

## **EU Policy Monitor:**

### **“School-to-work policies, the philosopher’s stone for reducing youth unemployment”**

#### **The context and the EU response**

School-to-work policies focus on the transition from education to employment, thanks to work-based learning such as apprenticeships or internships. School-to-work strategies aim to increase youth employability thus helping to reduce youth unemployment as well as providing enterprises with the skills needed (skill matching). For example, 40% of European employers cannot find the right candidates to fill their vacancies due to a mismatch of skills (European Commission, 2020). Nevertheless, youth unemployment persists at roughly twice higher than general unemployment, reaching 15.4% in April 2020 (European Commission, 2020).

The lack of correspondence between employees’ skills and required skills for employers, and the increasing delay to incorporate the young employees into the labour market has motivated the European Commission to take action under the “flexicurity” strategy, aimed towards ensuring flexibility and security in the labour market. In addition, in 2013 the Commission established a Youth Guarantee (Council Recommendation, 2013) in response to the 24.4% youth unemployment in 2012. It is now financed by the NextGenerationEU and the long-term EU budget. In 2017, the European Apprentices Network was established to ensure the participation of youth in debates around VET. In 2018, The Council has issued recommendations for the Member States to ensure that apprenticeship programs should respond to labor market demands and benefit both students and businesses by creating strong connections between education institutions and employers (Council Recommendation, 2018). In 2019, together with UNESCO and other international organizations, indications to create effective career guidelines were proposed (European Centre for the Development of Vocational Training et al., 2019). Due to the negative labour market effects of COVID-19, in 2020 the Council adopted a Recommendation on a Bridge to Jobs - Reinforcing the Youth Guarantee in order to facilitate the youth in obtaining a job, traineeship, internship, or further education (European Commission, 2020).

#### **What are the consequences of the COVID-19 pandemic?**

The COVID-19 pandemic has provided even more challenges towards the transition of youth into employment. Most practical centers where vocational students develop their technical skills have shut down and the vast majority of apprenticeships were canceled due to state-imposed restrictions; consequently, the employment rate of recent graduates decreased almost in the same magnitude as observed during the 2008 financial crisis. The employment rate of those with tertiary education decreased from 85% in 2019 to 83.7% in 2020. The decrease for those with the lowest education was even sharper, from 75.9% to 72.4%.

#### **What are promising practices?**

From an international perspective, there is a number of promising practices that ensure the effective access of young people to the labour market. For example, the automobile sector has launched graduate trainee programs, acting as pioneers in fostering apprenticeship and traineeship programs to facilitate the transition from school to work. SKODA, BMW, SEAT, VOLVO, or AUDI offer programs to young people that increase their employability by easing the transition to work from university. The trainee programs are designed to rotate among different areas/sectors of the company and to encourage an international perspective. They also promote international tasks and stay abroad experiences (See Annex I for more information).

At a national level, the participation of the chambers of commerce has been key in the delivery, management, and governance of apprenticeships. Every year around 600.000 apprenticeships have been managed by Chambers, but they also provide tailor-made education, training, and entrepreneurship activities (Eurochambres, 2019).

### **What can cities do on the Policy level?**

A school-to-work policy could cushion and reduce the current mismatch between business and young graduates. Especially after the outset of COVID-19, there is an urgent need to act and reduce youth unemployment by providing further practical education. The goal is that students participate in internships, apprenticeships, or traineeships to gain insight experience in enterprises to increase their knowledge and skills to more easily integrate the market labour.

### **How can cities engage in EU cooperation?**

In the upcoming seven years, the NextGenerationEU (NGEU) multi-annual financial framework (MFF) of 2021-2027 offers a total of €2.018 trillion<sup>1</sup>. They will assist cities, citizens and businesses in recovering from the COVID pandemic and in their growth, for the benefit of the European Union. Cities are given the furthest opportunity to participate in future EU funding programs that could support further work on this topic.

Cities will directly benefit from the following funding packages:

- **Erasmus+:** this inclusive programme covers education and training, crucial to develop from school-to-work policies. With €24.574 billion budget, it promotes non-formal and informal learning mobility and active participation among young people in the field of youth. Cities can contact the European Education and Culture Executive Agency (EACEA) or National Agencies<sup>2</sup>. The programme especially focuses on educating young people, students and professionals, also dealing with transitions from school to work.

[https://ec.europa.eu/programmes/erasmus-plus/sites/default/files/2021-erasmusplus-programme-guide\\_v3\\_en.pdf](https://ec.europa.eu/programmes/erasmus-plus/sites/default/files/2021-erasmusplus-programme-guide_v3_en.pdf)

- **Digital Europe Programme:** it is a new EU programme focused on building the strategic digital capacities of the EU and facilitating the wide deployment of digital technologies. €577 million of the overall €7.588 billion will be used to upskill the existing workforce, and €1.072 billion to endure the use of digital technologies across the society.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2018%3A434%3AFIN>

- **European Social Fund Plus (ESF+):** this €99.261 billion worth opportunity will invest in people through a more ambitious requirement for investing in young people to develop the skills needed for the digital and green transition. Special attention will be given to the so-called "NEETs", aged between 15-29 years, to help them find qualification or a high quality job.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R1057>

- **Cohesion Fund (CF):** In 2014-2020 Poland, Estonia, Lithuania and Latvia, the gross national income (GNI) per inhabitant was less than 90% of the EU average,

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<sup>1</sup> The MFF distribution budget is available at:

[https://ec.europa.eu/info/sites/default/files/about\\_the\\_european\\_commission/eu\\_budget/mff\\_2021-2027\\_breakdown\\_current\\_prices.pdf](https://ec.europa.eu/info/sites/default/files/about_the_european_commission/eu_budget/mff_2021-2027_breakdown_current_prices.pdf)

<sup>2</sup> Here you will find more information about National Agencies: [https://ec.europa.eu/programmes/erasmus-plus/contact/national-agencies\\_en](https://ec.europa.eu/programmes/erasmus-plus/contact/national-agencies_en)

which means that they can benefit from this funding programme. For the years 2021-2027, they can obtain a part of the €48.026 billion to strengthen their green and digital transition, which also focuses on young people in transitions.

