



Youth Guarantee country by country

Spain
October 2020

Table of Contents

Introduction and context	3
Commission's assessment	4
EMCO's assessment	6
Youth Guarantee monitoring – Key data	7
Previous year	9
Links to further information	11

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 Spain. It contains extracts from:

- The country report drawn by the Commission for Spain 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.

Spain presented a [Youth Guarantee Implementation Plan](#) in December 2013. Further information can be found in the latest [Action Plan on Youth Employment](#).

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

Commission's assessment

From the 2020 country report (EN - ES):

“Unemployment has continued to fall, but remains very high and many employees work on temporary contracts. The high job content of Spain’s growth during the recovery has put the economy on a sustained growth path. The seasonally adjusted employment rate of people aged 20-64 has risen further to 67.8% (Q3-2019) (compared to 67.2% in Q3-2018) and unemployment (15-74) has fallen to 13.8% (Q4-2019) (compared to 14.5% in Q4-2018) [...]. Yet, both indicators still underperform with respect to the EU average [...], especially in some regions [...]. Long-term and youth unemployment have also seen steep declines, but long-term unemployment still affected 1.2 million people in Q3-2019, or 5.2% of the active population. 30.5% of the active population aged below 25 was without a job in Q3-2019 (compared to 14.4% in the EU). The share of young people “Neither in employment, nor in education or training” (NEETs) has also fallen significantly, to 12.4% in 2018, but remains among the highest in the EU. Finally, job quality remains a concern, as Spain records the highest share of employees on temporary contracts and the third highest rate of in-work poverty in the EU [...].”

“The indicators of the Social Scoreboard supporting the European Pillar of Social Rights point to a number of challenges. Although improving, the employment rate remains low, including for women. Many young people leave school early or are neither in employment nor in education and training.”

“Unemployment is still very high, despite its rapid decline in recent years. The Commission expects the unemployment rate to continue declining to 12.8% in 2021. High unemployment affects in particular young people and low-skilled workers. New action plans aimed at improving the support to young and long-term unemployed workers hinge upon a strengthened capacity of public employment services.”

“Employment growth is set to moderate, in line with the cyclical slowdown. The unemployment rate is set to continue falling to below 13% in 2021, still far above the euro area average. Despite the positive trend since 2014, the labour market integration of young people and of the long-term unemployed remains a challenge.”

“There was some improvement in the delivery of labour market policies, but their effectiveness remains modest and labour market segmentation persists. [...] Measures to reduce temporary contracts have focused on fighting abuse. Efforts to strengthen the public employment services continue in some regions. The implementation of the new Action Plan for Youth Unemployment and the ReincorporaT Plan for the long-term unemployed is on track, but hiring subsidies still absorb about 40% of the budget for active labour market policies and do not seem to be very effective.”

“The European Commission can provide tailor-made expertise via the Structural Reform Support Programme to help design and implement growth-enhancing reforms. Work started in 2019 on new projects (namely, to improve the implementation of dual VET in Spain, to help the Spanish Public Employment Service implement the Action Plans for Youth Employment and for Long-term Unemployment, as well as on the reform of the insolvency and pre-insolvency frameworks).”

“Although unemployment has fallen rapidly, it remains very high. Unemployment for 15-74 years old stood at 13.8% in Q4-2019, following a reduction

of 12 pps since its peak in 2013. However, this is the EU's second highest rate. Long-term and, especially, youth unemployment have also fallen steeply during this period, but more than 30% of the active population under 25 was still without a job in Q3-2019."

"Unemployment is set to continue falling, despite the projected slowdown in job creation. In addition, the activity rate has started to decline as young people stay longer under education."

"The reduction of macroeconomic imbalances in Spain has progressed further, but vulnerabilities remain. Unemployment is set to continue falling, despite a deceleration in job creation, but remains very high. Reducing longterm and youth unemployment, along with lowering the share of employees in temporary contracts, is critical to raise the growth potential of the Spanish economy."

"High school drop-out rates hamper the integration of young people in the labour market and society in general. Although the early school-leaving rate has fallen in recent years, it remains the highest in the EU, with large regional disparities. As a result, the share of young-people neither in employment, nor in education or training (NEET) remains high, despite good labour market developments overall. Moreover, low education levels significantly increase the risk of future poverty and social exclusion."

"The minimum wage will further increase in 2020, though the impact on employment of the 2019 hike has not yet been quantified. When the 22.3% increase in the minimum wage entered into force in January 2019, employment was still reported to be growing robustly, including for youth and the low skilled, as well as in the regions where the minimum wage covers more workers"

"Efforts to improve public employment services continue. The effectiveness of active labour market policies largely relies on the capacity of the regional public employment services (PES). [...] Up to 3,000 new caseworkers are being recruited by the regional PES to assist the implementation of the plans for the young and the long-term unemployed, especially to attract job offers for these groups of people and facilitate the matching."

