

# YOUNG PEOPLE NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET)

AN OVERVIEW IN ETF PARTNER COUNTRIES



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## AN OVERVIEW IN ETF PARTNER COUNTRIES

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# FOREWORD

This report provides the first analysis of young people who are not in employment, education or training (NEET) in the partner countries of the European Training Foundation (ETF), on the basis of available data, and includes a discussion on the advantages and disadvantages of using this analysis for policy interventions. Bearing in mind the increasing interest in and usage of the NEET concept by the European Union (European Commission, Eurostat and Eurofound), the OECD, the World Bank and many industrialised countries (UK, Canada and USA), the report also aims at raising awareness among policy makers in the partner countries on the extent of the phenomenon and its determining factors, as well as identifying policy actions to address it.

The report starts with a conceptual debate in Chapter 1. The chapter contains a literature review on the meaning and usage of the concept, and discusses the advantages and disadvantages of its use in industrialised countries. Chapter 2 moves the attention towards developing and transition countries and presents the first overall analysis of NEETs in the 18 partner countries for which basic data is available. It also includes a descriptive analysis of the main risk factors for becoming NEET in 12 countries (age, gender and education). In addition, a specific attempt is made to analyse the links between educational attainment and NEETs, in particular the relationship between upper secondary enrolment rates, early school leavers and NEETs.

Chapter 3 delivers an in-depth analysis of the NEET situation in the four countries for which we had access to raw datasets from labour force surveys (LFS) – namely, Albania, Egypt, Georgia and Palestine<sup>1</sup>. Thus the selection of these case studies was based on the availability of access to LFS raw data. The analysis describes the proportion of young people that belong to the different subgroups of NEET indicator (unemployed, family carers, discouraged workers and other inactive categories), looking at trends in young people's transition from education to the labour market and comparing the NEET category with other labour market indicators. This chapter also investigates other factors influencing the probability of becoming a NEET (for example, socio-economic background and cultural elements).

Chapter 4 gives an overview of policy responses to address the NEET issue, according to the three main types of intervention – namely, prevention policies, reintegration policies and compensation policies. It reviews the key policy interventions observed or implemented in different partner countries to address the problems of NEETs, and discusses some of these policy measures based on the risk factors identified in previous chapters. Finally, Chapter 5, starting with the key results of the NEET analysis, gives a list of policy conclusions and recommendations for ETF partner countries based on these findings.

The report was written by Ummuhan Bardak, Martiño Rubal Maseda and Francesca Rosso from the ETF. It contains a comprehensive desk review and statistical data analysis (see Section 1.2 for more details). The ETF would like to express special thanks to the national statistical institutes of the partner countries who collaborated with us and provided the NEET indicators, and to the team of the ILO Youth4work project for sharing their data. Our thanks also go to the public institutions that cooperated in our research and to our colleagues who provided guidance and peer reviewed the paper.

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<sup>1</sup> This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the EU Member States on this issue.

# EXECUTIVE SUMMARY

The NEETs indicator has become very popular in recent years, being increasingly used by governments, international organisations, researchers and the media. It refers to the percentage of youth who are not in employment, education or training. This indicator is generally linked to early school leavers, the unemployed or discouraged young people, as well as those outside the labour force for various reasons (family carers, sick or disabled). All these labels refer in one way or the other to young people who might be vulnerable, and it is likely that the NEET indicator has become so attractive because it forms a way of grouping all vulnerable young people under a single label and one statistic.

This report constitutes the first in-depth analysis of the NEET groups, their profile and risk factors in ETF partner countries, based on international definitions and calculation methodology. It also reviews various policy responses to the phenomenon of NEETs and discusses the advantages and disadvantages of using these results in the policy interventions of partner countries. Finally, based on the findings of our analysis, some policy conclusions and recommendations are developed to help partner countries in their initial consideration of the NEETs phenomenon.

Our analysis shows that a number of similar patterns can be traced in partner countries regarding the magnitude of the NEET problem and its underlying causes. Indeed, individual and family characteristics (sex, education level, age, socio-economic background) are important factors determining the outcomes of youth transitions from education to employment, and are therefore some of the key reasons that contribute to young people becoming NEETs. Nonetheless, there are also large differences between the countries that could be explained by the various social or cultural norms of societies, the different structures and performance of their education and vocational education and training (VET) systems, and the functioning of local labour markets and economies in general. More concretely, the key findings can be summarised as follows.

- There are very high numbers of young people who are neither in education or training nor in employment in the partner countries. Thirteen out of 18 countries for which we have figures show a NEETs rate for 15–29-year-olds higher than 25% (that is one in every four young people). However, there is great variation between countries, from numbers similar to the EU28 (around 15%) to rates beyond 35%.
- Most of NEETs are unemployed (particularly males) or have care roles within the family (mostly females), and some of them are disaffected. However, there is a strong variation across countries regarding the share of NEETs that are unemployed, discouraged, family carers or otherwise inactive in terms of the labour market.
- The risk of becoming a NEET increases significantly with age. Compared to the age range 15–19, a substantial increase is observed in those aged 20–24, which is when young people have completed upper secondary and/or tertiary education. NEETs become even more numerous between the ages of 25 and 29.
- Young women are more at risk of becoming NEETs than young men in almost all countries, but again there is a wide variation. The difference in between the proportion of males and females within the NEET group reaches 30 or 40 percentage points in some countries.
- The positive effect of education in lowering the numbers of NEETs is not always guaranteed. More education clearly decreases the risk of being NEET in some countries, while in others, graduates of upper secondary/post-secondary education perform less well in entering the labour

market than those with lower and higher levels of education. In some countries young people with higher education levels show greater NEET rates than those with lower education levels.

- Similar to the results in industrialised countries, some socio-economic characteristics of young people's families also mitigate or aggravate their chances of becoming NEETs. Young people from households with economic difficulties (for example, low income, unemployed parents), from an immigrant background, or from groups that are at risk of being marginalised (for example, by language, as cultural minorities, Roma) have higher prospects of becoming NEETs.
- We do not find any regional patterns regarding the size of the NEET problem, the profile of those belonging to this group, or the effect of individual and socio-economic characteristics.

One implication derived from this report refers to the complexity of the NEET indicator, which embraces a range of young people in very difficult situations. While young people under this classification suffer from some kind of exclusion, from either education and training or employment, the reasons for their exclusion might be completely different. Vulnerability is not simply a consequence of individual or family characteristics, but also the result of education and labour-market systems that fail to provide opportunities for large numbers of young people. Countries, therefore, can improve their individual results through developing policies and support structures in relevant fields (including, for example, childcare, primary and secondary education, the VET system, employment, healthcare, housing, transport).

The focus on NEETs highlights the problem of 'inactive youth', together with the young unemployed, but it draws attention away from those who are employed but trapped in inferior types of job. The attractiveness of using the NEET label is linked to the fact that it puts (potential) vulnerable youth under one heading and one indicator. Nevertheless, it only becomes useful when the indicator is disaggregated into sub-groups (unemployed, discouraged, family carers, inactive) that allow us to understand the reasons behind such a classification and design targeted policies to address them. Therefore, partner countries should use the NEET indicator carefully and always disaggregate data by vulnerable sub-groups.

Another implication that emerges from the findings is the important role VET can play in easing the transition of many young people in partner countries from education to employment. Indeed, in many countries, secondary education makes little difference in preventing young people from becoming NEETs. Therefore, we may assume that there are shortcomings with respect to the scope and quality of the programmes provided. More efforts are needed to modernise the secondary education offer (upper secondary in particular) and to enhance the role of VET systems in providing second-chance opportunities for young adults.

Given the fact that the economies of some countries are not able to create enough skilled jobs, the employment prospects of higher educated graduates are also low in a number of partner countries. These graduates are likely to accept jobs that do not match their skills, and are competing for these positions with less educated young people. VET can be helpful as a credible alternative to higher education for many young people and can also assist in adapting the skills of the higher educated to the needs of the labour market.

As most partner countries have not yet focused on the NEET phenomenon, no overall policy measures specifically targeting NEETs exist. Rather, general youth (and employment) policies have been developed to address different problems affecting young people. The most common target group in these policies is 'unemployed youth', but other important vulnerable groups such as family carers, discouraged workers and the inactive 'drop off the radar' since little information is available on these groups and far fewer frameworks and measures are in place to counteract the obstacles they

face. Tackling information gaps for these unprotected groups is the first step in developing appropriate and targeted policy interventions. Among many different policy options, partner countries need to prioritise the prevention of early school leaving, the modernisation of secondary education and VET provision, and the integration of young women into education.

'Prevention' is key to avoiding an uncontrolled increase in the number of young people falling into the NEET trap and to breaking the cycle of social exclusion. Developing more qualitative, effective, labour market-relevant and balanced education and training systems is essential to tackle the issue at source. A participatory and coordinated action plan involving families, early child educators, schools (especially secondary and vocational schools), training providers, public employment services, youth organisations and the private sector is needed to ensure early tracking of disengagement and prompt intervention. However, reintegration and compensation measures are also necessary to ensure the social inclusion of NEETs.

# 1. NEET: A CONCEPTUAL DEBATE

## 1.1 What does NEET stand for and why has the concept been developed?

The youth unemployment rate is the most important labour market indicator traditionally used for young people. According to Eurostat, there are 91 million Europeans aged between 15 and 29 within the EU, but only 32% were in employment in 2013 (less than 29 million) – the lowest figure that has so far been recorded in the EU due to the ongoing economic crisis. The unemployment rate for those aged 15–29 reached 18.7% in 2013, a total of 9.4 million people (for 15–24-year-olds the figures were 23.3% and 5.6 million respectively). Putting together the numbers of employed and unemployed young people gives us a picture of less than 38 million young people, far short of the overall figure of 91 million young people.

Thus, employment and unemployment rates do not capture the situation of all young people. Indeed, many of the remaining youth may still be students or trainees, given the increasing years of schooling in Europe (on average 17 years).<sup>2</sup> It is beneficial for young people to remain in education and training, since they continue to invest in their human capital, which can lead to better jobs, higher salaries and greater productivity. Conversely, young people who find themselves out of education and training at an early age are considered ‘vulnerable’ since they face disadvantages in labour market – at entry stage but also throughout their working life as lack of or low qualifications greatly impede their transition into work and career progression<sup>3</sup>.

The concept of NEET refers to those young people who currently do not have a job and are not enrolled in education or training. Thus it focuses on the ‘youth at risk’ who lack access to learning opportunities and are jobless and/or inactive. The emergence of the NEET concept is linked to the growing complexity of youth transitions, the weakening of full-time routes through education and training, the growth of part-time and mixed patterns of work types, and changes in labour markets and the availability of jobs.

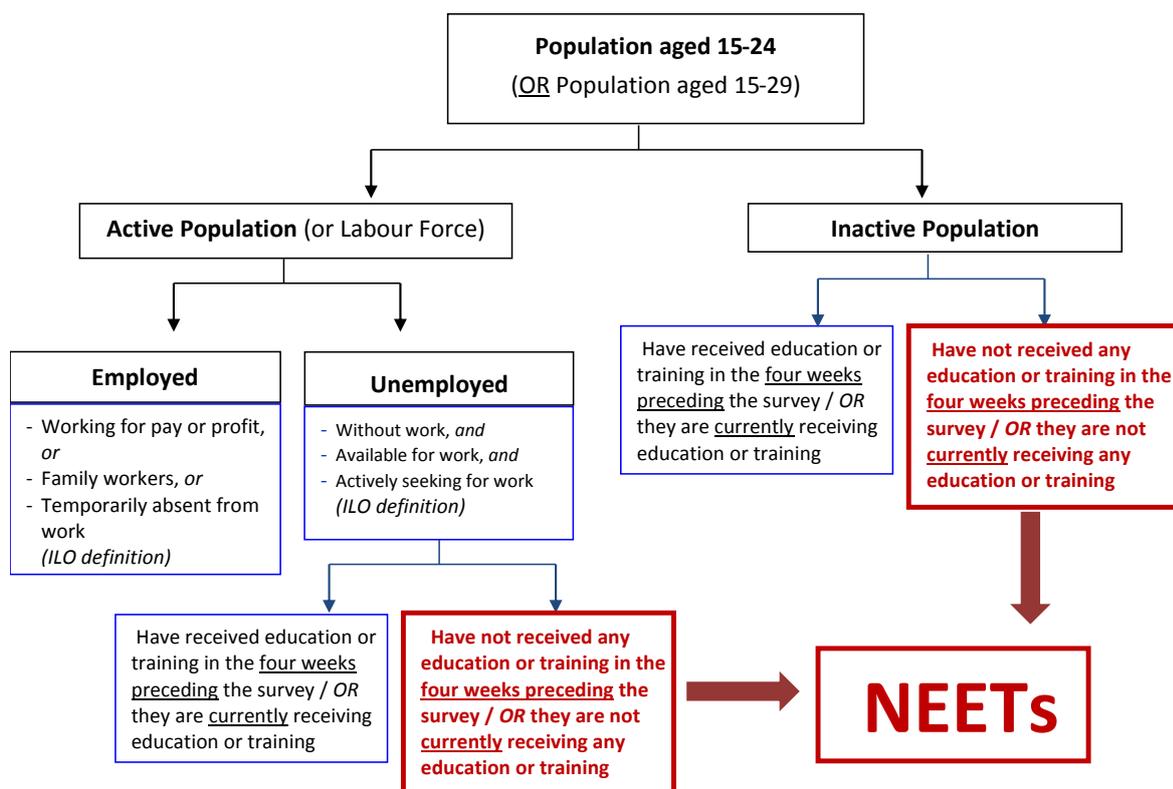
The NEET rate is normally calculated through survey data as the percentage of the population aged 15–29 (or 15–24) who are not employed and not involved in further education or training (see **FIGURE 1.1**).

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<sup>2</sup> According to Eurostat, on average, pupils in the EU could expect to stay slightly longer than 17 years in education in 2009, up from just under 17 years in 2000. This covers some fairly wide differences across the EU Member States. Pupils in Malta, Bulgaria and Cyprus spend less than 16 years in the education system on average, whereas Finnish students spend more than 20 years in education (followed by Belgium and Sweden with slightly less than 20 years). Moreover, the biggest increases in the numbers of years spent in education over the period 2000 to 2009 is found in Cyprus, Greece, Turkey and Portugal, as well as in many of the new Member States from Eastern Europe. The number of years of school ‘expectancy’ is calculated by subtracting the age at which school begins (set at 5 years old) from the age at which students leave secondary or tertiary education levels. The calculation includes adults who are participating in programmes similar to those of initial education. See also [http://eacea.ec.europa.eu/education/eurydice/documents/key\\_data\\_series/134en.pdf](http://eacea.ec.europa.eu/education/eurydice/documents/key_data_series/134en.pdf)

<sup>3</sup> See for instance European Commission/EACEA/Eurydice/Cedefop (2014).

FIGURE 1.1 COMPOSITION OF NEET INDICATOR



Note: This schema has been created by the ETF to show how the NEET indicator is extracted.

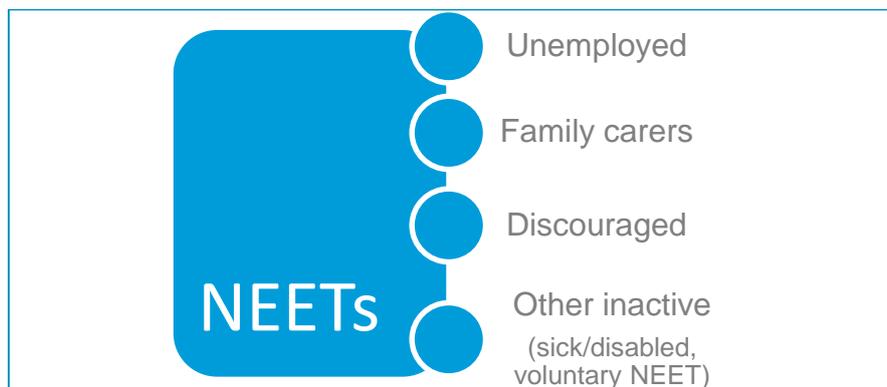
Besides providing a broader view of countries' youth population, the utilisation of the NEET indicator can give a more accurate picture of the different vulnerable groups (see **FIGURE 1.2**). The NEET indicator looks at young people from two different perspectives. First it takes into account the economic perspective, that is, it checks whether young people are playing a part in their countries' economic development by producing some value, earning an income, and by contributing to (and able to access) social security. Secondly, from an individual perspective, the NEET indicator shows whether young people are economically independent or at risk of failing to gain autonomy.

The important feature of the NEET indicator is that it refers to a very heterogeneous population. The first sub-group of NEET are the '*unemployed*': those who are without work, but currently available for work, and seeking work during a particular reference period. The second sub-group is that of *inactive youth*, which contains different sub-groups based on the reasons for the inactivity, such as:

- the *disengaged or discouraged* who are unemployed but not looking for a job, mainly because they have lost hope of finding one. Sara Elder defines discouraged workers as 'those who are not working, [and who] expressed a desire to work but did not seek work for reasons implying that s/he felt that undertaking a job search would be a futile effort'. The reasons for discouragement given by the ILO are 'believ[ing] no suitable work available (in the area of relevance to one's skills, capacities)', 'lack of employers' requirements (qualifications, training, experience, age, etc.)', 'could not find suitable work' or 'do not know how or where to seek work' (Elder, 2009, p. 10);
- *family carers* with care responsibilities for members of their household (e.g. children, the elderly and the disabled) and who are not looking for work or who remain out of the labour force due to family duties;
- young people who are *sick and/or disabled*;

- those who are engaged in travelling and/or artistic activities for the purposes of self-realisation, and are therefore ‘voluntary NEET’.

**FIGURE 1.2 CATEGORIES OF NEETS**



Note: These are the categories of NEETs that the ETF could empirically distinguish in this study. Theoretically, different groups could be distinguished within the group ‘other inactive’, but empirically we could not systematically identify and analyse them for all the countries due to the insufficient sample size of the datasets.

The members of the different sub-groups contained within the NEET indicator might have very different experiences, characteristics and needs. Vulnerable groups who require distinct forms of policy intervention in terms of welfare or training provision are grouped together with more privileged young people who may not require the same assistance. For example, a university graduate who takes a break from work to pursue an artistic activity does not have the same problems as an unemployed or disabled young person. Therefore, the last category of ‘voluntary NEET’ cannot be considered ‘vulnerable’, since those in this group have made a decision to prioritise self-realisation and hence they do not need any support.

The fact that the NEET concept gathers all these diverse categories of youth together under one label is criticised by some researchers. The aggregation of discrete categories of experience (unemployment, caring, travelling, sickness, resting) into one all-embracing category (NEET) leads to a situation where we have to disaggregate the various groups to understand their needs and effectively target policies to address their problems (Yates and Payne, 2006). The shortcomings of the NEETs concept in terms of embracing heterogeneous youth who may or may not be at risk is often reported in the industrialised countries where the concept has been used so far (Bynner and Parsons, 2002). How far these caveats would be valid also for the partner countries remains to be seen, since the number of voluntary NEETs could be much lower in developing and transition countries.

A slightly different way of looking at the same phenomenon is the concept of NELF, which is used by the ILO and refers to ‘youth who are not in education nor in the labour force’. Thus the NELF indicator only looks at inactive youth (i.e., family carers, discouraged youth, the sick or disabled and those voluntarily out of the labour force), while the unemployed youth are treated as a separate group. Mathematically, the NELF rate is lower due to the exclusion of the unemployed in the nominator. The use of one or the other indicator places the focus on different elements. In either case it is important to use these indicators alongside other (labour market) indicators and to break them down into sub-groups according to the reasons for their vulnerability in order to ensure better-targeted policies.

The advantage of both indicators is the new attention they give to the larger youth groups (family carers, the discouraged and other inactive young people) that are rarely analysed and/or included in official statistics. These groups have simply been labelled as ‘inactive’ so far and no special consideration has been given to their support. With these two new indicators, these other vulnerable groups have now been included in the policy discussions, in addition to the unemployed youth.

A review of the literature shows that the acronym NEET first emerged in the UK in the late 1980s, reflecting an alternative way of categorising the youth population (Furlong, 2006). Young people are constrained not only by unemployment but also by their personal circumstances (e.g., family and housing problems, health and lack of transport). Personal issues often exercise a greater constraint on females, who may remain inactive due to family responsibilities. Being NEET among 16–18-year-olds was a major predictor of unemployment at age 21 in the UK. The vulnerability of early school leavers was evident; that is, they tend to either experience an initial period of being NEETs or move quickly into employment but subsequently spend periods out of work or in insecure jobs (Furlong, 2006).

In Europe, young people's situations are affected by their individual characteristics (gender, education, health). In addition, some young people are particularly affected by their family circumstances (for example, their socio-economic or migration background), while other influential elements are linked to their countries' education systems (for example, the socio-economic segregation of students) (Eurofound, 2012). The labour market conditions that prevail where young people live (limited and/or bad quality jobs) are another vital factor – for example, the reasons for being NEET in Scotland are related to a perceived lack of suitable opportunities or to qualification deficits (Furlong, 2006).

Being a NEET implies severe adverse consequences for the individual, society and the economy. Spending time as a NEET may lead to a wide range of social and economic disadvantages, such as disaffection, insecure and poor future employment, youth offending, and mental and physical health problems.<sup>4</sup> Indeed, there is a correlation between young people's early life experiences and their future labour market outcomes. Those who are NEET today run a high risk of remaining outside the labour market in the future (Bynner and Parsons, 2002; Furlong, 2006), resulting in a waste for the economy, society and the individuals themselves.

## 1.2 The usage of the NEET concept in partner countries

The ETF has been working on labour market and employability issues in many partner countries over the last 20 years. As in Europe, youth unemployment is a serious problem in these countries and, accordingly, it ranks highly in their political agendas. Many ETF partner countries do not generate employment opportunities that match the skills young people have (for instance in South Mediterranean countries), while in others the economic crisis has had a grave effect on the labour market situation (for example in South Eastern Europe) (ILO, 2014a).

The implications of the lack of suitable job opportunities in many partner countries particularly affect young people. For example, the youth unemployment rate averages at 25% in the South Mediterranean region (ETF, 2012b, 2012c, 2014b, 2015e), while even higher unemployment rates have been observed in some Western Balkan countries – for example, Georgia and Armenia (ETF, 2015a, 2015b, 2015c, 2015d).

Despite a high emphasis on youth unemployment, little is known about the overall young population ('where are the 15–29-year-olds?') and other vulnerable groups (OECD, 2013). According to Quintini and Martin (2014), young people in partner countries are less likely to be employed and more likely to be NEET than their counterparts in advanced economies. They also tend to leave education earlier and have longer transitions into work, characterised by a higher incidence of NEETs or informal

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<sup>4</sup> See for instance Eurofound (2012) and European Commission/EACEA/Eurydice/Cedefop (2014).

employment. In addition, child labour remains common in some of the partner countries, with deleterious effects on school achievement.

