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The Employment Committee

Indicator Framework for Monitoring the Youth Guarantee

Revision of March 2021

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A. Introduction

The Council Recommendation of 22 April 2013 on establishing a Youth Guarantee acknowledged the important contribution that a thorough and regular monitoring can make to the successful implementation of Youth Guarantee schemes. It invited the EU Member States to put in place evidence-based approaches and called on the Commission to monitor and report regularly on Youth Guarantee schemes, attributing an essential role to EMCO, particularly through its multilateral surveillance.

The EMCO Indicators Group was therefore mandated to develop a methodology and indicators for monitoring at EU level the implementation and the results of the Youth Guarantee (YG). After testing in a pilot data collection at the end of 2014, the resulting Indicator Framework for Monitoring the Youth Guarantee was endorsed by EMCO on 28 May 2015¹. It comprises indicators at three levels:

1. **Aggregate monitoring:** Macroeconomic indicators;
2. **Direct monitoring:** Monitoring of YG delivery;
3. **Follow-up monitoring:** Follow-up of individuals who have who have exited the YG preparatory phase.

Analysis and monitoring of the results of the implementation of the Youth Guarantee is based on the aggregate level (macroeconomic) indicators, which use data from the EU Labour Force Survey (EU-LFS). The indicators at the direct and follow-up levels of monitoring are intended to monitor the actual implementation of the Recommendation in the Member States and are based on administrative data². The methodology for collecting this data, as well as for calculating the indicators, can be found in the manual annexed to this document.

The Council Recommendation of 30 October 2020 on A Bridge to Jobs – Reinforcing the Youth Guarantee³, which replaces the 2013 Council Recommendation, expands the age-

¹ There was also a minor revision in January 2017. See [Indicator Framework for Monitoring the Youth Guarantee](#) and the accompanying [methodological manual](#).

² The methodological manual accompanying this framework provides definitions and guidance for each of the variables collected, which aim at ensuring the maximum possible comparability between countries. Nevertheless, it is recognised that administrative data may be tailored to, or reflect, national definitions and/or circumstances and should therefore be interpreted with caution and contextualised on the basis of relevant qualitative information.

³ [Council Recommendation of 30 October 2020 on A Bridge to Jobs](#) – Reinforcing the Youth Guarantee and replacing the Council Recommendation of 22 April 2013 on establishing a Youth Guarantee 2020/C 372/01

group covered from 15-24 to 15-29⁴. This latest revision of the Indicator Framework (March 2021) aligns the indicator definitions with the expanded age coverage and updates parts of the accompanying text to reflect the current situation.

B. Indicators for monitoring the implementation and the results of the Youth Guarantee

1. Aggregate Monitoring: Macroeconomic Indicators

Macroeconomic indicators based on the EU-LFS are intended to monitor the general situation of young people in the EU. They represent an indirect means of monitoring the effects of implementing the YG and may also be taken to reflect the impact of preventive measures to avoid young people falling into unemployment or inactivity in the first place.

The indicators presented below describe the context for YG implementation in each country and their evolution through time may give some indication of the impact of the YG. These general indicators are complemented by the indicators monitoring YG delivery and follow-up and together these allow the impact of policy measures to be disentangled from general economic development and monitor the efficiency and effectiveness of YG schemes.

It is important to note that the YG targets all young people not in education or employment or training and not only those who are registered with the Public Employment Service (PES). There are known to be important differences between (a) the number of young people neither in employment nor in education or training (NEET) based on the LFS; (b) the number of young people unemployed according to the ILO definition and c) the number of young people who are registered unemployed according to the national definition, which are not part of the macroeconomic indicators. For example, some NEETs may not be registered in PES, while some young people registered in PES may neither be unemployed nor NEET. These differences should be analysed in detail using LFS data and appropriate national sources and taken into account when assessing the implementation of the YG.

⁴ Some Member States had already adopted an extended coverage of the YG, including the 25-29 age-group but the new Recommendation makes this universal.

General monitoring of the implementation of the YG:

- Main indicator: The **NEET rate** (the percentage of young people aged 15-29 that is not employed and not in education or training).
- **Supplementary indicators (1):** This set of indicators complements the main indicator by giving more detailed information on the labour market situation of young people.
- **Supplementary indicators (2):** This set of indicators is intended to measure the longer-term consequences of implementing the YG on educational attainment and labour market attachment. As such, the age range goes beyond the age range of 15-29 as defined in the 2020 Council Recommendation.

