

ACTIVE LABOUR MARKET MEASURES FOR YOUTH EMPLOYMENT – KEY POLICY CHALLENGES IN THE WESTERN BALKANS

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WEB4YES

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Full report is available at www.web4yes.eu

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* This designation is without prejudice to positions on status and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.



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Development KULT



National Youth Council
of Macedonia

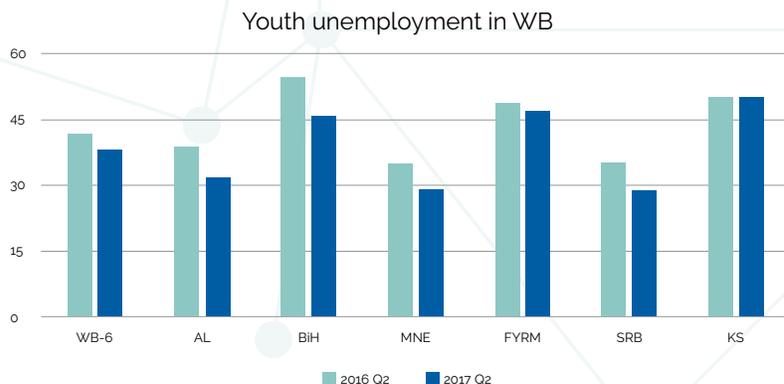


Active employment measures of young people

The high unemployment rate, especially of young people in the Western Balkan countries, is a trend that exists not only in the developed countries of Europe but also worldwide. Bad socio-economic situation reduces chances to decrease an unemployment rate, especially if we take into account an inadequate creation of active employment policy. Unemployment among young people in six countries in the Western Balkan is alarming, with a rate that is among the highest in the world. Western Balkans Labor Market Trends 2018 Report states that: "As in the EU, youth unemployment rates were double the overall unemployment rates in most Western Balkan countries. However, young people were at much greater disadvantage in the region than in the peer countries because the unemployment rate itself was much higher. In 2017, the youth unemployment rate averaged 37.6 percent, 5.3 percentage points less than in the second quarter of 2016. Since 2015, youth unemployment rates fell significantly throughout the region, especially in Bosnia and Herzegovina and in Serbia. With the exception of Albania, in 2017, youth unemployment was below its 2010 level. Despite this decline, unemployment among young people remained high by European standards, ranging from 29 percent in Montenegro and Serbia to more than 50 percent in Kosovo."

The data (refers to the first two quarters) are presented in Table 1.

Table 1.



In addition to the high unemployment rate of young people in the countries of the region, the problem is also an inadequate or insufficiently good employment policy that is being implemented, especially considering that active employment policies are plans, programs or measures aimed at increasing employment or reducing unemployment.

In the countries of the region, the active employment policy is defined in strategic documents while active employment measures are defined in laws. However, active employment measures are being created at the national and centralized level, without active participation of local employment agencies, or stakeholders from the private and civil sector, and without an adequate process of application of monitoring and evaluation. The situation is similar in all countries in the region also in terms of informing young unemployed persons about the existence of active employment measures, which they are unaware of, especially if they are young unemployed persons from rural and remote areas.

Problem analysis

The Regional Policy Brief on ALMMs of young people points to a number of unfavorable characteristics:

- Young people in active employment measures are not recognized as a separate category
- Active employment measures are not created in cooperation with local employment services
- Stakeholders from the civil sector do not participate in the creation of active employment measures
- Young people are not well informed about the existence of active employment measures
- The monitoring and evaluation system are not implemented adequately and is not set up on a right basis, so there are no correct indicators of the success of the implemented employment measures

Young people in active employment measures are not recognized as a separate category

Analyzing the active employment measures by country, the conclusion is that young people are not recognized as a special category in the active employment measures (with the exception of Albania), that is, there is no a special employment program designed exclusively for young people, having in mind that they are the most vulnerable category in terms of the employment rate. For example, there is a set of active measures in Albania that are created exclusively for young people: recruiting university students, employment of young people and employment of young people without parental care.

In employment programs in other countries, young people are recognized through the percentage of their participation in certain programs. For example, in 2017, in Serbia, 37.8% of young people which registered within the National Employment Agency used some of the employment measures.

Bearing in mind the extremely high percentage of young people who are unemployed, it is necessary to create active employment measures exclusively for young people.

