



# **Study for the Evaluation of ESF Support to Youth Employment**

Annex 5: Case Study – Italy

(Contract VC/2018/0715)

## **EUROPEAN COMMISSION**

Directorate-General for Employment, Social Affairs and Inclusion  
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## **List of abbreviations and acronyms**

AIR	Annual Implementation Report
ALMP	Active Labour Market Policy
CSR	Country-specific recommendations
DG EMPL	Directorate-General Employment, Social Affairs & Inclusion
EC	European Commission
EQ	Evaluation question
ESF	European Social Fund
EU	European Union
EUR	Euro
ILO	International Labour Organisation
IP	Investment Priority
ISCED	International Standard Classification of Education
LFS	Labour Force Survey
LMP	Labour market policy
MA	Managing Authority
NEET	Person not in employment, education or training
NGO	Non-governmental organisation
OP	Operational Programme
PA	Priority Axis
pp	Percentage point
TO	Thematic Objective
ÚPSVAR	Public employment service
YE	Youth Employment
YEI	Youth Employment Initiative
YG	Youth Guarantee



# 1 Background & Context

## 1.1 Labour market context

In 2018, almost one in five (19.2%) young people aged 15 to 24 in Italy were not in employment, education or training (NEET). This represents an improvement since the beginning of the programming period in 2014 (22.1%) but it is still almost double the rate observed at the EU level (10.5%, see Table 1). The proportion of active young people of the same age that were unemployed stood at one in three (32.2%), again double that observed across the EU (15.2%), but down from 42.7% in 2014. The early school leaving rate remained similar to that seen in 2014 (15.0% vs 14.5%) which is significantly higher than that across the EU (11.2% in 2014 and 10.6% in 2018). The labour market situation of young Italians aged 25-29 was also worse when compared to that of young people of the same age group across the EU – despite improvements since 2014, both NEET (30.9%) and unemployment (19.7%) rates remained well above the EU rates in 2018 (17.1% and 9.2% respectively). For both age groups, the situation of young women was worse when compared to that of men as both NEET and unemployment rates in 2018 were higher (see Table 1). Nevertheless, the early school leaving rate<sup>1</sup> was in 2018 considerably lower for women (12.3% vs 16.5% for total population) though it remained unchanged since 2014 (12.2%).

The case study covers one national Operational Programme (Youth Employment) and three regional Operational Programmes (Emilia-Romagna, Sardegna, Puglia). The national Operational Programme covers all different types of regions (more developed, transitional, less developed), while each of the regional Operational Programmes covers a different type of region: Emilia-Romagna is more developed, Sardegna is transitional and Puglia less developed. Overall, there were important variations in the situation of young people by type of region, with NEET, unemployment and early school leaving rates all reducing progressively as the level of development increases (Table 1). Between 2014 and 2018, NEET, unemployment and early school leaving rates dropped in all types of regions, but the improvement was greatest in transitional regions, thus narrowing the gap to more developed regions and widening the gap to less developed regions. In terms of the regional Operational Programmes, Emilia-Romagna and Puglia had in 2018 lower NEET (12.3% and 23.8% respectively) and unemployment (17.8% and 43.6% respectively) rates than regions of the same type while in Sardegna both NEET (21.4%) and unemployment (35.7%) were slightly higher than other transitional regions in the country. Similar is the situation in terms of the early school rate, with Sardegna having a rate of 23.0% (down from 23.5% in 2014), which is 7 pp higher than other transitional regions in Italy.

Table 1. *Key figures on the labour market situation of young people*

		NEET rate (% of total pop.)		Unemployment rate (% of labour force)		Early school leaving rate (18- 24)	
		2014	2018	2014	2018	2014	2018
<b>EU28</b>							
<b>15-24</b>		12.5	10.5	22.2	15.2	11.2	10.6
<b>25-29</b>		20.4	17.1	13.6	9.2		
<b>National level</b>							
<b>Total</b>	<b>15-24</b>	22.1	19.2	42.7	32.2	15.0	14.5
	<b>25-29</b>	33.8	30.9	23.6	19.7		
<b>Men</b>	<b>15-24</b>	22.7	19.1	41.3	30.4	17.7	16.5
	<b>25-29</b>	28.7	25.9	21.9	18.4		
<b>Women</b>	<b>15-24</b>	21.4	19.4	44.7	34.8	12.2	12.3

<sup>1</sup> The early school leaving rate refers to the proportion of people aged 18 to 24 who have attained at most lower secondary education and who are not currently (within the last 4 weeks) participating in any further education or training: [https://ec.europa.eu/eurostat/cache/metadata/en/edat1\\_esms.htm](https://ec.europa.eu/eurostat/cache/metadata/en/edat1_esms.htm)

	NEET rate (% of total pop.)		Unemployment rate (% of labour force)		Early school leaving rate (18- 24)	
	2014	2018	2014	2018	2014	2018
<b>25-29</b>	39.0	36.1	25.5	21.4		
<b>Regional level (15-24)</b>						
<b>More developed</b>	17.1	14.3	35.5	24.0	12.1	11.7
<b>Transition</b>	24.4	19.2	48.9	33.5	16.7	15.9
<b>Less developed</b>	30.5	28.6	57.0	50.8	19.8	19.3

Source: Eurostat, Labour Force Survey (EU-LFS, yth\_empl\_150, edat\_lfse\_22, yth\_empl\_110, edat\_lfse\_16), data extracted on 06.09.19

## 1.2 National ALMP targeting young people

During the programming period, young people residing in Italy could benefit from 24 active labour market policy (ALMP) operations funded only by national funds but were identified as a specific target group of 12 operations providing institutional training, traineeships, apprenticeships and employment incentives, most of which cover people aged up to 29<sup>2</sup>.

The traineeships offered were open to all young people while the institutional training offers targeted young people with an apprenticeship contract. One of the two apprenticeships targeted migrants while the second generally available option (open to all those aged up to 25) had special provisions for people with disabilities. Seven of the eight interventions offering employment incentives targeted the recruitment of people aged up to 29. Two of these offered employers incentives to transform fixed-term and apprenticeship contracts into permanent employment contracts. The last intervention offering employment incentives encouraged the recruitment of recent graduates of apprenticeship programmes at high-school level (within 6 months from graduation).

<sup>2</sup> Based on information from the LMP database:  
<https://ec.europa.eu/social/main.jsp?catId=1143&intPageId=3227&langId=en>

## 2 The ESF / YEI in Italy

### 2.1 Role of the ESF / YEI

Table 2. *Distribution of expenditure on young people (<25) participating in active labour market operations by source of funding and type of intervention, Italy, 2014-17*

Type of intervention	Distribution of expenditure			
	Nationally funded interventions		ESF (co)funded interventions	
	Million	%	Million	%
Institutional training	0.0	0.0%	0.0	0.0%
Traineeships	3.8	0.1%	639.5	66.7%
Apprenticeships	3 169.4	58.5%	201.0	21.0%
Not specified training	0.0	0.0%	0.0	0.0%
Employment incentives	2 166.5	40.0%	0.0	0.0%
Sheltered/supported employment	7.1	0.1%	0.0	0.0%
Direct job creation	0.0	0.0%	0.0	0.0%
Start-up incentives	69.9	1.3%	117.9	12.3%
<b>Total</b>	<b>5 416.6</b>	<b>100%</b>	<b>958.4</b>	<b>100%</b>

Source: LMP database, data extracted on 06.09.19.

Note: Data cover interventions in LMP categories 2-7 only. Expenditure on young people is estimated for each intervention as total expenditure times the proportion of young people (<25) amongst total participants (using the observation of average annual stock where available and otherwise entrants by age). Interventions with missing data on either expenditure or participants are excluded from the analysis. For Italy, information was available for 94.8% of expenditure. The source of funding for each intervention is based on responses to item 12 of the LMP questionnaire.

### 2.2 CSRs addressed by the ESF

Table 3. *Prevalence of recommendations linked to Investment Priority 8.ii Sustainable integration into the labour market*

Country (and number of CSR over 2014-2019)	Type of CSR
Italy	<ul style="list-style-type: none"> <li>• Ensure the effective implementation of the labour market and wage-setting reforms to allow better alignment of wages to productivity. Take further action to foster labour market participation, especially of women and young people, for example through a Youth Guarantee. Strengthen vocational education and training, ensure more efficient public employment services and improve career and counselling services for tertiary students. (.4, 2013)</li> <li>• Provide adequate services across the country to non-registered young people and ensure stronger private sector commitment to offering quality apprenticeships and traineeships by the end of 2014, in line with the objectives of a youth guarantee (n. 5, 2014)</li> <li>• As part of efforts to tackle youth unemployment, adopt and implement the planned school reform and expand vocationally-oriented tertiary education (2015).</li> </ul>

Source: Country Specific Recommendations for Italy 2013-2018.

## 2.3 Programme architecture

*The European contribution to reduce youth unemployment in Italy is based on two pillars:*

- the National implementation Plan of the EU Recommendation on the Youth Guarantee, whose implementation takes place in institutional cooperation between:
  - ANPAL (National Agency for Active Labour Market Policies) as Managing Authority of a dedicated **National Operational Programme: NOP Youth Employment Initiative** - Youth Guarantee (henceforth National Operational Programme YEI, in Italian PON IOG);
  - Regions and the Autonomous Province of Trento, as Intermediate Bodies of the National Operational Programme YEI (so-called multilevel governance).
- The implementation of complementary actions financed under **ESF Regional Operational Programmes** (Investment Priority 8.ii) and with regional resources.

The National Operational Programme YEI is structured around two main components: a centralised one, managed directly by ANPAL, and a regional one, managed by the regions and implemented by employment and training services (public and private ones alike). The regional component is implemented through standard “operations”.

Under the flexibility clause of the ESF Regulation, all Regions and Autonomous Provinces receive YEI funding (with the exception of the Province of Bolzano), although some of them have youth unemployment indicators below the minimum threshold required. This is because the situation of NEETs is very critical across Italy and because it provides a national framework for the implementation of a national strategy on NEETs and youth employment.

It is important to remember that youth employment operations planned and funded by the regions cannot be solely identified with those under Investment Priority 8.ii. The reason is that, in Italy, young people are a transversal objective of many operations programmed both under Thematic Objective 8 and under other thematic objectives, in particular Thematic Objective 10 for all that concerns education and vocational training (also financed under Thematic Objective 8).

To retrace the steps of the YEI programming and financing in Italy, the first phase of National Operational Programme YEI was approved in 2014 with an initial budget of about 1.5 billion euro. The second phase started when in 2017 the National Operational Programme YEI was refinanced with €903 million. The total financial allocation of resources for the whole programming period is €2 785 351 487. Given the new financial resources, ANPAL (Managing Authority of YEI) has extended the time horizon of the National Operational Programme to 2020. Furthermore, ANPAL has introduced a new priority axis (PAX 1-bis) that finances projects aimed at promoting the employment of young unemployed, not necessarily NEETs living in regions whose development is lagging behind and in transition. The new programming was also the opportunity to review some operations of the Axis 1 and to introduce new ones. The Priority Axis 1-bis is financed exclusively through ESF resources and it extends the target group to young people, including non-NEETs, aged between 15 and 35 years of age. It introduced three pilot operations, aimed at facilitating the transition from school to work, professional qualification and job placement:

- Creation of territorial networks for the activation of apprenticeship contracts;
- Tools to promote access to Higher technical education courses (ITS);
- Pilot project for the creation of financing instruments for investments with a social impact (Social Impact Investments).

