

Employment initiatives supporting 25+ NEETs

COUNTRY REPORT – SLOVAK REPUBLIC

Slovak Business Agency

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IN THE FRAMEWORK OF THE PROJECT 'LOST
MILLENNIALS – TRANSNATIONAL RESEARCH
NETWORK FOR THE EVALUATION OF INITIATIVES
TARGETING 25+ NEETS'

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Project summary:

The project 'Lost Millennials' focuses on a regularly neglected group of the generation of Millennials: young people aged 25-29 neither in employment or education and training (25+ NEETs). This generation started their working life shortly after the economic crisis of 2008, perceiving uncertainty and lack of security for work and well-being, they are more likely to be inactive or in precarious jobs. The main objective of the project is to contribute to the successful integration of 25+ NEETs to the labour market through increasing knowledge on the effects of employment initiatives on 25+ NEETs, building capacity of stakeholders to perform impact studies and thus improving the quality of labour market interventions. This objective will be achieved through the creation of the transnational research network which will share know-how and good practices, the evaluations of governmental and community-based initiatives targeting 25+ NEETs, as well as the engagement of stakeholders to increase the policy-relevance of project results.

For more information, please visit our [website](#), contact us on lm.leadpartner@hetfa.hu and follow our social media ([Facebook](#), [LinkedIn](#)).

The Lost Millennials project is funded by Iceland, Liechtenstein and Norway through the EEA and Norway Grants Fund for Youth Employment.

Implemented by:



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1. Introduction

The implementation of activities aimed at supporting NEETs in Slovakia is well supported by the European Commission. In the 2014-2020 programming period, one of the six priority axes of the Human Resources Operational Programme (hereinafter OP HR) was the so-called Youth Employment Initiative. The Operational Programme represents the most important source of funding for active labour market measures in Slovakia, including the support of NEETs.

Priority Axis 2 (Younger Employment Initiative) of the OP HR was specifically designed to support the employment and employability of young people up to the age of 29. It is also the main funding instrument of the Youth Guarantee Programme in the area of increasing the employment and employability of NEETs.

There is also a Priority Axis 3 under the OP HR called Employment. This is aimed at promoting employment and employability of any group, including young people. Thus, young people are not excluded from participation in measures financed through the Employment priority axis, but their participation is marginal and the number of young people is not monitored as a stand-alone project measurable indicator. Therefore, the priority axis Employment is not considered for the purposes of this analysis.

2. Institutional context of initiatives and programmes

The dominant actor in the field of employment support in Slovakia is the Central Office of Labour, Social Affairs and Family (hereinafter as COLSAF). It is an organisation established and controlled by the Ministry of Labour, Social Affairs and Family of the Slovak Republic (hereinafter as MoLSAF), which implements public employment services through a network of 46 labour, social affairs and family local offices.

Despite the fact that Act 5/2004 Coll. on employment services (the main legislative framework under which employment and employability support is implemented in Slovakia) defines also the institutions of non-public providers of employment services, public employment services are provided almost exclusively by the local offices of labour, social affairs and family, while the role of non-public providers is marginal.

The majority of the funds earmarked for the promotion of youth employment, including the support of NEETs, is in Slovakia used for the benefit of the so-called national projects of which COLSAF is the beneficiary and implementor. These are the projects whose value usually exceeds EUR 10 million and which are implemented almost all over the territory of Slovakia.

In the period since 2014, 10 such projects have been implemented under the Youth Employment Initiative, with a total value of appr. EUR 320 million.

Table 1: Projects implemented under the Youth Employment Initiative

Official name of the project and link	Name of the project in English
Praxou ku zamestnaniu 2	Work experience to employment 2
Vzdelávanie mladých uchádzačov o zamesntnanie II	Training for young jobseekers II
Reštart pre mladých UoZ 2	Restart for young jobseekers 2
Vybrané opatrenia na trhu práce pe mnadých UoZ	Selected labour market measures for young job seekers
Reštart pre mladých UoZ	Restart for young jobseekers
Vzdelávanie mladých uchádzačov o zamesntnanie	Training for young jobseekers
Šanca pre mladých	A chance for young people
Úspešne na trhu práce	Successfully on the labour market
Absolventská prax štartuje zamestnanie	Graduate practice starts a job
Praxou ku zamestnaniu	Work experience to employment

Source: ITMS 2014+. Downloaded on 14.9.2022 from <https://www.itms2014.sk/>.