Also, the problem arises in the fact that we do not have data on young unemployed people from rural and remote areas, nor there are specific employment programs that are implemented with (for young people) mitigating circumstances, and we are faced with a lack of research work in this field.

Active employment measures are not created in cooperation with local employment services

The most important role in creating active employment measures has the Ministry of Labor. It is within the competence of the National Employment Agency to implement a work program that sets out the measures and activities from the action plan or law. Active employment measures are adopted at the state level, mostly without the involvement of local labor offices and local self-governments, which, based on the analysis of local labor market trends and environmental specificities, could contribute to a better choice

of active employment measures. The exceptions are Serbia and Bosnia and Herzegovina where the systems of creation of active employment measures are much more decentralized, and in some way in Kosovo in terms of the participation of the Kosovo municipality community in the governing board of the National Employment Agency.

Local employment services need to be included as much as possible in the process of creating and implementing active employment measures, bearing in mind that they in the best way know labor market at the local level and all the characteristics of the local environment.

Bearing in mind that the countries of the Western Balkans pretend to become EU members, it is necessary to harmonize the active employment measures at the national level with the EUROSTAT classification.

Stakeholders from the civil sector do not participate in the creation of active employment measures

In addition to representatives of state institutions, participation of other stakeholders in decision-making process, the implementation of the active employment measures and the employment program, as well as the supervision of the National Employment Agency work, all of this is identical in all the countries of the region. It is evident that civil sector organizations involved in monitoring of employment policy are not recognized as the potential participants in decision-making process (table 2).

What is characteristic of membership in the National Employment Agency board of directors is membership of the agency itself. Namely, in some countries one seat in the governing board is reserved for the representative of the National Employment Agency (Montenegro), in some boards of directors, the membership of the representative of the National Employment Agency (Republic of Srpska) is expressly prohibited by the Statute, while the membership of the National Employment Agency representative in the governing board of other states is not defined. Also, it is important to highlight the reserved seat of the representatives of the unemployed in the Brcko District board of directors.

Table 2.

| Management board of national employment agencies | | | | |
|--|---------------------------------------|------------------------------|---------------------------------|------------------------|
| State | Representatives of state institutions | Representatives of employers | Representatives of trade unions | Representatives of CSO |
| Serbia | X | X | X | |
| Bosnia and Herzegovina | X | X | X | |
| Montenegro | X | X | X | |
| Kosovo | X | X | X | |
| FYR Macedonia | X | X | X | |
| Albania | X | X | X | |

Stakeholders should be actively involved in the creation of active labor market measures especially the civil society organizations, because they are closer to the younger people, have more experience with them and can share the knowledge with the institutions. Civil society organizations can help by creating additional analysis and surveys which can form a more specific picture for the real needs and opinions of the younger generations. Also, civil society organizations can be further included in the policy making process in three steps: first by participating in advisory panels, second by being active in different working groups on this topic and finally being included in the management boards. In addition to the involvement of other stakeholders in the process of creating and implementing active employment measures, the analysis of national and regional reports shows that it is necessary to increase financial allocations for the realization of employment programs in order to reduce unemployment.

Young people are not well informed about the existence of active employment measures

When the policy of accessibility and information on active employment measures is in question, in order to reduce unemployment and increase youth participation in active employment measures, it is very important that information on active employment measures and the programs being implemented is available to potential beneficiaries, that is, unemployed persons. For the promotion of active employment measures in six countries of the Western Balkans the National Employment Agency is in charge. In six countries of Western Balkan, informing about the possibilities and conditions of employment is done through: individual information, group information, bulletin boards, brochures, publications, internet site, media, employment fair, informers, posters, leaflets and other ways depending on the possibilities and nature of the information. However, although the mechanisms for informing the unemployed exist, national reports on active employment measures state that the existence of the employment program implemented by National Employment Agency is mostly unknown to young people. There is a consensus that more and more work need to be done to bring the unemployment program closer to the unemployed, especially to young people in order to increase the number of persons who find a job. Also, it is important to consult young persons in the youth employment policy making processes.