"Policies to improve young people's integration into the labour market are making progress. A new 2019-2021 Action Plan for Youth Employment was launched in December 2018. It is designed to sustain the positive trends in the labour market integration of young people, with a focus on digital skills and adaptation to technological change. 30% of young people classed as "not in education, employment, or training" ('NEET') were registered in the Youth Guarantee in 2018 (32), but those who are inactive, low skilled and most vulnerable are less likely to register. 17.9% of those leaving the Youth Guarantee in 2018 took up an offer within the four-month target, a substantial improvement compared to 2017 (8.6%)."

"Non-EU migrants and Roma population continue to face integration challenges. Only 17% of Roma complete lower secondary education and 63% of young Roma are neither in employment, nor in education or training (Fundación Secretariado Gitano, 2019)."

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

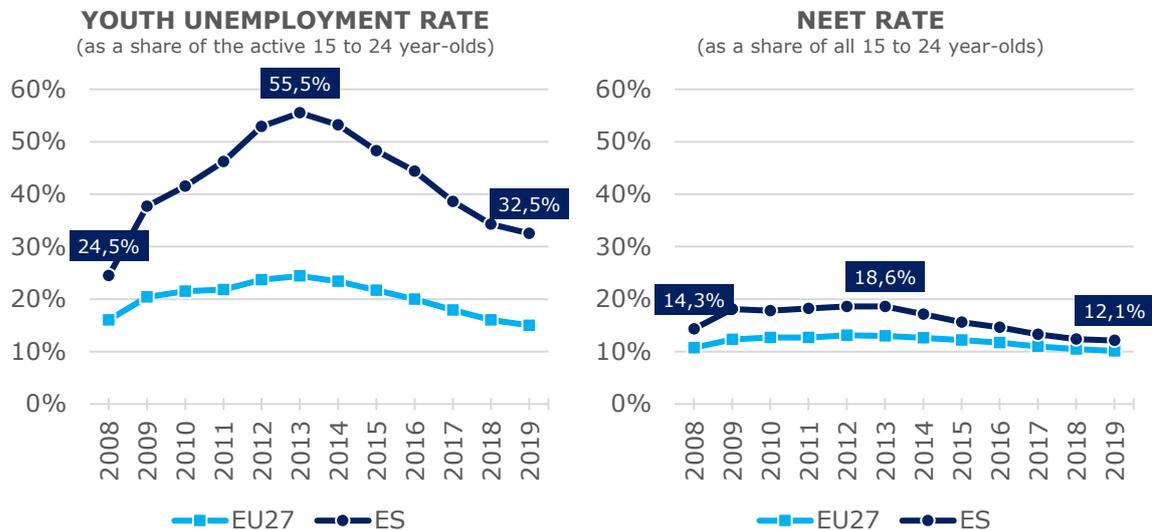
EMCO's assessment

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

Implementation of the Youth Guarantee in Spain is advancing and good progress has been made in reaching out to a larger proportion of NEETs and attracting them to the national scheme. The system for implementing the Youth Guarantee is very comprehensive, with a wide range of stakeholders and efforts made to include them all in the process. The Action Plan for Youth Employment 2019-2021, whose goals include reducing youth unemployment, increasing activity rates and promoting training, is a good policy instrument. On outreach and registration, various measures at state level have been introduced to help with the registration of young people, and positive steps include using social media to increase the visibility of the Youth Guarantee and the introduction of youth mediators. A simplified process for registration and access to measures is also a promising initiative. However, as many measures are new, their effectiveness remains to be seen. Challenges include the need for greater outreach to the inactive, low-skilled and most vulnerable, and the remaining disparities in implementation across the country, especially regarding the use of an individualised approach and the quality of measures. Problems might arise regarding information sharing and coordination of efforts between different stakeholders at state, regional and local level. Traineeships are largely in line with the Quality Framework for Traineeships. Improvement might be needed in the areas of providing mentors, limiting the duration of traineeships, ensuring transparency with regard to hiring practices, and better adapting the offers to employer and target group needs.

Youth Guarantee monitoring – Key data

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



Source: Eurostat, LFS (une_rt_a, edat_ifse_20)

2. Youth Guarantee delivery

The Youth Guarantee scheme in Spain was developed in line with the Entrepreneurship and Youth Employment Strategy, approved in February 2013. The [Youth Guarantee Implementation Plan](#) was presented on 19 December 2013, and the scheme started in July 2014.

