



# Youth Guarantee country by country

*Cyprus*  
*October 2020*

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## Introduction and context

The [Youth Guarantee](#) has become a reality across the EU. It has facilitated structural reforms and innovation in policy design across EU Member States.

This document provides extracts from official Commission documents on the implementation of the Youth Guarantee in Cyprus. It contains extracts from:

- The country report drawn by the Commission for Cyprus in the context of the [European Semester](#);
- The conclusions of the thematic multilateral surveillance review of the [Employment Committee \(EMCO\)](#).
- Results from the data collection on Youth Guarantee schemes.

A section at the end of the document is devoted to the assessment made by the Commission the previous year.

Cyprus presented a Youth Guarantee Implementation Plan on 31 December 2013.

Cyprus is eligible for the [Youth Employment Initiative](#).

## Commission's assessment

From the 2020 country report (EL - EN):

**"Overall, labour market conditions are improving but challenges remain. Unemployment fell sharply compared to the crisis years (7.5% in 2019 compared to 16.1% at its peak in 2014).** In the medium term, Cyprus is expected to achieve almost full employment conditions. However, with the favourable labour market environment, new challenges are emerging for upskilling and re-skilling as some sectors have started to face labour shortages. Furthermore and despite progress, youth unemployment (17.2% in the third quarter of 2019) and the number of young people not in employment education or training (13.2% in the third quarter of 2019) remain at considerably high levels compared to the EU average (14.4% and 10%, respectively). This is probably due to the lack of job opportunities for tertiary graduates, low enrolment in vocational education and training and difficulties in school-to-work transition. Another factor could be undeclared work [...]."

**"At the same time, it is important to ensure that growth benefits all of society.** Despite solid economic growth since 2015, many young people still stay out of employment, education or training and a high number of women remain out of the labour market due to care responsibilities."

**"Strong economic growth has been reflected in positive labour market developments.** [...] However, youth unemployment and the proportion of young people not in education, employment or training (NEETs), although decreasing, remain high and are above the EU average, at 20.2% and 13.2%, respectively in 2018, compared to 15.2% and 10.5% in the EU. This may weigh on current and future equality of opportunities [...]."

**"Unemployment is rapidly falling.** The unemployment rate fell from 8.4% in 2018 to 7.5% in 2019. Unemployment among young people also declined to 17.5% in 2019. While unemployment is still above the pre-crisis period, there are positive signs that unemployment is set to continue falling in the near term [...]."

**"Outreach to young people not in employment, education or training (NEETs) and other vulnerable groups continues to be one of the key issues.** Recently, Cyprus has strengthened outreach activities by mapping and profiling the population of NEETs twice a year and building partnerships with local actors as part of an action plan. The plan was set up in April 2019 and is currently being implemented, but its results are still to be evaluated. Efforts are also being made to promote collaboration between the public employment services, the counselling and career education services and other providers of Youth Guarantee interventions, targeting unregistered youth through regional partnerships and informing schools about employment and training opportunities."

**"Public Employment Services' operations have been temporarily enhanced but their long-term capacity is at risk.** The hiring of 30 additional counsellors and the restructuring of the Services' procedures have improved the quality of tailor-made services and individualised counselling with encouraging monitoring results. (34)"

**"Cyprus' performance on key Europe 2020 education targets and social scoreboard indicators is mixed and basic skills achievement remains a concern.** In 2018, the school drop-out rate ('early school leaving') declined, with 7.8% of 18-24 year-olds leaving school early compared to 8.5% in 2017, improving its

*position in the Social Scoreboard. Tertiary educational attainment has risen further. At 57.1%, Cyprus has the second highest tertiary educational attainment rate in the EU (the average is 40.7%). Underachievement in basic skills among 15 year old remains a concern, as also flagged by the SDG 4. Modernising the education system is therefore vital to improving educational outcomes. However, education and training reforms are only progressing slowly. This makes it difficult to address challenges including poor educational outcomes, low participation in vocational education and training and adult learning, as well as lacking digital skills. Labour market needs and opportunities, including the greening of the economy, require stronger efforts in upskilling and reskilling.”*