A survey conducted in Serbia among young people states that "the National Employment Agency's services are not visible enough and are available"¹ and it would be good to consider the possibility of opening a page on Facebook or some other social network. In Bosnia and Herzegovina, the data gathered during the focus of the discussion² shows that 70% of young people have never heard of a government employment program intended for them, and only 8% of young people had the opportunity to be a beneficiary of one of these programs. The percentage of young people from rural areas who are not aware of the government employment programs is by 6% higher than among the urban youth. The situation is similar in Kosovo. Representatives of the relevant institutions confirm the fact that young people are not sufficiently informed of the existence of active

1 NAPOR: Need for new services that stimulate employability and the role of youth work, 2015

2 Towards a Youth Policy in FBiH - Survey on the Position and Needs of Youth in the Federation of BiH in 2013 – Institute for Youth Development KULT, 2014

employment measures, so it is important to increase the number of the administrative staff that operates in the local employment offices and to launch campaigns of raising awareness about active labor market measures. Another recommendation is to create mobile VTC in order to lower the costs of youth who want to attend trainings. In Macedonia there is no specific policy on informing youth about active employment measures and there is no research or data available on the attitudes of young people about active employment measures. Also, active measures are opened only to active job seekers, who need to register in National Employment Agency every month. During their registration they receive an information from National Employment Agency about the active employment measures. The situation is similar in Montenegro and Albania where there is a lack of research and information on how young people are informed about active employment measures.

The situation is much worse when it comes to informing young people from rural and remote areas, especially considering that there are no data on the number of young unemployed persons from such areas. In this regard, special attention should be paid to young unemployed people from rural and remote areas, on getting them informed of the existence of active employment measures and enabling them to use measures and reach employment in a simpler and easier way.