The table below summarises the key youth employment operations implemented under the four selected Operational Programmes (National Operational Programme YEI, ESF/ERDF Regional Operational Programme Puglia, ESF Regional Operational Programme Sardinia and ESF Regional Operational Programme Emilia Romagna).

Table 4. *Programme architecture*

Programme architecture			Main Actions/Interventions
OP	Action-level PAx	ESF/ YEI	
OP on Youth Employment	1	YEI	<ul style="list-style-type: none"> <li>Operational Programme operations can be divided into two broad groups. Those delegated to the regions (Intermediary Bodies of National Operational Programme YEI) and those implemented centrally at the national level.</li> <li>Actions implemented at the national level:</li> <li>“Crescere in Digitale”: free online training courses to improve young people's digital skills with a view to improving job matching;</li> <li>Selfemployment: the project uses interest-free loans to finance the start-up of small business initiatives promoted by young NEETs;</li> <li>Yes I start Up: creation of pathways to support NEETs self-employment and entrepreneurship</li> <li>Actions delegated through the regions. Seven main typologies of “standard” actions have been identified. These can be provided as stand-alone operations or following an integrated pathway:</li> <li>Training: training operations provide knowledge and skills necessary to facilitate job integration on the basis of the analysis of the objectives of professional growth, as identified in the orientation actions and needs of enterprises; they can be aimed at direct integration in the job market or at obtaining a qualification;</li> <li>Self-employment and entrepreneurship: the operation supports self-employment and start-ups aiming to develop and improve the entrepreneurial skills of young people and facilitate access to credit for business start-ups.</li> <li>Internship and traineeship: these operations are conceived as a path aimed at facilitating the professional choices and employability of young people in the transitions between school and work. It represents an initial way for young NEETs to enter the world of work, through a training experience carried out at both public and private host institutions for a maximum duration of 6 months.</li> <li>Apprenticeship: Support for young people to obtain a qualification and a professional diploma, within the framework of an employment relationship. This operation is functional to encourage the connection between competences acquired in the school/university/research field and competences/skills acquired in the course of work activities.</li> <li>Community or Voluntary Service: the operation addresses young NEETs up to the age of 28 and consists of paid voluntary work experience of a maximum duration of 12 months in one of the following areas of civil and social relevance: assistance to individuals, civil protection,</li> </ul>

Programme architecture			Main Actions/Interventions
	Action-level		
OP	PAx	ESF/ YEI	
			environment, artistic and cultural heritage, education and cultural promotion. <ul style="list-style-type: none"><li>• Transactional and territorial professional mobility: promotion of professional mobility within the national territory or in EU countries.</li><li>• Employment incentives: the operation promotes support for the integration of young people into the labour market through economic incentives for companies.</li></ul>
ESF Emilia Romagna	1	ESF	<ul style="list-style-type: none"><li>• VET courses – IeFP (at secondary level): vocational training courses based on the integration of the education and vocational training system, with the aim of providing students with a coordinated, flexible and highly personalised proposal. They are mostly aimed at young people between 14 and 18 years old</li><li>• Training courses aimed at obtaining a professional qualification for young people who have dropped out of school and do not have a school diploma</li><li>• Support operations for VET vulnerable students</li></ul>
OP Sardegna	1	ESF	<ul style="list-style-type: none"><li>• Master&amp;Back: employment incentives to integrate into the labour market young people who have completed tertiary education abroad.</li><li>• Green and blue economy: integrated activities of vocational training, certification of skills, work support, promotion of new entrepreneurship, transnational mobility in the Green &amp; Blue Economy. Closely linked with the regional S3 strategy.</li><li>• Lavoras: training courses consisting of modules of 180 hours with the aim of providing the necessary skills to boost the employability of beneficiaries. The courses are tailored to the needs of the territory and aimed at the certification of skills.</li><li>• Voucher riconfermati</li><li>• Lavoras: employment incentives.</li></ul>
OP Puglia ERDF ESF	VIII	ESF	<ul style="list-style-type: none"><li>• PIN (Pugliesi innovativi): training courses to improve entrepreneurial skills and business management through the testing of projects with high potential for local development in the innovation field;</li><li>• Nuove figure professionali (VET courses): training courses and internships for people aged between 16 and 35 years, focused in the following sectors: agriculture, animal husbandry, forestry, fishing, construction, plant engineering, food production, environment, ecology, information technology, tourism, hotels, catering, entertainment, textiles, clothing, footwear and leather.</li></ul>

Table 5. *Main actors in YE activities in Italy*

YEI Managing Authorities		YG Impl. Authority		PES
Name	Type	Name	Type	
National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies	Ministry of Labour/ Social Policy	Ministry of Labour and Social Policies Regions	Ministry of Labour/ Social Policy Regional governments	Agenzia Nazionale Politiche Attive Lavoro Regional Agencies for PES Private employment centres

Sources: Task 1/SFC2014, ESF website, other documents

## 2.4 Intervention logic

The main problem underlying the logic of the intervention of the national plan lies in the strong criticality encountered by young Italians in accessing quality employment, particularly for young NEETs, as highlighted in the previous section.

From the point of view of the intervention strategy, the National Operational Programme Youth Employment Initiative aims to address organically one of the most important national emergencies: inactivity and youth unemployment.

In Italy, the situation of young people in the labour market reflects, on the one hand, the persistent situation of economic recession/weak growth and, on the other, a structural weakness due to structural geographical gaps and the low level of participation in the labour market of specific population groups (women and young people).

Through regional Operational Programmes, regions have the possibility to increase the volume of resources allocated to the youth target, to enlarge eligibility rules for young NEETs, such as those above 29 (e.g. Sardinia) or to adopt a more integrated approach, using Regional Operational Programme resources to develop alternative and complementary strategies with those of the National Operational Programme by funding more “structured” educational training paths (e.g. Emilia-Romagna) or focusing on young people who have dropped out of the education system. This is particularly visible in Emilia Romagna, where the focus of operations for youth employment is the support to vocational education and training, focusing on longer-term, structured educational pathways.



### 3 Scale of ESF / YEI investment

As can be seen in Table 5 below, the overall investment of ESF and YEI on Youth Employment (under the dedicated Investment Priority 8.ii) in the four selected Operational Programmes amounts to EUR 3.2 bn, of which EUR 2.3 bn are allocated through the National YEI Operational Programme. Investment on Investment Priority 8.ii is also significant across the regional Operational Programmes selected, ranging from 52% of Thematic Objective 8 allocation for Emilia Romagna, to 28% for Operational Programme Sardegna and 25% for Operational Programme Puglia.

Table 6. *Allocations to Youth Employment ESF + YEI – including Operational Programme amendments until 2018*

OP	ESF <sup>3</sup>		YEI <sup>4</sup>		Total		Share of TO8 total funding allocated to IP8.ii in TO8 (%)
	EU amount in Mio. EUR	Total in Mio. EUR	EU amount in Mio. EUR	Total in Mio. EUR	EU amount in Mio. EUR	Total in Mio. EUR	
Youth Employment - IT - YEI	320.7	497.3	1 821	2 288	2 785.4	2 288.1	100%
ESF OP Emilia-Romagna -	128.6	257.1	-	-	128.6	257.1	52%
ESF OP Sardegna	23.9	47.9	-	-	23.9	47.9	28%
ESF/ERDF OP Puglia	68.5	137.0	-	-	68.5	137.0	25%
Grand total	541.7	939.3	1 821	2 288	2 362	3 227	81%

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19

Table 6 shows the main adjustments in terms of financial allocations that have been made in the selected Operational Programmes. The most relevant amendment concerns the National YEI OP whose allocation has been increased by a significant amount (EUR 1.27 bn), following the revision of the MFF 2017-2020. This amount is partly allocated under a new ESF Priority Axis and partly to the already existing YEI Axis. ESF funding allows to program interventions in support of youth employment which are broader in scope and target than those under YEI (that must be exclusively targeted at NEETs).

Table 7. *Changes to Youth Employment allocations in Operational Programme since start programming*

OP	ESF <sup>5</sup>		YEI <sup>6</sup>		Total	
	EU amount in Mio. EUR	Total in Mio. EUR	EU amount in Mio. EUR	Total in Mio. EUR	EU amount in Mio. EUR	Total in Mio. EUR
Youth Employment - IT - YEI	320.7	497.3	686.0	774.7	1 006.8	1 272.0
ESF OP Emilia-Romagna	0	0	0	0	0	0
ESF OP Sardegna	7.9	15.8	0	0	7.9	15.8
ESF/ERDF OP Puglia	0	0	0	0	0	0

Source: SFC2014, based on AIR 2018, data extracted on July 23, 2019

In terms of financial progress, we can see that the declared expenditure by the National Operational Programme YEI and the Regional Operational Programme Emilia

<sup>3</sup> Excludes ESF allocations to YEI

<sup>4</sup> Includes ESF allocations to YEI

<sup>5</sup> Excludes ESF allocations to YEI

<sup>6</sup> Includes ESF allocations to YEI



Romagna is close to or above 50% (only considering allocations under Investment Priority 8.ii), while it is extremely low for Sardinia and null for Puglia. However, while in Sardinia the project selection rate has been increasing steadily since 2015 (indicating that operations are progressing and that the delay is at least partly due to lags in financial reporting due for example to the very nature of training actions), in Puglia it is still null.

Table 8. Overview of the financial progress - ESF / YEI

OP / IP8.ii	Allocated budget to YE in Mio. EUR	Eligible costs reported in Mio. EUR	Project selection rate IP8.ii (%) 2018	Project selection rate TO8 (%) 2018	Expenditure declared in Mio. EUR	Expenditure declared IP8.ii (%) 2018	Expenditure declared TO8 (%) 2018
<b>ESF</b>							
Youth Employment - IT - YEI	497.3	0	0%	0%	0	-	0%
ESF OP Emilia-Romagna -	257.1	220.9	86%	70%	123.0	48%	37%
ESF OP Sardegna	47.9	17.7	37%	52%	1.3	3%	20%
ESF/ERDF OP Puglia	137.0		0%	26%	0	0%	16%
<b>YEI</b>							
Youth Employment - IT - YEI	2 288	1 869.3	82%	0%	1 273.0	56%	0%

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19

Table 9. Financial progress

OP / IP8.ii	Project selection rate (%)				% expenditure declared			
	2015	2016	2017	2018	2015	2016	2017	2018
<b>ESF – IP8.ii</b>								
Youth Employment - IT - YEI	0%	0%	0%	0%	0%	0%	0%	-
ESF OP Emilia-Romagna -	19%	37%	67%	86%	0%	4%	29%	48%
ESF OP Sardegna	0%	9%	32%	37%	0%	0%	0%	3%
ESF/ERDF OP Puglia	0%	7%	0%	0%	0%	0%	0%	0%
<b>YEI – IP8.ii</b>								
Youth Employment - IT - YEI	16%	31%	62%	81.7%	0%	14%	37%	55.7%
ESF EU-28 IP8.ii				77%				36%
YEI EU-28 IP8.ii				98%				49%

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19.

## 4 Effectiveness

EQ 1 – How effective are the YEI and other ESF-funded youth employment operations in achieving their objectives?