*For further youth-related matters please refer to the country report.*

## **EMCO's assessment**

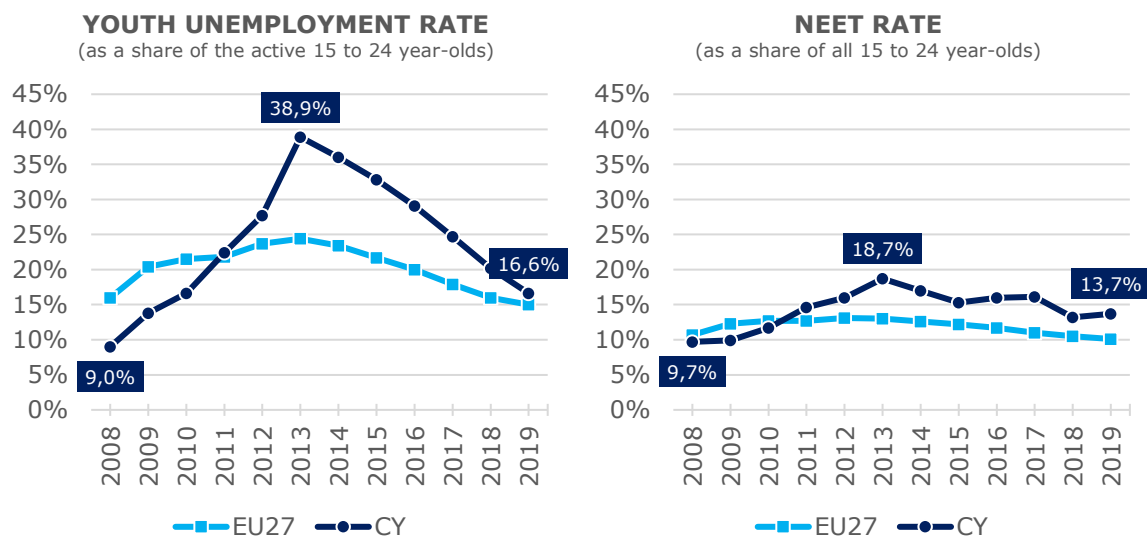
### **Conclusions of the Employment Committee's multilateral surveillance review on youth employment, October 2019:**

*The implementation of the Youth Guarantee in Cyprus is advancing. Particular improvements have been noted in the reinforcement of the public employment services, especially in terms of their effectiveness and in further strengthening activation. Improved cooperation and partnerships for the youth outreach measures have been acknowledged, including improved cooperation with social services. Partnerships between ministries have been strengthened and new partnerships have been developed through the implementation of two projects focused on the delivery of the Youth Guarantee, namely the Youth Guarantee Peer Support to Cyprus Project and the Outreach Project. The permanent reinforcement of the public employment services in order to maintain a sustainable service constitutes a challenge, as do information exchange between the partners involved in the implementation of the Youth Guarantee and the further reduction of the high levels of NEETs.*

*A number of traineeships have been introduced and planned, and the monitoring and evaluation tool to monitor the results is still at the early stages of operation. The traineeships available and compliance with the requirements of the Quality Framework for Traineeships could be improved.*

## Youth Guarantee monitoring – Key data<sup>1</sup>

### 1. Main trends in young people's labour market performance



Source: Eurostat, LFS (une\_rt\_a, edat\_lfse\_20)

### 2. Youth Guarantee delivery

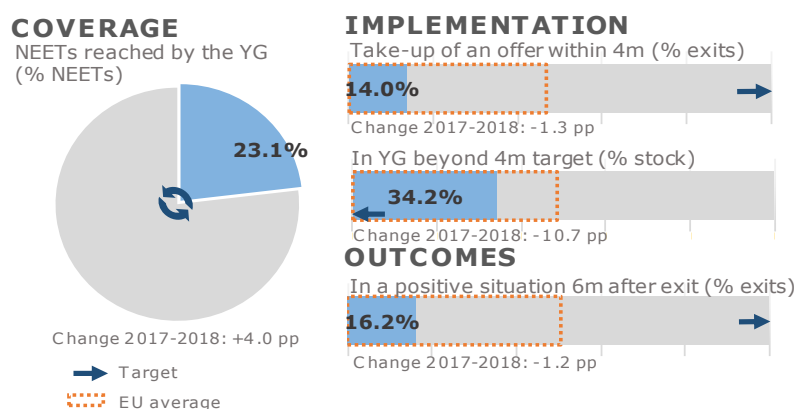
Cyprus presented its Youth Guarantee Implementation Plan at the end of December 2013, though it has not been made available on line. Subsequently, the Ministry of Labour, Welfare and Social Insurance, drafted a National Action Plan (NAP) for youth, including a list of YG measures.

The NAP was approved by the Council of Ministers in December 2014, and has been communicated to DG EMPL. The action plan foresees a sequential approach starting with low-intensity services, followed by more intensive individualised services, followed by intensive treatment for those that cannot be placed during the previous stages.

Further information is available in the [National Action Plan \(NAP\)](#) for youth.