In addition to the implementation of the above-mentioned national projects, the Youth Employment Initiative has also implemented schemes to support activities carried out by a wide range of organisations, primarily NGOs. Support for the activities of NGOs has been implemented through the so-called demand-driven calls for projects. Since 2014, three such calls¹ have been implemented under the Youth Employment Initiative, with a total allocation of EUR 42 million. The aim was to support innovative approaches. However, the calls did not meet with much interest, and only a small proportion of this value (EUR 3.3 million) was contracted. It resulted in the support of 30 individual projects implemented by a spectrum of NGOs, mostly at local level.

On the basis of the above, it can be argued that all activities aimed at promoting NEET employment have been cumulated under the umbrella of the Youth Employment Initiative programme, which is part of the Human Resources OP implemented during the 2014-2020 programming period.

The managing authority of the programme as well as the content guarantor is the Ministry of Labour, Social Affairs and Family. The implementation of activities is carried out through

- (a) national projects for which COLSAF is the beneficiary and implementor and which are contracted directly between the managing authority and the beneficiary; and

¹ Call No.1 - Activation and support of young NEETs

Call No 2 - Supporting the entry of selected groups of young people into the labour market

Call No 3 - Supporting the entry of selected groups of young people into the labour market

- (b) so-called demand-oriented projects, the implementation of which is carried out through an intermediary body, in this case the Implementing Agency of the Ministry of Labour and Social Affairs of the Slovak Republic, and whose beneficiaries are a wide range of organisations, in particular NGOs.

More information about the Youth Employment Initiative programme can be found at: <https://www.ludskezdroje.gov.sk/>

3. Focus of initiatives/programmes

3.1 Typology of initiatives/programmes and their supported activities

Active labour market policies implemented in Slovakia are characterised by relatively low investment in upskilling and reskilling programmes² and high investment in job incentives programmes³ (Štefánik et al, 2022).

For the activities implemented under the Youth Employment Initiative programme, there is a higher emphasis on upskilling and reskilling compared to other target groups, but job incentives are a dominant component here as well.

In addition to direct support to employers to subsidise the total cost of labour, there is also a strong emphasis on training programmes. One of the successful active labour policy measures (hereinafter as ALMP) implemented in Slovakia is the so-called 'graduate practice'. This is a measure designed for graduates no more than two years after leaving secondary or higher education, aged up to 26 years, in which young people gain work experience of 20 hours per week, for a maximum of 6 months. Graduate practice is also strongly supported by the Youth Employment Initiative. From the perspective of the 25+ NEET target group, the limit for graduate practice is the age limit of the participant, which is set at 26 years. This is the reason that just under 10% of all participants annually are aged 25+, which in 2019, for example, amounted to 356 participants aged 25+ (COLSAF, 2020).

In the case of the so-called demand-oriented projects implemented primarily by non-profit organisations, the focus has been on individual support for young people with an emphasis on youth activation. A significant part of the activities was focused on the identification of NEETs and on activities leading to their registration in the register of job seekers. At the moment of registration, NEETs had the

² Only 10% of the total expenditure on ALMP in Slovakia was allocated to this type of measures for jobseekers in 2019, while the EU average was 40% (source: LPM Database, LMP_EXPME. Downloaded on 14.9.2022 from <https://webgate.ec.europa.eu/empl/redisstat/databrowser/explore/all/lmp?lang=en&display=card&sort=category>).

³ Up to 55% of the total ALPM expenditure in Slovakia was allocated to this type of measures for jobseekers in 2019, while the EU average is only 17% (source: *ibid*).

opportunity to participate in the programmes implemented by COLSAF within the framework of the so-called national projects.

3.2 Geographic coverage of NEETs support

Activities implemented under the Youth Employment Initiatives Programme in Slovakia are addressing people up to the age of 29. Although the participation of people aged up to 25 and people aged 25-29 is tracked separately during the implementation of most of the project, this distinction is not applied in the context of the project's measurable indicators or financial plan. 25+ NEETs are not a separate target group, and there are no separate allocation/programmes for NEETs aged over 25.