### 4.1 Data from the AIR 2018

#### 4.1.1 Outputs

Table 10. Number of participations under Investment Priority 8.ii (ESF and YEI)

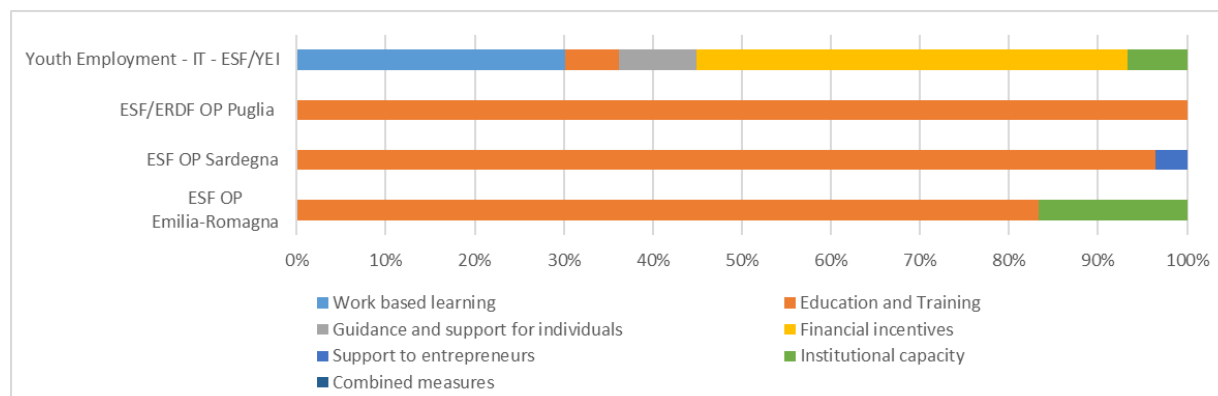
OP / IP8.ii	ESF <sup>7</sup>			YEI <sup>8</sup>			Total number of participations	Share of total number of IP8.ii participation of TO8 in %
	Total number of participations	Share of women in %	Share of participations <25 years in %	Total number of participations	Share of women in %	Share of participations <25 years in %		
YEI -IT	0	-	-	494 178	47%	65%	494 178	100%
ESF OP Emilia-Romagna	43 549	40%	80%	-	-	-	43 549	13%
ESF OP Sardegna	88	61%	16%	-	-	-	88	1%
ESF/ERDF OP Puglia	4 804	42%	59%	-	-	-	4 804	31%
Grand total	48 441	40%	77%	494 178	47%	65%	542 619	63%

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19.

Sil non implementato

#### 4.1.2 Type of operations

Figure 1. Share of eligible costs by type of intervention, 2015-2018



Source: SFC2014, based on AIR 2018, data extracted on 06.09.19.

<sup>7</sup> Excludes ESF allocations to YEI

<sup>8</sup> Includes ESF allocations to YEI

### 4.1.3 Results

Table 11. Overview results – Investment Priority 8.ii - Annex II common indicators YEI

OPooooo	Unemployed participants			Long-term unemployed participants		
	who completed the YEI-supported intervention	who received an offer of employment, continued education, apprenticeship or traineeship upon leaving	in education / training, gain a qualification, or in employment, including self-employment, upon leaving	who completed the YEI-supported intervention	who received an offer of employment, continued education, apprenticeship or traineeship upon leaving	in education / training, gain a qualification, or are in employment, including self-employment, upon leaving
YEI - IT	268 809	56 246	128 280	143 754	29 625	58 145
<b>Grand total</b>	<b>268 809</b>	<b>56 246</b>	<b>128 280</b>	<b>143 754</b>	<b>29 625</b>	<b>58 145</b>

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19.

Table 12. Overview results – measured by Annex II common indicators YEI (2)

	Inactive participants			All participants, six months after leaving		
	who completed the YEI-supported intervention	who received an offer of employment, continued education, apprenticeship or traineeship upon leaving	in education / training, gain a qualification, or are in employment, including self-employment, upon leaving	in continued education, training leading to a qualification, apprenticeship or a traineeship	in employment	in self-employment
Youth Employment - IT - YEI	163 874	32 602	89 837	83 144	146 731	0
<b>Grand total</b>	<b>163 874</b>	<b>32 602</b>	<b>89 837</b>	<b>83 144</b>	<b>146 731</b>	<b>0</b>

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19.

### 4.1.4 Target achievement

Table 13. Overview of number of indicators with targets under Investment Priority 8.ii

	Total number of indicators	Number of indicators with a target
Output indicators – ESF	48	10
Output indicators – YEI	17	6
<b>Total output</b>	<b>65</b>	<b>16</b>
Result indicators – ESF	22	4
Result indicators – YEI	21	12
<b>Total result</b>	<b>43</b>	<b>16</b>

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19.

Table 14. Average achievement rate of targets set under Investment Priority 8.ii – by Operational Programme

	Average achievement rate under IP8.ii (%)				Benchmark in (%)	
	ESF		YEI		TO8 Achievement rate	EU-28 IP8.ii
	Total	Women	Total	Women	Total	Total
<b>Participations</b>						
Youth Employment - IT - YEI	0%	0%	68%	68%	26%	67%
ESF OP Emilia-Romagna -	119%	119%	-	-	127%	67%
ESF OP Sardegna	0%	0%	-	-	34%	67%
ESF/ERDF OP Puglia	13%	13%	-	-	40%	67%
<b>Results</b>						
Youth Employment - IT - YEI	0%	0%	54%	61%	40%	59%
ESF OP Emilia-Romagna -	33%	35%	-	-	43%	59%
ESF OP Sardegna	0%	0%	-	-	20%	59%
ESF/ERDF OP Puglia	20%	25%	-	-	25%	59%
<i>Empty fields mean that no targets have been defined by Operational Programme in that Member State for youth employment</i>						

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19.

## 4.2 Answers to the evaluation questions

### 4.2.1 EQ 1.1 To what extent have the financial implementation and the achievement of the expected outputs progressed according to the targets set in the programmes? What were the main factors involved (delays in implementation, ESF absorption..)?

#### National Operational Programme Youth Employment (NOP YEI)

*In terms of physical and financial progress, the implementation of the National Operational Programme YEI, absorbing the largest majority of funds dedicated to youth employment in Italy, can be considered satisfactory, particularly in the light of the implementation difficulties experienced in these first four years of the programme.*

As reported in the Annual Implementation Report 2018, declared expenditure for the National Operational Programme YEI amounted to 55.7% of overall allocation. This figure is reflected in a positive absorption capacity across all Italian regions, which is an important element given the highly differentiated levels of administrative capacity of Italian regions, with less developed regions traditionally lagging behind in terms of implementation rates and performance of more developed ones.

At the end of 2018, the share of registered versus targeted participants was 88.2% (494 178 against a target value of 560 000.). This value is likely to be underestimated by an approximate 8-10% due to the non-registration in the monitoring system of operations that are not fully completed. The achievement rate is particularly positive for unemployed participants (96.8% of the target) and for 25 to 29-year-olds (95.2% of the target). It is less satisfactory for the long-term unemployed (72.7%).<sup>9</sup>

The number of young NEETs that received an active labour market operation is 609 000, or 57% of those that have been taken in charge by the programme through an interview with Employment Services (coverage rate). Overall, the total number of ALMP operations amounts to over 754 000 (the same participants can benefit from

<sup>9</sup> Annual Implementation Report of the National Operational Programme YEI submitted in 2019

more than one operation). The coverage rate is lower for residents of Southern Italy (less developed regions) and those facing higher difficulties in accessing the labour market (with a higher profiling index).

The most frequent operation supported by the YEI is, by far, traineeships (57.5%), followed by employment incentives (23.3%), and vocational training (12.6%). Mobility (EURES) and apprenticeship are much less frequently supported (0.2% together).

Likewise, the National YEI Operational Programme is on track to achieving expected results as measured by key monitoring indicators. The achievement rate of result indicators is satisfactory: the share of unemployed participants (CR01), long-term unemployed (CR04) and inactive participants (CR07) who complete the YEI is close to or above 100%.

*According to the analysis of documents available and feedback received from stakeholders, it can be said that difficulties experienced in the implementation of the National Operational Programme are partly related to the "standard" administrative hurdles of ESI Funds implementation that were somehow aggravated by the introduction of a new programme and governance system, with regions acting as Intermediary Bodies. Difficulties are also linked to important structural weaknesses of the PES.*

National Operational Programme YEI is a new programme, which started in advance of the other ESF programmes (May 2014) and at a time when the new ESIF programming was still being defined. This is an important factor considering that *the programme entailed the setup of a "new" (multi-level) governance model between the central administration and the regions, together with the introduction of standardised operations that had to be "adapted" to the regional contexts, while complying for instance with standard cost provisions.*

Difficulties are also linked to important structural weaknesses of the PES that are the key actors and the main entry point of the YEI and of the Youth Guarantee in Italy. These weaknesses are primarily related to lack of qualified staff and management systems.

In parallel to this, in 2015, a new law introducing a revised governance of the PES (following the abolition of the provinces that had responsibility for coordinating them) created uncertainties and additional delays in some regions.

As a result, several regions experienced significant difficulties in implementing the operations foreseen by the National Operational Programme and struggled with implementing the programme.

*These difficulties were at least partly eased through a close cooperation and "maternage" between the Managing Authority and the Intermediary Bodies, on an ad hoc basis. Thanks to this work, the financial and physical performance of the National Operational Programme – including the resources dedicated through the regions – have also reached good levels of implementation.*

Furthermore, over these past few years, the PES system has gradually – if partially – improved its capacity to respond to the increasing pace of activity dictated by the YEI Operational Programme, particularly in terms of profiling participants and taking them in charge. This improvement has also been promoted by a joint plan for the strengthening of the PES, introduced through a shared agreement between the national government and the regions.

### **Regional Operational Programme Emilia Romagna**

In Emilia Romagna (a more developed region) at the end of 2018 declared expenditure for youth employment (as measured by Investment Priority 8.ii under the Regional Operational Programme and therefore outside the funds received through the national programme) amounted to 55% or EUR 123.5 m of the total dedicated

allocation, in line with the National Operational Programme YEI and higher than the overall expenditure rate of the Regional Operational Programme (around 35%). The total eligible cost of operations selected for support amounts to EUR 221 m.

As it has already been illustrated in Section 2.4, YE operations in Emilia Romagna mainly consist of actions supporting formal Vocational and Educational Training of young people leading to a high school diploma, and actions aimed at the obtaining a vocational qualification for young people who have abandoned the school system without a diploma.

The total number of young people involved under youth employment interventions (under Investment Priority 8.ii) is 43 549. The achievement ratio of the output indicator measuring inactive participants stands at 119% (with a total cumulative value of 16 500).

*Performance of operations under the youth employment investment priority can be considered satisfactory and no particular difficulty has been detected in the implementation of the YE operations*

### **Regional Operational Programme Puglia (multi-fund ERDF/ESF)**

Puglia (a less developed region) has allocated EUR 137 m under 8.ii. No declared expenditure is registered in SFC at the end of 2018 (while for Thematic Objective 8 declared expenditure amounts to 20% of the total allocation). The number of participants under Investment Priority 8.ii is 4 804 and the achievement ratio of registered inactive participants against the set target equals 13%.

*The AIR does not allow to garner insights as to the low performance of this Investment Priority.*

### **Regional Operational Programme Sardinia**

In Sardinia (transition region), declared expenditure by beneficiaries under Investment Priority 8.ii of the ROP is equal to 2.9% of the total allocation under the same priority (EUR 1.3 m vs 47.9), significantly lower than the average value of expenditure under Thematic Objective 8. Likewise, the number of participations registered (88 individuals), for which no target is set, is extremely limited.