Indicators at the Aggregate level of monitoring

Breakdown by age: all indicators referring exclusively to the 15-29 age-group (i.e. the main indicator and the first five of the 1st set of supplementary indicators) are intended to support breakdowns by age-group for deeper analysis. All of these indicators are based on data from the EU-LFS which are published by Eurostat in the [youth unemployment](#) section of its online database in datasets that include the breakdowns 15-19, 15-24, 15-29, 20-24, 20-29, 25-29.

Main indicator
NEET rate (15-29) (%) Number of people aged 15-29 not employed and not involved in any further education or training / Number of people aged 15-29 Eurostat dataset: yth_empl_150
Supplementary indicators (1)
NEET rate (15-29) by labour market status (unemployed/inactive) (%) Eurostat dataset: yth_empl_150
Employment rate of young people aged 15-29 (%) Number of employed people aged 15-29 / Number of people aged 15-29 Eurostat dataset: yth_empl_010
Youth unemployment rate 15-29 (%) Number of unemployed aged 15-29 / number of people aged 15-29 in the labour force Eurostat dataset: yth_empl_090
Youth unemployment ratio 15-29 (%) Number of unemployed aged 15-29 / number of people aged 15-29 Eurostat dataset: yth_empl_140

Ratio of youth unemployment ratio (15-29) to adult unemployment ratio (30-74) N.B: This indicates structural aspects in the labour market <i>Eurostat dataset: yth_empl_140 (youth unemployment ratio only, the adult ratio is not published but can be calculated from LFS data on population by age and labour status lfsa_pganws)</i>
Supplementary indicators (2)
Youth educational attainment level 20-24 (%) Number of people aged 20-24 with at least an upper secondary educational attainment level (ISCED 3-4)⁵ / number of people aged 20-24 <i>Eurostat dataset: yth_demo_040</i>
Employment rate of recent graduates (20-34 years old)⁶ (%) Number of people aged 20-34 who are (a) employed, (b) have at least an upper secondary level of educational attainment, (c) are not currently involved in further education or training, and (d) left education and training 1, 2 or 3 years before the reference period / Number of people aged 20-34 fulfilling criteria (b), (c) and (d) of the numerator. <i>Eurostat dataset: tps00053</i>
Proportion of people aged 20-29 with low educational attainment level (%) Number of people aged 20-29 with low educational attainment level (ISCED 0-2) / Number of people aged 20-29 <i>Eurostat dataset: yth_demo_040</i>
Proportion of people aged 30-34 with tertiary educational attainment level (%) Number of people aged 30-34 with tertiary educational attainment level (ISCED 5-8) / Number of people aged 30-34 <i>Eurostat dataset: yth_educ_020</i>
Proportion of early leavers from education and training 18-24 (%) Number of people aged 18-24 with at most lower secondary education and not in further education or training / Number of people aged 18-24 <i>Eurostat dataset: edat_lfse_14</i>

⁵ The indicator originally referred to ISCED 3 only but Eurostat tends to publish data only with ISCED levels 3 and 4 combined. ISCED 4 refers to post-secondary non-tertiary education. The indicator thus covers those with at least upper secondary but less than tertiary education.

⁶ This indicator is one of the [benchmarks used in ET2020](#), a strategic framework for European cooperation in education and training. Eurostat dataset [edat_lfse_24](#) provides further breakdowns by level of education and time since completing education that could be used for further analysis.

2. Direct monitoring of YG delivery

The aggregate level (macroeconomic) indicators described in the previous section monitor the situation of young people in the EU. Whilst useful and important, this is an indirect means of monitoring the effects of implementing the YG, which needs to be complemented by indicators that better measure the direct impact of policy and the speed of delivery of offers to young people (efficiency of delivery).

Direct monitoring is reliant on administrative data following individual pathways through YG schemes. Such data were not systematically collected at European level before the establishment of this Indicator Framework but are now routinely available for all Member States.

A key objective of the monitoring is to assess the compliance of Member States with the Council Recommendation, which requires that every young person should receive a good quality YG offer within a period of 4 months.

The indicators focus on young people currently in the YG scheme and on positive outcomes (transition to YG offers of employment, continued education, apprenticeship or traineeship). It has been identified that, for many YG providers, it would not be possible to identify in a systematic manner negative outcomes (drop-outs, non-take ups, non-completions) and for this reason, no indicators are proposed in relation to negative outcomes.

