



THE EUROPEAN SOCIAL FUND



YOUTH EMPLOYMENT INITIATIVE



Support to Youth Employment: 2014-2018

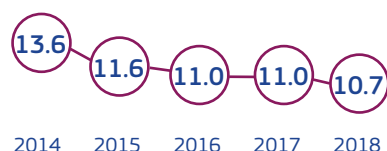
HUNGARY

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 Hungary spent a combined total of 256.9 million euro in ESF/YEI investments to achieve this objective. As a result, 110 469 participations in youth employment activities have taken place in Hungary. 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

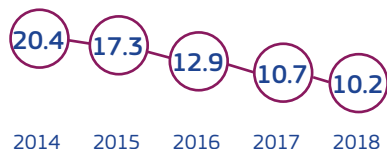
NEET RATE (15-24 YEARS)



► In 2014, the rate of **young people not in employment, education or training (NEET)** and of unemployment were high and at about the EU averages.

► The **NEET rate** in 2018 is practically the same as that observed across the EU (10.5%). It ranges **from 6.5% in the Budapest capital region to 16.6% in Észak-Magyarország**.

YOUTH UNEMPLOYMENT RATE



► In 2018, the **youth unemployment rate** is significantly lower than the rate observed at the EU level (15.2%). There are persisting **important variations by region**, with Közép-Dunátúl having a considerably lower youth unemployment rate than Észak-Alföld, **though the gap has narrowed**.

► The **labour market situation of young women** seems to be worse than that of young men (higher NEET and unemployment rates).

EXPLANATORY NOTES

ESF European Social Fund
YEI Youth Employment Initiative

OP Operational Programme
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 599

Million Euro are budgeted to the support of young people, including national funding

YEI 108

Million Euro

ESF 503

Million Euro
The EU contributes a large share of this funding

YEI 100

Million Euro

ESF YEI Two out of five national Operational Programmes (OPs) implement specific actions to support young people's integration into the labour market. The national OP for Economic Development and Innovation received both ESF and YEI funding, while one regional OP Competitive Central-Hungary covers actions through ESF only.

- **The investments in the OP focus** on improving the employability and employment outlook by providing young NEETs with employment, training, traineeship and self-employment opportunities.

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 70 468

YEI 40 001

- While ESF targets cover the time period from 2014-2020, YEI targets only cover the period from 2014-2015. The targets for YEI therefore cover a comparatively shorter time period.
- Positive trends in the number of NEETs made Hungary ineligible for any further additional YEI funding. Therefore YEI indicators had to be completed by the end of 2018, which was successfully achieved.

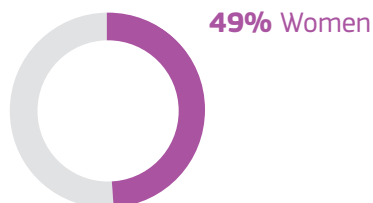
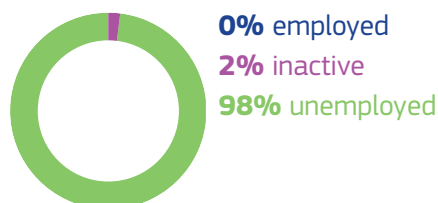
ESF 40%

Achievements of targets for participation

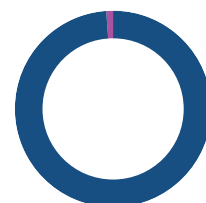
114% YEI

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

PARTICIPANT PROFILES WHEN RECEIVING SUPPORT



99% <25 years
1% ≥25 years

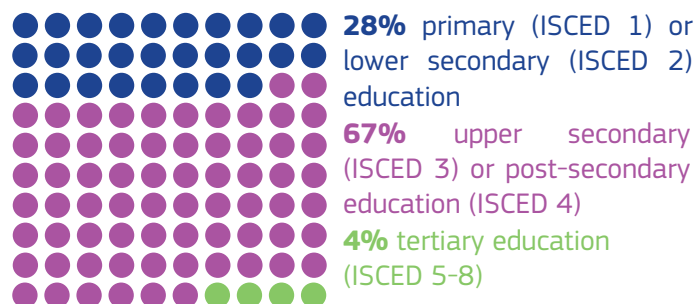


Participants belonging to minority groups | 11 199

Other disadvantaged | 376*

Participants with disabilities | 611

Homeless | 403



► Participant profiles are nearly identical in both OPs and between the ESF and YEI, as no strong variations could be identified.

Overall, **78 965 young people achieved a positive result upon leaving**, 30 412 under the ESF and 48 553 under the YEI.

ESF 24 732 Participants in employment

4 801 Participants gaining a qualification

736 Participants in education

143 Inactive participants engaged in job searching

Unemployed participants who complete the YEI supported intervention **27 647 YEI**

Unemployed participants in education/training, gaining a qualification, or in employment including self-employment **20 906**

► In the OP Competitive Central-Hungary, the targets have largely been achieved. The targeted number of participants in employment upon leaving the measure has been achieved with a rate of 125% by end-2018.

► In the OP Economic Development and Innovation, continued efforts will be needed to reach the ESF targets, as achievement rates are all below 35% by end-2018, due mainly to the frontloading condition attached to the youth employment initiative. Taking into consideration the shorter time frame of the YEI (2014-2015), targets have already been achieved.

ESF 85% Achievement of targets for results

136% YEI

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

LESSONS LEARNED SO FAR

YEI

Employment stability

In Hungary, a significant percentage of participants is still in jobs a certain time after participation in the operation, which can be taken as an indication of the quality of the job and a certain degree of employment stability.

Lacking discipline

Problems of working with young participants were highlighted because of a lack of discipline and motivation.

Replacing measures

The supported YEI programmes actually replaced measures which used to be financed by the national budget. As the YEI programme had to be prepared in a very short period of time, the Hungarian authorities decided to replace the existing national resources instead of complementing them.

Finding employment

Participation in the supported measures has a positive effect on employment. In Hungary, the likelihood of being employed is 37% higher for those who have participated in YEI measures (but only 31% after six months) than those who have not participated in YEI measures.

ADDITIONAL INFORMATION

The ESF in Hungary <https://ec.europa.eu/esf/main.jsp?catId=384>

Website of the ESF Hungary <https://www.palyazat.gov.hu/esf>

- European Commission, Study for the Evaluation of ESF Support to Youth Employment
- Evaluation of the YEI, prepared by Equinox Consulting Kft. in 2018