On average, the enrolment rates in upper secondary and higher education remain lower in partner countries than their EU counterparts, as do the youth activity and employment rates (one in four). However, very little information is available regarding those young people who left the education system and did not enter the labour market. The ETF youth transition surveys conducted in Serbia, Ukraine, Syria and Kyrgyzstan showed difficult transition processes experienced by diverse vulnerable youth groups, not just the 'unemployed' (ETF, 2012a, 2012b, 2013a). Thus, the use of the NEET indicator can help in identifying other vulnerable youth groups in society – those with little control over their situation.

Currently the NEET indicator is not used in the ETF partner countries. However, given the low levels of educational attainment and high levels of youth inactivity in these countries (particularly among young women in the South Mediterranean due to social and cultural norms), it is reasonable to assume a greater proportion of NEETs in partner countries. For this reason, the ETF's aim was to carry out the first in-depth analysis of NEET groups, including their profiles and risk factors, undertaken in the partner countries. To that end, this paper focused on understanding and answering the following sets of questions in relation to the partner countries for which data on NEETs was available.

- **The phenomenon of NEETs and their profile:** What are the numbers of NEETs in partner countries and who are they? How diverse is the profile of NEETs and why have people become NEETs? Are there common or country-specific features? What are the main risk factors for being a NEET? What is the labour market status of NEETs?
- **Policy responses and good practices:** What are the policy responses Partner Countries have initiated towards the NEETs? What types of intervention have been made in this area? Are there policy lessons to be learned from these interventions? What kinds of tools and approaches are effective?

### 1.3 Methodological note: availability, calculation and comparability of NEET

This study is a first attempt to better understand the phenomenon of NEETs in the partner countries, where this concept is not used. Precisely because the NEETs indicator was not easily available in these countries, this paper used different sources of data to calculate and analyse as much information as possible.

## TECHNICAL NOTE FOR THE CALCULATION OF NEET RATE

The ETF used the same definition and calculation methodology as other international organisations (Eurostat and ILO). The labour force surveys (LFS) are used to calculate NEETs, whenever they are available. The NEET indicator corresponds to the percentage of the population of a given age group and sex that is not employed and not involved in further education or training – as given in the following formula:

$$\text{NEETs rate} = \frac{\text{Youth not employed nor in education or training}_{\text{concrete age range}}}{\text{Total youth}_{\text{concrete age range}}}$$

The numerator of the indicator refers to persons who meet the following two conditions: (a) they are not employed (i.e., they are unemployed or inactive according to the definition of the International Labour Organisation); and (b) they have not received any education or training in a fixed time span (normally the four weeks preceding the survey). The denominator is the total population of the same age group, excluding the respondents who have not answered the question about participation in regular (formal) education and training, as shown in the visual schematic description of the definition illustrated in Figure 1.2.

Thus, Labour Force Survey (LFS) data is taken as the primary reliable source to calculate NEET, whenever available. This was the case for four countries, Albania, Egypt<sup>5</sup>, Georgia and Palestine, where we could obtain and use the raw LFS data. For these countries we calculated the NEET rate using the derived variables that the producers of the data created following ILO definitions (employed, unemployed, inactive). In some cases we were unable to obtain the LFS raw data directly, and we asked the partner countries to calculate the NEET rate based on their LFS, using the same definition and calculation methodology. On the request of the ETF, the statistical offices of Israel, the Republic of Moldova<sup>6</sup>, Montenegro, Serbia and Ukraine provided us with a NEET rate broken down by age, education, sex and labour market status (see **TABLE 1.1**).

**TABLE 1.1 SOURCES OF DATA USED IN THE PAPER**

ETF's own calculations		Country's own calculation (based on their LFS data)	Eurostat (2013)
LFS	ILO SWTS 2012–13**		
Albania (2011)	Armenia	Israel (2013)	EU countries
Egypt (2012)*	Jordan	Montenegro (2013)	Turkey
Georgia (2013)	Kyrgyzstan	Serbia (2013)	Former Yugoslav Republic of Macedonia**
Palestine (2013)	Tunisia	Ukraine (2012)+	
	Ukraine		
	Former Yugoslav Republic of Macedonia		
	Moldova		

Notes: \* For Egypt, the ETF used the database of the Egyptian Labour Market Panel Survey conducted in 2012: [www.erf.org.eg/cms.php?id=events\\_details&news\\_id=203](http://www.erf.org.eg/cms.php?id=events_details&news_id=203)

\*\* ETF calculations were based on the micro-datasets of the ILO School to Work Transition Surveys (SWTS), which were conducted in 2012–13. See [www.ilo.org/employment/areas/WCMS\\_234860/lang--en/index.htm](http://www.ilo.org/employment/areas/WCMS_234860/lang--en/index.htm)

+ Country's own calculations is the source in Ukraine for the following tables: 2.1, 2.3.

\*\* Eurostat is the source former Yugoslav Republic of Macedonia for the following tables: 2.1, 2.2, 2.3, and Figure 2.4.

<sup>5</sup> In the case of Egypt, the micro data is the Egyptian Labour Market Panel Survey 2012. This is not a typical labour force survey, but it is a high quality, nationally representative, publicly available survey data that allows the examination of labour market trends in the country (Assaad and Krafft, 2013).

<sup>6</sup> Hereinafter 'Moldova'.

For the EU Member States and two partner countries (former Yugoslav Republic of Macedonia and Turkey), Eurostat publishes the NEETs rate based on the Eurostat Labour Force Survey on its website, from which we took the Eurostat rates for the two candidate countries and the EU Member States (the EU average and the best and worst performers in terms of NEET rate). Finally, for the other seven partner countries (Armenia, Jordan, Kyrgyzstan, Tunisia, Ukraine, Moldova and former Yugoslav Republic of Macedonia for some tables that Eurostat did not provide the information), the data from ILO School to Work Transition Surveys (SWTS) 2012–2013 were used as an alternative data source to national LFS statistics (or as a complement to the data in the case of Ukraine). The NEET rates that we calculated by means of these data are the same as the rates published by the ILO in its web page (ILOSTAT).

Due to the variety of data sources used, comparison of the data across countries as presented in Chapter 2 should be made with caution, as all the NEET indicators collected from different sources are presented together. Even Labour Force Surveys are implemented in different countries in different ways, and some of the questions might vary slightly.<sup>7</sup> Nevertheless, most of the data come from Labour Force Surveys, which are nationally representative household surveys, and thus the NEET indicator should be as reliable and valid as other labour market indicators produced from LFS data. Surveys like the SWTS or the Egyptian Labour Market Panel Survey (ELMPS) are done once, thus the results might depend on the time of the year the fieldwork is carried out, while the Labour Force Surveys are normally performed on a quarterly basis and allow for correcting seasonal effects.

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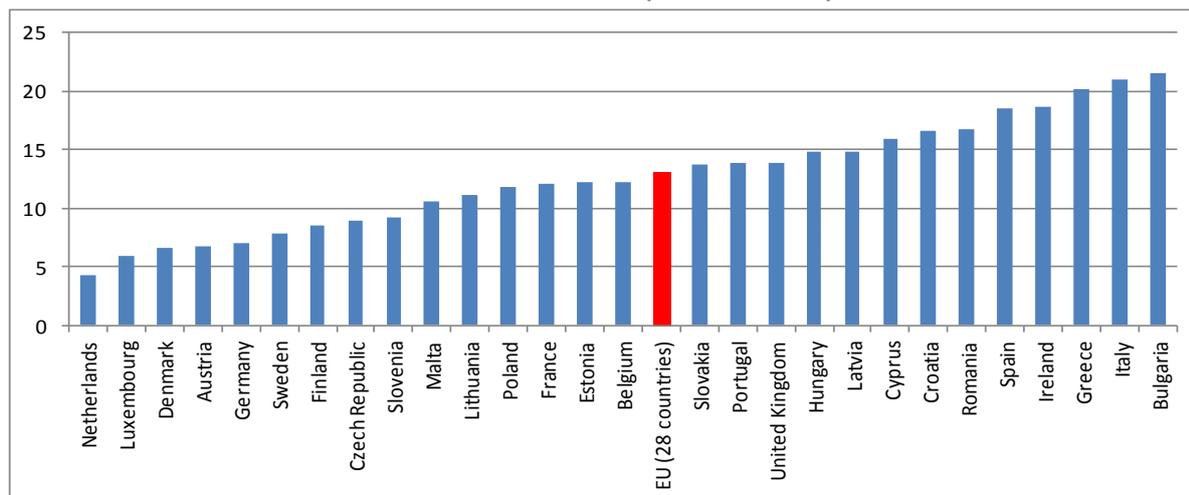
<sup>7</sup> For Egypt and Albania for instance, we could not identify those individuals who are in training but are not in formal education (e.g. the unemployed in training), so they have a slightly different definition of NEETs (see Chapter 3 for more details).

## 2. ANALYSIS OF NEETS IN PARTNER COUNTRIES

### 2.1 NEET rates are very high in most countries

The presence of NEETs is an issue of concern in the European Union (EU), but a huge variation exists between Member States. The rate is below 7% in countries like Luxembourg, the Netherlands, Denmark and Austria, but above 20% in Bulgaria, Italy, Spain and Greece (see **FIGURE 2.1**, and for a deep analysis Eurofound [2012]).

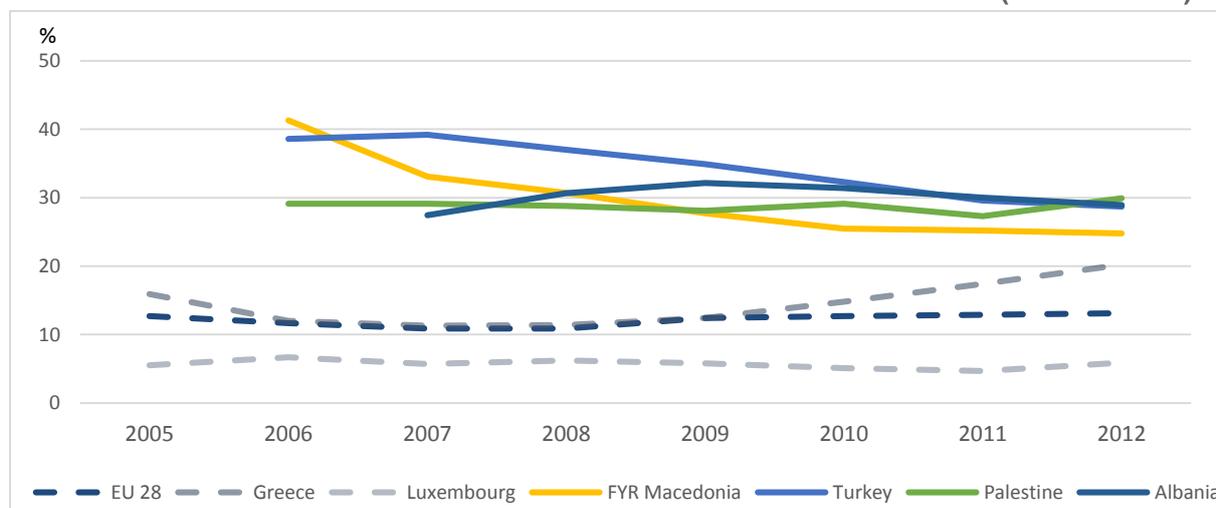
**FIGURE 2.1 NEET RATES IN THE EU COUNTRIES (15–24 YEARS), 2012**



Source: Eurostat

When we look at the trends, the data availability for partner countries is a key issue. Nevertheless, it is interesting to see that for those countries for which we have data the effect of the economic crisis on the NEET rate seems lower than the effect we can observe in some EU countries (see, for example, Greece in **FIGURE 2.2**). The figures for Turkey and the former Yugoslav Republic of Macedonia show a significant decrease over the last six years, while Greece witnessed an increase in its rate after 2009. In Palestine and Albania we observe more general stability, though with some fluctuations.

**FIGURE 2.2 TRENDS IN NEET RATES IN THE EU AND PARTNER COUNTRIES (15–24 YEARS)**



Source: Eurostat, National Statistical Offices of Albania and Palestine.

Note: For Albania the age range is 15–29 years.

**TABLE 2.1** gives a picture of the youth labour market, NEET rates and upper secondary gross enrolment rates for the partner countries. The best and worst performers (for the NEET rates) among the Member States, together with the EU28 average, are included in the table to compare the situation in the EU with the partner countries. The reference age group used in selecting the best and worst EU performer is 15–24 years, to be consistent with the labour market indicators shown in this section. At a first glance, youth activity rates are not very different across the countries – though the more industrialised countries tend to have higher rates (the EU [except Greece], Israel, as well as Russia and Ukraine). The countries with large share of rural populations (Albania, Kyrgyzstan and Tajikistan) also have high rates, as young people in rural areas tend to start working early within family-based farms.

On the other hand, youth employment and unemployment rates differ substantially. For example, for various reasons, youth employment rates are extremely low in the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Moldova, Jordan and Palestine; while youth unemployment rates are extremely high in the former Yugoslav Republic of Macedonia, Kosovo<sup>8</sup>, Montenegro, Serbia, Armenia, Georgia, Jordan, Palestine and Tunisia (but not Moldova). Therefore, there is a high correlation between youth employment and unemployment rates.

The NEET rate (15–24 years) represents a more serious problem in most partner countries than in the EU. Taking the EU average of 13%, only a few partner countries have rates close to this average, situated at around 15% (Russia, Ukraine, Israel and Montenegro). Strangely, only Kyrgyzstan shows a NEET rate below the EU average, which may be linked to its high share of subsistence agriculture and/or different definitions and/or data sources used. Some partner countries have a slightly higher NEET rate, situated at around 20% (Armenia, Moldova, Serbia, the former Yugoslav Republic of Macedonia and Jordan), while the rest have a rate over 25% (Albania, Turkey, Georgia, Palestine and Tunisia). Finally, some rates are even higher than 35% (Egypt, Kosovo and Tajikistan). This means that in these three countries one out of three young people is neither in education nor training or employment.

When the NEET rate is compared with the gross enrolment rates at upper secondary education, most countries with low enrolment rates show a high NEET rate (Albania, the former Yugoslav Republic of Macedonia, Turkey, Egypt, Jordan, Palestine, Tunisia and Tajikistan). In these countries, therefore, the numbers of students continuing to upper secondary education after compulsory schooling are relatively low and the high NEET rate can be partially explained by low participation in upper secondary education. After leaving education early, many of these young people, particularly those without any job-related skills, find it difficult to enter the labour market and tend to remain outside of it, or take up informal or precarious jobs. There are some exceptional cases, such as Armenia, Georgia and Moldova, where we see both high upper secondary enrolment and a high NEET rate, which could be explained by high out-migration trends in these countries. Kyrgyzstan is a very atypical case, with a low enrolment rate and a low NEET rate, and requires further analysis.

It is also interesting to compare the youth unemployment rate with the NEET rate. Normally the NEET rate is lower than the unemployment rate when youth activity is high, and this is the case particularly in Europe, where the NEET rate is around half of the unemployment rate. However, this difference is reversed in some partner countries: in Albania, Turkey, Moldova, Egypt, Israel and Tajikistan, the NEET rates are higher than the unemployment rates. This is probably because being unemployed or a NEET are two alternative statuses for young people. In addition, low unemployment rates (Israel), a

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<sup>8</sup> This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence – hereinafter ‘Kosovo’.

high percentage of inactive youth who have left education (Egypt, Tajikistan), or a combination of both (Moldova) could be other explanations.

**TABLE 2.1 YOUTH LABOUR MARKET, NEET RATES AND UPPER SECONDARY GROSS ENROLMENT IN THE EU AND PARTNER COUNTRIES, 2012 (%)**

	Activity rate (15–24)	Employment rate (15–24)	Unemployment rate (15–24)	NEET rate (15–24)	Gross enrolment rate (upper secondary)
EU28	42.3	32.6	23.1	13.1	-
EU best (Luxemburg)	26.8	21.7	18.8	5.9	90.6
EU worst (Greece)	29.1	13.0	55.3	20.2	115.1
Albania <sup>c</sup>	44.8	34.1	23.9	30.0	80.5
Former Yugoslav Republic of Macedonia	33.6	15.5	53.9	24.8	77.2 <sup>(2012)</sup>
Kosovo	md	md	55.90	35.1	md
Montenegro	30.6	18.0	41.3	16.9	89.2 <sup>(2012)</sup>
Serbia	28.7	14.2	50.6	23.3	86.3 <sup>+</sup>
Turkey	37.4	31.5	15.7	28.7	74.7
Armenia	36.5	23.7	35.0	22.45	99.4
Georgia <sup>d</sup>	39.4	25.4	35.6	30.2	91.9
Moldova	20.1	17.5	13.1	29.3	89.6 <sup>+</sup>
Russia	39.3	33.4	15.0	12.7	98.3
Ukraine	41.5	34.3	17.3	14.6	95.3
Egypt <sup>a, d</sup>	30.4	24.6	18.9	35.3	71.3
Israel	48.6	43.4	10.7	15.7	91.9
Jordan	24.6	16.9	31.3	24.6	78.5
Palestine	29.3	17.3	41.0	32.0	70.5
Tunisia	31.5	21.7	31.2	25.4	77.6 <sup>(2013)</sup>
Kyrgyzstan <sup>b</sup>	48.2	40.7	15.6	12.7	73.9
Tajikistan	47.3	33.3	17.0	40.7	53.9

Year: 2012 for all countries except Kosovo, Montenegro, Georgia, Israel, Palestine: 2013; Albania: 2011; Tajikistan: 2007.

Sources: EU28, Luxemburg, Greece, Turkey and the former Yugoslav Republic of Macedonia all data from Eurostat; data on enrolment from UIS-UNESCO; data on labour market indicators for the rest of the countries from ILOSTAT (for Kosovo from the National Statistical Office); data on NEETs for the rest of the countries from different sources: Albania: ETF calculations based on the raw dataset of the 2011 Labour Force Survey; Georgia: ETF calculations based on the 2013 Integrated Household Survey (includes LFS module); Egypt: ETF calculations based on the 2012 Egyptian Labour Market Panel Survey (ELMPS); Palestine: ETF calculations based on the 2013 Labour Force Survey; for Israel and Serbia: statistical offices calculated and sent the rate based on LFS; for Armenia, Kyrgyzstan, Jordan and Tunisia: ETF calculations based on the ILO School to Work Transition Surveys (SWTS) 2012–2013; Tajikistan, Russia: ILOSTAT; Kosovo: Kosovo Agency of Statistics; Montenegro, Moldova and Ukraine: National Statistical Office – received from country.

Notes: a According to the ILO transition survey in Egypt, the NEETs rate for the 15–24 age group is 31.6% and for the 15–29 age group 29.0%. However, we use the ELMPS data, whose results are very similar to the ILOSTAT database. ELMPS 2012 data sets do not identify individuals in training, so NEETs are defined as young people not in employment or education. More information on the dataset and the calculations can be found in Section 3.2 on Egypt.

b The ILOSTAT database gives a very high NEETs rate (over 60%) for Kyrgyzstan, which is based on the national statistical office dataset. However, we chose to use the ILO transition survey as the previous one dates back to 2007.

c For Albania NEET rates for 2012 are 28.9% for the age group 15–29. We present data from 2011 to be consistent with the other analysis done in this paper.

d For Egypt and Georgia we could not identify individuals in training, so NEETs are defined as young people not in employment nor in regular education (student or apprenticeship).

md = missing data. <sup>+</sup> National estimation.

## 2.2 Women are more likely to be NEETs

**TABLE 2.2** and **FIGURE 2.3** demonstrate the gender gap in youth labour market indicators and the NEET rates, both in the EU and the partner countries for which data were available. In general, females in all countries show lower participation in employment than males. However, this gender difference in employment is very small in the EU countries, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Moldova, Russia, Ukraine and Israel. As a candidate country, Turkey's young male employment rate is twice that of young females (43% versus 21%). The situation is also quite similar in Armenia, Georgia and Tunisia, where we see male employment figures double those for women. On the other hand, there are huge gender employment gaps in Egypt (43% versus 7%), Jordan (29% versus 5%) and Palestine (31% versus 3%).

Conversely, female unemployment rates are normally higher than males' in most partner countries. The disparity between male and female unemployment rates is particularly wide in Egypt (40 percentage points difference), Palestine (28 percentage points difference) and Jordan (25 percentage points difference). We also observe a lower, but still significant gender gap in Kosovo, Serbia and Armenia. The gender difference in unemployment is either reversed or very small in the EU countries (except Greece), Albania, the former Yugoslav Republic of Macedonia, Montenegro, Turkey, Georgia, Moldova, Russia, Ukraine, Israel, Tunisia, Kyrgyzstan and Tajikistan. However, in some of these partner countries, many females are not active and do not look for a job when they are not in education. They become hidden within the category of inactive – which is then included in the NEET rate.

As also seen in Table 2.2 NEET rates are higher for females than for males in all countries, with the exception of Luxemburg, the former Yugoslav Republic of Macedonia and Montenegro. However, the female NEET rates are very much higher than male rates (double on average) in Turkey, Jordan, Palestine, Kosovo, Armenia and Georgia, and less so in Albania, Tunisia and Moldova. In the first group of countries one in every three women is neither in employment nor in education, while in Egypt the proportion is one in two. As seen in Figure 2.3, Egypt, Jordan, Palestine and Turkey stand apart from the rest in terms of the enormity of their gender gaps in employment, unemployment and NEETs, always to the disadvantage of females.

