



**To President J.C. Juncker
Commissioner M. Thyssen**

Brussels, 12.07.2016

Dear President Juncker, dear Commissioner Thyssen,

Across the European Union we are seeing people feel increasingly disillusioned with the EU project. It is also clear that youth unemployment is a major issue that needs to be tackled head on. By way of example, it emerged from a recent Eurobarometer survey that more than half of young people in Europe have the impression that, in their country, the young have been marginalised and excluded from economic and social life by the crisis.

In 2014, the EU made the fight against youth employment a clear priority by introducing the Youth Guarantee scheme. It is a scheme that offers real opportunities for young people to find work. It is my firm conviction that youth should be kept at the very top of the EU's priority list.

The EU finally gave the green light to our proposal for the Youth Guarantee just two years ago. EU funding was subsequently allocated to it through the Youth Employment Initiative. Since then, all EU Member States that were eligible to obtain funding from the YEI have set up their youth guarantee mechanism in their respective countries. Some observers have referred to this as "one of the fastest implemented European structural reforms"¹.

In several Member States, the Youth Guarantee has proven that it can be a game changer for youth employment policies. In the Brussels region, in Belgium, it contributed to a 25% reduction in youth unemployment. Tens of thousands of young people have benefitted from youth guarantee schemes in France. In Austria, where it has already been in place for several years, the government is so convinced of the efficiency of the youth guarantee that it is considering making the mechanism mandatory for young people who are not employed, not in education and not in training (NEETs) and under 18.

In the light of all of this, we deeply regret the fact that the Commission's draft EU budget for 2017 "does not include additional commitments for the Youth Employment Initiative"².

We believe that the Youth Guarantee needs to become a permanent feature of EU employment policies and that its funding should be extended until at least 2020. There are three main reasons for this:

- ➔ Youth unemployment is slowly decreasing³ but is still far too high. With a youth unemployment rate still above 20%, the EU cannot afford to rest on its laurels. Instead, the EU needs to keep providing support to young people who are trying to find a path towards a good quality job.

¹ [European Commission, MEMO The EU Youth Guarantee, 8 October 2014](#)

² <http://ec.europa.eu/budget/library/biblio/documents/2017/statement-of-estimates-of-the-european-commission.pdf>

³ See [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Table_1_Youth_unemployment_2014Q4_\(%25\).png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Table_1_Youth_unemployment_2014Q4_(%25).png)



- Consistency in policymaking: In the Commission’s own words⁴, the Youth Guarantee “is a forward-looking and fundamental structural reform in the medium and long term”. So it is not a magic wand that can be used to deal with the problem of unemployment overnight. Putting the Youth Guarantee in place means, among other things, “investing in partnership approaches; building the capacity of public and private employment services, including through the provision of specialised youth services, reforming Vocational and Educational Training (VET) and apprenticeship systems”. All of these actions require time to allow them to bed in and generate results. Discontinuing EU financial support for the Youth Guarantee in 2017 at this stage would jeopardise all the valuable work that Member States have carried out, since 2014, to adapt their public employment services and offer tailored support for young NEETS.
- The European Foundation for Living and Working Conditions (Eurofound) has estimated that not being able to re-engage young people into the labour market cost over €150 billion to the economy in 2011 (1.2% of EU GDP)⁵, more than twelve times the amount we want the EU to dedicate to the Youth Guarantee.
- The EU shows itself in its best light when it tackles youth issues. Erasmus has become a positive symbol of the EU. After just two years of its existence, the Youth Guarantee is already known by 25% of young Europeans⁶. Putting an end to the Youth Employment Initiative would send a negative signal about the EU’s interest in young people at a time when both need each other more than ever.

I am convinced that you will agree with me that youth does not deserve to be removed from the EU’s priority list. We, the Party of European Socialists (PES) have put forward a European Youth Plan that shows that the EU cares about young people and is ready and willing to invest in them. We want a clear commitment from the EU to support job creation for young people. We want the EU to commit at least an extra 21 billion euro to support the Youth Guarantee up until 2020. We hope that you will support us in our efforts to secure this funding, starting with the 2017 EU budget.

The bottom line is that if the EU ignores the disenchantment in Europe with the EU project and scales down its efforts to deal with issues such as youth unemployment, there is a very real danger that the European project will gradually begin to unravel. Instead of that, what the EU needs is not just to scale up the Youth Guarantee but also to accompany it with a larger scale youth plan. The PES unveiled just such a youth plan, which is based on initiatives related to employment, education, culture and support for childhood, in June this year. You can see more about the youth plan at www.youthplan.eu

Sincerely,



Sergei Stanishev
PES President

⁴ [European Commission, Frequently Asked Questions about the Youth Guarantee, April 2015](#)

⁵ Eurofound (2012), NEETs – Young people not in employment, education or training: Characteristics, costs and policy responses in Europe, Publications Office of the European Union, Luxembourg

⁶ http://www.europarl.europa.eu/pdf/eurobarometre/2016/eye2016/eb85_1_eye_2016_analytical_overview_en.pdf