Furthermore, the Framework includes no indicators related to the expenditure on each initiative because of potential complications in cases where young people are referred to Labour Market Policy interventions open also to persons outside the YG scheme. Consequently, the focus of the Framework is on the scope and quality of YG schemes.

The implementation indicators below refer to young people "registered with a YG provider" and therefore concern any YG provider within a Member State and may not necessarily be equivalent to those registered with the PES.

National implementations of the YG may differ in terms of how the scope of the YG preparatory phase is perceived and how/when young people are considered to be clients of the YG provider (e.g. some may remain registered whilst waiting for an offer to start) but for monitoring purposes it is important that common definitions are applied. Member States are urged to ensure that data provided in the data collection comply with the definitions provided in the methodological manual annexed to this document.

Indicators at the Direct level of Monitoring:

Breakdowns by age and sex. All indicators at the direct level cover all persons registered in or leaving YG schemes but are intended to be calculated with breakdowns by sex and by age. The stock and flow data collected annually for monitoring the YG include a breakdown by sex and a breakdown by 5-year age-groups, thus facilitating calculation of the indicators using any of the following breakdowns: 15-19, 15-24, 15-29, 20-24, 20-29, 25-29.

Main indicator
Proportion of young people in the YG preparatory phase⁷ beyond the 4 month target Average annual stock of young people still in the YG preparatory phase 4 [6, 12] months after the date of registration / Average annual stock of young people in the YG preparatory phase⁸. Calculation method: for each duration, calculate the average stock across the year and compare to the average total stock across the year. Objective: Monitor the time taken until a young person takes up an offer by measuring the duration of the YG preparatory phase. Note that the use of a negative indicator (still in YG preparatory phase) does not mean that the difference from 100% is all positive since young people who dropped out (into unemployment or inactivity) within 4 months are treated equally with those that received an offer or found one on their own initiative. The results should, therefore, be considered in conjunction with the 1st supplementary indicator. The indicator assesses the extent to which young people take up offers within 4 months of registration, in accordance with the Council Recommendation. The additional periods of 6 and 12 months provide a broader picture of the extent to which young people remain in the preparatory phase beyond the 4-month target.
Supplementary indicators
Positive and timely exits from the YG preparatory phase Number of young people exiting the YG preparatory phase with a known positive outcome within 4 months / total exits from the YG preparatory phase. Breakdowns of exits into employment, continued education, an apprenticeship and a traineeship. Calculation method: This indicator is calculated according to the total yearly outflow for all categories. Objective: This indicator complements the main indicator, which does not identify those who have left the YG scheme due to drop-out, by focussing on known positive outcomes.

⁷ The phase from registration with the YG provider until the actual take-up of the offer or any other deregistration

⁸ Average Yearly Stock = $(\sum_{i=1}^{12} \text{monthlystock}_i) / 12$, where $i=1 \dots 12$ is the number of months in a year.

Average annual stock of young people in the YG preparatory phase / NEET population (annual average)

Objective: To give an approximate indication of the proportion of NEETs registered in the YG scheme.

This indicator combines administrative data (average annual stock of young people in the YG preparatory phase) with survey data (annual stock of NEETs). Whilst this is not ideal – and results should be interpreted as an estimation rather than a definitive measurement – it is the only readily available measure of the extent to which YG schemes reach the target population and thus represents important complementary information.

3. Follow-up of individuals who have exited the YG preparatory phase

Follow up indicators are needed to show whether sustainable labour market outcomes were achieved for individuals passing through the YG system. They contribute to monitoring the quality of the offers received by young people going through the YG scheme.

The indicators defined below aim to identify the labour market status of individuals some time after exiting the YG preparatory phase, with a break down by type of offer received (employment, continued education, apprenticeship or traineeship).

The main follow-up indicator covers all young people who have been through the YG scheme, irrespective of whether they took up an offer or not, and reached the relevant observation point. The supplementary indicators then follow-up all young persons that took up an offer, irrespective of whether it was subsidised or not, with coverage again restricted to those that have reached the relevant observation point after exit.

Note that the YG follow-up indicators have a more comprehensive coverage than the follow-up indicators for monitoring actions to support young people funded by the EU, in particular the YEI (Youth Employment Initiative) in the period 2014-2020 and the European Social Fund Plus for the period 2021-27. By definition, monitoring of these programmes covers only young persons who benefitted from a subsidised offer (i.e. an intervention funded, wholly or partly, by EU funds)⁹. Further, the YEI/ESF+ longer-term result indicators measure the situation of young people 6 months after the intervention (i.e. subsidised offer) has ended whilst the indicators for monitoring of the YG measure the situation 6 (and 12/18) months after the offer was taken up or the young person otherwise left the YG preparatory phase.