**TABLE 2.2 YOUTH (15–24) LABOUR MARKET AND NEET BY SEX IN THE EU AND PARTNER COUNTRIES, 2012**

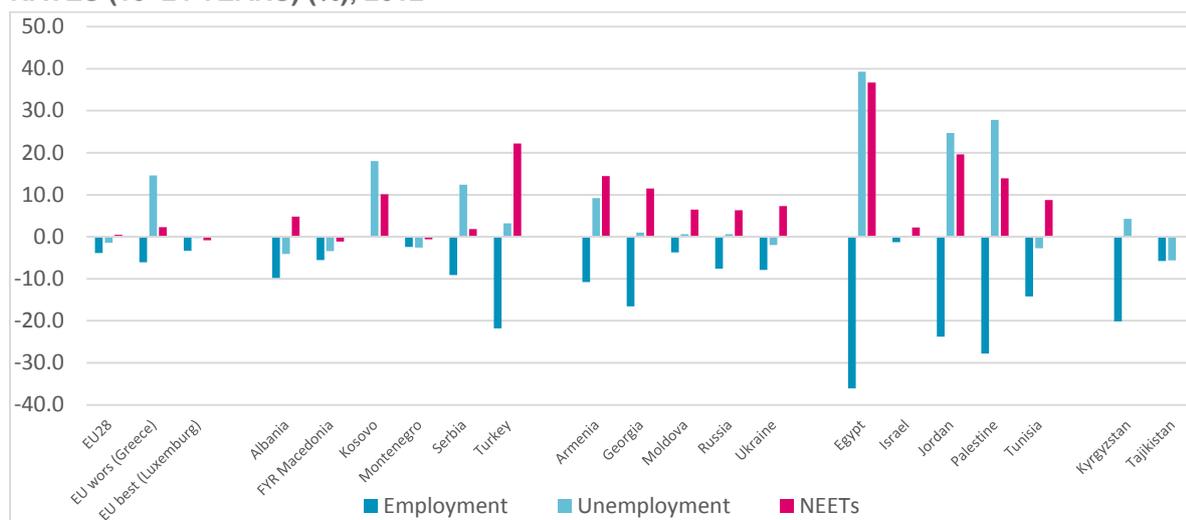
	Employment rate		Unemployment rate		NEET rate	
	Male	Female	Male	Female	Male	Female
EU28	34.5	30.6	23.7	22.3	12.9	13.4
EU best (Luxemburg)	23.4	20.1	18.9	18.6	6.3	5.5
EU worst (Greece)	16.1	10.0	48.5	63.1	19.0	21.3
Albania	38.9	29.1	25.5	21.4	27.7	32.5
Former Yugoslav Republic of Macedonia	18.1	12.6	55.2	51.8	25.3	24.2
Kosovo	md	md	50.40	68.40	30.0	40.1
Montenegro	19.1	16.7	42.4	39.8	17.2	16.6
Serbia	18.6	9.5	45.8	58.2	25.1	26.9
Turkey	42.5	20.7	14.6	17.8	17.5	39.7
Armenia	28.6	17.8	31.6	40.8	14.41	28.83
Georgia	33.6	17.1	35.3	36.3	24.5	36.0
Moldova	19.3	15.6	12.9	13.5	32.4	25.9
Russia	37.1	29.5	14.8	15.4	10.3	15.1
Ukraine	38.2	30.3	18.2	16.2	11.3	18.3
Egypt	42.8	6.7	10.3	49.6	16.9	53.6
Israel	44.0	42.7	10.6	10.8	14.6	16.8
Jordan	28.6	4.8	26.4	51.1	15.2	34.8
Palestine	30.9	3.1	36.9	64.7	23.4	37.3
Tunisia	28.6	14.4	32.0	29.3	21.2	29.9
Kyrgyzstan	50.6	30.5	13.9	18.2	md	md
Tajikistan	45.0	39.2	19.3	13.7	md	md

Year: 2012 for all countries except Kosovo, Montenegro, Georgia, Israel, Palestine: 2013; Albania: 2011; Tajikistan: 2007.

Sources: For EU28, Luxemburg, Greece, Turkey and the former Yugoslav Republic of Macedonia all data are from Eurostat; data on labour market indicators for the rest of countries are from the World Bank (for Kosovo from the National Statistical Office); data on NEETs for the rest of the countries are from different sources: Albania: ETF calculations based on the raw dataset of the 2011 Labour Force Survey; Georgia: ETF calculations based on the 2013 Integrated Household Survey (includes the LFS module); Egypt: ETF calculations based on the 2012 Egyptian Labour Market Panel Survey (ELMPS); Palestine: ETF calculations based on the 2013 Labour Force Survey; for Israel and Serbia: statistical offices calculated and sent the rate based on the LFS; for Armenia, Kyrgyzstan, Jordan, Ukraine and Tunisia: ETF calculations based on the ILO School to Work Transition Surveys (SWTS) 2012–2013; Tajikistan, Russia: ILOSTAT; Kosovo: Kosovo Agency of Statistics; Montenegro and Moldova: National Statistical Office – received from the country.

Note: md = missing data.

**FIGURE 2.3 GENDER GAP (FEMALE-MALE) IN EMPLOYMENT, UNEMPLOYMENT AND NEET RATES (15–24 YEARS) (%), 2012**



Source: Eurostat for EU countries, the former Yugoslav Republic of Macedonia and Turkey, and the World Bank for the rest.

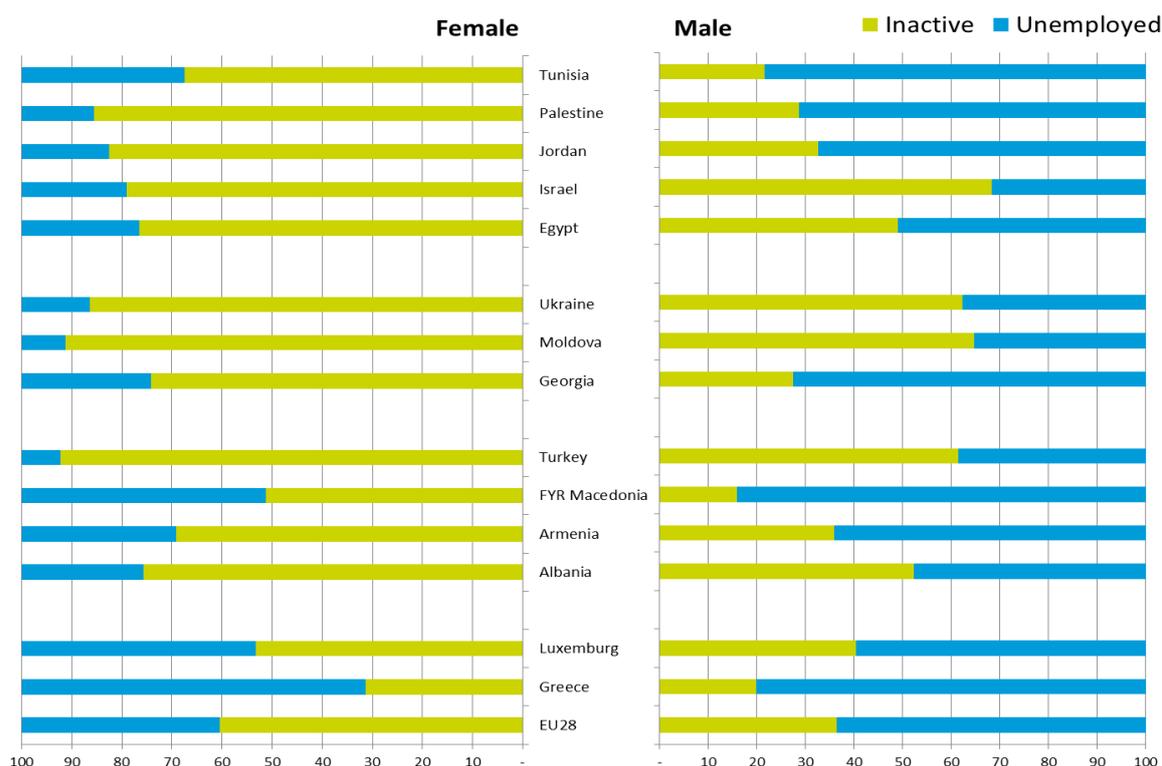
Year: 2012 for all countries except Kosovo, Montenegro, Georgia, Israel, Palestine: 2013; Albania: 2011; Tajikistan: 2007.

Note: Negative values mean that women have a lower rate, while positive values show that women have a higher rate.

When we look at the female and male NEETs broken down by the reason for their non-employment (**FIGURE 2.4**), we see that many more females are inactive than are unemployed compared to males (as we will explain later, many of these women are taking care of other family members). Men are mainly unemployed, while women are mainly inactive, and this is also clear in Europe where around 60% of the female NEETs are inactive and 40% unemployed. The share of inactive females is much higher in all partner countries, and reaches the extreme rates of over 90% in Turkey, Moldova, Ukraine and all South Mediterranean countries. On the other hand, men are mainly unemployed rather than inactive, with the exception of Turkey, Ukraine, Israel and Moldova, where there are high proportions of inactive males.

The difference in the labour market status of males and females may be explained by typical gender roles steering women towards taking care of a household, children or other relatives. Moreover, a low mean age of women at the birth of their first child, which is the also the case in some countries, suggests that women are more likely to be responsible for the provision of care than men and may therefore opt for either not entering the labour market or postponing entry until a later stage in their lives. In many partner countries the provision of care is the responsibility of the family (and specifically, the women), to a much greater extent than in most of the industrialised countries. This helps to explain the wider gender gap in NEETs in partner countries compared to most EU countries.

FIGURE 2.4 FEMALE AND MALE NEETS (15–29 YEARS) BY REASON OF NON-EMPLOYMENT



Sources: EU, Turkey and the former Yugoslav Republic of Macedonia from Eurostat; Albania: ETF calculations based on the 2011 Labour Force Survey; Georgia: ETF calculations based on the 2013 Integrated Household Survey; Egypt: ETF calculations based on the 2012 Egyptian Labour Market Panel Survey (ELMPS); Palestine: ETF calculations based on the 2013 Labour Force Survey; for Ukraine, Armenia, Moldova, Jordan, and Tunisia ETF calculations based on the ILO School to Work Transition Surveys (SWTS) 2012–2013; for Israel the rate is calculated from LFS and sent by the National Statistical Office.

Year: 2012 for Armenia, Moldova, Ukraine, Egypt, Jordan; 2013 for EU, Turkey, the former Yugoslav Republic of Macedonia, Georgia, Israel, Palestine; 2011 for Albania.

### 2.3 NEET rates increase with age

Comparing the NEET rate for different age groups reveals a trend for the rate to increase with age (TABLE 2.3). The rate is lowest for the youngest age group (15–19 years) as most young people are still in education at this age. The rate is nevertheless high in Albania (26%) and Turkey (22%) where a quarter of the young people already leave education at this age (15–19 years). The rate is also relatively high in Egypt, Jordan, Palestine and Georgia (around 18%), for the same reason of early school leaving. For most of the countries, a more substantial increment appears at the ages of 20 to 24, a period when young people have already completed upper secondary education, and, in the case of those who continue to higher levels, are either starting or finishing tertiary education.

Furthermore, we can also observe a substantial increase in the NEETs rate for the oldest group (25–29 years), except in Israel, Egypt and Albania. This occurs particularly in Jordan, Palestine, Tunisia and the former Yugoslav Republic of Macedonia. One of the reasons behind this might be difficult school-to-work transitions for higher educated young people in these countries. Many highly educated youth who can count on support from their families expect to find employment in the public sector (with better conditions than private sector jobs), as the role of the state as a job provider has been very important in the past. Despite the declining role of the state in this area, young people’s attitudes continue to be driven by the hope of getting a good public sector position, leading to a voluntary

suspension of job seeking while waiting for such an opportunity to present itself. High NEET rates are also due to the large proportion of females who become inactive after the age of 24 (whether or not they have graduated from tertiary education) through taking up family-care responsibilities<sup>9</sup>.

**TABLE 2.3 NEET RATES BY AGE AND PERCENTAGE OF NEETS WHO ARE UNEMPLOYED, 2012**

	NEETs rates by age			NEETs rates (15–29)			% of NEETs unemployed (15–29)	
	15–19	20–24	25–29	Total	Male	Female	Males	Females
EU28	6.9	18.7	20.7	15.8	14.0	17.7	63.6	39.5
EU best (Luxembourg)	2.9	8.9	10.4	7.6	6.2	9.0	59.7	46.7
EU worst (Greece)	10.0	30.6	37.5	26.8	24.2	29.4	80.2	68.7
Albania	25.9	34.5	30.2	30.1	26.6	33.7	47.8	24.3
Former Yugoslav Republic of Macedonia	12.4	35.9	45.6	32.1	30.2	34.1	84.1	48.7
Turkey	21.8	36.7	37.4	31.7	16.6	46.7	38.6	7.7
Armenia	9.6	34.8	39.3	27.4	15.9	36.5	64.2	30.8
Georgia	18.0	40.7	43.5	34.8	27.1	42.6	72.3	25.8
Israel	6.5	20.0	18.4	16.6	14.0	19.2	31.7	21.0
Egypt	17.8	41.4	37.9	39.8	14.0	64.0	72.3	25.8
Jordan	17.8	33.3	43.3	29.0	14.9	44.2	67.3	17.5
Palestine	18.0	44.1	53.2	36.4	24.4	48.9	71.3	14.4
Tunisia	16.5	33.2	44.7	32.2	22.5	42.3	78.5	32.5

Sources: Eurostat for EU, the former Yugoslav Republic of Macedonia and Turkey, Albania: ETF calculations based on the raw dataset of the 2011 Labour Force Survey; Georgia: ETF calculations based on the 2013 Integrated Household Survey (includes LFS module); Egypt: ETF calculations based on the 2012 Egyptian Labour Market Panel Survey (ELMPS); Palestine: ETF calculations based on the 2013 Labour Force Survey; for Israel: statistical offices calculated and sent the rate based on LFS; for Armenia, Jordan and Tunisia: ETF calculations based on the ILO School to Work Transition Surveys (SWTS) 2012–2013.

Year: 2012 for all countries except Georgia, Israel and Palestine: 2013; and Albania: 2011.

Note: Age ranges differ for Israel: 15–17 and 18–24.

These findings suggest that the transition of young people from school to the job market is not easy for those who have finished their compulsory education and left the school system, or even for those who have gone on to higher education before beginning their transition to the labour market. A more methodological conclusion from these findings is that the age range we choose for the analysis strongly affects the results. Many labour market indicators use the 15–24 age range, and we have used this grouping to be consistent with these other indicators. Nevertheless, these results show that an important proportion of young people in the 25–29 age group are NEETs, and that the NEET rate rises sharply in many partner countries after the age of 24. For the rest of the analysis we will use the age range of 15–29 to look in detail at different aspects of the indicator.

## 2.4 NEETs include heterogeneous sub-groups

As pointed out earlier, the NEET concept encompasses young people who find themselves in a variety of situations. **TABLE 2.4** breaks down the NEET category in the four partner countries for

<sup>9</sup> For the former Yugoslav Republic of Macedonia this increase might be due to a combination of high female inactivity and a high unemployment rate for this age range.

which we had raw data according to the proportion of individuals belonging to four sub-groups: the unemployed; the discouraged; family carers; and the inactive (other than family care). The first 'unemployed' group is quite important in size, and in general is the principal reason for men falling into the NEET category in all countries. Taken together with the second 'discouraged' group, these individuals form over half of the NEET groups in most countries. This suggests that the main problem is the local job market, as young people are willing to work. However, young people are especially vulnerable in terms of finding employment due to their lack of experience, possible skills mismatches between themselves and the jobs on offer, or simply because of the inefficiency of the local labour market. Even before the current economic crisis, most of the countries' economies were showing problems with jobless growth. The economic crisis has further worsened the situation, increasing the number of unemployed youth.

Another important reason is family care, especially in Egypt, Palestine and Georgia. Most of the female NEETs who are inactive in partner countries are not working or not actively seeking for a job because of their *family responsibilities* (82% of female NEETs in Egypt; 79% in Palestine; 67% in Georgia; and 28% in Albania). The proportion of those falling under the 'other inactive' group seems to be high in Albania (29%), but also to some extent in Egypt and Palestine. However, the raw data does not allow us disclose the reasons behind this inactivity in a systematic and reliable form – it might be linked to sickness and disability, but also to other factors.

These different groups represent vulnerable young people with a wide range of needs, and policies should be designed taking into account the particular situations of these diverse groups (see Chapter 3 for a more detailed analysis of these groups in the four partner countries).

## 2.5 Education is not a guarantee of fewer NEETs

The effect of education on NEETs is not homogeneous or straightforward in the observed countries for which we could obtain information (see **FIGURE 2.5**). On the one hand, in Armenia, Jordan and Kyrgyzstan we can clearly observe the positive effect of education, as the lowest NEET rate can be found among young people with higher education (ISCED levels 5 or 6) compared to the other education levels. Thus, higher education reduces the risk of being NEET in these countries. This suggests that graduates from higher education in these countries have a smoother transition into the labour market and more employment opportunities.

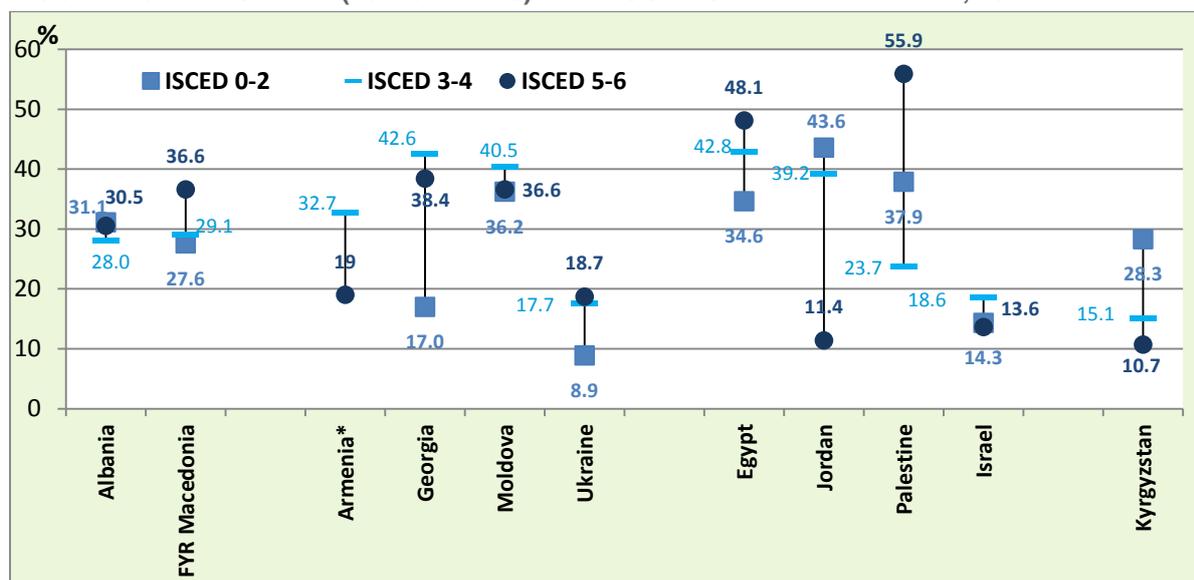
TABLE 2.4 SHARE OF NEETS (15–29 YEARS) BY SUB-CATEGORY

	Gender	Albania	Egypt	Georgia	Palestine
Unemployed	Total	34.6	13.7	44.1	35.8
	Male	47.8	30.3	72.3	71.2
	Female	24.3	10.1	25.8	17.4
Discouraged	Total	20.7	4	5.7	0.8
	Male	16.5	6.5	12.4	1.9
	Female	23.9	3.5	1.3	0.2
Family carer	Total	15.5	67.1	40.5	51.6
	Male	0.3	0	0	0
	Female	27.5	81.8	66.8	78.5
Other inactive	Total	29.2	15.2	9.7	11.6
	Male	35.4	63.2	15.3	26.7
	Female	24.4	4.6	6.1	3.7

Sources: Palestine: ETF calculations based on Labour Force Surveys, 2013; Georgia: Georgian Integrated Household Survey, 2013; Egypt: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012; Albania: ETF calculations based on the raw dataset of the Labour Force Survey 2011.

Note: Countries in the table are those for which the ETF had access to raw data; in Georgia ‘discouraged’ includes those not searching for employment or not available for work because they are waiting for a job.

FIGURE 2.5 NEETS RATE (15–29 YEARS) BY EDUCATIONAL ATTAINMENT, 2012



Sources: Albania: ETF calculations based on the 2011 Labour Force Survey; Egypt: ETF calculations based on the 2012 Egyptian Labour Market Panel Survey (ELMPS); Georgia: ETF calculations based on the 2013 Integrated Household Survey; Palestine: ETF calculations based on the 2013 Labour Force Survey; Israel and Ukraine: the rate is calculated from LFS and sent by the statistical offices; the rest of the countries: ETF calculations based on the ILO School to Work Transition Surveys (SWTS) 2012–2013.

Year: 2012 for the former Yugoslav Republic of Macedonia, Moldova, Ukraine, Egypt, Jordan, Kyrgyzstan; 2013 for Georgia, Israel, Palestine; and 2011 for Albania.

Notes: In order to construct this table we needed to compare the NEETs with other youth categories, including those currently in education. For those currently in education in the sample of ILO transition surveys, the current level of education was assumed to be the final educational attainment level.

\*In Armenia there were too few cases of ISCED 0–2 to be reliable.

On the other hand, in the former Yugoslav Republic of Macedonia, Egypt, Palestine, and to a lesser extent Ukraine, the attainment of higher education does not necessarily prevent young people from becoming NEETs, and the NEET rate among higher education graduates is even greater than for those with lower educational qualifications. This is particularly visible in the former Yugoslav Republic of Macedonia and Egypt, where university graduates are more likely to be NEETs, although in Egypt the NEET rate is high across all educational groups. This might be a sign of mismatch between the demand and supply side of the labour market, and these countries might be producing too many university graduates, or too many with degrees in areas that are not sufficiently demanded by the labour market.

Another interesting pattern observed in Georgia, Moldova and Israel is the higher NEET rates among young people with upper secondary or post-secondary education (ISCED 3–4). In these countries, graduates of upper secondary and post-secondary education fare worse than those with lower and higher levels of education. As this is the level where traditionally VET programmes can be found, we may assume shortcomings with respect to the programmes provided as well as their quality. In such cases it is possible that those with medium levels of education may face competition from those who are highly educated. Another explanation might be a secondary education system dominated by general and academic programmes and with a limited VET provision (as is the case in Georgia, where only 2.9% of students in upper secondary education are engaged in VET programmes)<sup>10</sup>.

Given that in many countries the social inclusion role of VET programmes is stressed, a high proportion of students from socially disadvantaged groups or those with learning difficulties follow VET programmes instead of general education programmes. This social inclusion role of VET may also affect negatively the overall performance of VET graduates and reduce their employability in the labour market compared to those with a general education. There are exceptions to this pattern: in Albania and Palestine young people with upper and post-secondary education (ISCED 3–4) have the lowest NEET rate. Therefore, there is no easy answer in addressing the impact of education on individuals' likelihood of becoming NEETs, as it differs widely across countries.

Comparing in more detail the NEET rate with education, **FIGURE 2.6** shows the relationship between early school leavers<sup>11</sup> (ESL, 18–24 years old) and NEETs (15–29 years old) at the aggregate level (considering the early school leavers rate and the NEET rate for each country)<sup>12</sup>. There is a positive and statistically significant correlation between the two indicators<sup>13</sup>. If countries have a low rate of early school leavers, they also have low rate of NEETs, and vice versa, that is, a high rate of early school leavers is associated with a high rate of NEETs.

Figure 2.6 is further divided by red lines into four segments to observe more clearly how the different countries are situated in relation to both indicators. The top-left segment shows countries with high NEET and low ESL rates (some partner countries are situated here). The top-right segment shows countries with whose NEETs and ESL rates are both high (most partner countries are situated here). The bottom-left segment shows countries with low rates for both NEETs and ESL (most EU countries

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<sup>10</sup> Data from UIS-UNESCO for 2009, the last available year.

<sup>11</sup> EU defines 'early school leavers' as people aged 18–24 years who have lower secondary education or less and are no longer in education or training. Thus, early school leavers are people who have only achieved pre-primary, primary, lower secondary or incomplete upper secondary education of less than two years. The indicator is based on the share of the population aged 18–24 years with lower secondary education at most who are no longer in education or training. The EU percentage of 18–24 with at most lower secondary education and not in further education or training is 12% in 2013, and it should be reduced to less than 10% by 2020.

<sup>12</sup> Unfortunately we could not obtain the early school leavers rate for all the countries for which we could obtain the NEETs rate, this is why some of the cases are excluded from this analysis.