<sup>1</sup> The information below is taken from the country fiche related to the Youth Guarantee Data collection (full results can be found on <http://ec.europa.eu/social/main.jsp?catId=1143&langId=en#YGIF>).

## YG monitoring data 2017-18



Source: DG EMPL, YG monitoring database, data extracted 09 December 2019.  
NEETs data were extracted from Eurostat, Labour Force Survey on 21 June 2019

A third (34.2%) of those registered in the YG scheme at any point during 2018 had been waiting for an offer for more than 4 months, a significant improvement compared to 2017 (-10.7 pp). Indeed, the result is now well below the EU average of 48.6% but may be artificially low due to high rates of deregistration and subsequent reregistration when young people do not maintain contact with the PES.

Only 14.0% of those leaving the YG in 2018 are known to have taken up an offer within 4 months of registration. This result is of limited value, however, because of low quality monitoring data. Education and apprenticeship offers are not monitored and destination is unknown for more than three quarters of exits (77.0%).

On average during 2018, the Cypriot YG scheme covered less than a quarter (23.1%) of all NEETs aged under 25. This represents an improvement compared to 2017 (19.1%) but is only slightly more than half of the rate seen at EU level (38.9%).

Only 16.2% of those leaving the YG in 2018 were known to be in a positive situation (employment) 6 months after leaving. Again, this result is of limited value due to the low quality of data (78.3% in an unknown situation).

## Previous year

### From the 2019 country report (EL - EN):

**"The robust economic performance helped improve the labour market conditions.** Employment increased strongly in 2018, a trend that is expected to continue in the next few years. The drop in the job separation rate combined with an increase in the job finding rate led to a further decline in unemployment. (57) Unemployment fell faster than estimated on the basis of economic fundamentals (European Commission, 2018b) to 8.4 % in 2018Q3 from 10.4 % in 2017Q3, but above the EU average 6.8 % and the pre-crisis level, around 4 %. Long-term unemployment fell at 2.5 % in 2018Q3. Youth unemployment fell to 18.7 % in 2018Q3 from 25.2 % in 2017Q3, but remains above the EU average (15.2 %)."

**"High youth unemployment rate combined with a high proportion of young people not in education, employment or training indicate a precarious situation for many young people.** The proportion of young people not in education, employment or training was 11.1 % in 2018Q3, among the highest in the EU. This is probably due to the lack of job opportunities for tertiary graduates, low enrolment in vocational education and training and difficulties and delays in school-to-work transition. Another factor could be undeclared work."

**"The share of young people not in education, employment or training remained high in 2017.** In the age group 15-29 years, almost one third had completed tertiary education and 55 % were men living in semi-urban areas. While the NEET rate for tertiary educated was well above the EU average, it was significantly lower among people with vocational upper secondary and post-secondary non-tertiary education. The estimated share of NEET under 25 registered for the Youth Guarantee was 19 % and 44 % of those registered waited for an offer for more than 4 months. In cooperation with the Ministry of Labour, the Ministry of Education launched a program to reach out to the NEETs and to provide them with individualised guidance."

**"The low efficiency of the public employment services and the limited roll-out and participation in activation remain a challenge.** ... To improve the capacity and efficiency of the public employment services, 30 additional counsellors were recruited for 2 years to provide, among others, individualised counselling to priority groups such young people not in education, employment or training, recipients of the guaranteed minimum income and the disabled."

**"The reform of the secondary technical and vocational education is progressing, yet the proportion of upper secondary students in this type of education remains low** (16.7 % vs the EU average of 49.3 % in 2017). The strong preference of young Cypriots to enter tertiary education and the low attractiveness of the vocational education and training for employers are considered among the main factors of low participation. To increase the uptake of vocational education and training, the authorities have made efforts to increase the capacity of schools and, in cooperation with industry, to update the curricula, but more investment might be necessary. A comprehensive analysis of the national apprenticeship system started in April 2017 in cooperation with the European Centre for the Development of Vocational Training."

For further youth-related matters please refer to the country report.



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## Links to further information

### **Youth Guarantee Knowledge Centre – Including promising examples from Cyprus**

<http://ec.europa.eu/social/main.jsp?catId=1327&langId=en>

### **Where to register for the Youth Guarantee?**

<http://ec.europa.eu/social/main.jsp?catId=1218&langId=en>

### **National Youth Guarantee Website**

<http://www.youthguarantee.org.cy/>

### **Youth Wiki Cyprus**

<https://eacea.ec.europa.eu/national-policies/en/content/youthwiki/overview-cyprus>

### **National Action Plan for Youth**

<http://www.structuralfunds.org.cy/uploadfiles/e-Library/NationalActionPlan-for-YouthEmployment.pdf>