*Overall it can be said that the implementation of youth employment operations funded through the Regional Operational Programme has encountered some obstacles.*

The response to the operations Master&back and Green&blue economy that account for the bulk of operations funded under Investment Priority 8.ii up to the end of 2018 had a lower than expected response from participants. For the Green&blue operation, this might be due to the significant investment made by the operation (which covers different Investment Priorities) that has started many interventions in a short time frame.

Likewise, the operation Lavoras – employment incentive is off to a slow start, likely due to the mild interest of companies. For the future, the Managing Authority is planning to revise the operation by increasing the contribution and shortening the reimbursement timeline.

The operation Lavoras training, offering short/specific training opportunities, has instead been positively received by participants – but the outputs will only be measured from 2019 onwards.

**4.2.2 EQ 1.2 How and to what extent does YEI contribute to the achievement of the general objective of sustainable integration (also after the end of the operation) of young people into the labour market and to the specific objectives under ESF? How did it contribute to addressing the problems faced by NEETs?**

**National Operational Programme YEI - Employment outcomes**

*From the analysis of monitoring and administrative data, it could be observed that the employment outcomes of YEI are satisfactory, given the relatively disadvantaged target group to whom it is addressed, and are sustainable over time – at least over the first six months after the end of the intervention.*

*The findings of the CIE point to the existence of a net positive impact of participants in terms of employment rate as well as of the stability of employment over time. However, the extent of the employment impact varies greatly according to the specific operations, with traineeships having appreciable positive impacts and standard vocational training operations having a negative impact over time.*

By the end of December 2018, just above one half (50.7%) of NEETs having taken part in the Youth Guarantee were in employment. Their employment rate increases over the first six months upon leaving the intervention, starting at 44.4% one month after the intervention and going up to 52.8% after six months.

Approximately 75% of participants have had one or more work experience, to show that approximately 25% of YEI participants have entered and exited the labour market throughout this period.

Significantly better employment rates are registered for respondents who have participated in a traineeship and for those who have followed a vocational training course. The employment rate for young people who did voluntary service is the lowest.

*Overall employment rates are significantly more favourable for participants with a lower profiling index (ranging from 62.4% for the lowest profiling category to 39.4% for the highest), meaning that they are relatively better placed to enter the labour market.*

In particular the educational level seems to play a particularly important role in explaining the employment rate (at the end of September the employment rate was 56.8% for participants in possession of a university degree vs 42.9% for those in possession of a middle school diploma).

From the point of view of the geographic location (that could be considered a proxy of the socio-economic context) employment outcomes are more favourable for those living in Northern, more developed regions (61.5% vs 53% in Central regions and 39.1% in Southern, less developed regions). Participants aged 18 and above have better employment than their younger peers, particularly those in the 18 to 24 range. The employment rate gender gap stands at 3% in favour of men.

However, the monitoring data alone do not allow to assess the extent to which the operations are effective.

The Counterfactual impact evaluation provides some additional insights in this respect as it answers two key evaluation questions: whether the YEI has been effective in

- supporting the employment of young NEETs
- supporting the stable employment of young NEETs.

Concerning the support to being employed, the CIE finds that the **employment rate of young treated participants is on average 12.3 p.p. higher than that for their non-participant counterparts (54.7% vs 42.4%).**<sup>10</sup>

The evaluation also shows that, on average, there is an initial time period (around 7 or 8 months) during which young participants ("treated" by the policy) have a lower probability of entering employment with respect to the control group; this time period would be even longer without considering the employment incentive operations. This time lag in the observation of net impacts is probably due to a natural "lock in" effect of participants in Youth Guarantee operation (i.e. participation in the operation keeps the participant away from the labour market).<sup>11</sup>

*The overall net employment effect hides important differences according to the operation offered, with some operations leading to better net employment outcomes. The net effects for participants in traineeships are clear and positive.* The average net effect of this operation is 9.5 p.p. (53.4% participants in employment during the 18 months after the entry into the programme vs 43.9% of non-participants to this specific operation). Interestingly this operation is more effective for women over the long term than for men (12.1 p.p. vs 8.1 p.p.)

*On the contrary, for vocational training and civil service operations, no positive effects are detected within the 18 months of the observation with a negative effect at the end of the period of observation at -9.2 p.p.* This could be linked to the different timing of these operations which last longer (and take longer to start) and are more likely to be provided as part of integrated pathways.

Concerning support to stable employment, the CIE finds that the **share of young treated participants in stable employment over the 18 months after the intervention is on average 7.6 p.p. higher than their non-participant counterparts (67.9% vs 60.3%).**

In this respect, the CIE finds that an important contribution to stable employment is due to the employment incentive operation. In the absence of this operation, the average effect decreases from 7.6 to 3.4 p.p.

Another interesting element that emerges from this CIE is that young participants in stable employment are more likely than their non-participant counterparts to experience more employment opportunities during the observation period.

#### **The National YEI evaluation – Counterfactual impact evaluation**

In order to observe the impact of the Youth Guarantee operations, the counterfactual method was applied. The control group was made up of young people who had been covered by the Youth Guarantee, but who did not receive any policy within the 18-month period of observation and who were employed. In addition, registered young people waiting to be taken in charge were excluded from the control group.

#### **The National YEI evaluation – Survey to Youth Guarantee participants and non-participants and multivariate analysis**

To carry out the sample analysis, a sample of individuals who did not take part in the Youth Guarantee operations was built. First, the reference population was stratified into three layers for the variables: age group, gender and region of the reference PES. A coefficient for weighing the strata was then calculated, which was

<sup>10</sup> The employment rate is measured across the 18 months following the taking in charge for both participants and non participants of the ALM operation.

<sup>11</sup> In Southern (less developed) regions, however, the positive effects of the treatment are already evident since the very first months after entering the programme, mainly due to the more frequent use of hiring incentives that lead to immediate employment (with almost 55% of participants benefiting from an employment incentive).



then applied to the absolute number of individuals in the strata to select the number of respondents to be interviewed.

### **Regional Operational Programmes**

There are no available assessments of the effectiveness of operations implemented through the regional Operational Programmes<sup>12</sup>.

In Emilia-Romagna, the focus on (re)integration of young NEETs into the formal training and education system is deemed to be appropriate from both the point of view of the intervention logic and that of the overall regional strategic approach to the professional training and education value chain.

In Sardinia, the effectiveness of implemented operations is so far mixed, with operations aimed at providing short vocational training opportunities being well aligned with the skill needs of the companies and therefore presumably contributing to improving the employment perspective of participants.

Employment incentives and support to tertiary education students is proving to be less appealing to participants and beneficiaries. Likewise for more structured VET operations linked with S3.

No detail has been collected for operations funded through the Regional Operational Programme in Puglia.

#### **4.2.3 EQ 1.3 To what extent were the target groups reached by the operations, including disadvantaged persons, those from marginalised communities and those leaving education without qualifications? Please classify different types of NEETs according to labour market status, age (15 to 25 or 15 to 29 or over), ISCED level, category of disadvantage (marginalised groups, disabilities, migrants, ex-offenders, addiction problems, homeless, single parents, carers, women having suffered violence or abuse, participants from rural areas). To what extent was gender balance achieved?**

*According to the national survey, participants of the National Operational Programme YEI are relatively more educated and trained than NEETs not having participated in the National Operational Programme. This is also shown by looking at the profiling index of respondents (measuring, as we have shown, the distance from the labour market based on a given set of parameters linked to age, sex, Labour Market status and residence) according to which the programme has primarily taken in charge young NEETs encountering on average less difficulties in entering the labour market (with a lower profiling index).*

By the same token, the involvement of the more vulnerable NEETs has been less preminent. According to monitoring data, the majority of people entering the programme have a secondary school diploma (57.6%), while the findings of the survey highlight that having tertiary education is linked with high participation levels in the programme.

This is particularly the case for the traineeship, which is the most frequent operation among those offered to participants, and the voluntary service operation, while participants to short vocational training operations (the second most offered operation after traineeships, aimed at gaining a professional qualification or a qualification for entering the VET system) are relatively more likely to have low to medium education levels.

*Interestingly, according to the survey, 17.2% of respondents having taken part in the Youth Guarantee are foreign citizens. This share is significantly higher (10 p.p.) than*

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<sup>12</sup> The thematic evaluation of effectiveness of youth employment measures is currently being implemented in Emilia Romagna; preliminary results are estimated to be available in 2020.

that of respondents not having taken part in the Youth Guarantee, showing that on average the Youth Guarantee is more likely to reach out to foreign nationals who typically face higher difficulties in accessing the labour market.

*It is interesting to note that, according to monitoring data, the average profile of participants to vocational education operations offered by the Youth Guarantee – which has a strong job placement dimension – is different to the average profile of the Youth Guarantee participants, in that it mostly targets young people facing greater difficulties in entering work. The Regions that on average make the most use of this operation are Campania and Puglia (less developed regions), which together account for 47.8% of the recipients of this operation.*

The fact that the National Operational Programme YEI should increase its efforts to reach out to less disadvantaged NEETs is also supported by stakeholder feedback that acknowledges the existence of an intrinsic difficulty of the YEI in this respect. This is particularly due to the fact that reaching out to the most marginalised is indeed more difficult and that it would call for ad hoc “system” operations (e.g. capacity building for social workers) that are not foreseen by the National Operational Programme nor by the regulatory requirements on the YEI (that should benefit directly young NEETs). Such a difficulty is also highlighted in the EMCO’s conclusions on the implementation of the Youth Guarantee in Italy (May 2018).

In this respect, it should be mentioned that the re-programming of the National Operational Programme introduced in 2018 foresees a specific operation targeted at young NEETs living in households that are recipients of the recently introduced minimum income. This operation shall be able to reach out to individuals living in at-risk-of-poverty households, which are thus more likely to experience difficulties in accessing support operation for entering the labour market.

*In addition to this, regions might focus their actions towards more disadvantaged youths through their own ESF Regional Operational Programme resources.*

*Among the selected Operational Programmes this would seem to be the case of Emilia Romagna which, through its Regional Operational Programme, focuses on offering **structured vocational education** operations that are likely to benefit individuals with low qualification levels, along with actions aimed at fighting early school leaving as well as **facilitating actions** such as specific operations for disabled students or financially disadvantaged students (accommodation facilities).*

Almost 50% of participants to Investment Priority 8.ii operations are inactive, testifying the regional effort at reaching out to those young people who are further from the labour market (19 623). The remaining are equally distributed between unemployed (11 067 unemployed – including long-term unemployed) and self-employed (12 859). Concerning the education level of participants, the majority (22 307) have a low education level (ISCED 1-2), 15,718 have a secondary education (ISCED 3-4) and 4,950 have a tertiary education (ISCED 5-8). The number of male participants is significantly higher for men, especially for young people 25 years old or below (34 652 of which 21 978 men and 12 674 women).

Likewise, in Sardinia, one of the most performing operations funded through Investment Priority 8.ii (Laboras – training for professional qualification) predominantly targets less qualified and educated young participants.

*One interesting action aimed at involving more vulnerable young NEETs in employment support operations is carried through the Regional Operational Programme of Friuli Venezia Giulia ‘Attivagiovani’, although Regional Operational Programme FVG is not part of the Operational Programmes selected for the present study. Attivagiovani is an operation to support youth employment implemented by the Friuli-Venezia-Giulia to contrast the phenomenon of NEETs. The project offers an 80- to 250-hour training path based on practical and laboratory activities, such as*

'creative ateliers' to experiment with manual skills, craftsmanship, creativity and new technologies. The activities can be concluded with concrete experiences in municipalities or local authorities for the implementation of events or services. The operation has been financed with 4.5 million euro for the three-year period 2018-2020, with a co-funding rate of 75% by the ESF.