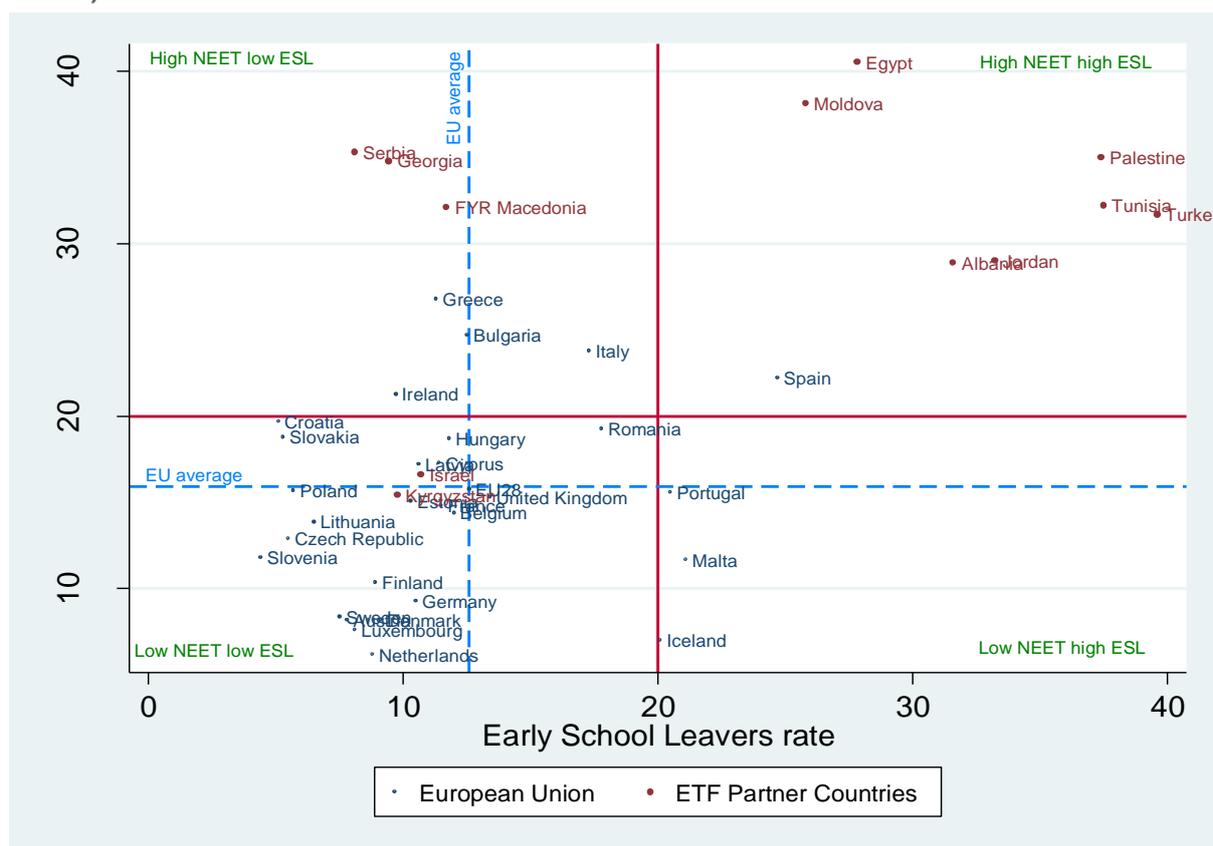
<sup>13</sup> The correlation of 0.56, significant at the level of 0.05.

are situated here), and the bottom-right segment contains countries with low NEET but high ESL rates. A further partition (the dashed blue line) divides the graph by the EU average to show which countries are above or below the EU average in both rates.

Most EU countries are concentrated in the bottom-left part, having both low rates of early school leavers as well as low rates of NEETs. Thus, these countries have relatively a highly educated youth population and a high proportion of young people engaged in employment. Two partner countries which show similar patterns are Israel and Kyrgyzstan. It can be reasonably assumed that in these countries higher educational attainment prevents most young people from becoming NEETs. In fact, Figure 2.5 seems to confirm this relationship at the individual level.

In Albania, Turkey, Egypt, Jordan, Palestine, Moldova and Spain we find both high rates of early school leavers as well as high rates of NEETs. Thus, these countries are characterised by a high proportion of young people who do not continue in education after lower secondary and a low proportion in employment. Unskilled young people in these countries are highly vulnerable and are likely to be out of employment, particularly in times of economic crisis. In these countries it would seem particularly important for education policies to aim at keeping young people in school, while taking into account the existence of a high proportion of unskilled youth that might need training.

**FIGURE 2.6 NEETS RATE (15–29 YEARS) AND EARLY SCHOOL LEAVERS (ESL) RATE (18–24 YEARS) IN THE EU AND ETF PARTNER COUNTRIES**



Sources: EU countries, Turkey and the former Yugoslav Republic of Macedonia from Eurostat; Egypt: ETF calculations based on the 2012 Egyptian Labour Market Panel Survey (ELMPS); Georgia: ETF calculations based on the 2013 Georgian Integrated Household Survey; Albania: NEETs rate calculated from LFS by the statistical office, ESL rate data from Eurostat; Israel: data calculated from LFS and sent by the statistical office; Serbia: NEETs rate was received from the statistical office, the ESL rate from Eurostat; the rest of countries: ETF calculations based on the ILO School to Work Transition Surveys (SWTS) 2012–2013.

Year: 2012 for the former Yugoslav Republic of Macedonia, Moldova, Egypt, Jordan, Kyrgyzstan; 2013 for all EU countries, Turkey, Serbia, Georgia, Palestine; and 2011 for Albania.

Note: The red line divides the graph on 20% for both rates. This division is arbitrary.

Interestingly, there are also outliers to this positive correlation between the two indicators. As seen in the top-left part of the Figure 2.6, some EU countries (Bulgaria, Greece and Italy) and partner countries (former Yugoslav Republic of Macedonia, Georgia and Serbia) have low early school leavers rates, but at the same time high NEETs rates. This means that a high share of young people remain in education after the lower secondary level, but that the proportion of young people engaged in employment remains low. This indicates a difficult transition from school to work for young people with upper secondary and tertiary diplomas in these countries. The problem could be both limited (skilled) job creation and skills mismatches, with these countries' education systems producing graduates not required by the labour market.

Finally, there are two other outliers (Malta and Iceland) with high early school leaver rates and low NEETs rates at the same time (bottom-right segment). This indicates a relatively high proportion of the youth population with only a low level of education, but a high share of young people in employment. For these two small countries, the majority of young people are working, even if they have low educational attainment.

In summary, there is no straightforward conclusion to be drawn concerning the impact of education on NEETs, and for in-depth analysis of the subject it is necessary to look at the specific structures of the educational systems and labour markets of each country. Nevertheless, Figure 2.6 carries important key messages for addressing the NEETs phenomenon. Moreover, it can be seen that measures to address the NEET problem might differ across countries. In many partner countries there might be a need to improve education and training systems for younger people, while at the same time the current numbers of unskilled youth require retraining to improve their basic skills and help them find a job. Continuous education for these unskilled young people should take into account the lack of capacity that some of them might have as a result of having left the education system early. In some other partner countries where there are high numbers of educated youth who are not in employment, there is a need for policy makers to look at the functioning of the labour market and job creation.

## 3. COUNTRY CASE STUDIES

This chapter presents an in-depth analysis of NEET groups in the four countries for which we could obtain access to the raw data from labour force surveys (LFS) – namely, Albania, Egypt, Georgia and Palestine. The selection of these case studies was thus based on the availability of data. The analysis includes a comparison of labour market indicators with NEET rates, the identification of various youth groups by status (in education, inactive, employed, unemployed), the profiling of NEET sub-groups and their vulnerabilities, and the identification of the main factors influencing the possibility of becoming a NEET.

### 3.1 Albania

#### KEY FEATURES

Albania registers a NEET rate of 30% (for both the age groups of 15–24 and 15–29) – almost double the EU28 average. The gender gap for NEETs between men and women is relatively small (7 percentage points), but the reasons for being a NEET differ slightly between the sexes. The likelihood of becoming a NEET in Albania is higher for young people with low levels of education (primary education or less), those from a minority group, and, very slightly, for women.

#### TECHNICAL NOTE

Analyses were carried out using the dataset of the 2011 Labour Force Survey, which was downloaded from the Albanian National Statistical Office<sup>14</sup>. The dataset contains information concerning more than 3 400 young people between the ages of 15 and 29. Unfortunately, the LFS does not identify the numbers of individuals in training. So the NEET rate was calculated by summing in the nominator those who are unemployed (variable provided by the dataset following the ILO definition) and those who are inactive (variable provided by the dataset following the ILO definition), and subtracting from both categories those who are currently in regular education (student or apprenticeship).

Albania is facing problems regarding job creation, having a relatively high proportion of working-age population out of employment (**TABLE 3.1**). The gender difference in both activity and employment rates is around 10 percentage points and women are less likely to be part of the labour force than men. Nonetheless, the gender gap is still reasonable compared to that observed in the South Mediterranean countries (as seen later in Egypt and Palestine). Although lower than the EU28 average, activity and employment rates are at a medium level, but this can be largely explained by the specific circumstances of (subsistence) agricultural employment. The unemployment rate is high (14%), but there is no big gender difference.

As seen in all the countries, the youth unemployment rate is higher than the total unemployment rates (24% for 15–24-year-olds; 22% for 15–29-year-olds). However, the difference between the unemployment rates for young people specifically and the general population aged 15+ is smaller compared to other country cases analysed in this section. Thus, although the employment prospects for young people are lower, the situation is less dramatic than in other countries. The unemployment rate starts to decrease after the age of 25 and the transition patterns of young males and females into work are quite similar, albeit with some differences.

The NEET rate is 30% for both the age groups of 14–24 and 15–29 years, and there appears to be no significant gender gap between females and males – females constitute almost 55% of the total NEET

<sup>14</sup> [www.instat.gov.al/en/themes/labour-market.aspx](http://www.instat.gov.al/en/themes/labour-market.aspx)

pool (15–29 years). On the other hand, the educational attainment of young people (15–29 years) shows relatively low levels, with 57% of the young population educated to lower secondary level or below. The share of young people with upper secondary and post-secondary education is 35%, while those with a university education remains at 9% – the gender gap in education at all levels is very small.

**TABLE 3.1 MAIN LABOUR MARKET INDICATORS IN ALBANIA (%)**

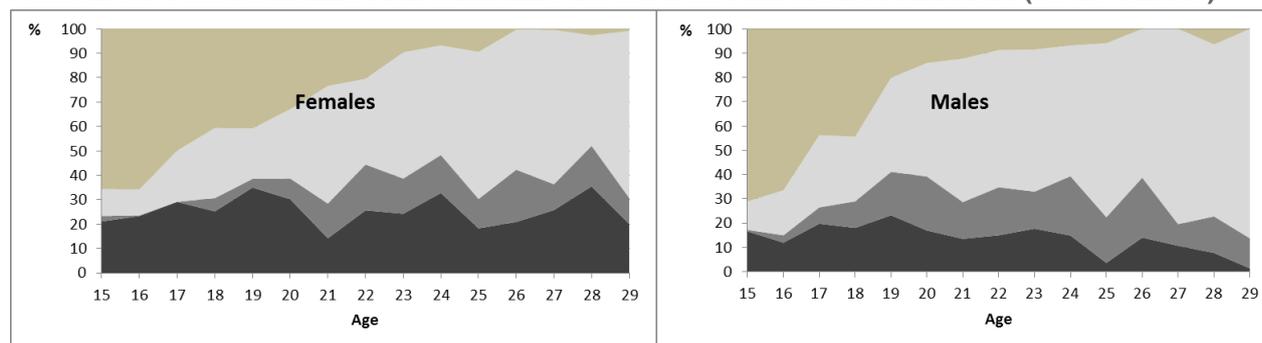
Indicator	Total	Male	Female
Activity rates (15+)	60.3	67.9	52.9
Employment rates (15+)	51.9	58.6	45.3
<b>Unemployment rates (15+)</b>			
Adults (15+)	14.0	13.6	14.4
Youth (15–24)	23.9	25.5	21.4
Youth (15–29)	21.9	22.8	20.6
<b>NEETs</b>			
NEET rates (15–24)	30.0	27.7	32.5
Share of NEETs (15–24)	100	47.5	52.5
NEET rate (15–29)	30.0	26.6	33.7
Share of NEETs (15–29)	100	45.4	54.6
<b>Youth educational attainment (15-29)</b>			
ISCED 0–2	56.5	55.6	56.1
ISCED 3–4	34.6	28.4	31.6
ISCED 5–6	9.0	16.0	12.4
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the raw dataset of the Labour Force Survey 2011.

Looking at **FIGURE 3.1**, the transition from education to the labour market is comparable for men and women, although more females remain outside the labour market (inactive), and more males leave education earlier. The share of inactive males decreases after the age of 19, while the proportion of those who are unemployed remains more or less the same. Females tend to stay in education slightly longer, while the share of inactive females is always higher than that of males. However, despite some significant ups and downs, the overall percentage remains more or less stable across the age range<sup>15</sup>. The proportion of unemployed women is lower than that for men, but remains constant even after the age of 21. The decrease in male inactivity and unemployment after the age of 25 helps to explain the lower unemployment rate of the 15–29 age group.

<sup>15</sup> The higher ups and downs in the country compared to the other cases could be explained by the lower sample size in Albania. Once we break down the category of young people by their status and age, the number of cases falls quite markedly, reducing the reliability of the results.

**FIGURE 3.1 YOUNG MALES AND FEMALES BY STATUS AND AGE IN ALBANIA (15–29 YEARS)**



■ Inactive (not in Education) ■ Unemployed ■ Employed ■ In Education or Training

Source: ETF calculations based on the raw dataset of the Labour Force Survey 2011.

Note: The graphs show the percentage of young people who are in education, employed, unemployed and inactive by their age. 'Inactive' includes those who are not seeking a job because of family responsibilities, those who are out of the labour force due to their domestic housekeeping roles or because they are disabled.

In Albania the total unemployment rate does not decrease as educational attainment increases (TABLE 3.2). Indeed, among those with tertiary education there is a slightly higher unemployment rate than for those with primary and lower secondary education, although it is upper secondary graduates who suffer the most from unemployment.

**TABLE 3.2 UNEMPLOYMENT RATE (15+) BY EDUCATION LEVEL IN ALBANIA**

Education level	n	%
Primary or less	46	11.6
Lower secondary	581	12.5
Upper secondary	326	17.1
Tertiary education	150	15.7
<b>Total</b>	<b>1 103</b>	<b>14.0</b>

Source: ETF calculations based on the raw dataset of the Labour Force Survey 2011.

Note: Results by sex are not shown due to the low number of cases.

Looking in more detail at the reasons for not being in employment or education, one in five young people would fall into the category of discouraged<sup>16</sup>, that is, not willing to work or not looking for a job (see TABLE 3.3). Differences can be perceived regarding the reasons in terms of gender (although this is less acute than in the other cases), but the same proportion of female NEETs are unemployed, engaged in family care, inactive or discouraged (one quarter each). Unemployment is the principal reason for men becoming NEETs, followed by inactivity and discouragement.

<sup>16</sup> In Albania this category is made up of those who are not looking for work because they believe there are no jobs available, or at least no well-paid jobs.

**TABLE 3.3 HETEROGENEITY OF NEETS (15–29 YEARS) IN ALBANIA (%)**

Reasons	Total	Male	Female
Unemployed	34.6	47.8	24.3
Inactive	29.2	35.4	24.4
Family care	15.5	0.3	27.5
Discouraged	20.7	16.5	23.9
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the raw dataset of the Labour Force Survey 2011.

Having only primary-level education or less is a very important risk factor for being a NEET in Albania (TABLE 3.4). The NEET rate is the highest among those with a lower educational attainment: half of the young people with primary or less education are NEETs. It is also important to remember here the very high proportion of early school leavers (ESL) observed in Albania, namely 35%. There are no discernible differences between the other education levels – once young people have attained at least secondary education, their chances of being NEETs are fairly similar, regardless of their final education level.

**TABLE 3.4 NEETS RATE BY EDUCATIONAL ATTAINMENT LEVEL (15–29 YEARS) IN ALBANIA**

Education level	NEETs	
	n	%
Primary or less	89	49.1
Lower secondary	548	28.8
Upper secondary	275	28.8
Tertiary education	131	30.5
<b>Total</b>	<b>1043</b>	<b>30.1</b>

Source: ETF calculations based on the raw dataset of the Labour Force Survey 2011.

Note: Results by sex are not shown due to the low number of cases.

Belonging to one of the minorities in the country is a clear risk factor for being a NEET (TABLE 3.5). Indeed, the NEET rate among minorities is almost double (58%) of the rate for non-minorities (29%). Due to the small size of the sample for each minority we have grouped them under one category ‘minorities’, thus we cannot assess whether there are differences in the NEET rate between each minority group.

**TABLE 3.5 NEETS RATE BY POPULATION GROUPS (15–29 YEARS) IN ALBANIA**

	NEETs	
	n	%
Non-minority	985	29.24
Minorities	57	58.02
<b>Total</b>	<b>1 042</b>	<b>30.07</b>

Source: ETF calculations based on the raw dataset of the Labour Force Survey 2011.

Note: We have grouped under ‘minorities’ those who the Labour Force Survey defined as belonging to different ethnic groups: Roma, Macedonian, Montenegrin, Greek, Vllaha and others. Due to their low numbers in the LFS sample, they are grouped under one name, ‘minorities’, while the ‘non-minorities’ comprise those defined as Albanians.

Looking at the basic data released by the National Statistical Office for 2013 reveals that the situation for young people has deteriorated. New data published by the National Statistical Office from the 2013 Labour Force Survey shows a 30.2% youth unemployment rate for 15–24-year-olds (32.5% for

males and 26.1% for females), a significant increase (24%) since 2011. Total unemployment also increased in the same period, but less dramatically (15.6% for the total population aged 15+). The worsening of employment prospects in the country has particularly affected young people, and we can also see an increase in the NEETs rate for 2013 and 2014 in the 15–24 age group, according to recent annual data shared by the country with the ETF (30.8% and 30.9% respectively), as well as for the age range 15–29 years (33.4% and 34.5%).

Based on the descriptive analysis, it can be concluded that the likelihood of becoming a NEET in Albania is higher among young people with a low level education (primary education or less), those from a minority group, and, very slightly, among women. The reasons for becoming a NEET are more equally distributed. Female NEETs are equally divided among the unemployed, family carers, and inactive and discouraged workers (one quarter each). Unemployment is the principal reason for males becoming NEETs, followed by inactivity and discouragement. The proportion of NEETs who are classified as discouraged and alienated from the labour market is surprisingly high for both sexes.

## 3.2 Egypt

### KEY FEATURES

Egypt registers a NEET rate of 35% for the age group 15–24, which increases to 40% for the age group 15–29. The rate for young females is extremely high (64% for the 15–29 age group), while for young males it is similar to the EU average (14%). Hence, the exceptional number of NEETs is mainly driven by extremely high inactivity rates among young women, and gender is the most important risk factor for becoming a NEET. The effect of education has a U shape: the likelihood of becoming a NEET increases for those with lower and higher levels of education, while middle school graduates have a lower rate.

### TECHNICAL NOTE

The dataset of the 2012 Egyptian Labour Market Panel Survey (ELMPS) was used for the analysis. It is a high quality dataset based on a two-stage stratified random sample, taken from the nationally representative household survey carried out by the Economic Research Forum in cooperation with CAPMAS (Assaad and Krafft, 2013). The fieldwork took place between March and June 2012, and covered more than 14 000 young people between the ages of 15 and 29<sup>17</sup>. The paper uses ELMPS due to the high quality of the data, its public availability, and its large sample size. The ELMPS 2012 dataset does not identify the numbers of those in training, so the NEET is defined as young people not in education and employment. The rate was calculated by summing in the nominator those who are unemployed (variable provided by the dataset following the ILO definition) and those who are inactive (variable provided by the dataset following the ILO definition), and subtracting from both categories those who are currently in regular education.

Another dataset for Egypt is the SWTS, which was conducted between November and December 2012 by the ILO in cooperation with CAPMAS<sup>18</sup>. This is based on a self-weighted multi-stage cluster sample and covers almost 5 200 youth between 15 and 29 years old. There is a difference in the results from both surveys of almost 10 percentage points. Some differences have also been found in the youth unemployment rates. In both cases, the ILO dataset gives lower rates for both unemployment and NEET status. Comparing these results with the NEET rate given by ILOSTAT (which is based on the Labour Force Survey), the trend does not change (see the rates in Table 3.7). Differences in the rate between the SWTS and the ELMP might be due to a number of factors: the variations in the sampling techniques used in each survey; the difference in the time periods under examination; and/or the fact that the ELMP does not allow us to subtract from the nominator those young people who are in training. Due to its larger size and national representativeness, we prefer to use the ELMPS results for this analysis).

<sup>17</sup> [www.erf.org.eg/cms.php?id=events\\_details&news\\_id=203](http://www.erf.org.eg/cms.php?id=events_details&news_id=203)

<sup>18</sup> See ILO (2014b) and [www.ilo.org/employment/areas/WCMS\\_234860/lang--en/index.htm](http://www.ilo.org/employment/areas/WCMS_234860/lang--en/index.htm)

Based on our calculations from the 2012 ELMPS dataset, the labour market situation in Egypt looks very different for males and females (**TABLE 3.6**). Women in Egypt are hardly involved in productive labour-market activities, and the overwhelming majority of them stay inactive throughout their lives. Those few women who enter the labour market (23%) face high unemployment, with levels reaching almost 28% compared to 4% for male unemployment, and only 17% of women are employed. Conversely, men's activity and employment rates are very high (80% and 77% respectively), and their unemployment rate is low. The contrast between the labour market activities of the two sexes is highly striking.

**TABLE 3.6 MAIN LABOUR MARKET AND EDUCATION INDICATORS IN EGYPT (%)**

Indicator	Total	Male	Female
Activity rates (15+)	51.1	80.2	23.1
Employment rates (15+)	46.7	76.8	17.6
<b>Unemployment rates (15+)</b>			
Adults (15+)	8.7	4.2	23.7
Youth (15–24)	18.9	10.3	49.6
Youth (15–29)	16.4	8.3	42.4
<b>NEETs</b>			
NEET rates (15–24)	35.3	16.9	53.6
Share of NEETs (15–24)	100	23.8	76.2
NEET rate (15–29)	39.8	14.0	64.0
Share of NEETs (15–29)	100	17.0	82.9
<b>Educational attainment (15-29)</b>			
ISCED 0–2	45.52	45.21	45.8
ISCED 3–4	41.34	42.83	39.93
ISCED 5–6	13.15	11.96	14.27
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012.

Similarly to other South Mediterranean countries (ETF, 2014a), the youth unemployment rate is double that of the total rate (19% for 15–24-year-olds; 16% for 15–29-year-olds). However, there is a wide variation between young men and women: while the unemployment rate for young males is a relatively moderate 10%, for young females it is 50%. The rate slightly decreases when we consider the wider age range of 15–29, but the fact remains that it is primarily females who suffer from unemployment. This implies serious labour market barriers and gender discrimination against women in Egypt. Most women remain inactive, and among those who are part of the labour force a high proportion are unemployed.

