee in 2014-2020**



**Funding allocated for the implementation of the Youth Guarantee initiative in 2014-2020 (coordinator: the Ministry of Social Security and Labour):**

EUR 89.69 million from **EU support**, of which EUR 63.57 million are from the funds allocated for the Youth Guarantee initiative.



## Key actors involved in implementing the Youth Employment Initiative

### Lithuanian Labour Exchange

- **Primary intervention: measures for early intervention and activation:**
- Measures to develop additional skills and competences;
- Social and psychological rehabilitation services to help generate motivation for learning and working.
- **Secondary intervention: measures for labour market integration:**
- Vocational training for unemployed;
- Support to building new occupational skills;
- Subsidised employment;
- Territorial mobility;
- Voluntary apprenticeship;
- Building occupational skills under bilateral contracts.

### Department of Youth Affairs

- **Primary intervention – measures for early intervention and activation:**
- Services to inactive young people to help their (re)integration into the education system, labour market and quality apprenticeship.
- Services to motivated young people: assistance in finding places for volunteering activities, in organising volunteering activities; mentoring services.

## Lithuanian Labour Exchange implements three ESF projects, where young people are one of the target groups

- Project “**Trust in Yourself**”: intended for young people aged 16-25 who are not in employment nor education, nor engaged in any measures of active labour market policy.
  - In 2014, LTL 2.2 million was used for the implementation of the Programme of Social Rehabilitation and Preparation for Employment in the Labour Market; intended funding for 2015 – LTL 1.4 million.
- Project “**Employment Support**”: targeted at young people under 29 to engage them in two measures of active labour market policy: **subsidised employment** and supporting acquisition of job skills.
  - In 2014, LTL 12.61 million used for the implementation of activities intended to boost youth employment
- Project “**Stay in the Labour Market**”: targeted at young people under 29 to engage them in three measures of active labour market policy: **subsidised employment**, supporting acquisition of job skills and job rotation.
  - In 2014, LTL 20.5 million used for the implementation of activities targeted at young people under 29 (LTL 17.83 million from ESF funds; LTL 2.68 million from the Unemployment Fund).

## Project “Youth Voluntary Service”

- 1 October 2013 - 31 July 2015
- Target group of the project – unemployed young people between 16 and 29 years of age
- Engaged in volunteering for at least 20 hours per week
- Timeframe: up to 3 or 6 months
- Number of participants: 650 young people
- Funding allocated for the Project: **LTL 4 million**

## Activities of open youth centres and open spaces

- Work, funded through tendered contract, with young people aged between 14 and 29, by giving particular focus to less motivated young people or young people with fewer opportunities, who because of various reasons do not have any possibility or are not willing to engage in youth activities.
- In the first semester of 2014, **3277** young people aged between **14 and 29** took part in various programme activities, **291** of them being not in employment, education or training (hereinafter referred to as **NEETs**).
- After the measures have been applied :
  - **31 NEETs returned to the education system (10.65 %);**
  - **64 NEETs registered with territorial labour exchange offices (22 %);**
  - **70 NEETs started to work (24 %).**



# Individualised services for young people in 2014

<b>ESF-funded project <i>Trust in Yourself</i></b>	<b>1,981 participants 1,353 completed the programme</b>	<b>650 (48%) integrated into the labour market/ education system</b>
<b>ESF-funded project <i>Youth Volunteer Service</i></b>	<b>356 participants 229 completed the programme</b>	<b>102 (44.5%) integrated into the labour market/ education system</b>
<b>33 programmes for open youth centres/spaces</b>	<b>15,600 participants</b>	<b>800 out of them were NEET</b>
<b>Services by 29 youth employment centres</b>	<b>126,500 information and consulting services</b>	<b>5,600 events 76,100 participants</b>

# The Entrepreneurship Promotion Fund

- Young people (up to 29 years of age) are one of the priority groups having a possibility to make use of the instrument *Promoting Entrepreneurship*, funded from the Entrepreneurship Promotion Fund.
- In December 2009, the Ministry of Social Security and Labour, the Ministry of Finance and the private company *INVEGA* signed the trilateral Agreement on the Establishment of the Entrepreneurship Promotion Fund. *INVEGA* was appointed as the manager of this Fund.
- At the moment, the most favourable conditions for start-ups and entrepreneurs are created through the instrument *Promoting Entrepreneurship*:
  - soft loans (up to LTL 86,000) from the Entrepreneurship Promotion Fund
  - *INVEGA* guarantee (up to 80% of the amount of the loan)
  - reimbursement by up to 95% of interest paid for the loan
  - training and consulting entrepreneurs, assistance in preparation and implementation of business plans
- In 2013, 265 young people took part in entrepreneurship trainings held by the Entrepreneurship Promotion Fund and 88 loans for starting a business were disbursed.
- Young persons created 130 new jobs in their start-ups.

## Measures of the Lithuanian Labour Exchange for youth entrepreneurship

Since the coming into force of the amendments to the Law on Support for Employment as of 1 September 2014, people of working age who are under 29 and registered at the Lithuanian Labour Exchange will be able to create new jobs for themselves with the help of the support for self-employment.

**Through the support for job creation for people under 29, it has been planned to:**

2014

create 110 new jobs

(by allocating LTL 4,187,800)

support 1,363 young people conducting individual activities under a business certificate  
(by allocating LTL 1,656,700)

2015

create 1,101 new jobs

(by allocating LTL 42,336,600)

support 930 young people conducting individual activities under a business certificate  
(by allocating LTL 1,370,000)





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# **Challenges in implementing the Youth Guarantee and potential solutions**



## CHALLENGES

- Proper use of the measures proposed by the European Commission
- Effective use of EU funds
- Cross-sectoral communication



## POTENTIAL SOLUTIONS

- **Education system reforms**
- Social system reforms
- Enhanced entrepreneurship
- EU competitiveness
- Proper use of existing measures
- Stronger EU role



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Thank you for your attention!