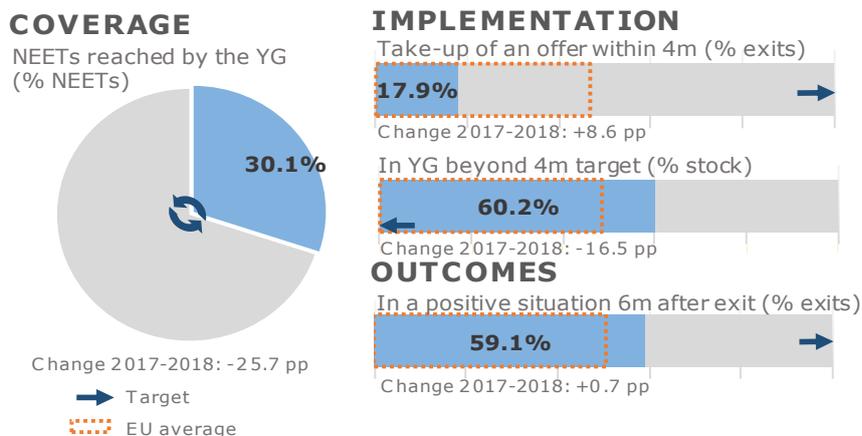
During 2016, the Department of Self-Employment, Social Economy and Corporate Social Responsibility of the Ministry of Employment and Social Security was responsible for the implementation of the YG and for coordinating partnerships across different levels and sectors. From July 2017, this responsibility was transferred to the Spanish PES. In line with the regional competences model in Spain, the Autonomous Communities (regions) also have a key role in the implementation and management of the YG.

In 2014, the YG in Spain was available to all individuals aged between 16 and 25, and to persons aged under 30 who have more than 33% of disability. In 2015, the age limit was changed to under 30 for all participants.

The National PES (SEPE) is responsible for the implementation of the YG and for the coordination of partnerships across different levels and sectors.

Further information can be found both in the [dedicated website](#).

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.

On average in 2018, three in five (60.2%) young people aged 15-24 were still in the YG preparatory phase beyond the 4-month target, a much lower proportion than in 2017 (- 16.5 pp) but still well above the EU average of 48.6%. This difference is partly expected given the design of the scheme (the Spanish YG is organised somewhat differently than in most other countries. Once registered, young people remain registered until they take up an offer or deregister voluntarily).

Only 17.9% of those leaving the YG in 2018 took up an offer within the 4-month target, a substantial improvement compared to 2017 (+ 9.3 pp). The result remains a long way below the EU average of 46.7% but this again reflects the design of the scheme. In Spain young people remain registered until they take up an offer so that the Spanish data effectively measure the proportion of offers taken up within 4 months whilst the data for other countries measure the proportion of all exits (positive or negative) accounted for by young people taking up an offer within 4-months of registration.

Less than a third (30.1%) of the NEET population was covered by the Spanish YG scheme during 2018, a significant decrease compared to 2017 (55.8%) and well below the EU average of 38.9%. This apparent decrease in coverage compared to 2017 is actually an artefact of improvements in the data, which in 2018 cover more providers of YG offers than before. Now that more data about offers are available, some young people that would previously have been recorded as NEET (and therefore part of the YG stock) are now recorded as being in an offer (positive exit and no longer part of the stock). The result is that the average YG stock reported in 2018 is roughly half that reported in 2017 so that coverage appears lower. Spain plans to provide revised data for earlier years in the future.

Three in five (59.1%) of those leaving the YG in 2018 were known to be in a positive situation 6 months after exit. Long-term follow-up data from 2016 and 2017 show that these outcomes are generally maintained over time.

Previous year

From the 2019 country report (EN - ES):

"The economic recovery continues to uphold job creation, but high unemployment and segmentation remain important structural challenges. In Q3-2018 the employment rate (2064) reached 67.1 % (seasonally adjusted), and unemployment continued to decline steadily to 14.5 % in Q4-2018. Both indicators are still far from their pre-crisis levels and worse than the EU averages."

"Young people still struggle to find jobs but remain more in education and training. The youth unemployment rate continues to decline, but remains almost twice as high than before the crisis. The share of young people neither in employment nor in education or training (NEET) and of early school leavers are gradually falling but remain high (respectively 13.3 % and 18.3 % in 2017) as highlighted by the Social Scoreboard. Low education levels greatly increase the risk of future poverty and social exclusion."

"European Structural and Investment Funds support the implementation of the Country-specific Recommendations and structural reforms in Spain. European Structural and Investment Funds are also promoting access and adaptation to the labour market, investing in education and training, and combatting poverty, discrimination and social exclusion, with a strong focus on youth, in line with the principles of the European Pillar of Social Rights. So far, the European Social Fund and the Youth Employment Initiative have supported more than 3 million activities, among others, employment subsidies, traineeships, apprenticeships, counselling, training courses, dual Vocational Education and Training and social services targeting participants of different ages and backgrounds."