The NEET rate is 35% for the age group 15–24 and increases to 40% for the age group 15–29 (Tables 3.6 and 3.7). This means that two-fifths of the youth population in Egypt are neither in employment nor education or training. The rate for young females is extremely high (54% for the 15–24 age group, and 64% for the 15–29 age group), while the NEET rate for young males is similar to

the EU average: 17% for those aged 15–24 and 14% for 15–29-year-olds. The current employment gap between males and females is similarly also reflected among young people – women constitute 83% of all NEETs (aged 15–29). This huge gender gap is unlikely to decrease, even in the medium to long term.

**TABLE 3.7 NEET RATES BY AGE WITH A COMPARISON OF RESULTS FROM THREE SOURCES (%)\***

	ELMPS 2012			ILO SWTS 2012			ILOSTAT LFS 2012	
	Total	Male	Female	Total	Male	Female	Total	Male
<b>NEET rate (15-29)</b>	39.8	14.0	64.0	29.0	9.3	49.5		
<b>NEET rate (15-24)</b>	35.3	16.9	53.6	28.4	10.2	44.8	31.6	19.6
<b>Youth unemployment rate (15–29)</b>	16.4	8.3	42.4	15.7	6.8	38.1		
<b>Youth sample size</b>	14184	6816	7368	5198	3132	2066		

Sources: ELMPS 2012, ILO SWTS 2012, ILOSTAT rate from LFS 2012.

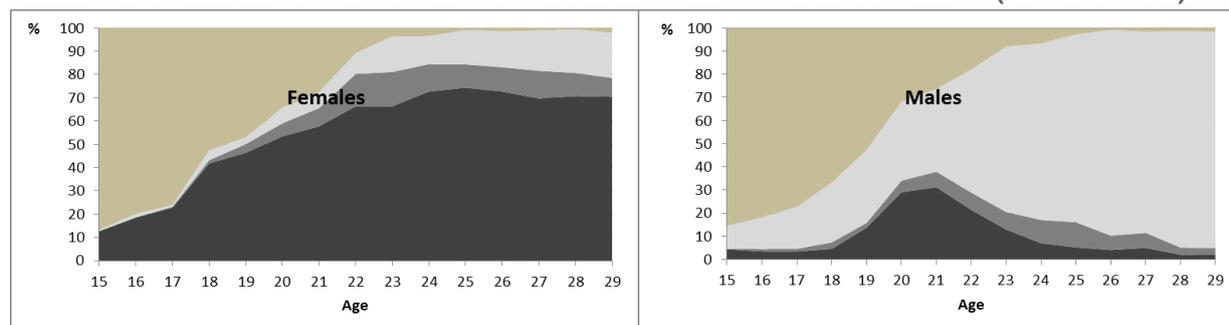
Note\* See the discussion in the technical note above on the differences between the results (for both NEET and youth unemployment rates), which were found to be much lower in the ILO SWTS dataset.

Educational attainment levels for the young population (15–29 years) show that 46% of this group have lower secondary education or below. The proportion of young people with upper secondary and post-secondary education is 41%, while 13% are university graduates. Interestingly, there is no gender gap in education. There are even more female than male graduates. **FIGURE 3.2** shows the respective shares of young males and females who are in education, employed, unemployed and inactive by age.

The experience of transition from education into the labour market is very different for men and women. Females are very rarely employed, and few of them enter the labour market when they finish upper secondary and tertiary education. The share of inactive females is very high, and after the age of 22 the percentage of inactive women remains stable at over 60%. On the other hand, males enter the labour market earlier, and most of those over 21 are employed. There is a significant spike in the number of inactive males (who are not in education or training) between the ages of 20 and 22, after which the inactivity rate falls and remains very low. The share of unemployed males is also very low, almost negligible<sup>19</sup>.

<sup>19</sup> Looking at these figures, unemployment is not a big problem in Egypt, certainly not for Egyptian men. However, this does not take into account employment conditions and the quality of jobs. Informal and low-quality jobs are major problems in Egypt, but this will not be discussed here (see for instance on labour market transitions of young women and men in Egypt, ILO [2014b]).

**FIGURE 3.2 YOUNG MALES AND FEMALES BY STATUS AND AGE IN EGYPT (15–29 YEARS)**



■ Inactive (not in Education) ■ Unemployed ■ Employed ■ In Education or Training

Source: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012; ‘inactive’ includes those who are not looking for a job due to family responsibilities, those who are out of the labour force due to carrying out domestic work in the home or because they are disabled.

Note: Graphs show the percentage of young people by age.

Looking at the total unemployment rate by education levels (**TABLE 3.8**), the proportion of those with little or no schooling who are unemployed is very low compared to the other education levels. Unemployment increases with education step by step, starting from the level of high school graduates (both general and VET upper secondary), then moving up to post-secondary and university (ranging from 10% to 13%). However, it is also important to bear in mind the very high share of early school leavers (ESL) observed in Egypt, namely 28%.

The impact of education for women shows a dramatic difference compared to men. The unemployment rate for females with a general high school education is 30% (6% for males), 37% for VET high school graduates (5% for males), 29% for those with post-secondary education (6% for males) and 25% for university graduates (7% for males). Therefore, education changes the employment prospects of males and females, but with some differences. Education certainly activates females to join the labour market, but the employment is to a great extent closed to women who are likely to remain unemployed as employers give preference to male jobseekers. Moreover, the impact of VET on unemployment is the opposite of that of general education: it reduces the unemployment rate of males (5%) while it further increases the rate for females (37%).

**TABLE 3.8 UNEMPLOYMENT RATES BY EDUCATION LEVEL AND SEX (15–64 YEARS) IN EGYPT (%)**

Education levels	Total	Male	Female
Illiterate	2.0	2.1	1.8
Literate without schooling	2.5	2.0	7.2
Elementary school	3.0	2.5	10.0
Middle school	3.6	2.4	13.9
General high school	10.4	6.4	29.8
Vocational high school	12.3	4.7	37.4
Post-secondary institute	12.6	6.2	29.1
University	13.6	7.5	25.0
Postgraduate	4.7	1.0	10.4
<b>Total</b>	<b>8.7</b>	<b>4.2</b>	<b>23.8</b>

Source: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012.

This dramatic gender difference is also observed when we look more closely at the reasons why young people are not in education or employment (**TABLE 3.9**). If we look at the 15–29 age group, 63% of NEET males are inactive, 30% are unemployed (actively looking for a job) and 7% are discouraged (none of these have family responsibilities). The situation for NEET females is very different: 82% are family-carers, 10% are unemployed and 4% are discouraged.

**TABLE 3.9 HETEROGENEITY OF NEETS (15–29 YEARS) IN EGYPT (%)**

Reasons	Total	Male	Female
Unemployed	13.7	30.3	10.1
Family carer	67.1	0.0	81.8
Discouraged	4.0	6.5	3.5
Inactive	15.2	63.2	4.6
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012.

The effect of education on NEETs rate follows a U shape (**TABLE 3.10**). The NEETs rate is highest among those with lower and higher levels of education, that is 60% for illiterates, 52% for literates, 54% for VET high school graduates, 55% for those from post-secondary institutes and 50% for university graduates. Interestingly, the NEETs rate is lowest among general high school graduates (13%), middle school graduates (19%) and elementary school graduates (30%). The high NEETs rate among the graduates from vocational high schools is mainly due to the high proportion of female graduates that are NEET. Some 90% of female VET graduates become NEETs compared to 20% of male VET graduates<sup>20</sup>.

**TABLE 3.10 NEETS RATE BY EDUCATION LEVELS (15–29 YEARS) IN EGYPT**

Education levels	NEETs	
	n	%
Illiterate	1 081	59.8
Literate without any schooling	158	51.8
Elementary school	581	30.1
Middle school	497	19.2
General high school	208	13.2
Vocational high school	2,136	53.7
Post-secondary institute	170	54.6
University	886	49.7
Postgraduate	11	13.9
<b>Total</b>	<b>5 728</b>	<b>39.8</b>

Source: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012

Note: Results by sex are not shown due to the low number of cases.

<sup>20</sup> Here the results for men and women are shown together, because when we go into detail for the population aged 15–29 and divide them by education, the number of interviewees in the sample decreases considerably for most education categories. Breaking these groups down further by gender dramatically reduces the numbers in some categories. However, this is not the case for vocational students, as their numbers are very high among the NEETs group (total number = 2 136). VET results by gender can be provided by the authors on request.

One potential risk factor is the socio-economic situation of the young person's household: those from higher income backgrounds are less likely to become NEETs (TABLE 3.11). The difference in NEET rates between the poorest households (income level 1) and the richest households (income level 4) is quite substantial (42% versus 26%). The NEETs rate at income level 2 is just under 49% and at income level 3 it is almost 38%. There is also a link between education and income. Higher educated young people from poorer households are more likely to become NEETs than those with lower levels of education. Nevertheless, when the level of household income increases, this negative effect of higher education declines sharply<sup>21</sup>. This might be due to better social networks through which wealthier youth can find a job in a country where job seeking is mainly based on private contacts (64% of young people between the ages of 15 and 29 have found a job by asking friends, relatives or acquaintances, see ILO [2014b]).

**TABLE 3.11 NEETS BY HOUSEHOLD INCOME LEVEL (15–29 YEARS) IN EGYPT**

	NEETs	
	n	%
Income level 1	812	41.9
Income level 2	1271	48.7
Income level 3	1125	37.5
Income level 4	638	25.8
<b>Total</b>	<b>3 846</b>	<b>38.4</b>

Source: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012.

Note: Household equalised income was calculated using the OECD modified scale. Using this scale, the total average income of the household is corrected (weighted) by the number of adults and non-adults that live in the household. The value 1 is assigned to the head of household, 0.5 to other adults and 0.3 to non-adults. These weights are summed and multiplied by the total average monthly income. Level 1 corresponds to the poorest 25% of all the households in the sample, while level 4 corresponds to the richest 25% of all the households in the sample. In between, level 2 corresponds to the second percentile and level 3 to the third percentile. The difference in the total is due to missing data.

Finally, in terms of the NEETs rate, the rural-urban divide has a stronger impact on women than men (TABLE 3.12). The rate for rural females is almost 10 percentage points higher than for urban females, while a similar rural/urban effect is not visible among males.

**TABLE 3.12 NEET RATES BY URBAN AND RURAL YOUTH (15–29 YEARS) IN EGYPT**

	Total		Males		Females	
	n	%	n	%	n	%
Urban	2 080	36.7	403	14.8	1677	57.0
Rural	3 593	41.9	552	13.4	3041	68.7
<b>Total</b>	<b>5 673</b>	<b>39.8</b>	<b>955</b>	<b>14.0</b>	<b>4 718</b>	<b>64.0</b>

Source: ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS), 2012.

<sup>21</sup> The interaction of household income mainly affects those with higher education rather than those with lower levels of education. Results from regression analyses are not shown in the paper, but can be made available to interested readers on request.

The exceptional NEET rate in the country is mainly driven by the extremely high inactivity levels of young women, so being female is the most important risk factor for becoming a NEET. Almost-two thirds of young women remain at home taking care of their family. At the same time, women suffer from an unusually high unemployment rate, while men are mostly employed, though the quality of those jobs may be low. Recent data show that up to 81% of the young workers (currently in employment) have no contract and endure bad working conditions (44% work more than 50 hours a week and are very low paid) (ILO, 2014b).

The effect of education is U shaped: the likelihood of being a NEET increases for those with lower and higher levels of education, while middle school graduates are less likely to become NEETs. People's household economic situation is also an important risk factor, and young people from the poorest households are more likely to become NEETs. A wealthy family background also has implications in terms of education, while the likelihood of becoming a NEET is further reduced for those with a higher level of education.

### 3.3 Georgia

#### KEY FEATURES

Georgia registers a NEET rate of 31% for the 15–24 age group, which increases to 35% for those aged 15 to 29. The rate for females is higher than for males and increases with age: from 36% for females aged 15–24 to 43% for females aged 15–29. Age does not change the rate for males. The likelihood of becoming a NEET is higher among women and young people with medium level of education (especially those from VET and secondary general schools), followed by university graduates.

#### TECHNICAL NOTE

Analyses for the country have been carried out using the 2013 Integrated Household Survey (IHS), which is a panel household quarterly survey carried out by the National Statistical Office (Geostat), and covering more than 7 700 young people between the ages of 15 and 29<sup>22</sup>. The NEETs rate was calculated taking into account those who are not employed (variable created by Geostat based on the ILO criteria), and at the same time not in education or attending any training activity.

Based on the Integrated Household Survey 2013, the activity rate of the total adult population (15+ years old) is relatively high in Georgia (66%), and the highest among our four country cases (**TABLE 3.13**). There is a difference of 20 percentage points between male and female participation in the labour force (57% for females vs 77% for males). The employment rate is almost 57%, and men are much more likely to be engaged in employment than women, with a difference of 15 percentage points. The unemployment rate of the total population is fairly high in Georgia (15%), with no significant difference between the rates for women and men.

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<sup>22</sup> [www.geostat.ge/index.php?action=meurneoba&lang=eng&mpid=1](http://www.geostat.ge/index.php?action=meurneoba&lang=eng&mpid=1)

**TABLE 3.13 MAIN LABOUR MARKET INDICATORS IN GEORGIA (%)**

Indicator	Total	Male	Female
Activity rates (15+)	66.2	77.3	56.8
Employment rates (15+)	56.6	64.5	49.8
<b>Unemployment rates (15+)</b>			
Adults (15+)	14.6	16.5	12.3
Youth (15–24)	35.6	35.3	36.3
Youth (15–29)	30.7	30.8	30.7
<b>NEETs</b>			
NEET rates (15–24)	30.2	24.5	36.0
Share of NEETs (15–24)	100	40.6	59.4
NEET rate (15–29)	34.8	27.1	42.6
Share of NEETs (15–29)	100	39.4	60.6
<b>Educational attainment (15–29)</b>			
ISCED 0–2	25.94	26.45	25.43
ISCED 3–4	51.87	52.68	51.05
ISCED 5–6	22.19	20.87	23.53
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the Georgian Integrated Household Survey, 2013.

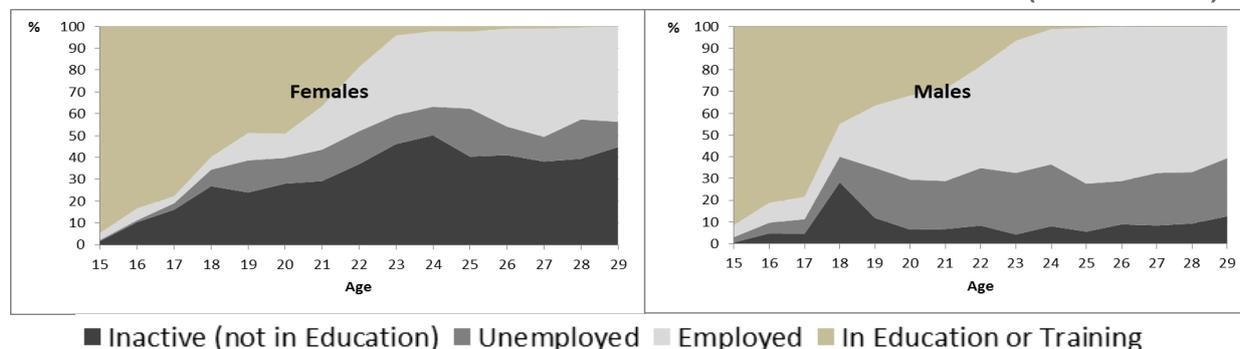
The situation of young people in the labour market is worse than for adults. The proportion of unemployed young people (15–24 years) is more than twice the total unemployment rate (36%), but no important gender gap is observed. The unemployment rate decreases slightly, to 31%, for the 15–29 age group. The difference between these two age ranges can be ascribed to two reasons: (i) those in the age range 25–29 have greater access to employment, or (ii) there may be an increase in inactivity, as some young people in this age group are no longer looking for a job.

The NEETs rate for the 15–24 age group is 30%, and increases to 35% for those aged 15–29. This means that one-third of the young people in the country neither work nor study. The NEETs rate for females is higher than for males and increases with age: the rate for women in the 15–24 and 15–29 age groups rises from 36% to 43%, while it is almost the same for males of both groups (around 26%) – overall, women constitute almost 61% of the total NEETs (aged 15–29). On the other hand, there are high levels of educational attainment among young people (aged 15–29): 22% have a university degree; 52% have upper secondary and post-secondary education; and 26% of youth have lower secondary education or below.

Looking at **FIGURE 3.3**, the respective shares of young men and women who are in education, employed, unemployed and inactive by age, it would appear that the transition from education to work is very different for males and females. Young men leave education earlier, typically at the ages of 17 or 18, and are then likely to join the labour market, with the majority working and a considerable number unemployed. Women tend to remain slightly longer in education, typically until the ages of 20 or 21, when they complete post-secondary or university education. After that, some of these women

enter in the labour market, with the majority finding employment, though some of them remain unemployed. Nevertheless, the proportion of inactive females is relatively high at around 35% and remains relatively stable after women reach the age of 21. Inactivity is low among males, except for a small spike in the figures observed between the ages of 17 and 19.

**FIGURE 3.3 YOUNG MALES AND FEMALES BY STATUS AND AGE IN GEORGIA (15–29 YEARS)**



Source: ETF calculations based on the Georgian Integrated Household Survey, 2013. The inactive category includes those who are not seeking a job due to family responsibilities, those who are out of the labour force due to domestic work in the home or because they are disabled.

Note: The graphs show the percentage of young people by their age.

As shown in **TABLE 3.14**, higher education levels in the population do not necessarily reduce the unemployment rate. Those with higher education (ISCED 5–6) have the highest unemployment rate (19%), while elementary (or less) school graduates have the lowest unemployment rate (5%). Looking at these figures, unemployment does not appear to be a major problem for the low educated, but these numbers hide the problems of poor quality jobs and bad working conditions that this group often faces. Young men with a VET diploma have a lower unemployment rate (13%) compared to male graduates from the general education stream (17%), but this is not the case for women: there is a slightly higher unemployment rate (12%) for female VET graduates compared to general education graduates (9%). As we have seen in the case of Egypt, VET improves the situation of males set against a secondary general education, but not that of the females.

**TABLE 3.14 UNEMPLOYMENT RATE (AGE 15+) BY EDUCATION LEVEL IN GEORGIA (%)**

Education level	Total	Males	Females
ISCED 0–1	4.8	7.8	2.2
ISCED 2 general	13.3	16.2	9.9
ISCED 3 general	13.3	16.6	9.0
ISCED 2–3 vocational	12.3	12.9	11.7
ISCED 5–6	18.7	19.6	17.6
<b>Total</b>	<b>14.6</b>	<b>16.5</b>	<b>12.3</b>

Source: ETF calculations based on the Georgian Integrated Household Survey, 2013.

Furthermore, an analysis of the reasons for becoming a NEET also shows the existence of a gender difference (**TABLE 3.15**). The proportion of male NEETs who are unemployed (actively looking for a job) is 72%, while 12% are waiting for a job or discouraged<sup>23</sup>. The situation for women is very

<sup>23</sup> We could not distinguish between those who were discouraged and those who were waiting for a job opportunity to come along, as the database includes both categories together.

different: only 26% of female NEETs are unemployed, while 67% are have family care responsibilities and 1% are discouraged.

**TABLE 3.15 HETEROGENEITY OF NEETS (15–29 YEARS) IN GEORGIA**

Reasons	Total	Male	Female
Unemployed	44.1	72.3	25.8
Family care	40.5	0.0	66.8
Waiting for job/discouraged	5.7	12.4	1.3
Other inactive (including disabled)	9.7	15.3	6.1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the Georgian Integrated Household Survey, 2013.

Georgia has a very low proportion of early school leavers (9%) in the population and the effect of education on becoming a NEET is not linear (see **TABLE 3.16**). Those with primary and lower secondary education (ISCED 1 or 2) have the lowest NEET rates. After that come university graduates come with NEET rate of 38%. However, the highest NEET rates are seen among VET graduates (53%) and general upper secondary graduates (40%) at the medium level of education. This might be linked to shortcomings in the VET programmes provided, particularly with regard to their quality and relevance for the labour market. Another factor might be the socio-economic background of the VET students, who may come from socially disadvantaged groups, or include young people with learning difficulties<sup>24</sup>.

**TABLE 3.16 NEETS RATE BY EDUCATIONAL ATTAINMENT (15–29 YEARS) IN GEORGIA**

Education level	NEETS	
	n	%
ISCED 0–1	69	28.5
ISCED 2 general	265	15.1
ISCED 3 general	1 277	39.8
ISCED 2–3 vocational	401	52.9
ISCED 5-6	653	38.4
<b>Total</b>	<b>2 665</b>	<b>34.8</b>

Source: ETF calculations based on the Georgian Integrated Household Survey, 2013.

Note: Results by sex are not shown due to the low number of cases.

In the case of Georgia, the labour market status of the head of the household affects the likelihood of their child becoming a NEET. For example, young people from households with unemployed parents have a higher probability of becoming a NEET, as do those whose parents are migrants<sup>25</sup>. The economic situation of the family is a very important factor in preventing young people from becoming NEETs. As shown in **TABLE 3.17**, young people from the poorest households (income level 1) have a higher NEET rate (46%) than those from the richest households (income level 4) (30%). Comparing

<sup>24</sup> In fact we find a higher percentage of technical and vocational students coming from lower income households than from higher income households. These results are not shown but can be made available to the interested reader.

<sup>25</sup> This conclusion must be treated with caution as the number of migrants in the sample is small.

the NEETs rates from the lower to the higher income levels, the rate decreases as we move from one level to the next.

**TABLE 3.17 NEETS RATE BY HOUSEHOLD INCOME LEVEL (15–29 YEARS) IN GEORGIA**

	NEETs	
	n	%
Income level 1	604	45.7
Income level 2	675	36.7
Income level 3	686	32.1
Income level 4	699	29.6
<b>Total</b>	<b>2 664</b>	<b>34.8</b>

Source: ETF calculations based on the Georgian Integrated Household Survey, 2013.

Note: Income represents the household equalised income using the OECD modified scale. Using this scale, the total average income of the household is corrected (weighted) by the number of adults and non-adults that live in the household. The value 1 is assigned to the head of household, 0.5 to other adults, and 0.3 to non-adults. These weights are summed and multiplied by the total average monthly income. Level 1 corresponds to the poorest 25% of all the households in the sample, while level 4 corresponds to the richest 25% of all the households in the sample. In between, level 2 corresponds to the second percentile and level 3 to the third percentile.

Data were available for different population groups in Georgia. It appears that ethnic origin does not greatly affect the rate for the main groups in the country (**TABLE 3.18**), but might have an effect in the case of less numerous minorities. Georgians have a slightly lower NEET rate than the rest of the groups, although the difference is not statistically significant<sup>26</sup>, and the rate is very similar between the Azeris and Armenians. The rate for the other minorities, which includes Abkhazian, Greek, Ossetian, Russian, Ukrainian and other ethnic groups, is higher.