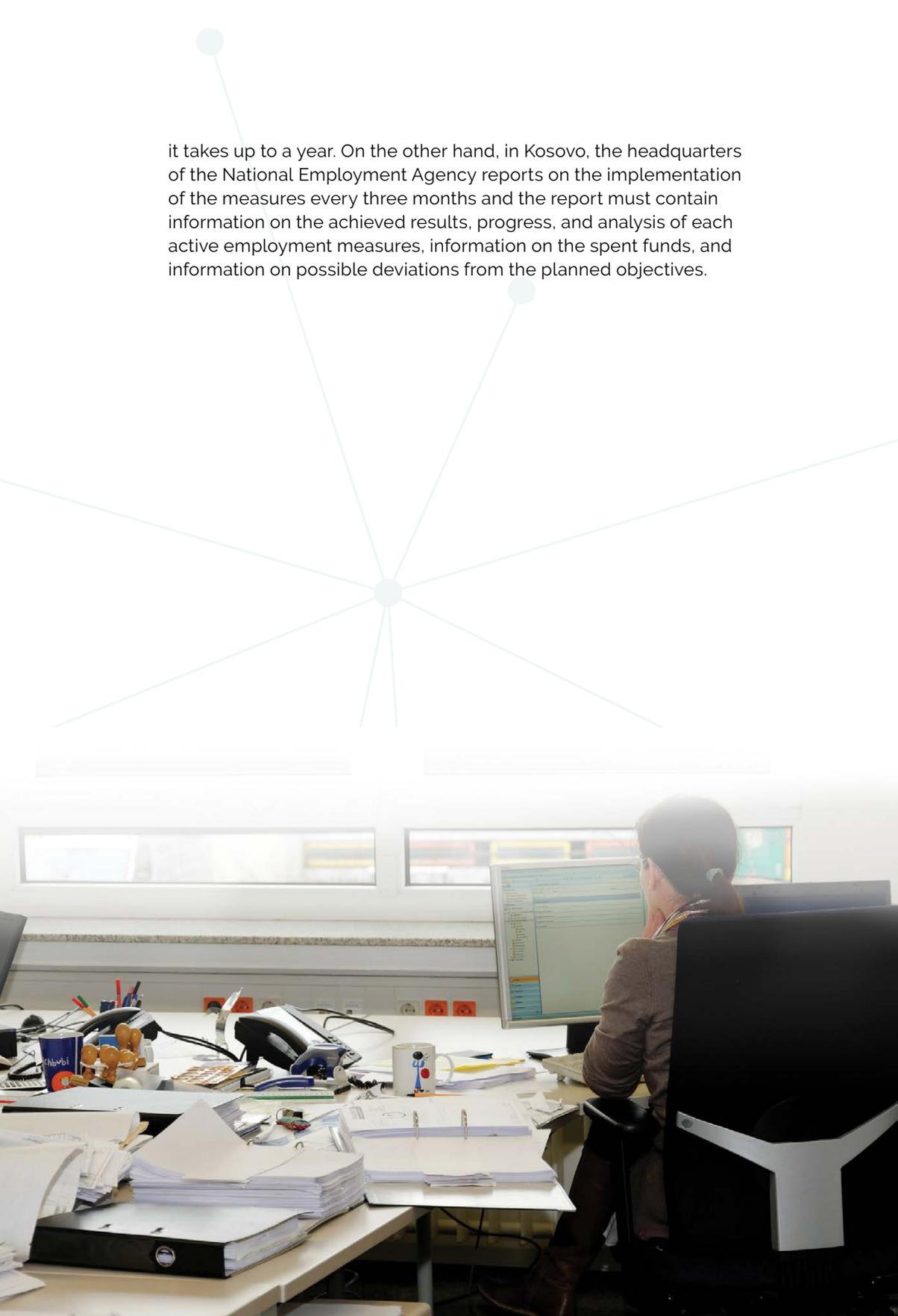


Monitoring and evaluation system are not implemented adequately

The processes of monitoring and evaluation are necessary if we want to get the right indicators of the employment programs implemented. Only a well-established system of monitoring and evaluation processes can confirm the achieved effects, possibly correct certain employment programs or even eliminate them as ineffective. The analysis of national reports shows that the evaluation process is not working in the right way. This because there are no adequate or qualitative indicators to measure success. In this way, there is no real data on how well the realized employment programs were really successful.

In Montenegro, the monitoring and evaluation processes of the implementation of active measures are prescribed by a special rulebook. However, monitoring and evaluation in the implementation of active measures are not systematically implemented, while only individual elements of monitoring and evaluation are used to a lesser extent in individual measures. Monitoring and evaluation in Serbia are carried out on the basis of the Agreement on the Effects of the National Employment Service, the Work Program and the Report on the Work of the National Employment Service, and in addition to the above, conducting a number of independent research whose results can serve for better planning, creating and implementing active employment measures. When it comes to Bosnia and Herzegovina, evaluations of active employment policy programs are mostly descriptive and take into account only the basic indicators of the success of program implementation, such as, for example, the relationship between the planned and realized coverage of unemployed persons by individual programs, 'per capita' spending on different programs etc., and in a slightly better case, the share of program participants who remained in employment after the end of the employment or self-employment contract. In FYR Macedonia, the National Employment Service as well is in charge of the monitoring and evaluation process, however, there is no official report on the conducted evaluation of the active employment measures implementation process. Analyzing active measures in Montenegro, we can find that the most common evaluation criteria are the competence or employment of participants in the process or at the end, while in Bosnia and Herzegovina analysis are mostly done in the period immediately after the expiration of the contract, i.e. up to six months after the expiration of the contract, when sometimes

it takes up to a year. On the other hand, in Kosovo, the headquarters of the National Employment Agency reports on the implementation of the measures every three months and the report must contain information on the achieved results, progress, and analysis of each active employment measures, information on the spent funds, and information on possible deviations from the planned objectives.