From the territorial coverage aspect, activities aimed at supporting NEET employment are hardly implemented in the Bratislava region (NUTS3 level). Due to the economic performance of the Bratislava region and the low rate of registered unemployment, the region was not covered to the support of the Youth Employment Initiative, and the region is not considered a priority area even from the point of view of the European Social Fund. Activities aimed at NEETs are only implemented to a minimal extent in the Bratislava Region, unlike in the rest of Slovakia.

4. Financial aspects of initiatives and programmes

As it is repeatedly stated, the main and essential source of funding for activities implemented in favour of NEETs in Slovakia comes from the European Community, the Youth Employment Initiative⁴ and the European Social Fund.

In the 2014-2020 programming period - in line with the rules in effect until December 2023 - these funds have been accumulated in a separate priority axis of the Human Resources Operational Programme named the Youth Employment Initiative.

Under the Youth Employment Initiative priority axis, which can be considered as a separate programme and the main funding instrument of the Youth Guarantees Programme, 10 large, so-called national projects were implemented on the territory of the whole country (except for the territory of the Bratislava Self-Governing Region), and 30 local projects were identified through three calls for projects (implemented also in the whole territory except Bratislava region).

⁴ The name of the eponymous European initiative through which the Youth Employment Initiative priority axis is co-financed.

For all these activities, the main source of funding is the Youth Initiative and the European Social Fund. The list of projects and project calls is given in Table 2 and Table 3. No data was available for the financial allocation for 25+ NEETs within the initiatives.

Table 2: Budgets of programmes including 25+ NEETs implemented as large scale project

Name of the project	Budget of the project in EUR	Number of participants aged up to 29
Praxou ku zamestnaniu 2 (Work experience to employment 2)	29,999,996	3,800
Vzdelávanie mladých uchádzačov o zamestnanie II (Training for young jobseekers II)	7,081,935	8,275
Reštart pre mladých UoZ 2 (Restart for young jobseekers 2)	29,942,400	24,835
Vybrané opatrenia na trhu práce pre mladých UoZ (Selected labour market measures for young job seekers)	11,999,988	7,700
Reštart pre mladých UoZ (Restart for young jobseekers)	9,994,542	24,500
Vzdelávanie mladých uchádzačov o zamestnanie (Training for young jobseekers)	30,983,991	29,479
Šanca pre mladých (A chance for young people)	49,981,644	7,000
Úspešne na trhu práce (Successfully on the labour market)	50,000,000	10,287
Absolventská prax štartuje zamestnanie (Graduate practice starts a job)	50,000,000	37,000
Praxou ku zamestnaniu (Work experience to employment)	50,000,000	16,000

Source of information: own elaboration, based on the webpages cited. Downloaded on 14.9.2022.

Table 3: Budgets of programmes including 25+ NEETs implemented as demand-oriented projects selected based on the open call

Name of the project call	Budget of the project in EUR allocated	Budget of the project in EUR contracted	Number of individual projects granted
Aktivizácia a podpora mladých NEET – VÝZVA UZAVRETÁ Implementačná agentúra MPSVR SR (gov.sk) (Activation and support for young NEETs)	30,000,0000	1,917,277	18
Nové alebo inovatívne programy na zlepšenie samozamestnania mladých ľudí – VÝZVA	10,000,000	1,074,214	10

UZAVRETÁ Implementačná agentura MPSVR SR (gov.sk) (New or innovative programmes to improve young people's self-employment)			
Podpora vstupu vybraných skupín mladých ľudí na trh práce – VÝZVA UZAVRETÁ Implementačná agentura MPSVR SR (gov.sk) (Supporting the entry of selected groups of young people into the labour market)	12,000,000	278,535	2

Source of information: own elaboration, based on the webpages cited. Downloaded on 14.9.2022.

The ability to drawdown financial support is significantly different in the case of so-called national projects and so-called individual (demand-oriented) projects. While the funds allocated to national projects implemented through COLSAF are being spent in a planned manner, the funds allocated to individual projects aimed at supporting NEETs have remained significantly underspent. Although no evaluations have yet been carried out to systematically describe the reasons for the low uptake, it can be argued from anecdotic information from the field that this is due to the inappropriate setting of the conditions for uptake, which the organisations are unable to meet or accept. Therefore, funds remain unspent by NGOs, and the unspent amounts are used in favour of centrally managed and implemented national projects.

