



Youth Guarantee country by country

Hungary
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 Hungary. It contains extracts from:

- The country report drawn by the Commission for Hungary 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 assessments made by the Commission and EMCO the previous year.

Hungary presented a [Youth Guarantee Implementation Plan](#) on 6 December 2013, updated in April 2014.

Hungary is eligible for the Youth Employment Initiative.

Commission's assessment

From the 2020 country report (EN - HU):

“The general labour market situation improved in line with the good cyclical economic situation. In 2018, the employment rate for the 2064 age group reached 74.4%, which is above the EU average of 73.2%. The unemployment rate for the 15-74 age group fell to 3.7%, below the EU average of 6.8%. Youth unemployment (10.2% in 2018) and the rate of youth not in employment, education or training (NEET) (10.7% in 2018) have been improving, although the reduction in both indicators is slowing.”

“The labour market performs strongly, in line with the good cyclical situation of the economy. Employment and participation continued to rise in 2019. Unemployment, including long-term unemployment, fell to well below pre-crisis levels. Youth unemployment and the share of youth not in employment, education or training have been improving at a slower pace [...].”

“Despite favourable trends, not all groups benefited equally from the expansion. The gaps in employment between genders and skills groups remain wide in EU comparison. Labour market outcomes for various vulnerable groups improved, including people with disabilities, the Roma population and women with care responsibilities, but remained well below average outcomes in the Hungarian workforce. Despite its reduction in recent years, the Public Works Scheme continues to employ about 2% of total employment. The NEET rate differs between regions, varying from 6.5% in Budapest to 16.6% in Northern Hungary.”

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

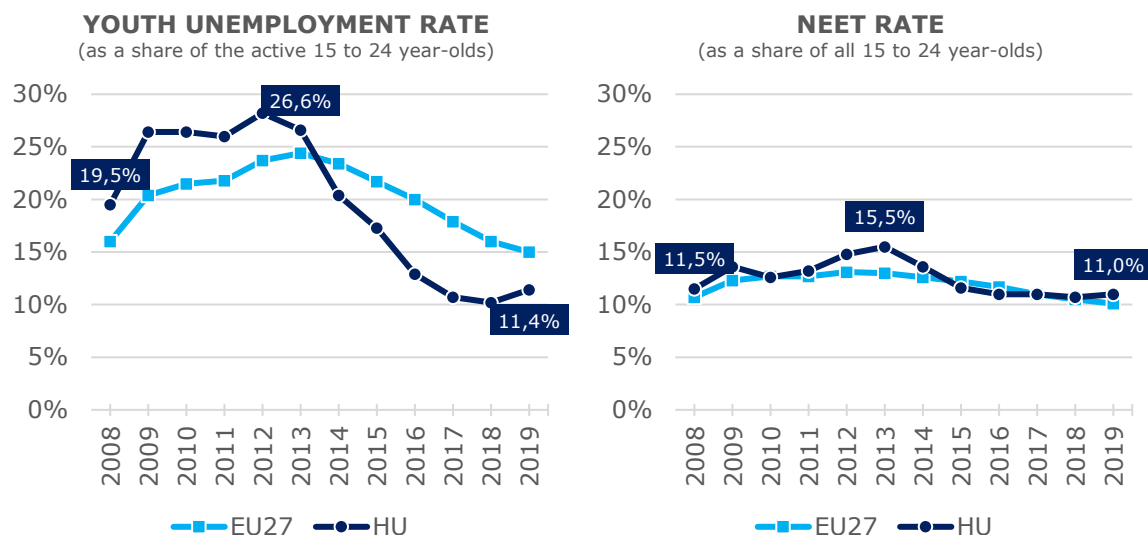
EMCO's assessment

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

Youth Guarantee implementation in Hungary is well advanced. It has been effectively implemented, with local PES offices providing Youth Guarantee services throughout the country. The share of timely and positive exits from measures is among the highest in the EU, and partnerships are well established and effective. There are an increased number of activities in terms of outreach and activation. Positive indicators in this area include a very low recycling ratio, which indicates that offers are of good quality. Based on previous experiences, Hungary has improved a significant number of measures, which reflects continuous efforts to improve their effectiveness. Nevertheless, there remains scope for further improvements, including with regard to cooperation with social partners and youth organisations, outreach measures (with a large number of inactive NEETs not covered), and monitoring in terms of long-term data and results from follow-up in the labour market. Training offers should be made more flexible and adaptable. Personalised services could be improved, possibly through the profiling system, which could benefit from further refinement. There is no specific legislation on traineeships, which are linked to employment contracts and reported under employment in the Youth Guarantee scheme.