**4.2.4 EQ1.5 Which types of interventions were the most effective and most sustainable, for which groups and in which contexts (e.g. more developed, less developed and transition regions; urban and rural areas etcetera)? Please classify different types of intervention according to detailed type, duration, within/outside the firm, with/without a certification, etc. For more options, please see the mapping template.**

Both the monitoring data and the counterfactual analysis highlight that different operations perform differently in terms of employment outcomes, starting from the type of operation. *In particular the CIE finds that traineeships are more effective than vocational training or voluntary service operations. From monitoring data we know that the former are relatively more popular among the better skilled and the opposite is true for vocational training.*

The analysis of the relative effectiveness of the different operations implemented through the National Operational Programme YEI highlights how traineeships are on average more effective both from the point of view of both the gross employment rates (number of participants in employment after the operation) and that of the net employment rate as measured by the Counterfactual evaluation. On the contrary, vocational training shows lower gross effects that tend to become negative when looking at net effects.

Yet the VET operations supported in both Emilia Romagna and Sardinia have a positive effect – according to qualitative information collected through the interviews with MAs and stakeholders.

In the case of Emilia Romagna, this might be due to the fact that the operations offered are different from the standard training operations funded through the YEI and are part of a more systematic and medium- to long-term approach to supporting young people in entering employment (which also entails entering or going back to school). In Sardinia, the training is offered for gaining qualifications/improving skills in specific sectors, through short, focused operations that tend to reach relatively more disadvantaged youths.

*In the case of National Operational Programme YEI an element of success highlighted by local stakeholders is the implementation of multi-operation pathways, allowing participants to enter an integrated pathway including two or more of the standard operations offered by the YEI (e.g. training, training and job counselling). By converse one of the elements limiting the effectiveness of the YEI is the fragmentation of the offer, whereby the participant receives one or more operations but is not part of an integrated pathway.*

**4.2.5 EQ 1.6 What main factors (geographical, socioeconomic, organisational...) had a bigger impact in the effectiveness of ESF and YEI operations in the field of youth employment, by type of operation? Please identify the method used to identify impacts.**

*There are two main dimensions that are linked to heterogenous effects and that can be considered as factors affecting the effectiveness of the Youth Guarantee in Italy. These are the geographical location of participants and their educational attainment.*

With regards to the geographical distribution, the CIE shows that operations implemented in the Central regions of Italy (typically more developed or transition regions) are the ones with the highest average net effects after 18 months for the taking in charge (17 pp), followed by Southern regions (less developed regions) with

12.5 pp. North Eastern and North Western regions (more developed) have the lowest average net effects (10 pp and 8.5 pp respectively). This information is somehow counterintuitive with respect to the employment outcomes (in terms of offers received at the end of the intervention) registered through the survey, which seem to be positively linked with the Northern regions (however it should be remembered that this latter finding relates to the gross employment effect, while the CIE operations the net effect).

The participants survey points to other elements that are positively related with employment outcomes: age (being below 25 years old is linked with higher chances) and a good education level.

With reference to educational attainment, this is also confirmed by the CIE that finds higher net effects for participants with higher educational qualifications participating in traineeships, both in percentage points compared to the employment rate and in relative terms as a percentage of the number of employed. 18 months from being taken in charge, the employment rate of traineeship participants with a university degree is 56.8%, i.e. 12.5 percentage points higher (+ 28.3% in relative terms) than in the absence of the policy; the same – but with decreasing intensity – applies for traineeship participants holding a secondary education qualification and a lower secondary education diploma.

Other factors affecting the effectiveness of the YEI/ESF operations can be detected by looking in more detail at the level of the regions.

*An element that is generally acknowledged to be directly linked with increased effectiveness of ALMP operations, and on which all stakeholders tend to agree, is the existence of an integrated approach at the local level between institutional and private partners, including the socio-economic partnership, private employment services and companies.*

This approach also includes strong complementarity with the vocational and education training system. Although the evaluation of youth employment operations is currently ongoing, this is particularly evident in the case of Emilia Romagna where such an integrated approach is the hallmark of regional policies, including ESF actions, particularly with regards to employment services and VET provision.

Specifically, Emilia Romagna has established the Pact for Labour (Patto per il Lavoro), which is an agreement between public and private institutions. The Pact unites local institutions, universities, social partners, employers and trade unions and the third sector forum to implement strategies, actions and tools capable of generating development and new social cohesion for Emilia-Romagna. The Pact for Labour also includes a part dedicated to young people called Youth Plus Pact (Patto Giovani Più). Youth Plus is a pact dedicated to young people to make a common strategy that aims to ensure more opportunities and to create good employment for young people.

#### **4.2.6 EQ 1.4 What was the quality and timeliness of the offers received by the participants?**

The National YEI evaluation offers a comprehensive analysis of the quality of offers received by Youth Guarantee participants, based on several elements of analysis.

*In general, participants have been actively involved in the identification of the selected support operations; this element should warrant for a better alignment with the expectations of the young participant. At the same time, however, it shows that participants have not been able to choose from different options, having received only one offer.*

*Surveyed participants are on average satisfied with the quality of the offer/service they received and the reasons for non-acceptance of the operations are generally linked to personal or employment-related reasons, rather than negative feedback on the programme. They are also on average more satisfied with employment*

opportunities they experienced than the surveyed young people that have not participated in the YEI.

*Still, the number of participants that are not satisfied with the support received remains relatively high, pointing to an important area for improvement.*

*An important element in assessing the quality of the offer is the certification received at the end of the operation. According to the survey, only 54.5% of participants received some sort of certification, and most importantly only one in five of them received a certification or validation of the competences and skills acquired, while most of the remaining received a certificate of attendance. 8% received a diploma, but this is most likely the case of participants in vocational training operations aimed at acquiring a professional diploma. What is most surprising is that the certification of competences is foreseen for the majority of the operations foreseen by the National Operational Programme. This is yet another area of improvement, although it should be mentioned that the issue of certification of competences and qualifications is in general a “weak spot” of the Italian system, which is still grappling with the difficulties created by the fragmented governance of the theme (regional/national levels).*

*Another element which deserves particular attention is the quality of the traineeships, which represent the most frequent operation offered. This is a critical element for assessing the quality of the YEI, as also highlighted by several stakeholders. The synthetic index developed by the national evaluation points to a relatively good quality for at least half of the traineeships, including some very high scores. This is particularly the case for younger participants (below 25) and for those with a good education (at least a high school diploma).*

In the vast majority of cases, traineeships are carried out within micro or small enterprises; while this is not a negative factor *per se*, it could be argued that the presence of larger companies should be promoted, as these would be likely to offer a more structured work experience. Another feature of the traineeship operation is that they are in many instances identified by the participant and not by the employment service. This might point to the fact that such opportunities are identified independently and before registering to the Youth Guarantee. This is an interesting element, and it also points to the important role that businesses/employees can have in channelling information on the Youth Guarantee to young NEETs.

*From the point of view of over/under qualification, that CIE finds that young participants in employment have on average a slightly higher probability of being over educated for their job (22.9% of participants vs 20.3% of non-participants, equal to a negative average net effect of 2.6 p.p.).*

Finally, with regards to the timeliness of the offer, it can be said that the share of young people taken in charge following their registration has shown an increasing trend. By July 2018, 69% of those registered with the Youth Guarantee were taken in charge by Public or Private Employment Services.

#### **4.2.7 EQ 1.7 To what extent did YEI and ESF contribute to structural changes in national education systems, vocational training systems, public employment systems or youth policies?**

*One of the most widely acknowledged effects of the YEI in Italy has to do with its contribution to structural and systemic changes in the coordination, governance and implementation of ALMPs. These changes refer to the strengthening of the PES system, the introduction of innovations in ALMP policy making and delivery, and organisational changes.*

In this sense, the National Operational Programme YEI was instrumental to rethinking labour market policies for young people and introducing innovative ALMP governance and implementation mechanisms for the young (and not only). Also, in parallel with the initial phases of the YEI, important labour market reforms were introduced that, together with the YEI, significantly contributed to modernising and improving the

effectiveness of the PES system, although there are still significant margins for improvement, especially in less developed regions.

As underlined by several stakeholders, National Operational Programme YEI represents a key driver for strengthening the PES system. The Youth uGarantee is strongly embedded in the Italian PES system, consequently absorbing and reflecting its structural weaknesses. In parallel with the implementation of the Youth Guarantee, however, the Italian PES system, and in general the ALMP system, has undergone important regulatory and organisational changes and reforms. There is a general agreement among stakeholders that the Youth Guarantee played an important role in the elaboration, testing and mainstreaming of some of these changes. This is one of the most important “systemic” contributions of the National Operational Programme YEI to the structural changes in the national and regional ALMP governance and implementation system.

Innovations to policy making and implementation mainly refer to:

- *Profiling*: the national managing authority has designed and introduced a profiling mechanism that “weighs” participants’ distance from the labour market, using a set of standard parameters such as education, employment status in the previous year, length of unemployment spell, residence. The profiling is also used to determine the remuneration for the service provided (yet an additional innovative tool). It is aimed at avoiding creaming effects. This is a powerful instrument for understanding the characteristics of National Operational Programme YEI participants. The profiling is carried out by the PES when the young person is taken in charge by the programme. The introduction of a profiling system represents one of the most important innovations introduced through the YEI in Italy.
- *Standard costs*: the National Operational Programme YEI has introduced standard costs for the majority of the (decentralised) actions; although this innovation has certainly implied a significant additional effort from the implementing bodies that had to “adapt” to this new system, in addition to favouring a standardised approach across the country, standard costs can play an important role in facilitating the reporting of expenditures and decreasing the administrative burden.
- *Monitoring*: the Managing Authority, through its monitoring and evaluation unit, plays a proactive role in the constant monitoring of Youth Guarantee. This is supported by the setup of an information system capable of collecting real-time information on Youth Guarantee participants. This enabled employment services to expand the standards used for the Youth Guarantee to all the ALMP operations, including the creation of an information system for monitoring and policy analysis. In perspective this should lead to the establishment of an “employee dossier” containing all the information concerning his working history.

Organisational innovations include:

- *The transformation of the Youth Guarantee committee into an Active Labour Market Policies Committee*. The Committee functions through the direct and continuous involvement of local authorities through institutional discussion groups. It fosters institutional dialogue between the managing authority, the intermediate bodies and the social partners involved. Through this approach was possible to respond in an effective way triangulating European policies, local issues and NEETs’ needs.
- Lastly, from a managing perspective, on the one hand, ANPAL, as the managing authority of the National Operational Programme YEI, defines the implementation guidelines and the financial allocation for each Region. ANPAL has defined a data-driven approach based on analysis and economic and socio demographic projections in order to allocate the financing resources. On the other hand, Italian regions, as intermediate bodies responsible for

implementation, endorse the implementation guidelines proposed by ANPAL and adapt them to territorial needs.

## 5 Efficiency

EQ 2 – How efficient have the YEI, and other youth-employment operations funded by the ESF, been in the achievement of their objectives?