5. Implementation of initiatives and programmes

5.1 Project implementers

The main part of the budget earmarked for the promotion of youth employment in Slovakia is implemented through national projects, of which COLSAF is the beneficiary and implementor.

The projects are implemented through its network of 46 local labour, social affairs and family offices (43 excluding the Bratislava region) (hereinafter as local labour office), which are spread throughout Slovakia. The local labour offices maintain a register of jobseekers and act as a registration office for jobseekers. In addition, they are the sole provider of public employment services.

The funds of the specific national projects are redistributed based on simple applications submitted by the jobseeker or employer to the territory competent local labour office. Allocation of funds is subject to the fulfilment of all specified conditions and the approval of the so-called Local Employment Committee. The Local Employment Committee is always composed of 11 members, including the representatives of the local labour office, the regional municipality, local municipalities, employers operating in the locality and representatives of trade unions operating in the region.

The decision on the allocation of funds administered through national projects, for the use of specific jobseeker/employer, is therefore always taken by the representatives of the social partners operating in the area.

The type of applicant for support is conditional on the national project under which the applicant is applying for support. In some cases, it is the young person himself (e.g., in the programme of the graduate practice); in other cases, it is the employer. However, the employer only applies for support for the specific job that it is creating for the young person. This is a relatively straightforward process, and the number of such grants is in the thousands each year.

In the case of demand-driven projects, the individual calls strictly determine the range of eligible beneficiaries (i.e., the programme implementers). Although the range is quite broad and open to municipalities, public sector organisations and other organisations, it can be argued that it is the non-profit sector that plays the dominant role. However, the range of activities implemented through NGOs is minimal.

Compared to several European countries, local and regional governments are only marginally involved in the implementation of programmes aimed at supporting NEETs. The reasons for this can be found in the competences of local and regional authorities and the resulting limited capacities. On the other hand, local authorities often act as employers of people far from the labour market, including NEETs.

5.2 Target groups of NEETs

The topic of NEETs in Slovakia is framed by the Youth Guarantees programme, which is designed for young people up to the age of 29. Despite the age limit being higher than in many European countries, NEETs aged 25+ do not represent a specific target group of any project or initiative implemented. Rather, the discussion focuses on young people who are at risk of dropping out of school or on young graduates, so in most cases it is NEETs under the age of 25.

Based on the available information, it has not been possible to identify a project or initiative where 25+ NEETs would represent a separate target group and the number of 25+ NEETs would be included as an indicator of project success. The number of participants aged 25+ is in some cases monitored and reported, but this is only indicative and is not included as a key indicator. Therefore, no specific attention is paid to monitoring this indicator.

The exception is projects where the scope of the financial subsidy for each age group of NEETs is differentiated. Such is the case of the active measure of the ALMP measure called 'Allowance for first paid employment', which entered into force in 2014. Under the measure, the amount of support is conditional on the age of the participant: participants aged 25-29 years are eligible for a lower level of

support compared to the under-25 age group. The measure forms a marginal part of one of the Youth Employment Initiative programmes, with only 751 participants in 2019, of which only 155 were aged 25+ (COLSAF,2020). The implementation of the measure was financed through the national project 'Successfully on the labour market'.

6. Conclusions

The NEET category in Slovakia is framed by the National Youth Guarantee Programme (MoLSAF, 2014), which includes people aged up to 29. The 25+ NEET group is not perceived in Slovakia as a separate target group with specific needs, and there are no specifically targeted projects or programmes addressing this group of young people.

The participation of people aged up to 29, with no further subcategorization, is one of the key indicators of the Human Resources Operational Programme, which can be considered as the main source of financial support needed for the implementation of programmes to support NEETs.

Due to the lack of emphasis on a higher level of granularity of the target groups of NEET-focused programmes in Slovakia, it is difficult to monitor the impact of individual implemented projects on the 25+ NEET group.

In Slovakia, there is also an absence of expert discussion on the specifics of the 25+ NEET target group, and the topic is not enjoying sufficient attention of the academic community.

7. References

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