**TABLE 3.18 NEETS RATE BY POPULATION GROUPS (15–29 YEARS) IN GEORGIA**

	NEETs	
	n	%
Georgian	2 295	34.2
Azeri	145	36.5
Armenian	151	37.1
Other	73	48.0
<b>Total</b>	<b>2 664</b>	<b>34.8</b>

Source: ETF calculations based on the Georgian Integrated Household Survey, 2013.

Note: The category 'other' includes Abkhazian, Greek, Ossetian, Russian, Ukrainian and other nationalities. We analyse them together due to the low number of interviewees in the sample who belong to these groups.

Looking at **TABLE 3.19**, regional disparities and the urban-rural divide do not seem to greatly affect the NEET rate in Georgia. In general, the rate is similar in all the regions, with the exception of Samtskhe-Javakheti and Guria, which have lower rates (around 28%) than the other areas. Samtskhe-Javakheti is situated close to the frontier with Russia and is distinguished by high emigration rates of the Armenian ethnic minority. In Soviet times, male Armenians from southern Georgia used to temporarily emigrate to Russia as contract workers (called shabashniki), leaving in

<sup>26</sup> A chi-square test shows that there is no statistically significant relationship between being Georgian and having a lower NEET rate, compared to all other population groups taken together.

spring and returning in autumn (ETF, 2013b). A Russian survey of immigrants from Moldova, Georgia and Azerbaijan points to a high proportion of remittances sent from Russia to this region (EBRD, 2007).

**TABLE 3.19 NEETS RATE BY REGIONS IN GEORGIA (15–29 YEARS) (%)**

	NEETs rate
Kakheti	36.5
Tbilisi	34.1
Shida Kartli	36.9
Kvemo Kartli	34.9
Samtskhe-Javakheti	27.6
Adjara A.R.	30.4
Guria	27.7
Samegrelo-Zemo Svanet	42.8
Imereti, Racha-Lechkh	34.8
Mtskheta-Mtianeti	40.0
Total	34.8

Source: ETF calculations based on the Georgia Integrated Household Survey, 2013.

It can be concluded that the likelihood of becoming a NEET in Georgia is higher among women, young people with a medium level of education (especially VET and secondary general graduates) followed by university graduates, and those from households with more difficult socio-economic conditions (the poorest households, where the head is unemployed or those with migration background or from a minority group). We also found a link between education and income, as education reduces the likelihood of becoming a NEET for those from wealthier households, but not for other households. The high incidence of NEETs among VET graduates can be connected with the low quality of training and/or the more disadvantaged (socio-economic) backgrounds of VET students.

### 3.4 Palestine

#### KEY FEATURES

Palestine registers a NEET rate of 30% for the 15–24 age group, which rises to 36% for those aged 15–29. The rate for young women is extremely high (37% for those aged 15–24 and 49% for those aged 15–29), while for men it is lower (23% for those aged 15–24 and 24% for those aged 15–29). The effect of education on the NEET rate follows a U shape: the rate is highest among university graduates and primary school graduates, and lowest among high school graduates. However, when education levels are broken down by gender, it is clearly female university graduates who are more likely to become NEETs, rather than male graduates.

#### TECHNICAL NOTE

The dataset of the 2013 Labour Force Survey has been used for this analysis. The LFS dataset is collected and provided by the Palestinian Central Bureau of Statistics (PCBS). The NEET rate is calculated by summing those who are unemployed (variable created by PCBS following ILO criteria) and not attending education or any training and those who are inactive (again, variable created by the PCBS following ILO criteria) and not attending education or any training activity.

Based on the calculations from the 2013 LFS, the situation of the labour market in the country is quite difficult, particularly for women (**TABLE 3.20**). Relatively few women in Palestine engage in labour market activities, with the overwhelming majority of remaining inactive. The small proportion of women

who do enter the labour market (17%) face high unemployment (reaching 35% compared to 21% for male unemployment), and only 11% of women are employed. Conversely, men's activity and employment rates are higher than women's (69% and 55% respectively).

**TABLE 3.20 MAIN LABOUR MARKET INDICATORS IN PALESTINE (%)**

Indicator	Total	Male	Female
Activity rates (15+)	43.6	69.3	17.3
Employment rates (15+)	33.4	55.1	11.2
<b>Unemployment rates (15+)</b>			
Adults (15+)	23.4	20.6	35.0
Youth (15–24)	41.0	36.9	64.7
Youth (15–29)	36.8	31.2	60.3
<b>NEETs</b>			
NEET rates (15–24)	30.2	23.4	37.3
Share of NEETs (15–24)	100	39.5	60.6
NEET rate (15–29)	36.4	24.4	48.9
Share of NEETs (15–29)	100	34.2	65.8
<b>Educational attainment (15–29)</b>			
ISCED 0–2	56.1	61.3	50.8
ISCED 3–4	29.3	25.9	32.9
ISCED 5–6	14.5	12.8	16.3
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the Labour Force Survey, 2013.

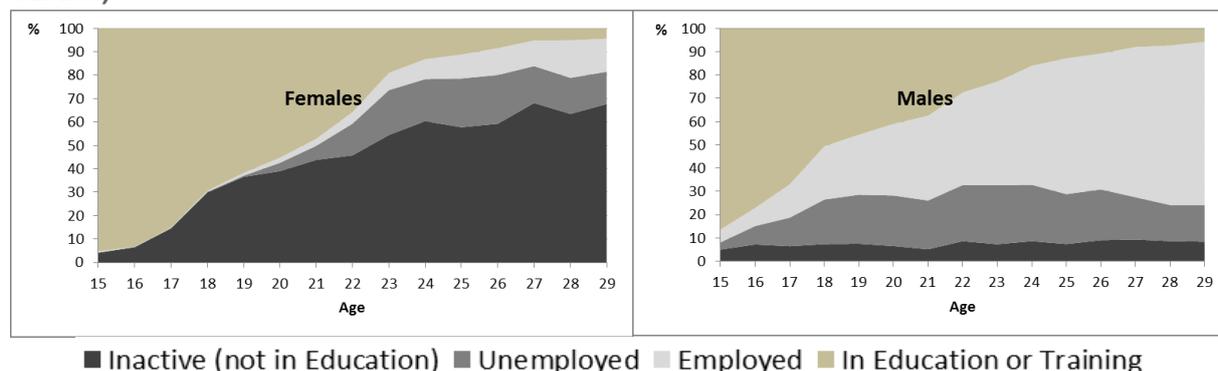
In a similar pattern to Egypt, the youth unemployment rate is double that of the total unemployment rate (41% for 15–24-year-olds; 37% for 15–29-year-olds), with a high gender difference. The unemployment rate for young men is 37% and for young women 65%. The rate slightly decreases when we consider the wider age range of 15–29, but the fact remains that a much greater proportion of females suffer from unemployment than males. This implies serious labour market barriers and gender discrimination against women in Palestine.

The NEETs rate in Palestine is 30% for the 15–24 age group and increases to 36% for the 15–29 age range. This means that one-third of the youth population in the country are neither in employment nor in education or training. The rate for young women is extremely high (37% for the 15–24 age group, and 49% for the 15–29 age group), while for males it is lower for both groups (around 23%). Females constitute 66% of all NEETs (aged 15–29). On the other hand, the educational attainment levels of young people (aged 15–29) show 56% with lower secondary education or below, and 29% with upper secondary and post-secondary education. The proportion of young people with a university degree is almost 15%, with females generally performing better in education.

**FIGURE 3.4** shows the respective shares of young men and women who are in education, employed, unemployed and inactive by age. The experience of transition from education to the labour market is

very different for males and females. Females are very rarely employed, with only a few entering the labour market when they finish tertiary education. The proportion of inactive females (who are not in education) rises between the ages of 16 and 24, and then it remains stable at over 60%. On the other hand, males enter the labour market earlier, mostly after the age of 18 or 22 on finishing education. Almost all men became employed gradually after 24 years old, while the share of unemployed males is relatively high and stable. Inactivity is negligible for men, at less than 5%.

**FIGURE 3.4 YOUNG MALES AND FEMALES BY STATUS AND AGE IN PALESTINE (15–29 YEARS)**



Source: ETF calculations based on Labour Force Survey, 2013.

Note: The graphs show the percentage of young people by their age. The inactive category includes those who are not seeking a job due to family responsibilities, and those who are out of the labour force due to domestic work or because they are disabled.

Looking at total unemployment rates by education levels (**TABLE 3.21**), the figures are lowest for those with secondary/medium education level (17%) and somewhat higher (30%) for those with higher education. However, the story is very different for men and women. The unemployment rate is higher for low-educated males compared to those with more schooling, but, conversely, for women, the unemployment rate is highest among graduates (48%) of higher education and very low for those with little or no education (who very rarely enter the labour market). It is also important to remember here the very high proportion of early school leavers in Palestine (almost 38%).

**TABLE 3.21 UNEMPLOYMENT RATE (15+ YEARS) BY EDUCATION LEVEL IN PALESTINE (%)**

Education level	Total	Males	Females
ISCED 0–2	21.6	23.0	8.1
ISCED 3–4	17.1	17.7	12.4
ISCED 5–6	29.6	15.9	48.0
<b>Total</b>	<b>23.4</b>	<b>20.6</b>	<b>35.0</b>

Source: ETF calculations based on the Labour Force Survey, 2013

The current employment gap between males and females is also reflected in the youth population, while gender difference is, furthermore, a visible factor in the reasons for becoming a NEET (**TABLE 3.22**). Around 71% of male NEETs are unemployed, while 27% are inactive; conversely 79% of female NEETs are family-carers and 17% are unemployed.

**TABLE 3.22 HETEROGENEITY OF NEETS (15–29 YEARS) IN PALESTINE (%)**

Reasons	Total	Male	Female
Unemployed	35.8	71.2	17.4
Inactive	11.6	26.7	3.7
Family care	51.6	0	78.5
Discouraged	0.8	1.9	0.2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: ETF calculations based on the Labour Force Survey, 2013.

The effect of education on the NEET rate follows a U shape in Palestine (**TABLE 3.23**). The total NEET rate is highest among those with higher and lower levels of education, that is, 56% for university graduates and 38% for those with only primary school education. Interestingly, the NEETs rate is relatively low among high school graduates (24%). Looking at the NEETs–education links by gender, the same trends apply, albeit with a huge difference in the figures between the sexes. The NEETs rate is highest among university graduates, but 72% for females and 36% for males; followed by those with primary education, but 52% for females and 27% for males. Young men with a high school diploma have the lowest NEET rate (12%).

**TABLE 3.23 NEETS RATE BY EDUCATIONAL ATTAINMENT AND SEX (15–29 YEARS) IN PALESTINE**

Education level	NEETS					
	Total		Males		Females	
	n	%	n	%	n	%
ISCED 0–2	8 951	38.0	3 657	27.2	5 240	51.6
ISCED 3–4	2 916	23.7	678	11.9	2 193	33.3
ISCED 5–6	3 418	56.0	1 025	36.3	2 353	72.1
<b>Total</b>	<b>15 285</b>	<b>36.4</b>	<b>5 360</b>	<b>24.4</b>	<b>9 786</b>	<b>48.9</b>

Source: ETF calculations based on Labour Force Survey, 2013.

In summary, gender is the most crucial factor in becoming a NEET in Palestine, even more important than education, as the transition into labour market is experienced quite differently for young men and women. Women rarely enter the labour market, and when they do they are mainly unemployed rather than employed. Other potential risk factors for becoming a NEET in Palestine include one’s region of origin (West Bank versus Gaza) and whether or not one has refugee status (**TABLE 3.24**). Young people from Gaza and those with refugee status are more likely to be NEETs compared to those from the West Bank or with non-refugee status.

**TABLE 3.24 NEETS RATE BY REGION AND REFUGEE STATUS (15–29 YEARS) (%)**

	NEETs rate
West Bank	33.7
Gaza Strip	40.7
Non-refugee	35.1
Refugee	38.2
Total	36.4

Source: ETF calculations based on the Labour Force Survey, 2013.

### 3.5 Case study conclusions

A summary table is added below which illustrates the status of young people in all four countries (TABLE 3.25). It clearly shows how gender is the most significant factor in shaping the situation of the youth population in Egypt and Palestine. Indeed, women make up 83% of all NEETs in Egypt, 66% in Palestine, 60% in Georgia and 55% in Albania. Family care is the primary reason for young women becoming NEETs, although to a widely varying extent. The proportions of women who are inactive due to family-care responsibilities in each country are over a quarter in Albania, two-thirds in Georgia, seven out of 10 in Palestine and eight out of 10 in Egypt. In Albania and Georgia, the share of unemployed women is also high.

The impact of education on young people's NEET status is interesting. In Albania, NEETs are highly concentrated among the low-educated youth (primary or less educated). Once students have moved up to secondary school, the likelihood of their becoming NEETs is lower and remains more or less the same at higher education levels. However, the country still has a high proportion of early school leavers and a relatively low rate of enrolment in upper secondary education. In Georgia, on the other hand, people with low education are less likely to become NEETs, while the country has a low rate of early school leavers and a high rate of enrolment in upper secondary education. Rather, it is the youth with medium education (especially VET graduates) who face the highest risk of becoming NEETs here. Moreover, university graduates also share this risk.

In Egypt, the highest risk groups for becoming NEETs are the uneducated and illiterate youth, followed by upper secondary and post-secondary VET graduates. University graduates also show a certain risk of becoming NEETs. A similar picture can be observed in Palestine, where higher NEET rates are seen among those at both the higher and the lower ends of the educational spectrum. Both countries also have high rate of early school leavers and a low rate of enrolment in upper secondary education. It should be emphasised that the overall picture is distorted in these countries due to the opposite trends for men and women. It is generally young, highly educated females who face unemployment or inactivity, while this is not the case for young, well-educated males.

**TABLE 3.25 SUMMARY OF YOUTH STATUS IN THE FOUR PARTNER COUNTRIES (%)**

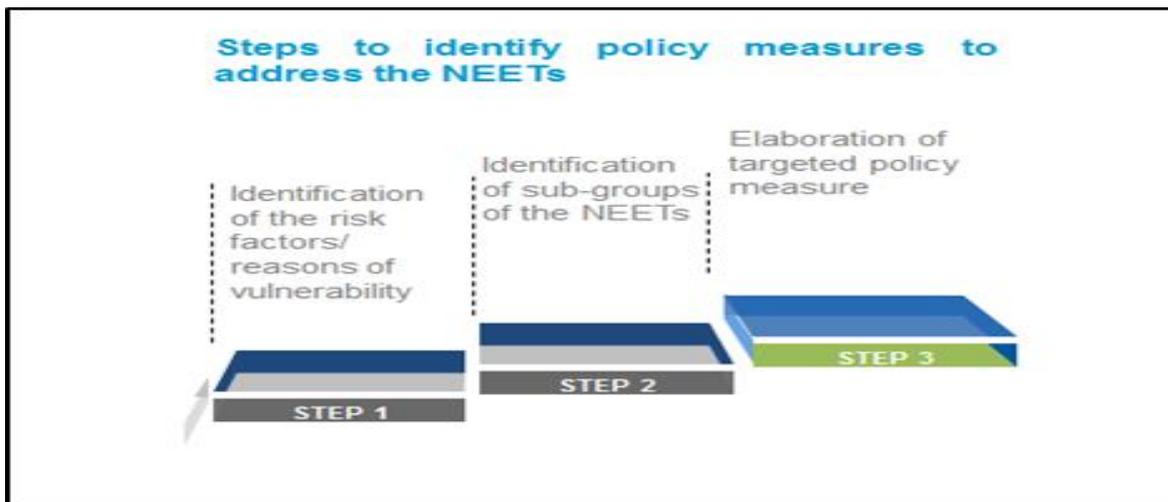
Indicators	Albania	Georgia	Egypt	Palestine
<b>Youth unemployment rate (15–29)</b>	Total: 22 M: 23; F: 21	Total: 31 M/F: same 31	Total: 16 M: 8; F: 42	Total: 37 M: 31; F: 60
<b>Youth unemployment rate by education level</b>	Increases with education, no VET information	Increases with education, lower for VET	Increases with education, higher for VET (for females)	Increases with education, no VET information (for females)
<b>ESL (18–24)</b>	35	9	28	37
<b>Gross enrolment</b>	81	92	71	71
<b>NEETs rate (15–29 years)</b>	Total: 30 (55% of all NEETs are females) M: 27; F: 34	Total: 35 (60% of all NEETs are females) M: 28; F: 43	Total: 40 (83% of all NEETs are females) M: 14; F: 64	Total: 36 (66% of all NEETs are females) M: 24 ; F: 49
<b>NEET sub-groups for males</b>	UNE: 48 INA: 35 DIS: 17 FC: 0	UNE: 71 INA: 17 DIS: 12 FC: 0	UNE: 30 INA: 63 DIS: 7 FC: 0	UNE: 71 INA: 27 DIS: 2 FC: 0
<b>NEET sub-groups for females</b>	FC: 28 UNE: 24 INA: 24 DIS: 24	FC: 66 UNE: 26 INA: 7 DIS: 1	FC: 82 UNE: 10 INA: 5 DIS: 4	FC: 79 UNE: 17 INA: 4 DIS: 0
<b>NEET by education level</b>	More NEETs among the low-educated	More NEETs among secondary general and VET graduates	More NEETs among the illiterates, VET and university graduates	More NEETs among the high and low-educated

Note: UNE: unemployment, INA: inactivity, DIS: discouraged workers, FC: family care; ESL: Early school leaver. The gross enrolment rate is for upper secondary education level.

## 4. POLICY RESPONSES TOWARDS NEETS

Identifying the reasons for youth vulnerability (why an individual is out of school and work) is the first step in allowing policy makers to understand different NEET groups and eventually come up with targeted policy interventions (see **FIGURE 4.1** below). Identifying the main determinants for being a NEET is also important for prevention and/or early policy intervention. For example, in the EU, six risk factors that increase the probability of young people becoming NEETs have been highlighted: low education, living in remote areas, disability, immigration background, difficult family environment, and low household income (Eurofound, 2012).

**FIGURE 4.1 STEPS TO IDENTIFY POLICY MEASURES TO ADDRESS THE NEETS**



NEETs are considered a policy priority at the European level, and the European Commission has launched several initiatives to help young people, putting a special emphasis on the necessity of providing pathways back into education and training as well as facilitating contact with the labour market. The Europe 2020 flagship initiative 'Youth on the Move', the '2012–2013 Youth Opportunities Initiative' and the EU Youth Strategy 2010–2018 all call for concrete actions to provide young people with more and equal opportunities regarding both education and the labour market. In 2013 the 'Youth Guarantee' scheme was established in all Member States to ensure that young people up to the age of 25 receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of leaving formal education or becoming unemployed (European Commission, 2009; 2013).

The Youth Guarantee calls for early intervention in providing active support for all young people outside education, training or employment. A dedicated financial instrument, the EU Youth Employment Initiative, was set up to support this measure, targeting NEETs in the regions with the highest rates of young people outside work and education. In addition, the European Social Fund also continues to support the labour-market inclusion of young people, both directly and indirectly through investing in improved employment services, promoting self-employment and extending the provision of lifelong learning.

In many EU Member States, existing 'safety nets' help NEETs undertake further education and training or enter the labour market. These include, for instance, education and training opportunities, the provision of unemployment and other types of social benefits, employment services support, career guidance, and geographical mobility funding. Separate support systems also exist for the most

disadvantaged groups, for example specific second-chance opportunities, adult education, training and employment schemes, and positive discrimination measures.

Until recently, most partner countries had not focused any attention on the NEETs phenomenon. As a result, no overall policy measures specifically targeting NEETs groups exist. Rather, general youth policies (and employment policies) have been developed to address different youth problems. In this context, 'unemployed youth' is undoubtedly the first target group for most of the policies that are currently being implemented in many countries. However, the results of our analysis in partner countries show that the 'unemployed' is not the only group among the NEETs, and that there are other important vulnerable groups, such as family carers, discouraged workers and the inactive, that require policy attention.

Our analysis indicates that the most important risk factors in partner countries for becoming a NEET are gender, low levels of education, early school leaving, a poor socio-economic background, disability, membership of an ethnic or cultural minority, and shortcomings in the quality and relevance of education and training. If these risk factors are not taken into account at the design and implementation stage, general and youth unemployment policies may not be able to reach the most vulnerable groups, who are more likely to 'drop off the radar' since far fewer frameworks and measures are in place to counteract the NEET phenomenon. A quick overview of existing policies indicates that, for example, inactive youth and young girls receive little attention from policy makers, with the result that their exclusion from the labour market becomes very difficult to address.

Following the structure used in the EU resolution (Council of the European Union, 2013a), policy responses aimed at reintegrating young people into education, training and the labour market can be clustered into three main types, according to the point at which they intervene to address the issue of exclusion:

- **prevention policies**, which mostly include educational policies aimed at preventing early school leaving and at facilitating the smooth transition from school to work;
- **reintegration policies**, which embrace conventional employability policies aimed at supporting young people re-entering the educational system or the labour market; and
- **compensation policies**, aimed at tackling the most extreme situations, where reintegration seems to be particularly difficult and social assistance measures appear as the last resort in alleviating exclusion.

This chapter gives an overview of the public policies which exist to address the issue of NEETs, according to the three main types of intervention (prevention, reintegration and compensation), and discusses some of the measures implemented by the partner countries to avoid young people stepping out of either education and training or the labour market. In addition, a table has been created to show in more detail the link between the risk factors identified, and to highlight possible policy measures and solutions to the NEETs question (Annex). The annex is structured around the risk factors for becoming a NEET, and information is given in the context of the root causes for exclusion and possible policy strategies, while providing examples of concrete measures, expected outputs and some illustrations from partner countries.

## 4.1 Prevention policies

Preventative measures aim to tackle young people's risk of exclusion from education and training or the labour market before such exclusion actually takes place. A key aspect of prevention is to make schools more attractive to students, and their offer more relevant to the labour market, so as to

discourage pupils leaving school early (as shown in Figure 2.6). Providing alternative and innovative teaching methods, developing open and/or alternative pathways within the education system, and offering quality career guidance and counselling all facilitate the flexibility of the learning process for pupils. The experience in the EU, and also in developing and transition countries, suggests that preventing the long-term negative effects of dropping out of the education system appears to be the most effective way to tackle the NEETs issue (Eurofound, 2012).

While early school leaving is largely shaped by the structure of general education systems, certain individual characteristics as well as the socio-economic backgrounds of students also appear to have an important effect, and these risk factors must be closely monitored by schools (European Commission/EACEA/Eurydice/Cedefop, 2014). For example, poverty is widely accepted as one of the key reasons for pupils to leave school early, especially in many developing countries such as Egypt, Kyrgyzstan and Tajikistan. Therefore, the school authorities must be particularly alert in identifying those pupils with a poor background. Possible measures to help such pupils can include the provision of free meals, textbooks and transport to school (ETF, 2014c).