### 5.1 Data from the AIR 2018

#### 5.1.1 Cost per outputs

In the tables below we present the average unit cost per output and positive results, measured by dividing outputs and results by declared expenditures. These costs do not consider the typologies of operations implemented nor the net results and are presented for merely illustrative purposes and should not be used to provide conclusions on the efficiency or cost effectiveness of the programmes under scrutiny.

Table 15. *Eligible expenditures declared to EC per participation*

OP	ESF			YEI		
	Total participation 8.ii	Expenditure declared 8.ii in EUR	Overall unit cost 8.ii in EUR	Total participation	Expenditure declared in EUR	Overall unit cost in EUR
Youth Employment - IT - YEI	0	0	-	494 178	1 273 945 332	2 578
ESF OP Emilia-Romagna -	43 549	123 049 675	2 826	-	-	-
ESF OP Sardegna	88	1 308 100	14 865	-	-	-
ESF/ERDF OP Puglia	4 804	-	-	-	-	-

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19

Table 16. *Eligible expenditures declared to EC per immediate result achieved*

OP	ESF			YEI		
	Total results 8.ii	Expenditure declared 8.ii in EUR	Overall unit cost 8.ii in EUR	Total results	Expenditure declared in EUR	Overall unit cost in EUR
Youth Employment - IT - YEI	0	0	-	0	847 576 287	-
ESF OP Emilia-Romagna -	18 735	123 049 675	6 568	-	-	-
ESF OP Sardegna	0	1 308 100	-	-	-	-
ESF/ERDF OP Puglia	0	-	-	-	-	-

Source: SFC2014, based on AIR 2018, data extracted on 06.09.19

### 5.2 Answers to the evaluation questions

Although the team has shared with the MAs the template to collect micro-data, such extractions are still pending and have been delayed due to technical issues within the Managing Authorities. For the “Iniziativa Occupazione Giovani”, some figures can be reconstructed based on the dedicated reporting system.

These only concern the unit costs for participation, which are however the most reliable given that results can be biased by changes of labour market status which could have occurred even in absence of the supported intervention.

The table below reports a summary of the unit costs for the operations supported under the YEI. Consistently with the report, values have been computed based on the expenditure declared by beneficiaries. These should be further investigated if micro-data becomes available.



Table 17. *Tentative unit costs for YEI operations declared to EC per immediate result achieved*

Measure	Euro per policy intervention (participant)
1-B Reception, take up and counselling	106.90
1-C specialistic counselling	
2 A & B- Vocational training for employment and training to return to education for the 15 to 18 years old	2 476.13
3 Job orientation	4 765.58
4-A Apprenticeship to gain a qualification and 4- C for higher education and research	165.91
5 Extra curricular traineeship	1 165.96
6-A Regional and national community service	5 441.66
7.1 and 7.2 Support to self-entrepreneurship and self-employment	1 398.54
8 Occupational and territorial mobility	363.51
Job subsidies	2 887.31

Source: author's elaboration based on ANPAL, four-monthly report on the implementation of the YEI, No 3/2018 data at 31/12/2018

As can be seen, less costly operations have been the initial counselling and guidance, but also operations to support occupational and territorial mobility as well as apprenticeships. For these two, however, the lag in reporting expenditure might suggest that the costs are underestimated, given there is a significant difference with eligible costs. The community service is the operation with higher unit costs, followed by job orientation. Job subsidies cost around 3 000 euro each whereas the traineeships, the operation most commonly offered, cost slightly over 1 000 euro.

Based on the information above and the results from the counterfactual analysis, the average effects of the YEI are positive. The average treatment effect for the operations analysed is 12.3 p.p. 18 months from starting the operations. If one considers that the weighted average cost of the operations analysed is 1 483.45 euro, this means that each positive change of occupational status for participants that is due to support through the operations taken into account in the CIE has cost approx. 12 060 euro. As net effects are however negative for the VET and Community service operations, the cost per effect of these operations cannot be computed. As for the Traineeship, the average net effect is computed at 9.5 p.p. This means that the average cost per participant who has found employment thanks to the support received is approx. 12 273 euro.

As we do not have a disaggregation of costs by participants' background characteristics, we can only assume that cost-effectiveness varies proportionally to the net effects described in the effectiveness section. Along these lines, the cost-effectiveness is higher for more educated participants.

Lacking disaggregated data and assuming that the use of SCOs has reduced variability, we can only assume that the differences in the net effects in effectiveness described have a linear impact on the cost-effectiveness of the operations. Thus, these are comparatively more cost-effective in central and southern regions than northern ones, especially with respect to the North-West area. This aspect will be further investigated as detailed information becomes available.

While the multi-level governance of the National Operational Programme YEI is certainly an important innovation, it cannot be overlooked that regions encountered several criticalities in adapting to this new system. These criticalities are linked to both the ESF/YEI requirements and the additional requirements due to the fact the regions have become also Intermediary Bodies.

On the positive side, and as already explained above, the Youth Guarantee promoted a new approach to data collection and monitoring of participants. This system allows

the elaboration of swift and frequent monitoring reports that represent an important tool for assessing the implementation of the Programme and identifying critical areas of intervention, without posing additional excessive administrative burden.

Concerning communication and visibility, all monitoring reports of the National Operational Programme YEI and the implementation of the Youth Guarantee are published on the internet and are available for public consultation, thus increasing the transparency and accountability of the programme.

Overall, stakeholders acknowledge that the Youth Guarantee has contributed to increasing the visibility of the European Union, although clearly additional efforts shall be made in reaching out to a broader audience. Improvements in communication activities could also go in the direction of creating a single-entry point for information concerning support operations for job seekers and enterprises alike. This is particularly important in Italy, where a host of overlapping operations are continuously introduced and modified.

## 6 Relevance

EQ 3 – How relevant are the YEI and the other ESF-funded youth employment operations?

### 6.1 Answers to the evaluation questions

*In spite of the satisfactory performance of the National Operational Programme YEI and the complementary/strengthening actions carried out through ESF in the regions, the situation of young NEETs remains critical in Italy and youth employment operations are very much needed and relevant, according to all stakeholders.*

The introduction of a new priority axis in the National Operational Programme YEI funded by the ESF will focus on the most disadvantaged NEETs (living in households that have registered for the recently introduced minimum income operation), thus contributing to filling a gap in the operations offered and groups targeted.

Stakeholders suggested additional improvements that could be made in order to strengthen the relevance of YE operations. These could go in the direction of *supporting companies in strengthening their training and orientation capacities and focusing on digital skills and the new world of work.*

*In-company training* is in fact considered an essential element in improving the matching of skills and competences with business needs, a long-time weakness of the Italian LM and education system. Digital skills are particularly relevant in view of facing the forthcoming challenges due to the increasing digitalisation of the manufacturing and services sectors and also with a view to increasing the basic skills of young people. The Italian government has recently launched a plan for the modernisation of the industrial sector (Industria 4.0) that shows great synergies and complementarities.

Concerning employment incentives, a rather popular operation for boosting demand-side labour market policies, there is a general agreement among stakeholders that these are relevant and should be continued. However, their relevance and effectiveness could be improved by making them a more “tailored” instrument and filling in specific market failures.

Relevance can also be looked at from the point of view of the satisfaction of (potential) participants.

Within the framework of the YEI evaluation, a survey on the expectations and satisfaction of young people involved in YEI measuoperationres was carried out. Such expectations can be summarised as follows.

- The prevailing expectation among young users was related to job search or receiving support in job search activities only marginally related to updating one's skills.
- More than 34% of respondents indicated that they went to PES to find a job consistent with their skills.
- A further 23.3% went there to find any job and just under one in four users (24.4%) expected help with job search activities.
- Overall, people who were looking for a job accounted for 82% of respondents, only 5.5% of young people in total were looking for a training course (mostly specific), while 12.5% of users had no particular expectation.

On the other hand, from a satisfaction perspective, it is possible to point out the following.

- Both young people registered and those not registered in the Youth Guarantee Programme are satisfied regarding the services received during the phase of taking in charge. The percentage of users satisfied varies between a minimum of

60.2%, referring to the organisation of the structure, and a maximum of 74% referring to the availability and courtesy of staff.

- More than 70% of respondents were fully satisfied with the professional and human characteristics of the PES staff, the duration of the interviews and the adequacy of the spaces in which the interviews were held.
- The less appreciated dimensions relate to the management of administrative delays (waiting lists), as well as the ability to provide information to the user on the methods and forms of continuation of the agreed individual paths. It should be noted that young people participating in the Programme are generally more critical in their satisfaction assessment than their peers not involved in the Guarantee.
- The young people involved in the Youth Guarantee, to a greater extent than those not enrolled in the Programme, believe that the active policy or job placement operation of which they are beneficiaries allows them to find new opportunities (+19.5 percentage points), increases their individual and professional autonomy (+15 percentage points), contributes to increasing their skills (+11.7 percentage points) and is able to provide more job opportunities (+11 percentage points).
- Looking only at the users who have joined the Youth Guarantee, the degree of satisfaction of the interviewees with regard to the active policy operation varies according to the phase of development of the intervention from which they benefited. In fact, if before starting to carry out the activity provided for by the operation the judgement of full satisfaction is on average 73.1%, it increases among those who are carrying out the intervention as they are more confident about the success of the experience (81%) and then contracts among those who have come to the conclusion (78.8%).

## 7 Coherence

EQ 4 –How coherent are YEI and the other ESF-funded youth employment operations among themselves, and with other actions in the same field?

The integration/complementarity of interventions supported by different sources of funding is a key theme in the context of cohesion policies financed by the European Structural and Investment Funds. Evidence collected shows that there is a close complementarity and synergy between national and EU-funded policies in the area of ALMPs.

### **Coherence with national/regional policies**

*The YEI Operational Programme is strictly connected to national social and employment policy operations, also thanks to the fact that the Managing Authority is based with the Ministry of Labour and Social Affairs and that the ESF in Italy plays an important role due to the significant amount of resources invested.* An example of such coherence is the recently introduced minimum income scheme, incorporating ALMP dimensions (Reddito di inclusione), and the introduction in the National Operational Programme YEI of an ad hoc operation for reaching out to young NEETs living in minimum income recipient households.

*In Italy, in parallel with the "mainstreaming" of ESF/YEI resources into ordinary policies (used to support key ALMP operations), ESF/YEI funds are being used to test new and innovative tools and governance models which can then be integrated into national policies.* Furthermore, several important labour market reforms have been developed in parallel with the initial implementation and experimentation of the YEI and these have contributed to strengthening its implementation. These include the reform and strengthening of PES, the development of an ambitious national plan for strengthening ALMPs and a strengthened partnership with private employment services.

The YEI and ESF are complementary to ERDF operations promoting small businesses and self-employment and with EAFRD in so far as operations on promoting the employment of young farmers and rural entrepreneurs are concerned.

### **Complementarity of YEI with ESF**

The national YEI evaluation has undertaken an analysis of the complementarity of ESF/YEI operations, through a screening of ESF interventions. It examines the different dimensions of complementarity that can take place between YEI and ESF Youth Employment operations, for instance at the regional level in terms of target groups covered and typologies of actions funded.

The evaluation finds that just above half of youth employment operations (55.2%) launched through ESF are different from the ones funded through the YEI, in terms of duration and implementation modalities, sectors (with ESF actions being more focused on specific sectors such as green and blue economy, ICT, etc.), and qualification/employment levels.

From the point of view of target groups/participants, one can see that more than half of ESF YE operations reach out to young NEETs, i.e. are the same as those of the YEI.