"The increase in the minimum wage could reduce in-work poverty, but could also hurt the employment prospects of young people and the low-skilled. Spain has implemented a steep increase in the minimum wage in 2019 (of 22.3 %), above expected inflation and productivity growth. The expected impact of the increase in the minimum wage on employment may vary significantly across regions, sectors, and categories of workers, depending on the coverage. Existing simulations specific to Spain estimate that the recent increase in the minimum wage to EUR 900 would generate a negative employment effect of up to 0.8 % of total employment (some 125 000 net jobs). This negative effect would be greater for certain groups, such as women, young people, lowskilled workers and those on temporary contracts."

"With the support of the European Social Fund, EOI (Industrial Organisation School), in collaboration with Google, provides digital training to young unemployed across Spain. Through Massive Open Online Courses (MOOC) trainings, individual tutoring and hiring subsidies, this initiative enables young people to specialise in digital fields that are highly demanded on the labour market (e.g. web/mobile development, big data, artificial intelligence, robotics and cybersecurity). In 2017, 1 131 people received a MOOC certificate, 200 were admitted to a tutoring activity and 61 attended a classroom course. 95 % of them found a job or resumed studies thanks to the programme."

"In spite of increased outreach efforts, the employability of young people remains low. The share of young people neither in employment, nor in education or training (NEET) keeps falling (13.3 % in 2017), but it remains high and varies greatly across regions. (36) Registrations in the Youth Guarantee reached to 56 % for the

young people neither in employment, nor in education or training aged 15-24 in 2017 (compared to 34 % in 2016) and to 27.4 % for those aged 25-29. The share of people still in employment, education or training six months after leaving the Youth Guarantee rose further to 60 % in 2017 for those aged 18-24 and to 65 % for those aged 25-29. However, the most vulnerable young people neither in employment, nor in education or training tend to be under-represented among beneficiaries and there is still room for greater cooperation with employers to improve engagement towards those furthest away from the labour market.”

“Additional resources have been allocated to a new Plan for Youth Employment to be implemented by the regions. Evidence suggests that past hiring subsidies for youth employment have had limited success and failed to promote quality employment. Between 2010 and 2016, only 2.3 % of all contracts were subsidised and just 7 % of all contracts signed by young workers were open-ended. (FUNCAS, 2018). In addition, young workers on subsidised open-ended contracts were more likely to exit employment within two years than those employed on non-subsidised ones, casting doubts on the effectiveness of these subsidies. Jansen and Troncoso-Ponce (2018) suggest that subsidised training contracts that are of too short duration do not support skills transferability. The newly adopted Plan for Youth Employment 2019-2021 includes an increase in the number of counsellors for young jobseekers (+3 000), a review of the existing hiring incentives and measures covering guidance, training and actions to foster entrepreneurship and equal opportunities. The plan also envisages a review of the Youth Guarantee system and measures to enhance skills acquisition, including digital, and to support jobs in rural areas, in line with the demographic challenge outlined in Section 4.4. The EUR 660 million yearly budget allocated to the plan is still provisional and partly based on preexisting resources. The implementation of the Plan, on a voluntary basis, is the competence of the regions.”

“Albeit stabilising, the proportion of temporary contracts remain high. Young (aged 15-29), low-skilled workers and third country nationals continue to be the groups mostly affected by temporary employment.”

“Measures to support the self-employed are starting to bear fruit, even if few are opting for higher social protection. ... However, the number of young self-employed aged 15-24 continued to decrease in 2017 (1.3 % less compared to 2016).”

“Matching initial vocational education and training (VET) with labour market needs is still a challenge in Spain. In 2016, the proportion of initial vocational education and training (secondary education) students was still well below the EU average. In 2017, the employment rate of vocational education and training graduates (20-34 years old) stood at 58.5 % vs 76.6 % in the EU. Around 26 % of young people aged 15-34 holding a vocational education and training qualification in 2016 reported to have benefited from work-based learning during their studies, underperforming the EU average.”

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

Links to further information

Youth Guarantee Knowledge Centre – Including promising examples from Spain

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

Youth Guarantee Implementation Plan

https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=2ahUKEwi129iaoaXjAhUNPFAKHZrFCcYQFjAAegQIARAC&url=http%3A%2F%2Fwww.mitramiss.gob.es%2Fficheros%2Fgarantiajuvenil%2Fdocumentos%2Fplannacionalgarantiajuvenilanexo_en.pdf&usg=AOvVaw1SiDhrEXIHcjTnCVcDBSI8

Where to register for the Youth Guarantee?

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

Youth Wiki Spain

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