Different types of disabilities, special education needs and belonging to an ethnic minority are often mentioned too as reasons for students dropping out. In addition, some pupils may lose interest in school due to their poor academic achievements, or perceiving their academic path as irrelevant for finding a job, or, especially in the case of VET, they see training as a second option. Therefore, prevention policies should primarily target young pupils within the secondary education system (aged 15–18) and address the root causes of their potential exclusion. Considering the huge role of gender (i.e. being female) as one of the highest risk factors in the partner countries, all these policies should have ‘gender-sensitive’ aspects.

A number of partner countries have prioritised early school leaving measures and have intensified their efforts in combining education programmes with targeted poverty alleviation initiatives and linguistic policies. For instance, South East Europe and Turkey have carried out important education reforms (ETF, 2015b), ranging from the revision of legal frameworks and strategic policy documents to the use of monitoring and information systems, as well as the offer of tailor-made psychological and/or financial support to families in need. Turkey and the former Yugoslav Republic of Macedonia have also extended the period of compulsory education to the end of upper secondary education.

Large-scale public awareness campaigns have been organised in many countries to inform the public of the importance of staying on at school. Furthermore, flexible linguistic policies (targeting students from ethnic groups) and specific programmes or work-based learning schemes have been designed to benefit individuals who cannot attend or complete formal education, therefore providing them with a second chance (ETF, 2015a).

Some countries have focused on education and career guidance as a way to combat early school leaving and prevent dropouts. Turkey has placed a great deal of emphasis on the role of career advice and has developed guidance booklets for students, as well as installing counselling teachers in VET schools and coaching teachers in dealing with high-risk students. It has also started to develop and pilot a national and comprehensive web-based career information system, aiming to serve all target groups (ETF, 2009; Zelloth, 2014). However, no evidence exists for ‘gender-sensitive’ policies. In Albania, from the academic year 2010/2011 onwards, two subjects – ‘skills for life’ and ‘career education’ have been introduced in the 10th and 11th grades respectively.

In Georgia, the Ministry of Education introduced a full-time career consultant in each of the country’s VET Centres in the context of a rationalisation process for VET schools. A number of teachers and young professionals (psychologists) were trained in cooperation with a Georgian NGO, and the first career consultants began to deliver a variety of services to VET students in 2008, including the

selection of students to attend VET Centres, receive career information and attend work experience placements (Zelloth, 2014). With the support of the ETF, Armenia has recently opened a number of career centres, which include youth support measures in VET colleges, while Kosovo is in the process of adopting a framework to introduce career guidance from the first grade.

## 4.2 Reintegration policies

Reintegration policies include all the measures which are aimed at providing young people with the possibility of re-entering the educational system (given the high rates of early school leavers, as shown in Figure 2.6), or facilitating their entry into the labour market. Measures that favour re-entry into educational pathways include tracking services to identify, support and monitor inactive young people; creating second-chance education opportunities; and the validation of informal learning. These measures are not very widespread in partner countries, and where they do exist they mostly focus on particularly vulnerable and excluded groups (ETF, 2014c).

Support for the transition from school to work is provided in most countries through active labour market programmes (ALMPs), which are mainly delivered by Public Employment Services (PES) and conditional on registration. ALMPs include job search assistance; counselling and placement services; labour market training and retraining; employment subsidies (hiring incentives for the private sector); self-employment and entrepreneurship support; and public works and community services (ETF, 2014a; European Commission, 2015). Specific training programmes can be combined with work experience opportunities, including internships, traineeships, public works and incentives for employers.

Almost all partner countries have public employment services that offer different types of support measures and aim at enhancing young people's job-search efficiency and employment readiness. More recently, many countries are taking a holistic approach in providing integrated services tailored to the different needs of young people through a single agency. Some countries (Turkey, Moldova and Azerbaijan) have increased the number of staff in PES, particularly in terms of job counsellors, while others are trying to improve the profiling of beneficiaries and the targeting of ALMPs to ensure that more marginalised groups also benefit from these programmes. One-stop-shop employment services have been set up in Palestine and Egypt (ETF, 2015e).

A number of programmes aim at enhancing young people's employability and productivity by delivering VET programmes, or by providing work experience. Serbia has implemented a youth-oriented programme, 'First Chance', which includes employment-based training through independent work within a profession, so that trainees can acquire the required experience for taking the relevant professional exams, as set out by the law or as required by the employer (ETF, 2014a). Retraining also constitutes a viable option for the large cohort of young people who have left school early. The Amal programme in Tunisia, brought in immediately after the 2011 revolution, granted training and financial allowances to young people for this purpose (ETF, 2015e).

In order to smooth the transition from school to work, some countries have established apprenticeship contracts and internships agreements with large companies, public institutions, NGOs and social partners. In addition, legislation has been brought in to regulate internships and to provide financial incentives to regularize the status of interns after the completion of their internships. Higher education internships programmes and obligatory summer work within vocational schools have also been set up in many partner countries.

Some other countries have adopted specific programmes to promote entrepreneurship as an entry point into the labour market. In Tunisia, a new entrepreneurship track providing university students with business training and personalised coaching was created: undergraduates in the final year of

their studies were given the opportunity of graduating with a business plan instead of following the standard curriculum (ETF, 2014a). In Moldova, according to information supplied by the Government, in order to facilitate the access of young entrepreneurs and potential entrepreneurs to entrepreneurial knowledge, the Organisation for Small and Medium Enterprises Sector Development (ODIMM) has implemented a National Programme of Youth Economic Empowerment for young people from rural areas. The programme, which is open to young people aged 18–30, offers free entrepreneurial training and consultancy, preferential loans and grants and post-funding monitoring.

It is obvious that ALMPs are fairly popular in the ETF partner countries and often implemented as part of youth employment policies for labour market integration. However, these measures remain relatively general and ad hoc, and do not give equal attention to all NEET groups. ALMPs tend to be mainly directed towards the ‘registered unemployed’ and exclude other NEETs groups such as the inactive, the discouraged and family carers. Given the high incidence of these groups within the NEET category, as seen in chapters 2 and 3, this means that large numbers of vulnerable youth who are not actively looking for a job and not registered with the employment services do not benefit from such policy measures.

Youth vulnerability extends far beyond the issue of unemployment, and the poor targeting of ALMPs often excludes particular at-risk categories. This is the case for women especially, who are more likely to be early school leavers, inactive and/or family carers. Discouraging working conditions, fewer networking opportunities, lower levels of mobility, difficulties in engaging in entrepreneurship, restrictive social norms and public perception, coupled with the lack of affordable child and elderly care, make it very hard for young women to work.

Specific measures targeting NEET women and more general gender-sensitive policies continue to be very limited and ad hoc in nature in partner countries. However, some countries have promoted programmes to raise awareness of women’s potential roles in the labour market (e.g. Kosovo), while Albania has promoted specific VET programmes for young women, and Jordan has established employment programmes aimed at replacing foreign workers with local women, as well as offering wage subsidies and financial incentives to employers. Some work–family reconciliation measures (e.g. part-time work, parental leave and e-work) have been adopted in Armenia, Montenegro and Russia, while anti-harassment legislation has been adopted in Turkey (ETF, 2015b). Public childcare facilities exist in some countries, for instance in Serbia, where the service is free of charge for poor households with costs growing progressively in relation to the family income (World Bank, 2013).

Equally, only limited measures have been implemented for the integration of NEETs with disabilities or difficult to manage health conditions, or for those who are members of ethnic, cultural or religious minorities, despite a higher NEETs rate within these groups (Chapter 3). A few countries have adopted special measures for people with disabilities (e.g. Montenegro and Albania), while more attention has been given in the South East Europe region to the Roma people (the former Yugoslav Republic of Macedonia). In Albania, for instance, special programmes allow prisoners to receive education and training within penitentiaries in order to finish their compulsory education (ETF, 2014c).

Finally, the root causes of young people’s exclusion do not seem to be properly tackled by the measures implemented. This is due to the fact that appropriate research has not been carried out concerning the underlying reasons that keep young people out of education, training and employment. Moreover, analysis reveals that quick fixes and business-as-usual responses are often relied on, as coherent and comprehensive approaches would require an appropriate institutional set-up and coordination mechanism. Serious concerns have been raised about the effectiveness of the measures so far implemented and their impact on young people. Experience shows that programmes are not systematically monitored and evaluated, which in turn impedes their improvement or adjustment.

### 4.3 Compensation policies

Compensation policies are generally ‘social assistance’ types of measures, aimed at supporting the most vulnerable groups in a given society. They provide economic support for people who are at the margins of society and have remained untouched by other types of policies. They can be linked to poverty, social inequality and regional disparity, as well as individual characteristics such as having a disability, membership of an ethnic minority, refugee or displaced person status, or being a return migrant (ETF, 2014c). These factors create difficult socio-economic environments and family conditions, which increase the probability of young people becoming NEETs.

There is limited research on the most disadvantaged groups in many partner countries. Nevertheless some compensation measures, often categorised under ‘social inclusion’ or ‘poverty alleviation’, have been implemented which target the most disadvantaged groups (e.g. poor households, people with disabilities, ethnic minorities, Roma) in the Western Balkans and Eastern Europe. Examples include direct financial support to workers; allowances to cover the cost of living while participating in certain learning opportunities; financial incentives to employers to hire specific disadvantaged categories; and special measures to remove the physical barriers that prevent access to school or employment for young people with special needs.

According to the ETF (2014c), some pilot schools in Albania have developed social inclusion strategies in order to respond to the needs of returned migrants and people with disabilities. Special VET programmes have also been established for disadvantaged groups, for instance children without parental care, drug abusers and victims of HIV, among others. In Montenegro, special financial benefits are given to employers who hire people with disabilities (their salaries are subsidised by the state). Also, people with disabilities and other hard-to-place people are employed in public works. The former Yugoslav Republic of Macedonia has implemented a referral system between employment and social services to facilitate the movement of social assistance beneficiaries from welfare into work. As revealed directly by the Government, in 2014 Georgia studied the VET exclusion of vulnerable groups, such as people with disabilities and special educational needs, internally displaced people, street children, beneficiaries of state care, socially vulnerable people, veterans, minorities and repatriated Meskhetians.

The nature of compensation measures implemented in partner countries shows that they are often very limited both in terms of budget allocation and scope. They are not proportionate to the scale of the challenges faced. In terms of targeting, they tend to be directed at those groups who are more visible in terms of public opinion, while leaving others almost totally uncovered. In many cases, these are ‘social assistance’ measures geared towards public appeasement rather than providing a real opportunity to move people into education or work through addressing the root causes of exclusion. For example, providing funds to schools or employers does not help to solve the issue of regional disparity if it is not linked to comprehensive interventions, ranging from investment in infrastructure to regional economic development.

The real effect of these policies is very hard to measure: firstly, because monitoring and evaluation are not performed on a regular basis; secondly, because addressing extreme exclusion can take a very long time, while the effectiveness of the measures also depends on the level of the initial exclusion; and thirdly, because the real impact of the intervention should not be seen only in economic and employment terms but also in social terms.

## 4.4 Next steps for policy actions

The overview above indicates the existence of some general policy measures focused on the reintegration of ‘unemployed youth’, mostly on a limited scale and of an ad hoc nature. Furthermore, some vulnerable youth groups are not systematically covered by these measures, such as the economically inactive, family carers and discouraged workers. National policies need to take a strategic and integrated approach to mitigate the NEET phenomenon, taking into account all the sub-groups within the NEET category. Necessary steps to develop policy measures are the identification of excluded groups of young people, recognising what stage of their specific exclusion from education, training or employment they are at, and then intervening with the most effective type of support.

Therefore, in order to meet these challenges, tackling information gaps should be the first step in understanding the phenomenon (its nature and its extent) and for developing appropriate and targeted policy interventions. Among different policy options, partner countries need to prioritise particular actions, specifically focusing on the prevention of early school leaving, the opportunities made available to young women, the modernisation of secondary education and the improvement of VET provision.

‘Prevention’ needs to be a priority to avoid an uncontrolled increase in the number of young people becoming NEETs and to break the cycle of social exclusion. Developing more qualitative, effective, labour-market-relevant and balanced education and training systems is vital in order to tackle the issue at source. A proactive participatory and coordinated approach involving families, early child educators, schools (especially secondary and vocational schools), training and non-formal learning providers and NGOs is needed to ensure early intervention. Besides education and training measures, early tracking of young people’s disengagement with education, in particular for certain risk groups, is key for effective inclusion.

Educational systems need to prepare young people so that, once out of the official educational pathways, they are able to find their place, not only in the labour market but, more widely, in society. The quality of the education provided, the ability of the curricula to meet the needs of employers, and the information given to students enabling them to make informed choices, are key aspects in supporting young people to fully develop their potential. Promoting up-to-date, high-quality standards in learning and teaching is fundamental in setting the foundations for an inclusive society, based on sound educational systems which can respond to the real needs of modern economies.

VET providers (seen from a socially inclusive and lifelong-learning perspective) are ‘at the front-line’ in preventing young people from leaving school early and placing themselves ‘at risk of becoming a NEET’. By providing high-quality VET programmes and an environment that is conducive to learning, schools can support young people in acquiring the skills that enable them to compete for jobs in the labour market, and thereby break the cycle of disadvantage.

The potential of VET in preventing early school leaving, or as a remedial measure, is widely recognised in Europe and globally (e.g. the *European Youth Employment Initiative*).<sup>27</sup> Early school leavers or those at risk of early leaving should be a key target group for these interventions. High-quality VET can play a role in reducing early leaving due to the specific potential of VET to attract and retain young people, thus reintegrating them into education and training. By enabling young people to enrol in and complete upper secondary education, VET may contribute significantly to a reduction in

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<sup>27</sup> <http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=1829>

the share of those leaving education and training early, while, at the same time, supporting the generation of a labour-market-relevant set of skills.

Evidence shows that the role of VET is more effective in those countries that are committed to addressing early leaving within an explicit, comprehensive strategy, bringing together key stakeholders, programmes and measures under one overarching policy. This seems to be particularly effective where a holistic approach is adopted in which (a) the unique features of early leaving are acknowledged; (b) the whole field of education and training is considered; and (c) integrated strategies that incorporate prevention, intervention and compensation measures are adopted.

In implementing these policies, different stakeholders have a fundamental role to play. Partnerships among actors at all levels and coordinated action are critical for addressing the challenge of the NEET phenomenon. Government, education and training providers, Public Employment Services, youth organisations and the private sector can each provide valuable contributions to the design and implementation of the different policy measures. **TABLE 4.1** describes the objectives, strengths and constraints of different actors in promoting measures to tackle the NEET issue. It shows how each stakeholder can contribute to setting up viable policy options to bring young people back into education, training and employment.

**TABLE 4.1 ROLES OF DIFFERENT ACTORS IN POLICY MEASURES TO TACKLE NEETS**

	Government	Education/training providers (initial and continuous)	Public Employment Services (PES)	Youth organisations	Private sector
Primary objective	Improving labour market integration and social inclusion	Educating young people and creating knowledge	Enhancing job-search efficiency	Fostering youth participation in education or the labour market	Having access to a competitive workforce
Strengths and potential contribution	Can facilitate integration through overarching education, employment and social inclusion strategies, and through specific programmes, in a general policy setting which is conducive to growth and development	<p>Can continuously update curricula that meet labour market needs</p> <p>Can implement programmes to establish closer links with the private sector</p> <p>Can teach technical and horizontal skills</p> <p>Can act as first career advisors for young students</p> <p>Can improve relations with families and community to tackle early drop-out risks and provide better guidance in terms of education and career options</p>	<p>Can liaise between young people and enterprises</p> <p>Can provide timely job matching, career advice and other employment and training services</p> <p>Can conduct studies of skills needs (current and future) and disseminate the results</p>	<p>Can contribute to the design and implementation of apprenticeship, traineeship and internship schemes</p> <p>Can act as advisor for younger students (e.g. through alumni networks)</p> <p>Can disseminate knowledge about education and working opportunities and provide better links with disadvantaged groups</p>	<p>Can provide opportunities for young people to acquire work experience</p> <p>Can set up work-based learning schemes in partnership with universities and schools (e.g. Masters programmes, traineeships and apprenticeships)</p> <p>Can provide inputs to Governments and schools when setting up curricula</p>
Constraints	<p>Lack of coordination among institutional actors</p> <p>Unclear division of roles and responsibilities</p> <p>Existence of different and sometimes conflicting agendas</p> <p>Limited funds and staff to implement policies</p> <p>Underdeveloped monitoring and evaluation capacities</p>	<p>Lack of links with enterprises</p> <p>Little autonomy on curricula set-up and implementation</p> <p>Limited resources</p> <p>Lack of adequate teacher training</p> <p>Little interaction with the community, businesses or parents</p>	<p>Lack of funds and prepared job counsellors</p> <p>A multitude of tasks to complete</p> <p>Limited role on the elaboration of employment measures</p> <p>Lack of reliable data to use for career advice</p> <p>Insufficient monitoring and evaluation capacity</p>	<p>Limited capacity to scale up their contribution and maintain cooperation</p> <p>Little historical memory due to high turnover of volunteers in organisations</p>	<p>Limited willingness to cooperate with Government due to the perceived limited added value this brings</p> <p>Misuse of young entrants into the labour market (perceived as a free or cheap workforce)</p> <p>Limited attention given to training and retraining, with an overemphasis on profit margins</p>

<p><b>Possible support needed</b></p>	<p>Advice on policy priorities</p> <p>Provide capacity building and adequate resourcing</p> <p>Provide support for policy implementation, monitoring and evaluation</p>	<p>Provide specific teacher training in terms of career guidance and the new skills required in the labour market</p> <p>Provide specific training on socially inclusive education</p> <p>Support public/private consortia to close gaps with the private sector</p> <p>Support the creation of innovation hubs within schools and university premises</p>	<p>Train career guidance counsellors and job advisers</p> <p>Provide reliable datasets</p> <p>Encourage participation in international fora and PES networks</p> <p>Provide capacity building for the monitoring and evaluation of programmes</p> <p>Provide capacity building for the technological modes of advice provision</p>	<p>Finance specific entrepreneurship schemes and provide funds for business start-ups</p> <p>Provide capacity building for inclusive participation in policy making</p>	<p>Improve investment climate and provide incentives to hire young people</p> <p>Grant funds to foster specific innovative programmes to involve young people in companies</p> <p>Provide information on partnership value</p> <p>Liaison between firms and PES and organising dedicated services</p>
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## 5. CONCLUSIONS AND RECOMMENDATIONS

This report is the first analysis of youth who are neither employed nor in education or training in the ETF partner countries. It brings added value to the subject as it stresses that NEETs are a serious concern in almost all partner countries and that youth vulnerability stretches well beyond the issue of unemployment. It shows that, at present, unlike in the European Union, no comprehensive actions are being taken to tackle the issue as a whole. In addition, it underlines that policy measures should be designed with a special focus on the NEETs subgroups, in order to tackle the root causes of their exclusion.

Thirteen out of the 18 countries for which we have a NEETs rate for 15–24-year-olds had a rate higher than 25% in 2012, which is twice the EU28 average. The size of NEET groups varies widely between countries, with the highest rates – around 30% or over – seen in Egypt, Palestine, Tajikistan, Kosovo, Albania, Georgia, Moldova and Turkey. On the other hand, the NEET rates in Russia, Ukraine, Israel and Montenegro are quite low and comparable to EU rates.

Looking at the profile of NEETs in detail, within the NEETs category there are a number of very different sub-groups, which vary widely across countries. Most of the NEETs are unemployed, family carers, discouraged workers and other inactive groups (e.g. disabled). Evidence from the in-depth country analysis shows the importance of the large ‘unemployed’ group, in particular among male NEETs. Taken together with the ‘discouraged’ group, they form over half of the NEET population in most countries. On the other hand, ‘family carers’ are another very important group among NEETs, especially in terms of women in Egypt, Palestine and Georgia, but not recognised in usual policy-making processes as such.

Looking at the most important reasons for becoming a NEET, we found evidence of the importance of young people’s individual characteristics (age, gender and education). The socio-economic characteristics of families are also relatively decisive factors, with young people from the wealthiest households having lower NEET rates than those from poorer households. Furthermore, young people belonging to minority groups and/or with an immigration background have a higher risk of becoming NEETs. In addition, a number of major variations between countries are likely to stem from differences in social and cultural norms, structures of education and VET systems, and the functioning of labour markets and economies in general.

Young women are more exposed to becoming NEETs in almost all countries, but the degree of risk varies enormously. There is a small gender gap in the age group 15–24 in the Western Balkans, Israel, Ukraine and Russia. This gap then widens to around 10 percentage points in Kosovo and Tunisia, and 14 percentage points in Armenia, Georgia and Palestine. When it comes to the South Mediterranean and Turkey, the majority of NEETs are young women, in some places at least twice the number of young male NEETs (Turkey, Jordan), in others even more (three times in Egypt). This is linked to several factors such as socio-cultural norms, family duties and working environments that are typically hostile towards women.

The risk of becoming a NEET increases significantly with age. Compared to the 15–19 age group, for example, a more substantial rise in the NEET rate is observed between the ages of 20 and 24, the point when young people have completed upper secondary and/or tertiary education. The numbers of NEETs also increase dramatically between the ages of 25 and 29 in Egypt, Jordan, Palestine and Tunisia, which seems to be driven by the high proportion of women who drop the labour market after the age of 24 (generally linked with marriage). Therefore, this last age group should be included in the NEETs analysis in partner countries.

Another individual-level characteristic is linked to educational attainment, the positive effect of which in lowering NEET rates is not always guaranteed. While more education clearly decreases the risk of being a NEET in Albania, Armenia, Jordan and Kyrgyzstan, another pattern is observed in Georgia, Moldova and Israel, where there are high NEET rates among young people with upper secondary or post-secondary education. In these countries, graduates of upper and post-secondary education are less successful in entering the labour market than other groups. This points to the need for reforms to improve the quality and relevance of education in general and VET in particular.

There is a third group of countries (the former Yugoslav Republic of Macedonia, Palestine and Ukraine) where higher educational attainment fails to prevent young people from becoming NEETs, and the NEET rate among higher education graduates is even bigger than for those with lower education. This might be a sign of mismatch between the demand and supply side of labour market. Given that the economies of these countries are not able to create an adequate supply of skilled jobs for graduates, the labour markets here may face saturation with highly educated candidates (e.g. Ukraine). Moreover, the quality and relevance of higher education might also be low in some cases.

Nevertheless, there is a positive correlation at the aggregate level between the rates measured for NEETs and early school leavers (ESL) in most of the countries analysed. If countries have a low rate of early school leavers, they have also low rate of NEETs, and vice versa, that is, a high rate of early school leavers is associated with a high rate of NEETs.

From these findings we can derive the following policy conclusions and recommendations.

### Careful use of the NEET indicator in partner countries

The NEET indicator highlights the existence of a very large number of 'inactive youth' who are normally not included in education and labour market statistics for various reasons (e.g. early school leavers, young mothers, those suffering from sickness and disability, the discouraged) – a situation which is exacerbated by a lack of suitable jobs for young people, and particularly young women. It provides a framework for describing 'jobless youth' rather than marginalising young people by using the label 'inactive', and reminds policy makers that many young people are likely to be in a vulnerable situation – not only those who are unemployed.