Youth Guarantee monitoring – Key data

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



Source: Eurostat, LFS (une_rt_a, edat_lfse_20)

2. Youth Guarantee delivery

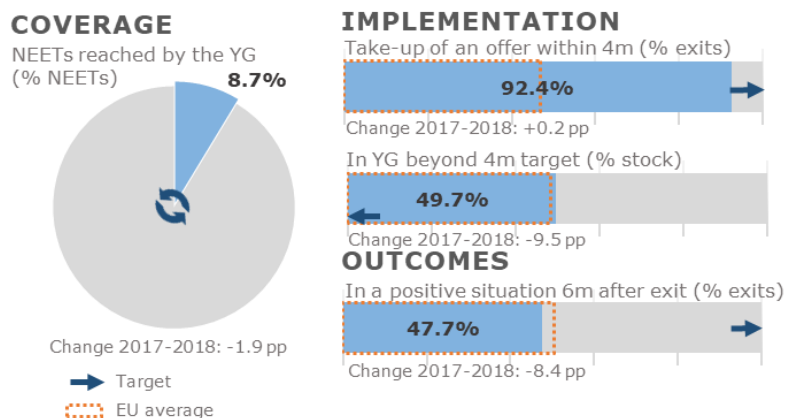
Hungary presented a Youth Guarantee (YG) Implementation Plan on 6 December 2013, which was updated in April 2014.

The Youth Guarantee (YG) scheme in Hungary was formally launched on 1 January 2015 and was rolled-out progressively in three phases of implementation linked to target groups: until the end of June 2016 the Hungarian YG focused on long-term unemployed (LTU) youth, until end 2017 on those unemployed for at least 4 months, and since the beginning of 2018 the guarantee has extended to all young people. Since February 2017, registration can be performed online or via the PES.

The Ministry for the National Economy has overall responsibility for the Hungarian Youth Guarantee programme, in close cooperation with the Ministry of Human Resources. The National Employment Services (PES) have primary responsibility for the implementation and coordination of the scheme. Other actors involved include other Ministries, youth organisations (e.g. the National Youth Council), employment organisations (e.g. the Hungarian Chamber of Commerce and Industry) and organisations for under-represented groups (e.g. the National Roma Council).

More information is available in the national [YG implementation plan](#).

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.

In the fourth year of its implementation, the effective delivery of timely offers by the YG scheme in Hungary continues, as 92.4% of those leaving the YG in 2018 took up an offer within the target 4-month period, almost identical to the previous year (92.2%).

Almost half (49.7%) of those registered at any point in time during 2018 had been waiting for an offer beyond the 4-month target, a decrease of 9.5 pp from 2017, but in practice the numbers concerned are relatively small as a result of the high rate of throughput.

Coverage has reduced slightly compared to 2017 (-1.9 pp), with the stock of young people registered in YG representing just 8.7% of the NEET population as measured by the Labour Force Survey. The high rate of throughput through the YG scheme and, therefore, the relatively low stock of people registered in the preparatory phase at any point in time contributes significantly to this result, but it remains the case that a significant number of inactive NEETs are not addressed.

Follow-up data show that less than half (47.7%) of those leaving the YG were known to be in a positive situation 6 months after exiting in 2018, though this number is understated due to significant proportions in an unknown situation (34.2%).

Longer-term results data for 2017 show that the proportion of participants in a positive situation decreases with time (56.1%, 45.1% and 44.2% at 6, 12 and 18 months after exit), but this decline largely reflects the limited capacity to track people through time and, therefore, increasing numbers of participants for whom the subsequent situation is not known (20.6%, 28.6% and 33.1% at 6, 12 and 18 months after exit).

Previous year

From the 2019 country report (EN - HU):

"Employment and wages increased amid strong economic expansion, but did not benefit all groups equally. The employment rate for the 2064 age group reached 74.6 % and the unemployment rate fell to 3.8 % in the third quarter of 2018. ... Unemployment, including longterm and youth unemployment, has fallen below pre-crisis levels, and is forecast to decrease further."

"EU funding has helped to address policy challenges also identified in previous CSRs. Hungary received support from the Youth Employment Initiative to combat youth unemployment, benefitting over 40 000 young people to date."

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

Links to further information

Youth Guarantee Knowledge Centre – Including promising examples from Hungary

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

Youth Guarantee Implementation Plan

<http://ngmszakmaiteruletek.kormany.hu/download/9/4c/c0000/Youth%20Guarantee%20Implementation%20Plan.pdf>

Where to register for the Youth Guarantee?

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

Youth Wiki Hungary

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