



THE EUROPEAN SOCIAL FUND



YOUTH EMPLOYMENT INITIATIVE



Support to Youth Employment: 2014-2018

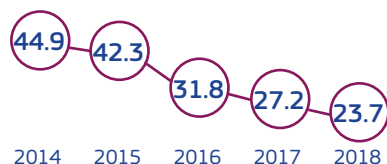
CROATIA

SUMMARY

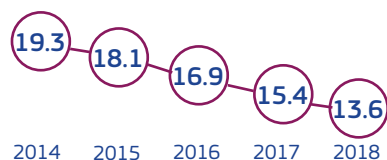
Youth Employment measures funded by the YEI and the ESF aim at improving access to employment for young people. During the period 2014-2018, the EU and Croatia spent a combined total of 162.7 million euro in ESF/YEI investments to achieve this objective. As a result, 33 866 participations in youth employment activities have taken place in Croatia. This factsheet summarises the main actions, outputs, results and lessons learned so far of the implementation of youth employment measures funded by the EU.

SOCIO-ECONOMIC CONTEXT AND CHALLENGES

YOUTH UNEMPLOYMENT RATE



NEET RATE (15-24 YEARS)



- ▶ In 2014, the rates of **young people not in employment, education or training (NEET)** and of unemployment were **significantly high and far above the EU averages**. Croatia is the country with the third highest NEET rate and fourth highest youth unemployment rate in the EU. **Young people found it disproportionately difficult to access the labour market.**
- ▶ The **NEET rate** in 2018 is **still high and above EU average** (10.5%), though it was successfully reduced by six percentage points (pp) since the beginning of the programming period.
- ▶ The **youth unemployment rate** is still very high and remains above the rate of 15.2% observed across the EU, despite a decrease in half since the beginning of the programming period. With 12.9%, the youth unemployment rate for young people aged 25-29 is above that of the EU level (9.2%).
- ▶ The **labour market situation of young women** seems to be worse than that of young men (higher NEET and unemployment rates). This is particularly the case for young women aged 25-29 for which NEET rates are considerably higher than that of men (24.6% vs. 14.3%).

EXPLANATORY NOTES

ESF European Social Fund

OP Operational Programme

YEI Youth Employment Initiative

NEET Young people not in employment, education or training

- This factsheet was prepared before the outbreak of the COVID-19 pandemic.
- Figures present the situation for youth employment operations under Investment Priority 8.ii for the programming period 2014-2020 implemented up to 2018, as reported by 6th September 2019. In many instances, operations are not yet complete at this stage. They are provided only as an indication of progress.
- Target achievements are calculated dividing the outputs and the results by the targets set in the Operational Programmes. Targets set should to be reached by 2023.
- Participants' data are collected on starting an operation. Data on results are collected at the end of an operation or even later. Because of this time lag, the two sets of data (participations and results) should not be directly compared.

ESF PRIORITIES AND ACTIONS



ESF YEI Croatia has one single Operational Programme (OP) implementing specific actions to support young people's integration into the labour market. This national ESF OP Efficient Human Resources 2014-2020 covers specific actions through ESF and YEI funding.

- ▶ **The investments in the OP focus** on entrepreneurship and self-employment measures of young people through work placement, training, employment support and public works.

STATE OF PLAY

- ▶ **Number of participations** of young people reported in specific actions promoting the sustainable integration of young people into the labour market by the end of 2018.*

ESF 9 646

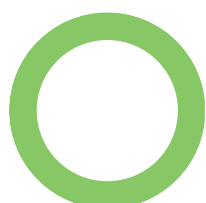
YEI 24 220

- ▶ YEI operations target young unemployed persons aged 15-29 years excluding the long-term unemployed, while ESF operations specifically target young long-term unemployed persons.
- ▶ While the overall achievement of ESF targets for participation are already exceeded, only half of the 2023 target for the total number of YEI participations was achieved by the end of 2018.
- ▶ Additionally, the expected number of ESF participations in a traineeship, apprenticeship or other on the job training schemes was highly exceeded, as e.g. 9 646 of the targeted 2 939 young people participated in such measures.

ESF 130% Achievements of targets for participation 31% YEI

* As one person could participate more than once in ESF operations over time, the number of participations is reported, not the number of participants. These figures exclude Technical Assistance.