However, the NEET category places different sub-groups (inactive, family carer, unemployed, discouraged) under one label, so the attention given to each is diluted. Using the NEET indicator is useful only when it is disaggregated by sub-groups and gender so that the reasons for becoming a NEET may be understood well and policies effectively targeted. It is thus key that the personal situations of vulnerable young people who require support must be well understood. Only in this way can the indicator raise the awareness of policy makers regarding inactive youth and encourage them to develop new policy interventions for previously uncovered groups.

In addition, the NEET indicator must always be used together with other youth labour market indicators as well as education and training statistics in partner countries. Only in this way can NEETs be seen in context and the results of any analysis correctly interpreted. Moreover, it should be remembered that the vulnerability of youth is also a consequence of weak demand for skilled labour in many economies. The focus on NEETs, like the focus on unemployment, draws attention away from those who are employed but trapped in precarious, inferior forms of jobs. Aside from NEETs, most employed young people work in low-paid, precarious and informal jobs, making them as vulnerable as those who are unemployed or inactive out of choice. Thus, it is important that young people's employment vulnerabilities are not forgotten in labour market analyses.

## Large variations of NEETs due to structural differences

A number of similar patterns are observed in most partner countries in terms of difficult transitions from school to work, the size of the NEETs problem and determinants for becoming a NEET. As already mentioned, individual and family characteristics (sex, education, age, socio-economic background) are very important factors in determining youth transitions into employment in all countries. Having said that, wide variations exist across the countries, in particular those based on gender norms and individuals' roles in societies, the structures of education and VET systems, and the functioning of local labour markets and economies in general.

Therefore, through policies and support structures or the lack of thereof, countries can contribute to or counteract the negative impact of individual and family characteristics in societies. For example, gender is a personal characteristic but government policies can address gender gaps, or on the opposite, reinforce them. Therefore, delivering effective public initiatives and social support structures in relevant fields is an important way to influence social outcomes (e.g. in terms of areas such as childcare, primary and secondary education, the VET system, employment, healthcare, housing and transport). This last point justifies the use of the NEET indicator by partner countries as a tool in the development of well thought out policies and structures to address the problems of all vulnerable youth groups.

## A more strategic approach to education and VET

As the relationship between education and labour market status is not always straightforward, a more strategic approach is needed in terms of forging links between schools and businesses. It is generally accepted that a longer period of education creates a pathway to better jobs over the medium to long term, but this may delay the entry into the labour market of young people with a higher level of education, due to their selective approach to employment and higher wage expectations (leading to 'postponed adulthood'). Indeed, many studies confirm that graduates experience longer transition periods as they wait for better jobs with acceptable career prospects and wages. At the opposite end of the spectrum, early school leavers may experience a quicker transition from school to work (leading to 'early adulthood'), mainly because they cannot afford to stay unemployed, but the quality of the jobs they take is generally low, mostly being short-term and insecure or informal positions.

Our analysis demonstrates that the picture is not particularly clear, as it shows that young people with a higher level of education may have a difficult transition into employment in some countries. As a result, graduates are likely to accept jobs that do not match their skills, while they are competing for these jobs with medium educated young people. Given the fact that economies are not able to create enough skilled jobs, the role of VET becomes very important as an alternative to higher education and in adapting the skills of higher educated young people to labour market needs.

In general, having an upper secondary education makes little difference in helping young people to avoid becoming NEETs in many countries. We may therefore assume shortcomings with respect to the number and quality of programmes provided at this level. Another explanation might be a secondary education system dominated by general or academic programmes and whose VET provision is of limited size and scope. In this case, the graduates end up with no or insufficient labour-market-related skills. Finally, the social inclusion role of VET in some countries may attract many students from socially disadvantaged groups, which may in turn affect the overall performance of VET graduates in the labour market.

This implies that the modernization of secondary education is the most important element to mitigate exclusion. National education and training systems should provide society with the best means of reducing social inequality rather than reinforcing it. Within this context, high-quality VET systems can help reduce the percentage of NEETs by providing support to early school leavers, thus

compensating for the failure of the general education system and providing young adults with second-chance opportunities. So, VET (both initial and continuous) has a crucial role to play in partner countries, while a great deal remains to be done in terms of modernising countries' training systems in order to create more options for young people.

### Better targeted and coordinated policy measures

The policy overview of partner countries indicates the existence of some general policy measures focused on the reintegration of 'unemployed youth', mostly, however, on a limited scale and ad hoc in nature. Some of the vulnerable groups of young people, such as the inactive, family carers and discouraged workers, are not systematically covered by the measures in place. Tackling information gaps in terms of these uncovered groups is the first step in developing appropriate and targeted policy interventions. Among many different policy options, partner countries need to prioritise the prevention of early school leaving, the modernisation of secondary education and VET provision, and the integration of young women into the labour force.

'Prevention' is key to avoiding an uncontrolled increase in the number of young people becoming NEETs and in breaking the cycle of social exclusion. Developing more qualitative, effective, labour-market-relevant and balanced education and training systems is vital in order to tackle the issue at source. Participatory and coordinated action involving families, early child educators, schools (especially secondary and vocational schools), training providers, public employment services, youth organisations and the private sector is needed to ensure the early tracking of disengagement and prompt intervention.

Based on international experience, a checklist of policy recommendations for enhancing the inclusion of NEETS is provided below, broken down by type of intervention (horizontal, prevention, reintegration and compensation measures).

### Horizontal actions

- Promote regular collection and analysis of information and data on who are included in the NEET groups (disaggregated by sub-groups) and the reasons for their becoming NEETs;
- Target policy measures on single sub-groups of NEETs based on sound evidence of the reasons for their exclusion; particularly in the case of women in countries where they are widely excluded;
- Promote integrated strategies to protect young people from exclusion and discrimination, including integrated actions linking education and VET systems with employment and social policies, to address wider economic and social patterns and cultural norms;
- Develop partnerships and cooperation among all relevant actors and institutions and allow different stakeholders to play a role in the design and implementation of policies;
- Where possible, promote decentralisation of competences from central to local authorities to allow a more participatory and sustainable approach in education and VET provision and employment matters;
- Design integrated programmes that combine several elements, such as training, work experience, life skills, jobs subsidies and wider anti-discrimination measures (including positive discrimination), where necessary;
- Ensure that monitoring and evaluation of policies are embedded in the system and are used to improve future interventions to support the inclusion of NEETs.

## Prevention measures

- Invest as much as possible in early intervention through developing good quality education for all at primary and secondary levels (focusing attention on curricula and teachers);
- Reduce early school leaving by creating open and alternative pathways through education, fostering innovative teaching methods and providing good-quality VET;
- Develop early warning systems for detecting pupil disengagement, especially for at-risk groups, so that every young person acquires at least an upper secondary qualification;
- Encourage and widen the access of drop-outs to second-chance education opportunities and promote the acquisition of skills and competences that meet labour market needs;
- Increase access to career guidance and counselling for all and improve their delivery modes (e.g. harnessing the potential of the internet, social networks and SMS messages, among other avenues), while also ensuring that these services are gender-sensitive.
- Improve Public Employment Services to provide tailor-made individual support at an early stage, making sure that services are adapted to the needs of vulnerable young men and women;
- Promote gender equality and anti-discrimination actions, in addition to supporting the development of affordable childcare and elderly care services through incentives offered to the private sector;
- Develop mechanisms for the validation of non-formal and informal learning, which enable individuals to make use of their learning in terms of career progression and further learning.

## Reintegration measures

- Promote work-based learning schemes such as apprenticeships, internships and traineeships, and involve private-sector enterprises and youth organisations in these programmes;
- Develop more systematic ALMPs, particularly more human-capital-based interventions, which have higher positive impacts in both the medium and long term;
- Establish comprehensive entrepreneurship support systems in schools and universities for young entrepreneurs, including specific training, mentoring and access to finance;
- Promote reconciliation between work and private and family life for women through such measures as part-time work, parental leave, telework, e-work, and providing childcare and elderly care facilities;
- Make labour markets more 'youth/women friendly' by eliminating barriers to labour market entry (e.g. establishing minimum wages and employment protection legislation), anti-discrimination and anti-sexual harassment legislation;
- Equip public employment services with sufficient capacity in terms of budget and a skilled staff for dealing with clients, as well as ensuring effective regional coverage;
- Make a systematic monitoring and evaluation of ALMPs and their beneficiary groups to improve future interventions and targeting.

## Compensation measures

- Combine social assistance programmes with human capital investments to help economically and socially vulnerable groups of young people avoid exclusion;
- Train teachers in specific competences regarding social inclusion techniques and encourage the implementation of social inclusion practices in schools;
- Accept that fighting social exclusion is a long-term and costly intervention requiring joint actions and holistic approaches;
- Conduct regular monitoring and evaluation of social assistance programmes and their beneficiaries with a view to improving their situations.

# ANNEX – TYPICAL RISK FACTORS FOR BECOMING A NEET AND POSSIBLE POLICY SOLUTIONS

## 1. MAIN RISK FACTOR: GENDER

Root causes of exclusion	Possible policy strategies	Examples of concrete measures	Expected outputs	Type of policy responses	Examples from partner countries
<p>Socio-economic conditions</p> <p>Cultural norms</p> <p>Restrictive legislation toward women's rights</p> <p>Lack of targeted policies for women</p> <p>Family duties</p> <p>Discouraging working conditions</p>	Work/family reconciliation measures	Flexi-time arrangements, part-time arrangements, parental leave arrangements, e- work, etc.	Allow women to reconcile family duties and professional life	Reintegration	Legal rights to flexible or part-time work arrangement for employees with minor children (Armenia, Montenegro and Russia)
	Targeted training and employment programmes	Training, with quotas for women's participation, targeted training programmes for women, etc.	Provide women with targeted opportunities to receive training or gain access to the labour market	Reintegration	Promotion of women's employment through selected VET programmes (mostly donor-funded) (Albania) Employment programme in Jordan replacing foreign workers with Jordanian women, with wage subsidies and incentives paid to employers
	Childcare and elderly care	Subsidised childcare and elderly care, create greater number of kindergartens	Allow women to maintain employment alongside family duties	Reintegration	Childcare for financial social assistance recipients is free of charge, but with increases in income, the family is required to cover a progressively higher share of the cost
	Media campaigns on working women and other awareness raising initiatives	Web campaigns, women's days, specific programmes in schools, and family awareness initiatives, etc.	Contribute to overcoming the stigma related to working women	Reintegration	Project for Increasing enrolment rates especially for girls: pilot project to increase primary and secondary school enrolment and to improve family educational awareness (Turkey) 'Girls Day' organised in Kosovo to tackle stereotypes related to choosing TVET fields or occupations
	Legislation against gender discrimination and prevention of sexual harassment	Ensure access to productive inputs (capital and land) and provide protection to women at work)	Establish equality between men and women in the workplace and in their rights to access the labour market	Reintegration	Pilot to certify private firms for gender equity in human resources policies and procedures ('equal opportunities model') to promote equal access to jobs and opportunities for training and professional development (Turkey)
	Financial and fiscal incentives (e.g. fiscal incentives for childcare facilities, maternity leave and transport).	Incentives for women to participate in training or work	Allow women to remain in or enter the labour market	Reintegration	Maternity leave granted in most partner countries, with differences in length and pay

## 2. MAIN RISK FACTOR: LOW EMPLOYABILITY AND LACK OF APPROPRIATE SKILLS

Root causes of exclusion	Possible policy strategies	Examples of concrete measures	Expected outputs	Type of policy responses	Examples from partner countries
Lack of skills and/or competences Skills mismatch Emergence of new skills needs Low adaptability of skills taught by the education system No previous work experience	Training	Financial support to undertake training, setting up of training centres, dialogue with enterprises on training modules, etc.	Provide young people with necessary vocational, technical or cross-cutting skills	Reintegration	Amal programme in Tunisia, which offers training and financial allowances for trainees Paid training offered by PES, with guaranteed employment (Iskur, Turkey)
	Apprenticeships	Early workplace experience in curricula, establishment of apprenticeship contracts	Provide relevant workplace experience	Reintegration	Well-established apprenticeship programmes in Algeria (alternance and apprenticeship programmes), Tunisia (alternance programmes) and Turkey, supporting the entry of youth with apprenticeship contracts Apprenticeships and work-based programmes in Israel
	Internships	Internship agreements with large companies, public institutions, NGOs, social partners, introducing legislation to regulate internships, providing financial incentives to regularise interns' status after the internship period ends, etc.	Provide young people with the possibility of developing practical skills	Reintegration	Internship programmes with employment subsidies paid to employers (Jordan) Obligatory summer work in Jordan's vocational schools Higher education internships implemented in some good universities in many countries
	Work experience opportunities and/or insertion programmes for first-time jobseekers	Traineeships, graduate practice programmes, targeted insertion of young people into jobs sectors where the retirement of older workers will lead to a shortage of skills and knowledge, public works, etc.	Provide relevant workplace experience and links with employers	Reintegration	Amal programme in Tunisia, which offers training and financial allowances for first-time jobseekers in the labour market (only for the registered unemployed) 2014 law in Moldova granting annual offer of a number of traineeship places per year – corresponding to at least 10% of companies' total staff First Chance programme in Serbia, including employment-based training for independent work within a profession Public works in Egypt, Tunisia and Algeria

### 3. MAIN RISK FACTOR: LOW EDUCATION ATTAINMENT

Root causes of exclusion	Possible policy strategies	Examples of concrete measures	Expected outputs	Type of policy responses	Examples from partner countries
<p>Early school leaving</p> <p>Losing interest in school for various reasons</p> <p>Household poverty</p> <p>Poor academic achievement</p> <p>Dropping out during transition periods</p> <p>VET is seen as a second-level option</p>	Monitoring and early warning system	Data gathering on absences or academic achievements, electronic registration systems, platforms for schools, teachers, parents and children, etc.	Provide information on how many students drop out and why, and help in identifying those at risk of dropping out	Prevention	<p>Establishment of a monitoring and counselling system of students at risk of leaving school (with the assistance of a network of pedagogical and psychological services at vocational schools) (Montenegro)</p> <p>Introduction of the ‘social card’, which includes information about students (e.g. number of family members, employment status of the parents, possible problems in the families, health situation of the parents). The social cards enable the school to carry out better and more efficient monitoring of students throughout their education. Additionally, teachers visit parents in order to talk over and solve some of the problems that students have (Montenegro)</p> <p>Elaboration of a study on preventing early school leaving prior to attaining qualifications in VET schools (Montenegro)</p> <p>Address-based Population Register System, that can also help education authorities track children not in education (Turkey)</p>
	Alternative learning and innovative teaching methods	Initiatives that make curricula more stimulating for young people, and increases in the offer of VET provision and work-based learning	Help in boosting motivation and providing personalised help	Prevention	<p>Increasing the educational programme offers and developing programmes of varying duration within the formal system (Serbia)</p> <p>Introduction of a part-time VET system in Albania, with no limits to the number of new entrants</p> <p>Social inclusion included in teacher training as a topic (Albania).</p> <p>Curricula modernisation (Moldova).</p> <p>Complementary transitional training programme for 10–14-year-olds not in education (Turkey)</p> <p>SIVP programme in Tunisia, aims at helping first-time jobseekers and university graduates to acquire professional skills</p>
	Extending the length of compulsory education		Helps to keep young people at school	Prevention	<p>Increasing the length of compulsory education from 8 to 12 years (Turkey)</p> <p>Extension of compulsory education to include upper-secondary education (ISCED 3) in the former Yugoslav Republic of Macedonia</p>
	Education and career guidance	Occupational guidance, one-to-one analysis of pupils’ potential, interests, aspirations, etc.	Helps students to make informed choices, combats early school leaving, prevents drop outs, and facilitates	Prevention/reintegration	<p>Development of guidance booklets to prevent drops-out, placement of counselling teachers in VET schools, the provision of teacher coaches for high-risk students (Turkey)</p> <p>A full-time career consultant located in each VET centre in Georgia</p> <p>Career centres in all 57 VET schools in the former Yugoslav Republic of Macedonia</p>

			transition from school to work		Skills for life and career education introduced as subjects of study in secondary education. Kosovo progressively introducing career guidance from the first grade Amal programme in Tunisia provides active job search assistance for first-time jobseekers
	Subsidies and parental engagement	Free school meals and/or books, allowances and scholarships, sanctions to parents who do not enrol their children in school, cutting unemployment benefits to early school leavers, and establishing programmes to educate parents about the importance of education	Help poor households to send their children to school and keep them there	Prevention	Allowances to poor families in remote areas in Serbia. Legal sanctions to parents whose children drop out during compulsory education in some countries
	Improve VET and make it more attractive	Improving the quality, relevance, image and status of VET to facilitate young peoples' access to employment and/or further learning (through media campaigns, e-tools, better information to students and their parents, etc.)	Encourage young students to undertake specific VET courses	Prevention	Marketing campaign to increase the image of VET, especially in some selected sectors – e.g. agriculture and tourism (Montenegro) Improving VET through developing the quality of VET teaching, modular curricula, quality assurance, etc. (Turkey)
	Opportunities for second-chance education and training	Evening schools, distance learning opportunities, specific VET study places for early school leavers, media campaigns to inform young people about opportunities for reintegration, validation of informal skills, setting up small learning communities	Provide opportunities to re-enter education (maybe with some practical training)	Prevention	Increase the number of vocational training places offered and create new VET programmes (Tunisia) Provide prisoners with education and training in penitentiaries to finish their compulsory education (Albania) National Qualification Frameworks (NQF) including flexible lifelong learning opportunities for all (Kosovo, still to be fully implemented)
	Financial incentives	Allowances for students to acquire formal qualifications	Encourage the re-engagement of early school leavers	Prevention	Free education for people over 17 years to acquire their first qualifications (Serbia)

#### 4. MAIN RISK FACTOR: POOR SOCIO ECONOMIC CONDITIONS

Root causes of exclusion	Possible policy strategies	Examples of concrete measures	Expected outputs	Type of policy responses	Examples from partner countries
Poverty Living in degraded areas Poor family conditions	Financial allowances for the poorest families	Financial support for school fees, and meals, as well as help to buy clothes and shoes, books and educational materials, etc. Free transportation to school Free childcare for children aged 3 to 6	Support to alleviate poor social economic conditions	Compensation	Employability improvement check in Tunisia Plan to develop a referral system between employers and social services and to design integrated programmes addressing the needs of young beneficiaries of social financial assistance, aimed at moving them from welfare to work (former Yugoslav Republic of Macedonia, Action Plan on Youth Employment) Financial and administrative incentives to support the enrolment of Roma in education in the former Yugoslav Republic of Macedonia. Special VET programmes for disadvantaged groups (e.g. children without parental care, drug abusers, victims of HIV, etc.) (donor-supported) (Albania) Subsidised meals and free extra-curricular activities for low-income students (Turkey) Research into the causes of exclusion in Georgia

#### 5. MAIN RISK FACTOR: HEALTH STATUS AND DISABILITY

Root causes of exclusion	Possible policy strategies	Examples of concrete measures	Expected outputs	Type of policy responses	Examples from partner countries
Social and cultural discrimination against disabled people Inadequate working environments	Work inclusion initiatives for young people with disabilities	Removing barriers to employment for young people with special needs, providing funds to adapt the existing workplace or training environment to the needs of people with disabilities, e-learning opportunities, the establishment of specific training paths for people with disabilities	Support the inclusion of people with disabilities in the labour market	Reintegration	Reintegration of demobilised fighters in Libya through specific vocational training, sponsoring higher education abroad, providing people with support to set up their own businesses Financial benefits to employers who employ persons with disabilities (part of their salary is subsidised by the state) (Montenegro) Employment of people with disabilities and other hard-to-place individuals in public works (Montenegro) Pilot schools mobilised to develop social inclusion strategies, and to respond to the needs of returned emigrants and people with disabilities (Albania)

## 6. MAIN RISK FACTOR: ETHNIC, RELIGIOUS AND CULTURAL CONSIDERATIONS

Root causes of exclusion	Possible policy strategies	Examples of concrete measures	Expected outputs	Type of policy responses	Examples from partner countries
<p>Social and cultural norms</p> <p>Language barriers</p> <p>Lack of social safety nets and networks</p>	<p>Inclusion measures for marginalised groups</p>	<p>Language support measures, providing employers with help concerning diversity issues, supporting professional networks within and across ethnic groups</p>	<p>Support the inclusion of marginalised groups in the labour market</p>	<p>Reintegration/compensation</p>	<p>Adoption of measures to support Roma financially and by other means (such as ID cards) to help them enrol in all levels of education, including higher education (former Yugoslav Republic of Macedonia)</p>

## 7. MAIN RISK FACTOR: INSTITUTIONAL, PRACTICAL AND LOGISTICAL BARRIERS TO EMPLOYMENT

Root causes of exclusion	Possible policy strategies	Examples of concrete measures	Expected outputs	Type of policy responses	Examples from partner countries
<p>No clear information about options in the labour market</p> <p>Insufficient job creation (by the economy)</p> <p>Living in remote areas</p>	Employment intermediation services	Electronic means, websites and web-based tools, career days, employment fairs	Enhance job search efficiency and facilitate the match between job demands and the educational offer	Reintegration	ANETI website and local offices (limited capacity and human resources) (Tunisia) Increase in the number of staff in PES (Turkey, Moldova, Azerbaijan) Web portal with self-matching tool and Information and Call Centre for youth looking for a job in Moldova
	Integrated services for youth	One-stop shops, one-to-one counselling services	Address different needs of young people in a single agency	Reintegration	National Programme for Training for employment in Egypt aims at providing training and qualifications and matching jobseekers to decent jobs Skills Ten project in Turkey aims at analysing skills needs, improving the quality of VET centres and teacher training, and providing financial support to first-time jobseekers One-stop shop employment services in Palestine and Egypt
	Incentives to employers	Subsidised jobs, reductions in social security contributions from employers	Stimulate the demand for young employees, apprentices or trainees	Reintegration	Subsidised jobs in Tunisia (contrat de prise en charge sociale, contrat d'intégration professionnelle, contrat d'insertion social)
	Entrepreneurship support	Self-employment and entrepreneurship schemes, mentoring and support services, financial schemes for business start-ups, providing advice during the first years of a company's trading, management training	Create employment and support growth	Reintegration	Business start-ups and self-employment programmes implemented in many countries Support given in Algeria to entrepreneurship and micro-enterprises through business advice, training, credits, tax exemptions and business monitoring Business training and personalised coaching to university students in Tunisia National Program of Youth Economic Empowerment in Moldova, which promotes the involvement of youth from rural areas in entrepreneurial activities
	Support to mobility	Direct financial support to the workers or the employers, help with accommodation, providing allowances for participation in selected learning opportunities, offering e-learning opportunities, teleworking, provision of free transport to work and part-time arrangements	Provide support to young people who have high travel costs associated with work	Reintegration	Expansion of offer of higher education through universities decentralised throughout the country in the former Yugoslav Republic of Macedonia Education with Transport programme for students who cannot get to school (Turkey)

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ILO School-to-Work Transition Surveys 2012–13:  
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