[https://ec.europa.eu/regional\\_policy/en/funding/accessing-funds/](https://ec.europa.eu/regional_policy/en/funding/accessing-funds/)

- **Recovery and Resilience Facility:** with €864 million budget, the goal is to reduce the economic and social consequences of the coronavirus pandemic, as well as to make European economies and societies more sustainable, robust, and better equipped for the challenges and opportunities of the green and digital transitions.

[https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility\\_en](https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en)

- **Horizon Europe:** it is the EU's main research and innovation funding initiative, with a budget of €93.72 billion. While addressing global challenges, the program strengthens the impact of research and innovation in developing, supporting, and implementing EU policies. It promotes the creation and dissemination of superior knowledge and technologies. Cities can benefit from Horizon Europe funds on smart cities and empowerment of youth to access the labour market.

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/horizon>

Despite their sometimes-limited resources, cities can benefit from these EU funds to put in place good practices and policies in order to boost digitalization, green economic growth and the upskilling of citizens. For example, they can organize international workshops so people can more easily transit from school to work. The idea would be to build bridges between local SMEs from around Europe and Universities and VET providers, thanks to the creation of exchange spaces.

## ANNEX I. Promising Practices

- SKODA Trainee Programme: <https://www.skoda-career.com/professions/graduates#business-trainee-program>
- BMW Trainee Programme: <https://www.bmwgroup.jobs/de/en/students/entry-programmes/trainee-programme.html#location=DE,DE/Dortmund,DE/Eisenach,DE/Landshut,DE/Goettingen,DE/Saarbruecken,DE/Berlin,DE/Wackersdorf,DE/Krefeld,DE/Mannheim,DE/Bonn,DE/Dingolfing,DE/Regensburg,DE/Essen,DE/Munich,DE/Nuremberg,DE/Kassel,DE/Ulm,DE/Stuttgart,DE/Frankfurt,DE/Hamburg,DE/Leipzig,DE/OTHER,DE/Duesseldorf&fullText=gldp>
- SEAT Graduate Trainee Programme: <https://www.seatjobs.com/careers/graduate-trainee-programme.html>
- VOLVO Group Graduate Programmes: <https://www.volvogroup.com/en/careers/graduate-programs.html>
- AUDI Global Graduate Programme: <https://www.audi.com/en/career/graduates/audi-global-graduate-program.html>
- Speed dating with employers: <https://www.euroguidance.eu/guidance-systems-and-practice/good-practices/speed-dating-with-employers>

## ANNEX II. ICT and Events

- An inspiring ICT initiative:

By developing ICT mechanisms to facilitate the transition from School-to-work, technological networks could be created and implemented. For example, following the Speed Dating example, graduates or VET students could update their digital skills and join online job fairs and workshops. For example, the "ONEJOB 2021: GRADUATE ONLINE EUROPEAN JOB FAIR" that will be taking place in October 2021, "*opportunity for companies from the Galicia – North of Portugal euro-region, from Portugal and Spain, but also from all over Europe, to meet and make contact to highly qualified professionals (both students and "alumni") from Portuguese and Spanish Universities and also graduates from across the EU/EEA – with a broad scope of qualifications and skills*<sup>3</sup>".

- An inspiring event:

Local authorities could develop international workshops where local workers can have a preliminary meeting with local or international employers. The format of the workshop could get inspiration from the "Speed dating with employers" initiative by the University of Ljubljana Career Centre (University of Ljubljana, 2015). University students can speak for 6 minutes with representatives from potential companies; this would firstly enable them to obtain more job interview experience in a familiar atmosphere, and secondly, they could have a wonderful opportunity to arrange an internship, seasonal work, employment, or just to broaden their network.

## ANNEX III. Sources

- Council Recommendation of 15 March 2018 on a European Framework for Quality and Effective Apprenticeships (2018) *Official Journal of the European Union C153/01*. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018H0502%2801%29>. Accessed on 09 July 2021.
- Council Recommendation of 22 April 2013 on establishing a Youth Guarantee (2013) *Official Journal of the European Union C120/01*. Available at: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32013H0426%2801%29>. Accessed on 09 July 2021.
- Eurochambres (2019). *From School to Work: The Role of Chambers of Commerce and Industry*. Available at: <https://ec.europa.eu/social/BlobServlet?docId=21287&langId=en>. Accessed on 09 July 2021.
- European Centre for the Development of Vocational Training, European Commission, European Training Foundation, International Labour Organization, Organisation for Economic Cooperation

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<sup>3</sup> More information about this event available at: <https://www.europeanjobdays.eu/en/events/onejob-2021-graduate-online-european-job-fair>

- and Development, and UNESCO (2019). *Investing in career guidance*. Available at: <https://unesdoc.unesco.org/ark:/48223/pf0000371414>. Accessed on 09 July 2021.
- European Commission (2020). *Commission launches Youth Employment Support: a bridge to jobs for the next generation*. Available at: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_1193](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1193). Accessed on 09 July 2021.
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  - University of Ljubljana (2015). *Rector prof. dr. Ivan Svetlik and mayor Janković at a job interview*. Available at: [https://www.uni-lj.si/in\\_front/2015060516442994/](https://www.uni-lj.si/in_front/2015060516442994/). Accessed on 09 July 2021.