*These elements converge on the assessment that YEI and ESF are strongly coherent and that this coherence can take the form of:*

- complementarity (31% of ESF YE actions are different from the ones of the YEI but focus on similar target groups);
- strengthening of actions (i.e. 26% are similar actions for similar target groups – thus increasing the overall volume);
- specialisation (24% are different targets and different actions);

- integration (18.4% are similar actions but different target groups).

## **8 Sustainability**

**EQ 6 – How sustainable are YEI and the other ESF-funded youth employment operations?**

The YEI evaluation provides two main elements for assessing the sustainability of the operations analysed. As we have shown in the section on effectiveness, the CIE has shown that YEI operations have a net positive effect on employment outcomes 18 months after having been taken in charge by the programme. This means that the effects produced are sustainable at least over the period of observation.

The CIE also finds that YEI operations have a net positive effect also in terms of the probability of being continuously in employment over the first 18 months after having concluded the intervention. However, this effect is strongly linked to employment incentive operations. Not considering this operation, the net average effect decreases from 7.6% to 3.4%.

On a similar note, monitoring data tell us that the employment rate of participants increases over time (as measured by the short-term and longer-term indicators), from 43.7% (one month after the intervention) to 52.5% (six months after the intervention).

## 9 Added value

EQ 5 –What is the EU added value of the YEI and other ESF-funded youth employment operations?

As already mentioned in several parts of this report, the main added value of the National Operational Programme YEI lies in its innovativeness, in terms of the new method of collaboration introduced between the central and regional authorities, and the introduction of common standards and tools that have now become a common “legacy” of the programme. Most of the tools developed have been mainstreamed in the recent reform of 2015 on Employment services and ALMPs. This element is generally acknowledged by the great majority of interviewed and consulted stakeholders.

Likewise, the strengthened involvement of private employment services spearheaded by the programme has supported the development of the ALMP system and contributed to increasing the capacity of PES that have benefited from a learning process. This refers in particular to the capacity of taking in charge registered participants. This is confirmed by the fact that they express an overall positive judgment with respect to the service offered. Indeed, they are satisfied on the one hand with respect to the active policy path and its correspondence with their expectations, on the other hand with respect to the repercussions that the experience has had in terms of expanding their capacities, their professional knowledge and in terms of both personal and human development.

The introduction of a single monitoring system is also a major achievement of the National Operational Programme.

The YG has also contributed to putting the NEETs “in the spotlight” of the policy agenda and to increasing policy maker awareness of the great heterogeneity of this group which, in Italy, could be broadly divided into two: young people with a satisfactory education or qualification level who are facing difficulties in the school-to-work transition, and young people with low qualification and education that are furthest from the labour market and need a more structured and personalised support (not only in terms of accessing the labour market but also in terms of re-entering education or obtaining a qualification).

Another non-negligible dimension of the added value of YEI and ESF-funded interventions alike is inevitably related to the volume effect, simply by virtue of the considerable investment of ESF/YEI in respect to national and regional policies. The two are traditionally closely interrelated in Italy. This also has a repercussion on scope effects.

In Italy, the new partnership approach (national level – regional level; private and public employment services; and most importantly an integrated approach between employers and employment services and territorial organisations) is instead bound to remain, independently of EU funds.



## **10 Gender sensitivity<sup>13</sup>**

Even though gender gaps in the labour market are a major problem in Italy and though the ESF plays an important role in tackling these gaps in Italy, no specific operations or gender mainstreaming mechanisms have been encountered when analysing youth employment operations under the national and selected regional Operational Programmes. Yet, as shown in Table 1, both the young NEET and youth unemployment rates in Italy show substantial gender gaps (especially in the age range 25 to 29). It would seem that young people, and especially young NEETs, are treated as a “disadvantaged” category *per se*. Tackling intersectionality (i.e. the presence of multiple disadvantages) in youth employment would not seem to be a priority for the Italian policy makers.

Sex disaggregated data are provided in the AIRs as well as in the YEI evaluation. They show a slight imbalance against women for the National Operational Programme YEI and a bigger gap for Emilia Romagna.

National Operational Programme YEI. Within the group of young people taken in charge (over 1.66 million), there is a rather balanced distribution, with a slight prevalence of the male component (52%) compared to the female component (48%). The figure remains constant across the national territory, except for a slight deviation in North-western regions where there is a clearer male prevalence with 55.2%. On the other hand, among the young people who have embarked on an active policy, it is observed that the percentage of women prevails. The sex distribution across operations is quite balanced with the exception of the voluntary service (62.7% are women). As regards the net employment outcomes, YEI operations are relatively more effective for women with an overall average effect of 12.1 p.p., against an increase of 8.1 p.p. for men (18 months).

Regional Operational Programme Emilia-Romagna. In Emilia-Romagna, about 43 500 young people were involved in the actions falling under-Investment Priority 8.ii, of which 39.6% are women.

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<sup>13</sup> Gender sensitivity analysis looks at the extent to which the different needs of men and women in accessing the labour market are taken to account in the programmes. The analysis of who (women or men) benefited from the policy measures adopted to improve access the labour market and the analysis of the extent to which the gender gaps in accessing employment are bridged reveal how much attention has been posed by policy makers in tailoring policy measures able to meet needs and provide opportunities according to different groups of beneficiaries.

## 11 Conclusions

The European contribution to promote youth employment in Italy is based on two main pillars: the Youth Guarantee, implemented through the National Operational Programme Youth Employment Initiative (NOP YEI), and the various ESF Regional Operational Programmes (ROP) that in addition to the national programme invest significant additional resources to help young NEETs and young people in general in accessing the labour market.

The National Programme is implemented through an institutional cooperation between the Managing Authority (the National Agency for Active Labour Market Policies) and the Regions that act as Intermediary Bodies. Hence regions are at the same time Intermediary bodies of the National Operational Programme and Managing Authorities of the Regional Operational Programmes.

The National Operational Programme YEI recently underwent a major reprogramming thanks to additional funding from both YEI and ESF resources.

### EFFECTIVENESS

#### National Operational Programme YEI

In general, the physical and financial progress can be considered satisfactory of the programme. Some difficulties were experienced in these first four years of implementation, related to administrative hurdles aggravated by the introduction of the new programme and a new governance set up<sup>14</sup>. Difficulties are also linked to important structural weaknesses of the PES that are the main entry point for the Youth Guarantee.

In terms of contribution of the Youth Guarantee to the achievement of the overall objective of quality youth employment, the findings of the national evaluation point to net positive impacts on participants, in terms of employment rate (average effect on participants is equal to +12.3 p.p.) as well as of the stability of employment over time (share of young treated participants that is in stable employment over the 18 months after the intervention is on average 7.6 p.p. higher than their non-participant counterparts).

The net impact on the likelihood of being employed varies significantly according to the **specific operations offered**, with traineeships showing relatively higher positive impacts and standard vocational training and voluntary service having a negative impact over the first 18 months and to the **participants' profile** with employment rates are significantly more favourable for participants that have a better situation vis-à-vis the labour market in terms of qualifications, length of unemployment spell and other profiling criteria. In addition, participants of the National Operational Programme YEI are relatively more educated and trained than NEETs not having participated.

From monitoring data, we know that traineeships are the most frequently delivered measure and are also relatively more popular among the better skilled and the opposite is true for vocational training.

An element of success highlighted by local stakeholders is the implementation of multi-operation pathways, allowing participants to enter into an integrated pathway including two or more of the standard operations offered by the YEI (eg training, training and job counselling) as opposed to entering the Youth Guarantee or other ALMP operations multiple times.

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<sup>14</sup> The programme entailed the setup of a "new" (multi-level) governance model between the central administration and the regions, together with the introduction of standardised measures that had to be customised and adapted to the regional contexts and regulatory frameworks. These difficulties were partly eased through a close cooperation and maturation between the Managing Authority and the Intermediary Bodies, on an ad hoc basis.

The number of participants that are not satisfied with the support received is still quite high, pointing to an important area for improvement. Two important elements to take into account to improve the quality of the offer are the certifications received at the end of the operations and the quality of the traineeships.

There are two main dimensions that can be considered as **factors affecting the effectiveness** of the Youth Guarantee in Italy. These are the geographical location of participants and their educational attainment. In addition, all stakeholders tend to agree that an element that increases effectiveness of ALMP operations is the existence of an integrated approach at the local level between institutional and private partners, including the socio-economic partnership, private employment services and companies.

### **Regional Operational Programmes**

The performance of youth employment priorities in Regional programmes analysed in depth (Emilia Romagna, Puglia and Sardegna) is mixed, with Emilia Romagna recording good implementation levels, Sardinia lagging behind and Puglia recording no financial or physical progress.

There are no available assessments of the effectiveness of operations implemented through the regional Operational Programmes yet.

### **EFFICIENCY**

Efficiency of YEI operations in Italy has to do with the structural and systemic changes in the coordination, governance and implementation of ALMPs. These changes refer to the strengthening of the PES system, the introduction of innovations in ALMP policy making and implementation (standard costs, monitoring and profiling), and organisational changes (transformation of the Youth Guarantee committee into an Active Labour Market Policies Committee). While the multi-level governance of the National Operational Programme YEI is certainly an important innovation, it cannot be overlooked that regions encountered several criticalities in adopting to this new system.

Less costly operations have been the initial counselling and guidance, but also operations to support occupational and territorial mobility and apprenticeships<sup>15</sup>. Community services have the highest unit costs, followed by job orientation. Job subsidies cost around 3 thousand euros each whereas the traineeships, the operation most commonly offered, is at slightly over 1 thousand euros.

### **RELEVANCE**

The situation of young NEETs remains critical in Italy and youth employment operations are very much needed and relevant, according to all stakeholders. These could go in the direction of supporting companies in strengthening their in-company training and orientation capacities and focusing on digital skills and the new world of work.

From a satisfaction perspective it is possible to point out that the less appreciated dimensions relate to the management of administrative delays as well as the ability to provide information to the user on the methods and forms of continuation of the agreed individual paths. In addition, the young people involved in Youth Guarantee, to a greater extent than those not enrolled, believe that the active policy or job placement operation of which they are beneficiaries allows them to find new opportunities (+19.5 percentage points).

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<sup>15</sup>However, for these two (measures to support occupational and territorial mobility and apprenticeships) the lag in reporting expenditure might suggest that the costs are underestimated, given there is a significant difference with eligible costs.

## COHERENCE

The YEI Operational Programme in Italy is strictly connected to national social and employment policy operations, also thanks to the fact that the Managing Authority is based with the Ministry of Labour and Social Affairs and that the ESF in Italy plays an important role due to the significant amount of resources invested. In parallel with a “mainstreaming” of ESF/YEI resources into ordinary policies, ESF/YEI funds are being used to test new and innovative tools and governance models which can then be integrated into national policies. These elements converge on the assessment that YEI and ESF are strongly coherent, in the form of: **complementarity** (31% of ESF YE actions are different from the ones of the YEI but focus on similar target groups); **strengthening of actions** (26% are similar actions for similar target groups, thus increasing the overall volume); **specialisation** (24% are different targets and different actions); **integration** (18.4% are similar actions but different target groups).

## ADDED VALUE

As it has already been mentioned in several parts of this report the main added value of the National Operational Programme YEI lies in its innovativeness, in terms of the new method of collaboration introduced between the central and regional authorities, and the introduction of common standards and tools that have now become a common “legacy” of the programme.

Likewise, the strengthened involvement of private employment services spearheaded by the programme has supported the development of the ALMP system and contributed to increasing the capacity of PES that have benefited from a learning process.