⁹ Indicators for monitoring of the YEI in the 2014-2020 programming period are defined in Annex II of the ESF Regulation (1304/2013):
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:347:0470:0486:EN:PDF>

Indicators at the follow-up level of Monitoring:

Breakdowns by age and sex. All indicators at the follow-up level cover all persons that have been through the YG scheme but are intended to be calculated with breakdowns by sex and by age. The follow-up data collected annually for monitoring of the YG include a breakdown by sex and a breakdown by 5-year age-groups, thus facilitating calculation of the indicator using any of the following breakdowns: 15-19, 15-24, 15-29, 20-24, 20-29, 25-29.

Main indicator
Situation of young people 6, 12 and 18 months after exiting the YG preparatory phase Number of young people who 6, 12, 18 months after exiting the YG preparatory phase are in a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown¹⁰ (all other) status / total number of YG exits <u>having reached the relevant observation point</u>. Calculation method: For each young person that exited the YG preparatory phase during year n, observe their situation 6, 12 or 18 months after their individual exit date. People that exited during the reference year but have not reached the relevant observation point at the time of data collection should be excluded from both the numerator and denominator.
Supplementary indicators
Situation of young people 6, 12 and 18 months after exiting the YG preparatory phase by type of offer Employment offer: Number of young people who 6, 12, 18 months after exiting the YG preparatory phase with a YG offer of employment have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all other) status / total number of young people who exited the YG preparatory phase with a YG offer of employment and have reached the relevant observation point. Continued education offer: Number of young people who 6, 12, 18 months after exiting the YG preparatory phase with a YG offer of continued education have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all other) status / young people who exited the YG preparatory phase with a YG offer of continued education and have reached the relevant observation point. Apprenticeship offer: Number of young people who 6, 12, 18 months after exiting the YG preparatory phase with a YG offer of an apprenticeship have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all

¹⁰ The category unknown is considered neutral. It may for instance contain persons who are self-employed or in education if these are not registered and thus not counted as having a positive status.

other) status / young people who exited the YG preparatory phase with a YG offer of apprenticeship and have reached the relevant observation point.

Traineeship offer: Number of young people who 6, 12, 18 months after exiting the YG preparatory phase with a YG offer of a traineeship have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all other) status / young people who exited the YG preparatory phase with a YG offer of traineeship and have reached the relevant observation point.

C. General points on the methodology for data collection

The indicators for monitoring YG delivery and follow-up of individuals once they exited the YG preparatory phase are derived from administrative data based on having clear registration and exit points from the YG preparatory phase that must be known for all participants and Youth Guarantee providers.

The use of administrative data leads to a dataset that identifies the transition of individuals from unemployment/inactivity into the YG preparatory phase and out of it into an offer of employment, education, an apprenticeship or a traineeship. This allows having as accurate figures as possible for the monitoring indicators: measuring flows into provision and exits from provision enables a close monitoring of the implementation of the YG scheme. The purpose is not to undertake multilateral surveillance on each and every step of YG implementation, but to have accurate data that would feed into the indicators.

At the same time, this dataset will enable Member States to trace back any weak performance on these indicators regarding processes that led to this outcome (for instance young people exiting the scheme to an unknown outcome, that could be dropping out of the support), as well as to disaggregate by gender, age, etc. This will benefit the continuous improvement of the schemes.

It is foreseen that the relevant data will be provided to the YG co-ordinating authority, which is responsible for the collection of aggregate data from each of the different agents through which the delivery of the YG may take place (e.g. PES, Social/Youth Services or the education system).

The overall goal is to monitor the YG delivery in its entirety, i.e. collect data from all YG providers. Data from all agents delivering the YG should be aggregated by the YG coordinating authority and provided to the YG coordinator (or equivalent).

Ultimately the dataset should cover all participants in the YG in the whole territory of each country and be collected with reference to each calendar year.

It should be noted that, in some Member States, national data protection legislation and constitutional law must be adhered to when considering the linking of different registers for data collection purposes.

D. ANNEX 1: Methodological Manual

E. ANNEX 2: Youth Guarantee Pathways Diagram