PARTICIPANT PROFILES WHEN RECEIVING SUPPORT



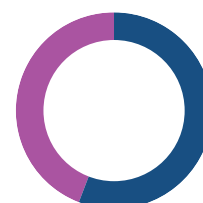
100% unemployed



64% Women

56% <25 years

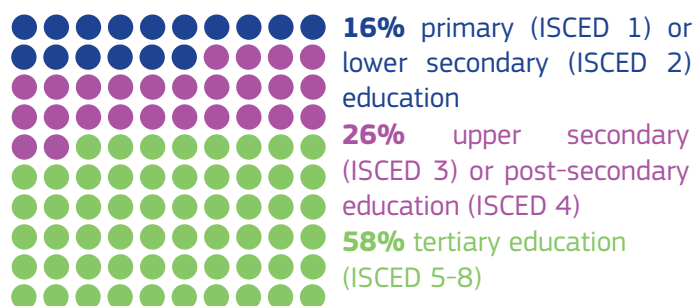
44% ≥25 years



Migrants | 290

Other disadvantaged | 214*

Participants with disabilities | 753



16% primary (ISCED 1) or lower secondary (ISCED 2) education

26% upper secondary (ISCED 3) or post-secondary education (ISCED 4)

58% tertiary education (ISCED 5-8)

- ▶ Share of women is 60% under the ESF and 66% under the YEI participations.
- ▶ Extended age group under the YEI of eligible persons up to 29 years in the OP: ⇨ Share of participants above 25 years: 50%.
- ▶ Differences in terms of the educational level of participants: Participants supported through the YEI with tertiary education: 67% ⇔ ESF participants with secondary or post-secondary education: 41%.

Overall, **16 429 young people achieved a positive result upon leaving**, 3 985 under the ESF and 12 444 under the YEI.

ESF 3 023 Participants in employment **11 156 YEI**

634 Participants gaining a qualification **852**

328 Participants in education **436**

0 Inactive participants engaged in job searching **0**

- ▶ The expected number of positive results is at about 60%, showing positive progress towards the achievement of targets.
- ▶ The targeted number of participants in employment upon leaving the measure should be reached by 2023 (80% by end-2018). However, more efforts will be needed to achieve the targeted number of long-term unemployed participants in employment after leaving the measure, as the achievement rate is only at 31% by end-2018.
- ▶ Long-term targets for results of both the ESF and YEI show positive achievement rates, as most targets were already exceeded. However, only 46% are in self-employment six months upon leaving the measure by end-2018.

ESF 64% Achievement of targets for results **62% YEI**

* Participants may refuse to give this information. Consequently, disadvantages are likely to be underreported.

LESSONS LEARNED SO FAR

ESF

Awareness of NEETs

While the measures financed by ESF/YEI were already available to young people before, it was highlighted that the existence of a separate fund made the issue of NEETs more important and more visible in the public agenda, and the strong cooperation with various stakeholders helped to put greater attention to and understanding of youth employment issues.

Tracking NEETs

Croatia has made good progress in implementing the Youth Guarantee. It has set up a pilot project to introduce a NEET tracking system. The goal is to establish a database linking existing data for making structural analysis of persons in the NEET status. This is important in order to provide appropriate and efficient tools for their integration and increased employability. Scaling up of the project can begin once the necessary decision to implement it was made by the relevant stakeholders.

YEI

Administrative burden

The heavy administrative burden and the complexity of the implementation process (in particular in terms of collecting, verifying and archiving data on participants) were seen as real challenges of the effectiveness of the operations.

Job offers

Participants are moderately satisfied with the job offers received, as many got temporary contracts. Additionally, the level of wages of offers was an issue, as salaries did not meet people's expectations.

Successful participation

Young people who participated in the acquisition of professional experience in the workplace were more likely to be employed six months after leaving the measure (66%) than persons who did not participate (60%).

Recruitment incentives

YEI employment subsidies are estimated to have had the largest positive effect on employment, increasing the rate by 27% for those concerned as compared to people who did not participate in the measure.

ADDITIONAL INFORMATION

The ESF in Croatia <https://ec.europa.eu/esf/main.jsp?catId=383>

Website of the ESF Croatia <http://www.esf.hr/>

- European Commission, Study for the Evaluation of ESF Support to Youth Employment
- Evaluation of the YEI 2018