The Youth Guarantee has also contributed to putting the NEETs “in the spotlight” of the policy agenda, and to increasing policy makers awareness of the great heterogeneity of such group.

## GENDER SENSITIVITY

Even though gender gaps in the labour market are a major problem in Italy and the ESF plays an important role in tackling these gaps in Italy, no specific operations or gender mainstreaming mechanisms have been encountered when analysing youth employment operations under the national and selected regional Operational Programmes.

## **12 Information sources**

### **12.1 Interviews**

Olimpia Fiorucci  
Tecnostuttura (inter-regional agency for the coordination of the ESF)  
<https://www.tecnostuttura.it/>

#### **National Operational Programme Youth Employment Initiative (Programma operativo nazionale Iniziativa Occupazione Giovani)**

Ferlito, Pietro Orazio Francesco  
Managing Authority

Paola Stocco and Cristina Lion  
Monitoring and Evaluation Unit

National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies  
<https://www.anpal.gov.it/>

12 July 2019

Marianna D'Angelo, Lucilla DiRico and Annamaria Franzese (technical assistance)  
ESF Coordination, National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies, <https://www.anpal.gov.it/>  
15 July 2019

Ricciardi, Rosanna  
National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies  
<https://www.anpal.gov.it/>  
31 July 2019

Patuzzi, Daniela  
National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies  
<https://www.anpal.gov.it/>  
09 October 2019

Michele Maggipinto  
Regione Puglia  
22 October 2019

NeetWorkPuglia (one of the 11 groupings of organisations accredited with the Region Puglia to provide YEI operations to young NEETs)  
18 November 2019

#### **Operational Programme Emilia-Romagna (Programma Operativo Emilia-Romagna 2014-2020)**

Remida, Valentina  
European Commission  
[https://ec.europa.eu/info/index\\_en](https://ec.europa.eu/info/index_en)

16 July 2019

Bergamini, Francesca  
General Directorate of knowledge, work and enterprises of the Emilia Romagna  
<https://www.regione.emilia-romagna.it/>  
2 August 2019

Cicognani, Paola  
Regional Employment Agency  
<https://www.agenzialavoro.emr.it/>

17 September 2019

**Operational Programme Sardegna  
(Programma Operativo Sardegna 2014-2020)**

Fadda, Antonella

Pisanu, Felicina Stella

Regional Department of Labour, Vocational Training, Cooperation and Social Security

<http://www.regione.sardegna.it/>

2 August 2019

Pisanu, Felicina Stella

Regional Department of Labour, Vocational Training, Cooperation and Social Security

<http://www.regione.sardegna.it/>

17 September 2019

Follow up interview with Antonella Fadda, November 2019

\*

In addition of the above interviews, the evaluator attended two events that provided extremely important insights both for the content of the presentation as well as for the exchanges among the socio-economic partnership, the regional and the central authorities:

- The presentation of the national evaluation of the YEI in Rome, 5 July 2019

<https://anpal.gov.it/documents/20126/82906/Presentazione+secondo+rapporto+GG+in+Italia+5+luglio.pdf/94cfb581-69c2-45ab-db42-5fa2cb582404?t=1562166744108>

- Working group on preparation of the Partnership Agreement – Group 4 “A more social Europe” devoted to Thematic Objective 8, 19 September 2019

[https://opencoesione.gov.it/it/lavori\\_preparatori\\_2021\\_2027/](https://opencoesione.gov.it/it/lavori_preparatori_2021_2027/)

## **12.2 References**

### **National Operational Programme YEI**

National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies (2018). Second evaluation report of the Youth Guarantee and National Operational Programme Youth Employment Initiative.

National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies (2019). L’attuazione della Garanzia Giovani in Italia. Quarterly report n° 3/2018.

National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies (2018). L’attuazione della Garanzia Giovani in Italia. Quarterly report n° 4/2017

National Agency for ALMP (ANPAL) - Ministry of Labor and Social Policies Schede Descrittive delle Misure attuate nell’ambito del PON IOG

Senato della Repubblica. Impact assessment office (2017), Mercato del lavoro e Garanzia Giovani (Labour market and the youth guarantee)

### **EMILIA ROMAGNA Operational Programme**

Emilia-Romagna (2019). Annual implementation Report 2018. 2017, 2016 and 2015 Regione Emilia-Romagna - Programma Operativo Fondo Sociale Europeo 2014-2020.

Labour and education department of Emilia-Romagna.

- Regulatory sources: Regional Resolution n°386 of 18/03/2019 Regional Resolution n°236 of 18/02/2019.
- Web sources:
  - [competenze/approfondimenti/formazione-contrasto-dispersione](#)

- <http://formazionelavoro.regione.emilia-romagna.it/entra-in-regione/bandi-regionali/2018/formazione-per-il-contrasto-della-dispersione-scolastica-e-successo-formativo/?searchterm=dispersione>
- <http://formazionelavoro.regione.emilia-romagna.it/entra-in-regione/bandi-regionali/invito-operazioni-formazione-contrasto-dispersione-scolastica/?searchterm=dispersione>

Notes on preliminary findings of the evaluation of youth employment policies (provided by the evaluator – IRIS)

### **SARDEGNA Operational Programme**

- Sardegna (2019). Annual implementation Report 2018, 2017, 2016 and 2015 of POR Sardegna FSE.
- Call for proposals
- Monitoring data provided by the Managing Authority

\*

Opencoesione: <https://opencoesione.gov.it/it/>. Opencoesione is a government website on cohesion policies in Italy. Extraction of data on the actions and beneficiaries of the operational programmes of Emilia-Romagna. Data Extracted on 15.09.19.

\*

Programming and Implementation report related to the Operational Programmes

## Annex

Table 18. Total common outputs for participations ESF/YEI under IP 8.ii, cumulative until 2018, by OP and indicator

	OP Sardegna			OP Puglia			National OP YE			OP Emilia Romagna			Total		
Description Common Output indicator	ESF			ESF			YEI			ESF					
	Total	%	% of women	Total	%	% of women	Total	%	% of women	Total	%	% of women	Total	%	% of women
Employment status															
CO01 Unemployed	88	100%	61%	4,267	89%	41%	314,561	64%	48%	11,067	25%	51%	329,983	61%	48%
CO02 of which Long-term unemployed	28	32%	64%	840	17%	51%	161,311	33%	49%	3,749	9%	53%	165,928	31%	49%
CO03 Inactive	0	0%		491	10%	47%	179,617	36%	46%	19,623	45%	33%	199,731	37%	45%
CO04 of which not in education or training	0	0%		441	9%	46%	179,617	36%	46%	247	1%	45%	180,305	33%	46%
CO05 Employed, including self-employed	0	0%		46	1%	52%		0%		12,859	30%	40%	12,905	2%	40%
Total CO1+CO3+CO5	88	100%	61%	4,804	100%	42%	494,178	100%	47%	43,549	100%	40%	542,619	100%	47%
Age															
CO06 Below 25 years of age	14	16%	57%	2,858	59%	38%	322,745	65%	44%	34,652	80%	37%	360,269	66%	43%
CO06a Between 25-54 years of age	74	84%	62%	1,946	41%	48%	171,433	35%	54%	8,894	20%	51%	182,347	34%	54%
CO07 Above 54 years of age	0	0%		0	0%			0%		3	0%	0%	3	0%	0%
CO08 Above 54 years of age who are unemployed, or inactive	0	0%		0	0%			0%		0	0%		0	0%	
Education level															
CO09 With primary or lower secondary education (ISCED 1/2)	25	28%	56%	1,359	28%	27%	107,153	22%	35%	22,307	51%	32%	130,844	24%	34%
CO10 With upper secondary or post- secondary Education (ISCED 3/4)	23	26%	74%	2,534	53%	47%	290,744	59%	46%	15,718	36%	44%	309,019	57%	45%
CO11 With tertiary education (ISCED 5 to 8)	39	44%	56%	692	14%	64%	96,281	19%	67%	4,950	11%	63%	101,962	19%	67%
CO11a Other / unknown ISCED	1	1%	100%	219	5%	9%	0	0%		574	1%	27%	794	0%	22%



	OP Sardegna			OP Puglia			National OP YE			OP Emilia Romagna			Total		
Description	ESF			ESF			YEI			ESF					
Common Output indicator	Total	%	% of women	Total	%	% of women	Total	%	% of women	Total	%	% of women	Total	%	% of women
Other background characteristics															
CO12 Participants who live in jobless households		0%			0%			0%			0%		0	0%	
CO13 Participants who live in jobless households with dependent children		0%			0%			0%			0%		0	0%	
CO14 Participants who live in a single adult household with dependent children		0%			0%			0%			0%		0	0%	
CO14a Other households	88	100%	61%	4,804	100%	42%	494,178	100%	47%	43,549	100%	40%	542,619	100%	47%
CO15 Migrants, participants with a foreign background, minorities	1	1%	0%	0	0%		49,505	10%	37%	10,960	25%	27%	60,466	11%	35%
CO16 Participants with disabilities	0	0%		0	0%		0	0%		991	2%	38%	991	0%	38%
CO17 Other disadvantaged	3	3%	67%	646	13%	32%	0	0%		901	2%	32%	1,550	0%	32%
CO18 Homeless or affected by housing exclusion	0	0%		0	0%		0	0%		1	0%	100%	1	0%	100%
CO19 From rural areas	43	49%	65%	0	0%		0	0%		13,709	31%	39%	13,752	3%	39%

Table 19. Common Result Indicators IP8.ii, ESF/ YEI, by OP

OP / Fund / Indicator	National OP YE	OP Puglia	OP Sardegna	OP Emilia Romana	Total ESF	Total YEI	Total
	YEI	ESF	ESF	ESF			
<b>CR01</b> inactive participants engaged in job searching upon leaving	0	0	0	2 137	2 137	0	2 137
<b>CR02</b> participants in education/training upon leaving	0	0	0	1 830	1 830	0	1 830
<b>CR03</b> participants gaining a qualification upon leaving	0	0	0	7 114	7 114	0	7 114
<b>CR04</b> participants in employment including self-employment upon leaving	0	0	0	7 654	7 654	0	7 654
<b>CR05</b> disadvantaged participants engaged in job searching education/ training gaining a qualification or in employment including self-employment upon leaving	0	0	0	3 839	3 839	0	3 839
Share of total in %				20%	20%		20%
<b>Total number of immediate results</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,735</b>	<b>18,735</b>	<b>0</b>	<b>18,735</b>

Source: SFC2014, based on AIR 2018, data extracted on July 23, 2019

Table 20. Common Result Indicators IP8.ii, ESF/ YEI, by OP

OP / Fund / Indicator	National OP YE	OP Puglia	OP Sardegna	OP Emilia Romagna	Total ESF	Total YEI	Total
	YEI	ESF	ESF	ESF			
<b>CR06</b> participants in employment, including self-employment, 6 months after leaving	0	1	3	7 285	7 289		7 289
<b>CR07</b> participants with an improved labour market situation 6 months after leaving	146 731	0	0	1	1	146 731	0
<b>CR08</b> participants above 54 years of age in employment, including self-employment, six months after leaving	0	0	0	0	0	0	0
<b>CR09</b> disadvantaged participants in employment, including self-employment, 6 months after leaving	0	0	0	1 432	1 432	0	1 432
<b>Total number of long-term results</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>8 718</b>	<b>8 722</b>	<b>0</b>	<b>8 722</b>

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