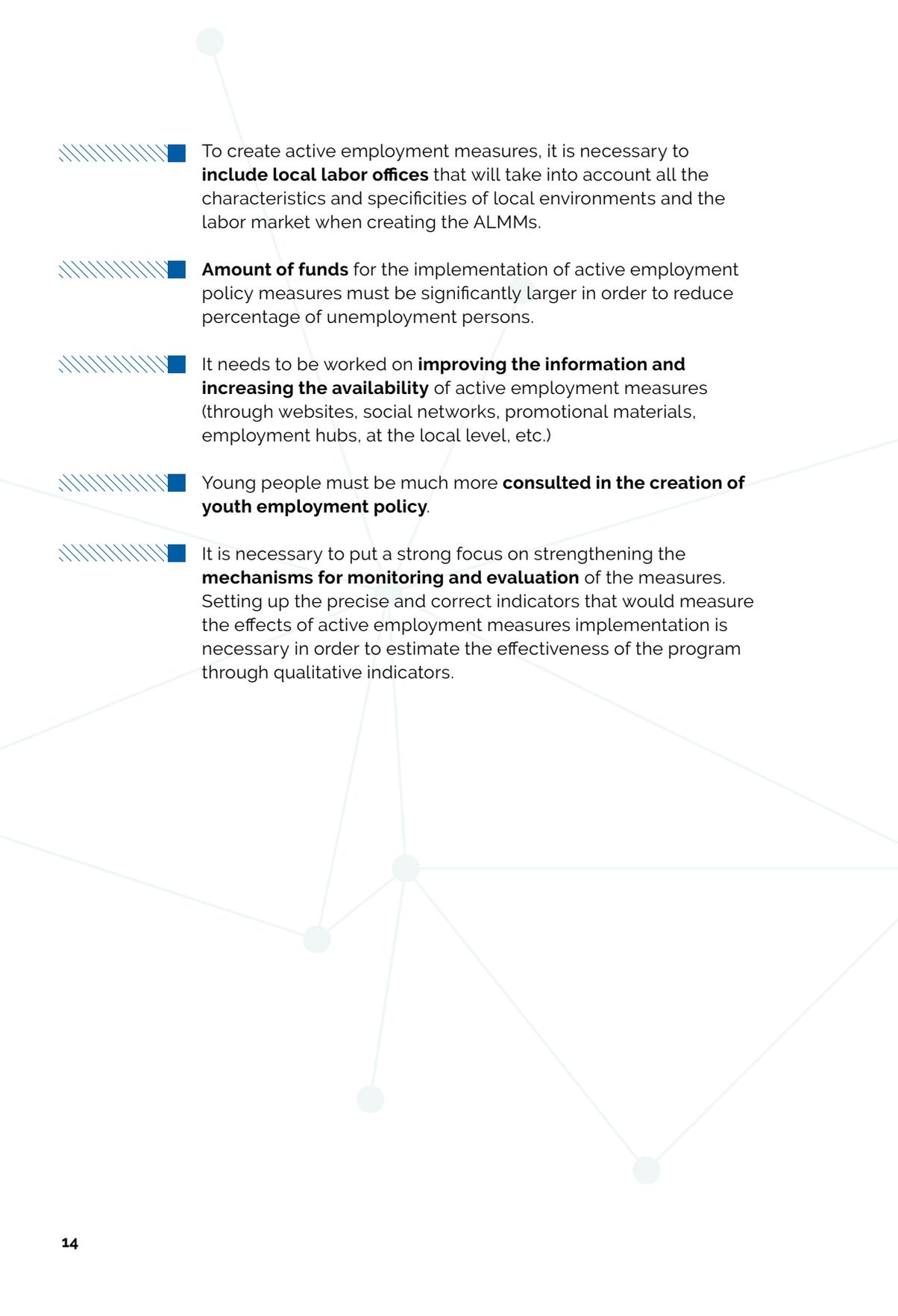
Recommendations

How can active employment measures be improved in the Western Balkan countries in order to increase employment?

By analyzing the national reports of the six Western Balkan countries on active employment measures, we have created a set of preliminary conclusions and recommendations and we hope that adoption and implementation could contribute to the ultimate goal - increasing employment. As already pointed out, an extremely high unemployment rates, in particular of young people, is an alarm that warns that it is necessary to work on the creation and implementation of adequate active measures, and that active measures be available to all young unemployed people. Having in mind the aspirations of the Western Balkan countries towards EU membership, it is necessary to work on the following of the EU standards when creating an active employment policy in order to more effectively provide jobs for the unemployed, which would certainly affect the economic and financial development of the countries.

In this regard, we make the following recommendations:

- **Young people need to be recognized as a special category** and specific active employment measures need to be created for young people, with special emphasis on young unemployed people from rural and remote areas.
- Active employment measures need to be defined in accordance with **EUROSTAT recommendations**.
- It is necessary to put greater emphasis on the **research work** of the position of young unemployed persons with special emphasis on the young people from rural areas.
- It needs to be created space for **stakeholders** to participate in the creation and implementation of active employment measures.

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- /// ■ To create active employment measures, it is necessary to **include local labor offices** that will take into account all the characteristics and specificities of local environments and the labor market when creating the ALMMs.
 - /// ■ **Amount of funds** for the implementation of active employment policy measures must be significantly larger in order to reduce percentage of unemployment persons.
 - /// ■ It needs to be worked on **improving the information and increasing the availability** of active employment measures (through websites, social networks, promotional materials, employment hubs, at the local level, etc.)
 - /// ■ Young people must be much more **consulted in the creation of youth employment policy.**
 - /// ■ It is necessary to put a strong focus on strengthening the **mechanisms for monitoring and evaluation** of the measures. Setting up the precise and correct indicators that would measure the effects of active employment measures implementation is necessary in order to estimate the effectiveness of the program through qualitative indicators.

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